

Customer Annual Report

2023-24 | London & Hertfordshire





Welcome

This annual report to customers covers our performance from 1 April 2023 to 31 March 2024.

In March 2023, we shared our plans for Sovereign Housing and Network Homes to merge. Over that summer we asked for your feedback, which the Boards considered before deciding to approve the merger.

We formally came together as SNG (Sovereign Network Group) on 1 October 2023 and our purpose is to provide good, affordable homes: the foundation for a better life.

As one organisation, we'll be able to invest more in existing homes, services, new homes and our communities in the long run.

We're now working on integrating everything we do, but most of our day-to-day services were still separate in 2023/24. Although some of our performance results in this report cover SNG as a whole, where possible, we've also included information, services and performance results relevant to you and the community you live in.

Some highlights from the year include:

- recruiting new estates officers and increased estate inspections
- launching a new digital assistant which is available 24 hours a day
- investing in improvements to existing homes to make them more energy-efficient
- delivered 671 much needed new homes in London, Hertfordshire and Essex.

Our vision is of thriving communities, over generations. We're focused on learning from what each organisation does well, so that we can be better together. This includes looking closely at how we can keep on improving in some important areas, such as the speed in which we carry out repairs and putting things right when they go wrong. This report covers some of those issues and what we're doing about them.

Tenant Satisfaction Measures

For the first time, this year's report includes our performance against the new Tenant Satisfaction Measures or TSMs, introduced by the Regulator of Social Housing. They are made up of 12 tenant perception measures (from customer surveys) and 10 management metrics. These aim to make sure we are transparent, fair, and accountable, allowing you to access services, raise complaints, influence decisions and hold us to account.

You can find extra information in our [Annual report and financial statements for 2023/24](#) and in our [corporate plan](#). We also share [quarterly performance reports](#) on our website.

Performance against our goals

Our corporate plan sets out our five key goals that we're looking to achieve in the long term. Here are some examples of how we're performing against them.

Our impact in numbers

*London & Hertfordshire

Quality homes and places

Ensuring customers' homes are fit for the future



67.8%+ satisfaction that the home is safe



2,015 new homes handed over

Improved environmental and social impact

Sustaining stronger and more adaptable communities



73.04 average SAP rating (out of 100)*

*Refers to the Government's 'Standard Assessment Procedure' for Energy Rating of Dwellings, where a higher score means lower running costs.



£102.3m HACT social value generated*

*Refers to the Housing Association's Charitable Trust, a charity which enables social housing organisations to drive value by unlocking the potential for lasting, transformational change - backed by research and data.

A great customer experience

Increasing customer satisfaction



56.7%+ overall satisfaction



66.6% customer satisfaction (rented)



36.9% customer satisfaction (shared ownership)



65.1%+ satisfaction that SNG keeps tenants informed about things that matter to them

A great place to work

Increasing colleague engagement, enabling a great customer experience



67/100 colleague engagement score



Living Wage Employer, Level 2 - Disability Confident Employers

Organisational resilience

Establishing strong foundations, delivering more value to customers



G1/V2 governance/financial viability ratings
See page 24



£62.9m net surplus



Letting homes

We rent out and manage over 84,000 homes across SNG. During the year we let 175 new homes and re-let 1,163 others across London and Hertfordshire.

We aim to keep rents as low as possible. In April 2023, we increased our social rents by 7%, in line with the Government's rent standard.

The Government normally sets your rent based on the Consumer Price Index (CPI) for September, plus 1%. The CPI measures changes in the prices of goods and services over time (inflation). The CPI in September 2022 was very high at 10.1%, so the Government capped social rent increases at 7%.

The breakdown of average weekly rent based on home size is on page 7.

Re-letting homes

When a customer moves out of one of our homes, we want to get it ready for new people to move into as quickly as possible. We aim to do this in 45 days. In 2023/24, we took an average of 75 days, up from 52 days in 2022/23. Our performance reduced in this area when our main contractor changed to MCP in 2023 as it took a while to fully integrate their processes and resources into our services. This led to delays in getting our empty homes ready. Once MCP fully integrated their processes, their performance significantly improved but the delays at the start of the year affected our overall performance.

