



Annual report for tenants 2015/16

Welcome to our Annual report for tenants 2015/16, highlighting our performance and achievements over the last year.

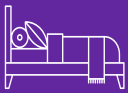
2015/16 was a great year for Network as we brought all of the housing associations in the Group together to form a single housing association, Network Homes. Throughout the year, we made great strides towards achieving our ambitions to build 1,000 new homes a year, achieve 90% customer satisfaction, increase our financial strength and become a Sunday Times 'Top 100 Company to Work For'.

80.1%
overall customer satisfaction

One of the top 10 customer service centres in the UK Contact Centre awards, May 2016

Your rent

We set the rent for our social rented homes in line with the Government's policy on target rents and based on the size and value of the property. The table below shows the average rent for our properties per week.



Average social rent per week 2015/16

Bedsit	£90.33
1 bed home	£107.49
2 bed home	£124.08
3 bed home	£135.93
4 bed home	£145.44
5 bed home	£154.27
6 bed home	£164.92
Average	£124.34

In 2011, the Government introduced a new policy on rents called Affordable Rents. All of our rents for new homes and some of our rents for existing homes let after this time have been at the Affordable Rent level. Our Affordable rents are set in line with the Government's guidance. Affordable rents are capped at 80% of the market rent level.

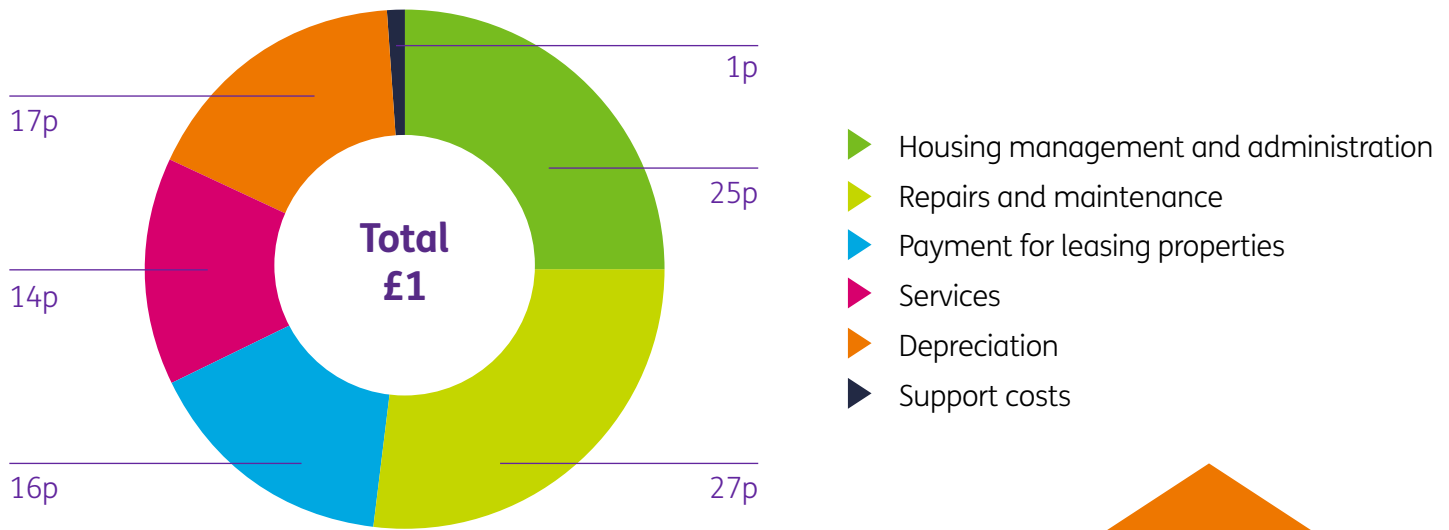


Average affordable rent per week 2015/16

1 bed home	£182.27
2 bed home *	£212.17
3 bed home	£197.16
4 bed home	£203.49
5 bed home	£212.26
Average	£198.99

***Please note:** the average rent of a two bed home is higher because we have more 2 bed homes in London, where rents are typically higher, than we have in areas outside London.

How we spend each £1 of your rent



Our performance on rent arrears was better than the performance of our main peer group of other London-based housing associations.

3.6%
current rent arrears
(target 4.5%)

Empty homes

Before new tenants can move into an empty home, our surveyors check the property to make sure it's safe and in a good state of repair.

It takes us 31 days on average (target: 30 days) to carry out this process and move new tenants into a home.

During 2015/16 we lost nearly 1% of potential rent money due to homes being empty.

Repairs

We are committed to making sure that your home is well maintained and in a good state of repair.

