Value for Money
Self-Assessment 2017

1 Contents

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1 Introduction

1.1 About us

The Alliance Homes Group is a Public Benefit Entity, owning and managing 6,299 social housing units in the South West of England.

The Group consists of a parent which operates four distinct brands, and two wholly owned subsidiaries. The following illustration shows the structure of the group:-

1.2 Corporate Strategy and Objectives

A Corporate Plan was agreed by the Board in 2015 and revised in April 2016. Our mission remains focused on three well established pillars:

Mission	Corporate Objectives
Stronger Communities	Improve the lives of customers to make their communities better places to live
Better Homes	Provide and maintain high quality homes to meet current and future needs
Smarter Business	Make best use of resources to maximise our impact on creating stronger communities and better homes.

Whilst the Group acknowledges the work undertaken to date to create a more efficient and effective business, there is a recognition that, given the current economic and political climate, further change is essential. The Group has now

established Plan A, with the aim of 'Improving lives and benefitting communities. To deliver this we will:-

- Exit any activities that do not deliver value or do not break even
- Continue to grow our existing business activities
- Undertake commercial activities within our core functions
- Operate within our core geographic areas (i.e. within 45 minute radius)
- Implement innovations that are already well tested by others

For Alliance Homes Group Value for Money (VFM) is about striving to achieve business Efficiency, Effectiveness and Economy, and as such is a continuous process. Our performance is very good in some areas whilst in others we have plans for improvement.

During 2016/2017 we started a programme of Customer Journey Mapping, to improve the experience experienced by our customers during their interactions with us. This involved mapping out key customer journeys to identify pinch points and waste, making the processes more efficient.

This is a significant piece of work which is still ongoing, and requires us to change our culture and ways of working. To this end, we have engaged the service of The House, and are currently working towards identifying our new Corporate Personality which will be used to design future service provision, ensuring the customer is at the centre of everything we do.

Seeking value for money in all that we do is seen as a priority across the Group as it creates capacity to meet our wider range of corporate objectives.

1.3 Value for Money Strategy

This self-assessment has been produced to set out how we achieved VFM in 2016/2017 and what our future plans are.

For us, Value for Money (VFM) is about being Efficient, Effective and Economic in how we plan, manage and operate our business. It is about obtaining the maximum benefit from the resources available to us to deliver our corporate objectives focused on creating ***stronger communities, better homes and smarter business.***

The following diagram illustrates how effective Value for Money can be achieved through the Business Planning Cycle:-

In order to ensure VFM we will embed VFM into Plan A, a new VFM strategy will be published later in the year to set out how this will be achieved.

1.4 Performance Management Framework

We have been successful in achieving our strategic objectives and have met 26 out of 31 of our Corporate Plan and Delivery Plan targets.

Our focus is on our red indicators, which are not meeting target, and our amber indicators which are within but close to missing target and our red indicators which are outside of our target to ensure that action plans are put in place to rectify this or actions taken to mitigate the risks of not being able to meet the target.

Strategic Objectives		Strategic Targets	
Corporate Plan			
Improve the quality of life of our customers and work to create thriving communities		Maintain 90%+ customer satisfaction with support services	
		Reduce deprivation on our estates to lift areas out of the bottom 3% of deprived areas in England 2025	
		Achieve and maintain UK CSI top quartile customer satisfaction	
Offer a flexible range of housing products and services that meet local needs according to customers' current		Deliver 403 new homes by 2019, including 116 for market renting, 10 for home ownership, and 277 for social renting	
		Reduce household energy costs for tenants by a minimum £250,000 per annum by 2020	
		Reduce the carbon emitted from our business services and homes by 12% by 2020	

Strategic Objectives		Strategic Targets	
circumstances and future aspirations			
Establish an efficient, nimble and flexible business that can adapt to changing market conditions		Deliver the efficiency savings identified in the Value for Money Strategy to reinvest in business priorities	
		Grow Care and Support services under the Alliance Living brand to a turnover exceeding £5m and surplus generating position by 2018	
		Ensure all trading areas achieve a positive net trading position by the end of 2018	
		Maintain rent arrears below the median level for all housing associations for each year of this plan	
		Achieve 50% of tenants engaging with us digitally by 2018	
Stronger Communities Delivery Plan			
Provide care and support services that promote independent living		Maintain 82% of support service users leaving support service as a planned move	
		Expand care services to 3000 care hours per week by April 2017	
Deliver housing services that respond to customer needs and promote effective housing management		Maintain over 70% of tenants eligible for the reward scheme	
		Achieve a top box (9+) satisfaction score for how customers view staff behaviours when contacting Alliance Homes Group	
Create innovative solutions that build customer capacity, create employment opportunities, and tackle deprivation		Support 75 local residents to secure employment per annum	
		Support 200 local residents to access training opportunities per annum	
Better Homes Delivery Plan			
Deliver good quality and value for money repairs and maintenance services		Ensure all relevant properties receive an annual gas safety check	
		Ensure a cost effective and efficient repairs service	
		To achieve 85%+ satisfaction from tenants with the repairs and maintenance service	

Strategic Objectives		Strategic Targets	
		Ensure all relevant properties receive the necessary electrical safety check[1]	
Maintain and improve house condition standards that reduce the cost of living for householders		Achieve a tenant satisfaction score of 7.5 with the quality of their home	
		Increase the average SAP rating of all properties to 76 by 2017, subject to cost benefit analysis	
Smarter Business Delivery Plan			
Ensure effective leadership, governance and control		Ensure full compliance with regulatory requirements	
		Maintain high levels of standards and probity	
		Maintain Board attendance over 85%	
Leading, supporting and improving employee performance		Maintain staff sickness at less than the national median	
		Achieve a staff engagement index of higher than the national average	
Implement an effective financial planning approach that maximises the use and financial capacity of existing assets		To re-let empty properties efficiently	
		Maximise the rent related cash-flow into the organisation	
		Ensure there are sufficient resources to deliver our objectives	

[1] 15 properties were without a periodic electrical safety test at the end of the year as a result of refused access. Our processes are currently being reviewed in order to reduce this risk exposure in the future.

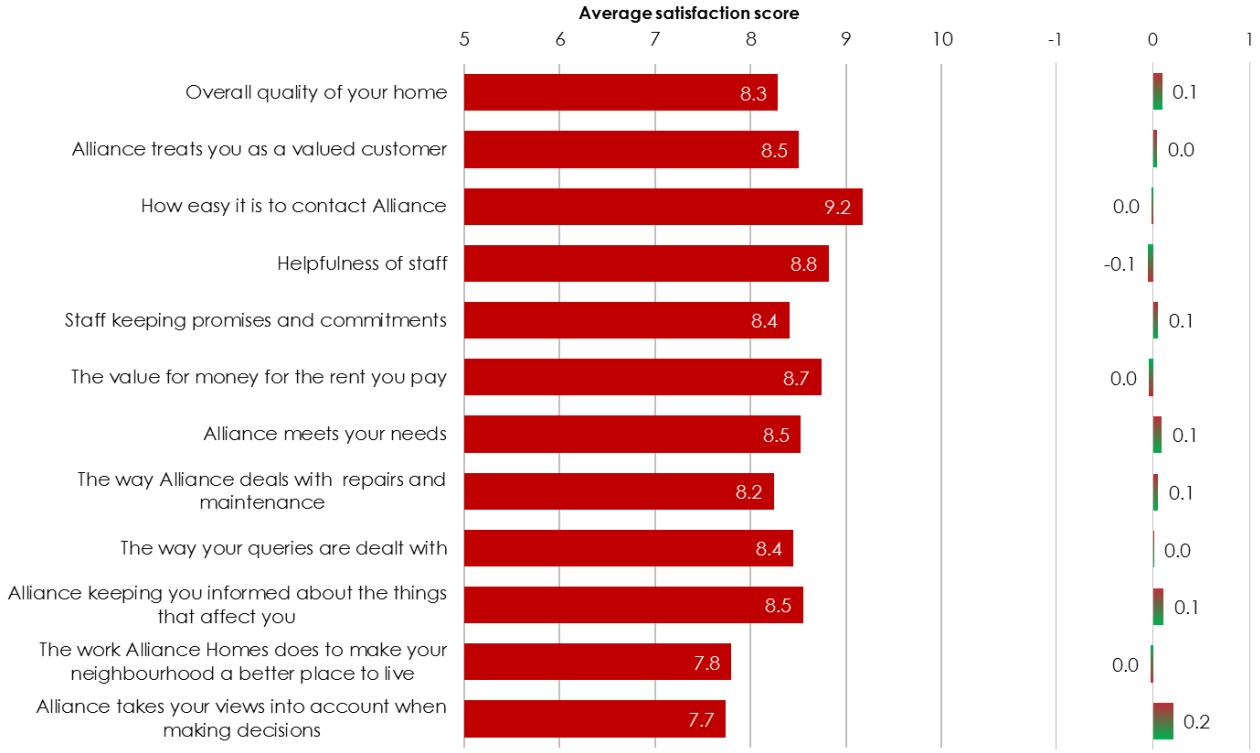
Comments on Red Indicators

Indicator	**Commentary**
Red	
Achieve and maintain UK CSI top quartile customer satisfaction	The index score has increased by 0.4 compared to the previous six months (84.7%). Whilst this is an improvement it is consistent with satisfaction nationally, but still below top quartile (85.1%). We have been working with a customer experience expert to identify what our route map for improving customer experience should be, based on satisfaction and staff feedback. This work has indicated that dissatisfaction with most areas included in the survey is higher than the index score suggests and highlights the areas in which we need to focus. However we will continue to follow up on the individual areas of dissatisfaction.
Expand care services to 3000 care hours per week by April 2017	Care Hours have been increasing (currently 2,800) but we have had to stop taking referrals owing to demand outstripping capacity on one of our main contracts. The growth will resume again soon as we have around 30 new care staff planned across the business, but they need to be inducted and trained, which is a lengthy process.
Ensure all relevant properties receive the necessary electrical safety check	Currently, 99.7%. This equates to 15 properties overdue. The electrical services process has been included in the work being carried out on customer journeys. This should help to improve this figure once this work has been completed.
Ensure full compliance with regulatory requirements	Currently 98% compliant. Non-compliance relates to Standards 2.1 and 2.8. This is due to non-compliance with Governance Code due to NSC nominations and amendments required to Rules which will not be agreed by NSC.
Maintain staff sickness at less than the national median	Over the last 12 weeks we have seen rates declining slightly. Since the start of the scrutiny in July 2016 the rate has reduced by 0.5% (currently 5.02% against a target of 3.4%). Alliance Living Support continues to be the area with the highest lost time but PCD has the highest absence cost due to higher salaries. Absence continues to be scrutinised by PMG. Wellbeing Programme activities are being targeted around the most common absence reasons and will start to target specific areas of the business. A new Absence Management Procedure was launched in January 2017 with a lower Bradford Factor trigger point which is expected to show a positive impact on sickness rates in due course.

