

# Anniversary

The Co-operative Development Society Limited

Annual Review **2005**

## Introduction by the Chair – Maureen Stables

Welcome to our annual review for 2005. The main purpose of this document is to publish key performance statistics about the activities of CDS Co-operatives for the financial year to 31 March 2005 along with a brief summary of the key events in the past year.

This year has seen the Society celebrate 30 years of promoting, developing and managing co-operative housing. I would like to extend my thanks to my fellow Board members past and present for all their hard work over 30 years as well as the hard work of all our staff members over the years. Their contribution has

enabled the Society to grow from small beginnings into one of the leading providers of co-operative housing solutions. We are still working to provide affordable rented housing and continue to seek to provide low cost home ownership through our mutual home ownership scheme.

If you wish to know more about CDS Co-operatives please visit our website at [www.cds.coop](http://www.cds.coop); I hope that you find the data contained in this report informative.

**Maureen Stables**  
**Chair**

## Key Events

### 30 Years Promoting, Developing and Managing Co-operative Housing

CDS Co-operatives was formed in April 1975 by the Co-ownership Development Society Ltd with a view to responding to the opportunities provided by the 1974 Housing Act to develop community controlled social housing. This summer we celebrated our 30th anniversary. A reception, hosted by our honorary president, Lord Graham of Edmonton, took place at the Houses of Parliament. The event was attended by politicians from the major parties, members of staff past and present, members of the UK co-operative movement, tenants from our client co-operatives and other well wishers.

Speakers included Lord Graham, David Drew MP and Nick Raynsford MP who pledged their continuing support for co-operative housing solutions.

To mark our anniversary, Nationwide Building Society made a generous donation to the appeal by Co-operatives<sup>UK</sup> for funds to help rebuild co-operative communities affected by the tsunami in the Indian Ocean.

### Camden Residents in Short Life Housing

The project to provide refurbished and new build properties for the CRISH residents (Camden Residents in Short Life Housing) continues to make steady progress. This is a complex project involving decanting of existing residents to allow work to be carried out. This is also the Society's first use of a formal partnering contract where developer and contractor work in close collaboration, sharing the risks, to ensure that the project is completed on time, at the agreed price and to a high quality.

The refurbishment of four of the six street properties is progressing well with the works scheduled for completion in May/June 2006. The two mansion blocks have been completely demolished and the construction of the new buildings is underway. These should be ready for occupation in late Autumn 2006.

## Common Ground – for Mutual Home Ownership

The Society continues to promote its model for mutual home ownership as an innovative solution to the problems of affordable housing for key workers and others on average incomes who are being priced out of the housing market. English Partnerships has agreed, in principle, to the Cashes Green former hospital site in Stroud being used as a site for a national demonstration project. Lobbying the Greater London Authority and the London Development Agency for a site in London for the second pilot project is on-going.

## Audit Commission Inspection

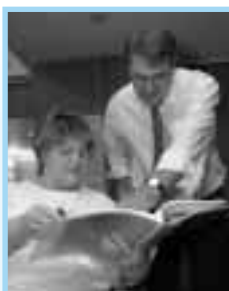
The Society's inspection by the Audit Commission was delayed from its planned date of February 2005. It is now scheduled to take place in January 2006. The inspection has provided a focal point for our on-going work to improve the quality and efficiency of the services to tenants and our client co-operatives and a lot of effort in the last year has gone into this. We have carried out a mock inspection, a comprehensive best value review of maintenance services and have now embarked on a similar review of leaseholder services. These reviews lead to action plans for improvement.

Providing services to client co-operatives that have committees elected by the membership of the co-operative has always provided us with good opportunities for consultation on tenant views. However, in the past year we have considerably expanded how we consult with tenants to ensure that we provide opportunities for those people who do not necessarily get involved, to air their views. To this end we have carried out a number of postal and telephone surveys, organised tenant focus groups and a one day consultation conference. We have also conducted estate roadshows. These consultation exercises have provided a lot of useful information that can be incorporated into our review of services and has helped us in identifying service areas that need further improvement.

