

SPBM |

**2018 Annual Report
for Smaller Housing Providers**

*Essential cost, performance, satisfaction, salaries and
regulatory data for smaller housing associations*



Foreword



David Orr

Outgoing Chief Executive
National Housing Federation

Smaller housing associations have always been, and always will be, a vital part of this nation's most valuable resource – the places we call home. No market, or public service for that matter, functions well when it is dominated by a single type, style or scale of provider. And much like we value a high street or town centre whereby both Tesco and the local butcher's meet different needs in different ways, the housing sector must continue to encourage and promote great places which meet both the needs of place and scale. Smaller housing associations are a vital part of that picture, and there is a bright future for innovative organisations like ours. Now, more than ever, the relationships we build as organisations and as a sector will strengthen who we are and how much we can deliver. Renewing our offer for tenants, forging partnerships with other housing associations, local authorities, funding partners and others, are really powerful tools for providers of affordable housing with a social purpose.

This edition of the SPBM Annual Report plays an important and constructive role in doing this. Being the best we can be, and telling our story through transparent and voluntary benchmarking strengthens our hand with government, local authorities and other stakeholders to whom we continue to make the case for the new homes we so desperately need. Nobody tells our story better than us – and if we don't tell it, others will tell it for us. I am sure you will find this resource useful as a basis for continuous improvement and to demonstrate the value and value for money of the excellent services you provide.

SPBM Update 2018

SPBM benchmarking continues to help members to save money, share best practice, and meet the demands of the regulator, says Mark Anderson

Helping members get the data they need, when they need it

SPBM works for its members.

So this year we have continued to provide robust data to enable everyone to compare and better understand their costs and performance, and also to respond to regulatory and political expectations to demonstrate Value for Money (VFM).

And again, we have good news to share.

As the data in this report shows, SPBM members compare favourably with the rest of the sector in key areas such as rent collection, arrears, voids and the cost and management of repairs. Resident satisfaction, a critical element of the

government’s social housing Green Paper, is particularly high. General trends in performance and costs are also positive (page 21).

When SPBM started in 2006 our main aim was to provide data that would be used within organisations, to enable members to improve. The focus on improvement continues but increasingly members are using SPBM data to tell their story externally to stakeholders and the regulator. Accordingly, we have tailored SPBM reports to make this easier, and an increasing amount of our time is spent helping and advising members on VFM and regulatory issues.

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“ [I'm] very satisfied and my Board are extremely pleased when the reports are produced at Board meetings.”

What is SPBM?

Smaller Providers Benchmarking (SPBM) is the national smaller housing providers' benchmarking network, facilitated by Acuity in partnership with HouseMark. Aimed at housing providers with up to 1,000 homes, SPBM has 140 members owning/managing over 72,000 homes across eight English regions, with an average stock size of 375.

SPBM provides performance and cost benchmarking data for our members, enabling them to compare against a peer group of similar organisations facing similar challenges. This data is used by staff, Boards and residents to provide a context for their organisation's performance and inform decision making.

SPBM also brings member organisations together in regional and specialist benchmarking clubs, offering the opportunity to get beyond the numbers and meet colleagues to share ideas and to learn from each other.

“ The high level of trust within the group really helps us in learning from each other

Support for new requirements

To help members meet the Regulator for Social Housing's (RSH) new VFM standard, we collected the prescribed VFM metrics from all our clubs – and provided the required benchmarking data for them in the annual club reports in June, significantly earlier than is available from other sources.

In addition, Acuity continues to collect data for the Sector Scorecard, providing the SPBM platform to smaller housing associations whether or not they are SPBM members. Around 80 smaller providers participated in the Sector Scorecard this year.

Members can explore and compare the results of all Scorecard participants, large or small, by region or stock size, in a detailed report, and there is further information on RSH and Sector Scorecard benchmarking on page 8.

Who earns what?

Once again one of the larger projects was our national comparison of salaries and rewards at smaller providers (page 31). The average salary increase last year was 2%, slightly up on the previous one, with salaries rising for CEOs and falling for other groups. Staff costs are typically 17 – 20% of turnover for smaller housing associations.

Advice and money-saving

These covered a wide range of issues, and we ran detailed practitioner sessions on areas including asset management, development appraisal, fire safety, compliance, risk, digital services and (inevitably) GDPR.

