

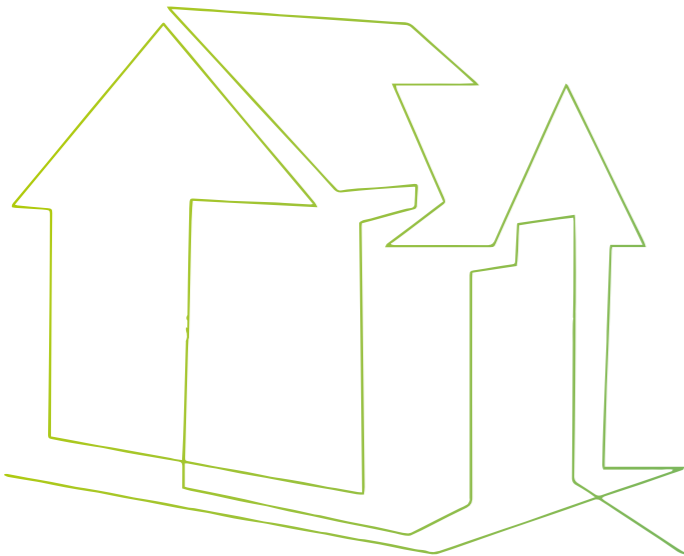


NORTH STAR

Annual Report 2019

CREATIVE | CONNECTED | COURAGEOUS

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Foreword

In the fast paced world we live in, it is good to take time to reflect and review on the past 12 months and to share some of our work and successes.

As we know, the country has a housing crisis and we are playing our part in resolving that through our ambitious housebuilding plans.



However, we also want to ensure that existing properties are in good condition, that services are of a high quality and that neighbourhoods are sustained. North Star's core purpose of "creating homes, building futures" is what drives all of its activities. To this end, we have reviewed our values, involving tenants, staff and stakeholders and co-created something with real meaning. It is of course what lives beneath the words that is important and we are determined to live these values to the fullest. We have also further developed our definition of social purpose and set out why making a surplus is important through our "surplus for purpose" statement. You can see we have been very busy ensuring that the social core of the business is strong.

Our vision to 2023 remains ambitious and stretching. North Star has firm foundations on which to deliver this vision. We are financially strong and have well developed staff, a highly skilled Board and a very good reputation. The recent top Regulatory grades from our 2018 In Depth Assessment confirmed our strength. Our Investors in People Platinum award supports our focus on people. In 2019/20, we will start the re-financing process to create funding to double the number of homes we build.

Those who know us will recognise that we place people at the heart of the business and we continue to invest and support them to be the best they can.

We have a strong reputation in this regard with great outcomes – our performance is very strong despite operating in some highly challenging areas and we are known as a good partner. Tenants remain connected, engaged and central to our success. Our stock is in good condition and services are constantly improved.

We are very proud of the business we have developed, and will continue to drive success to benefit our communities.

