



Our approach to value for money

Self-assessment statement 2018

Introduction

Transform Housing & Support is a registered housing provider and is regulated by the Regulator of Social Housing (RSH) – formerly known as the Homes and Communities Agency. We also provide homecare and part of these services are regulated by the Care Quality Commission (CQC). We are expected to manage our properties and other resources efficiently to deliver positive outcomes for our clients.

The RSH requires us to demonstrate value for money (VFM) through an annual self-assessment statement available to all clients and other stakeholders. This self-assessment statement for 2017/18 is the fifth year we have completed this and the previous reports are available on our website.

Executive summary

We take a strategic approach to VFM as shown in our VFM strategy. During 2017/18 we have met the strategic objectives set by our Board, fulfilled our merger promises and delivered on the value for money promises from last year. We have helped over 2,000 clients during the year.

Challenges

Meeting more challenging client needs with lower funding demonstrates **increased value for money**.

Business outcomes

Merger cost savings

£1 million savings on operating costs is expected to be achieved over five years. The savings to date have exceeded our expectation and our projections show that this target cost savings can be achieved well ahead and by end of year four.

Development

We provided **new accommodation for 21 people** – a 2.5 % growth in units.

Client outcomes

In a client case study we found that **every £1** spent supporting the client generated **£8 of social value** (see pages 14-16 for full details).

- **97.4%** of clients were **happier** and **94.8% felt more secure** (2017: 97% and 98% respectively)
- **99.6%** of clients were **satisfied** with the **advice and support** they received (2017: 98%)
- **100%** of our clients were **satisfied** with the **care and support** they received (2017: 98%).

Move-on

Of the clients who moved on from Transform, **81% were in a planned way**.

VFM gains: In year gain of £208,000 (2.5% of annual operating cost).

Return on assets: 5% on housing assets.

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About Transform Housing & Support

Transform is both a registered charity and a housing association. We provide specialist accommodation and support for those at risk of homelessness. Since the merger with another leading supported housing provider, Cherchefelle Housing Association in October 2016, our services have expanded to include homecare, provided through our brand [Transform Homecare](#).

What we do

Transform provides homes for some of the most socially excluded groups in our local communities. By offering these people a roof and personal support, we help them turn their lives around. Once they can build on a stable base, they are in a better position to gain access to training, education and employment, and to lead a healthier, happier life.

Nearly 60% of the people in our supported housing experience problems with their mental health; many have a history of offending or issues with drug and alcohol abuse, while others are homeless or at risk of homelessness. A large number of the young people supported by Transform (some just 16 years old) come to us after very difficult and traumatic childhoods.

The service we provide through Transform Homecare focuses on the needs, wishes and preferences of clients, helping them to enjoy a better quality of life, independently in their own homes. We develop a personalised support plan in close consultation with the client and, where appropriate, their family.

Where we operate

We provide these services in Surrey and the surrounding areas – from Wokingham in Berkshire, Crawley in West Sussex and the London Borough of Sutton (until 31 March 2018 we also provided services in Richmond). We are looking to expand our care operations over the coming years, helping more and more people.

Our strategy is underpinned by value for money

Our purpose is to help people live independent and fulfilling lives



Our headline strategic objective is to be the leading provider of supported housing and homecare in Surrey and the surrounding areas, helping more and more people to lead independent and fulfilling lives.

Our 2017/18 business objectives are linked to our VFM priorities:

Strategic objectives	Value for money priorities
<p>Impact: Continually strive for better outcomes for clients.</p>	<ul style="list-style-type: none"> ▪ Achieve tangible outcomes for our clients and improve their quality of life. ▪ Deliver on the promises to our clients and other stakeholders. ▪ Improve service delivery and the satisfaction levels.
<p>Sustainable growth: Help more people year on year.</p>	<ul style="list-style-type: none"> ▪ Acquire and develop new housing stock. ▪ Widen our service delivery, incorporating the growth in our homecare services. ▪ Help more and more people each year. ▪ Work closely with commissioners to maintain and attract further funding to support our service offerings.
<p>Financial viability: Broaden our funding base across the public sector, other institutions and individuals.</p>	<ul style="list-style-type: none"> ▪ Generate adequate surplus and cash to meet our financial commitments in the short and medium term. ▪ Expand new funding streams that can offset any cuts in the local authority support funding. ▪ Adopt a risk based management approach, while tendering for new work – avoiding any undue risk so that we protect our asset base.
<p>Value for money: Drive efficiency and improve service quality.</p>	<ul style="list-style-type: none"> ▪ Achieve the business KPI targets. ▪ Meet clients' needs and optimise client satisfaction. ▪ Achieve continuous improvement in service delivery and the cost of the service. ▪ Demonstrate the value of our services through outcome monitoring and social impact assessment.
<p>Innovation: Introduce new, cost-effective services that complement existing activities.</p>	<ul style="list-style-type: none"> ▪ Explore service innovation. ▪ Improve collaborative working with multiple agencies, for example with health or education initiatives. ▪ Collaborate with housing departments on homelessness initiatives.

Our performance against these objectives and priorities are regularly reviewed by our Executive Team, Senior Management Team and the Board.

Our strategic approach ensures that VFM is fully embedded across the organisation. Strategic objectives are cascaded from the Board and the Executive Team to the frontline staff through service plans, team plans and staff appraisal objectives. We are keen to ensure that each member of staff fully understands their role in delivering value for money and how their contribution supports the overall business performance.

