

# Annual Report for Customers 2016/17

*Improving lives*

# Introduction

## Welcome from Julie Doyle

Welcome to the 2016/17 Longhurst Group Annual Customer Report.

It's been another landmark year, as we have welcomed Axiom Housing Association into the Group, posted record financial results and continued to embed a group-wide 'one team, one vision' approach into the way we work.

This approach has seen us review our governance and restructure some teams to make the organisation more efficient and to improve the way our services are delivered.

These changes contributed to a fantastic financial performance that included a turnover of £110 million, cash savings of £1.8 million and an overall surplus of over £17 million before tax.

We have also retained the highest possible 'G1V1 rating' from the Homes and Communities Agency, which shows how well-placed the business is to deal with future challenges and to realise our ambitions.

Following the transfer of 27 leasehold schemes from Waterloo Housing Association, we have seen the number of properties we own and manage rise to almost 22,000. We are also building more than ever before, completing 406 new homes in 2016/17, and constantly looking at other ways to grow.

Despite the challenges of funding cuts to care and support services, we continue to work hard to provide our own solutions and now support 4,000 people through our range of care and support services. After engaging with colleagues across the Group, we launched our new vision and values earlier this year. Our vision is clear. Everything we do is about 'improving lives'. From providing great homes and high-quality care and support, to a whole range of projects that make life easier for our customers, we are passionate about making a positive difference.

I'd like to thank colleagues across the Group for their continued hard work, enthusiasm and their commitment to our customers.

We are all working together to improve the lives of our customers and every day I see many examples of that in the fantastic services we provide.



You can read about how we achieve **Value-for-Money (VFM)** by [clicking here](#).

You can keep up to date with our latest news by following us on **Twitter: @longhurstgroup**

or one of our Facebook pages:  
**/FriendshipCandH /LandHHomes /spirehomes**

Longhurst Group Community Champion, Jemma Betts with local nursery children at the Beechdale Community Garden.



# Business aims

During 2015/16, we completed a comprehensive review of our governance arrangements and management structures, and restructured our Board and Executive Leadership Team.

A streamlined board and executive structure has been in place since the beginning of January 2016. We have streamlined the number of boards and committees across the Group from 19 to eight.

This has enabled a quicker decision-making processes and provided more clarity on risk and responsibilities and better positioning for growth.

## Meet Our Group Board



**Bob Wilson**  
Chair



**Ann Stanley**  
Board member



**Clive Barnett**  
Chair of Libra



**Daniel Elkins**  
Board member



**Hilary Lindsay**  
Board member



**Julie Doyle**  
Chief Executive



**Parmjit Dhanda**  
Board member



**Pat Brandum**  
Chair of Keystone



**Stephen Wenham**  
Chair of Homes Board

# Aims and values for 2017/18

## Investing in our people

Through our 'One team, one vision' approach, our business objectives over the coming years are:

- To provide more homes
- To support our communities
- To deliver quality care and support
- To invest in our people.

After seeking feedback from colleagues across the organisation, Longhurst Group has reshaped its values.

We are now united by these shared values that guide everything we do as a Group and show what matters to us.

## Our values are:

- In it together**  
We stand together as one team with one vision to make a difference to people's lives
- Heartfelt service**  
Everything we do shows we care deeply about our customers and colleagues
- Own it**  
We do what we say we do to the best of our ability with pride and passion
- Push the boundaries**  
We strive for excellence constantly looking for fresh ways of doing things
- Fun and fair**  
We work hard, enjoy it and treat everybody equally with respect and honesty

## Key stats:





# Providing more homes

Throughout 2016/17, we built 406 new homes. This means we remain well on target to meet our business objective of providing at least 2,500 new homes between April 2014 and March 2019.

A total of £40.8 million was invested into these properties with £576,436 provided through government funding. Our sales turnover was £4.9 million and 92 of these properties were for social rent, with 62 for affordable rent.

An increasing portion of our new build homes programme comprised low-cost home ownership. In 2016/17, around 50% of the homes we built were for sale (including shared ownership), with the remainder for rent.

