



Innisfree
Housing Association

Innisfree Housing Association

Business Plan
2009-2014
(reviewed 2012)

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INNISFREE HOUSING ASSOCIATION

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EXECUTIVE SUMMARY

The Business Plan

The purpose of this Business Plan review is to:

- Clarify and describe our aims and objectives for the next two to three years.
- Demonstrate how we intend to achieve this.

It replaces an earlier version of our Business Plan 2009 - 2014

We will use the Business Plan to communicate our aims and objectives to our tenants, staff and external agencies. We will also use it as a management tool to control and monitor the growth and development of the association.

We hope that the Business Plan will be a useful document for our funders, regulators and partners.

What makes Innisfree different?

Innisfree was formed in 1985 to meet the acute housing needs of homeless and badly housed Irish people in London. Innisfree recognises the importance of providing culturally sensitive services for Irish people in housing need.

Our community is based on a common culture rather than geography. Being emigrants is a common experience shared by tenants and members of Innisfree's staff and Board. Growth has not compromised the "personal touch" in the services that we deliver.

Meeting our customers' needs

During 2011 as part of the business planning process we explored and analysed the needs of our tenants. This followed a dip in satisfaction according to our 2008 Tenant Survey. We commissioned a piece of work in 2011 which explored some of the issues of concern. We are confident that we will see an improvement in satisfaction with our next survey in 2012.

Our plans for the future

We will continue to focus on the needs of the Irish community in London, within the context of the government's "localism" agenda. We also expect to work more closely with Gypsies & Travellers and with some of the new and emerging communities including migrants and refugees

How we will achieve our aims

We will look at ways of extending our range of services, particularly to the most needy and vulnerable. We will strive to develop additional housing with the help and support of our partners. We will focus particular attention on our work in local neighbourhoods.

Our financial strength

Innisfree has a strong balance sheet for an association of its size. Innisfree's surplus from operations is in excess of £1m annually and Innisfree is comfortably able to meet its interest payments to lenders from operations. Many of our properties are available to fund the private borrowing necessary to achieve the moderate growth set out in this business plan. Innisfree has consistently spent a significant amount on maintenance and its properties are in an excellent condition. We also have strong partnerships with local authorities and others to enable us to deliver the homes our customers need.

OUR BACKGROUND AND HISTORY

History and growth

Innisfree was formed in 1985 to meet the acute housing needs of homeless and inadequately housed Irish people living in London. In 1989 Innisfree registered with the Housing Corporation.

The organisation started by managing a small number of short life properties located across a couple of London boroughs. Over the past 25 years we have gone through a period of steady growth. We are now a well-established and highly regarded social housing provider.

Innisfree now has nearly 550 permanent homes in ownership. As well as general needs housing, Innisfree provides a range of supported housing services to its customers including sheltered housing for Irish elders. We expect only modest growth in the next couple of years.

The Board

The association is governed by a strong Board. Board and committee members come from a variety of backgrounds and offer an extensive range of skills and experience. Members are listed in Appendices 1 & 2. An independent board review was conducted in 2011. All our governance policies were reviewed in 2010.

Our Tenants

Tenants are encouraged to play an active role within the organisation. A number of tenant members sit on the Board and its sub committees. We are committed to ensuring that all approaches to tenant involvement are fully explored so that all of our tenants have the opportunity to contribute in the way they feel most appropriate. We now have an active Tenant Scrutiny Panel which meets every six weeks or so.

The Staff

The staff team is Innisfree's key asset and resource. There is a very stable and experienced senior management team. (Appendix 3) Staff members are both committed and competent. They recognise the significance of being Irish and the importance of providing services in a culturally sensitive way. The staff structure chart in Appendix 4 sets out the positions within the organisation. Staff work closely together, across departmental boundaries, to meet the aims of the organisation. As an organisation, Innisfree places a great deal of emphasis on attention to detail and delivering high quality services in an efficient and effective manner.

Stakeholders

We consult regularly with our stakeholders. A survey carried out in 2008 demonstrated that most of them think we are doing a very good job. This is available on our website and a summary is attached at Appendix 7. A more recent Stakeholder Survey commissioned by the London BME Directors Group in 2011 (also available on our website) shows Innisfree in a positive light

Friends of Innisfree

The Friends of Innisfree was formed to support and promote the work of the organisation. It has attracted a number of prominent supporters.

AIMS AND VALUES OF INNISFREE

Innisfree recognises the importance of providing a culturally sensitive service for Irish people. Innisfree was set up in order to meet the needs of the Irish community and this remains at the core of our aims and values. However, in the spirit of integration and cohesion, we believe we have much to offer people in need from other ethnic backgrounds.

Innisfree is non-political, non-religious and non-judgemental. It caters for the needs of people from all backgrounds while retaining a particular knowledge and expertise with respect to the Irish community.

We are *iN Business for Neighbourhoods* (NHF scheme) and put our energy into creating places where people want to live. Our tenants are the driving force behind everything we do.

Innisfree is committed to the pursuit of excellence and improvement and is responsive to new ideas and change. At the same time, we recognise the importance of financial viability and solid performance which is open to scrutiny by all of our stakeholders.

Innisfree's aims guide the work of the organisation. They are summarised below:

Our Aims

- to provide a housing and support service catering primarily for the needs of the Irish and other BME communities in London;
- to provide an excellent service to our tenants, engaging with them and responding to their views;
- to do all we can to create harmonious neighbourhoods, dealing firmly with anti-social behaviour;
- to work in partnership with local people, councils and other agencies;
- to seek development opportunities for more housing in the Greater London area;
- to find innovative solutions to "old" problems;
- to raise public awareness of Irish housing need amongst vulnerable single people and the demand for increased provision;
- to ensure the continued financial health of Innisfree;
- to respond with innovation and creativity to a changing environment. In particular to work with the new and emerging BME and refugee communities;
- to maintain the confidence of all our stakeholders;
- to ensure that we have skilled, motivated and properly equipped staff and board members;

- to promote our Irish identity.

THE WORLD WE WORK IN

The external/ business environment

There are many changes taking place within the world in which Innisfree operates. The current economic climate will impact greatly on our tenants and on our capacity to support them. It will be a priority to mitigate the worst effects of the government's austerity measures.

Innisfree believes firmly in the importance of partnership and co-operation. We work closely and share good practice with its partners to the mutual benefit of everyone, particularly our customers. This approach enables us to take advantage of any opportunities which may present. It also assists us in responding to some of the tough challenges we face.

Legislation

Changes in legislation and new approaches by government may also provide opportunities as well as challenges. Examples of these include:

- opportunities for extending the range of housing options available to our customers;
- the "localism" agenda;
- the drive to create sustainable and cohesive communities where people can live in good housing and in safety and harmony with their neighbours.
- Substantial changes to the regulatory framework
- the importance of meeting the *Decent Homes Standard* *
- maintaining high standards Health & Safety standards and meeting the very rigorous requirements in respect of gas and fire safety.

Supporting People

The *Supporting People* regime came into force in 2003. However, Government funding to local authorities for *Supporting People* is being reduced and will no longer be ring-fenced; this has put some of our services at risk. We are looking at other funding options and how we can protect the vulnerable tenants who currently benefit from these services.

Funding

Innisfree has had a strong relationship with private funders and an excellent record of raising money from the private sector at competitive rates. However, opportunities for development are currently very scarce for small-scale providers such as Innisfree. Nevertheless the Business Plan identifies the need to continue developing robust relationships with funders in order to secure loans at the most competitive rates, when they become necessary. It also highlights the need to explore new and alternative sources of funding. Key objectives include raising funds through fund-raising, new initiatives and grants. This will help to ensure that rents are kept at affordable levels.

The Irish Sector

The Irish sector in period of inactivity

***This is a national standard comprising four key components:**

1. Fitness for Habitation
2. Disrepair
3. Modern Facilities
4. Reasonable Degree of Thermal Comfort

- The All Party Irish Parliamentary Group has been re-launched and continues to raise awareness about Irish issues at the highest levels.
- There are regular meetings of the London based Irish Councillors' network;
- Innisfree has a positive relationship with the Irish Embassy in London;
- The Federation of Irish Societies takes an increasingly strong lead on key issues affecting the voluntary sector. It ran a very successful Census Campaign in 2011.