We also completed many one-off cost-comparison exercises, which can be quick and easy, often providing significant financial savings for participants.

For an update on what every club has been doing, how they've helped members, and the biggest issues of the year, turn to page 9.

Collaboration and joint working

SPBM members are increasingly interested in the opportunities provided by the network for collaboration and saving time and resources.

We have collated information at club level on projects that members are undertaking in the next year or two where there may be opportunities for joint working. This could lead to small-scale collaborations, such as sharing resources on a policy rewrite, or to more significant joint-procurement projects.

Whether the projects are small or large, if two or three associations are undertaking the same piece of work it makes sense to share the load. Most clubs now have a standing agenda item to identify opportunities for collaboration and joint procurement.



Collaboration with HouseMark

Our close working relationship with HouseMark continues to play an essential part in the SPBM service. It ensures our activity remains in sync with the rest of the sector as we develop and improve benchmarking services for smaller housing providers.

The key to successful benchmarking is consistently defining cost and performance measures, and we continue to enjoy great support from HouseMark colleagues as the sector gets to grips with the Regulator for Social Housing's new VFM metrics.

The relationship also brings great benefits for SPBM members: we include HouseMark data in our reports, so members can compare performance against the wider sector using shared, clearly defined, standard performance indicators.

HouseMark also provides support in ensuring members apportion costs correctly - essential for credible comparisons.

We continue to encourage our members to use the HouseMark Knowledge Base, which offers a wealth of searchable information and good practice.

“Over this last year we've got a lot more email correspondence between members saying 'how do you do this?' and building on each other's experiences.”

What's next?

You, our members, will continue to drive the SPBM agenda. This means we are likely to do more of the same: benchmarking performance, costs, satisfaction and processes, and supporting members through networking and good practice exchange. And we will keep looking for ways to improve and adapt what we do, to help members meet the challenges of the operating environment. We will continue to organise courses and workshops and support members to understand and improve their customer satisfaction, as Denise Raine outlines on page 35. Do keep an eye on our website for the latest news and blogs to keep you up-to-date.

We have a unique role as the facilitator of this national network, and we will explore the development of new collaborations, services, workshops and events to respond to the needs of members, including our very popular annual conference.

We will continue to work with the Regulator and the Sector Scorecard advisory group to ensure that we provide high quality definitions and help to members.

This year's SPBM report

We are delighted that you always give us good feedback on our annual report, and we hope this year will be no exception. While comparative data remains its central focus, and probably the section that most readers turn to first, we have continued to develop the report as an opportunity for those we work with to share their thinking and highlight activities of interest to others.



Mark Anderson, Director
Acuity Research & Practice

Getting the measure of social housing

The Government's Green Paper on social housing has ignited considerable debate, with the proposed league tables one of the most controversial suggestions. Coming hot on the heels of mandatory Value for Money measures from the Regulator for Social Housing and the sector's Scorecard initiative, measuring housing performance is looking muddled. Steve Smedley takes you on a quick tour of what is going on.

Acuity SPBM
Benchmarking

RSH
Benchmarking

Sector Scorecard
Benchmarking

Green Paper
Benchmarking

Acuity SPBM benchmarking

For around two decades, voluntary benchmarking with Acuity and HouseMark has been standard practice for housing associations committed to demonstrating Value for Money (VFM) to stakeholders and using an analytical business tool to drive improvement.

Acuity SPBM benchmarking includes the measures demanded by the Regulator for Social Housing (RSH) and the Sector Scorecard measures with two critical additions.

SPBM goes:

- deeper so you can dig down to understand why the headline measures are what they are
- wider to ensure that all services (and therefore value) are reflected

The second point is important because the RSH and Sector Scorecard metrics are light on service outcomes, i.e. the value of what you do. In other words, they tell only part of your story. This richer suite of metrics is then sliced and diced by our members in a way that suits them. So, some could feature in a bespoke corporate or VFM scorecard, others may be used by managers to get a grip on their service and a mix might be reported to tenants.



Acuity SPBM members get annual benchmarking reports detailing the measures that matter most to them. They also receive reports that provide their results for both the RSH and Scorecard metrics compared to their benchmarking club, other small associations and HouseMark members.