## Sad Farewells

We were greatly saddened by the death during the year of two long serving members of our board of management. Gladys Bunn, a lifelong co-operator, passed away in December 2004 after a short illness. Robert Holman, who had served as the Society's honorary treasurer until his illness forced him to stand down from the Board in January 2005 lost his battle against cancer in September 2005. Their contribution to the work of the Society was considerable and they will be sadly missed.

30<sup>th</sup>  
Anniversary



## The Society's Board of Management

The Board of Management is made up of 15 people, elected by the members of the Society. In addition, the Board may co-opt up to three additional people to serve terms of three years. The elected members of the Board are 10 constituency members and 5 expert members. The 10 constituencies are split into 7 geographical constituencies covering the areas in which the Society operates and 3 constituencies representing the type of co-operatives that the Society works with. However, any member of the Society may stand and be elected to any position on the Board. Board members are elected for a three-year term, but are entitled to stand for re-election on expiry of their period of office.

Members of the Society are either corporate members or individual members. The Society's membership policy

was updated in December 2004 to provide a collective membership route for tenants of CDS Co-operatives who are living on estates which are not co-operatively managed by tenants. The policy also allows for any organisation that receives or may receive services from the Society to become corporate members. Individual membership is open to individuals who have a special interest in supporting housing co-operatives or contributing their special knowledge or expertise to the work of the Society. The membership policy does not allow for individual tenants or tenants of co-operatives receiving services from the Society to become members. A copy of the full membership policy may be obtained from the Society's offices or our website.

## The Board of Management – as at 31/07/05

<b>Maureen Stables (Chair)</b>	Expert member
<b>Glyn Thomas (Vice Chair)</b>	Expert member
<b>Ajit Mitra (Treasurer)</b>	Co-opted Board Member
<b>Godfrey Best</b>	London Borough of Bexley Constituency
<b>Tim Clark</b>	Beds, Herts, Essex and London North Constituency
<b>Cyril Davenport</b>	London South East Constituency
<b>Paula Farrow</b>	Dartford, Rochester and Swale Constituency
<b>Mike Jeanes</b>	Expert Member
<b>Theresa Lyons</b>	Ashford, Maidstone and Tunbridge Wells Constituency
<b>Stephen Mallaburn</b>	Fully Mutual Primary Co-op Constituency
<b>Patricia Simmons</b>	Dover, Shepway and Canterbury Constituency
<b>Laurence Zollner</b>	Hants, Surrey and London South West Constituency

There are currently four vacant places on the Board of Management.

### Honorary Officers

<b>Lord Graham of Edmonton</b>	Honorary President
<b>John Davis</b>	Honorary Vice President
<b>Maurice Huggett</b>	Honorary Vice President

## The Society's Staff

The Society's Senior Management Team are:-

<b>David Rodgers</b>	Executive Director
<b>Les Haswell</b>	Deputy Director
<b>Stephen Brown</b>	Administration Manager & Society Secretary
<b>Zaeda Kasmani</b>	Finance Manager
<b>Maria McCarron</b>	Housing Services Manager
<b>Rachael Greenlees</b>	Development Manager

The Society's establishment staffing is 40.16 FTE (full time equivalent) members of staff. As at 31/7/05 the actual number of staff in post were 42.6 FTE members of staff with one post vacant.

## Salary Banding as at 31/7/05

Full time equivalent salary of payroll staff, excluding pension contributions. Pension contributions by the Society on behalf of staff who opt to join the pension scheme amount to a maximum of 11.7% of pensionable salary.

Band (FTE)	No. of Staff
£15,001 – £20,000	4
£20,001 – £25,000	10
£25,001 – £30,000	10
£30,001 – £35,000	9
£35,001 – £40,000	2
£40,001 – £45,000	3
£45,001 – £55,000	1
£55,001 – £65,000	1

## Code of Governance

The Board of Management has considered and seeks to comply with the Co-operatives<sup>UK</sup> Code of Governance in all areas that are relevant to a secondary housing co-operative.