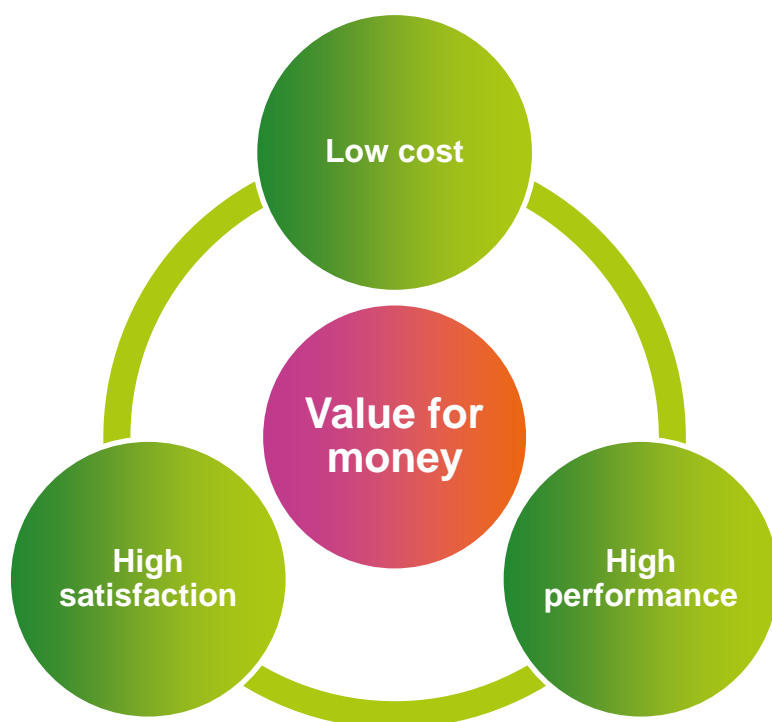
Transform's value for money strategy provides a good link between other strategies, e.g. asset management, financial management, human resources, fundraising and growth plans. It also runs as a common thread across the organisation.

Our value for money strategy

VFM is a long standing concept and is referred to as the relationship between economy, efficiency and effectiveness (known as the three 'E's').

Our approach to value for money is as follows:

- improving performance and outcomes
- increasing client satisfaction
- managing down the cost of our services



Value for money is sometimes wrongly interpreted to be the cheapest option. This will only achieve economy and may not meet the efficiency or effectiveness requirements.

It is important to take a balanced approach to value for money to give the very best to the people we support.

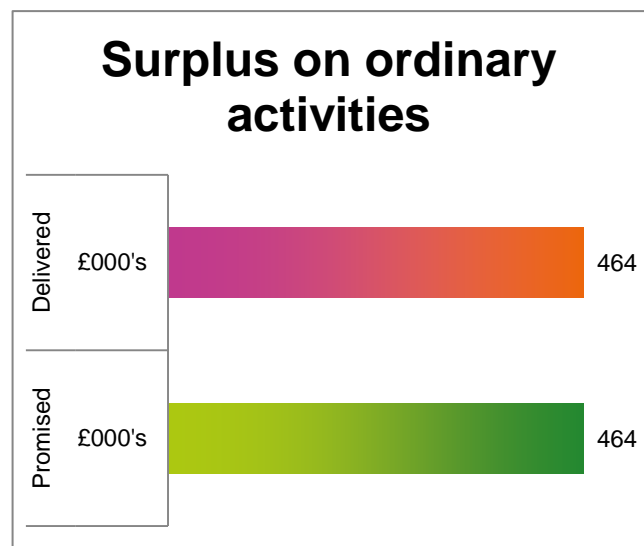
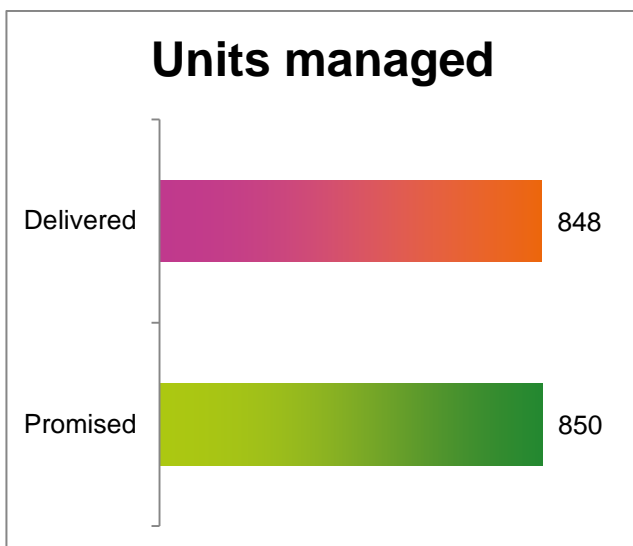
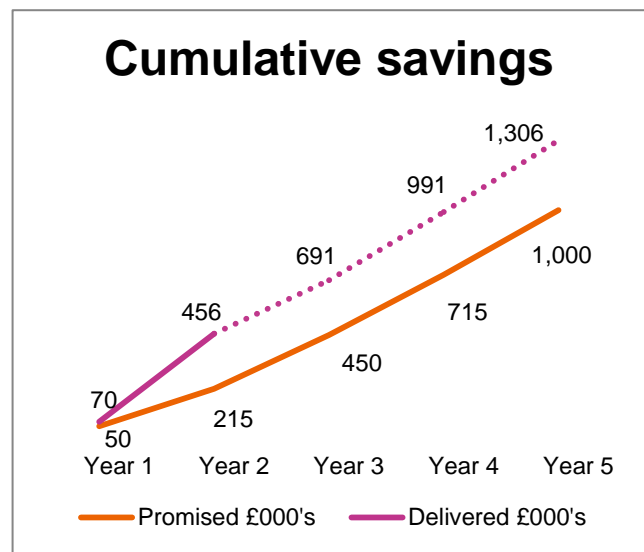
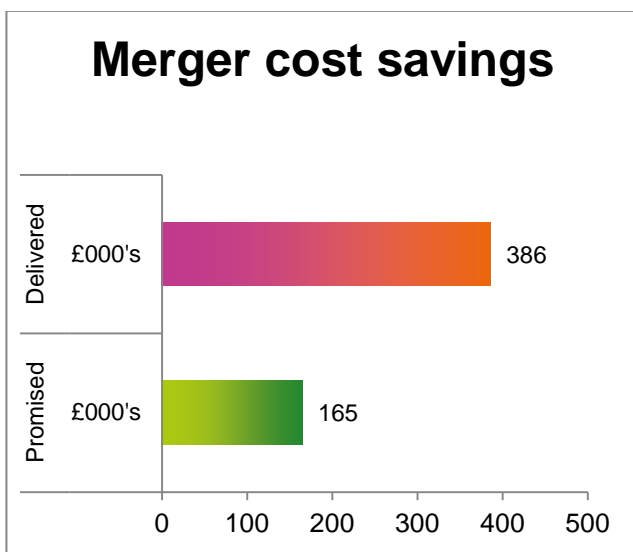
Merger promise

Our merger with Cherchefelle Housing Association was concluded at the end of October 2016. This means 2017/18 was the first full year of operation as an enlarged organisation. In the last eighteen months we have been working on post-merger integration.