Customer Satisfaction, Compliments and Complaints

During 2016/17 we continued to use the sophisticated method of measuring customer satisfaction, using the United Kingdom Customer Satisfaction Index (UKCSI) which we piloted during 2014/15. This gives us a measure of satisfaction we can match against service sectors in markets outside of the housing sector and is updated every 6 months. As this is a telephone survey it also allows us to glean vital information about what caused customers to be dissatisfied and what service elements are most valued. Our target is to exceed top quartile satisfaction as measured by the UK Customer Satisfaction Index (UKCSI) which currently stands at 85.1%. Our current satisfaction score is 84.7%.

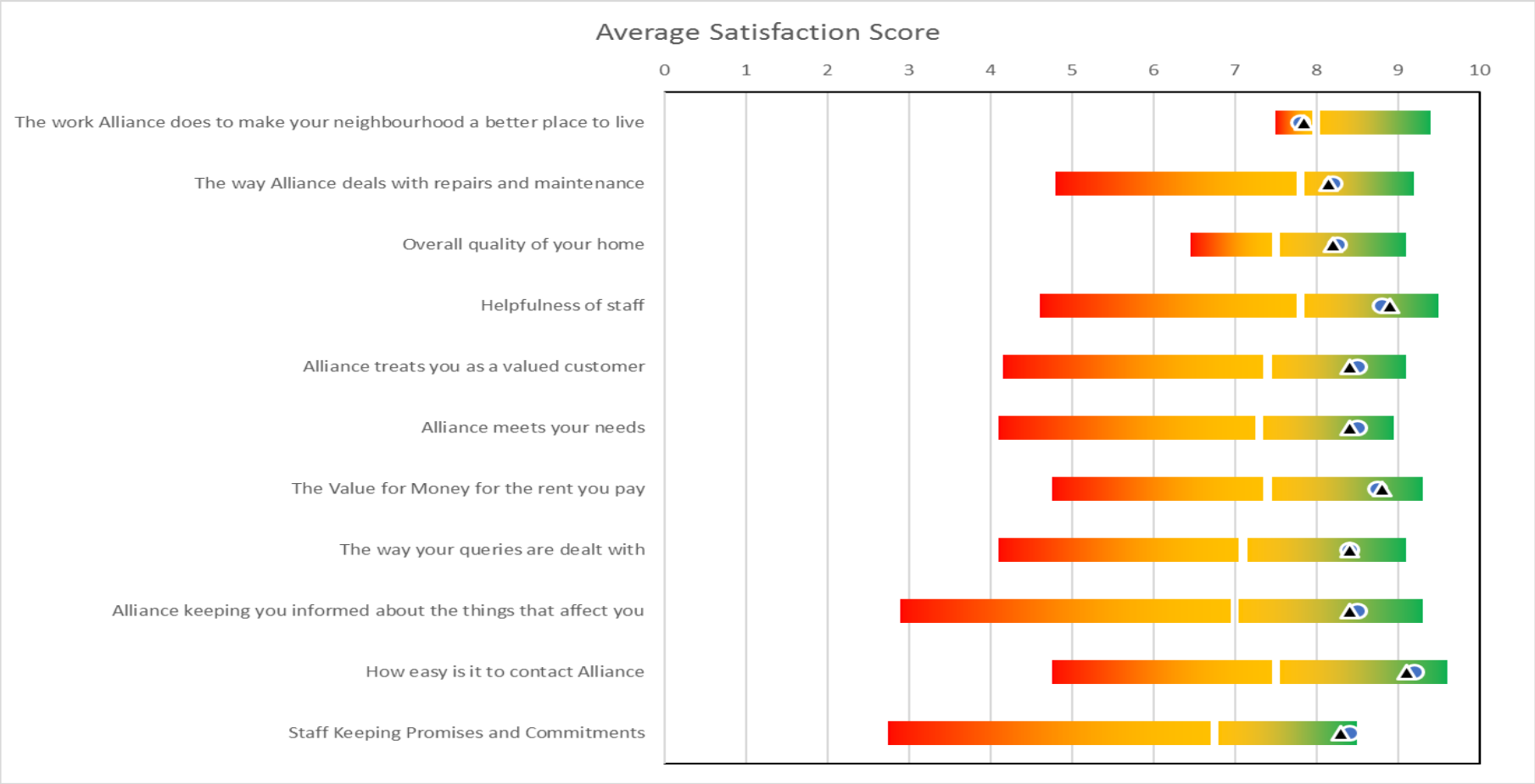
Interviews were conducted by an independent research company giving a satisfaction score of 84.7%. This is an above average score and in quartile 2 when compared with over 1,100 companies across the UK including all the major retail companies. Below are individual scores for particular areas, where 1 is highly unsatisfied and 10 is highly satisfied, and the year on year movement of each measure.



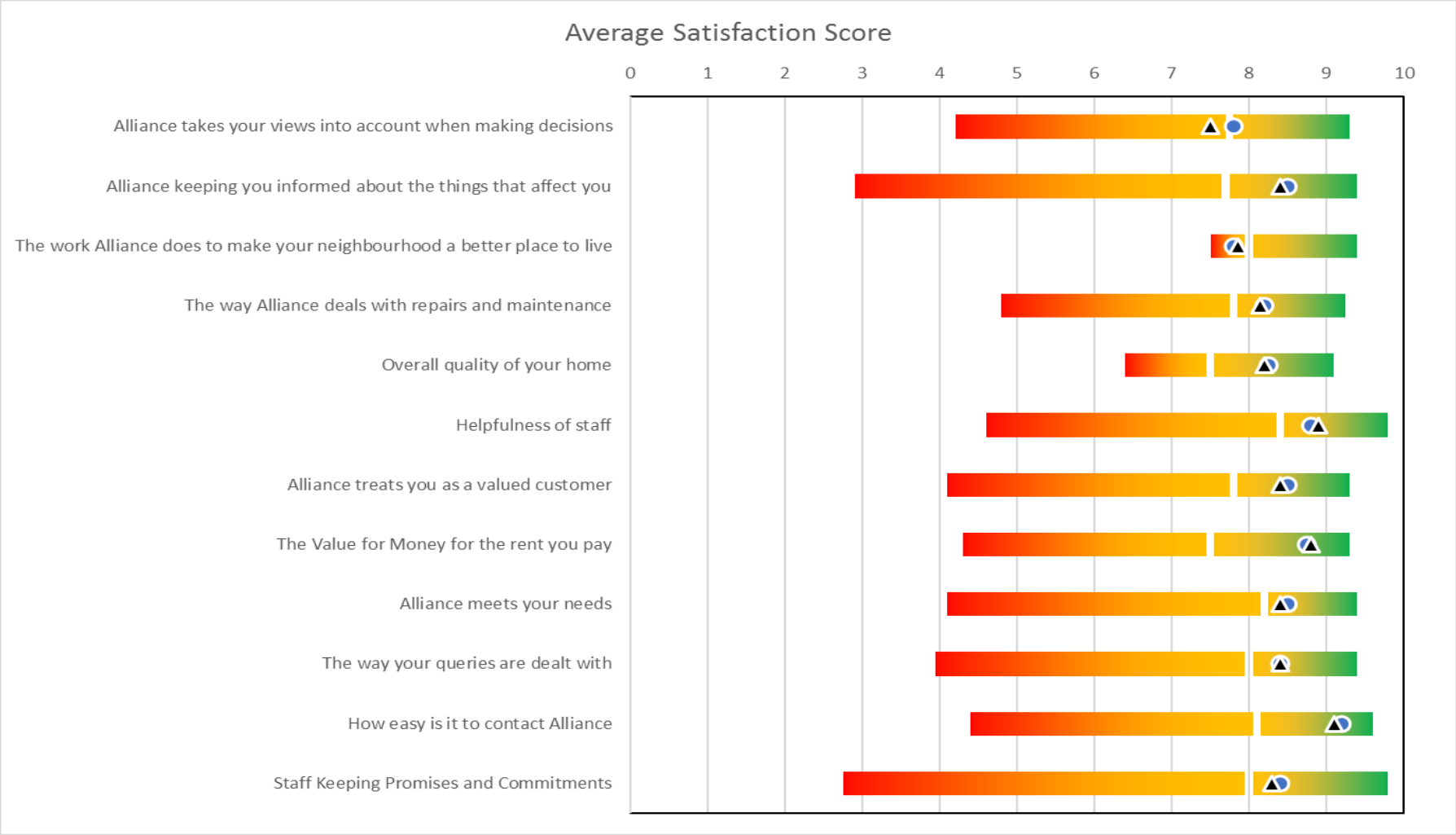
The results show no or little movement in satisfaction scores from the baseline survey in 2014. The slight differences are well within the margin for error in such surveys and are considered statistically insignificant. However, we keep a watching eye on these scores to identify any emerging trends. Trends over the last 4 surveys show a sustained level of satisfaction.

We carried out a baseline survey in 2014 and since then survey every 6 months. The 2016/17 figures are taken from the latest survey showing how we compare with other housing associations

2017 Survey – Against Other Housing Associations



2017 Survey – Against All Companies



In most of the areas surveyed we are achieving high levels of satisfaction. We are currently undergoing a Customer Journey transformation, which will further increase our satisfaction levels.