The National Housing Federation published a revised Code of Governance in Summer 2004. The Board of Management has re-affirmed its commitment to the principles of good governance and to complying with the spirit and essence of the NHF's Code of Governance for member organisations. The Board has confirmed its compliance with the code or has taken specific decisions to ensure future compliance with the code in all areas, except as follows:

- The Board is committed to a democratically elected Board and to encouraging the involvement of client co-operative representatives on the Board. In order to achieve this commitment and to ensure that the Board has the proper range of skills required, it has decided not to reduce the size of the Board to the maximum of 12 recommended by the Code of Governance.
- The Board continues to believe that paid members of staff should not serve as members of the Board of Management and consequently those parts of the code relating to this issue do not apply.
- The Board is committed to ensuring that new people with new ideas and skills become members of the Board. However, it does not believe that this should be achieved through the imposition of an arbitrary maximum term of office for Board members as recommended in the code.



## Equality and Diversity

CDS Co-operatives recognises that groups and individuals have suffered, and continue to suffer from discrimination, that is direct (whether intentional or unintentional), indirect and institutionalised.

The Society recognises the need for equality of opportunity and the management of diversity in all aspects of its operations including the provision of housing and employment. It is our intention to ensure that nobody receives less favourable treatment from us or agents acting on our behalf on the grounds of gender, race, colour, ethnic or national origin, marital status, responsibility for dependants, sexual orientation, disability, age, gender reassignment, social status, political, cultural or religious beliefs.

Working to eliminate discrimination, unfairness, inequality and disadvantage, we take practical action through the development of initiatives and interventions to promote and value diversity at all levels of the organisation. As an organisation we actively recognise and manage diversity in the workplace in a

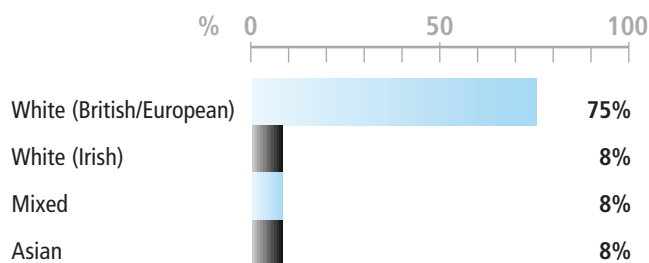
strategic way, looking at innovative ways of changing the organisational culture and empowering our workforce.

All forms of discrimination and harassment are totally unacceptable to us in our role as housing provider and employer. We have adopted an equality and diversity policy which, in tandem with other relevant policies including the black and minority ethnic (BME) strategy, the Society's recruitment policy and harassment policy, provides a framework for promoting equality, valuing diversity and challenging discrimination if it occurs. We seek to value diversity by going beyond just fighting discrimination.

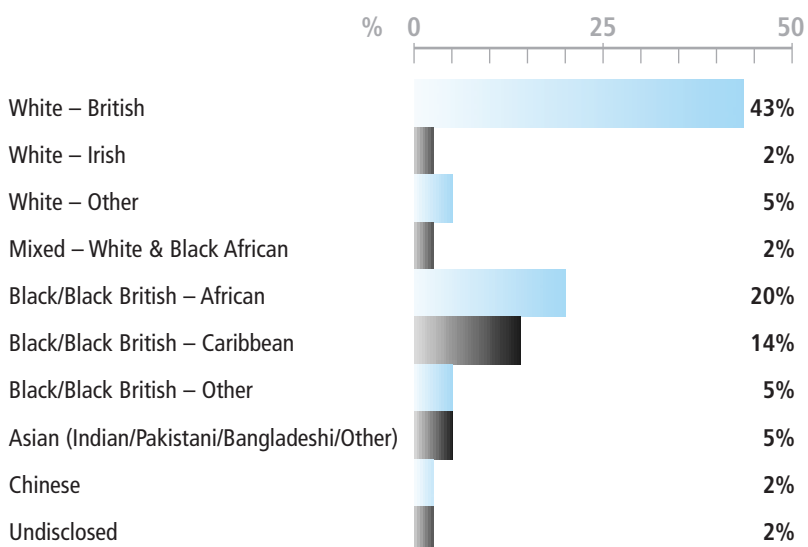
We are committed to ensuring that all our staff and members of the Board of Management and its sub-committees are fully aware of their responsibilities towards the promotion of equal opportunities and valuing diversity. Our aim is to ensure that they are properly equipped to take account of the different and special needs of particular groups and thus make provision for those groups working positively towards the overall goal of the organisation.