Jed Lester
Chair of North Star Board

Angela Lockwood
CEO of North Star Housing Group

A strong social core

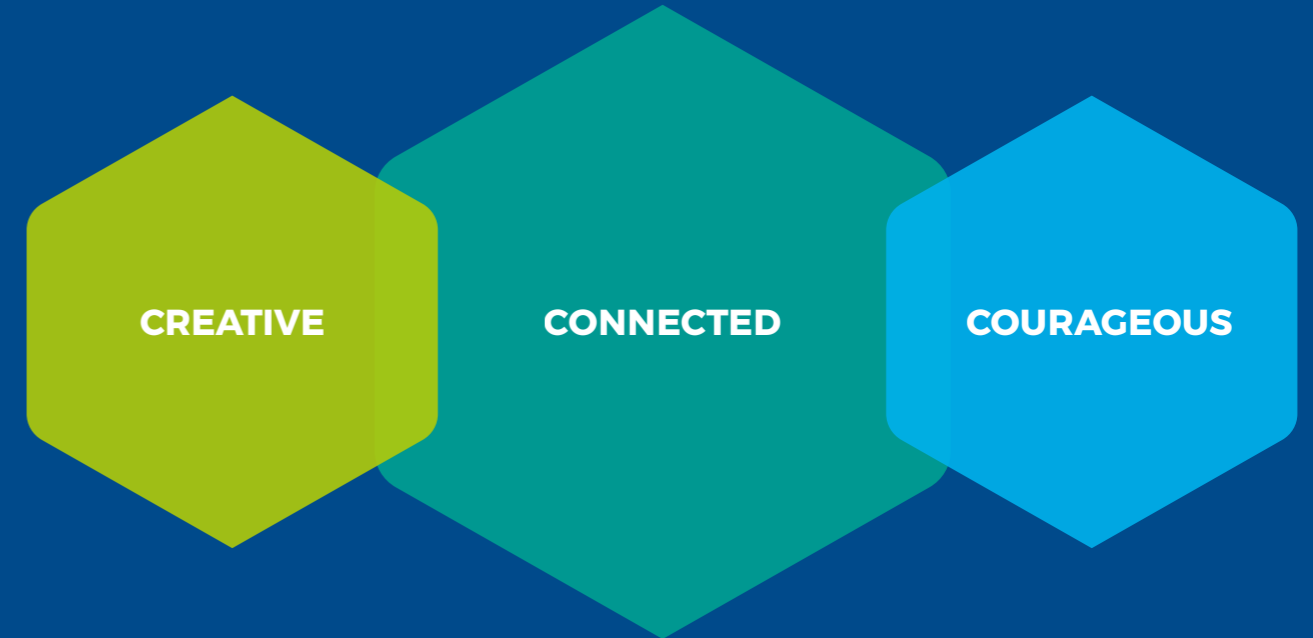
Values, Values, Values

We wanted to review our values in a way that aligned with our culture. So, we took to social media, met with people and talked to our tenants, partners and staff.

We asked what people thought we stand for and are known for. Over 120 people and organisations took part. Together, we created a set of values that really represent who we are, what we do and how we do it.



North Star is



We create environments to enable people, places and communities to thrive.

We believe many things are possible and that our energy brings about exciting change.

We are connected to the world we live in.

Therefore, we are relevant, informed and knowledgeable.

We develop strong relationships that are based on integrity and trust.

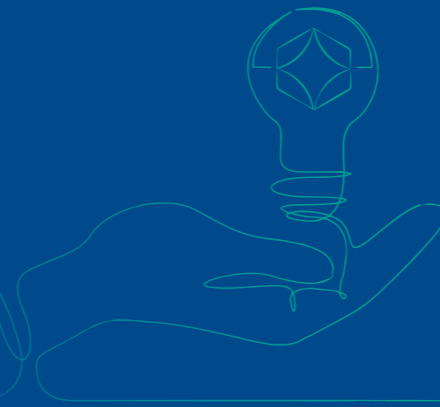
We challenge ourselves and others.

We experiment, pioneer and we dare to be different.

A strong social core

Social Purpose

We care about the people and the communities that we serve. We work, in collaboration with others, to create stable, secure, trusting and supportive environments where people feel they belong.



Our founding Housing Association was set up in 1974 to “help tackle unmet housing needs, to improve the lives of people living in our communities and to tease out solutions to social problems.”

Our Board recently reviewed the social purpose of North Star. We remain aligned to our origins over 40 years later.



Surplus for purpose

For many reasons we make a surplus and never simply for the sake of it. As a not-for-profit housing group, all surpluses are invested back into the organisation.

Surplus is used to deliver the purpose and to that end we invest in:



NEW HOUSING

To provide local communities with high quality and fuel efficient, affordable housing to meet a range of needs.



EXISTING HOUSING

To ensure tenants live in safe, warm and well maintained houses.



COMMUNITIES AND NEIGHBOURHOODS

To facilitate and enable people to thrive.



PEOPLE

To enable everyone to have a voice, influence and involvement at all levels.



PARTNERSHIPS

To work together to find solutions to challenging housing issues.



Growth

Continuing to grow and develop is really important to us. We are committed to doing everything that we can to tackle housing need and increase the supply of new homes.

During the year we brought 63 new properties to the market. We fund growth by using our own finances and with grants from our partners at Homes England. Over the year almost £6m has been invested. This includes £1.2m from Homes England.

MONEY INVESTED 2018-19



FIVE ACRES, BARNARD CASTLE

It always great to grow in Barnard Castle. Demand far outstrips supply and we delivered 5 x 2 bedroomed houses for local families.



HERMITAGE GROVE, MIDDLETON ST. GEORGE

We have been so happy to help bring more properties to the market in this area. We delivered 6 x 2 bedroomed bungalows, 2 of which were sold as Shared Ownership.



RALEIGH ROAD, STOCKTON

Our long standing partnership with Stockton Council led to the delivery of 11 x 2 bedroomed bungalows, 1 of which is to full wheelchair user standard. There is always a massive demand for good quality bungalows, so it was great to increase supply.

