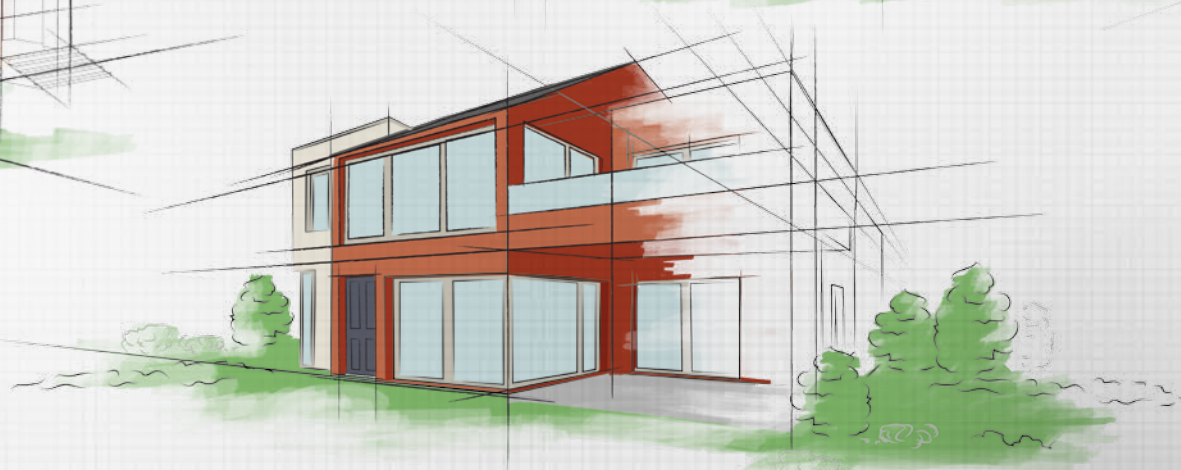
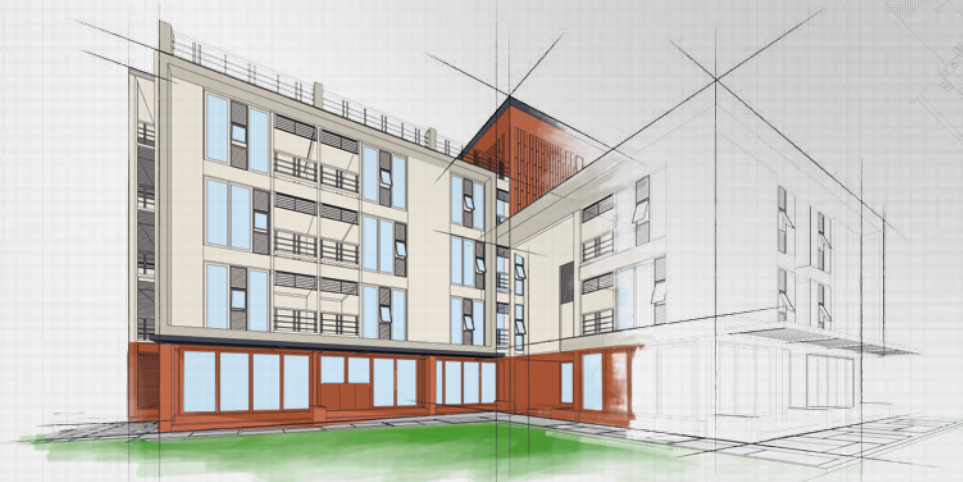


North London Muslim Housing Association

# ANNUAL REPORT 2020-2021



*Building homes, creating communities*





# Message from the Chair

As we come to the end of my second year as Chair of the Board of Management, a significant event occurred that will have a major impact not just on NLMHA and our residents, but also on the whole environment in which we operate. We went through a lockdown in the United Kingdom, in response to the second wave of coronavirus epidemic.

It has been a difficult time for so many people and communities, but I know that by supporting our residents and communities through the pandemic, we are playing our part in making sure we come through this challenge together.

