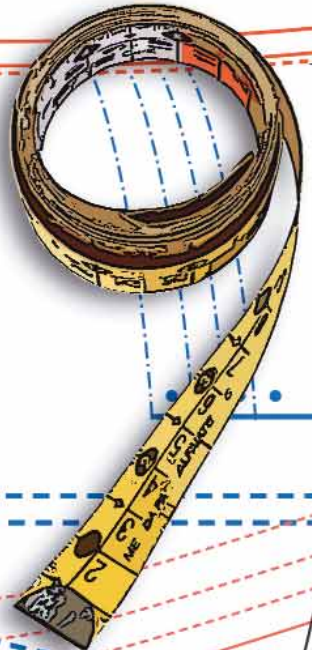
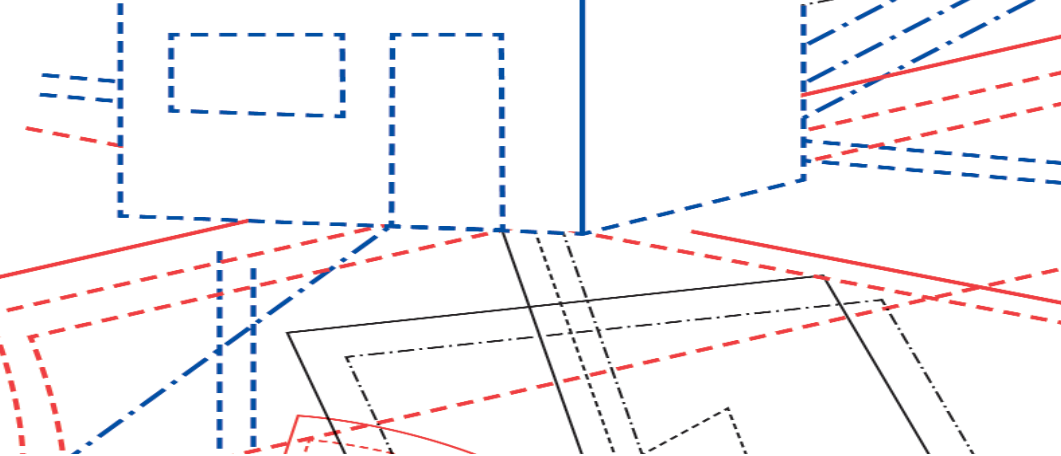




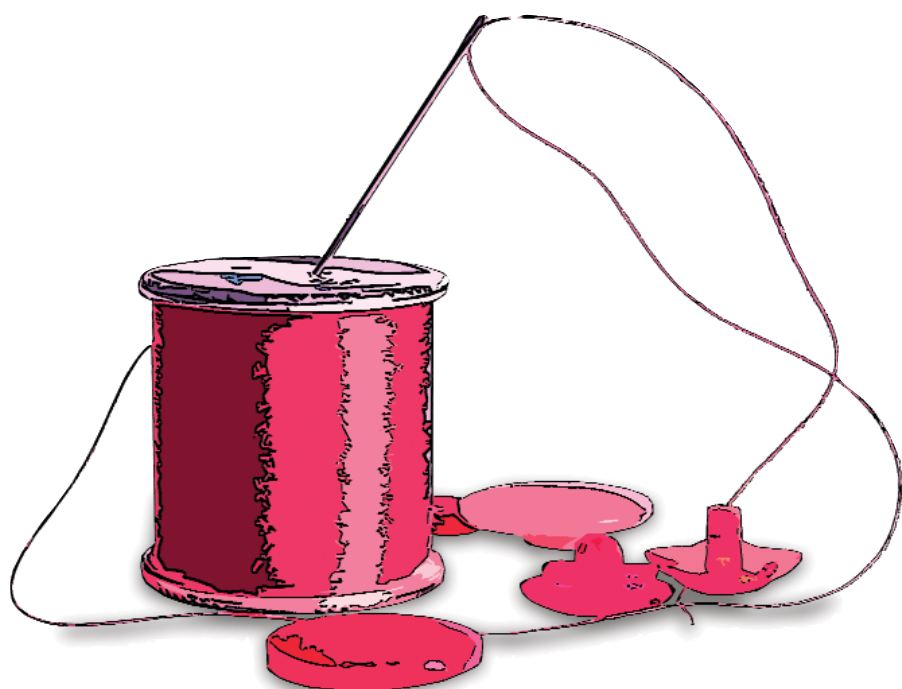
Tailoring our services
to fit your needs





Our aim:

To provide affordable, quality housing and equitable services for people in need with an emphasis on supporting independent living and the empowerment of single homeless people.