Everything was great, the bungalow is lovely as are the gardens, paths and driveway. Everything to a high finish.

North Star could not have been more helpful, we love our new home.

Growth



“ It is lovely here, we have settled really well and we are more than happy. ”

ST. EDMUND'S MANOR, SEDGEFIELD

4 x 2 bedrooomed houses and 2 x 2 bedrooomed bungalows delivered through a S106 agreement with Story Homes.



“ This is a beautiful place. ”

DARLINGTON LANE, STOCKTON

We purchased 7 new 2 bedrooomed bungalows. They had been developed on an old neglected site. We are so happy with the overall quality and the impact on the neighbourhood.



MILLFIELDS, DARLINGTON

We have developed a partnership with Taylor Wimpey and in total will be purchasing 41 new homes. During the year we delivered 2 x 2 bedrooomed houses and 6 x 2 bedrooomed apartments.



“ I was desperate for the extra space and felt so lucky when this property came up. We have had a positive experience here, and we are so excited about our future in this new house, we are settling in nicely. ”



WHEATLANDS CHASE, REDCAR

3 x 3 bedrooomed houses



CLAIRVILLE GRANGE, MIDDLESBROUGH

2 x 3 bedrooomed houses



“ It's lovely. Could not fault it. ”

FARROW CLOSE, HARTLEPOOL

We named this development as a tribute to a community activist, Bob Farrow. Bob worked tirelessly for the community. It was an honour to know him.

7 x 2 bedrooomed bungalows.



MIDDLESBROUGH TOWN CENTRE

Hot off the press is the news that we are partners in an exciting new initiative Thirteen and North Star Housing Group to help deliver ambitious housing plans.

The first developments are expected to be in Gresham and Middlehaven with Middlesbrough Mayor Andy Preston hailing a “new era” for town centre living.

“ We've got 2 brilliant partners on board in Thirteen and North Star who really share our ambitions for high quality housing and a town centre that is safe and vibrant. ”

Our partners bring the resources and expertise that can help us make an absolutely amazing community that really fuels the town centre. ”



Homes

During the year, we invested over £2.5m to upgrade people's homes and surrounding areas.

THIS INCLUDED:

Replacing boundary walls in Granville Road, Middlesbrough.

We also fitted new windows and doors which will help to reduce residents heating costs.



Investing in Webb House

Webb House is a listed building in Middlesbrough's Historic Quarter. The building contains 10 individual flats and has large communal spaces. The existing boiler was at the end of its lifespan and needed to be replaced to avoid breakdowns, which could leave those on site without heating or hot water.

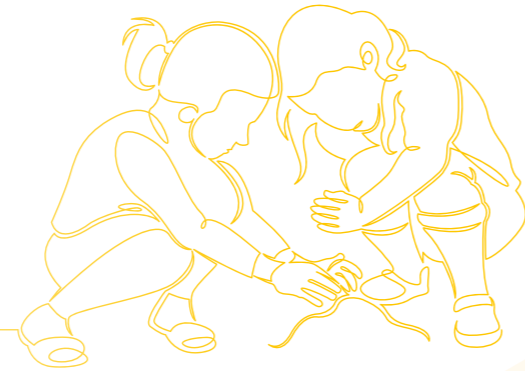
The building's listing created complications in design and obtaining consent. This involved consulting with the local conservations officer, building control and environmental health teams before any work could commence.

We also took the opportunity to work with the building manager to fit a new training kitchen within the communal space of the building.

Although there was no budget for this work, units were donated by Howdens (our kitchen supplier) and, through a combination of contractor social value commitment and staff volunteering, a new kitchen was installed for free. Now complete, the kitchen provides a training facility for tenants which prepares them to move on to independent living.

The Hub Havelock Street

Havelock Street Hub is a community based facility in Thornaby. The building is used for breakfast and holiday clubs for children in the local community.



The Community Investment Team had identified the building as needing refurbishment to support their ongoing work in the area. This was taken on by the Asset team and led to a full conversion of the building with new open plan spaces, modernised toilet facilities and kitchens alongside a full decoration and provision of new flooring.