A brand new 46-home development was delivered on Allen Road in Rushden which featured a mixture of tenure types. Comprising two sites, the development received £1.15 million from the Homes and Communities Agency (HCA) and has redeveloped the former Grenson's shoe factory site into 32 homes for affordable rent and 14 shared ownership properties.

Work continued on our 400-home joint venture with Westleigh Partnerships to bring 400 new homes to Humberston, North Lincolnshire. When completed, the development will offer a mix of 200 family homes on Humberston Meadows and 200 luxury-living properties for the over 55's across the Carrington Gardens site. Of the initial 22 homes made available on Humberston Meadows, only six remain on the market.

Members of The Blue Skies Consortium, led by Longhurst Group and Nottingham Community Housing Association (NCHA), were awarded a £36,733,500 grant to deliver over 1,000 new homes as part of the Homes and Communities Agency (HCA) Shared Ownership, Affordable Homes Programme over the next five years.

Longhurst Group Development Programme	
Units completed in 2016/17	406
Units started in 2016/17	600
Completions due in 2017/18	594
% of s.106 units in 2016/17 completions	80%
Grant received for units completed 2016/17	£576,436
Other grant (including RCGF and DPF) for units completed 2016/17	£353,993
Average cost per unit for units completed in 2016/17	£103,409



Local MP Peter Bone is joined by Longhurst Group Chair Bob Wilson and Chair of East Northamptonshire, Cllr Colin Wright, at a tree planting to celebrate the completion of our Allen Road development.



# Providing more homes

## Carrington Gardens

Longhurst Group's 'flagship' development, Carrington Gardens and Humberston Meadows on Humberston Avenue, near Grimsby, is being delivered as part of a joint venture between Keystone Developments, part of Longhurst Group, and Westleigh Partnerships.

One of the biggest development projects the Group has taken on through its development arm, Keystone, when completed, the development will offer a mix of 200 family homes on Humberston Meadows and 200 luxury-living properties for the over 55's across the Carrington Gardens site.

Having started on site in February last year, the first phase of Carrington Gardens is now well under way, with a number of homes having already been reserved by eager residents. The development is due for completion in Spring 2018.



## Allen Road

Local VIPs, including Peter Bone MP, recently planted a tree to mark the completion of a new 46-home development on Allen Road Rushden that has transformed a brownfield site and regenerated the area. Previously the host of an historic shoe factory, the Allen Road development is the result of a successful partnership between Spire Homes - part of Longhurst Group - and East-Midlands developer, Westleigh Partnerships.

Comprising two sites that span Allen Road, the development received £1.15 million from the Homes and Communities Agency (HCA) and has redeveloped the former Grenson's shoe factory site into 32 homes for affordable rent and 14 shared ownership properties.



Our eye in the sky captures the magnitude of the Carrington Gardens development in Humberston.





# Growth

## Axiom

Our exciting new partnership with Axiom Housing Association will help us to deliver 700 new homes a year while also maintaining our focus on providing comprehensive care and support services.

The agreement was formally signed off by shareholders in May and saw Axiom officially join the Group on 3 July, 2017.

The partnership has brought together two organisations recognised for high levels of performance and governance, and is expected to grow the Group's turnover to over £160 million within five years and lead to a healthy 30 per cent operating margin.

Axiom owns more than 2,300 homes across Peterborough, Cambridgeshire and Lincolnshire. It provides housing and services to over 5,500 people and employs more than 300 people.

## Waterloo

The Group extended its stock to over 21,000 properties after completing the transfer of 27 leasehold schemes from Waterloo Housing Association in July.

Comprising over 600 properties, the schemes are primarily located in Leicestershire and Birmingham, with a selection in Hertfordshire, Grantham and Cambridgeshire.

Thirteen of the schemes have on-site scheme managers who have now joined Longhurst Group.



Longhurst Group's Executive Director of People and Performance, Lynn Stubbs, serves Board Chair Bob Wilson with an ice cream to celebrate Axiom joining the Group.



# Customer service

We continue to deliver excellent services that reflect innovation, customer service and value-for-money. Many of our customers have already been affected by changes to welfare benefits including the bedroom tax and the introduction of Universal Credit, and more customers will be affected this year and in the future as further changes are introduced. We are working hard to try and help customers through these changes.

Contact us if you have any concerns about how changes might affect you, or if you have difficulty paying your rent.