RSH benchmarking

Regulatory benchmarking is back in the shape of mandatory VFM metrics. As from this year, **all** regulated housing associations, big or small, must report in their accounts against the following measures:

- Reinvestment in existing and new stock
- New supply delivered
- Gearing
- EBITDA MRI interest cover
- Headline social housing cost per unit
- Operating margin
- Return on capital employed

Your results also need to be benchmarked against others. There are two key problems here for many smaller associations:

- the deadline for finalising accounts comes sooner than many can provide the data
- the definitions aren't entirely clear

Acuity is working with RSH and HouseMark to improve this. Meanwhile, members are encouraged to contact us for support.

The RSH also requires you to report your own VFM targets, which are meant to embody the value of what you do. For example, if great customer service is one of your key objectives, a target set against an appropriate satisfaction measure should hit the mark.

“The RSH also requires you to report your own VFM targets which are meant to embody the value of what you do”.



Claire Warren, CEO of Pickering and Ferens Housing Association and Vice-Chair of the Scorecard Advisory Group, says of the Scorecard:



“Comparisons are a powerful tool for understanding and learning and most importantly for questioning how we run our own organisations and what more we could achieve. Every organisation, irrespective of their size, needs to be bold and respond to the need for new housing (and regeneration) within their local communities to realise latent potential. The scorecard reports facts, dispels myths and serves as that all-important can-opener. It acts as an influencing tool and demonstrates the massive contribution smaller housing associations make both individually and collectively to the sector. Smaller providers ‘hold their own’ in comparison to larger providers”



Sector Scorecard benchmarking

Established by a group of housing associations three years ago, and now watched over by the NHF, the Scorecard is an entirely voluntary initiative. Seven of the metrics overlap with those required by the RSH, these are the others:

- Overall customer satisfaction (general needs and housing for older people)
- £s invested in communities
- Occupancy rate (general needs)
- Ratio of response repairs to planned maintenance
- Rent collected as a percentage of rent due (general needs)
- Overhead costs as a percentage of turnover

Arguably, the new RSH requirement to report the seven mandatory metrics alongside your own VFM targets might lead you to question the continuing relevance of these Scorecard measures. However, their use as a voluntary expression of transparency, beyond regulatory requirements, enhances the sector's reputation.

“The Scorecard is the logical starting point for the sector's engagement with the regulator on the Green Paper suggestion of creating a league table based on a wider set of metrics”

League tables?

The Scorecard may have acquired an additional purpose. It is the logical starting point for the sector's engagement with the regulator on the Green Paper's suggestion of creating a league table based on a wider set of metrics.

Despite the cavalier way this idea is raised in the Green Paper, the existence of the Scorecard affords the sector, including local authorities, an opportunity to take the initiative in the debate with the RSH about what an extended suite of metrics might look like, and perhaps more importantly, how it should be used intelligently. Social housing is too complex to be dumbed down to a set of metrics. So the SPBM Acuity library of metrics, developed over time with our members and HouseMark, should prove a useful resource.

Whatever emerges from this debate is likely to supersede or at least absorb both the RSH and Scorecard metrics. If, that is, it's not kicked into the long grass as the consultation continues.



Steve Smedley is an Acuity associate.

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What have YOU been doing this year?

Our benchmarking clubs tell us about their biggest issues

A place to compare performance, unpick the latest Government policy, share problems or just vent: Acuity's ten benchmarking clubs provide a surprisingly wide-ranging service to members. We asked each one what they'd been doing – and found there was more to life than GDPR (and they all love the networking).



“Comparing yourself to others allows you to quantify everything you should be doing, and as regulations get tighter and tighter, gives us assurances in a supportive framework, rather than a regulatory one”

Craig Simons

➤ What has YHBM been doing?

We're starting to talk about joint procurement, formally and informally, and looking at a window replacement programme. It's about working smarter as an association.

We're working together in other ways, having informal conversations between us. That works well – it's not just about the numbers side of things. Once you've got trust you can have real conversations, and see what each other is doing. It's about enabling transparency.

What's been the big issue?

Benchmarking has been a big topic with regulators putting together their own VFM KPIs and the Sector Scorecard, and we're trying to understand where it all fits together in the industry. Steve's experience helps put it all into context and helps us understand the expectations. That's something really useful – as small organisations we don't have different departments dealing with benchmarking or an analyst. My next meeting is with our chief executive looking at performance management frameworks and pretty much what we discussed in the July meeting will go into that one.