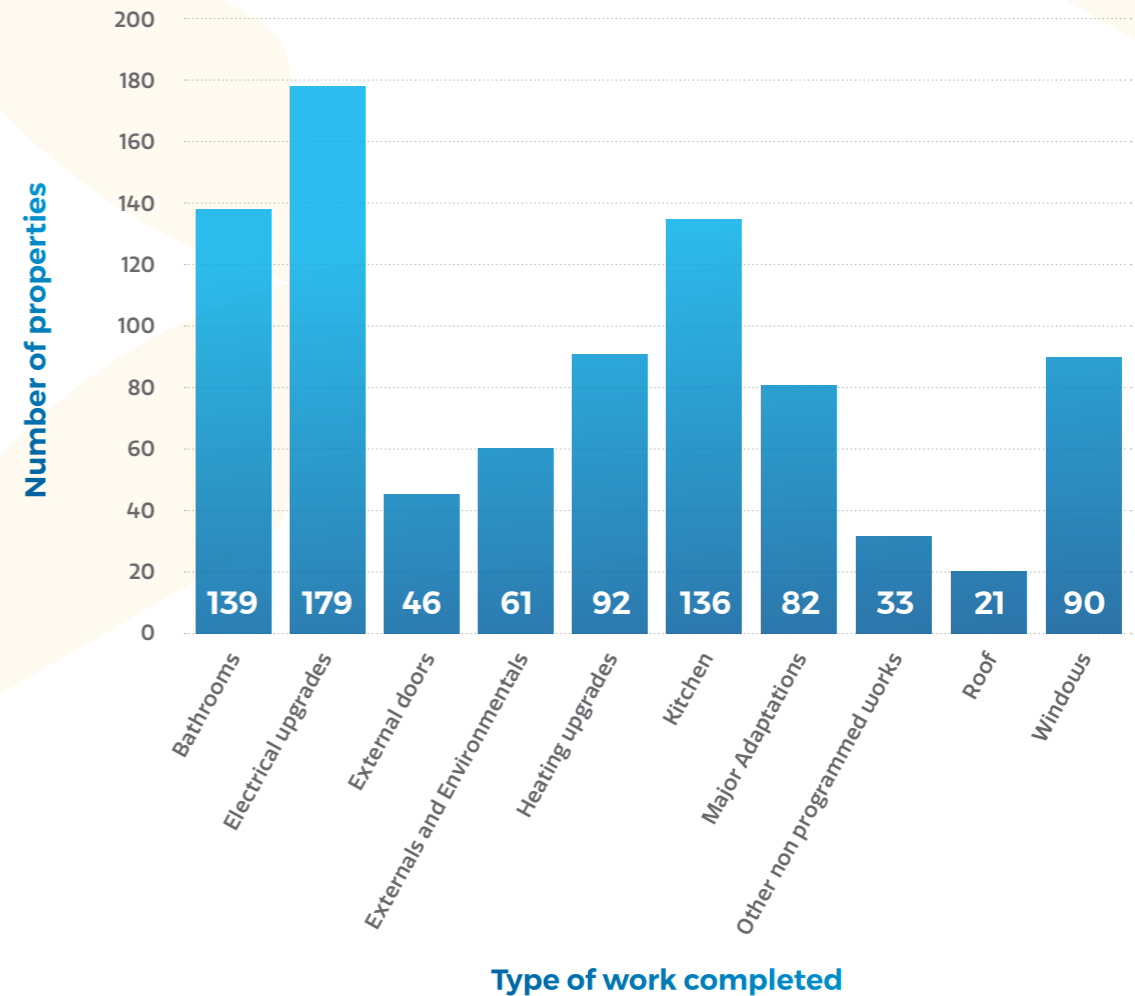
All works were completed free of charge through a combination of donations from our contractors and volunteering from North Star staff.

The Hub is now unrecognisable!

<https://www.youtube.com/watch?v=NkkIP3rmeuA&t=13s>



Investment works by type 2018/19





Communities and Place

Working with peoples STRENGTHS to deliver sustainable solutions is woven into the fabric of our organisation.

We have developed an asset-based Building Futures Programme that works with the strengths of local people and organisations to tackle social issues with a focus on employment.

We work with what is right to help put right what is wrong. We also ensure that we maximise our impact by attracting match funding and getting social value from all of our contracts.



Evenwood Community House

We have worked with local residents to help them form a residents group and expand the activity delivered from the Community House.

A local resident said of North Star
"The staff have been there for the community, listening to people and working with us to do more for our community. We have needed this for a long time. I'm over the moon they are helping to get this community back together."



HEALTHY EATING COURSES



SCAM AWARENESS SESSIONS



COFFEE MORNINGS



ACCREDITED MATHS AND ENGLISH TRAINING



AFTER SCHOOL CLUB



SOCIAL ACTIVITIES TO RAISE FUNDS FOR MORE COMMUNITIES

Gresham Middlesbrough

We have worked in Gresham for over thirty years. We began to work with Oasis Foundation and a number of other community organisations in Middlesbrough on the Middlesbrough Urban Eco-Village (MUEV) project.