When comparing performance against other providers it is clear our performance is general well above median scores although with a 3% margin for error there are only very slight movements in satisfaction over the 2 year period, and not statistically significant.

During 2016/2017 we received 247 complaints (2015/2016: 289).

This year we took the opportunity to revise our procedure for complaint handling to reduce the time it took to deal with a complaint.

310 compliments (2015: 240) were received, all relating to staff, with the majority being about our support and repairs services.

Customer Services

The Customer Support Centre (CSC) has been in place for two years. The team received 55,105 calls in 2016/2017 and achieved 87.7% against a target of 90% of calls answered in 20 seconds and an abandoned call rate of 2.9%.

Reviews have identified where additional areas of work can improve the customer journey and create efficiencies, for example, mutual exchange processes and the processing of direct debits.

We are planning our approach to providing a first class, self-service option for customers to provide online/telephony methods for completing a number of transactions (e.g. payments, reward scheme requests etc).This will also create either capacity within the team, or further cost savings.

In April 2017 the CSC and Repairs Hotline merged. Whilst this move has been purely physical, the upgrading of the telephony/contact centre software will allow for a skills based approach to the customer service delivery model. This, in turn, will improve service to the customer and create efficiencies in the staffing of the team.

Administration

By centralising administration we have enhanced our customers' experience of our services, streamlined work and built in capacity to take on the additional tasks. Customers now get immediate responses to a larger number of queries and requests. As a result the customer satisfaction score remains high.

Web chat

We have received approximately 550 'chats' this year, (2 per day). This has remained constant since it was launched alongside the new website, and there is a plan within our digital strategy to increase its usage.

1.5 Governance

We are fully committed to the principles of openness, accountability and competence.

As part of the reporting framework all Board and Committee reports must provide a narrative showing the impact on VFM. This helps ensure that, VFM is a key focus of any report presented and also ensures the Board fully understand the VFM implications of the decisions they take.

2 Making best use of our assets

Our investment of £7.10m for the financial year 2016/2017 has continued to focus on ensuring our homes continue to meet the Decent Homes Standard and the Housing Quality Standard (HQS). Homes under management are consistently verified at 99.94% decency and satisfaction with the service across the HQS programmes of work have recorded 99% satisfaction over the year.

Active asset management continues to provide a framework for investment planning. Keystone Asset Management System records 99.6% data information held across all homes under management. This affords confidence in managing our exposure to risk with component accounting and asbestos management being added to our suite of core modules.

As part of Plan A, we will be producing a new Active Asset Management Strategy. This revised strategy will encompass all aspects of the lifecycle of properties, and will inform our decisions on future investment or di-vestment, creating capacity to deliver a more sustainable housing stock for future generations.

The national outlook for the construction industry saw an upturn in activity across all sectors which has resulted in a 3% uplift (Building cost information service) in costs to deliver our HQS programmes, however effective management and the use of the above tools have meant that costs have remained within the overall 2016-2017 Financial Plan.

Investment to carry out energy improvements to tenants' homes have seen average SAP recorded for our assets of 74.4 measured against a national average of 65. This significant energy performance of our assets has a positive impact for our tenants and sets the standard for an affordable home model that delivers a saving of £845k in utility costs when benchmarked against the national average.

The Photo Voltaic (PV) equipment installed on our properties has seen Alliance become one of the largest generators of electricity in the social housing sector. This has delivered circa £530k (£106k for the year) in energy savings for some of our tenants and added significant capacity to the business plan through Feed in Tariff payments.

Our carbon reduction strategy has ensured that this year we have continued to reduce our carbon footprint by some 4,849 tonnes recorded across the asset

portfolio from base-line position. The target is to reduce our carbon footprint 35% by 2020 and we are ahead of programme delivery with 99% savings achieved to date.

Property Care Direct (PCD), our in-house maintenance service, spends around £8m per annum maintaining and improving our homes. The team undertake day to day and void repairs, electrical and gas maintenance. In addition, there is a specialist team dealing with disabled adaptations including installation of wet floor showers, over bath showers and general adaptations which make life more comfortable for vulnerable residents.

PCD consistently delivers upper quartile performance for customer satisfaction. For the year ending 2016/2017, PCD has achieved a satisfaction level on works undertaken of 93% compared to the UKCSI of 77%. This has resulted in an upper top quartile position when compared to 1,100 other companies and 130 other housing associations.

The average number of repairs to properties has remained constant at 2.4, though this still represents a large reduction over previous years of 4.

During the course of the year, PCD completed 14,613 response repairs, prepared 467 empty homes ready for re-let, completed 6,613 gas services (including annual services, voids and mutual exchanges), 1,157 periodic electrical tests[2] and carried out 77 wet floor shower installations. The repairs hotline handled over 49,000 repairs and maintenance telephone calls last year.

At the end of the year 100% of our properties had received an annual gas safety check, an improvement over the 99.93% achieved last year.

Our material supply is predominantly delivered through our main supplier, Travis Perkins, with whom we have developed a process of electronic trading (E Trading). This enables us to purchase products, pay invoices and control our vehicle imprest stock seamlessly through our IT systems. These arrangements also allow us to take advantage of favourable supplier terms, resulting in reduced unit costs against materials.

We have a fleet of 76 vehicles and have negotiated reduced rates on the fleet which is currently in an extended lease period until August 2018 resulting in a reduction of costs of circa £39k.

2.1 Asset Management

Our asset management system, Keystone has allowed us to identify high and low performing assets. Where the data indicates high maintenance costs, low demand or low yields an Active Asset Management Strategy will provide a dynamic platform to inform future plans for individual, or groups of assets. We will develop this over the coming year.

[2] 15 properties were without a periodic electrical safety test at the end of the year as a result of refused access. Our processes are currently being reviewed in order to reduce this risk exposure in the future.

Alliance Homes has a stock transfer agreement with North Somerset Council within which the value of assets sold is shared equally. This reduces the value of income to us in most circumstances. However, during the year we have obtained consent for disposal of a limited number of properties with the income to be reinvested in the provision of additional homes.

We understand the value of our assets including the financial social and environmental return on decisions we take. During the last 12 months we have delivered our objective to take this challenge from a single level to a layered approach to ensure our decisions are based on maximising return and meeting strategic goals.

Our asset management strategy 2013-2018, sets out key objectives to 'sweat our assets' using business cases built on options appraisal methodology. Understanding the long term costs of holding assets is paramount to a sustainable plan. We model our options to maximise output recognising that both 'people and place' must be understood.

Using this modelling information we can gain a picture of our stock to look at the factors alongside cost and income.

Appraisal NPV Report

Date Report Run 8/9/2017 12:43:10 PM
Report Run by HOUSING-ICT\ewilkinson

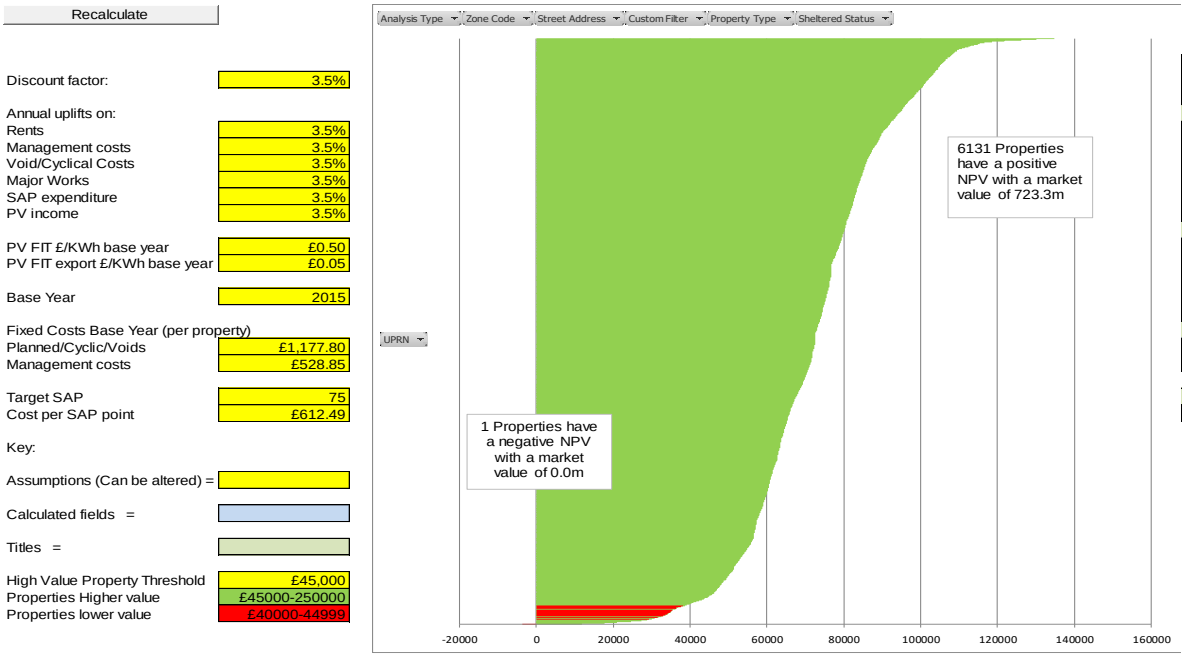
Properties: 5932

Total NPV: 286.51M

Total Value: 984.46M

Highest NPV
£149,980
at 1 Edghill House Myrtle Hill Pill Somerset BS20 0BQ

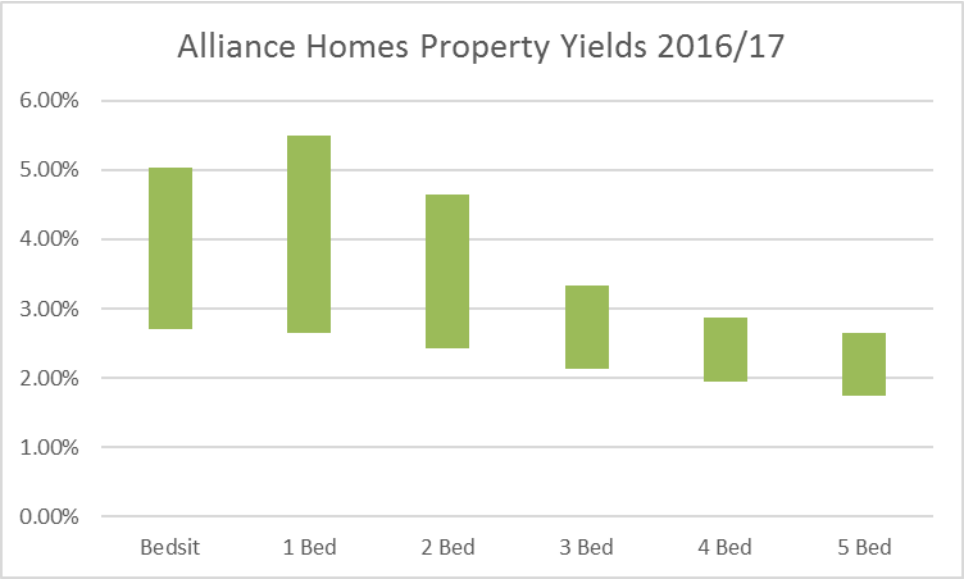
Lowest NPV
-£20,181
at 31 Westward Gardens Long Ashton Bristol BS41 9HU