Cutting the pattern

It has been a very busy year for the Salvation Army Housing Association (SAHA). Much of our time has been spent implementing the recommendations made by the Audit Commission (in 2007) to ensure we are doing the best we can to support our residents and increase their prospects for good health, independence, education and employment.

The changes that we have put in place are already making a big difference to our residents and to our finances. For example, our re-developed website now offers some very useful online services, enabling residents to register repair requests and view their rent account details at any time of day. We have extended the opening hours of our Customer Services Centre to make it more accessible for residents during the early evening, and we have trained members of staff to provide welfare benefit and debt advice to residents so they can manage their own finances better. We have introduced a new Three Day Repairs target, and achieved a 100% success rate in this category. We have also increased the speed at which we are able to re-let vacant properties and introduced other cost-saving measures which, taken together, have enabled us to achieve efficiency savings of more than £320,000 during the year in question.

Our special thanks to the SAHA Board, our dedicated staff and The Salvation Army for their continued support, and to the many local authority partners, funders and agents that assist us with our ongoing work. Above all, we would like to thank our residents, especially those on our Customer Panel, for helping us to improve our services by providing valuable feedback on all that we do.

Colonel Lawrie Fisher
Chairman

Nigel Parrington
Chief Executive





Taking key measurements

Performance indicators for 2007 – 2008

1. The number of homes under our ownership

Housing accommodation	1,236
Residential centre bedspaces	2,009
Foyer bedspaces	134
Residential care home bedspaces	77
Total	3,456

2. We housed 7,006 people last year, including:

- Homeless people and families with support needs
- Women at risk of domestic violence
- People with mental health problems and learning difficulties
- People with alcohol and drug problems
- Elderly people

3. The average energy efficiency of our homes, on a scale of 1 to 100, was:

Residential centres	81
Foyers	81
General needs housing	71
Overall	78

4. 91% of our homes currently meet the government's Decent Homes Standard. (All of our homes will meet this standard by 2010).

5. 71% of our residents were satisfied with the overall services we provide.



Calculating costs

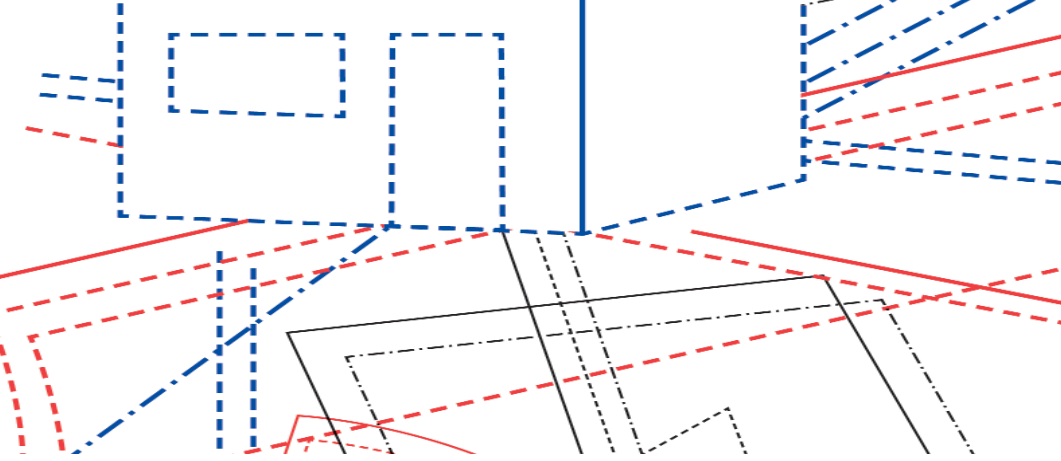
Balance sheet summary

	2008	2007
	£'000	£'000
Housing stock assets	148,679	149,996
Social housing and other grants	-115,380	-116,051
Other fixed assets	2,231	2,126
Net current assets	4,743	7,815
Total assets	40,273	43,886
Loans	24,962	28,873
Revenue reserves	8,123	7,830
Designated reserves	7,188	7,183
Total financing	40,273	43,886

Income and expenditure summary

Rents and service charges	19,778	18,297
Local authority Supporting People funding	15,259	15,637
Gift aid	300	300
Other income and donations	3,272	4,446
Non social housing activities	1,209	1,392
Interest receivable	334	435
Total income	40,152	40,507
Housing management costs	3,816	3,609
Housing services costs	9,565	9,226
Cost of Supporting People	18,019	17,685
Repairs and maintenance	4,369	4,854
Bad debts	167	148
Depreciation	579	590
Interest payable	1,656	1,849
Non social housing activities	1,441	1,507
Other	242	170
Total expenditure	39,854	39,638
Surplus for the year	298	869

A full set of accounts is available on request.