MUEV is in the process of transition from being the idea of one person to being shaped, owned and managed by a dedicated group of local community activists.

The projects aims to create a vibrant eco-system of change throughout the neighbourhood of Gresham. The project has already created a thriving urban gardening network, building on local initiatives to green the back-alleys between terraces. The project has access to several community allotments and has supported the spawning of two new social enterprises.

It will also create a network of community houses, staffed by volunteer Community Connectors dedicated to building links across diverse communities. These will form the heart of a dispersed co-housing network - an intentional community of like-hearted people helping to reinvigorate the community.

Making a difference

We were one of the first organisations to sign up to the Chartered Institute of Housing campaign against domestic abuse.

We have met and exceeded all the requirements of the pledge by:

- Developing a policy and training staff to support residents who are affected by domestic abuse
- Publicising national and local domestic abuse support services on our website and in other appropriate places so that they are easily accessible for residents and staff
- Putting in place an approach to support members of staff who may be experiencing domestic abuse
- Appointing a champion at a senior level in your organisation to own the activity we are doing to support people experiencing domestic abuse.



We have been working closely with the Alzheimer's Society to strengthen the support that we provide to staff/family and tenants.

This included training a member of staff to be a dementia champion. The champion has subsequently trained all staff in supported housing and staff employed by the care provider. Training for all front line staff will be rolled out this year. We have improved social interaction for those with dementia and their carers through various health and well-being events – “games for the brains”.



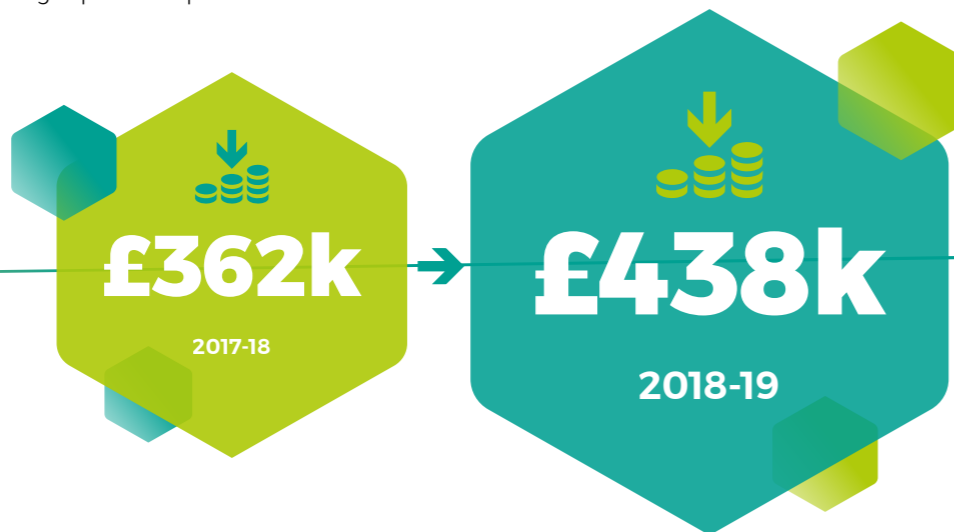
Making a difference



One of our strategic aims is to contribute to the delivery of United Nations Sustainable Development Goals, in relation to fighting poverty.

The majority of our working tenants are either in low paid work or reliant on benefits. During the year, we employed another member of staff to support people to maximise their income. **As a direct result, we helped people's income increase by a massive £438k, compared to £362k in the previous year.** We also support people in many other ways - by using our hardship fund, applying for grants/funding, putting protocols in place with other organisations to fast track our tenants for support.

We are all about early intervention, providing as much information and guidance as possible for our tenants and working in partnership with others.



During the year, we were awarded Gold at the Elderly Accommodation Counsel (EAC) Awards for our extra care service Aspen Gardens, in Stockton.

We were one of 300 to have won a top prize out of almost 25,000 retirement housing schemes or developments nationwide. It was a triple win, as we also won Silver for our St. Cuthbert's Court scheme in Thornaby and Bronze for our Ruskin Court scheme in Stockton.

We really care about the people and the communities that we serve, and we work in collaboration with others to create stable, secure, trusting and supportive environments where people feel they belong. We are very proud of all the hard work that goes into keeping these services running and these awards are a great recognition of that.