The wider black & minority ethnic (BME) and refugee sector

Changes in legislation, such as the Equality Act 2010 and the formation of the Commission for Equality & Human Rights (CEHR) have heralded a change in approach. There is now greater focus on broader equality & diversity issues and on the wider community cohesion agenda. Where in the past considerable attention was given to matters of race equality all public bodies now have much wider duties.

Until recently, there has been a lack of leadership in the BME housing sector and also some spectacular failures– mostly notably the demise of Ujima Housing Association. Presentation, another large BME association, was taken over by a mainstream association and several small BME housing associations have been subsumed into larger, non-BME associations.

In the last year or so, *BME National* has become a prominent and effective voice and has enabled BME associations once again to assert their place within the sector. However, this has come at a time when attitudes are changing and some agencies no longer accept that there is a particular role for BME groups. Other partners, cognisant of the localism agenda, still recognise the importance of providing a culturally sensitive service. What is clear, however, is that high quality services, based on local knowledge, are valued by all our partners.

There is an increase in the number of new and emerging BME communities as a result of war and other political upheavals. In addition, a steady flow of people from the Eastern Europe has added to the pressures for decent housing. Refugees and migrants have suffered particularly in this environment and in London, regrettably, few housing providers have risen to the challenge. Innisfree, in conjunction with Inquilab, was involved in a much praised project, *Integrated in Brent*, working with refugee community housing organisations (RCHOs). Legacy work with this very needy group will

continue.

Regulation and governance

The face of regulation has changed beyond recognition in recent years and is about to change again. Association Boards now carry much greater responsibility for overseeing “consumer” services. From April 2012, the GLA will take over the duty of regulating governance and viability of London-based associations. However, small associations such as Innisfree remain within the “RASA” regime (Regulatory Arrangements for small associations) and can expect little attention.

Innisfree continues, however, to take matters of regulation and good governance very seriously and intends to follow the new Regulatory Standards even though there will be no external validation.

Our last regulatory assessment was issued in January 2007. Five years on, that rating still holds good and (as at 2011) we remain one of only eleven associations nationally to have the top rating for governance and viability.

Value for Money

Innisfree is committed to continuously challenging and reviewing its services to ensure that they are truly responsive to tenants’ needs and are delivered in the most efficient and cost-effective way possible. We meet on a regular basis with colleagues from other associations to share ideas and information on best practice. We have made the most of opportunities for joint procurement and are now examining whether shared services in some areas may be a viable option.

The localism agenda

As a small association operating in relatively few areas, we are able to become actively involved at a local level. We support the government’s commitment to localism.

Innisfree was one of the “early adopters” of the NHF’s *iN Business* commitment to a successful neighbourhood agenda. Building on our strong track record, our business is to make a difference to local neighbourhoods. As we are a relatively small provider of housing, this means working in close co-operation with others to meet the challenges of building stronger communities. We are fully signed up to the three commitments set out below:

Commitment to neighbourhoods

- We will put neighbourhoods at the heart of everything we do;
- We will promote neighbourhoods where there is a place for everyone with positive support for diversity of people and places;
- We will work in partnership with local people, councils and other agencies, and will champion local needs.

Commitment to customers

- Customers are the driving force behind our business;
- We will listen to them, respond to their views and engage them in our work at all levels;

- We will offer them respect, choice and support;
- We will do everything we can to prevent neighbourhood problems, and will deal firmly with people who are bad neighbours.

Commitment to excellence

- We will pursue excellence and improvement;
- We will make the changes needed, so we can rise to the challenge of being **iN**;
- We will work with regulators and inspectors to build a culture of challenge and change;
- We aim to be landlords, employers and partners of choice.

The Solomon Project

Innisfree is a founder member of the Solomon Project. Set up in 1998, it comprises six associations who created the forum for benchmarking and the sharing of good practice. From the outset, members have been eager to compare performance and explore ways of improving our services to tenants. Since 2006, the five South London members of SolFed (South London Federation of Small Housing Associations) have joined in with the benchmarking and other activities

Other initiatives include:

- an activity based costing exercise;
- joint board events;
- joint meetings with tenants representatives;
- joint training;
- a shared policy data base;
- functional working groups covering maintenance, finance, central services, supported housing and housing management;
- an annual staff conference for the staff of all 11 associations.

The group celebrated its 10th anniversary in 2008.

Further information on the Solomon Project is provided in Appendix 5.

Stakeholders and partners

Innisfree prides itself on the strong and positive relationships that it has developed with stakeholders and partners. This was validated by a Stakeholder Survey carried out in 2008. For a relatively small organisation Innisfree has a very high external profile. This brings opportunities coupled with high expectations.

Another Stakeholder Survey, commissioned by the London BME Directors Group in 2011, shows Innisfree remains very highly regarded by its various partners.

New technology

Innisfree recognises the importance of new technology. The organisation invests heavily in both its hardware and software. Staff are provided with appropriate training and support. A small firm provides expert technical back-up. New technology has been fully integrated into all day to day activities. Further investment has been

programmed into this Business Plan to ensure that the organisation maximises its investment and use of new technology.

OUR CUSTOMERS

As an Irish led organisation, Innisfree is committed to responding to and meeting the needs of the Irish community living in London. Services are delivered in a culturally sensitive way. Hospitality and friendliness come naturally.

Listening to our customers

In line with our commitment to provide a customer focused service, Innisfree regularly commissions surveys to establish the views of our tenants. (2000, 2003, 2006, 2009) A new survey is being conducted in 2012.

This survey is important for Innisfree and tenants because;

- we can measure satisfaction on areas that we and tenants think are important
- we will be able to compare our tenants' satisfaction with other registered providers
- we will be able to check the effectiveness of our 2011/12 Customer Satisfaction action plan
- it will place tenants at the heart of service improvement within Innisfree

The Executive Summary of the most recent survey and the 2011 Customer Satisfaction survey is attached as Appendix 8. The full report is available on our website.

The Census and housing needs research

The 2001 census contained a specific Irish category for the first time. Information from the 2011 census is not yet available. Our own evidence and experience indicates a growing need for provision for older Irish people and vulnerable younger single people with support needs. We hope to have the opportunity to develop additional sheltered housing for this client group as well as continuing to provide housing for families and younger single people. There are also signs that the downturn in the economy in Ireland heralds a new wave of emigrants. Many of these are likely to be better qualified than previous emigrants but nevertheless in need of support and accommodation, at least during their early months in the UK.