Major alterations

During our last Audit Commission Inspection we were able to re-examine the quality of our services and to identify where improvements could be made. After making alterations to the way we organise ourselves and our services, we have seen a significant increase in both our efficiency and effectiveness.

Involving residents

- We expanded our Residents Customer Panel – the consultative body for our service users – to include 90 residents representing different tenures, minority groups and regions of the country.
- Residents took the lead in redeveloping our website to incorporate a range of interactive, online resident services. Residents can now log on to register repair requests, access their rent account details and provide feedback on SAHA services.

Serving customers

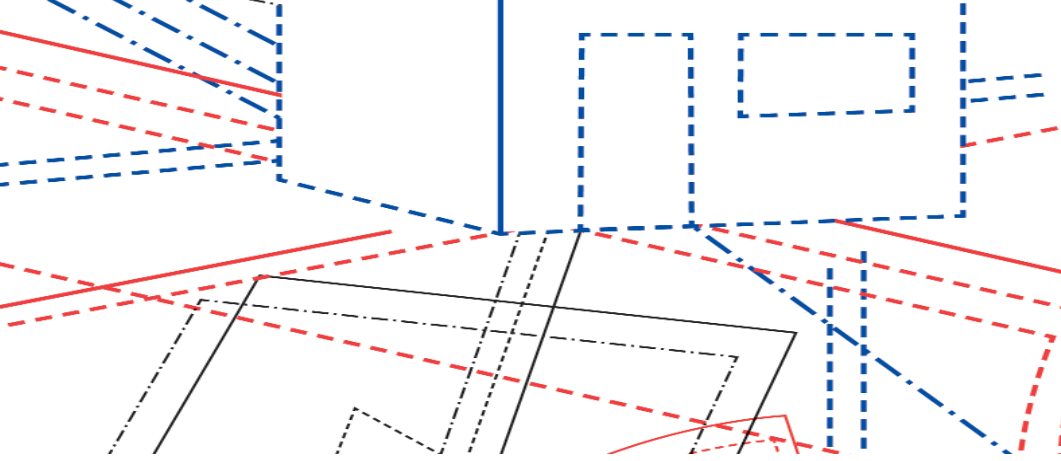
- We introduced a new call management system at our Customer Services Centre. Within two months of its introduction, the number of abandoned calls was reduced from 28% to 2%.
- Our Customer Services Centre opening times have been extended to 7pm on three evenings a week following resident feedback requesting greater accessibility.

Tackling finances

- As part of our new strategy to help tackle financial exclusion among our residents, we set up the Cowan Fund to collect charitable donations from supporters of SAHA and staff to help finance employment and training opportunities for homeless people. Approximately £10,000 was raised for the Cowan Fund during the year.
- Members of staff were trained to provide essential welfare benefit and debt advice for residents to help them manage their finances better.
- By making our homes available more quickly – and managing our finances more effectively – we have achieved £327,291 worth of efficiency savings (which is £80,338 more than we had hoped we could save).

Crowning champions

- To streamline the association's governance and support the work of the Executive, the SAHA Board introduced the concept of 'Board



Champions', being designated Board members with expertise in particular fields including diversity, housing management, homelessness, finance and development.

- A 'Housing Champion' carried out inspections of our estates using the Audit Commission's Key Lines of Enquiry to assess our housing services.

Channelling resources

- SAHA housing services have been moved under one directorate to bring greater consistency and a joined-up approach to the quality and scope of our housing management.
- A new Business Support and Innovation team has been set up to help win new supported housing business and to support the association in continuing to improve and innovate.

Evaluating stock

- We carried out a very detailed stock condition survey based on 60% of our properties. An impressive 91% of our properties were assessed to comply with the government's Decent Homes Standard with the remaining 9% to become fully compliant by 2010.
- In consultation with our residents, through newly developed Asset Management Resident Teams, we have developed a £30 million, five-year maintenance programme for our homes in response to the findings of the survey.