In our pre-merger due diligence review and in our business case to the HCA, we promised the following:

- Savings in operating costs.
- Improved surplus, strengthening the enlarged organisational financial viability.
- Increased development capacity delivering more housing units.

The following graphs demonstrate that our delivery against our merger promises have been good.



As an enlarged organisation our promise is to deliver £1 million cumulative savings in operating costs over the five year period. The graphs above show that in the eighteen months of post-merger operations we are ahead on our promise and hope to achieve the £1 million savings target, one year ahead by the end of year four.

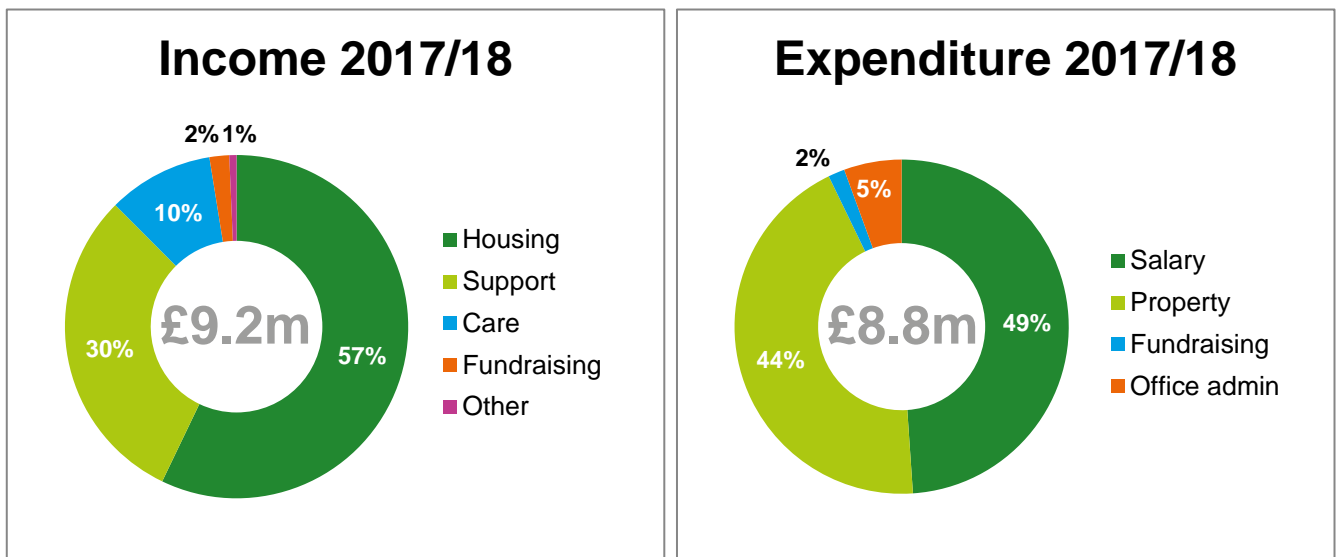
External environment

We continue to face a financially challenging environment which means that the need to offer value for money is vital to future sustainability. These challenges include the Government's requirement to reduce social rents for supported housing by 1% for three years from April 2017. The continuing effects of the Government's austerity plans through the local authority funding cuts for housing related support funding and the care funding has significant financial impact our income. The impact of national living wage and the general increases in staff salary levels both adversely impacting our service costs.

It is important for Transform not only to operate as effectively and efficiently as possible, but to demonstrate that our services offer value for money to our clients, to commissioners and to the tax payer. We need to demonstrate that our services support people from the welfare trap into training, education and work or assist people in retaining their independence. We need to demonstrate that, by offering housing and support to people at risk of homelessness, those experiencing mental health issues and a raft of other problems; we are actually saving significant sums of money. These savings will be to the welfare benefit bill, the health service and the prison service. For those older people who receive our homecare services, there is a reduction in the chances of expensive hospital admissions and we simultaneously assist them to maintain their independence and dignity.

Financial performance

Transform's financial statements for the year to 31 March 2018 showed a surplus of £464,000 (excluding an exceptional item of £203,000). This increases our reserve position and strengthens our financial viability. All our reserves are invested in properties to help more clients.



The above shows our income sources and our spend profile for the year. We spend 49% of our income on staff costs, mainly on frontline staff to ensure that our clients are served well. We spend a further 44% on our properties to ensure that they are maintained to a high standard so that they provides good accommodation for our clients.



Benchmark – cost efficiencies

Internal benchmarking

As shown in the matrix on page 7, our overall social housing cost per unit per week is £194. This has slightly increased from last year, due to the full year impact of the care operating costs and the related merger adjustments (last year the cost was based on a five months consolidation basis). However, this unit cost was similar to our target and shows that we have managed this well, considering the cost escalation for similar care and support providers.



**Social housing
cost per unit**

External benchmarking

Due to commercial sensitivity, the benchmark details for supported housing are difficult to obtain. Although we have joined the benchmarking group for housing related support providers organised by the National Housing Federation, we were unable to gather any comparable costs information. In addition, the larger benchmarking groups like Housemark do not provide any comparative analysis for supported housing providers.