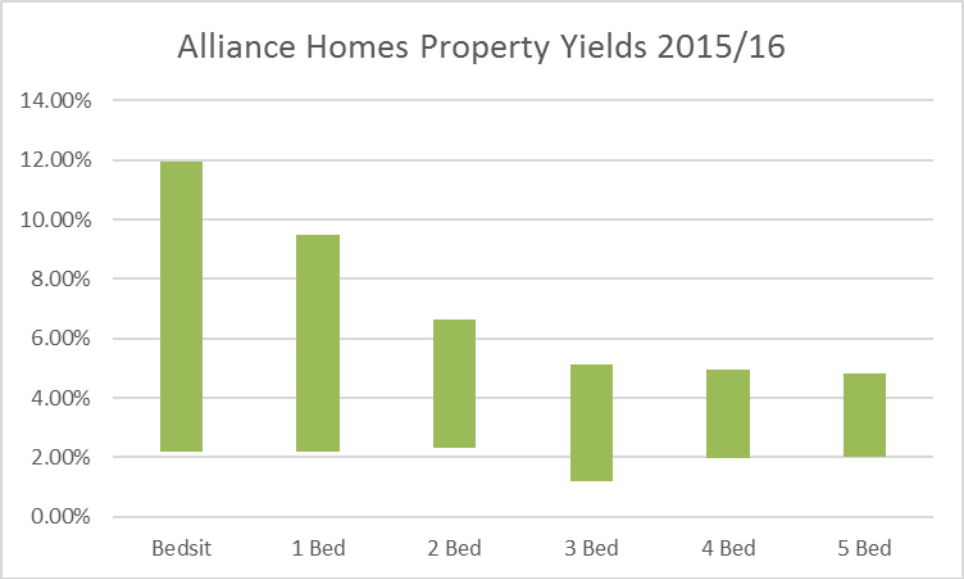


When compared to the previous years, there is an increase in the NPV of our properties, primarily as a result of our Active Asset Management approach and use of Keystone to assist with the programming of our maintenance and improvements, reducing future year's liabilities.

This is reflected in our latest Stock Condition Survey and Property Valuation, which shows an increase in the value up to £212m.

Returns on assets can be measured in a number of ways. The rental income compared to the Vacant Possession Value, as determined by Savills in the March 2017 Valuation Report (Yield %) and how successful our assets or properties are in generating income compared to the financing of the debt that has been incurred through development activities.





The graphs above show a marked deterioration in the yield of our different property types. This is as a result of the significant increase in the values of the properties following the 5 yearly stock condition and stock valuation exercise completed by Savills in March 2017 and the change in government rent setting policy reducing our rental income per property.

2.2 Social Return

Bournville Action Team (BAT)

The Bournville estate contains two areas that are amongst the 1% most deprived in the country. The estate scores poorly in the two most heavily weighted indices used to assess deprivation of Income (defined broadly as those reliant on benefits) and Employment (defined broadly as those not working).Together these make up 45% of the deprivation indices.

The Board has agreed a target to lift areas where Alliance has homes out of the 3% most deprived areas in England by 2025. Our future focus remains prioritising income and employment initiatives.

OneTeam

The One Team initiative is a group of professionals who agree priority actions in relation to specific households within the community and to highlight related issues that arise on these estates. The weekly meetings are attended by representatives from Alliance Homes through a free flow of information these meetings achieve the objective of rapid problem-solving at a local level. The group meets quarterly and focuses on 6 main themes:

1. Anti-social behaviour (currently with an emphasis on hoarding)
2. Domestic abuse
3. Substance misuse
4. Mental health
5. Children and young people
6. Employment and skills

Growing Together Project

This innovative partnership project, led by Alliance Homes, aims to promote access to productive green spaces on the Bournville estate focusing on the delivery of horticultural training and education, food growing, healthy eating, volunteering opportunities and nature-related activities across three allotment sites on the estate.

'Before and after' style evaluations from the second year of operation confirm a positive trend in outcomes using widely accepted measures of health, wellbeing, skills and self-directed goals.

'Our Neighbourhood' Project

Alliance Homes also leads the delivery of this asset-based project on behalf of Public Health North Somerset. The aim is to improve health and well-being and improve life expectancy through developing local networks to create a thriving community.

The project is delivered by two Community Networkers, and focuses on Asset Based Community Development (ABCD), building on opportunities and drawing on strengths that already exist within the community.

Outcomes at the end of the first year have shown an overall improvement in self-reported health and wellbeing, and also particularly in learning new skills and helping neighbours and friends.

Youth Club

There is a significant need for activities for young people. In response a six-week pilot project was started in 2015 by Alliance staff and the Police to run a youth club at the local YMCA.

A 'walking bus' enables young people to get there and home again in safety. Activities including a roller disco, cooking, craft and other events are aimed at growing young people's confidence and self-esteem. Alliance staff attend every week on a voluntary basis and assist with running events and the kitchen.

The success of the pilot led to a successful bid for funding from Children in Need and the resultant £8,840 grant enabled the youth club to keep running.

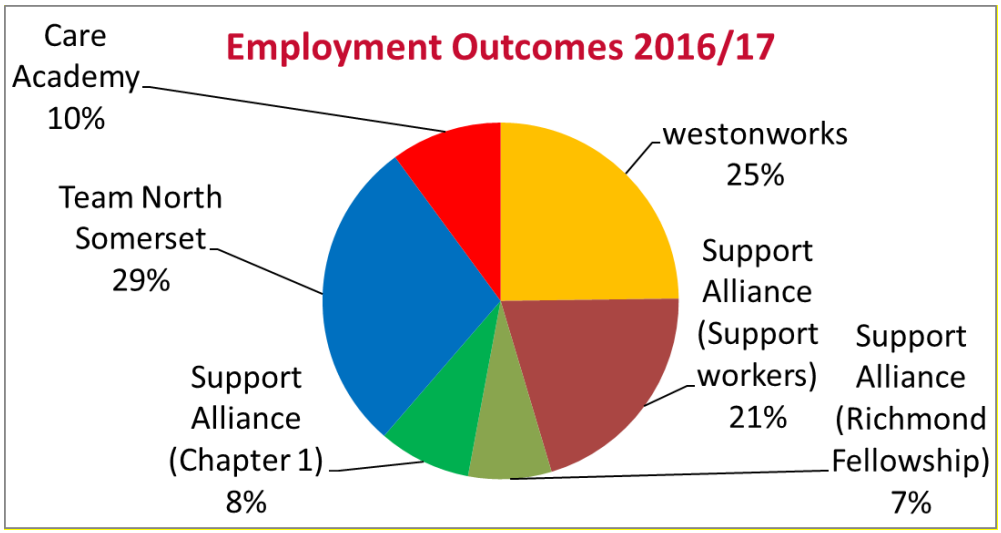
A new bid for £29,000 has been submitted to Children in Need to fund the project for the next three years and the outcome is awaited.

Care Academy

We set up the Care Academy to:
- Address a carer shortage
- Breakdown barriers for local unemployed people by giving them the confidence, skills and support to succeed

Over the last 18 months we have exceeded our targets and have filled 60 Care roles at Alliance Living Care with candidates from the Care Academy. A further three recruits went on to get jobs with partner agencies. We have also won local and regional awards for this innovative partnership model.

The chart below highlights the different employment services and their contribution to the 238 employment outcomes.



Property Investment on The Bournville

In previous years we have spent a generous amount on estate and property improvements. These have now been completed and the estate is improved from 3 years ago.

We are now looking at changing tenures to some properties, potentially affording tenants the opportunity to become home owners.

In addition we have taken our principle homeless hostel out of management and are currently undertaking a VFM options appraisal on the site to redevelop the site/building to maximise both the income potential and the social impact to the nearby community, such as reducing crime and anti-social behaviour.

Income Maximisation and Partnership Working

During 2016/2017 we were successful in obtaining additional income for our most vulnerable tenants and wider community's members of £2.7m against a target of £1.4m to assist with independent living. A significant proportion of this income was

in respect of outstanding Housing Benefit claims and resulted directly in ensuring that some of our tenants, and tenants within the private sector, were able to stay in their homes without the fear of how they would be able to pay their rent.

The Social Value created extends beyond the £2.7m cash amount generated and includes simple things which most people take for granted, such as having enough income to heat their homes and having enough to eat.

Team North Somerset (TNS) has been successful in gaining £479,000 Building Better Opportunities funding (Big Lottery and European Social funding). Alliance alongside Weston College and North Somerset Council lead the Team North Somerset partnership delivery model. The programme will provide 1-2-1 bespoke support to help people with significant and multiple barriers progress into learning new skills, qualifications, gaining work experience volunteering and employment. The key targets over the 3 years are to engage with 200 people, get 50 people into learning and 30 people into employment.

TNS has also set up a new wellbeing and work hub at the Carlton Centre in Weston-super-Mare this will trail-blaze a new partnership model by joining up health, community learning and employment services.