The percentage of rental income lost during the time that our homes were empty reduced slightly to 1.45%, compared to 1.60% in 2022/23. Although homes were empty for longer, we were able to reduce the impact on rental income because some of the rent loss charges were covered by MCP.

Highlights - London & Hertfordshire



175

New lets



1,163

Re-lets



40

Mutual exchanges



1.45%

Rental income lost when homes were empty



Average rents per week

This includes homes in London, Hertfordshire and out of London.

Social rents

Average social rent per week - general needs*

Bedspace	£116.16
Bedsit	£99.93
1 bed home	£120.27
2 bed home	£137.61
3 bed home	£152.59
4 bed home	£163.44
5 bed home	£171.48
6+ bed home (14 only)	£186.60
Average	£139.00

* Excludes Temporary Housing

Average social rent per week - supported and housing for older people*

Bedspace	£98.57
Bedsit	£137.18
1 bed home	£138.04
2 bed home	£141.89
3 bed home (1 only)	£139.88
4+ bed home	-
Average	£133.03

* Excludes Temporary Housing

Affordable rents

Average affordable rent per week - general needs

1 bed home	£208.42
2 bed home	£240.90
3 bed home	£232.27
4 bed home	£262.21
5 bed home (4 only)	£421.82
Average	£229.08

Average affordable rent per week - housing for older people

1 bed home	£245.44
2 bed home	£300.25
Average	£256.81

Maintaining and improving homes

In 2023/24, we spent £55.5 million on repairs and maintenance to homes in London and Hertfordshire. This includes day-to-day repairs as well as major repairs and replacements, such as roofs, boilers, kitchens and bathrooms.

It also covers inspecting and servicing your heating appliances, smoke detectors and electrics, as well as fire risk assessments, asbestos surveys and inspections of lifts and sprinklers. (Page 26 says more about how we spend your rent.)

During the year our contractors completed 54,534 responsive repairs. (These are ones raised by or on behalf of a customer and don't include things like planned repairs and maintenance or work on empty homes.)

We acknowledge there's been a decrease in repairs satisfaction, and we attribute this to resourcing and delivery issues during what has been a difficult financial climate for our contractors. In order to tackle these delays, we've utilised a wider group of contractors to carry out repairs.

The Tenant Satisfaction Measures highlighted on this page shows our performance in London and Hertfordshire.

Tenant Satisfaction Measures - London & Hertfordshire



65.6%

Satisfaction with repairs - social rent



60%

Satisfaction with time taken to complete most recent repair - social rent



65.5%

Satisfaction that the home is well maintained - social rent



55.9%

Satisfaction that SNG keeps communal areas clean and well maintained - social rent and shared ownership



35.8%

Emergency responsive repairs completed within SNG's target timescale (24 hours)