We have therefore used publicly available information from the RSH's data from the global accounts for 2017, to calculate comparable unit costs of selected supported housing providers as our benchmarking group. Most of the supported housing providers in this group were much larger than Transform and therefore we had difficulty in selecting a suitable provider. However, similar to last year, we have used the following to compare our operating costs:

- A. The HCA's global accounts 2017 for supported housing.
- B. Advance Housing & Support.
- C. St Mungo's Community Housing Association.
- D. Salvation Army Housing Association.

Our cost benchmarking review shows that our overall cost per unit of £194 per week is lower than the sector average for supported housing (£269 per week) and the three selected comparable supported housing providers. Therefore we can conclude that our costs are competitive and provide good value for money.

The section on the business health shows that the operating margin has been maintained at 9% and this compares well against our benchmark group. The operating margin breakdown by activities shows that the care activity with funding shortfalls dilutes the overall operating margins. However this doesn't have any material impact on the business viability. The four measures shown in the matrix collectively represent a strong financial viability for Transform.

The outcomes section show that the outcomes delivered exceed our service delivery targets and the value for money of our service delivery.

Value for money matrix

We have developed a **VFM matrix**, in line with the requirements under the **RSH** new **VFM standard** and the code of practice. Our matrix is summarised below.

Business score card	RAG	Mar-18	Mar-17	Benchmarking					Trend	
				Target/budget	A	B	C	D		
Business health 1										
1 Operating margin (overall)	●	9%	9%	8%		5%	3%	11%		
2 Operating margin (by activity)										
Housing	●	21%	25%	24%	27%					
Support	●	(7%)	(15%)	(14%)						
Care	●	(20%)	(39%)	(15%)						
Fundraising	●	18%	33%	20%						
3 Interest cover ratio (EBITDA MRI)	●	3.8	2.9	3.7	4.9					
4 Units managed	●	848	827			2,287	2,202	1,694		
Operating efficiencies 2										
5 Headline social housing weekly cost per unit	●	£194	£181	£192	£263	£120	£498	£366		
6 Housing management cost per unit per week	●	£14	£12	£13	£20	£24	£165	£49		
7 Maintenance cost per unit per week	●	£15	£12	£20	£19	£33	£15	£33		
Outcomes delivered										
8 Number of clients helped 3	●	2,126	2,157	2,100						
9 Planned move-ons 3	●	81%	80%	75%						
10 Client satisfaction 4										
quality of housing	●	97%	93%	95%						
quality of support	●	100%	98%	95%						
quality of care	●	100%	95%	95%						
Efficient asset management 5										
11 Re-investment % of property costs	●	2%	3%	1%						
12 Return on capital employed (ROCE)	●	5%	6%	4%						
13 Occupancy	●	94%	92%	93%						
14 Planned maintenance %	●	29%	28%	30%						
Development capacity 6										
15 Units developed (exclude leases)	●	8	5							
16 Units developed as % units managed	●	1%	1%							
17 Gearing %	●	26%	24%		50%					



Return on assets

The asset management measures, as shown in our matrix, show the effectiveness of our asset management policies during the year. Our VFM strategy considers our properties as key assets of the business and ensures that we generate sufficient return on our property investments.

A typical property investor will only invest in properties with an expectation of a reasonable return and an appreciation in property values over time. Transform's rate of return from properties is calculated using the operating surplus from the housing activities before interest costs. This is equivalent to £1.488 million on an average net property investment of £29.8 million representing an average return of 5% (2016/17: 4.2%).

Some of the property assets, such as those transferred from Cherchefelle Housing Association properties were stated on a Savills valuation (EUV-SH basis) resulting in a much higher cost basis than has historically been the case. This has the effect of diluting the return on our assets.

We also analyse the return on properties in detail to identify the specific properties with lower returns for further investigation and potentially an options appraisal. In the options appraisal we also include other non-financial factors such as meeting the clients' needs and the social value the property generates.



Development capacity

The development capacity measures show our development capacity and the number of units developed during the year. Our business plan assumes that we will be able to deliver a further 121 units (15% increase) in the next five years and including the additional 43 units enabled by the merger. Our latest development plans show that we are likely to exceed that expectation.

Social value

The housing and support services provided by Transform have an impact on two levels; the **benefits to the individual** we are supporting and **benefits to society** as a whole. These combined benefits are referred to as the **social value** of our work. This social value is created through:

Our properties

We provide safe and secure homes for our clients, where they can gain stability in their lives.

Support and advice

The support and advice provided by our staff enhances the independence and quality of life for the people we support.

Community activities

Participation in training, education and volunteering improves the wellbeing and life chances of our clients.

Our aim is to create sufficient social value from the investment decisions that we make. Measuring the social value created by what we do ensures we squeeze the maximum value from every pound we invest. This enables us to make informed and evidence based investment decisions by measuring the outcomes that are important to our clients and other stakeholders.

Our 'social value measurement tools' address the following two key questions

1. Has our **intervention** caused a change in **outcomes** for our clients?
2. What is the value of the change?

We use two different models to determine the value of the change (social value):

1. **HACT wellbeing valuation model** – to determine the **impact for the client**.
2. **Capgemini benefits realisation tool** – to determine the **impact for society** (e.g. savings to the public purse).

Wellbeing gains

Our client satisfaction survey showed that, on average, **89% of clients had noted an improvement in their wellbeing** (i.e. how they manage their physical / emotional / mental health) as a result of the support provided by Transform. These results demonstrate the social value that we generate for our clients, helping them to improve their lives.

Social value case study

To provide an example of the benefits realised by our work, we have assessed the social value of our services for Tina, who has been living in Transform's dry and drug-free accommodation for a little over one year.

Tina's story

Tina always drank heavily. But for many years she was still able to function and hold down a job. Sadly, however, she suffered two bereavements in quick succession; first her mother and then her long-term partner died. Tina's drinking really escalated and soon she was caught in a spiral of drinking as a way of avoiding dealing with her feelings of loss. At the same time, Tina's drinking meant that she was entirely dependent on others doing things for her, "I wasn't capable of looking after myself – I always had people looking after me." Struggling to cope, Tina moved out of her council property and instead went to live with an old friend. The friendship, however, was a co-dependent one; Tina would supply the money and her friend would go and buy the alcohol. When eventually the money ran out, her friend told her she had to leave. With no other accommodation available, in January 2017 at the age of 58, Tina found herself street homeless.