GDPR was also big at the last meeting, and some of our members had been on the Acuity training which they said was probably the most helpful and practical.

What do you think will be the next big issue?

We want to look at the green paper and satisfaction data. We are currently having discussions on why satisfaction is at a certain level and what you can do to improve those areas. My housing manager can name every tenant but our satisfaction isn't as high as we would want it to be. What can we do about that? We'll create surveys for everyone and come back for discussion with Steve on some practical ways to improve our stats and make those differences. For me it's all about making those improvements.

How does the club help you?

It's about being able to quantify where we are as an organisation against like-minded organisations. We're now performing so much better in some areas thanks to the benchmarking, and it's really useful to make those comparisons, pass them back to the team and say 'Well done, this is phenomenal.'

Yorkshire and
Humberside Club



“The elephant in the room for us as a small association is right to buy and whether or not it will be brought in”
George Evans

➤ What has CHANW been doing this year?

We look at what we provide to Acuity and we decide what's no longer relevant and what new performance indicators we want to bring in. Acuity is quite amenable at sharing information about what they are looking to benchmark against and we can have our own discussion in our own group about whether that information is useful.

What's been the big issues for the club this year?

We've looked at the Sector Scorecard definitions and the information we need to collate and how we can get all that information together. Some of our members are well down the line with UC and how it's affecting rent and rent arrears but some, like my own association, currently have only six people on UC out of 382 tenants. It's useful to listen to the problems others have experienced and find ways we can circumnavigate those.

What do you think will be the next big issue?

The elephant in the room for us is Right to Buy. We are very successful, our homes are in high demand and we believe there would be high uptake of RTB. And we still don't know how badly we will be affected by UC. We will concentrate on benchmarking areas that the regulator is looking for us to feed back on, and also the Sector Scorecard. We're being channelled towards development and provision of new housing – and rightly so - but it's difficult for smaller associations to develop year-on-year. The last we built was 40 units that represented over 10 per cent of our stock and we couldn't do that every year.

How does the club help you?

We look at the benchmarking figures and identify areas where some associations do better than others. When we hit one of those topics we have a long discussion – for instance, about void repair costs. It's very useful to learn from people in a similar position and see what they're doing compared with your performance, and whether they're doing something different to help you improve your service.

Community Housing
 Associations North West



“We’re beginning to think about how we’re going to continue our digital journey to empower and involve people, and share that thinking with other people”

Angela Gascoigne

➤ **What has SWBM been doing?**

It’s been quite challenging. We’ve been doing a lot of work on our digital journey – moving to online services - and sharing our approach, which is about maximising what we’ve got and changing our mindset and culture into one that’s focused on outcomes and outputs and impacts. It’s a fundamental change so being able to share it is really important.

What’s been the big issue for the club?

We see communications as part of the whole issue around digitalisation – we’re concentrating on communicating with customers, and how we can multi-channel that and make it really easy for people to engage with us. How can we continue that digital journey to empower and involve people? That’s something we’re beginning to think about.

What do you think will be the next big issue?

The challenges are those of our customers and tenants - around poverty and how we can collaborate to make a difference to people. How we can respond to the complex issues society faces and demonstrate our civic

responsibility and social purposes?

It’s also about communicating what we do as smaller associations - we are incredibly modest about the impact we make, and our challenge is to get that story out there about the fantastic work we do.

I am so proud of my colleagues every day because they do amazing things and people think you rent a home and do a repair but there is so much more to it than that.

We want to influence the wider agenda.

The south west has a really good collaborative culture and we’ve got to build on that so we can have the best impact for our locality and the people we are working with. The way we present our business is going to be really important to the work we do in the community with the people we serve.

How does the club help?

The best way you can use a benchmarking club is to create an environment where people really trust each other and talk about things that are the most challenging, be honest about how difficult some things are to get right, and to share ideas. Sometimes someone else sees an issue in a completely different way, and you can have a chat about it.

South West
Benchmarking Club



“We’ve wrestled with how we present ourselves well in an environment where the government is looking at big is best and we think small is beautiful”

Trevor Palfreyman

➤ **What has WMBM done this year?**

The impact of homelessness and cuts makes us ask what part we can play as smaller associations, whilst maximising our resources. It’s almost a hidden treasure that we’ve got a relationship within the group, and then you can go into further discussions. Some smalls aren’t members of the NHF and are out of the loop so it’s a very helpful dialogue.