A copy of the full equality and diversity policy is available from the Society or from our website.

### Ethnic Origin of the Board (as at 31/07/05):



### Ethnic Origin of the Staff (as at 31/7/05):



## Payments to Auditors

A requirement of the Co-operatives<sup>UK</sup> Code of Governance is that organisations should report on fees payable to their auditors that are not directly related to the auditing of the annual accounts.

The Society's auditors are BDO Stoy Hayward LLP, who were appointed following a tender process. Their audit fees remain in line with their tender documentation.

During the year to 31 March 2005 the following amounts were paid to BDO Stoy Hayward LLP for non-audit work:

**Corporation Tax Advice: £3,500**

## Housing Management

### Stock Owned and Managed as at 31/3/05

General Needs Rented Housing Stock owned by the Society	682
General Needs Rented Housing Stock managed by the Society	1788
Shared Ownership Stock owned by the Society where the purchaser has not yet purchased 100% of the equity	112
Shared Ownership Stock managed by the Society where the purchaser has not yet purchased 100% of the equity	50
Units 100% sold but where the freehold is retained by the Society	152
Units 100% sold but where the freehold is retained by another RSL where the Society is providing management services	31
<b>Total units owned/managed</b>	<b>2,815</b>

For full details as to the Society's client co-operatives and the location of stock owned and managed please refer to the Society's web site at [www.cds.coop](http://www.cds.coop)



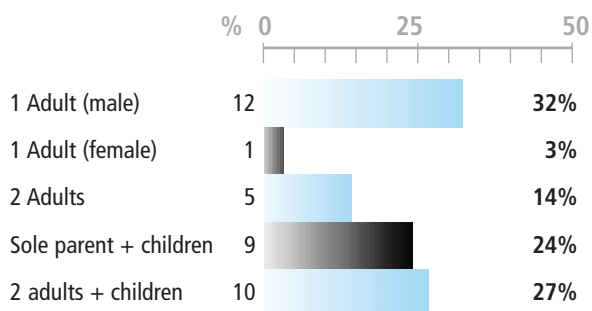
# Key Performance Indicators for the year to 31/3/05

Except where explicitly stated the performance information given relates to stock owned by CDS Co-operatives and not stock managed on behalf of client co-operatives.

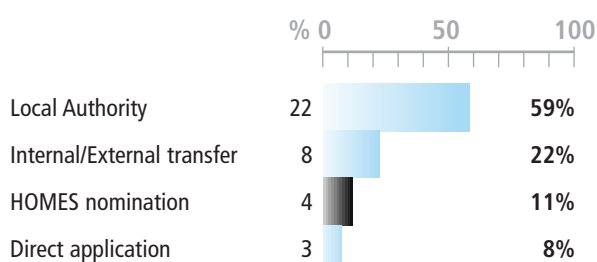
## Lettings

There were 37 lettings for the period 1/4/04 to 31/3/05 (including transfers but not including mutual exchanges) of which 1 was a first time letting of a newly acquired property.