Tina spent a total of six weeks living on the streets. Despite the kindness of members of the public and the local Church, Tina's alcohol use, in combination with her homelessness, started to seriously affect her health. She temporarily lost the use of her legs and she couldn't stop vomiting. She called an ambulance and was admitted to hospital "I honestly didn't think I would make it. If I hadn't been hospitalised I would have been dead I am sure." Tina spent a total of 14 days recovering in hospital. During this time she was detoxed from alcohol and she made the decision to stop drinking for good. With the help of the local drug and alcohol service, Tina was referred to Transform's Winter Shelter in Staines and in February 2017 she moved in.

To Tina's surprise, she loved her time at Transform's Winter Shelter "I got my strength from them. People there encouraged me every day – they were such nice people. I started to get my confidence there". After four weeks at the shelter, Tina felt ready to move on to more settled accommodation and so Transform arranged for her to spend a trial period in one of our dry houses for people in recovery from drug and alcohol dependency. The trial went well and she has now been living in her the house for over 14 months and has been totally abstinent from alcohol for 16 months. During this time Tina has worked tremendously hard to rebuild her life. Years of addiction meant that she lacked the confidence to tackle practical challenges such as sorting out her finances, paying bills or using public transport. With the support of Transform staff, she has gradually developed her independence and is now able to tackle these tasks herself. As her Transform Keyworker, Lucy, explained "Tina has put in a lot of hard work to maintain her abstinence from alcohol. She has really wanted a better life for herself. Every time Tina comes up against a setback she doesn't dwell on it – she just picks herself up and gets on with it."

Tina has now made a new set of friends at the charity shop where she volunteers two days a week and has also started part-time paid employment as a cleaner at a local school. Tina is thoroughly enjoying the independence and freedom that recovery from addiction has given her. For Tina, the housing and support from Transform has been crucial "People would be lost without these houses. You can't put a price on them – they are invaluable."

Social value: Tina

We considered Tina's story and the journey she has been on since moving to Transform. We then used social value tools to measure the impact of the support provided to Tina by Transform and to place a financial value on the outcomes achieved. We used two established social value tools:

HACT wellbeing valuation

This was used to calculate the wellbeing benefits to Tina of the housing and support provided by Transform. We have used the standard values provided by HACT to place a financial value on these improvements. These values represent the amount of extra income a person would need in order to increase their wellbeing by the same amount as the support provided.

Capgemini benefits realisation tool

We used this to ascertain the financial savings to the public purse as a direct result of the support provided by Transform. (Whilst this tool is now a few years out of date, it is the best methodology available for us to use).

By combining the two, we are able to determine the overall social value of the support provided by Transform. We are then in a position to compare the social value to the cost to Transform of providing housing and support to Tina and the related cost / benefit ratio.

For more information on our methodology, please see the appendix on page 20.

Improvements in Tina's wellbeing

With the support of Transform, Tina has achieved the following improvements in her life:

Housing

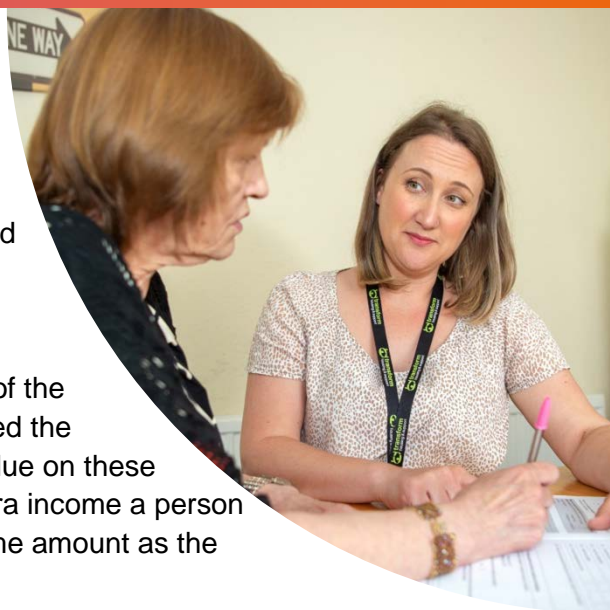
Before moving to Transform, Tina was street homeless and living on a park bench. By first moving to Transform's Winter Shelter and then to one of our dry and drug free houses, Tina is now living in secure, settled and safe accommodation with on-going support.

Physical health

Whilst in addiction Tina suffered from stomach issues, ulcers, backache and dental problems. Since being in recovery Tina's health has improved considerably. She has had dental work carried out and now takes great pride in her appearance. Not only has this improved Tina's physical health, but it has also helped rebuild her self-esteem.

Mental health

In the past Tina would drink to avoid feelings. In recovery she started feeling all the emotions that had been suppressed for so long. Initially this gave rise to depression, but Tina has worked through these emotions in counselling and with the support of her GP and Transform staff. She is now feeling much more positive and in control.



Finances

Whilst in addiction, Tina was dependent on others to look after her and this included all her finances. A large part of her recovery, therefore, has been about empowerment and independence. Transform staff have worked with Tina to help her take control of her own finances and now she takes pride in managing these and “being able to do things for myself.”

Employment

For the first time in 10 years, Tina is now in part-time paid employment. This involves a considerable commitment on her part, as she now starts work every weekday at 5am. In addition, Tina continues to work two days a week as a volunteer at her local Scope charity shop.

By supporting Tina to make long term, positive changes to her life, we have generated social value that will benefit Tina, and society as a whole, for many years to come.