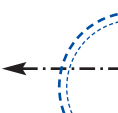


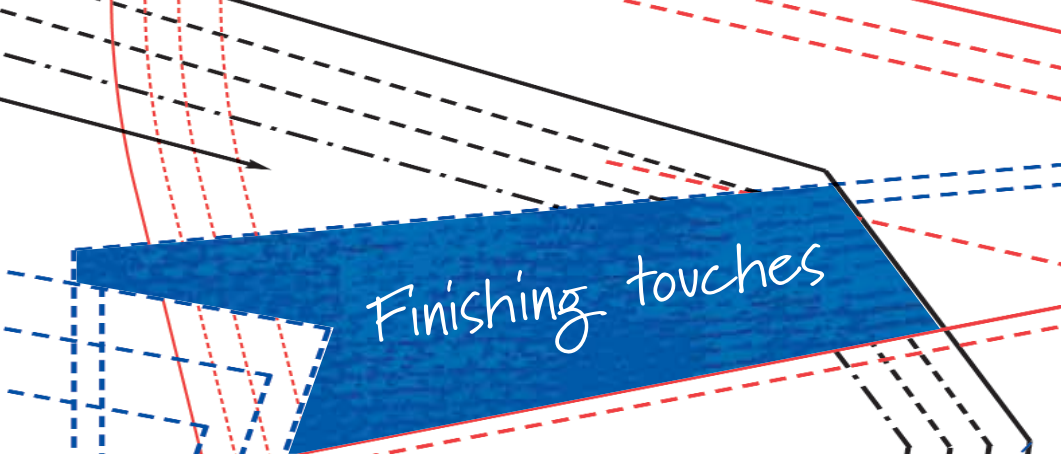
Completing repairs

- Residents have identified the 'timely completion of repairs' as a key priority for service improvement. Following consultation, we introduced a new Three Day category for repairs. This has proved to be very successful, with 100% of repairs in this category being completed on time.
- We also introduced an appointments system to carry out repairs at the convenience of residents. Next year, we will be looking at how we can extend the appointments system to cover all repairs.

Minimising losses

- We have revised our lettings processes to make homes available more quickly and minimise the amount of potential rental income lost while properties stand empty. The average time taken to let a property in March 2008 was just 18 days, compared to 26 days in March 2007.





Over the year covered by this report, we were delighted to have two of our service provisions recognised by independent authorities as fine examples of their type. We like to think of these acknowledgements as our 'finishing touches' – the little details that others will recognise as being a sign of good quality.

Cambria House

Cambria House, one of our new hostels for homeless people in London, won the Camden Building Quality Award for the quality of its construction.

Morecambe Foyer

Morecambe Foyer became fully accredited for quality assurance with the Foyer Federation. Our three other Foyers already have this accreditation, demonstrating the consistently high quality of service that we offer single young homeless people across all of our Foyers.





Skilled hands

SAHA Board of Management

Colonel Lawrie Fisher, Chairman	Retired International Auditor
Major Jane Cowell	Deputy Territorial Director of Social Services, The Salvation Army
Mr Andrew Fellows	Retired Housing Association Chief Executive
Ms Karen Hyman	Housing Solicitor
Major Ray Irving	Divisional Commander, London Central, The Salvation Army
Mr Robin Jones	Retired Social Services Director
Ms Robin Millward	Business Development Director
Ms Samantha Nurse	Resident Board Member
Mr Nigel Parrington	SAHA Chief Executive
Mr Graham Roper	Property Development & Management
Major Peter Smith	Legal and Parliamentary Secretary, The Salvation Army
Mr Linbert Spencer	Personal and Organisational Development Consultant

SAHA Executive Management Team

Mr Nigel Parrington, BA (Hons) FCIH	Chief Executive
Mrs Margery Manfield-Cooke, MCIPD MIPSM	Deputy Chief Executive
Mr Nigel Hills, CPFA	Director of Finance
Ms Geanna Bray, BA (Hons) MCIH	Director of Supported Housing
Mr Paul Wenham, MRICS MCIQB MASI	Director of Asset Management
Mr Puneet Rajput, BA (Hons) ACIS	Director of Corporate Services

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Taxation Advisers

Smith & Williamson
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London
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Internal Auditors

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Employment Solicitors

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Registered Number 15210R
Housing Corporation Registration LH2429