Affordability and Rent Strategy

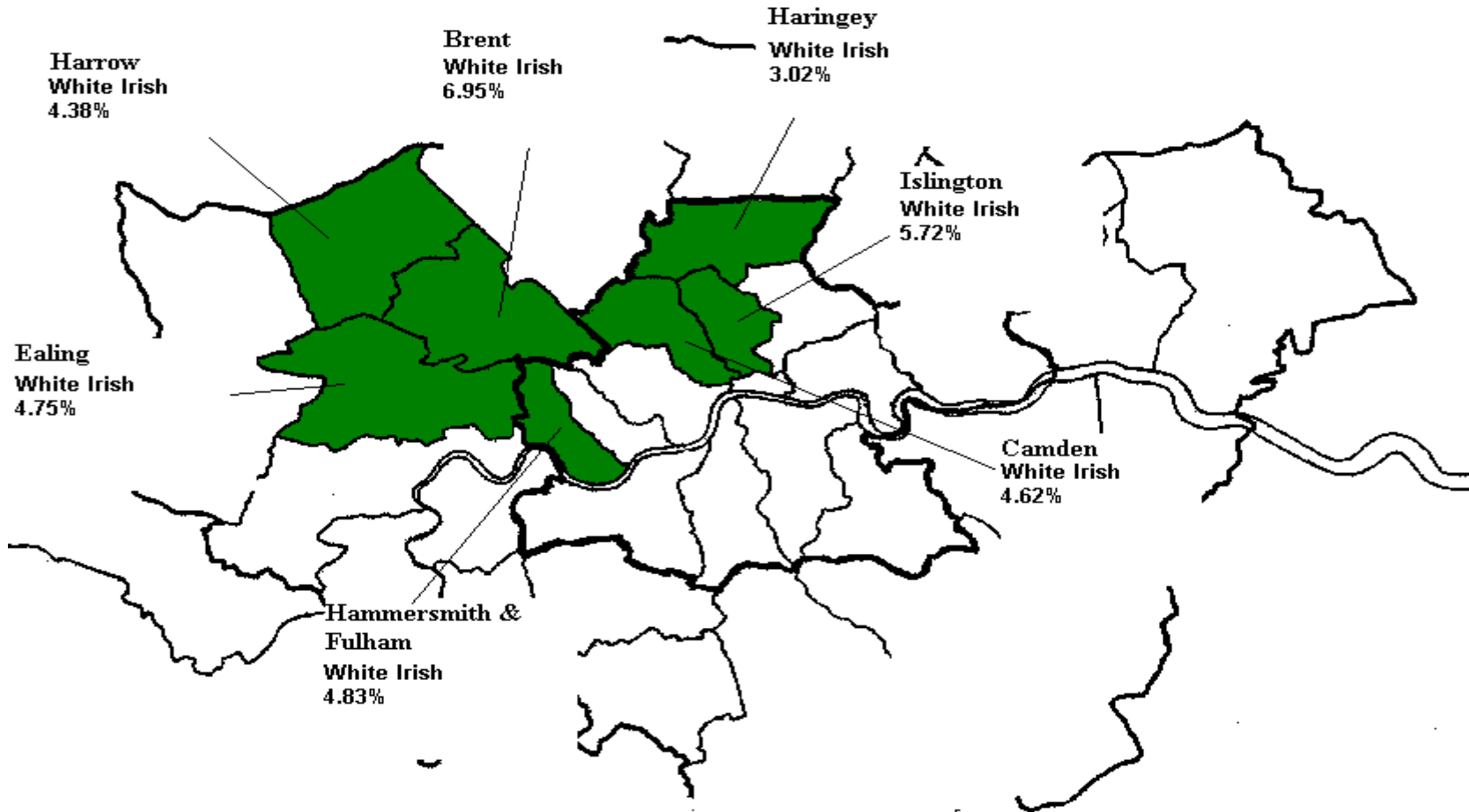
In the past, Innisfree's rents were high compared to those of other associations. There were historic reasons for this; all of our homes were developed after the "mixed funded regime" (introduced in 1988). As a result, the organisation has always been dependent on private finance. However, Innisfree's rents now meet the government's requirements.

Innisfree is committed to ensuring that rent levels for our main client group remain affordable. We use this word here in its original dictionary meaning.

Our future rent strategy needs to take account of more recent

government initiatives and the introduction of the so-called “affordable rent” regime. At present the Board remains uncomfortable about a system which may create differential rent levels for tenants living in the same building. This is an area for future discussion.

Map showing Innisfree target boroughs and Irish profile
Source: National census 2001



A MORI poll commissioned by the Mayor of London said that of the people it interviewed in London in 2001 11% had Irish parents and 18.9% had Irish grandparents

WHERE ARE WE NOW?

As part of the business planning process Innisfree has analysed its position within the social housing market place. This exercise has identified the following issues.

What is special and distinctive about Innisfree?

- Innisfree's Irishness.
- Innisfree is now the only Irish housing association operating in London
- Innisfree's style of working is based on co-operation, openness and trust.
- Board, staff and tenant expectations of high standards in conduct, behaviour and performance.
- Innisfree's non-political, non-religious focus.

Key Strengths:

- Good relationship with tenants and customers.
- Good relationship with funders and regulators.
- Well regarded by partners and stakeholders.
- Consistently high ratings from our regulators.
- High demand for our services.
- Strong Board and committees with a range of skills and expertise.
- Committed and competent staff team.
- Small, flexible and responsive organisation.
- Responds positively to change in innovative ways.
- Strong balance sheet.

Key Challenges and risks:

The environment in which Innisfree operates is constantly changing. Innisfree recognises that it will need to anticipate and respond to such changes to build on its position and past success.

Some of these challenges include:

- Pressure to keep costs and rents down;
- Meeting the changing needs & expectations of tenants;

- Dispersed property;
- Increasing poverty amongst our tenants and the greater likelihood of debt problems;
- Addressing the problems of anti-social behaviour;
- Scarcity of suitable land and sites for development at affordable prices;
- The increased pressure from lenders to ensure loan compliance;
- The need to monitor interest rates closely and ensure proactive treasury management;
- Increasing amount of new legislation & directives from government & E.U.;
- Maintaining Health & Safety standards (including fire safety and gas servicing);
- Maintaining the *Decent Homes Standards*;
- *Supporting People* cuts and the drive by commissioning bodies to reduce the number of providers;
- The acute housing needs of increasingly vulnerable clients, especially within the BME and refugee communities;
- Maintaining staff morale and motivation;
- An increasingly fragile economic environment;
- Ensuring a smooth transfer of leadership to the new Chief Executive;
- Retaining our Irish identity.

Opportunities for Innisfree:

We believe that, even in this difficult environment, there will be some opportunities for growth and development. This is because of our

- Good reputation and high profile within the social housing sector and the Irish movement.
- Strong connections and relationships with the boroughs in which it works.
- Positive approach to working in partnership.
- Well respected position within the Irish community.
- Continually improving performance.

- Our strong balance sheet
- Willingness to innovate and to address the needs of the wider BME community including refugees and migrants
- A highly motivated and committed staff team and a strong and experienced board.

Many of these points are evidenced in the BME Directors' Stakeholders Survey (2011)

THE FUTURE

The key objectives and targets which Innisfree intends to achieve over the next couple of years are described below. They have been split into immediate and medium term objectives. (Work will begin on a new plan, looking further ahead, during the latter part of 2012.)

IMMEDIATE OBJECTIVES:

The organisation wishes to pursue the following objectives over the 6-12 month period:

Invest in staff

Innisfree values the staff team, many of whom have worked for us for many years. We recognise their commitment and appreciate their hard work.

A comprehensive review of the structure and salaries was carried out in 2008/9. Innisfree will continue to review staff recruitment and retention policies to ensure that it is able to maintain a motivated and committed workforce, especially during the current economic climate. We recognise the need to maintain a flexible structure where staff can respond to new challenges.

We invest heavily in training at all levels of the organisation and have a structured supervision and appraisal framework, based on key competencies. This will be reviewed again in the coming year.

We will continue to explore joint working opportunities including with other associations and with members of the Solomon Project to provide staff with career development and enhancement opportunities.

We will support the new Chief Executive as s/he settles into the organisation.

Develop the board

The new regulatory standards place much greater responsibility on housing association boards. It now falls to board members to set and monitor standards. As a small association, Innisfree will have little contact with the regulator. We will ensure that all our board members are equipped to take on these new challenges and that training is made available when required.

Keep operational costs low

Innisfree understands the importance of knowing the cost of the services we provide. Significant progress has been made in recent years in bringing down operational costs. We will build on the costing exercises that have already been carried out through the work of the Solomon Project.

Innisfree was an early participant in the NHF's joint purchasing initiative, now known as *Procurement for Housing*. We continue to explore possibilities for joint working and joint procurement with other organisations such as the Solomon Project.

Value for Money is now a key indicator within the new regulatory framework and we will ensure we have systems in place to demonstrate that we understand both the cost and value of the services we provide.

Build on our performance

Innisfree plans to build on its present levels of performance. We will keep our management information and performance systems under constant review. We will work with tenants and customers to review and establish service standards for housing and support services.

We expect to benefit from greater opportunities for benchmarking and service reviews through our work with Skills & Projects & Housemark.

Rationalise our stock and focus our activities

In order to run services more efficiently Innisfree wants to rationalise the location and spread of our housing stock and operations. We are actively exploring stock transfers and property swaps with other social housing providers. We will focus our activities in boroughs in North & West London. A substantial transfer of homes in Camden from Family Mosaic to Innisfree took place early in 2009.

Work with tenants and customers.

Innisfree will continue to work closely with tenants, building on the excellent work of the Tenant Scrutiny Panel, to improve services and meet customers' needs.

We will ensure that those tenants who aspire to greater involvement in the management and governance of Innisfree are adequately trained and supported.

Nurture our Irishness and promote links with the Irish Community

We will work closely with other Irish agencies and encourage our tenants to make much greater use of the services available to them. Together we will ensure that the most vulnerable members of the Irish community have access to the services they need.