Alliance has secured £14,000 from Community Learning (Skills Funding Agency) to widen the scope of the SAVVY training programme that is delivered by one of the Support Alliance partners (VANS). The SAVVY programme builds confidence, provides peer support and has proven an extremely successful pathway in volunteering and employment

We continue to provide annual support (£50,000) through our Community Fund to organisations such as North Somerset CAB, SARI and three community run resource centres.

2.3 New Developments

Our Development Strategy informs our decision making in respect of new homes we plan to develop in the future. This is backed up by the volume of transfers/new tenant applications we receive for our empty homes (on average we have around 50 application bids for each empty home). In part, due to high market rent and purchase price of homes in the South West, we do not experience low demand for any of our general needs / affordable properties

In 2016/17 we completed 81 new properties. Our current development strategy will see us delivering a total of 400 new homes by 2019.

Alliance Homes' new Corporate Plan – Plan A establishes new Development as a key priority, work is now underway on a new more stretching Development Strategy which our board will consider at the end of 2017. This new Strategy will likely establish a programme which will deliver more than double the number of homes of the current programme.

This new programme is likely to include a mix of Market and Affordable products, this established mix programme has the aim of generating surpluses from Market based products to be reinvested. This will allow Alliance Homes to stretch its targets and contribute all that we can to meeting housing need in the West of England area.

3 Procurement

The Introduction of e-procurement across the group for our purchasing requirements and greater use of consortia buying, for example the procurement of Credit Union services, will provide value for money as these projects are delivered over the longer term.

Procurements undertaken during 2016/2017 include:-

- Tamar Court catering
- Energy Performance Surveys
- External Decorations (Major Works)
- Residential Door renewals (Major Works)
- External Audit Services
- PCD Repairs & Maintenance Framework (for general repairs, electrical repairs, roofing services)
- Asbestos Management and Refurbishment surveys
- Garages management

The following procurements are planned for 2017/2018:-

- Financial management system
- Data connectivity
- ICT Strategy
- Intranet
- HR Rewards & Benefits
- Cleaning
- Development Strategy

4 Performance

We measure ourselves ***internally and externally*** on service costs and quality in order to track our progress in achieving value for money.

Our internal VFM indicators cover Housing Management, care and support, repairs and maintenance and overhead support services. The cost targets were based on 2016/2017 budgets and where we achieved better than budgeted performance subsequent years budgets were then adjusted to reflect this improved performance.

However we have 2 indicators for quality in Housing Management and (Customer Satisfaction at 85.7% against a target of 85.1%), and HR (Staff Satisfaction at 80% against a target of 82%) which did not meet target.

The reduction in staff satisfaction can be largely attributed to the fact that the organisation is currently undergoing a period of change. In respect of Housing Management, actions have been identified to close this gap, particularly with work currently being undertaken on Customer Journey Maps and the merging of the two call centres.

We have two cost indicators in Care and Support and ICT which have not met target, in relation to levels of surpluses for Care and Support as previously discussed and a review of core systems and platforms is being undertaken to ensure the appropriate resources are in place to meet current and future requirements for ICT.

Another way of assessing cost and quality is using external benchmarking. We have used HouseMark for this purpose since 2007/2008.

Rents

The table below compares our average rent levels with the local housing allowance. It is clear that our rents are very reasonable when compared to the market.

Value for Money for Rents continues to score highly in our Customer Satisfaction results above.

On average our properties are 45% cheaper per week than the local market, as demonstrated in the table below:-

Property size	***Average Rent – Standard Properties 2016/17****	***Market Rents**[3]***	***Local Housing Allowance Jan 17 (South)***	***Local Housing Allowance April 17 (North)***
Bedsit	*£67.60*	*£105*	*£97.81*	*£121.19*
1 bedroom	*£82.27*	*£145*	*£97.81*	*£121.19*
2 bedroom	*£91.97*	*£165*	*£122.36*	*£151.50*
3 bedroom	*£104.47*	*£190*	*£150.00*	*£175.74*
4 bedroom	*£113.54*	*£215*	*£184.11*	*£242.33*
5 bedroom	*£120.57*	*£260*		

A high level review of rents against the LHA has identified just over 100 properties where our weekly rent is above the LHA level. Although further, more detailed

[3] Source – Savills 5 yearly valuation report March 2017

analysis is required, this currently represents a financial risk to AHG of £42,000 per annum.

Alliance Living Care (ALC)

ALC which provides domiciliary care throughout North Somerset and South Bristol. ALC had a turnover of £1.74m (2015/16: £1.17m). This growth has come from two main areas. The start in September of a contract from North Somerset Council to deliver all funded home care in Weston-super-Mare. We also took over the home care previously provided by Carers Trust Phoenix in south Bristol, as well as providing care in our new Extra Care scheme, Tamar Court, which opened in January 2017.

This growth moves us closer to the proposed operating model that will give us good economies of scale. However, the speed of the growth has not yet allowed us to deliver these economies and further investment has been necessary to deliver improved operational systems. A new IT system was introduced during the year that is beginning to improve the effectiveness of our work planning and business systems.

Our Alliance Living Care Academy continues to deliver excellent training and employment outcomes – 60 people have been offered jobs in care since it started. Our achievements have been recognised nationally when we were a finalist in the Skills for Care “Accolades” awards.

Despite the above, ALC made a significant loss for the year (£385k). These losses combined with additional expected operational costs during 2017/18 have resulted in ALC being in a difficult financial position. On 30th June 2017 ALC Board approved a series of cost reduction and income growth measures designed to offset the negative impact of the operational costs.

Alliance Living Support (ALS)

ALS received a very positive service review from North Somerset Council. In order to meet the council’s very challenging financial budget, a 5% cut was imposed on the service, resulting in turnover for the year of £2.8m. Most of our contracts are now in their final year, and we always anticipated them making a loss in the latter end of the contract, which totalled just under £300k after overhead.

The work previously sub-contracted to Carers Trust Phoenix was returned to us for direct delivery. ALS also took on a small counselling service. The other service which increases the range of Alliance Living Services is the Young Carers service. We are grateful to BBC Children in Need and Nani Hiyu Trust for continuing to fund added value activities for Young Carers.

North Somerset Council is currently out to tender for the work we do in our two main contracts, with the new contract to go live in December 2017. The new contract will see a reduction in value from £2.25m to £2m and will be for two years only, so that the council can redesign the service before issuing a longer contract.

We are bidding for this contract, and expect to hear whether or not we have been successful after full council approves any decision on the 26th September 2017.

Employment Support

As part of the Corporate Plan and Stronger Communities Delivery Plan AHG has been working in partnership to create innovative solutions that create employment opportunities and tackle deprivation

Through developing our partnerships and in house employment and skills services we have significantly over achieved the targets for 2016/2017.

Performance Indicator	Target 2016/2017	Actual performance 2016/2017
Number of customers and tenants into employment	93 (inclusive of total)	296 (24% tenants)
Number of apprenticeships in AHG	4	11
Number of customers and tenants into qualifications	113 (inclusive of total)	298
Number of customers and tenants on employment and skills programmes	225 (inclusive of total)	1,024

Central Resources

During 2016/2017 Alliance established the CRM and our Customer Support Centre which is at the forefront of our customer service.

We have made significant cost savings in the administration of our services. These include:-

We have reduced the costs of our legal services for housing management by £23,750 as a result of our own staff undertaking some legal work. This also provided valuable experience for our staff.

We have reduced the cost of our Tenant Reward Scheme by bringing the service in-house, saving £40,000 a year. The scheme is still popular with customers and we are planning to use it to incentivise on-line services once the strategy for this is in place.

During the year, we fixed £10m of revolving loan for a 10 year period on more favourable terms then our revolving facility. The NPV of this saving over the 10 year term is £1.4m.

Repairs

Property Care Direct (PCD) has a customer satisfaction with the responsive repairs service of 93%, 8% higher than the benchmarked upper quartile (STAR survey results).

We have reduced the number of responsive repairs undertaken and have had fewer voids, but the voids we have had have needed more work.

This has affected both cost and turnaround times. To combat this, we completed a business review of the void process to help address this which has seen us delivering the highest performance in re-letting properties in 10 years.

Investing more money early in our cyclical maintenance programme, such as painting, means we have been able to reduce longer term maintenance needs and costs.

Spend to improve our stock is determined by our stock condition survey. This has been externally validated by Savills and reflects the long term financial plan assumptions.

Our electricity generating subsidiary (Alliance Homes Ventures) Ltd has exceeded its planned performance and now generates a gross income exceeding £1.5 million per annum.

Our people

Alliance was awarded the Gold Investors in People Award again in 2016, which is given to just 14% of organisations in the South West and is awarded for going above and beyond in the way we develop, support and motivate our team. Alliance was first credited with the Gold award in 2013.

Our staff retention across the Group has improved and is now within target following the redundancies that were made at the end of 2015.

Staff Headcount and Full Time Equivalents				
	As at 31.3.17		As at 31.3.16	
	Headcount	FTE	Headcount	FTE
Alliance Homes	317	295	313	298
Alliance Living Care	136	62	118	71

Staff Turnover and Retention (Retention measures the % of staff with more than 12 months service)		
	As at 31.3.17	As at 31.3.16
	Retention	Retention
Alliance Homes	91.6%	84%
Alliance Living Care	92.2%	90.3%

A full review of staff terms and conditions has been undertaken with the aim of producing a more flexible and modern approach. These changes will be implemented at an appropriate time to support the implementation of Plan A.

During 2016 sickness absence was scrutinised by monthly reporting to senior managers and renewed focus on the Alliance Absence Management Procedure, which uses the Bradford Factor points method to measure and manage absence levels. A significant review of the Absence Management Procedure was carried out during the year, and the procedure was relaunched at the beginning of 2017 with a lower trigger point.

Sickness absence continues to be actively monitored and is used to inform some of our Employee Wellbeing initiatives.

Developing the leadership team at Alliance continues to be a priority and we held our first Leaders Workshop in November which focused on understanding the role and responsibilities of the people manager; understanding the tools available to support managers in their role, and motivating leaders to shape the future of Alliance. Leaders' sessions are now held quarterly with two of them being a full day session off-site.