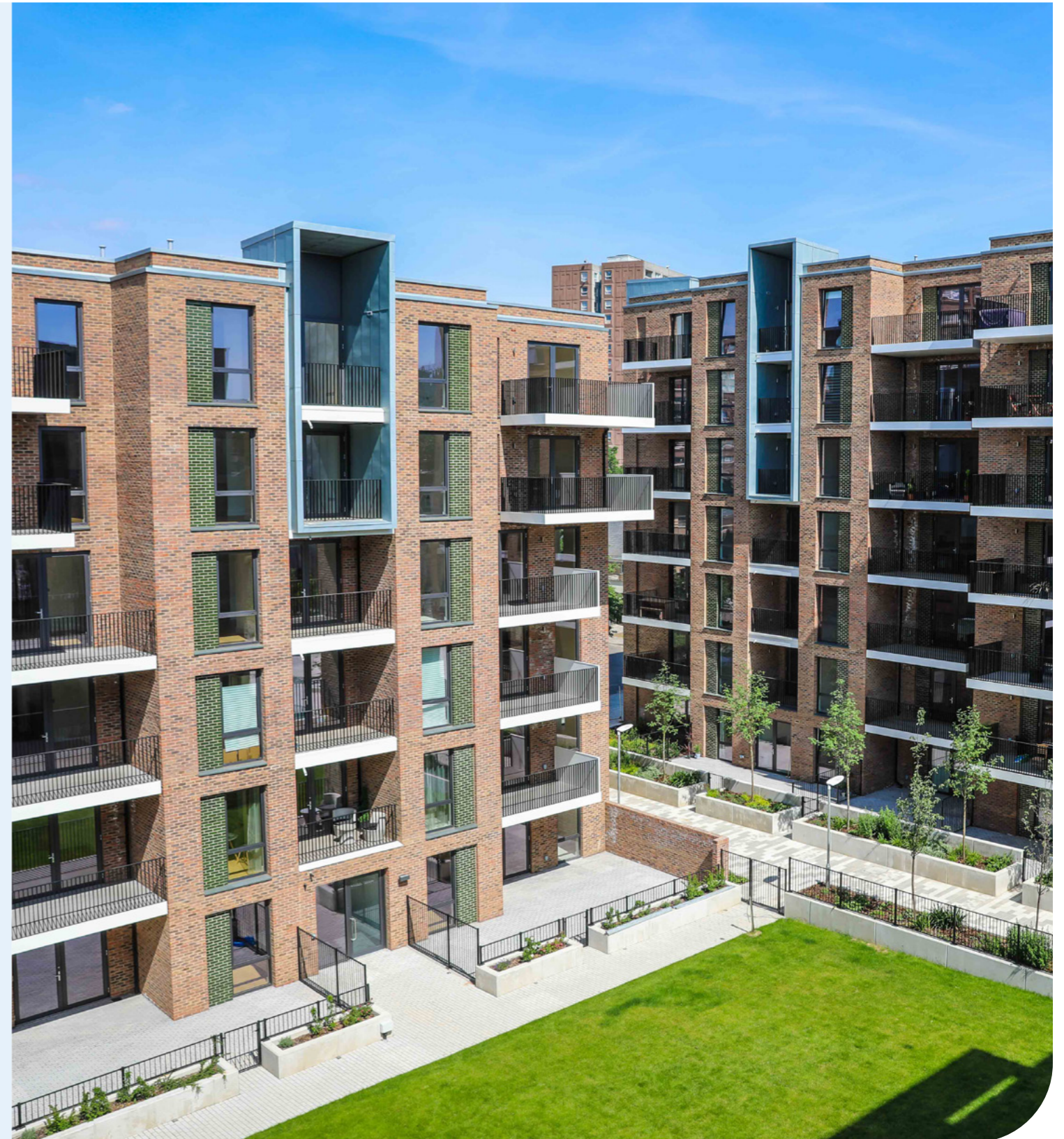
68.4%

Non-emergency responsive repairs completed in SNG's target timescale (42 days)



"I would like to compliment your builder on his cleanliness, his amazing work, his work ethic and to say what an amazing job he has done!"

Below:
Kilburn Quarter



Keeping you safe

In your home

We're progressing well with our building safety programme. Every building which had the Grenfell style 'ACM' cladding has been remediated and that cladding has been removed.

We've got EWS1 forms - which certifies low fire risk and can be a requirement of lenders - on 4,927 homes across 168 buildings.

We currently have four of our highest priority buildings on-site with remediation, with another three due to start in autumn 2024. We're also investigating our medium and small blocks of flats, as instructed by government guidance, to make sure they comply with post-Grenfell regulations. We prioritise investigating these based on the level of risk and, where necessary, install interim safety measures.

Tenant Satisfaction Measures - London & Hertfordshire



67.8%

Satisfaction that the home is safe - social rent and shared ownership



1.2%

Homes that did not meet the Decent Homes Standard



99.1%

Homes for which all required gas safety checks have been carried out



96.3%

Homes for which all required fire safety checks have been carried out



95.8%

Homes for which all required asbestos management surveys or re-inspections have been carried out



87.8%

Homes for which all required legionella (water safety) risk assessments have been carried out



91.6%

Homes for which all required communal passenger lift safety checks have been carried out



"I have just had my annual gas safety check and Karl was extremely personable, well-mannered and exceptionally informative and answered all my questions easily. What a lovely chap!"

In your neighbourhood

We know it's important to tackle anti-social behaviour (ASB) and achieving high satisfaction from customers. Regular communication is key so we're working as hard as we can to agree and maintain contact while resolving cases. Since we've become SNG we're reviewing how we measure satisfaction and looking to align our approach to make it easier for you to share your views with us.

