

Hanover Housing Association
Hanover House
1 Bridge Close
Staines
Middlesex
TW18 4TB

July 2014

Dear resident

I am pleased to enclose the summer issue of Hanover News, together with our Annual Report to Residents, setting out our performance and how we have met our commitments to you. This marks my first six months as Chief Executive of Hanover, during which time I have greatly enjoyed meeting many of you and visiting a number of estates. I look forward to the opportunity to meet many more of you in the coming months and years, and to hear more about your views on Hanover and our services.

I also wished to take this opportunity to notify you of a matter concerning a former supplier to Hanover called Smartsource. We entered into a contract with Smartsource in June 2012 under which the company would manage Hanover's communal water bills, with the intention of saving money for residents.

This did not run as smoothly as it should, and as a result of a number of concerns and issues about how the contract was working, we took the decision to terminate the contract with effect from May 2013. In trying to reach final agreement with Smartsource on ending the contract it became clear that the company owed Hanover a sum of just over £0.5m, and we immediately initiated legal action against them. However, some months later, at the end of September 2013, Smartsource were declared bankrupt, leaving Hanover as an unsecured creditor. Despite this loss to the organisation, I would like to reassure you that no residents have lost any money as a result of this issue. The payment of all water bills has been taken back in house and is being administered successfully by our Finance team.

We entered into this contract with Smartsource in good faith as did a great many other companies and individuals including other Housing Associations. Our Board have taken this issue very seriously and we have employed external advisers to look at our procedures and how we could learn lessons to ensure this does not happen again. As a result we have taken a series of steps to improve our processes, particularly the way in which we investigate new suppliers, and the way we manage contracts. This is just one part of a series of measures to improve our

procedures overall and ensure that we are operating as efficiently as possible, and providing real value for money to our residents.

I would not normally notify you of details of the day-to-day running of the organisation, but on this occasion felt this issue was worthy of advising you.

I am looking forward to the coming period in my role as Chief Executive and to working alongside our Board to develop the strategic direction which will drive the next phase of Hanover's development. This will continue to focus on value for money as a key priority, and we are aware that this remains one of the areas that is of most concern to you all.

I hope you will enjoy reading about further developments and activities across Hanover through the Annual Report to Residents, and through the pages of Hanover News. If you have any comments or queries please do contact Kevan Forde, our Head of Service Improvement on tel: 07714 973 137, or on E-mail at kevan.forde@hanover.org.uk.

With very best wishes

A handwritten signature in black ink, appearing to read 'Clare Tickell', with a long horizontal flourish extending to the right.

Dame Clare Tickell, DBE
Chief Executive, Hanover Housing Association