During 2016 the management development programme was reviewed and in January 2017 the Stronger Better Smarter People Manager Programme was launched which covers all aspects of management and leadership and ensures our leaders have all 0fm the tools they need to succeed.

For 2017 we have reviewed our staff appraisals process, which resulted in some staff having a 'light touch' appraisal. As Plan A is implemented and embedded within the organisation the approach to appraisals will be reviewed further.

4.1 Performance and Cost Comparison to other registered providers

Cost Per Unit

This is the second year that the HCA has published unit cost data based on the sector's global accounts for 2015/16.

Compared to last year our unit costs have reduced from £4,080 to £3,940 but this is still above the median of £3,570. The biggest contributor to this reduction has been the movement in stock numbers which had increased from 6,184 to 6,374.

Housing management costs and service charge costs are below median levels but maintenance and other social housing costs (primarily supporting people costs) continue to be above median.

The following table gives the high level outcomes:-

	2015/16			2014/15	
	Actual	**Median**		**Actual**	**Median**
	CPU £000	**CPU £000**		**CPU £000**	**CPU £000**
Headline social housing costs	3,940	3,570		4,080	3,550
Management costs	880	1,020		790	950
Service Charges	240	360		230	360
Maintenance Costs	1,180	970		1,140	980
Major Repairs	1,020	810		1,330	800
Other Social Housing Costs	620	210		600	200
Stock Number	6374			6184	

When carrying out this exercise the HCA refer to certain observable factors accounting for half of any difference between actual and median costs. The factors referred to by the HCA are stock context, regional wage levels, age of LSVT and deprivation. Each of these factors effect costs as follows:

When contextual variances are applied the median increases to £4,699 per unit indicating AHG's overall costs are around £4.8m less than the adjusted sector median. The contextual adjustments are as follows:-

Stock Context

Higher than median levels of supported housing and housing for older people could explain why costs are higher. In our case the median stock mix is 1% and our stock mix is 1.62%. For housing for older people the median mix is 8% and our mix is 17.4%. Using the median costs data and applying it to our stock mix indicates our costs should be £844 per unit higher.

Regional Wage Levels

The regional wage index for our area is 0.94 meaning that wages are 94% of median levels. This would imply that our costs should be lower than the median. There is not a precise way to calculate this adjustment but looking at our total employee costs in 2014/15 the cost per unit for employees is £1,809. Using the 0.94 index this would imply our costs should £115 lower than the median.

Age of LSVT

The HCA make the following observation "*Stock transfer providers have average headline costs of £1,500 per unit higher than traditional providers in years 1-6 post-transfer. This gap narrows to £300 per unit for providers in years 7-11, and*

disappears after 12 years." As an LSVT that is 11 years old we can therefore reasonably expect that our costs would be £300 per unit higher than the median.

Deprivation

With regards deprivation the HCA state "*Providers operating in neighbourhoods ranked in the most 1% most deprived according to the Index of Multiple Deprivation have costs on average £500 per unit higher than providers operating in an area with median levels of deprivation for England. This could be associated with a range of factors, including more extensive regeneration and community initiatives, higher voids and turnover, and potentially greater crime and anti-social behaviour."* This would imply our costs may be £500 per unit higher than the median.

As approximately 20% of our stock is an area of deprivation there is an argument that we should only allow 20% of the adjustment, although this is not clear from the HCA wording. 20% of £500 is £100.

The table shows how the median can be recalculated using these contextual factors. The adjustments have been applied to the three key areas of housing management and repairs costs. It is interesting to note that the recalculated median is £4,699 per unit compared to our actual of £3,940 implying that our costs are in fact actually below the median by £940 per unit or £4,837,866.

Entity	Closing social housing units	Headline social housing costs CPU (£K)	Mg,t CPU (£K)	Svce chge CPU (£K)	Main CPU (£K)	Major Repairs CPU (£K)	Other social housing cost CPU (£K)
NSAH (Alliance Homes) Limited	6,374	3.94	0.88	0.24	1.18	1.02	0.62
Sector level data							
Median		3.57	1.02	0.36	0.97	0.81	0.21
Adjustments							
Stock Context		0.844	0.308		0.293	0.244	
Wages		-0.115	-0.042		-0.040	-0.033	
LSVT Age		0.300	0.109		0.104	0.087	
Deprivation		0.100	0.0364		0.0346	0.029	
ADJUSTED MEDIAN		4.699	1.361	0.360	1.362	1.137	0.21

4.2 Benchmarking

Alliance Homes benchmarks its services, performance and costs using Housemark, which enables comparison with hundreds of housing associations across the country. In order to give a level of comparability, we choose to benchmark ourselves against a peer group of 17 other providers, which are the most similar to us in size and location.

This year Housemark have undertaken substantial redevelopment of their benchmarking offering. This has resulted in submissions now being split into three categories:-

- Performance Measures
- Sector Scorecard
- Employee and Overhead costs

Historically, the results of the Housemark benchmarking exercise have been available from July, which enables sufficient time for them to be analysed for inclusion within our VFM Self-Assessment.

This year however, the results will not be available until 17th November

In order to provide some suitable benchmarking information for this year's Self-Assessments, Housemark have extrapolated data from 2015-2016 and uplifted it by inflation to produce a report.

This however does not reflect the significant business changes the sector has made as a result of the rent reduction. Although this does not allow us to benchmark ourselves at this moment against our peer group, it does permit us to see where the business is compared to previous years. This shows us if our direction of travel is going the right way to cope with the future business challenges.

Where possible, where sufficient data is available from Housemark, we have calculated an 'Indicated' Median level, but it should be noted that this is purely for indicative purposes and subject to change once the full results are published in November.

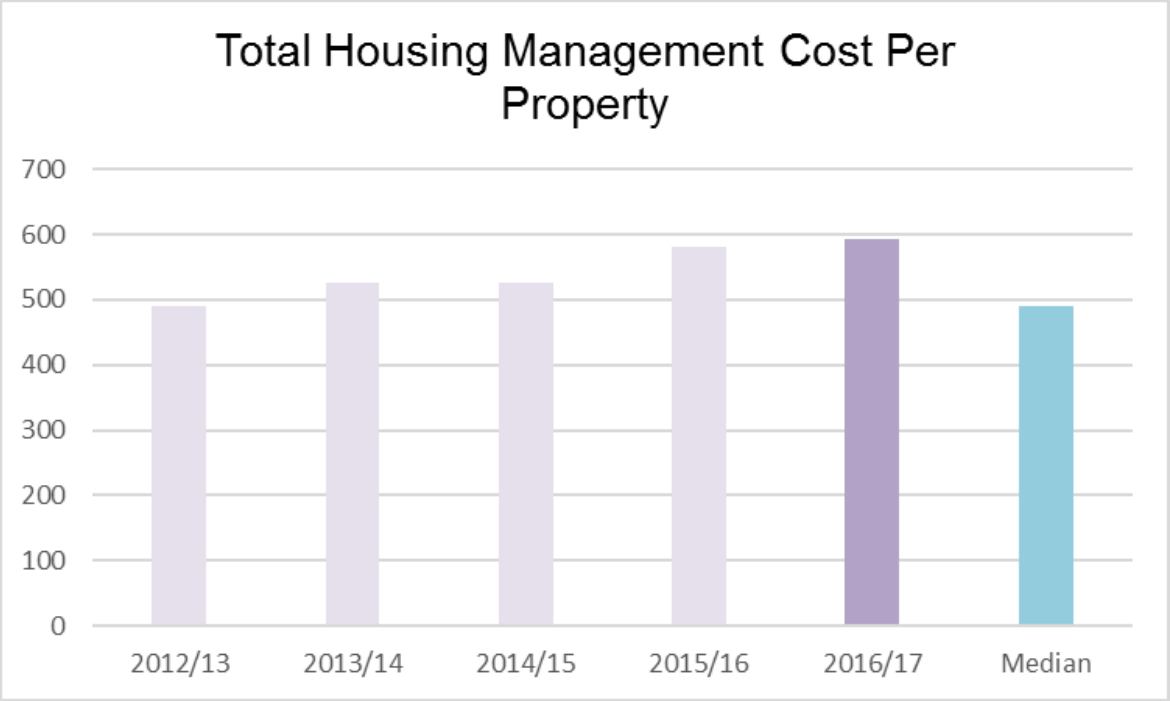
Once the final Housemark reports are published, staff from Housemark will brief the Executive Team on the results and industry trends. The presentation concludes with recommendations for improvement and areas to be looked at in greater detail

For consistency, we have used the same peers as are within our Housemark Peer Group. This is:-

Comparator Group Results	Units
Alliance Homes (2015/2016)	6,031
Coastline Housing	3,744
Golding Homes	6,405
Housing Solutions	3,905
Magna Housing Association	6,021
MHS Homes	7,273
North Devon Homes	3,165
Ocean Housing	3,900
Phoenix Community Housing	5,389
Raven Housing Trust	5,131
Richmond Housing Partnership	6,750
Saxon Weald	5,412
Sentinel Housing Association	7,869
Soha Housing	5,400
Teign Housing	3,517
Two Rivers Housing	3,782
Vale of Aylesbury Housing Trust	7,275
Watford Community Housing Trust	4,812

High level analysis shows an increase of Total Housing Management Costs of £12 over last year (2.06%), against an indicated increase in Median of 7.6%. Whilst it is not possible to give specifics at this point until the data has been validated and published, this would suggest that AHG still need to make savings in the region of £650k to achieve Median (£707k last year).

In summary our total housing management costs compared to the Housemark median are shown below.