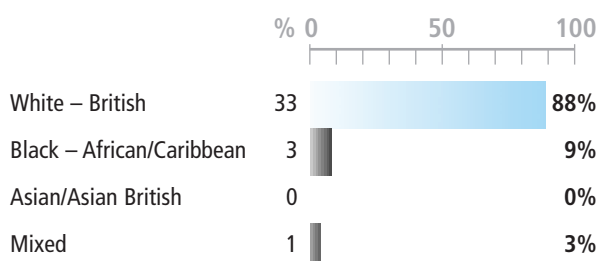
## Household Type



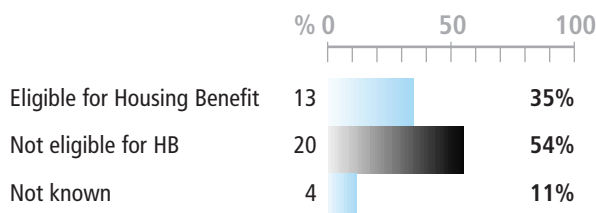
## Source of Referral



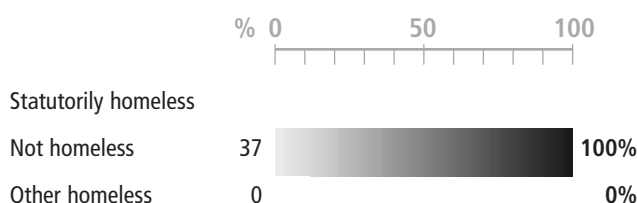
## Ethnic Origin of Household



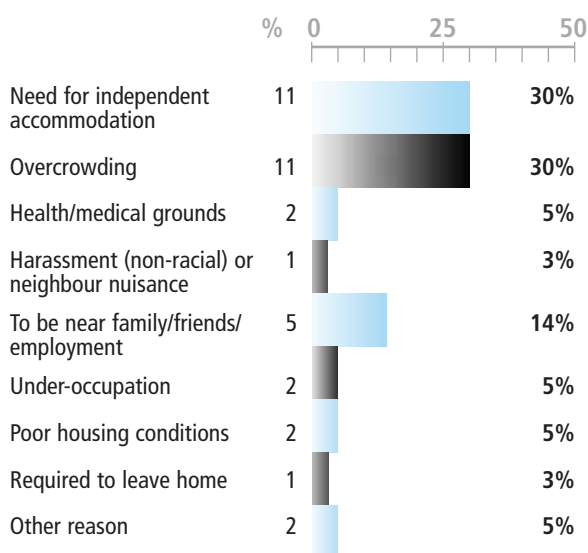
## Housing Benefit Entitlement



## Homelessness



## Housing Need – the main reason given for re-housing



## Rent and Service Charge Collection Rates

### Rented Housing Stock owned by the Society

Rent charged in the year to 31/3/05	£2,439,725	
Rent collected in the year to 31/3/05	£2,445,701	(100.24%)
Amount lost due to void properties	£19,224	(0.79%)
Former tenant debt written off as uncollectable	£9,602	(0.39%)
Rent arrears as at 31/3/05	£121,408	(4.97%)
Rent arrears as at 31/3/04	£153,499	

### Shared Ownership Stock jointly owned by the Society and the tenant/leaseholders

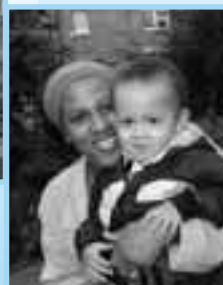
Rent charged in the year to 31/3/05	£211,016	
Rent collected in the year to 31/3/05	£206,483	(97.85%)
Current rent arrears as at 31/3/05	£12,770	(6.05%)
Current rent arrears as at 31/3/04	£8,302	
Former tenant rent arrears as at 31/3/05	£65,207	(2.67%)

### Service Charges to leaseholders/freeholders on Society estates

Service charge levied in the year to 31/3/05	£82,547	
Service charge collected in the year to 31/3/05	£89,039	(107.86%)
Service charge arrears as at 31/3/05	£9,571	(11.59%)
Service charge arrears as at 31/3/04	£10,066	

### Average Rent Data

The Government has announced that it would like to see the rents charged by registered social landlords, like us, and local authorities harmonised and a new policy has been introduced of target rents. Target rents must be calculated for each property. 30% of the target rent is based on the value of the property compared to a national average property value and 70% of the target rent is based on the level of local earnings compared to a national average figure. The Housing Corporation have published the local earnings data and the national average property value. The Society has carried out valuations of beacon properties and this has enabled a calculation of the target rent for each property. Under the regime we have a 10 year period, from 2002 until 2012, to bring our rents in line with the target rents.



The tables below give average rent data for Society owned stock in each local authority area and shows the comparison average target rents for our stock.