Residents in our community have always been at the centre of our activities and the driving force behind innovations and decisions. Staff and residents working together remains a strength and will see us through this pandemic.

Our IT systems proved to be extremely robust, enabling a very quick move to home-based working, while our front-line staff were able to maintain essential cover across all of our services.

This year, we have been able to complete a much-needed IDA-ready gap analysis review by Savills. We were pleased to receive a very positive report. Action plans are in place to cover little gaps, but we are in much better position to meet future challenges as a large provider – which will bring greater scrutiny from our regulator in everything we do.

I am delighted to report that it has been another solid year for NLMHA. As one of the leading BME housing associations in London, we have strong foundations, robust finances and great people.

As Chair, it is appropriate that I consider our governance and viability as a top priority. I am pleased to report that we remain a financially strong and viable organisation. Our net surplus for the year was £2.4m, compared with £2.07m in 2019-20.

We continue to focus on the Regulator of Social Housing's standards; reviewing and benchmarking our compliance. As part of our commitment to governance and regulation, I am working closely with my Board and Chief Executive.

*I am delighted to report that it has been another solid year for NLMHA.*

The outlook for the coming year is quite uncertain, especially with the potential impact of Covid-19 and Brexit. One thing is certain – there will continue to be a strong demand for new affordable homes in London. We remain committed to our core values and key strategic objective to provide good quality homes that are affordable to people in housing need. We have continued to invest in new homes.

I would like to take this opportunity to thank all the Board members for their dedication and support to the Association. On behalf of the Board, we would also like to record our thanks to all our partners and other stakeholders for their hard work, commitment and continuing support throughout the severely testing conditions. Without their dedication and teamwork, we would not have been able to provide the quality

services so valued by our residents. It is deeply appreciated. They are fundamental to our success and make a difference in everything we do.

Finally, but not least, the excellent work of our Chief Executive, Aziz Rahim, needs to be acknowledged. His leadership, reputation and networking within the housing sector have been instrumental in achieving another successful year and acquiring some excellent schemes at very good value for money.

My overwhelming impression is of an organisation that is ready for the next exciting phase of its development. I am really looking forward to playing a role in its continuing transformation.

Things have not come to a stop. Our plans for the future are ambitious as we invest in our people, our homes and our neighbourhoods – building that better future.

**Yahya Hafesji**  
Chair, September 2021



Board Residential 2021.



# Message from the Chief Executive

The coronavirus crisis shone a light on us and reinforced our emphasis on our core value: *Take our residents into the heart of all we do.* This means giving our residents the best in customer service and the opportunity to create the communities they want to live in.

Managing the operational impact of coronavirus, while ensuring a compassionate, considered response, has been a major task. We would like to thank our residents and colleagues for their patience and tenacity during a year where we all had to make significant adjustments to the way we live, work and support each other.

Adapting to digital and remote working this year has brought both challenges and benefits, and we have responded with agility and focus. We have continued to provide services that aim to meet the needs of our residents and the communities we serve.

We are preparing for the transition into the 'large provider' regulatory regime and a likely In-Depth Assessment (IDA), in 2023-24. Ours is an organisation conscientious about its regulatory obligations. We are keen to ensure that the strength of our governance and performance match the size and complexity of our company as it continues to grow.

Consultants from Savills carried out a thorough 'IDA-ready gap analysis' for us and we were very pleased to receive their glowing report. Overall, we are well positioned – given the expected timescales for growth above the threshold. The report confirmed that the Senior Management Team is experienced and presented well as a group, and Board members showed a very good understanding of governance expectations and were clear on where there is work to do.

NLMHA's new Corporate Plan takes into account an ambitious future development programme and all the other strategic challenges we will face over the next three years. It pays particular attention to continuing good governance, ensuring future financial viability, and maintaining the quality of service that our residents and other stakeholders should expect.

I am confident that our robust position, strong leadership and entire workforce create the foundations that are essential at this time.