## Digital Services

Although our digital programme has been largely on hold pending the Axiom merger, the Customer Access Centre have promoted the online tenant's portal to callers, specifically targeting areas of the business with lowest usage.

The number of customers using our online portal, My Account, each month increased by 40 per cent over the year, with the total number of logins increasing by 31 per cent, and the number of repairs reported and rent statements requested through the portal both increasing by 20 per cent.

However, overall usage remains low (9 per cent of tenants), and we will continue to promote the service during 2017/18.

We are rationalising our customer surveys, and increasing our use of e-surveys with the aim of improving response rates and to ensure we only collect data that is valuable.

Work is progressing well on a brand new Group website. This new site will be launched in the coming months. Over the next three years, we will be implementing a Customer Relationship Management (CRM) solution through Microsoft Dynamics. This will enable us to further develop online services in the future, and automate appointment reminders and surveys.

## Customer Insight

Good quality customer data is critical in enabling us to target services effectively.

In 2016/17, we used our data to target advice and support towards customers likely to be affected by the reduced benefit cap and the changes to housing benefit entitlement for 18-21 year olds; we then contacted these customers individually to help them address the risk and ensure they could maintain their tenancy.

As well as helping customers, this also minimised the impact of the changes on rent arrears and void loss.



Mr and Mrs Thompson celebrate their 72-year wedding anniversary in their new home in Oakham.



# Your rent

	L & H Homes	Spire Homes	Friendship Care & Housing	Consolidated
% Rent collected for all homes	100.53%	100.25%	102.09%	100.84%
Rent arrears of current tenants as % rent due	2.23%	2.01%	2.69%	2.28%

We have sustained good performance in terms of rent collection, with the introduction of RentSense across the Group in October 2016 enabling us to better prioritise arrears recovery action.

Our combined actions reduced arrears for current General Needs and Housing for Older People tenants from 2.70 per cent at March 2016 to 2.27 per cent at March 2017.

In March 2016, we closed the Just Rewards (tenant incentive scheme) scheme operating in part of the Group, which had been intended to incentivise the payment of rent, but which cost £117,000 in administrative and reward costs. Despite the closure of this scheme, rent arrears of current tenants in that part of the Group fell from 2.50 per cent at the end of 2015/16 to 2.16 per cent at the end of 2016/17.

## Money advice service

Our Money Guidance Service continued to provide good Value-for-Money for the Group and our customers.

In 2016/17, we dealt with 652 cases and generated an income for the Group of £300,316, compared with service costs of £117,399.

In addition, for cases closed during the year, customers were helped to claim an additional £697,340 of other benefits, and to manage debt totalling £384,471

Our Care and Repair service volunteer benefit advisors also helped customers claim benefits totalling a further £76,861 in 2016/17.

# Case study

## Lesley's story

Despite suffering with a chronic lung disease, Friendship Care and Housing customer Lesley Machray, lost vital financial support and a mobility car following a PIP assessment ruling.

Unsure of what to do and terrified by the prospect of appealing the decision in court, Lesley turned to our Money Advisor, Pam Mahli, for help.

Pam sifted through the complicated forms, including 106 pages of appeals paper work and appeared in court on Lesley's behalf.

Lesley was later awarded a back-payment of £1,755 and ongoing weekly payments of £141.10, with no need for further assessment until 2026. Lesley and her husband Giles also got back on the road with a new car under the Motability scheme.

"Pam has helped me 100 per cent. I don't know what I would've done without her," said Lesley.

"After the assessment, they took my money away within a month. I didn't know what to do. I was up the creek without a paddle.

"People need this financial support and all of this stress and worry is the last thing that they need. The thought of going to the tribunal hearing to appeal the PIP assessment absolutely terrified me. Pam supported me every step of the way and I'm just so grateful."

## Empty Homes

In 2016/17, our void rate for our general needs and housing for older people fell from 0.72 per cent in 2015/16 to 0.54 per cent, saving around £136,134. This was achieved through the creation of a dedicated lettings team, more systematic use of Rightmove for difficult to let housing, more rigorous enforcement of nomination agreements with local authorities and better working relationship with contractors (targeting properties for repair where a new tenant was waiting to move in).

