



Housing Corporation Assessment

Innisfree Housing Association (LH3829)

Date of publication: January 2007

Housing Corporation Assessment

The 'traffic light' system used below illustrates our overall assessment of the association's compliance with the Regulatory Code and Development performance. A green symbol indicates no material concerns about performance, the association is either complying with the Regulatory Code or taking sufficient steps to comply with the Code within a reasonable timescale; an amber symbol indicates some material concerns about performance, resulting in Corporation action above the minimum; a red symbol indicates serious concerns about performance.

VIABLE

Measuring compliance with the Regulatory Code part 1

Green

The association meets the expectations set out in the Regulatory Code in terms of financial viability.

PROPERLY GOVERNED

Measuring compliance with the Regulatory Code part 2

Green

The governing body gives effective leadership and control, has a wide range of skills and experience and, supported by appropriate governance and executive arrangements, is improving its own performance and that of the organisation.

PROPERLY MANAGED

Measuring compliance with the Regulatory Code part 3

Green

The association generally meets the standard expected given the context in which it works and the available resources.

DEVELOPMENT

Development with Housing Corporation funding

N/A

The association has not received substantial Corporation funding in the past year.

In preparing this assessment the Corporation has placed reliance on the completeness and accuracy of information supplied to us by the association and other parties. This information was used to inform our risk based approach to regulation and to identify areas of possible non-compliance with the Regulatory Code for further investigation.

The assessment has been compiled to assist the Housing Corporation in its statutory duty of regulation of Registered Social Landlords. Our assessment makes clear to the association's board the conclusions we have reached regarding the association's compliance with the Regulatory Code and its suitability to receive public funding. The Corporation accepts no liability whatsoever for the accuracy or completeness of any information or assessment contained herein. No third party may rely on its contents, but must make its own investigations or enquiries.

Description of the association

Innisfree Housing Association was established in response to the disadvantage and discrimination faced by the Irish community in London, and the majority of Innisfree’s residents come from this community. It was formed in 1985 and was registered by the Housing Corporation in 1989. It is a Black and Minority Ethnic (BME) association.

Innisfree owns just over 300 general needs homes and has more than 20 in management for partner associations, pending acquisition. There is a development pipeline of more than 100 properties. In addition, the association owns a sheltered scheme for 25 Irish elders which also includes almost 40 supported bedspaces. The association provides floating support for 40 tenants in Brent & Camden.

The majority of Innisfree’s stock is in the London Boroughs of Brent, Camden, Ealing, Hammersmith & Fulham and Haringey. Innisfree works with a number of partners including Community, Family Mosaic, Octavia, Metropolitan, Newlon and Network.

Innisfree is targeting its future operations to the north and west London regions, focusing in particular on boroughs with large Irish populations. High demand for housing exists in its operational areas, with a similar trend projected in the future.

Services are tailored to the needs of the Irish community and influenced by the regular research carried out on behalf of the association. The association benefits from a staff team which is predominantly Irish and able to offer a cultural understanding to the services which it provides. The team has the flexibility to incorporate the association’s planned growth, including the development of additional support services.

Continuous improvement at Innisfree is promoted through its membership of the Solomon group of housing associations which benchmark and work together on best value initiatives. Future benchmarking will be enhanced by joint work with the SolFed group.

Viable – Regulatory Code part 1

The association meets the expectations set out in the Regulatory Code in terms of financial viability.

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Historically, Innisfree’s financial position has been strong. This continues to be evident in the association’s current five year forecast, even though it is looking to use its capacity to increase in size.

Innisfree is forecasting a strong operating margin throughout the period. This enables Innisfree to service a greater level of interest payments, and hence increase its debt to

pay for the additional homes.

For Innisfree, in common with all expanding associations, there are operational as well as environmental risks. The association needs to continue to ensure that it has sufficient management controls to mitigate any exposure in relation to its new programme and treasury management.

Innisfree expects to achieve target rents by the 2010 deadline.

Properly Governed – Regulatory Code part 2

The governing body gives effective leadership and control, has a wide range of skills and experience and, supported by appropriate governance and executive arrangements, is improving its own performance and that of the organisation.

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Innisfree's governance framework is headed by a board, supported by housing services, finance, audit and risk sub-committees, and a staffing panel. The board currently consists of eleven members, one of whom is a tenant. The association has ten BME board members. Innisfree is proactive in its approach to resident involvement, using a wide variety of methods to include residents in decision making and to aid its understanding of tenant aspirations. Board members are active participants in this work.

Innisfree has an effective board comprising people with a range of skills and experience relevant to the association's activities and its business objectives. Board meetings are professionally conducted, facilitated by good quality papers and allowing full opportunities for discussion. Innisfree keeps its governance arrangements and performance under review and is continually looking for opportunities for improvement. Relationships between the board and management are good and supportive.