I would like to thank my Chair and the Board for their strategic leadership, support and wisdom in overseeing our current performance and future development.

I would like to pay tribute to my colleagues who have kept NLMHA operating through very difficult circumstances. Their dedication and resilience, their kindness and reliability, are what have kept us going in such troubled times. We also demonstrated a consistently high level of leadership and people management, maintaining our Gold Investors in People (IIP) status, following a re-accreditation in January 2021.

Tenant engagement is important to us and we undertake an annual satisfaction survey to understand how we are performing, and how we can continue to improve our services. The Tenant Scrutiny Panel meets regularly to discuss operational issues. It helps to shape and improve our service provision and to influence our strategic direction. We continue to strive to improve our engagement with residents and to increase our accountability.

*NLMHA is in good shape for the years ahead and will continue to develop new homes, maintain and improve our existing homes, deliver excellent customer services and support our residents.*

The introduction of the new Building Safety Regulator will be part of the biggest change in building safety for a generation, throughout the sector. We are preparing to meet any challenges it poses. We must combine our traditional strengths and bold vision with a renewed focus on what needs to change and what we can do better.

Our track record demonstrates the significant value we create through the work that we do. We are strongly committed to delivering effective value for money. We always ensure that our work is underpinned by our undertaking to drive efficiency and effectiveness.

A strong financial surplus is the fundamental building block on which we will build our ambitious plans for the future. We generated a surplus of £2.4m in 2020-21 and that robust position helped us to invest in new and existing homes. We are currently building nearly 168 new homes – 100% for affordable tenures. We have focused on meeting high building safety and energy efficiency standards.

NLMHA is in good shape for the years ahead and will continue to develop new homes, maintain and improve our existing homes, deliver excellent customer services and support our residents.

There will be a lot of changes and challenges to navigate, but we have every confidence that our organisation is robust, resilient and on a clear course to deliver on its strategic objectives.

We will continue to invest in and transform our services, by thinking about the IT platforms and technical infrastructure we need for today and tomorrow. To achieve our ambitions, we want to inspire our people too, giving them the tools to succeed and growing our reputation as a great place to work.

We have received strong support and co-operation from our stakeholders. I would like to thank them for their ongoing support. We will be taking the learning from our experiences this year to help shape our pathway to our long-term strategy.

**Aziz Rahim**

Chief Executive, September 2021



Senior Management Team



# Growing homes for communities

We want to build more homes for the community we serve.

## Completed this year

### Church Road – Waltham Forest

Located in Leyton, the Church Road development provides 10 highly-specified apartments. All the apartments have a balcony or terrace. Beautiful, landscaped, courtyard gardens are also available for communal use.



**10** New homes added to our property portfolio since our last AGM

## Currently on site

**168** Under construction

### Hunts Wharf – Hackney

Hunts Wharf will deliver 8 high quality apartments at a popular riverside location in east London. This contemporary development is located within walking distance of Clapton station.



**8** New homes

### Lavender Hill – Enfield

This scheme will provide 4 apartments in the heart of Enfield, just south of Gordon Hill station and within walking distance of Hilly Fields Park and Chase Farm Hospital. The area provides a good range of local amenities and there are seven highly-rated schools within a mile of the site, including Enfield Grammar School and St George's Church of England Primary School.

**4** New homes

### Stanway Street – Hackney

This development will deliver 8 apartments for our community, as part of the Hackney Living Rent scheme. They are being completed to a very high standard, close to the City of London.

**8** New homes

### Electric Quarter – Enfield

The Electric Quarter site in Ponders End, Enfield, will provide 31 new homes for rent and shared ownership, with excellent local travel connections and smart contemporary interiors.

**31** New homes



### Jubilee Street – Tower Hamlets

This scheme is a short walking distance from Commercial Road in the London Borough of Tower Hamlets. We are developing 9 new homes here.