Property size	Number of units	Average weekly rent (£)	Average target rent (£)
<b>Dartford</b>			
Bedsit	24	43.39	47.40
1 – bed	70	50.73	54.14
2 – bed	101	60.94	62.24
3 – bed	24	74.89	72.90
<b>Welwyn Hatfield</b>			
1 – bed	8	61.81	64.31
2 – bed	10	68.71	72.69
3 – bed	11	80.33	78.73
<b>Dacorum</b>			
1 – bed	14	56.22	57.64
2 – bed	9	63.70	67.13
3 – bed	10	78.48	77.81
<b>Colchester</b>			
1 – bed	11	57.16	50.44
2 – bed	15	63.35	57.34
3 – bed	26	72.79	65.25
4+ - bed	4	76.16	70.26
<b>Canterbury</b>			
2 – bed	2	87.36	68.98
3 – bed	6	91.97	69.27
<b>Tower Hamlets</b>			
2 – bed	4	54.85	94.49
3 – bed	1	72.84	102.46
4+ - bed	14	97.47	127.90
<b>Shepway</b>			
1 – bed	10	50.60	49.46
2 – bed	5	62.95	61.52

## Complaints about Service

During the year there were 41 complaints from residents about our service. These were all resolved within the financial year and none were referred to the Independent Housing Ombudsman. There were 8 complaints from our client co-operatives about services that we provide to them. The nature of the complaints received is detailed in the following table:

SUBJECT	Individual tenants & leaseholders	Committees
Standard of services overall	9	1
Action taken by an arrears officer or co-op support officer	5	1
Tenancy enforcement	3	
Rent arrears procedures	3	
Service charges	2	
Repairs & maintenance	12	2
Late payments (finance)		1
Defects (development)	2	1
Other	5	2
<b>TOTAL</b>	<b>41</b>	<b>8</b>

## Routine Maintenance Service

(all responsive repairs raised by the Society's customer services team)

Type	No. of repairs notified	Target time (days)	Repairs completed within target %
Emergency	698	1	94.8
Urgent	1,026	5	96.0
Routine	1,118	28	95.3

The Society met the targets set by the Board for the percentage of urgent and routine repairs completed within the target time and there was a significant improvement in performance for these categories. On emergency repairs, the target of 95% to be completed within 24 hours was missed by just 0.2%. The Board has reviewed and set more challenging targets for the current year for all three categories.

## Financial Year to 31 March 2005

<b>Where the money comes from:</b>	<b>£</b>
Rented homes: rents and service charges	2,695,336
Shared ownership homes: rent and service charges	200,022
Fees from managed co-ops	1,070,766
Income from right to buy and shared ownership property sales	81,575
Income from investments	49,400
Other income	267,735
<b>TOTAL INCOME</b>	<b>4,364,834</b>
<b>Where the money goes:</b>	<b>£</b>
Rented homes: services and charges	2,129,233
Spending on shared ownership homes	77,361
Cost of services to managed co-ops	1,317,919
Mortgage interest paid	398,638
Other expenditure	873,159
<b>TOTAL EXPENDITURE</b>	<b>4,796,310</b>
Leaving a deficits transferred from reserves	431,476
<b>What assets we own:</b>	<b>£</b>
Completed houses	32,984,328
Homes under construction/pending sale to independent co-ops.	3,721,830
Amounts owed to CDS Co-operatives	747,017
Office and computer equipment	205,316
Cash at bank	1,828,786
<b>TOTAL ASSETS</b>	<b>39,487,277</b>
<b>Reserves and liabilities:</b>	<b>£</b>
Grant received on completed houses	21,768,050
Housing properties depreciation	1,042,244
Grant received on homes under construction/pending sale	2,478,936
Long term mortgage loans	5,239,388
Amounts owed by CDS Co-operatives	3,336,142
<b>TOTAL LIABILITIES</b>	<b>33,864,760</b>
Leaving net reserves and shares	5,622,517

**Stephen Brown**  
**Society Secretary**  
**26 September 2005**



## এই ডকুমেন্ট অনুরোধে বাংলায় পাওয়া যায়।

This report can be made available in other languages, large print or audio tape.  
Please phone the Help Desk for more information on 0845 450 0545.

### **The Co-operative Development Society Limited** (trading as CDS Co-operatives)

**Registered Office:**

3 Marshalsea Road, London SE1 1EP

Tel: 020 7397 5700

Fax: 020 7407 4697

E-mail: [helpdesk@cds.coop](mailto:helpdesk@cds.coop)

[www.cds.coop](http://www.cds.coop)

Housing Corporation Registration No: LH0170

Industrial & Provident Societies No: 17107R

Chair: Mrs Maureen Stables

Executive Director: Mr David Rodgers