Quantifying social value



Wellbeing value to Tina

*Social value to society

Relief from depression and anxiety	£14,345
Move from rough sleeping to secure housing	£10,701
Feeling confident and in control	£10,323
Relief from alcohol problems	£5,721
Managing finances effectively	£3,596
Start part-time employment and volunteering	£2,243
Total wellbeing to Tina	£46,929
*Social value to society	£30,819
Total social value	£77,748

*Social value to society is the savings for public services in:

- alcohol care and treatment
- emergency hospital treatment
- local authority housing support



This means that for Tina we found:

Every pound spent



generated around £8 of social value



Our activities

Housing activities

We manage **848 housing units** and this generates the housing income and represents 57% of our turnover. We ensure that we deliver a high-quality housing management service, recognising that safe, secure housing is of paramount importance to our clients. We maintain our properties to a high standard and receive very positive feedback from our clients. Our survey shows that 97%⁷ of our clients are either satisfied or very satisfied with the accommodation we provide.

The rent we charge our clients is carefully set so that it is affordable, allowable within the housing benefits limits, does not create financial hardship for our clients and is not a disincentive to work. A majority (around 90%) of our rented accommodation is at or below 'target rent' as defined under the previous rent restructuring regime, and is around 55% of the market rent. The rents charged by most of our competitors are higher than our comparable rental and we are able to provide good value for money for the rent we charge.

Support activities

The support we offer our clients is at the heart of what we do, helping people turn their lives around and achieve independence. The support activity represents 30% of our turnover, and has been reducing as a proportion of our total turnover for a number of years due to housing related support budget cuts from our local authority partners.

Budgets are under strain due to constraints on local authority funding and we continually have to demonstrate the value of what we do through inspiring case studies (such as Tina's). We have gone through a retender for our housing related support contract with Surrey County Council and were able to retain those contracts for at least two more years. Moreover, Wokingham Borough Council has reviewed our housing related support contract and extended this for two more years. We have now fully secured a two year forward funding position for housing related support. The contract values are fixed for the next two years and this, on the back of the cost pressures, provides a value added service for our local authority partners.

Homecare activities

We provide homecare services to around 132 clients. This represents around 10% of our turnover. Our clients include around 30 supported living clients with disabilities and 47 privately funded clients. This service provides quality care at home to ensure our clients can remain in their own homes and retain their independence and dignity.

During the year we participated in a Surrey County Council tender for care services and secured increased funding, helping the financial viability of the care service. Our Board is committed to providing wider care services across the county, to ensure that this service is financially viable for Transform and simultaneously provides good value for money for the clients and the local authority partners.

Outcomes delivered

During the year 2017/18 we helped 2,126 clients improve their quality of life and achieve their desired outcomes. Of these clients 81% of our housing clients moved on from our services in a positive way after receiving our support. This is one of the key measures of our success⁸.

We also ascertained the following:

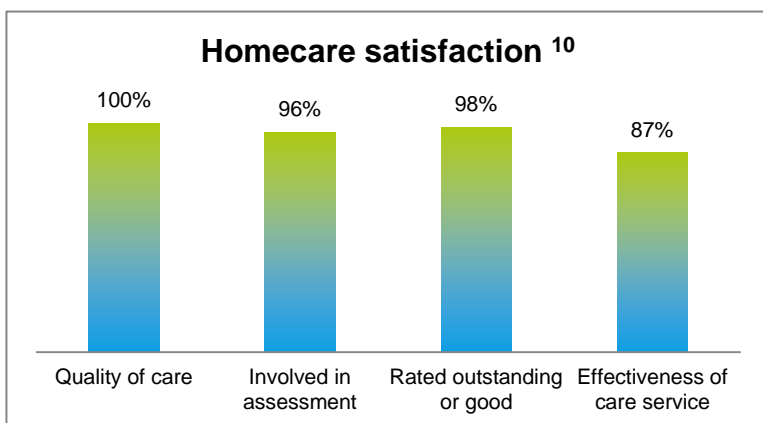
- The extent to which our support helped clients in coping with issues such as mental health problems, drug or alcohol issues, managing their money etc.
- How satisfied the client was with the care, support and accommodation provided.
- Ways in which we could improve in the future.

These are assessed in five ways:

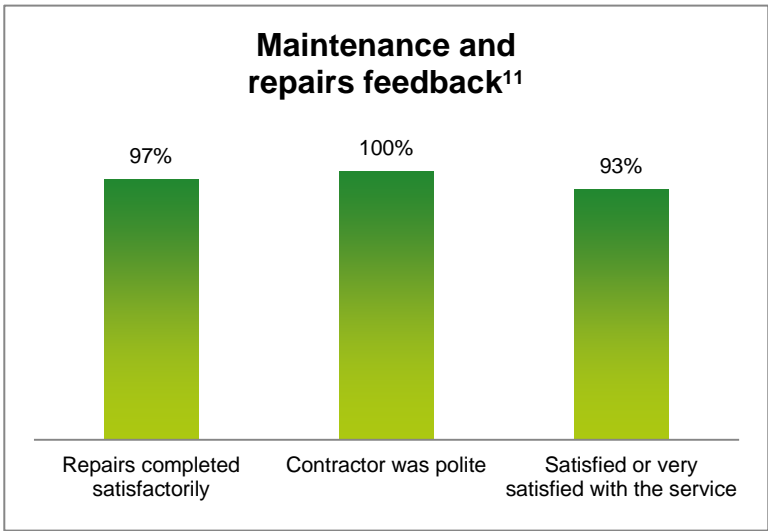
1. Client satisfaction survey
2. Homecare satisfaction survey
3. Maintenance and repairs feedback
4. Exit questionnaire
5. Long term outcome monitoring



Every year housing and support clients are invited to complete a **Client satisfaction survey**. This provides clients with the opportunity to let us know how satisfied they are with the accommodation and support we provide. They are also asked to assess how the support they received from Transform has benefitted their general wellbeing. Results from the survey completed in June 2018 (shown left): percentages are for those who were satisfied or very satisfied.