**9** New homes



### Seven Sisters Road – Hackney

The site currently occupied by the Majestic Hotel, which looks onto Finsbury Park, is due for redevelopment into a six-storey residential block. There will be 8 new homes for our community to rent or purchase on shared ownership terms.

**8** New homes



### Fox Lane – Enfield

This five-storey new-build scheme will deliver 16 contemporary apartments, arranged around a landscaped podium courtyard at first floor level. On the ground floor, one commercial unit has been let to PureGym and another is a newly refurbished public house.

**16** New homes



### Manor Hall Gardens and Lea Hall Road – Waltham Forest

This scheme is close to Church Road and Marconi Road, where we already have properties. The development will add 10 homes, which will all be let at a London Living Rent.

**10** New homes

## Stock transfer

The purchase of 74 homes at the heart of our operating area is an unique opportunity for us to increase our property portfolio significantly, without taking on the development or sales risks associated with newly built properties. All the properties are for rent and they are already tenanted. The proposed transfer would simplify existing management of the estate, leaving NHLMA as the sole Registered Provider at the scheme.

**74** Homes

## Future plans

We have an ambitious future development programme over the next three years. We will sweat our assets to build more new homes for the community. This is our humble contribution for people in desperate need of 'permanent home'.



# Managing our business

## Rent collection

**100.08%**  
rent collected

Target beating  
arrears of  
**3.52%**

## Repairs

We continue to perform strongly on repairs, achieving:

**100%**  
of emergency  
repairs on target

**98%**  
of urgent repairs  
on target

**99%**  
of routine repairs  
on target

**100%**  
of gas safety  
certificates issued

## Lettings

Our lettings service has been busy due to our increasing number of properties.

We let **48 homes** during the financial year. Of these, **32** were newly built homes in Enfield and Waltham Forest, with one to three bedrooms.

Most of these properties were let under the London Affordable Rent scheme. We have also let some homes under the London Living Rent scheme, which is designed for middle-income households.

## Empty homes

The pandemic meant restrictions on the way we re-let homes that became empty. As a result, our average re-let time was higher than the previous year, at **10.2 weeks**. Our rent loss through properties becoming empty was **0.90%**.

## Complaints

We received **17 complaints** during the year. We answered and resolved **100%** within our target timescale.

# Satisfaction with services

During the year, we carry out a rolling programme of resident satisfaction surveys, asking questions from the industry-standard STAR survey, designed by the National Housing Federation (NHF).

The results for 2020-21 were:

**85%**  
satisfied with the  
overall service we  
provide

**71%**  
satisfied with  
overall repairs  
service

**92%**  
satisfied with the  
overall condition  
of the property

**71%**  
satisfied with how  
they were kept  
informed

**83%**  
satisfied with the  
overall quality of  
their home

**80%**  
satisfied with  
their general  
enquiry

**92%**  
satisfied with their  
neighbourhood



Finding out about local services at an event organised in partnership with Tower Hamlets Council and other local landlords.



# Supporting our residents

In a difficult year for everyone, we committed additional resources to providing support for our residents.



Learning to cook as part of a multi-landlord healthy lifestyle activity.

## Tenancy sustainment – financial support

We began by calling residents to find out how they were managing the changes and restrictions.

Where someone was affected by the pandemic financially, we were able to help them to apply for Universal Credit, Housing Benefit, Discretionary Housing Payments and Income Support. We provided additional one-to-one support and welfare calls to the most vulnerable, to help them manage the process.

Where someone was unable to work because of Covid-19, we assisted them with applications for self-isolation payments or sick pay.

Where needed, we signposted residents to specialist agencies, including referring people to the local Mind Universal Credit Advice Service. This service provides direct support to those claiming benefits, or who need help to manage contact with the job centre. It can also make someone available to attend health assessments.

To support residents in food poverty, we made contact, in all of our areas, with local food banks and other organisations providing food parcels.

We identified additional support available in different boroughs, including one-off payments, free white goods and contributions to energy bills.