We reduced void repair expenditure by 6.1 per cent across the Group, saving £126,016.

We started working with Spark Energy to manage fuel utilities on empty homes. This saves us the cost of transferring utilities into our name during the void period, and generates an income to us from Spark. As part our work to streamline services across the Group, we harmonised affordability and tenancy sustainment checks for prospective tenants. This allowed us to provide sustainment advice, via the Money Guidance service, to customers who most needed it.



To say thank you for her support, Lesley presents some flowers to our Money Advisor Pam.



# Supporting our communities

## Training and Education

Over eleven months in 2016/17, our Employment and Training project helped nine tenants obtain paid jobs, with a further 11 getting help to find work including obtaining voluntary work, attending a work-related course or finding work experience.

## Case studies

### Mebrahtom's story

An Eritrean businessman who suffered oppression in Africa has rebuilt his life in the UK after receiving significant support from Longhurst Group.

Mebrahtom Weldemikall (45) fled his homeland in 2008 and, after discovering refuge in England, he later found a home and employment in Birmingham.

Determined to improve his quality of life and to give his family the best chance of succeeding in the UK, Mebrahtom met with Longhurst Group's Employment and Training Advisor, Rob Friday, in 2014 and started the long and winding, obstacle-filled road to becoming a private hire driver.

Rob has been there every step of the way for Mebrahtom, meeting him 80 times in the space of 18 months. Those meetings included job interview tips, CV writing assistance, and translating complex forms.

"Rob has been very important to my life," Mebrahtom said.

"I could not have completed the driving knowledge tests without Rob explaining what it all meant. We did quizzes where Rob asked me different questions. It helped that he was so relaxed and spoke slowly to make sure I could understand everything.

"Thanks to Rob, I've been able to settle in the UK, to relax and enjoy life again. He's helped me with everything. My home, getting child tax credit for my children and getting work. He has changed my life and helped me so much. Rob is not like a friend, here's more like a big brother to me."

If you are a Longhurst Group customer looking to get back into work or trying to improve your career prospects and need some help, contact Rob Friday on 0300 123 1745.

## Social Value

In 2016/17, we introduced a Group social value strategy, looking at the types of project and service that we can create most value for. We also established a framework for defining expected costs, outputs and outcomes for social value projects. This will enable us to target resources at those projects that provide the best value in future.

Many of our repairs and maintenance contracts now include provision for social value: in 2016/17 this included:

- Careers talk about the construction industry for around 90 students at local college
- Classroom training and work experience for 6 students through our Kickstart programme
- Revamp of garden at sheltered housing scheme
- Provision of hampers to promote Christmas good neighbour scheme.



Mebrahtom with Group's Employment and Training Advisor, Rob Friday.



# Your home

## Repairs

	L & H Homes	Spire Homes	Friendship Care & Housing	Consolidated
% of tenants satisfied with overall repairs service - main contractor for responsive repairs	97.18%	99.5%	92.35%	96.44%

In 2016/17, we reviewed how best to deliver our repair service in the future. As a result, we are preparing to tender a Group contract for response and void repairs, along with kitchen, bathroom and electrical planned maintenance; with the option to include external planned works if it is cost-effective to do so. We expect the new contract to start in April 2018 as part of a phased roll out.

In general, tendering one Group contract instead of three company contracts generates significant savings. Procurement costs for our main repairs contract are typically around £46,000 per contract, reducing the number of contracts from three to one saves around £92,000.

## Customer satisfaction

	L & H Homes	Spire Homes	Friendship Care & Housing	Consolidated
Satisfaction – overall repairs and maintenance service	81%	80%	76.79%	79.57%

## Responsive repairs

	L & H Homes	Spire Homes	Friendship Care & Housing	Consolidated
% Emergency and routine repairs completed on time	93.13%	97.94%	99.84%	97.05%
% Responsive repairs completed on first visit	83.4%	85.19%	96.45%	88.72%

# Quality care and support

The Group's Care and Support activities are flourishing and expanding, despite funding reductions by many local authorities, which continue to threaten the viability of care and support services across the country. We have started to reorganise our Care and Support team in response to these changes and have created a new role, Executive Director of Partnerships, Care and Communities, to ensure we can continue to provide support to the many vulnerable people who rely on us in the future.