We use a range of tools to tackle ASB and we're committed to working within Community Safety Partnerships alongside the police, councils and support agencies to ensure a joined-up approach. We continue to improve our online ASB toolkit and publish information and guidance to assist with low level issues.

Our Mental Health Liaison team continue to provide prompt support and work on a one-to-one basis to enable vulnerable customers to remain in their homes.

Our noise app helps us to validate noise nuisance cases swiftly and ensure we can focus our resources on valid reports. We recognise that not all noise complaints are as a result of ASB so this year we introduced a Noise Policy which enables us to look at the wider impact of noise nuisance on a case-by-case basis.

Our Living Together programme supports community projects with funding and resources. Nearly £24,000 went to community-led initiatives and solutions for minor neighbourhood issues and ASB disputes about fly tipping, noise, safety, and garden maintenance.

Tenant Satisfaction Measures - London & Hertfordshire



49.8%

Satisfaction with SNG's approach to handling anti-social behaviour - social rent and shared ownership



29.1%

Anti-social behaviour cases opened per 1,000 homes (including any hate incidents)



0.2%

Anti-social behaviour cases that involve hate incidents opened per 1,000 homes

Reliable services

Tenant Satisfaction Measures - London and Hertfordshire



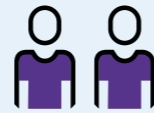
56.7%

Overall satisfaction - social rent and shared ownership



65.1%

Satisfied that SNG keeps tenants informed about things that matter to them - social rent and shared ownership



67.2%

Agreed that SNG treats tenants fairly and with respect - social rent and shared ownership



Listening to customers

Overall satisfaction among customers in London and Hertfordshire this year was 56.7%. You should be able to rely on the services we provide, so we're continuing to focus on responding to your feedback and introducing improvements to the way we do things.

During the year, we launched our digital assistant for customers which gives you another convenient way to raise or get an update on repairs, check your account balance, or make a payment. The digital assistant comes in the form of a chatbot which you can find on our website and your My Network Homes online account. It's available at any time of the day, seven days a week, and saves you waiting in line on the phone. It looks like many customers have made use of the new chatbot service in its first few months with 3,188 users from launch until April 2024.

We also introduced a noise policy which provides us with a framework to tackle noise complaints in a supportive and empathetic manner. Under the policy, we've created a special panel made up of senior managers from across the organisation. The panel examine and evaluate actions taken in response to noise complaints and provides further guidance and direction.

Reliable services

Complaints

We welcome complaints as a chance to put something right and learn lessons to improve our services. You can find out about our [complaints policy and process](#) on our website.

This year, complaints increased, mainly about repairs and the time it took to complete work. We continue to work hard to address these areas and have made some changes. We now assess high-risk complaints early, like identifying customers who need extra support, so we can resolve issues faster.

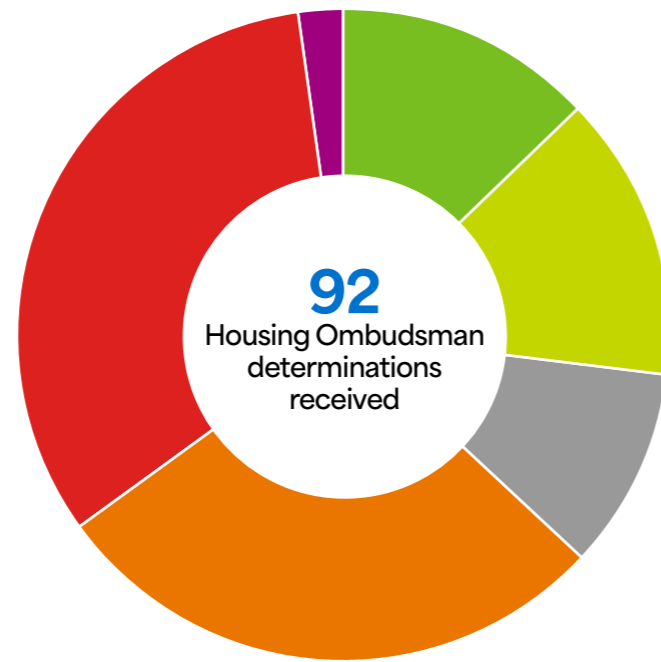
The majority of complaints were resolved at the first stage of our process, with only 24% needing to go to Stage 2. Of those, only 43 went to the Ombudsman, in total we received 92 determinations from the Ombudsman - including 34 where they found no fault.