We will continue to market ourselves as an Irish organisation and will resist the prevailing forces which threaten to dilute our Irishness.

Risk Management

Working with our Audit & Risk Management Committee and our Internal Auditors, we will ensure that the association's controls and risk management framework is as robust as possible and that a culture of risk management is embedded throughout the organisation.

Finance

Innisfree's financial objectives are set out below:

- To maximise income through effective management of arrears and properties.
- To stay solvent.
- To ensure that services provide value for money.

Maintain a high external profile

We will continue to campaign with our tenants, partners, stakeholders and the wider public, publicising positive news about Innisfree and the wider social housing sector.

We will work hard to maintain and develop our links with our key local authority partners where there have been many staff changes in recent months.

We will develop our relationships with elected members (MPs, MEPs, GLA representatives and local councillors), ensuring good links with staff at all levels of the organisation. The Chief Executive acts as the “Constituency Link” for the National Housing Federation (NHF) with the two Brent MPs.

Innisfree has always had strong links with our trade body, the NHF, and these will be nurtured after the departure of the outgoing CE.

Invest in new technology

Innisfree has recently upgraded its IT and telephone systems. The Business Plan has set aside money for additional investment during the five-year period. This will ensure that IT and communications systems remain up to date and appropriate to the needs of the organisation and its customers.

MEDIUM TERM OBJECTIVES (1-2 years):

In addition to the immediate objectives the organisation wishes to develop the following areas over the next couple of years.

Explore and implement new initiatives

Innisfree is committed to enhancing the overall quality of life for our tenants and customers. To meet this objective we will work with tenants and customers to identify new initiatives. A particular focus will be to develop our local, community-based-activities, in keeping with the localism agenda.

We will develop our work with tenants to overcome worklessness and explore further training & employment opportunities.

Innisfree will continue to develop its relationships with RCHOs in order to promote better housing opportunities for refugees and migrants.

We will explore opportunities for working with Gypsies & Travellers in our key boroughs.

We will develop an in-house fund-raising capacity, building on the skills of existing staff.

Protect the support we provide to existing tenants

Innisfree will explore ways of meeting the support needs of existing tenants. This will involve creating stronger links with voluntary agencies and investigating ways of providing additional advice, counselling and support. It also means finding alternative sources of funding as current sources (e.g. *Supporting People*) dry up.

Growth by development and acquisition.

Innisfree aims to increase the number of general needs homes in our target areas, by developing in partnership with others. We will consider new opportunities for development in our focus boroughs.

We will engage in discussions with other housing associations who are seeking to rationalise their own stock portfolios.

We will explore strategic alliances with appropriate smaller partners

which might lead to modest growth through partnership and/or mergers.

Increase the type and range of housing & support provided.

Innisfree is keen to ensure that it provides a range of housing to meet the many and varied needs of the Irish community living in London. To this end we will explore the opportunities for providing:

- Accommodation at sub-market rents to meet the housing needs of people who would otherwise not be eligible for social housing.
- Services for Gypsies & Travellers.

In addition, Innisfree will work with partners to meet the housing & support needs of other BME and refugee communities.

Innisfree is in a strong position financially to take advantage of opportunities that may arise over the period of the corporate plan.

We will continue to emphasise the need for specialist, culturally specific support provision for the Irish community seeking to extend the range of services we provide. We aim to provide support in a wider range of local authority areas and to do more work with clients in the private rented sector.

Friends of Innisfree

We will review the purpose and objectives of the Friends of Innisfree and develop their potential as a fund-raising arm to the Association.

INNISFREE HOUSING ASSOCIATION

Business Plan 2009/14

Summary of Key Assumptions 2009/14

Economic Assumptions

	Actual 2010	actual 2011	actual 2012	Budget 2013	Projec 2014
HOMES					
Sheltered Units	25	25	25	25	25
Shared Supported Units	38	38	38	38	38
General Needs units	475	475	475	487	487
Total	538	538	538	550	550

The unit number are fixed for the years 2009 to 2012 with an additional 12 general needs units expected in 2013.

Inflation rate (2013/14)	2.00%
Inflation Rate (2012 to 2013)	2.50%
Variable interest rate (2012/2013)	3.50%
Variable interest rate (2013/2014)	5.00%
Rent Increase Rate (2013 to 2014)	0.50%
Rent Increase Rate (2012/13)	6.10%
Historic variable interest rate (2009/12)-average	1.10%
Real Cost increases except maintenance	0.50%
Real Cost increases maintenance (2009/2014)	1.00%
Salary Cost Increase 2012/13	0.00%
Salary Cost Increase 2013/14	2.50%
Maintenance Costs (2012 to2014)	3.00%
Overheads (2012 to 2014)	2.50%
SP Income 2012/13	0.00%
SP Income 2013/2014	0.00%
Inflation rate September 2012	0.00%
Staffing Levels no change in current establishment	
Scheme Appraisal Assumptions (years 2012and 2013)	
Interest Rate	6.00%
General Needs Grant Rate	37.00%
Units General Needs per scheme	12
Total Cost of one General Needs Unit	£190K

Purchase of Schemes in Management

Innisfree has purchased 29 units in management from its cash flow during the period 2010 to 2011. Innisfree took 48 homes into ownership and management in April 2009.

The average SHG rate was 73% on the 29 homes in management purchased during 2010 to 2011.

INNISFREE HOUSING ASSOCIATION
Business Plan 2009/14

Homes	538	538	538	550	550
BALANCE SHEET as at	Audited	Audited	Projected	Budget	Proj
31st March 2010-2014	31/3/10	31/3/11	31/3/12	31/3/13	31/3/14
FIXED ASSETS	£'000	£'000	£'000	£'000	£'000
Tangible Assets :					
Housing Properties at cost	56,931	58,994	59,653	59,819	61,962
Depreciation	542	645	1,938	2,246	2,586
Housing Properties at cost less dep'n	56,389	58,349	57,715	57,573	59,376
Housing Association Grant	38,438	38,438	40,106	40,106	40,856
	17,951	17,911	17,609	17,467	18,520
Other Tangible Fixed Assets	78	79	60	65	63
	18,029	17,990	17,669	17,532	18,583
CURRENT ASSETS					
Debtors	245	217	250	235	256
Cash at Bank and in hand	1,061	1,625	1,177	1,449	1,382
	1,306	1,842	1,427	1,684	1,638
CREDITORS					
Amounts falling due within one year	932	980	806	679	693
NET CURRENT ASSETS	375	862	620	1,005	945
ASSETS LESS CURRENT LIABILITIES	18,404	18,852	18,289	18,537	19,528
CREDITORS :					
Amounts falling due after one year	13,442	13,324	13,237	13,107	13,967
CAPITAL AND RESERVES					
Non equity capital	0	0	0	0	0
Income and expenditure account	4,962	5,528	5,052	5,430	5,561
Total Reserves	4,962	5,528	4,892	5,430	5,561
	18,404	18,852	18,289	18,537	19,528
Gearing Ratio	30.97%	30.31%	29.31%	28.78%	30.09%

INNISFREE HOUSING ASSOCIATION
Business Plan 2009/14

Income & Expenditure 31ST MARCH 2009-14

Homes	538	538	538	550	550
	2010	2011	2012	2013	2014
INCOME	£'000	£'000	£'000	£'000	£'000
Rent and Service Charges	2,923	2,980	3,134	3,372	3,388
Revenue Grants-Supporting People	316	310	275	257	267
Development Income	67	-	34	-	-
Bank Interest /Other Income	22	41	28	6	12
	<u>3,328</u>	<u>3,331</u>	<u>3,471</u>	<u>3,635</u>	<u>3,667</u>
EXPENDITURE					
Planned Maintenance Costs	279	268	243	226	277
Day to Day Maintenance Costs	225	279	215	216	230
Camden Properties maintenance	113	157	65	42	46
Camden Costs other	16	-	-	-	-
Direct Property Costs	317	339	411	388	399
Salaries	790	794	857	870	896
Bad Debts	19	-3	35	36	34
Overheads	262	270	302	364	375
Development Costs	1	-	8	8	8
Mortgage loan interest	545	535	541	756	926
Scheme Interest	36	18	-	40	-
Property Depreciation	102	102	293	308	340
Friends of Innisfree	6	6	5	3	5
Operating Surplus/(Loss)	<u>2,711</u>	<u>2,765</u>	<u>2,948</u>	<u>3,257</u>	<u>3,536</u>
Operating Surplus for the year	<u>617</u>	<u>566</u>	<u>524</u>	<u>378</u>	<u>131.0</u>
Interest Cover	<u>2.06</u>	<u>2.02</u>	<u>1.97</u>	<u>1.47</u>	<u>1.14</u>
Interest Cover with Property Depreciation added back	<u>2.29</u>	<u>2.27</u>	<u>2.57</u>	<u>1.95</u>	<u>1.51</u>