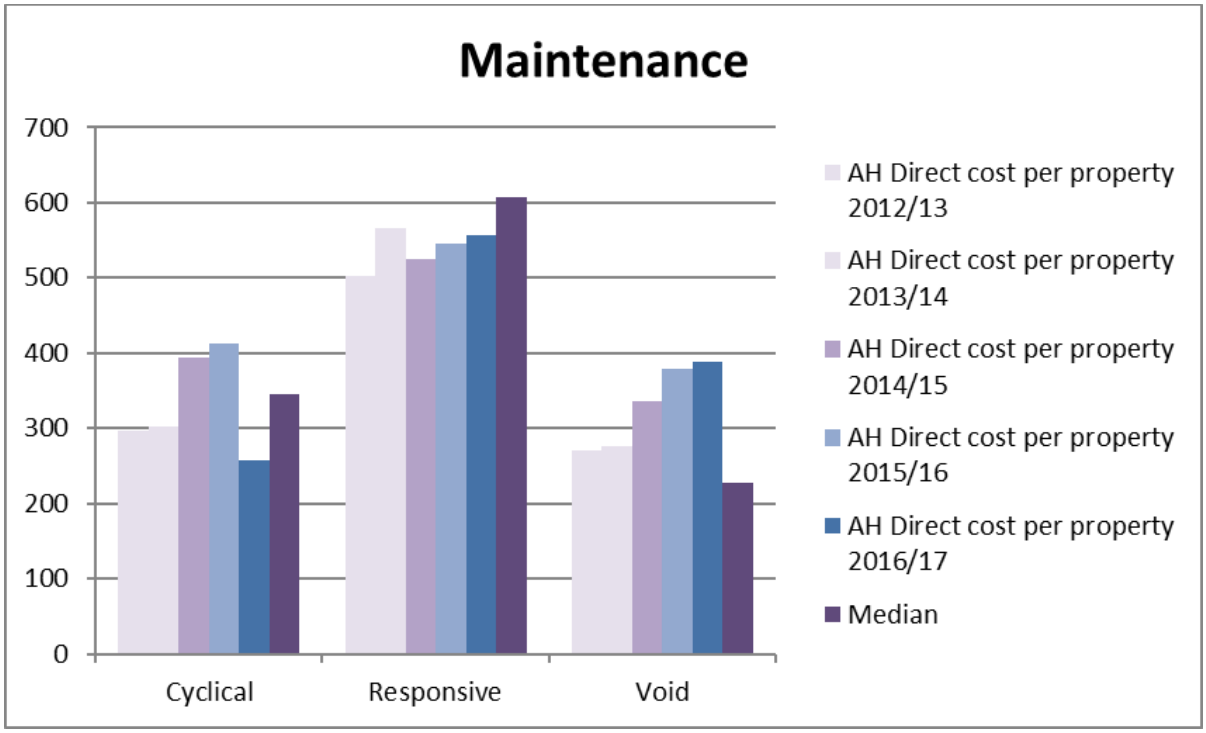


Maintenance

Property Care Direct (PCD) is the Alliance Homes Group's directly employed repairs and maintenance team. PCD commenced trading in August 2011 with the specific purpose of delivering the following strategic objectives.

- Reduce risk from external suppliers
- Increase customer satisfaction with repairs and maintenance
- Higher level of control over culture of workforce
- Reduction in overall repairs and maintenance expenditure
- Support future business development
- Long term solution, customer focussed for the delivery of reactive and planned buildings maintenance

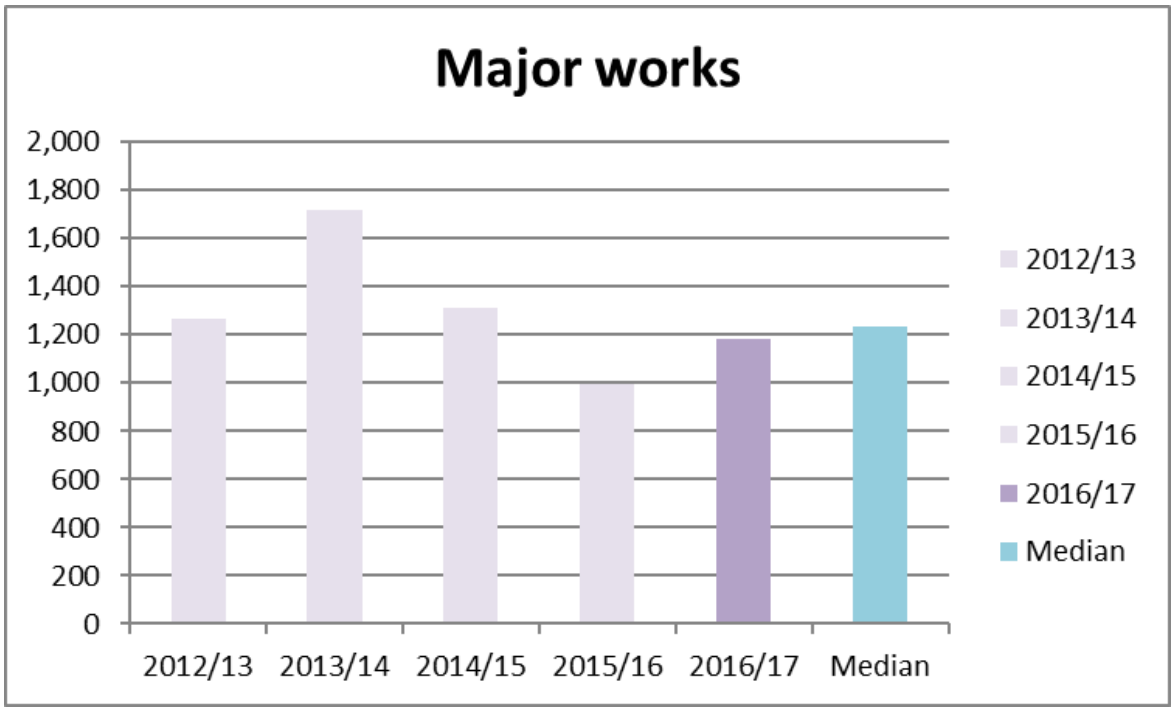
Our external cost comparison for Maintenance is shown below.



Cyclical and responsive costs are below median by £840k (14.4%), though void costs are significantly higher than median by £987k (71%). Collectively, the repairs service is £145k above median (2%).

Cyclical performance in particular has improved significantly over last year, when it was 20% over median. Voids performance has deteriorated from slightly from 67% over Median to 71%. Although void repairs are over Median, void performance overall is very good, with an average turnaround of 19 days for 2017/18, which is top quartile performance.

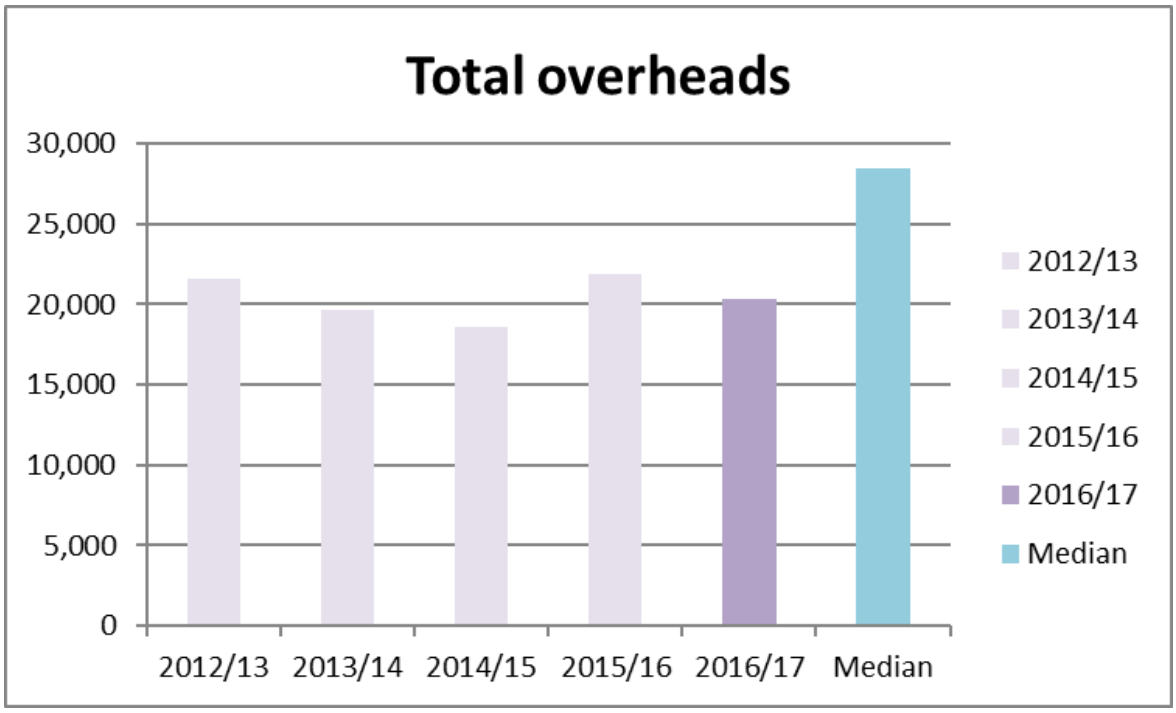
Major works spend is determined by our stock condition survey and financial plan profile and does vary year on year as shown below:



Overheads

Our strategy is to use our central resources to support the Alliance Homes Group to deliver our corporate objectives.

Our costs have reduced by (7%) from 2015/2016, with the indicated Median remaining at the same level.



Premises costs have increased by 2.7%, and ICT by 23%, however this is offset by a reduction of 18% in Finance costs, and 29% in ‘other’ central overheads, giving an overall reduction of 7%.

5 Value for Money gains and future targets

5.1 Current Savings

Contained within the 2015/16 Value for Money Self Assessment we set out our VFM plans for 2016/2017.