78%
resident satisfaction
with overall repairs

100%
of homes had a valid
gas safety certificate

91%
of reactive repairs
were completed on
time

56,000
day to day repairs
completed



88%
satisfied with our customer
service centre

79%
of enquiries resolved
at first contact

90%
of complaints received
were resolved
at stage 1

Customer services

We're dedicated to providing you with a high level of service and we're working towards achieving 90% customer satisfaction. In 2015/16 over 80% of our customers were satisfied overall with our services.

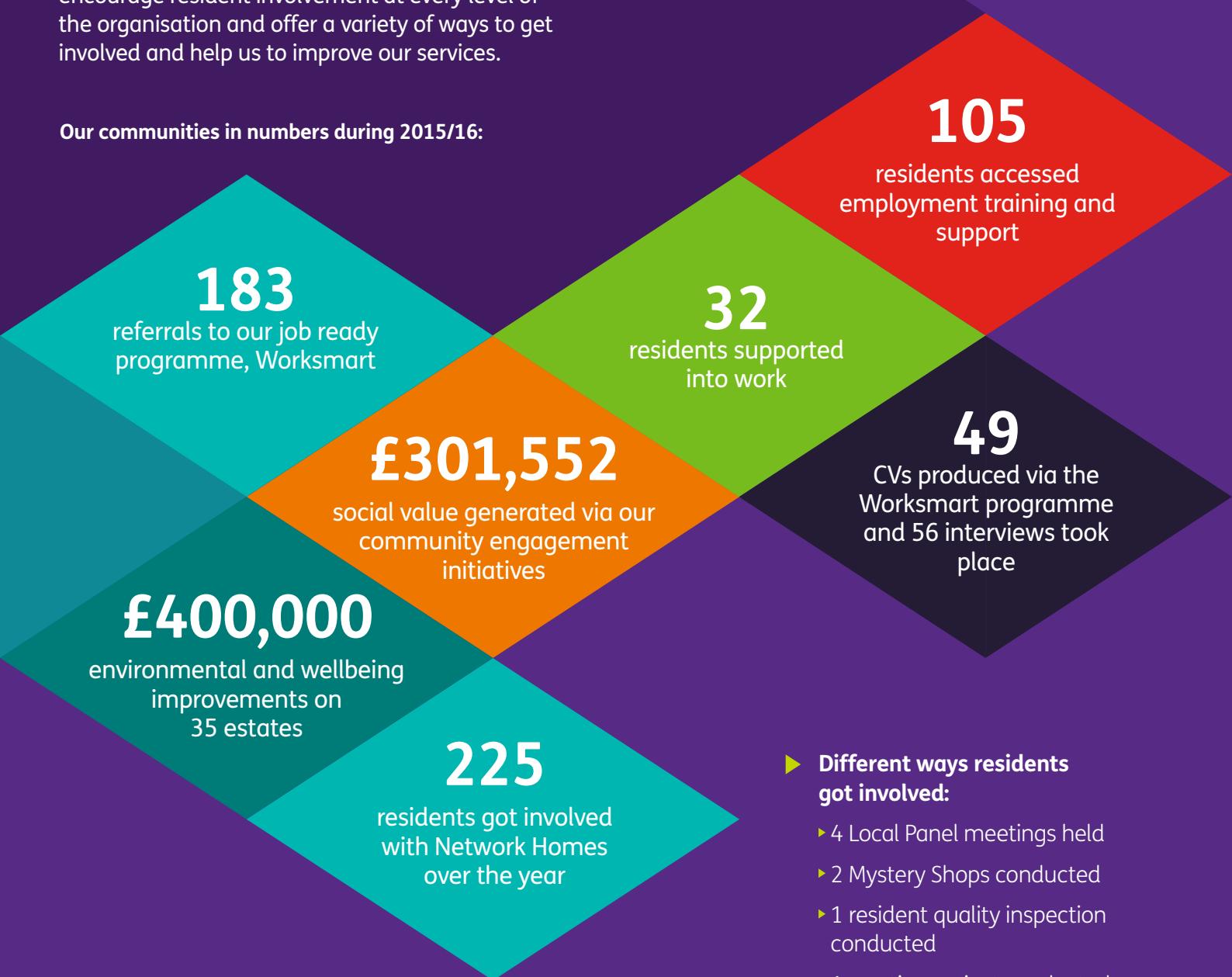
We recognise the importance of customer complaints and welcome them as a valuable form of feedback about our services. We aim to resolve all complaints at first point of contact which is stage one of the complaints process. Last year, only one complaint reached the Independent Housing Ombudsman Service and this complaint was not upheld.