INNISFREE HOUSING ASSOCIATION
Business Plan 2009/14

CASHFLOW PROJECTION 2009-2014

Homes	538	538	558	558	558
CASHFLOW	2009/10	2010/11	2011/12	2012/13	2013/14
	£'000	£'000	£'000	£'000	£'000
Net Surplus	616.0	566.0	524.0	378.0	131.0
Interest Recd	-3.0	-2.0	-2.0	-1.0	-1.0
Interest Paid	582.0	553.0	542.0	796.0	926.0
Operating Surplus	1195.0	1117.0	1064.0	1173.0	1056.0
Property Depreciation	102.0	102.0	294.0	308.0	340.0
Other Depreciation	37.0	41.0	30.0	30.0	30.0
Other Adjustments	44.0	22.0	27.0	-40.0	-10.0
Net Cash Flow from Operating Activities	1378.0	1282.0	1405.0	1471.0	1416.0
Interest received	2.0	2.0	3.0	1.0	1.0
Interest paid	584.0	602.0	672.0	897.0	951.0
NET CASH INFLOW/OUTFLOW	796.0	682.0	736.0	575.0	466.0
NET CASH IN(OUT)FLOW FROM INVESTING ACTIVITIES (net SHG)	4620.0	104.0	1045.0	172.0	1,393.0
NET CASH IN(OUT)FLOW FROM FINANCING ACTIVITIES	-104.0	-119.0	-140.0	-130.0	860.0
NET CASH INCREASE(DECREASE) IN CASH AND CASH EQUIVELENTS	-3926.0	563.0	-449.0	273.0	23.4
Cash Balance brought forward	4,989.0	1,061.0	1,625.0	1,176.0	1,449.0
Cash balance carried forward	1,061.0	1,625.0	1,176.0	1,449.0	1,382.0
Interest cover cash flow basis	2.05	1.86	1.59	1.31	1.11

INNISFREE HOUSING ASSOCIATION

Business Plan 2009/14

Key Historic Financial Statistics

Years 2001 to 2011

	Audited 2011	Audited 2010	Audited 2009	Audited 2008	Audited 2007	Audited 2006	Audited 2005	Audited 2004	Audited 2003	Audited 2002	Audited 2001
Year ended 31st March:											
Property Assets at cost (after dep'n)	56349	56389	47859	40499	36200	36277	27249	27696	27708	26361	24334
Social Housing Grant	38438	38438	34375	29701	26890	26890	21278	21657	21,657	20,952	19,698
Borrowing	13324	13442	13547	8680	8743	8763	4,261	4,274	4,287	4,314	4,322
Gearing Ratio	30.30%	30.97%	35.33%	25.84%	28.30%	28.96%	17.51%	17.70%	17.91%	18.79%	20.13%
Cash	1625	1061	4990	2283	3508	3241	2010	1207	950	1,369	1,875
Working capital Ratio	1.88	1.40	5.79	3.20	5.15	4.82	2.52	2.03	1.78	2.45	3.38
Operating Surplus Before Interest	1117	1195	1152	987	772	879	1127	723	795	733	598
Interest Paid	553	581	762	826	704	648	559	496	541	493	462
Interest Received	2	3	66	130	160	78	49	27	29	74	89
Net Interest Paid	551	578	696	696	544	570	510	469	512	419	373
Interest Cover	2.02	2.06	1.51	1.19	1.10	1.36	2.01	1.46	1.47	1.49	1.29
Interest Cover with dep'n added back	2.29	2.31	1.80	1.45	1.43	1.59	2.20	1.64	1.63	1.76	1.61
Available Surplus	566	617	456	291	228	309	617	254	283	314	225
Reserves	5528	4962	4345	3889	3598	3370	3061	2493	2266	2011	1772
Forecasts	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Forecast Borrowing Rates (new borrowing)	6.0	6.0	7.0	6.5	5.5	5.5	5.5	5.5	5.5	5.5	6.0
Forecast Deposit Rates	0.50	0.50	0.50	5.00%	4.50%	4.50%	3.50%	3.50%	3.50%	3.50%	3.50%

Appendix 1: Board Members

Member	Role	Sub Committee Membership	Date joined Board	Professional Role
Sean Baine	Chair of Audit	Audit	2010	Consultant
David Blackburn	Chair of staffing & remuneration	Staffing & Remuneration	2009	HR Director
Bernadette Gallagher		Finance	2009	Tenant Co-optee
Tim Holden		Finance	2011	Property consultant
Peter Kerr	Chair of Finance	Finance and Audit & Risk Management	2010	Accountant
Ruairi McCourt			2009	Housing professional
Anne McLoughlin		Staffing	2010	Housing professional
Sue O'Connor		Housing	2011	Tenant Co-optee
Antoine Pesenti		Audit	2010	Financial analyst
George Sheerin	Vice Chair & Chair of Housing Services	Housing Services	2008	Retired housing professional
Carole Smith		Housing	2010	Housing consultant
Richard Tomlins		Housing	2011	Academic

Appendix 2: Committee Members

Member	Sub Committee Membership	Date joined committee	Role
Jackie Buchanan	Audit	2011	Innisfree tenant
Rod Cahill	Finance	2011	HA Chief Executive
Margaret Carroll	Housing	2009	Innisfree tenant
David Devoy	Housing	2005	HA Director
John Goodfellow	Audit	2006	Lecturer
Isabel Hudson	Housing	2009	Lawyer
Yemi Kunuyi	Finance	2009	Accountant
Jennifer Rahman	Housing	2008	Innisfree tenant
Margaret Spiers	Staffing	2008	HR Director
Peter Sullivan	Finance	2010	Retired accountant
Cathy Walsh	Staffing	2011	HR specialist
John Welch	Staffing & Audit	2011	HA Chief Executive
Marek Wiluszynski	Housing	2011	Housing professional
Ken Youngman	Finance	2007	HA Finance Director

Appendix 3: Senior Management Team

Chief Executive, Clare Winstanley, has worked in housing in inner London since 1973. Earlier jobs were with the London Boroughs of Camden & Hackney, a small housing co-op and with UKHT and North British HA. She holds a number of positions with the trade body, the National Housing Federation, and is actively involved with the BME movement. She is an approved “appointee” for the TSA. Clare has been with Innisfree since May 1994. She will be retiring in June 2012. Campbell Tickell have been appointed to assist with the recruitment of her replacement.