You can see more details in the chart on this page. This year, for the first time, we are also publishing a separate more detailed [complaints report](#) for customers that explains more about how we're improving the service.



“The first response team were amazing. I was very stressed but they even had time to talk to me after, once things were made safe for me. The care and telephone contact from Craig... keeping me up to date, was also very good.”

Ombudsman complaints breakdown - London and Hertfordshire



No maladministration	12
Reasonable redress	13
Outside jurisdiction	9
Service failure	26
Maladministration	30
Severe maladministration	2



Tenant Satisfaction Measures - London and Hertfordshire



28.5%

Satisfied with SNG's approach to handling complaints - social rent and shared ownership



89.6

Stage 1 complaints per 1,000 homes - social rent



79.1

Stage 1 complaints per 1,000 homes - shared ownership



27.8

Stage 2 complaints per 1,000 homes - social rent



27.3

Stage 2 complaints per 1,000 homes - shared ownership



82.6%

Stage 1 complaints responded to in time (10 working days) - social rent



78.7%

Stage 1 complaints responded to in time (10 working days) - shared ownership



90%

Stage 2 complaints responded to in time (20 working days) - social rent



92.3%

Stage 2 complaints responded to in time (20 working days) - shared ownership

Involving customers

Customer scrutiny is vital as it lets you dive deep into service areas that need more attention. We had 1,171 engagements with customers across SNG this year to gather and act on your feedback, and to use your influence across our business.

These opportunities included involvement in our Resident and Board Partnership, Scrutiny Co-ordination Group, Youth Panel, Local Panels in London and Hertfordshire, and more informal engagements across our local communities.

This year, customer scrutiny focused on:

- Damp and mould
- Decant policy (for when we need to move customers out of properties for major repairs, regeneration etc)
- Our Homes and Place Standard
- Repairs and first time fixes.

New Customer Engagement Model

Since the merger, we've been working with customers to create a new engagement model. Our goal is to make it easier and more meaningful for you to give feedback and influence our services.

TPAS, the tenant engagement specialists, led this work and we'll start bringing in the new model over the next year. Developing the new approach was built on:

- 5,291 responses to our customer survey
- 9 workshops for our colleagues and customers, with 84 people attending, and
- 375 responses from our colleague survey.

Thank you to everyone who gave us their views as we've used your feedback to shape our new customer engagement approach, which we started to share in September 2024.

Tenant Satisfaction Measures



47.7%

Satisfaction that the landlord listens to tenant views and acts upon them - social rent and shared ownership across London and Hertfordshire

Engagement across SNG

5,291

responses to our customer survey

9

workshops for our colleagues and customers

375

responses from our colleague survey



Supporting people and local communities

Helping customers boost income

We do all we can to support customers in boosting their income and accessing benefits they might be entitled to. We've recovered £2.6 million in welfare benefits for customers with £2.3 million in London and Hertfordshire alone. Most of this money was from unclaimed benefits such as Universal Credit and Housing Benefit and, in the 2023/24 financial year, £750,000 went directly to customers themselves.

Other highlights include:

- 4,635 fuel poverty interventions, supporting our customers through winter heating vouchers and winter warm packs
- 8,479 interventions to help customers on financial and digital inclusion.

Supporting residents through our funds

In addition to the £3.5 million we've invested into communities, we secured £2.4 million in external funding from a range of funders including the National Lottery Community Fund. We also extended our Skills 4 Work programme, funded by UK Shared Prosperity Fund.

This year we successfully completed delivering the SNG #iWill programme, working as a match funder on behalf of the national #iWill Fund, investing £450,000 to create opportunities for local youth initiatives. This is the first year that community initiatives in the London and Hertfordshire region have benefited from the #iWill programme.