Stage of complaint	Number of complaints
Stage 1 - Resolved by the Management Team	1,564
Stage 2 - Resolved by the Director or Executive Director	149
Stage 3 - Resolved by the Board	32
Total number of complaints	1,745

Thriving communities

We've invested to help residents access advice, employment and training, to improve communal areas and take part in community projects. We also encourage resident involvement at every level of the organisation and offer a variety of ways to get involved and help us to improve our services.

Our communities in numbers during 2015/16:



- ▶ **Different ways residents got involved:**
 - ▶ 4 Local Panel meetings held
 - ▶ 2 Mystery Shops conducted
 - ▶ 1 resident quality inspection conducted
 - ▶ 1 scrutiny project conducted
 - ▶ 70 residents attended Resident Involvement Celebration and Awards event

Value for money

We're always monitoring to make sure we're delivering value for money services. We benchmark our services using HouseMark, a membership-based organisation which seeks to help the social housing sector improve performance and achieve value for money.

This year, we've:

- ▶ Invested £46 million in new homes
- ▶ Invested over £30 million in maintaining our existing homes
- ▶ Created new contracts to improve our cleaning and grounds maintenance services at better value for money

- ▶ Completed 945 new homes
- ▶ Improved our current rent arrears performance by 0.5%

Over the next three years we intend to invest a substantial amount of money in improving our customer services through better IT systems and investment in repairs, our customer service centre and in staff training.

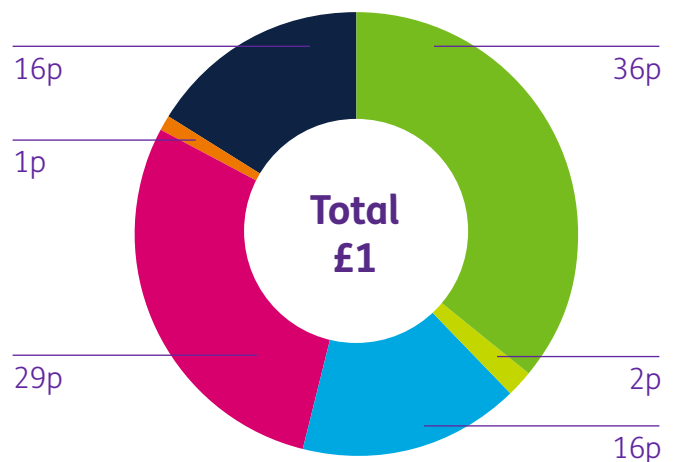
Financial results

We improved our financial performance in the last year and made a net surplus of £155 million. All of our surplus is reinvested back into our business to build new homes and improve our services.

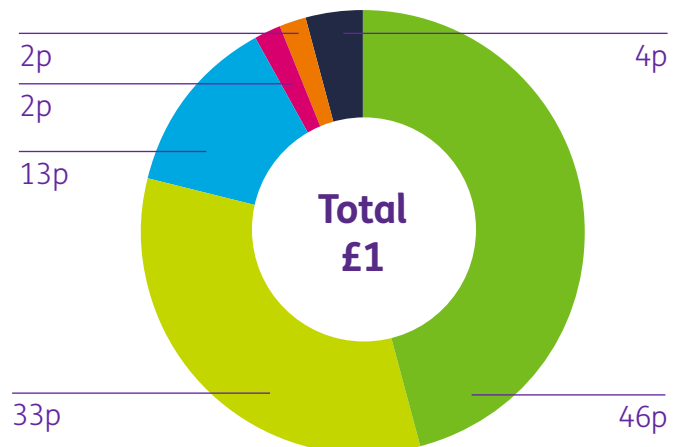
Network income	£'000
▶ Social housing income (rent, service charge and grants)	£137,969
▶ Surplus on sales of properties	£7,465
▶ Interest on bank deposits [^]	£477
▶ Other social income [*]	£62,389
▶ Non-social income +	£110,654
▶ Revaluation of investment properties	£2,594
▶ Restructuring of loans	£62,335
Total income	£383,883

Network expenditure	£'000
▶ Social housing costs	£103,428
▶ Cost of properties sold	£75,056
▶ Loan interest payments	£29,616
▶ Other social costs	£5,251
▶ Non-social costs	£5,223
▶ Cost for restructuring of loans	£9,979
Total expenditure	£228,553

Where each pound comes from



Where each pound goes



We are an award-winning housing association and build award-winning homes. These are a few of the awards we won during 2015/16:



6 [^]Interest on bank deposits amounts to less than 1p therefore it is not shown on the pie chart.

^{*}Other social income includes fees from agency contracts, supporting people contracts and sale of shared ownership properties.

⁺Non-social income includes rent from commercial properties, rent from student accommodation properties, and market sale properties.