Elise Collger (79), who lives in Ulceby but attends day care at Cranwell Court three times a week, appreciated the experience.

"Today has been fantastic and really good fun," she said.

## Focus on Cranwell Court

Cranwell Court is a residential home that provides care for older people living with dementia. Featuring 52 apartments, it is a regional leader in dementia care services and offers a range of specialist services that help residents remain as independent as possible.

## A flipping good time

In the last 12 months, staff at the residential home have been working closely with Morrisons in Grimsby to deliver coffee mornings, food tasting and reminiscing sessions for residents.

The two organisations came together on Shrove Tuesday this year when Cranwell Court was the venue for a two-hour pancake-making marathon that saw residents make and taste their own pancakes. Cranwell Court's Lead Activities facilitator, Jacky Aisthorpe, uses these events to help residents and to raise dementia awareness throughout the community. "Dementia care patients may not be able to remember what happened yesterday but many of them have a story to tell from their younger days," said Jacky. "By spending time and talking to them, we're helping them remember. Often you find it opens a memory box for things they used to love and enjoy before this dreadful disease struck."



Angela Kirman, Registered Care Manager at Cranwell Court and resident, Tommy, on Shrove Tuesday.





# Value-for-Money

In 2016/17 we generated value-for-money gains of approximately £1.8 million through cash savings, additional income and operating efficiencies.

We have also generated £855k of social value for our customers and communities. The table below shows a summary of the activities completed in the year.

Area	VFM Gain	Recurring/ One off	Efficiency / Effectiveness / Economy	Saving
Housing services	Minimising void loss	One Off	Economy	£136,134
	Single Group membership of Rightmove	One Off	Economy	£3,792
Structures	Governance and Leadership team restructures	One Off	Economy	£500k
Assets and Property Services	Aligning gas contracts across the Group	Recurring	Economy	£64,110
	Reduction in void costs	One Off	Economy	£137,311
Income Collection	Reduction in rent arrears for general needs and older people	One Off	Economy	£219,461
	Closure of tenant incentive scheme / improved arrears	Recurring	Economy	£117,000
Communications	Reduced expenditure due to rationalising Group communications	One off	Economy	£18,794

For full details please refer to the full report, please visit [longhurst-group.org.uk/value-for-money](http://longhurst-group.org.uk/value-for-money).



Aligning gas repair contracts across the Group has helped us save money.





# Future plans

We will continue with our asset management analysis, identifying units that perform poorly (whether generally or relative to their value), and carry out options appraisals to identify appropriate courses of action.

We will continue to focus on innovation, efficiency and value-for-money to ensure that our business is as efficient and effective as possible. In practice, this means further people and infrastructure changes to enable us to deliver our 'One Team One Vision' transformational plan.

## Our key priorities for 2017/18 are:

- To move to a consistent group wide responsive repairs standard and contract. We expect to have the new contracts in place for April 2018.
- To deliver the approved Care and Support Strategy (approved in 2017) which includes clearer parameters for undertaking financial appraisals and viability assessments.
- Complete the merger with Axiom into the Group and deliver the integration plans ensuring delivery of the outcomes identified in the approved Business Case. The savings identified within the combined business plan are £1.66 million and will be achieved by 2018/19. The merger with Axiom will also increase our combined development capacity by approximately 100 units per annum.
- Acquisition of the addition 627 leasehold units into L&H homes. This will increase the Group's portfolio by around 50% and attract additional income of around £214k per annum.
- Continue to deliver our planned programme of policy and process alignment which will harmonise the infrastructure we have to deliver our front line services.
- Review the Group's Procurement Strategy ensuring we continue to procure effectively, compliance with legal and regulatory requirements, and that we are balancing the economic and social elements.
- We will complete the restructuring of key business areas across the Group to ensure that the appropriate structures and resources are in place to deliver on our Business Plan objectives.
- We will review our ICT strategy ensuring we have adequate resources to deliver our digital strategy, whilst maintaining our core infrastructure and operating systems.



We've helped Friendship Care & Housing customer, Maria Urmos, transform her life after encouraging her to take up volunteering.





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