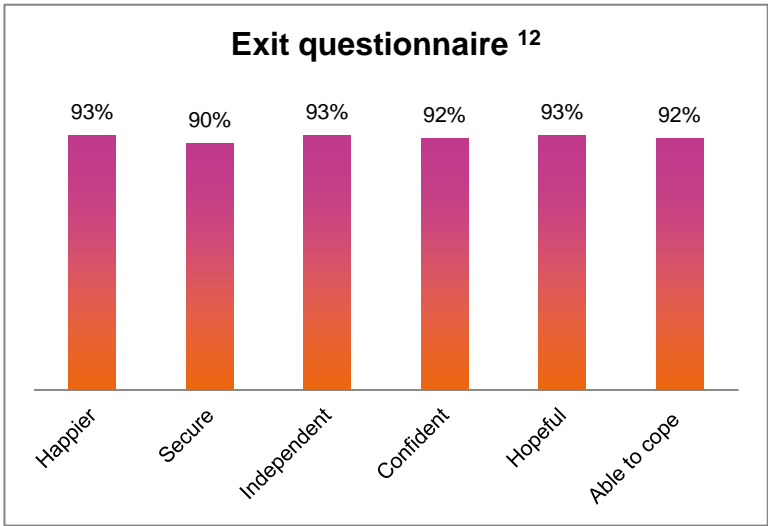


The **homecare satisfaction survey** was carried out in September 2017. It showed the majority of clients had an up-to-date care plan which they have been involved in developing. The survey results show 100% of clients were satisfied with the quality of care and that our clients think their care plans will deliver the desired outcomes for them. 98% of clients rated our care service as 'good' or 'outstanding' (42% rated outstanding). We are very proud that we continue to demonstrate such positive outcomes and client satisfaction against the underfunding that has occurred in homecare services.



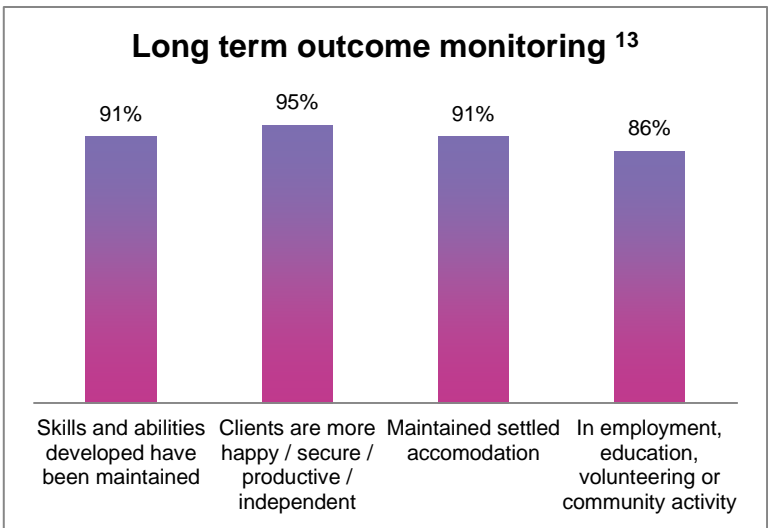
Transform has an in-house maintenance team, which provides a reactive maintenance function. However some of the larger planned maintenance work is carried out by external contractors. Our maintenance operatives are responsive and able to complete urgent repairs as they occur.

We seek monthly **feedback** from both our clients and staff on the effectiveness of our maintenance service. The results (shown left) are an average across the year ending March 2018.



The **Exit questionnaire** is carried out when clients leave our service. By comparing their position at that point with their original position before receiving support from Transform, we can assess the progress the client has made whilst with us.

The results (left) are taken from those questionnaires received during the year. The graph shows the beneficial impact of Transform’s support services on the lives of our clients and the progress they have made since receiving our support.



The **Long term outcome monitoring survey** is carried out annually and aims to assess the long term impact of the accommodation and support provided by Transform by asking former clients a series of questions after they have left Transform for approximately one year. This survey was completed in March 2018 and is presented graphically left. These show that the support and guidance we provide to our clients have a lasting impact on our clients’ life well beyond their move-on.

Developing new homes

We aim to increase our housing stock year by year, enabling an increase in our accommodation capacity. During the year we have opened four schemes: two properties in Leatherhead (to accommodate a total of seven people), one in Egham (for four people) and one in Epsom (to accommodate a mixture of single people and families).

Since the year end we acquired a further three properties providing accommodation for homeless people. We have an ongoing development aspiration to build or acquire new properties to support more and more homeless and vulnerable people. The following show some typical developments during the year.



Work with the Police & Crime Commissioner

We are reusing a house within Transform's housing stock to provide support from those with a previous history of offending, helping them to sustain independent living. This new pilot project is kindly funded through a partnership with the Surrey Police & Crime Commissioner.

Young people

We have opened a new house for young people with the support of a resident volunteer in Leatherhead, developed with the assistance of Surrey County Council and Mole Valley District Council.

Temporary accommodation

We are continuing to work with several borough and district councils to expand the availability of temporary accommodation for homeless families and single people in the face of increasing need. During the year we took on the operation of 9 converted flats, leased to us under a partnership with Epsom & Ewell Borough Council.

Value for money

Gains

We have carried out a number of VFM initiatives over recent years. Some of these deliver tangible financial savings, while others generate increased social value (increased wellbeing and client satisfaction) which can be difficult to quantify.



We have achieved value for money gains during the year to March 2018 of £208,000; representing 2.5% of the annual operating cost of £8.5 million. These gains were realised mainly from housing related support contract value reduction (£110k), rent cuts (£40) and central office cost savings (£51k). These gains are not one-offs; and will continue into future years and are in addition to the recurring savings from previous years. It should be noted that these values do not take into account the increases in social value through higher client wellbeing and client satisfaction levels.

Achievements

We are able to demonstrate the following value for money achievements over the course of the year, including achieving some of the expectations from last year:

Merger promise: Our merger promise was to achieve: operating cost savings; improved financial viability; and to develop more units, helping more clients. Our promise on the merger included achieving a £1 million cumulative saving by year five. Progress to date has been good and we are confident that we will be able to fulfill this promise one year ahead – by the end of year four.