## Support for vulnerable residents

During lockdown, we identified residents who needed extra support because they were suffering from mental health problems, or feeling anxious or depressed due to the pandemic and isolation.

We built relationships with these residents, making regular welfare calls and offering referrals to other agencies where needed. Residents really appreciated the human contact.

We referred people in mental health crisis to their borough's Mental Health Team. We assisted others to access talking therapy and counselling services. We also worked closely with social workers, doctors and other professionals to find the best ways to support individual residents.

## Support for sheltered housing residents

We increased the number of phone calls we make to our sheltered scheme residents, to check on their wellbeing and provide them with advice on current Government guidelines.

Our contractors cleaned communal areas more frequently and we drew up rotas for use of these areas to keep everyone safe.



Young residents try out craft activities.



# Engaging with our residents

## Tenant Scrutiny Panel

The Tenant Scrutiny Panel is a resident-led group that supports NLMHA by inspecting and scrutinising our work and policies. The Panel has continued to meet virtually throughout the pandemic, providing valuable feedback that has helped us to continue improving our service delivery. Our thanks go to our dedicated Panel members for their efforts during these difficult times.

## Jobs and training

In a year where the pandemic meant that unemployment rose in some sectors and many found themselves on furlough, we continued to support residents who were looking for work.

In between lockdowns, we maintained our contacts with local employment services. We referred residents to Hackney Works, Mind employment, Aim 4 Works and local community centres in the areas where we operate.

We also stayed in touch with Adult Learning Services, Job Centre Plus and Well at Work programmes.

NLMHA is committed to supporting the Government's Kickstart scheme, which aims to get the economy going by providing temporary employment for young people, taking them off Universal Credit and into work. Participants will get the opportunity to gain skills and training, so that they can move on to secure, permanent, employment.

## Virtually inclusive

Lockdown changed the way we work as an organisation. This included launching new ways of communicating with our residents.

We began holding weekly Zoom sessions with groups of residents, which proved to be highly successful. We have seen new groups get actively involved in discussions and forums based on common grounds and points of interests. This has given residents the opportunity to build relationships and have their say, when they might not have done this in a face-to-face setting.

## Gardening project

Since restrictions eased, residents have expressed an interest in making more use of their outside communal spaces.

At some of our developments, we have brought residents and contractors together to explore ideas on improving their shared communal space. These consultations have allowed residents to take ownership and help design changes.

We made improvements at our sheltered housing scheme and we plan to roll out similar projects in other areas.

# A Board for the community

NLMHA continues to thrive, led by a Board that aims to achieve more.

The following member stepped down from the Board on 20 June 2020:

**Anjum Bokhari**  
Co-opted member



**Yahya Hafesji**  
Chair



**Bilal Batha**  
Secretary



**Mohammed Amejje**  
Vice Chair



**Sohail Balesaria**  
Treasurer



**Siraj Gajia**  
Member



**Ed Farnsworth**  
Co-opted member



**Fatima Gajia**  
Member



**Sakina Hafesji**  
Member



**Ayodele Laleye**  
Co-opted Member



**Clare Norton**  
Co-opted Member



**Guy Palmer**  
Co-opted Member  
Appointed 10th November 2020



**Ebrahim Rawat**  
Co-opted Member



Members of the women's group got together with other residents to organise this community event.



# Our finances

In a difficult year, with the Covid-19 pandemic affecting all our lives, we achieved yet another solid financial performance during 2020-2021.

The value of our housing stock at 31 March 2021 was £122m – an increase of £4m on the previous year.

During the year, we acquired four general needs homes and six for shared ownership. We have nine sites under development to deliver 168 homes for affordable and social rent, as well as shared ownership.

Our housing stock stood at 860 general needs units, 52 shared ownership units, and 72 managed units for leaseholders.