We've launched our new SNG #iWill Fund 2.0 this year, which will see £1 million invested over the next three years to support youth services - with a focus on mental health and wellbeing.



Tenant Satisfaction Measures - London and Hertfordshire



50%

Satisfaction that SNG makes a positive contribution to neighbourhoods - social rent and shared ownership



“The help I received was exceptional. I was made aware of things I had no idea existed and, if it wasn't for the help from your [Debt Advisor], I would still be struggling or, worse still, homeless. We are now looking forward to a brighter future.”

Community highlights across SNG



£3.5m

Invested into communities last year



£2.4m

Secured in external funding



£450k

Invested in #iWill programme, about local youth social action



4,635

Fuel poverty interventions



£2.6m

Welfare benefits recovered for customers



8,479

Interventions to help customers on financial and digital inclusion

Supporting people and local communities



Supporting customers with employment and training

We've continued to work with customers to support them into employment and training – including becoming self-employed and setting up a business.

By promoting financial and digital inclusion we can also support customers in managing their finances, doing tasks online and improving their financial resilience. We had 8,479 interactions last year, helping to increase access to opportunities for customers.

Highlights include:

- 726 customers supported with employment
- Helped 329 customers get better paid work or a new job
- Provided 77 customers with business and enterprise support.

New Community Foundation

We're establishing our own Community Foundation, which will help us increase our investment in the communities where we provide homes. We'll use the Foundation to meet our commitment to invest £100m over the next decade.

We believe the Community Foundation will make a real difference to people and we'll be developing the plans for its launch during 2024/25 – working with customers, the Foundation's new trustees, SNG colleagues and wider partners.

Building new homes

New homes coming soon

During the year, customers moved into new social rent, affordable rent and shared ownership homes in many areas, from new houses and apartments at Dabbs Hill in Northolt to new affordable homes Borders Lane in Loughton, Essex.

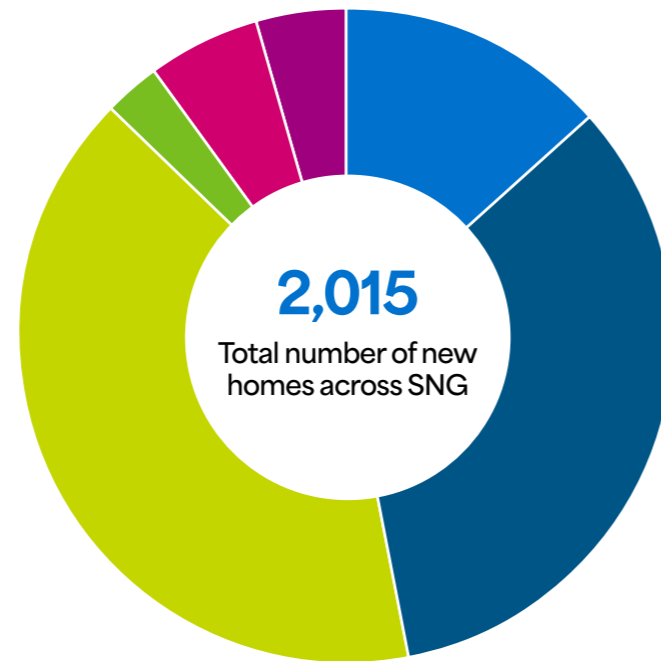
Our Homes and Place Standard marks our commitment to building and maintaining good quality homes and better places to live. We are now scoring existing homes against the Standard to inform how we replace or invest in these (such as through energy-efficient 'retrofit' work). New homes will also be carefully designed to be flexible and adaptable into the future, as well as being comfortable and cost-effective for customers with a low environmental impact.

Six new social rent homes at Nexa Fields near Exeter are the first in the country to come with a five-year zero bills guarantee, and further bill security by having air source heat pumps and super insulation.

Other sites with new homes underway and coming soon include:

- 69 in London Road, Brentford
- 158 near Central Middlesex Hospital, Park Royal
- 220 at Smiths Farm in Northolt
- 124 at Premier Place in Edgware.