Homecare review: During the year we have reviewed our homecare activities, retendered and retained our homecare contract with Surrey County Council, securing a higher level of funding. This has improved our ability to absorb the increases in care service costs, mainly arising from the national living wage increases. We also ensure that our care staff are fairly rewarded and, following our salary benchmarking exercise, we increased their salary levels by around 10% to be competitive in the market place. During the year we had tendered for an extra care scheme with Surrey County Council and securing this contract widens our scope within Surrey.

Service quality: We aim to continually improve service delivery. We have continued to work alongside clients through our Client Forum to help improve our policies and procedures. We have also continued to focus attention on our training modules, which are in-depth tools to help clients develop their skills in areas such as budgeting, writing a CV or problem solving. In the past year we have produced a new training module, Staying Safe Online, which is now available to all staff and clients.

IT and data governance: We moved our corporate data into a data centre with a cloud provider. During the year, in compliance with the **General Data Protection Regulation (GDPR)** we have reviewed our data security policies and practices. We have taken the data privacy rights of our clients seriously and appointed Data Protection People as our Data Protection Officer who will act as guardian ensuring Transform has good systems and policies in place to protect sensitive client data. During the year, we have reviewed our telephony contract and are moving towards a Unified Communications solution, enabling our frontline staff to work remotely and flexibly and enhancing staff productivity.

Secured support funding: During the year we modified our housing related support funding. We have reconfigured our adult services contract, giving 10% cost savings to our partners in Surrey and have also gone through a successful retendering process for our young people's services. This provides certainty on the housing related support funding until 2020. We have also extended our floating support contract with Wokingham Borough Council until 2020.

Delivery of new housing: We have delivered four new properties which came into operation during the year, increasing the housing capacity by 21 units.

Diversification: During the year we have been working on a number of projects to expand our services into helping homeless people in temporary accommodation and for those people who are under 35 years of age. We have opened a similar scheme in Epsom helping eight clients. We are currently remodeling two schemes in Sutton and they are expected to open in the summer 2018 providing a further fourteen units of accommodation. We have been working with Runnymede Borough Council to open a further two properties providing eight units of accommodation.

Partnership: We have assisted Spelthorne Borough Council (SBC) in bringing an old building back into use. This building had been used to accommodate 20 single homeless clients. Transform has been managing a temporary accommodation service for SBC during the year; this provided a valuable service for the clients and at the same time, we estimate that it has saved the council over £100,000 per annum.

Future value for money initiatives

Increasing our fundraising activity: We have now restructured the fundraising team and have developed our fundraising strategy which was approved by the Board in March 2017. This will support growth and innovation and is tightly aligned with need. We anticipate seeing significant growth in fundraising over the next three to four years.

Post-merger reviews: we are committed to the merger savings of £1 million over five years. We anticipate finding further savings as we review the systems and processes through our integration and the further efficiencies that this brings.

Homecare review: We recognise the growing demand for our homecare services and want to grow this activity. Our growth ambition is somewhat limited by difficulties in recruiting new care staff and we have invested in social media based recruitment. We want to grow our services to local authority and the private funded clients.

Asset management review: As a result of the merger with Cherchefelle Housing Association, we are reviewing the property assets to seek out the options for housing investment and to build a programme of housing development across the next four years.

Value for money target

We expect our operating costs for 2018/19 to be £9.3 million and are working on a target VFM gain of £230,000, mainly arising from support service costs and overhead costs and representing 2.5% of the annual operating costs.



Social value methodology and references

Social value case study: methodology

Wellbeing value: Figures used for wellbeing value are those provided in the HACT document: Measuring the Social Impact of Community Investment, March 2014. This document can be accessed at: <http://www.hact.org.uk/measuring-social-impact-community-investment-guide-using-wellbeing-valuation-approach>

Deadweight: We have used a 'deadweight' figure to reduce the wellbeing value by a set amount to allow for what would have happened for Tina anyway, even without Transform intervention. The deadweight values used are those provided by HACT in their value calculator. The HACT Value Calculator can be accessed at: <http://www.hact.org.uk/value-calculator>

Value attributable to Transform: The wellbeing benefits realised by Tina have been achieved through Transform working in partnership with other agencies such as health services and local drug and alcohol support agencies. To allow for this, the wellbeing values have been reduced to account for the benefits which are not attributable to Transform. For more details on attribution please see the Cabinet Office document: A guide to social return on investment, April 2009. This can be accessed at: http://www.bond.org.uk/data/files/Cabinet_office_A_guide_to_Social_Return_on_Investment.pdf

Social value: Figures used for social value to society have been obtained by using the Capgemini benefits realisation tool. For details please see the document: CLG Supporting People financial benefits model documentation and user guide, July 2009. This can be accessed at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8273/1275115.pdf

Cost: Crucial to the progress achieved by Tina was a combination of safe, secure housing and regular support. To ensure we include all costs, we have therefore included both the support and the accommodation costs provided by Transform to Tina when calculating the cost / benefit ratio.

References

To be finalised

1. Transform Management Accounts 2015-2018
2. Transform Global Accounts 2015-2018
3. Transform KPI's 2015-2018
4. Client Satisfaction Survey data 2015-2018 / Quality of Care Survey data 2015-2018
5. Transform Management Accounts 2015-2018
6. Transform Management Accounts 2015-2018
7. Client Satisfaction Survey data June 2018 (based on a survey of 297 clients)
8. Transform KPI's, 2017/18
9. Client Satisfaction Survey data, June 2018
10. Homecare satisfaction survey September 2017
11. Maintenance and repairs feedback 2017/18 / Client satisfaction survey data, June 2018
12. Exit questionnaire, 2017/18 (based on a survey of 42 clients)
13. Long term outcome monitoring survey, March 2018 (based on a survey of 22 former clients who had left Transform on average for 12 months prior to the survey taking place)

This value for money self-assessment statement, covering the year to 31 March 2018, was approved by the Board of Trustees of Transform Housing & Support on 2 August 2018.



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