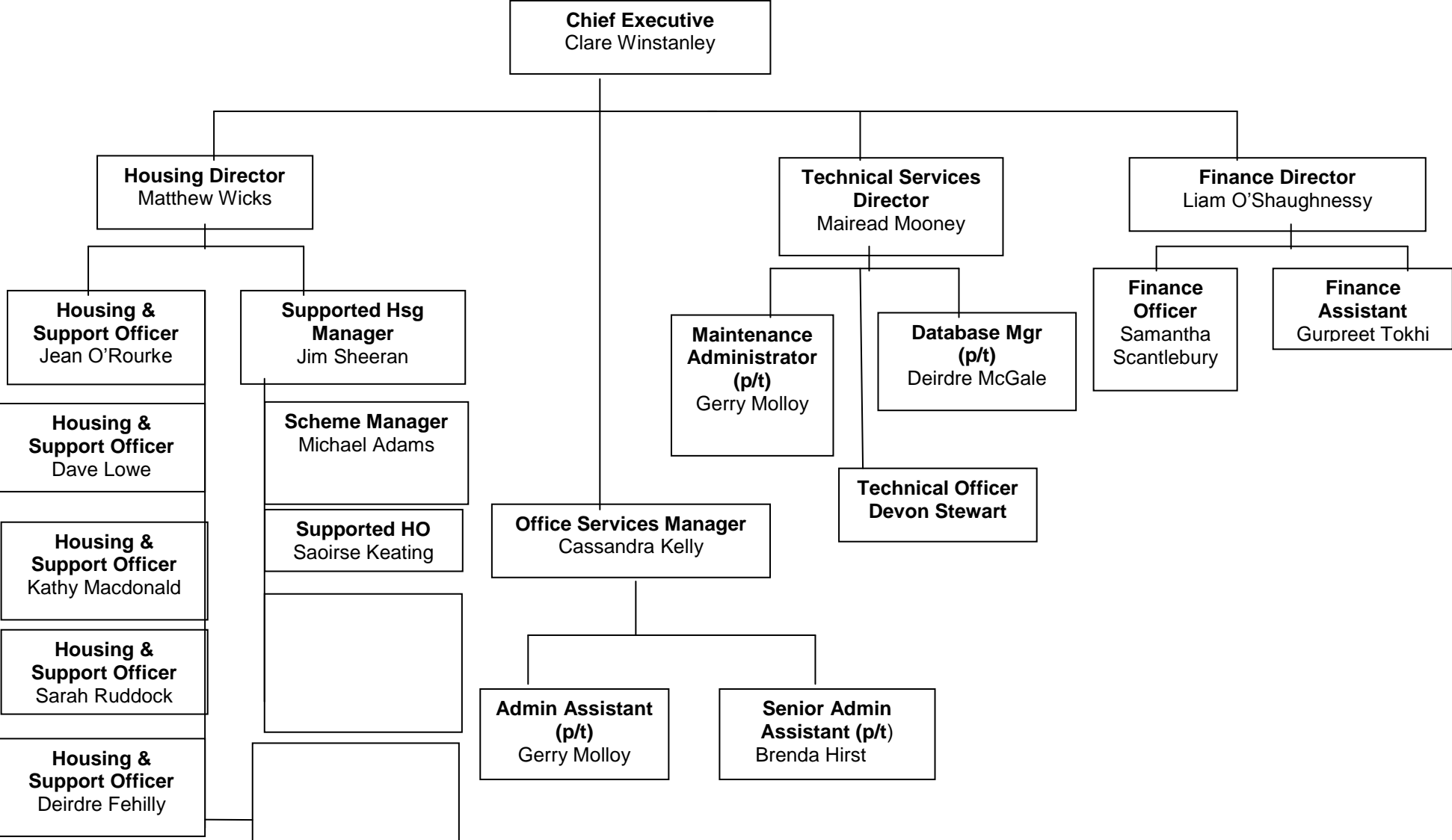
Finance Director, Liam O’Shaughnessy was born in Waterford. He graduated from University College Cork in 1972. He qualified as a Chartered Accountant while working for Hill Vellacott (now Chantry Vellacott). Liam left London in 1988 and worked in practice and industry in New York for six years. He returned to England and joined Innisfree Housing Association in December 1994. He has been involved with a number of NHF and HC working parties.

Housing Director, Matthew Wicks joined Innisfree in January 2009. He previously worked at Wandle HA in South London for 14 years, most recently as Head of Housing and prior to that with Southwark and Lewisham housing departments. Matthew is a qualified member of the Chartered Institute of Housing.

Technical Services Director, Máiréad Mooney joined Innisfree HA in July 2000 and was originally employed as our Office Services Co-ordinator. With a background in construction and an interest in development, she now looks after the association’s development programme and the maintenance of our properties. Mairead is from Sligo, has two young sons and has been in London since 1994.

Office Services Manager, Cassandra Kelly, joined Innisfree in June 1999 as Administrative Assistant. She was a Housing Officer from October 2000 until early 2004 when she was promoted to her current position. Born in North West London to parents from County Mayo, Ireland, Cassandra spends family holidays in Ireland every year.

APPENDIX 4 INNISFREE HOUSING ASSOCIATION – STAFF STRUCTURE CHART as at date



Appendix 5 - The Solomon Project

The Solomon Project – more than just a benchmarking group

Formed in 1998, the Solomon Project was the first group of small housing associations in the UK to get together to form a benchmarking group. We said from the outset that we would do more than just benchmarking and so it has been. We have notched up a formidable list of achievements through partnership and collaboration:-

- Annual staff conferences
- Regular meetings of practitioner groups
- Shared training events
- Joint procurement
- Sharing of policies and good practices
- Joint tenant events
- Events for board members
- Joint annual reports
- Collective responses to consultation documents
- Staff secondments

Partnership is one of those “buzz” words, describing something to which we should all aspire. The reality is that to do it well requires compromise, patience and respect. It demands that you listen to others’ viewpoints, that you honour deadlines and that you commit resources. It sounds obvious but all these things are vital if a collaborative network is going to work. It’s much more complicated than making one single organisation work. It’s a bit like being part of an extended family where members hold strong views, sometimes fall out with each other but are always there for each other in a crisis. You can share your problems and trumpet your successes in a safe and supportive environment – and we do!

In a changing world, we recognise the strength that comes from our networks and partnerships. We have recently broadened that partnership to include SolFed, our South London counterparts. That makes eleven small housing associations now working together on joint activities. It is a formidable group, representing some 320 staff who in turn manage over 4,000 tenancies. Within this grouping we have an enviable range of specialist expertise which is recognised and respected within the sector.

We see a range of opportunities both individually and collectively in the future. For all of us, the over-riding goal is to use the Solomon Project to drive up service standards and make our homes a better place for our tenants. Our next challenge is to explore a framework which will enable us to set up a joint tenants' forum with real power to influence our work.

Members of the Solomon Project

ARHAG
Hornsey Housing Trust
Innisfree Housing Association
Shian Housing Association
Waltham Forest Housing Association
Women’s Pioneer Housing

Members of SolFed

Ekaya Housing Association
Lambeth & Southwark HA
Southwark & London Diocesan HA
Housing for Women
New World Housing Association

Appendix 6

Partners & Affiliations

Innisfree works with the following local authorities:

London Boroughs of Brent, Camden, Ealing, Hammersmith & Fulham, Haringey, Harrow and Islington

and the following housing associations:

Catalyst Housing Group, Dominion Housing Association, Family Mosaic, Genesis Housing Group, Inquilab Housing Association, Islington & Shoreditch Housing Association, Metropolitan Housing Trust, Network Housing Group, Newlon Housing Trust, Notting Hill Housing Group, Octavia Housing & Care, One Housing Group, Origin Housing Association, Shepherds Bush Housing Association and Willow Housing

and the following referral agencies:

Acton Homeless Concern, Brent Irish Advisory Service, Cricklewood Homeless Concern, Hammersmith Irish Support & Advice Centre, London Irish Centre, London Irish Women's Centre, The Passage, Safestart Foundation, Solas Anois and W London YMCA.

We are members of or affiliated to:

*Federation of Irish Societies
Irish Housing Forum
National Housing Federation
NCVO*

EXECUTIVE SUMMARY

1. This report sets out the results of a survey of external stakeholders, to establish the views of key partners about Innisfree, its operations and performance. 29 representatives of key partner organisations participated by taking part in telephone interviews conducted by the consultant and Innisfree Board members during the period May to June 2008. The survey follows up a very similar and earlier exercise conducted in 2003.¹
2. The principal finding is that, as in the earlier survey, Innisfree is viewed extremely positively by the people and organisations with which it does business. Across several key areas it was rated either 'Good' or 'Excellent' by 100% of respondents which is remarkable for any size of association, and especially so for a smaller one operating in what is now a much tougher and more competitive environment than five years ago.
3. The Association is especially well regarded in the following areas:
 - a. Managing its relationship with key partner and stakeholder organisations;
 - b. Its professionalism and performance of its staff;
 - c. Its contribution to community cohesion
 - d. Communicating its mission of assisting the Irish community, and knowledge of that community;
 - e. Partnership working where its key local authority and housing association partners rate highly its role in being proactive, sharing of responsibility and as a BME partner;
 - f. Its organised and co-ordinated approach to delivery of its business where it is overwhelming viewed as being planned, responsive, quietly confident and speedy to respond.
4. Performance is seen as generally good in the following areas:
 - a. Innovation;
 - b. Financial relationship management;
 - c. Tenant and resident involvement;²
 - d. Housing management;
 - e. Dealing with lettings;
 - f. Handling queries and complaints.
5. Areas where the ratings given are less good – but still satisfactory – are as follows.
 - a. Communication and information about its performance and governance;
 - b. Dealing with Anti-Social Behaviour (ASB);
 - c. As a Supporting People (SP) provider.
6. The Association's main strengths are viewed as:

¹ Innisfree Stakeholder Survey Report September 2003 by Greg Campbell

² This and the remaining questions on housing management, lettings and complaints were answered only by Local Authority respondents.