We were a finalist in the Inspirational Workplace Award in the LGBTQ North East Awards.

The awards recognise the positive contributions made by individuals, organisations and groups across the region to improve the lives of members of the LGBTQ community.

HIGH RES REQUIRED

The best way to predict the future is to create it

#yourfuture
housing.org.uk/yourfuture

We have been working with the National Housing Federation's Greenhouse, a ground-breaking innovation programme designed to deliver transformational change.

Laura Wood, who works for us is on secondment with the Adapting with Age team, aiming to deliver modern adaptations for the 21st century client

Making a difference



BAME apprentices

We have delivered an apprenticeship scheme for young people from Black and Minority Ethnic Communities (BAME) to ensure we have a more diverse workforce. We worked with a small group of internal staff and external partners to tailor our offer, worked with a local provider to target BAME candidates and have successfully secured 2 out of 3 BAME apprentices, with a third candidate scheduled for interview.

Together with Tenants

We are early adopters of the National Housing Federation's Together with Tenants plan. Together with Tenants is a 4 point plan that aims to provide all social housing tenants with assurance that any concerns they have will be listened to by their landlord and acted upon.

North Star will be working with tenants to test the 4 point plan before it is rolled out more widely later in the year. This will involve working with our tenants to co-create a charter or an offer that sets out our commitment to putting their voice at the heart of everything North Star does; and giving them the tools to ensure the organisation is accountable to these commitments.



24Housing - Top 50 Landlords

Hundreds of landlords from all over the UK entered Number 24Housing's Top 50 Landlords competition. North Star Housing Group, based in the North East of England, was ranked at Number 2. This follows last year's result of being Number One Landlord.

North Star was commended for its commitment to working with regional partners to create communities and improve people's lives. Part of this success was borne from the development of its social purpose, developing an approach to "surplus for purpose", and the revision of its values which were co created with staff, tenants and the Board.

In addition, North Star was commended for investing £226k into community projects, helping to increase tenants' income by almost £500k and for being awarded Gold at the Elderly Accommodation Counsel awards.



Investors in People

Our annual review has evidenced that we are on track to retain our platinum award. We highly value this award because it is based on what staff say (89% took part), it is independently managed and it objectively assesses our approach to the people who work for us.

Only 0.5% of accredited companies are awarded Platinum.

We are so proud that:



Making a difference



“ I have never seen the children so engaged with a lesson! ”

Beanstalk Readers

We are a corporate partner of the Beanstalk reading scheme. Our donation helps to recruit, train and support volunteers to provide consistent, one-to-one reading support to children aged 3-13 who need a little extra help. We have supported 22 children during the year.

One-to-one reading supports children to:

- Improve their reading ability
- Inspire confidence in their own ability
- Increase their enjoyment of reading.

Foundation of Light Family Learning

This year we have extended our partnership with the Foundation of Light to two more rural Teesdale schools, Cockfield Primary and Ramshaw Primary.

At Cockfield, the project has been a real success, engaging 56 pupils in physical activity and sport and a further 16 in an enterprise course known as Samson's Shoes. Pupils who take part in Samson's Shoes design and plan the production of a new shoe for Sunderland's mascot Samson the Cat. They have to make decisions about costs, marketing and production. One teacher said 'I have never seen the children so engaged with a lesson!'

At the end of the Samson's Shoes programme the children take part in a regional competition. Children present their ideas to a panel of judges and to an audience, and this enhances confidence, independence and initiative.



actes

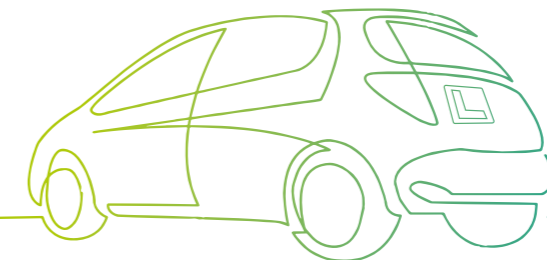
Lifecoaches

We have been working with Middlesbrough Charity Actes to pilot a new project. Lifecoaches provide people with help and support to tackle the problems and issues that are preventing them from reaching their full potential.

The case study below demonstrates the wide range of support and help a Lifecoach can offer:

Brian has met with an Actes Lifecoach 22 times this year. He has received support with:

- Sorting out his rent arrears
- Accessing community funding and grants for furniture, food and fuel
- Making and attending appointments with Citizens' Advice Bureau
- Registering and visiting a local dentist (Brian is very anxious about visiting the dentist)
- Accessing and completing a level 1 employability course
- Accessing a learn to drive package consisting of a provisional driving license, theory test and up 15 driving lessons
- Securing a volunteer position with Age UK.