The table overleaf demonstrates the savings we actually made, with a brief description of them:-

Alliance Homes Group - Schedule Of Cash Savings Achieved 2016/17

Description	VFM Target	VFM Actual	Outcome	One Off	On-Going
PCD					
Extension of vehicle leasing PCD and reduction in number of vehicles.	75,000	39,311	reduced maintenance costs for AH	39,311	
Savings on material costs	120,000	35,100	15% savings on Bill of Quantities for External Decorating (£20,800). 1% reduction on replacement of doors (£800). Savings on Outbuilding Doors (£2,500). Change in supplier of Showers		35,100
Savings on subcontractor costs	150,000	235,983	Reduction in works given to external contractors, resulting in more work done in house.		235,983
Reduction to gross non-productive time of operatives	20,000	8,286	Team Meeting/Tool box talks from 12 a year to 4 this year, saving this year 30 Staff x £35 pounds 3hours 8 meeting due to improved communication channels by all operatives having access to email.		8,286
Introduce Zonal work planning for rural areas	18,000				
Utilise WestonWorks for procurement of services	50,000				
Change how we use Occupational Health Services	20,000				
External Management of Garages	20,000	-	Savings have not materialised as yet, as a catch up on garage repairs was undertaken during the year. However, net income has improved marginally over last year, and the commercial partners have taken the decision to increase garage rents for the first time in several years.		-
Repairs Reporting Tool		1,926	Discontinued the use of an ineffective Web Reporting tool for repairs. Savings relate to annual subscription fees for the tool.		1,926
Alliance Living Ventures					
Transferring Works to Alliance Living Ventures to take advantage of current Electricity Generation Feed in Tariff	130,630	233,066	£2m of works were transferred from ALH to ALV during 2016/17 in order to take advantage of the higher feed in tariff at the time.		233,066
Alliance Living Support					
Alliance Living Support - Access to Hospital ID Badges for Home from Hospital and Carers Teams based in Weston General		5,000	Pass entitles staff to free hospital car parking which previously cost £3.40 per person per day		5,000
Alliance Living Support -Review of working practice in Triage Team to paper free Assessments		864	Reduction in Mileage Costs resulting from staff no longer travelling across district to deliver work. 480 miles per month since 4.12.16 @.45p per mile. Savings will be ongoing		864
Alliance Living Care					
Implementation of new Careplanner system	20,000	-	Unable to determine, as the activity within the business has grown significantly since 2015/16, it is therefore not possible to calculate a like for like position.		-
Advertising for Domiciliary Care staff in local publications		540		540	
Shared services contributions		1,500	£1,500 from Pluss, salary contribution	1,500	
Alliance Homes					
Employment Initiative Funding	25,000	46,086	Community Learning Fund bid received and Weton College contribution to DBS checks regarding the Care Academy. Cost of 3 week Care Academy course delivered by partners and Wellbeing and Coach Role to deliver the Building Better Opportunities contract.	46,086	
Securing £10m of floating debt	47,619	47,619	Following the advice from our TM advisors, we fixed £10m of revolving debt in July 2016 at a rate of 0.697%, and margin of 0.2%. The term of the rate is 10 years.		47,619
Saving on Print Costs of Statement of Accounts		700	Savings on printing of statement of accounts by reducing number of hard copies and using electronic methods more widely.		700
Change the use of our Hostel for Homeless people	80,000	-	The hostel has now been decommissioned and we are finalising our plans to maximise the potential of the property in meeting our new strategic goals		-
Change tenant information packs from A4 to A5	7,500	1,667	Full suite of tenancy information packs reviewed. Savings lower than expected.		1,667
Changes to Group life Insurance Policy	3,000	-	Not achieved. This will be included in the annual insurance renewal of the Group in February 2018.		-
Change to Rent Liability Start Date	30,000	26,073	Rent liability now starts on the date the keys are handed over, rather than the following Monday		26,073
Increase rent in advance from 2 weeks to 4 weeks	60,000	811	Additional rent received for the year was approx. £80k, however the cash flow benefit was far lower as a result of low interest on deposits. Target to be amended for 17/18		811
Review Wide Area Networks	10,000	-	Delayed until outcome of the ICT Strategy review.		-
Savings on DDs	8,625	8,625	£1,500 in email plus 25% of FO salary re savings from automating spreadsheet more to review DDS		8,625
Tenant Reward Scheme saving on running costs		40,000	Tenant Rewards Scheme brought in house during the year, giving savings of £40k on fees payable to external provider.		40,000
Compliance team undertaking litigation		23,750	Tenancy Compliance Team now represent AHG in court, rather than employing a solicitor to do so. Not only does this generate cash savings, but it also gives invaluable experience to the team members involved.		23,750
Building Better Opportunities Fund		150,217	In partnership with Weston College and North Somerset Council we lead on the Team North Somerset pertnership to provide bespoke support into learning to those with multiple barriers.		150,217
	895,374	**907,123**		**87,437**	**819,686**
Social Value					
Reduced tenants' utility costs		845,000	The investment in energy efficieny of our properties has resulted in lower heating bills for our tenants.		845,000
Free electricity		102,624	Some of our tenants benfit from receiving free electricity from the PV panels instlled on the roofs of their homes.		102,624
Alliance Living Support - Income Maximisation for recipients of Support Alliance and Older Persons Support Alliance Contracts	1,400,000	2,700,000	This income maximisation increases the ability of vulnerable people to live independently and improve quality of life		2,700,000
	2,295,374	**4,554,747**		**87,437**	**4,467,310**

5.2 Future VFM Initiatives

Within our Corporate Plan we have the following objective *"To establish an efficient, nimble and flexible business that can adapt to changing market conditions"*

We have a strategic target which is to deliver the efficiency savings identified in the Value for Money strategy to reinvest in business priorities.

We are aiming to deliver the following –

Business Transformation/Project Management Office

We are in the process of establishing a Project Management Office (PMO). The aim of the PMO is to assess the scope of, and manage the implementation of all projects across the group, ensuring the right resource is available at the right time, and that all projects are aligned to Plan A deliverables.

Development Strategy

In order to deliver our ambitions under Plan A, we need to find innovative solutions to delivering a greater number of properties with our available resources.

We are drafting a new Development Strategy, which is more ambitious than our current programme, and part of this will require a commercial approach as we will look to enter both the Private Sales and Private Rented markets for the first time, to provide subsidy for our Social and Affordable housing products.

The strategy will utilise expert local knowledge of the housing market, with GVA (Chartered Surveyors) being appointed to undertake this on our behalf.

The new strategy is due to be published in December 2017.

Active Asset Management Strategy

We will revise our Active Asset Management Strategy, so that is better reflects our future ambitions, allows us to understand the value to our business of each and every property within our stock and can support the Development Strategy through the identification of assets suitable for disposal.

ICT Strategy

Following the development of Plan A, Alliance Homes Group has reiterated its commitment to providing excellent customer service and also being an employer of choice.

Customers expect services to be available for longer than the opening hours of an office and that they will have access to online applications which allow them to self-serve. In the future, work will be about what staff do rather than where they go to do it. Staff will expect to be able to work 'anytime, anyplace, anywhere using any device'.

To ensure that our ICT infrastructure is fit for purpose to meet the objectives of Plan A, we are undertaking a full review of our ICT Strategy. Led by an independent specialist consultant, it will include stakeholder consultation to ensure that the customer and business requirements are fully understood and provided for. The Review will cover digitalisation, mobile working, security and storage.

The ICT Strategy will link into the work we are undertaking on our office provision across the Group.

Strategic Procurement Group

A Strategic Procurement Group (SPG) was set up in early 2017/2018 with the long-term objective to drive value and efficiency through company-wide procurement decisions, rather than on an individual or departmental basis. In the short term, SPG will focus on existing and current spend to develop a detailed understanding of our supply base and business being conducted both in and out of contract.

Moving forward SPG will identify procurement opportunities and engage in conversation regarding procurements from all business areas of Alliance Homes, discuss opportunities for different ways of working by, for example, focusing on both price and quality in our tenders (rather than solely lowest cost) to drive best value for money, encouraging business with SME's and social enterprises, driving social value through working with our suppliers, partnership working and consolidation of contracts for areas of similar spend.

Refinancing

AHG retains its funding arrangements put in place when transfer took place. Whilst we benefit from low margins and long terms with this agreement, it is recognised that these arrangements may not be suitable for our future ambitions, both in terms of quantum and flexibility.

We also recognise that, after re-financing we would lose some of the benefits of this funding, however it is believed that the additional flexibilities and more commercial covenants we would receive as a result, negate these increases in costs, but more importantly would allow the business to provide more services to more families in our area

Once the revised Development and Asset Management strategies are drafted, they will be factored into the Group's Business Plan, which will form the Refinancing Plan for when we approach the markets.

Capita have been appointed as our TM advisors after a competitive tender exercise, and they have been tasked with drafting an outline refinancing paper for Board to consider, which, whilst not making any recommendations at this point, will give Board a flavour of the types of funding available in the market place, and will be the first step in Boards journey to understanding the future financing requirements of the business, and the options open to it.

A full analysis of current and future funding arrangements will be undertaken, so that all costs and benefits are known and understood, and can be monitored, before any decision is made.

Financial Management System (FMS)

At present, AHG utilises the Cyberscience Forte FMS, which it has used since transfer from North Somerset Council in 2006.

As the business has grown in size and complexity, the current FMS is no longer fit for purpose, with significant amounts of manual intervention and data manipulation required to produce even simple reports.

Early in 2017/18, an OJEU procurement process was undertaken, and a provider sourced for a new FMS (Unit4). We are currently in the contract mobilisation stage, with implementation expected to start in early October, and Go-Live' on the 3rd April 2018.

In addition to providing greater efficiencies within the finance team, as the new system is able to automatically produce the financial reports we currently invest a lot of resource in, the new FMS will be a business wide system, allowing managers to self-serve on simple finance related tasks, as well as improving financial controls and management information around procurement.

5 Conclusion

In 2016/2017 we achieved overall VFM savings/income generation for our tenants of £4.665m against a target of £2.296m.

Since LSVT in 2016 AHG has continued to grow and diversify into new business opportunities. Performance against targets continues to be strong in most areas and those weaker areas have been identified and included within our Plan A objectives to look at customer journeys, our work processes and making sound IT development and procurement decisions.

AHG remains proactive to ensure it transacts business in an Efficient, Effective and Economic manner. It recognises the changing economic and political climate and therefore the need for further change as we enter into the next phase of our journey.

Plan A sets out our new way of working. Key areas are:-

- Increasing the supply of housing,
- Being more commercially adept,
- Improving our customer experiences across all services, 24/7 with digital options

As we move forward with these new audacious goals and objectives, a strong VFM ethos, will enable better commercial decisions, providing more opportunities for improvements to business areas and opportunities.