- a. Having a strong focus on the Irish community, serving its needs well and with cultural sensitivity, and championing its corner;
 - b. Being extremely well led with a knowledgeable, experienced, committed, stable and friendly staff team;
 - c. Strongly committed to partnership working, willing to engage in policy and strategy discussions, and to put time and effort into delivering partnership objectives;
 - d. Well organised, professional and very clear about its aims and objectives.
7. In terms of what Innisfree might achieve in the future the following are the main points mentioned:
- a. Continue to grow maintaining the quality of its services and its role as a successful community based association;
 - b. Survive and retain its independence, acting as a model and champion for other small associations;
 - c. Innovate and diversify its business, providing a wider range of services to its existing and new client groups.
8. Potential future priorities for the Association are:
- a. Continuing to deliver high quality services to its tenants and clients;
 - b. Keeping close to its LA partners helping to deliver on their key objectives, eg worklessness;
 - c. Continue to develop and grow in a planned way and to diversify its business;
 - d. Remaining financially viable and retaining its independence, acting as a model for BME and small associations.

Appendix 8 – under review

Board review 2011
Innisfree Housing Association

Private and Confidential

24 October 2011

Debby Ounsted

A1 Introduction

Now that the Tenant Service Authority has introduced a “light touch” approach to regulation, Boards are expected to be in full control of their own governance standards and compliance. Most Registered Providers (RPs), including Innisfree, have adopted the National Housing Federation’s Codes and guidance, updated from time to time. These set out both the principles and good practice for the governance of the social housing sector. Effective Boards offer sound leadership and control, working in close conjunction with their executive teams but in clearly defined and different roles.

A2 Simply put, all Boards are in charge of the strategy and stewardship of their organisations. Effective Boards will also offer scrutiny, support and stretch to the activities of their staff team and also have an important role to play in accountability to a range of stakeholders for the way in which the association’s resources (much of which come from public money) are allocated and spent.

A3 The new concept of co-regulation, where residents share oversight of standards and service delivery, has introduced a new angle to the way in which RPs account for their operational effectiveness. Co-regulation, where “customers” offer independent scrutiny, is also changing the nature of the landlord/tenant relationship. It is a major challenge for all Boards to ensure that independent scrutiny brings a positive benefit rather than an additional governance burden.

A4 Boards remain in charge of the mission, values and viability of their organisations and of the oversight of risk. The unprecedented turmoil in the global economic environment is happening at the same time as a fundamental reshaping of social housing policies. Welfare reform, changes to the benefit regime, to affordable rent structures, to the availability and quantum of development finance make it a time of real challenge for all Boards. It is hard to make plans when no one is certain what the formal frameworks for social housing will be from 2012 and beyond. This has all introduced unprecedented challenges for Boards who need to be sure that they have the best skills, capability and commitment at Board level to steer the way through these unpredictable times and maintain control of the business.

B1 The brief and the process

Innisfree’s Rules and governance policies were reviewed by Trowers and Hamlin in 2010. Innisfree’s usual member appraisal process is carried out by the Chair, the Committee Chairs and the Chair of the Staffing and Remuneration Panel. As the Board is now in transition with some members leaving, and a new Chair in place by the November awayday, it was thought helpful to have an external adviser to carry out some of the interviews, including exit interviews and to offer feedback to the former and to the incoming Chair. This has been a light touch exercise, not a full governance review, and I have not seen the Board or any of the Committees at work. However, some useful points have emerged. The fact that external input into the review was commissioned demonstrates how seriously Innisfree takes its governance arrangements.

B2 All members completed a self-assessment form or an exit interview survey. Those interviewed are listed at Annex One. The interviews took place over September and early October, either by phone or face to face and a meeting was held with the incoming Chair at the end of the process.

B3 All members were generous with their time, their ideas and feedback and I am most grateful for this.

B4 Individual notes of each discussion have been prepared for each member personally and these amplify the points made in the self- assessment forms. Any individual training and development needs are recorded separately. Suggestions for further overall Board development are made in the recommendations at the end of this report.

B5 The observations below are drawn from both the discussions and the self-assessment forms. Where relevant, comments are made comparing the governance at Innisfree with working practices at other organisations.

C1 Findings

This short report offers observations on:

- a) The Board's approach to their core responsibilities set out in A2 above
 - Strategy
 - Stewardship
 - Scrutiny
 - Support
 - Stretch
 - Stakeholders
- b) The make-up and composition of the Board
- c) Succession planning

C2 Overall, the Board and its committees are said to work effectively. Discussion and challenge are taken seriously. The processes which enable the Board meetings to run well are well established. Attendance is good; the agenda papers though perhaps too voluminous come out in sufficient time for members to prepare well. A constant theme emerging from the interviews was that the Board takes its duties seriously. People are extremely committed to Innisfree and espouse its vision and values. Members spoke of a sense of connectedness. Members have an up to date awareness of the issues facing the sector. Not many training and development needs have been identified, but people feel that when needed training will be available and that there are plenty of ways to provide this beyond formal courses. Members thought that the association was well run and financially sound and felt proud to be part of it. Praise was given for the effective and efficient chairing of the Board and its committees. Meetings do not overrun. The Awaydays seem to be very much enjoyed. One participant said that these events "made members feel valued". Many said that they felt the oversight of the association's activities at Board level continued to improve year on year.

C3 Papers are getting more focussed. Although I have not seen evidence of this myself I was told there are still problems in some of the presentational accuracy at Committee level (accuracy of numbers, spelling and so on). It was suggested that staff could "peer review" papers before they were despatched, to raise the standards, and to help increase the confidence of members in the validity of the data.

C4 Strategy

Almost all members identified this as an aspect of governors' responsibility where improvements could be made. Although there was a range of views, the common thread was that all Board members should become more engaged in discussion of the strategic options, making choices on priorities and devising a new strategy for the next 3 to 5 years. It goes without saying that the Chief Executive and senior team would still carry out the bulk of the preparation for a new strategic plan, but members wanted both to participate in the planning and influence the objectives. There was a strong feeling that the Board collectively has a high level of strategic intellect and plenty of valuable experience from relevant sectors to bring to the benefit of Innisfree.

C5 The Board is eager to ensure that the way in which resources are allocated are aligned with its high level aims. These may be different for the next 3-5 years than they have been for the last 3-5 years. Many members want to think again about the association's appetite for risk. In short, the Board wants to move from being an effective but passive governing body to one which really drives the future outcomes which Innisfree offers to existing and future generations of residents and the Irish community it exists to serve. It was felt there was not sufficient clarity about what happens as a result of the more strategic debates at Board level. Sometimes ideas surface but members are not sure what happens as a result.

C6 Stewardship. Members see this as a strength. The association is said to be financially strong with good reserves for its size. The Finance Committee pays very close attention to the detail. There has been an increasing focus on Treasury issues. Members think that more could be done to make risk management more active and meaningful, not just a paper exercise to

demonstrate compliance. It is a Board's role to assess and determine risk appetite and this is obviously an issue at the front of members' minds. The senior staff team take compliance matters seriously. Several people commented that Innisfree pays as much or more attention to regulatory and control matters as a much larger Registered Provider would do. Innisfree needs to be mindful of the amount of time and resource which strong regulatory compliance demands from a small management team. The corollary of the Tenant Services Authority/Homes and Communities Agency moving to "lighter touch" regulation is that Boards will have to pay close attention to the effectiveness of their leadership and governance. The regulator will no longer tell associations how to govern themselves.