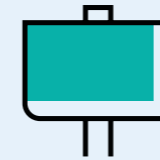
Breakdown of homes built this year



Tenure type	No. of new homes across SNG
● Social rent	272
● Affordable rent	676
● Low Cost Home Ownership	814
● London Living rent	54
● London affordable rent	110
● Market sale	89
Total	2,015

The demand for affordable homes is rising, so we are committed to building more new affordable homes as well as continuing to invest in our existing ones.

Highlights



2,015

Number of new homes built



'Zero bills'

UK's first 'zero bills' homes at Nexa Fields near Exeter



64%

(meaning 'very good') SNG average of Homes and Place score

Image: Dabbs Hill



Our finances

While Network Homes and Sovereign merged on 1 October 2023, we prepared our financial results as if we were a combined organisation at the start of the financial year.

We've remained financially strong despite the current economic pressures and continue to be attractive to investors. This means we can continue to provide affordable homes, improve services to customers and plan for future development.

Across SNG our total operating surplus was £171.5 million (in 2022/23 it was £163.1 million). We made a net surplus of £62.9 million (in 2022/23 it was £71.3 million across Sovereign and Network Homes). Our turnover was £707.8 million (in 2022/23 it was £691.3 million) and our operating margin was 21.1% (in 2022/23 it was 19.5%).

If you want to know more about our finances, including director payments and management costs, you can read our full [Financial Statements 2023/24](#).

We hold the highest G1 rating from the Regulator of Social Housing for governance and a V2 rating for financial viability. This shows that we are successfully meeting governance requirements and effectively managing the risks associated with a large pipeline of affordable homes, building safety challenges and other investment requirements for our existing homes.

Highlights



£171.5m
Operating surplus



£62.9m
Net surplus



£707.8m
Turnover



21.1%
Operating margin
(19.5% last year)