**Moosa Bhamjee**

*Resources Director*

Statement of comprehensive income for the year ended 31 March 2021	2021 (£)	2020 (£)
TURNOVER	9,794,491	8,367,741
Operating costs	(6,162,364)	(5,237,313)
Gain on disposal of housing properties	25,156	
Revaluation of investment property	(35,000)	
<b>OPERATING SURPLUS</b>	<b>3,622,283</b>	<b>3,130,428</b>
Gain on investment property	-	-
Interest receivable	103	29,979
Interest payable and similar charges	(1,274,925)	(1,168,738)
Surplus for the year	<b>2,347,461</b>	<b>1,991,669</b>
<b>Other comprehensive income</b>		
Actuarial loss on defined benefit pension liability for the year	(95,000)	83,000
Actuarial loss on defined benefit pension liability for change in accounting treatment	-	-
<b>Total comprehensive income for the year</b>	<b>2,252,461</b>	<b>2,074,669</b>

Turnover breakdown analysis	2021	2020
Service charge costs	7.89%	6.70%
Management	13.56%	13.26%
Routine maintenance	6.20%	6.59%
Planned maintenance	0.07%	1.76%
Major repairs expenditure	2.13%	3.32%
Bad debts	0.00%	0.40%
Rent payable	0.07%	0.48%
Housing property depreciation	21.84%	21.10%
Loss on replacement of components	0.25%	0.98%
Pension liability remeasurement	(0.40)%	(0.44)%
Interest	13.02%	13.97%
Cost of shared ownership sales	9.38%	6.63%
Other	3.00%	0.47%
Surplus for the year	23.00%	24.79%

Statement of financial position as at 31 March 2021	2021 (£)	2020 (£)
<b>FIXED ASSETS</b>		
Housing properties	136,560,965	132,415,359
Other fixed assets	796,926	795,551
Investment properties	405,000	440,000
	<b>137,762,891</b>	<b>133,650,910</b>
<b>CURRENT ASSETS</b>		
Debtors	466,713	427,076
Shared ownership property not sold	2,535,861	2,335,053
Cash and cash equivalents	1,484,486	1,805,341
	<b>4,487,059</b>	<b>4,567,470</b>
CREDITORS: Amounts falling due in less than one year	(4,257,671)	(4,285,622)
<b>NET CURRENT ASSETS</b>	<b>229,388</b>	<b>281,848</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>137,992,279</b>	<b>133,932,758</b>
<b>FINANCED BY:</b>		
CREDITORS: Amounts falling due after more than one year	112,474,250	110,728,191
Pension liabilities	300,000	239,000
	<b>112,774,250</b>	<b>110,967,191</b>
<b>CAPITAL AND RESERVES</b>		
Called-up non-equity share capital	136	136
Revenue reserves	25,032,367	22,744,905
Revaluation reserve	185,526	220,526
	<b>25,218,029</b>	<b>22,965,567</b>
	<b>137,992,279</b>	<b>133,932,758</b>

# Value for money

The value for money metrics used by housing associations are as follows:	2021	2020
Metric 1 – Reinvestment %	7.73%	17.15%
Metric 2 – New supply delivered %		
A. New supply delivered (social housing units) %	1.10%	12.18%
B. New supply delivered (non-social housing units) %	0.00%	0.00%
Metric 3 – Gearing %	38.4%	39%
Metric 4 – EBITDA MRI interest cover %	357.95%	299.91%
Metric 5 – Headline social housing cost per unit	£3,140	£3,171
Metric 6 – Operating margin %		
A. Operating margin (social housing lettings) %	37.20%	37.02%
B. Operating margin (overall) %	36.98%	37.41%
Metric 7 – Return on capital employed %	2.62%	2.34%

The metrics measures have been generally stable year on year.



North London Muslim Housing Association

# ANNUAL REPORT 2020-2021

## Executive team

**Aziz Rahim**

*Chief Executive*

**Moosa Bhamjee**

*Resources Director*

## Solicitors

**Devonshires Solicitors**

30 Finsbury Circus  
London EC2M 7DT

## External auditors

**Nexia Smith & Williamson**

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London EC2R 6AY

## Bankers

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