The board holds an annual away-day in the autumn. The board has adopted a vigorous approach to risk management and internal control. Innisfree has improved its approach to risk management in the past year, and work is in progress to further enhance the clarity and thoroughness of its risk management strategy.

The board monitors Innisfree's performance against that of other members of the Solomon group and looks at its performance within this context on a quarterly basis.

The board's self assessment of compliance with the Regulatory Code (May 2006) was comprehensive. It concluded that Innisfree broadly complies with the Code. The association has made and continues to make progress in addressing the few areas where it has not yet achieved full compliance. This conclusion reflects our view. Information is readily shared with the Corporation and we consider the relationship to be structured and co-operative.

Innisfree has been making steady progress in meeting the equality and diversity

requirements in the Regulatory Code. We are satisfied that this progress is continuing.

Properly managed – Regulatory Code part 3

The association generally meets the standard expected given the context in which it works and the available resources.

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Innisfree benefits from a knowledgeable and experienced staff team, which has the flexibility to incorporate the association's planned growth.

Innisfree's performance indicators show that its performance with regard to routine repairs completed within target continues to be amongst the best in its peer group. However, within this peer group its relative performance on turnaround of vacant properties and tenant satisfaction has fallen and it is no longer in the top quartile. Innisfree has informed us that its board has taken a strategic decision to prioritise Irish applicants for housing in the knowledge that its performance on voids would deteriorate as a result. We will be discussing this with the association. The absolute level of performance though, is satisfactory.

The association has a comprehensive anti-social behaviour policy which was drawn up in conjunction with its tenants. This is used whenever appropriate in conjunction with local authority support and mediation.

Innisfree conducted a full survey of supported housing tenants in the spring of 2006. The findings, which showed high levels of satisfaction with services, are reflected in the high gradings Innisfree has received in all its recent Supporting People reviews.

Innisfree's tenant involvement policy was reissued in 2006 with tenant input and has led to the formation of a range of new consultative groups which influence the policy and practices of the association. Tenants' opinions and suggestions have been incorporated into several existing and new policies which allow tenants more involvement in the management of their homes. Innisfree carries out regular STATUS surveys of residents and uses the findings to make service improvements.

The association meets Decent Homes Standards across all its properties. A Stock Condition Survey has recently been carried out and the findings from this survey are being used to update the association's planned maintenance programme to ensure it continues to provide Decent Homes.

Innisfree recognises the benefits of working in partnership with other housing associations and has made a success of these relationships. Partnership arrangements cover both new development and service delivery.

Innisfree devotes substantial time and energy to involvement in the National and London Housing Federations at a strategic level, contributing to policy debates. It is also actively involved in a number of local authority and sub regional forums. These

partnerships facilitate the delivery of services to Irish communities in London and also the promotion of BME housing associations within and beyond the sector.

Development with Housing Corporation funding

The association has not received substantial Corporation funding in the past year.

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Innisfree's new development is carried out on its behalf by partner associations. Innisfree continues to be in high demand as a BME partner which is attributed to its willingness to actively participate in and contribute to projects. Within the period 2004/06 the association partnered with Origin Housing Group, Shepherds Bush Housing Association and Octavia Housing and Care, now known as the Connected partnership. In 2006/08 Innisfree will partner with Connected, Family Mosaic Housing, Newlon Housing Trust and Metropolitan Housing Trust.

In 2004/06 Community has developed 11 homes for rent to be transferred to Innisfree in the North Sub-region on the Kingdon Road Site for total grant of £1.7 million.

In 2006/08 Innisfree will receive indirectly funding to provide a total of 132 rented homes through various partnering associations.

Two schemes, Kylemore Court in Hammersmith and Fulham and Station Road in Brent were subject to Corporation compliance audits in February 2004; these showed very good development performance, good quality housing and good attention to procedural compliance.

We will continue to support the association for indirect allocations as long as schemes meet our strategic objectives, are deliverable and provide value for money.

Sources of information and regulatory activity

1. The following information is generally received from all associations and is reviewed by the Corporation for each association:

- Audited annual accounts
- External auditors' management letter
- Annual self-assessment of compliance with the Regulatory Code
- Internal controls assurance statement
- Business plans
- Financial returns
- Performance indicators
- Regulatory and statistical return
- Annual efficiency statement

2. Additional information about the association can be accessed through the “Resources” section of the Housing Corporation website and may include:

- Performance Indicator information (www.housingpis.co.uk)
- Inspection report (www.housingcorp.gov.uk/resources/inspection.htm for Housing Corporation reports or www.auditcommission.gov.uk for Audit Commission reports)
- Extracts from the Public Register (www.housingcorp.gov.uk/resources/register/select.htm)
- Rent information and other key facts and figures (www.rsrsurvey.co.uk and www.dataspring.org.uk)