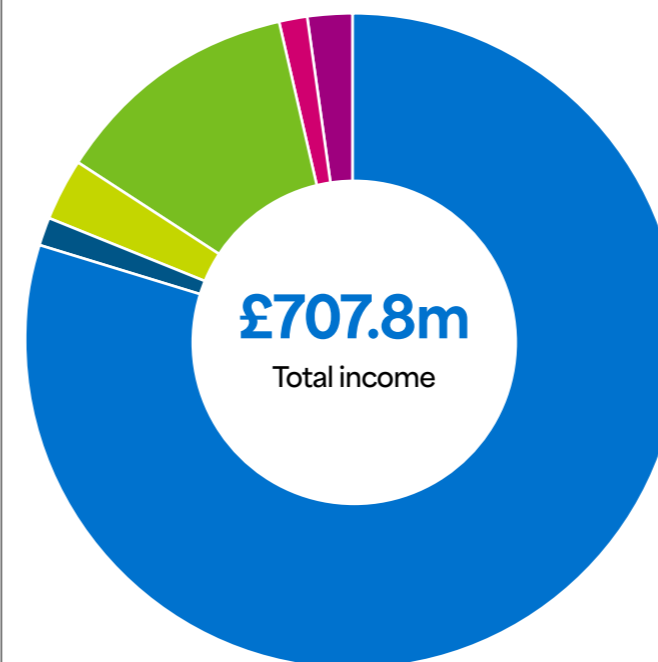


£510.2m
Received in rent
across SNG



£215.7m
Spent on repairs
and maintenance
across SNG

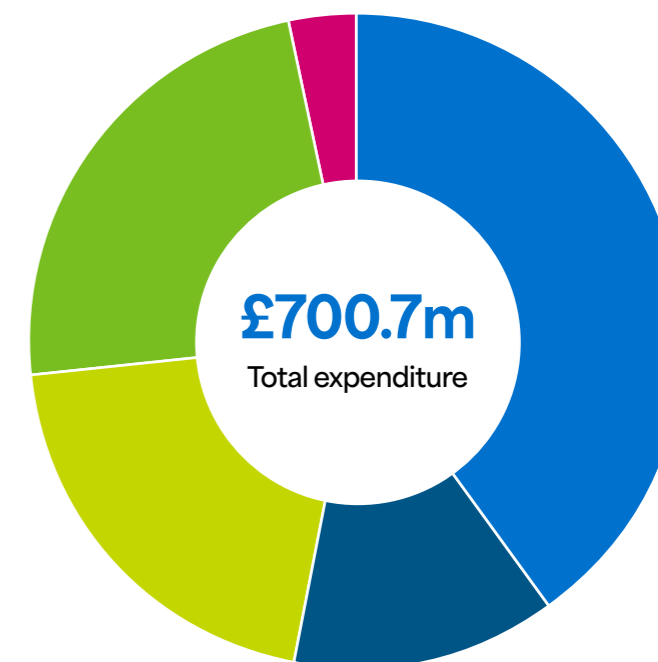
Summary of where SNG income came from



SNG Income	£ million
Social housing income (rent, service charge and grants)	566.2
Other social income*	9.6
Non-social income+	20.4
Shared ownership first tranche sales	87.6
Open market sales	10.2
Private rent	13.8
Total income	707.8

* Other social income includes fees from agency contracts and supporting people contracts
+ Non-social income includes rent from commercial properties, rent from student accommodation properties, and income from construction services

Summary of where SNG income was spent



SNG Expenditure	£ million
Social housing costs	280.5
Cost of properties sold	91.4
Loan interest payments	142.7
Depreciation and other costs**	163.5
Non-social costs++	22.6
Total expenditure	700.7

** Depreciation and other costs include depreciation charge and costs relating to agency and supporting people contracts
++ Non-social costs include costs incurred for the construction contract and commercial activities

Our finances

How we use your rent

Your rent funds a wide range of services: from managing and maintaining your home, to covering rent losses and paying interest on our loans. This year, we received £142.8 million in rent from the homes we manage in London and Hertfordshire.

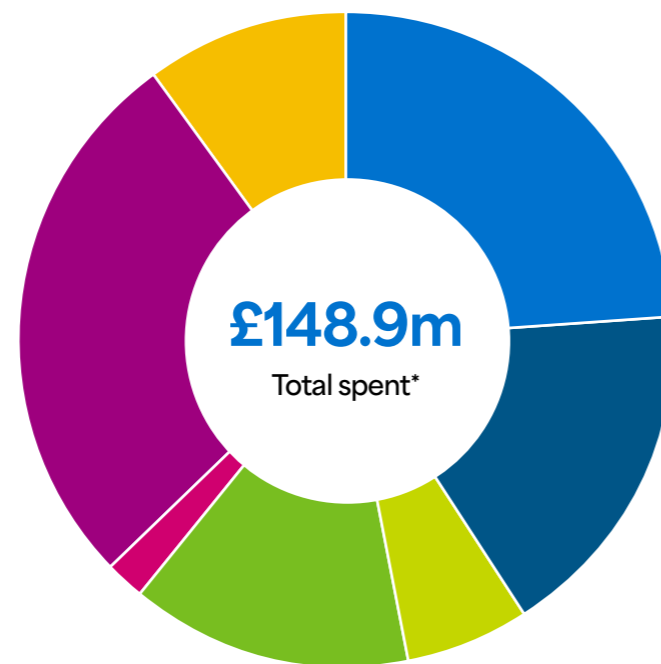
Of this money from rent, £35.1 million was spent on housing management and administration, and £34 million on repairs and maintenance. This table on the right gives a breakdown of exactly what we used your rent for in 2023/24.

Impact, sustainability and value for money

We aim to provide homes that people love for generations. We're also committed to reducing our environmental impact while positively contributing to local communities. For more details on this, visit the [Impact and sustainability](#) section of our SNG website.

We also focus on delivering value for money. By constantly reviewing our services, we make sure that your rent and service charges are used efficiently to provide high-quality, reliable services. Our annual Value for Money (VFM) statement outlines our approach and is available on pages 20 to 27 of our [2024 Annual Report and Financial Statements](#).

What we used your rent money on across London and Hertfordshire



Type of spend	%
Housing management and administration	24
Routine maintenance (eg. day to day repairs)	17
Planned maintenance (eg. compliance programme)	6
Major repair (capitalised repairs eg. replacement of kitchens, bathrooms, boilers, roofs, etc)	14
Payment for leasing properties	2
Interest we pay on loans	27
Unrecovered service charge expenses (the difference between what we pay for services and what we have received in service charge)	10

*Total spent includes £142.8 million we received in rent and £6.1 million from other income





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