Brian's Lifecoach said:

“ Brian has come a long way since I first met him. He was struggling with his mental health and in particular with the loss of a relationship. We have worked together to create a structured plan that has helped Brian accept and come to terms with the loss of his relationship and begin to plan for the future. ”

“ The one-to-one support we have provided Brian with has helped remove some of the emotional and health related issues that were clouding his judgement. We have worked really hard to break Brian's plan into small manageable chunks, making sure that he is not overwhelmed. ”



Governance and Financial Strength



The Group operates an overlapping Board structure, with all Board members acting on behalf of all three subsidiaries of the Group.



Governance and Financial Strength



JED LESTER
Chair

Jed is a senior partner and director at Baines Jewitt Chartered Accountants and Business Advisers.



MORGAN MCCLINTOCK
Deputy Chair

Morgan is the former University Secretary at Teesside University, now retired.



ANNA URBANOWICZ
Chair of Group Audit Committee

Anna is a Chartered Accountant and has worked all her career in the private sector. Anna is Group Director of Internal Controls at Esh Group.



PAT BUCKLEY

Pat is a former Head of Policy at Stockton Borough Council, now retired.



LINDA BIRD

Linda is a former Human Resource Development Manager at Sunderland University, now retired.



PAUL CRAGGS

Paul is a former Commercial Manager for Shepherd Construction, he is now a Construction Consultant and owner of a property letting company in Darlington.



PETER WAUGH

Peter is a former Director of Huntsman Pigments. He now works as a Consultant in the global chemical industry and as an Industrial Tutor at Durham University.



DAVID LYALL

David is the recently retired Chief Information Officer with the Regulator, Homes England.



MARGARET SMITH

is a retired housing professional.



JASON RIDLEY

Jason is currently Director of Finance and IT with Leeds Federated Housing Association.



ANNE WORRALL-DAVIES

Anne worked in young people's mental health services as a Consultant Psychiatrist and now holds a number of Clinical Advisor and Non-Executive Director roles across the North of England.