C7 Scrutiny. The Tenant Scrutiny Panel has now been in place for eighteen months. It was outside the scope of this report to look at its effectiveness. However it is clear that the Board believes it is the right thing to do to have tenants providing independent challenge about service quality. I understand there has been some discussion about the Panel taking on some functions of the Housing Services Committee, but that the Panel prefers to keep a narrower brief for now. Clearly the Housing Services Committee has carried out very useful scrutiny and challenge to date and has had the flexibility to bring particular topics under the microscope for a period until improvements are achieved (for example the Patch reporting for housing management/arrears).

C8 If a time comes when the Panel has capacity to take on more, careful thought needs to be given about where Innisfree wants to draw the dividing line between governance and scrutiny. Many associations have chosen to appoint to their Panels only tenants who are **not** part of any of the governance structures. This has the advantage that Scrutineers can comment completely objectively, independently and without having to pay heed to how their findings will be acted on and how their recommendations followed up. This might be considered the "Power without responsibility" model, but it is more likely to foster radical thinking and serious challenge to the status quo than a scrutiny panel some of whose members are also part of the governance/tenant involvement team.

C9 Support. There is no doubt that members hold the Chief Executive and her senior management team in high regard. "Fantastic", "brilliant" were the sort of adjectives used. There was plenty of evidence of board members helping staff by offering their own expertise, network of contacts and examples of good practice to Innisfree. For example, a board member running an in-house training session, a member supplying sample policies. It sounds as if the committee chairs in particular make themselves available to their opposite numbers for consultation and for mulling things over and this should be encouraged. The new Chair has already booked in a series of monthly meeting with the CE to make sure that there is close joint working. Inevitably the arrival of a new Chair will mean a change in the nature of the relationship between the Board and the SMT: this needs to be handled with awareness and sensitivity on both sides. Members spoke with care and concern about how important it is that staff have as much career development as possible in house, recognising how difficult that is in a small organisation, where many staff have stayed for a long time and so there are few opportunities to step up.

C10 Stretch. This sounds like an aspect of a Board's role where more could be done. Several members warned about the danger of complacency about performance, and thought more could be done to compare performance with "best in class", not just peers. Members did not feel sufficiently informed about the "unit management cost" at Innisfree compared to other associations.

C10 Tenants face serious reductions in their disposable incomes if the planned reforms to welfare, housing benefit and Supporting People and the introduction of universal credit are all implemented. If rents rise as expected and worklessness continues to grow, social housing landlords will find it harder and harder to manage their tenancies-and of course their cash flow. This means that Boards need to be able to ask for stretch and improvement performance in the right parts of their operation. They need to be equipped to know if value for money is being offered in each part of the organisation's activities.

C11 Stakeholders. "Clare IS Innisfree" said one member. This was not a criticism, just the opposite. But several members recognised that the Chair and indeed to a lesser extent Board

members have a legitimate and important role to play as ambassadors for the association. Tenant board members act in that way very effectively in the communities where they live and in the activities they take part in with Innisfree. It was felt that the new Chair, with her particular professional housing background could act as the front for the association very effectively in particular relationships with key partners. It will be important for the CE and the new Chair to work out how best to do this without getting in each other's way. All members have a role in ensuring that the reputation of Innisfree is enhanced in whatever circles they move in, and their contacts and networks are used for the benefit of the association where appropriate.

C12 The make-up and composition of the Board. By any standard Innisfree has attracted a wide range of very skilled and experienced people to its Board. There is very strong housing experience both at the policy and at the practice end. Newer members bring finance, risk and treasury awareness. Tenant members have a deep understanding of what it is like to experience Innisfree's services and also live in communities where Innisfree and other social landlords work together. They know what a difference determined tenants can make to the quality of life on estates. There are no specific Board-wide recommendations for training and development. A few individual needs have been recognised and recorded separately.

C13 Compared to many other Boards of smaller associations, Innisfree's is relatively diverse in terms of gender and age and some members are Irish. More said they had Irish connections or family history. I do not know if other members of the Board are from black or other minority ethnic groups. Diversity of attitude and mind-set is an important contributor to the effectiveness of governing bodies. I have not seen the Board in action but from the discussions held and the self-assessments I believe that members hold a wide range of opinions and are not afraid to express them.

C14 Succession planning

Succession planning for the Board is well done. Good practice, such as fixed terms of office to ensure turnover, has delivered a good balance of refreshment of skills whilst maintaining stability. It was noted by several members that the CE tends to lead on recruitment. There is a perception that several members are long standing contacts of Clare's. However, in reality, all newer members have been recruited through the Get on Board scheme. And when members are being recruited for their housing experience, and London and/or Irish interests, then it is likely that any potential Board members will be known by the CE within the context of Innisfree's wider networks. Members commented favourably on the different background and approach brought by the more recently recruited members and in particular that the additional financial and business expertise was adding real value both to stewardship and to future planning.

C15 However, the major issue for all members is the succession planning for the senior team. The Board recognises how lucky it has been to have the services of such a skilled, stable and dedicated CE and management team. While it is hoped that Innisfree will continue to have their services for a long time to come, it will be sensible for the new Chair and the CE to discuss the long term plans for the executive leadership of the association. A small association will inevitably be disproportionately dependent on its SMT for success and therefore a discussion about possible retirement and recruitment plans for key people would be helpful.

D1 Conclusions and recommendations

Innisfree's governance is in good shape. Sound formal practices are in place which enable strong contributions to the leadership and control of high quality and committed members. The Board now wants to use its collective energies and abilities to take more ownership of the strategy for Innisfree to ensure a buoyant future, especially given the threat to smaller associations arising from present economic and policy challenges. The strong financial position could be used to take greater risks to ensure growth. The Board wants to guard against complacency, and ensure that the association provides services efficiently as well as effectively. The contribution from tenants is taken seriously and valued. A wider pool of engaged tenants would be welcomed. And the Board is mindful of the need to oversee both its own succession and that of its management team with thoughtfulness and care.

D2 RECOMMENDATIONS

Strategic:

Board to be involved in forward planning for the medium 3-5 year term, including discussion of the options for use of assets and the appetite for risk

D3 Like some other associations, Innisfree has an annual forward workplan for the Board and the committees, which covers regular and foreseeable items which will need member level discussion/decision during the next 12 months. A regular reminder and update of this, plus specific involvement by all Chairs, not just some, in planning each meeting's topics and running order would ensure consistency of engagement

D4 *Stewardship:*

In the light of the new "light touch" approach to regulation, the Board may have to take more, not less, interest in and ownership of compliance and good governance activities, but some members would prefer to see less of it. I recommend therefore that the CE and Board look afresh at the likely volume of compliance material in future and agree what will come to the Board in 2012

D5 *Scrutiny:*

Review annually the work-load and responsibilities of the Tenant Scrutiny Panel particularly in relation to the work of the Housing Services Committee

D6 *Stretch:*

Ask the staff team to explore comparing performance and cost with a wider range of benchmarking partners (best in class not just smaller London associations)

D7 *Succession planning:*

Chair and CE to discuss how to maintain stability of senior team should/when key members retire or leave. Ensure full support is available for the CE and SMT during any periods of transition. New Chair/ CE should discuss and agree whether Board members could take a more active role as ambassadors for the association with specific stakeholders

D8 The Chair and CE already consider which Board members might become the next chairs of committees/sub-committees/panels etc and identify any training and development needs to equip people for this role as part of the annual appraisal process. Members should be encouraged to put their names forward for additional responsibilities to help strengthen governance capacity

D9 When further vacancies arise on the Board, it would be sensible to review the diversity of the governing body and if need be use proactive recruitment to ensure a lively mix of attributes as well as people with relevant skills continue to be available to serve Innisfree.

D10 *Administrative:*

Ensure that all papers for the Board/Committees are properly proof-read before despatch

D11 Include a rolling "action taken" tracking-list with each agenda, so that members can see what the outcome has been of the discussions held and decisions taken

Finally

D12 At Board/Committee meetings, all chairs should be encouraged to summarise key points and decisions agreed, to ensure clarity about what action is to be taken as a result of members' input.

Debby Ounsted

October 2011

ANNEX A

Board member participants:

Sean Baine

Annette Beckett

David Blackburn

Bernadette Gallagher

Terry Jones

Peter Kerr

Anne McLoughlin

Sinead McQuillan

Antoine Pesenti

Barbara Regnier

George Sheerin

Carole Smith