Governance and Financial Strength

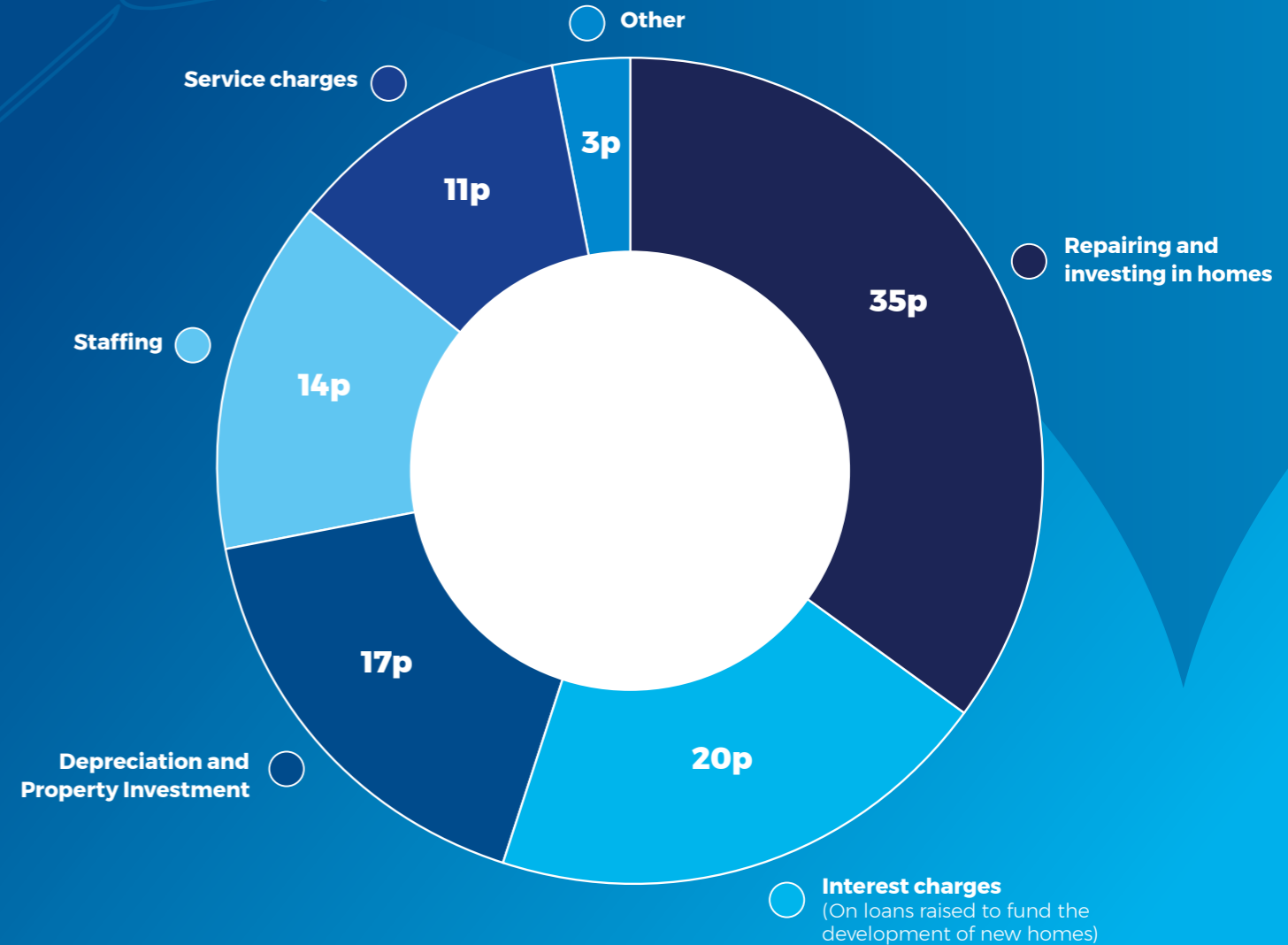
Homes



INCLUDING



What we spend each £ on



Governance and Financial Strength



Key performance	Target 2018/19	2016/17	2017/18	2018/19	*Benchmark Quartile Position
Current arrears	2.5%	1.53%	1.81%	1.94%	Upper
% rent lost through homes being empty	1.2%	1.19%	1.28%	1.2%	Median
Average number of days taken to let a home	25 days	23.5	25.5	24	Upper
Customer Satisfaction - The overall service	92%	91.7%	88.9%	87.5%	Median

*Data sourced from Housemark

We aim for our performance to be in the upper quartile. Improvement Plans are developed for performance below this target.

Consolidated Statements

Consolidated Statement of Comprehensive Income for the year ended 31st March 2019	Year ended 31st March 2019	Year ended 31st March 2018
	£000	£000
Turnover	19,861	19,717
Cost of sales	(150)	-
Operating expenditure	(14,050)	(13,551)
Operating surplus	5,661	6,166
Surplus on disposal of fixed assets	183	100
Interest receivable and similar income	23	9
Interest payable and similar charges	(3,079)	(2,766)
Exceptional items (relates to office refurbishment)	(1,079)	(271)
Surplus for the year before taxation	1,709	3,238
Tax on surplus on ordinary activities	-	(18)
Surplus for the year after taxation	1,709	3,220

Consolidated Statement of Comprehensive Income for the year ended 31st March 2019	Year ended 31st March 2019	Year ended 31st March 2018
	£000	£000
Fixed assets		
Housing properties	194,951	187,866
Other tangible assets	1,370	1,236
Intangible assets	227	260
Total fixed assets	196,548	189,362
Current assets		
Debtors	2,221	2,289
Investments	30	-
Cash and cash equivalents	4,928	1,881
	7,179	4,170
Creditors: amounts falling due within one year	(7,208)	(5,771)
Net current (liabilities)	(29)	(1,601)
Total assets less current liabilities	196,519	187,761
Creditors: amounts falling due after more than one year	(162,579)	(156,994)
Provisions for liabilities and charges		
Pensions	(3,469)	(102)
Other provisions	(116)	(366)
Total net assets	30,355	30,299
Capital and reserves		
Restricted reserves	408	298
Revenue reserves	31,971	30,372
Pension reserves	(2,024)	(371)
	30,355	30,299





CREATIVE | CONNECTED | COURAGEOUS

 03000 11 00 11

 customer.services@northstarhg.co.uk

 www.northstarhg.co.uk

 @northstarhg

 /NorthStarHG

VISIT / WRITE:

Endeavour House, St Marks Court, Thornaby,
Stockton-on-Tees, TS17 6QN

14a Redwell Court, Harmire Enterprise Park, Harmire Road,
Barnard Castle, County Durham, DL12 8BN

Please note that all calls to our Customer Services Team are monitored and recorded.



NORTH STAR