What’s been the big issues for the club?

Steve did a training session on VFM metrics and we’ve been grappling with those and the government driving production and delivery of new units. We’d love to do that but you need the funding and the market. In supported housing we use housing as vehicle for the recovery of people we work with. The be-all-and-end-all isn’t housing delivery, it’s about people delivery using housing. A lot of the small associations would want to grow: it’s not necessarily expansive – one small with 48 units is desperately seeking two more and how fantastic is that in a time of challenge and change? The regulator has been very interested in league tables but how do you measure

some of our work? For instance, the fact that you know the community very well, that you’re able to deal with antisocial behaviour? We’ve wrestled with how we present ourselves well in an environment where the government is looking at big is best and we think small is beautiful.

What do you think will be the next big issue?

Universal Credit is going to have a big impact. Homelessness is around us all and we need to respond. There’s been a movement in the West Midlands with the mayor trying to lever in resources and it’s important for us to keep alongside the bigger players so we have access to issues around funding and so on. It’s hard as a small to attend those meetings which is why our trade body is important.

How does the club help you?

Because of the uncertainty in the housing sector the opportunity to come together and have good quality time together is important, and it’s nice to listen to others and be able to remind them what they’ve achieved. Pressure on time is a big one. Benchmarking creates a great opportunity to meet.

West Midlands
Benchmarking Club



“The next stage is looking at joint procurement and working to keep the group lively and dynamic”

Ben Laryea

➤ **What has Acuity London been doing?**

We did a session on financial appraisal for developments. What assumptions do we use to decide whether or not we're going for it? That required a lot of trust as some information was sensitive, and on some bids we might be competitors. It was fascinating to see how people appraise each scheme, the assumptions they use, and the level of internal subsidy they are willing to put in – and then whether and how much they will bid. Some organisations are much more risk-averse than others. Government grants are dwindling so fast that we have to put money in, but every organisation has to decide how much. Some organisations put in zilch, others tens of thousands. It's made people think about their assumptions and maybe why they're not getting bids. For me that that was the most important topic. It's not something we normally discuss but that was really useful and I learned a lot about different people's approach to development and assumptions they make.

What's been the big issues for the club?

The Sector Scorecard and metrics. We had a couple of discussions around that,

with Steve Smedley's analysis during the consultation, which was easy to digest and it kept us ahead of the curve.

We also had a really good session around compliance – fire, asbestos, legionella, gas and electric. Grenfell means higher scrutiny of compliance, particularly in fire safety we had useful discussions around that.

What do you think will be the next big issue?

We could do a bit more work around joint procurement and working which is the next stage the group needs to keep lively and dynamic and meet the VFM agenda. If we come together to procure something, whether insurance or internal audits, we could achieve economies of scale.

How does the club help you?

I wanted to see how the best-performing associations were doing on best practice. When we had someone doing well around voids the question was: how are you achieving that? Can we come and see you? Learning from each other has been really useful. Another useful thing about the group is where one member wants information we go to Mark, explain what we want and he sends out an email to the wider SPBM group.

Acuity
London



“The club provides a valuable support network but it has to be more than that; it is about using the data and meetings to drive up our performance and improve our services”

Karen Cooper

➤ What has bm320 been doing?

We have looked at joint working and collaboration to think about how we can add value and drive down costs. However, we all acknowledge that one of the challenges is that we're all very busy and in a small HA it often falls to the Chief Executive to drive this forward and as our priorities are all different effective collaboration can be difficult. However, we do regularly share good practice and ideas so the group is by nature collaborative! To me the holy grail is sharing services or costs and there are some very good examples of this but the challenges remain.

What's been the big issue for the club?

There's been a lot of talk about VFM and the Sector Scorecard, and we agreed at the last meeting we would drop some of the PIs so we could have a more focused conversation about those that are really important to our businesses. We tried to get some shared training off the ground but it didn't quite come off sadly so we're going to look at a different way of doing it as we all agree this is an easy win. We are also looking at shared framework for legal services.

What do you think will be the next big issue?

There's an ongoing issue around health and safety compliance on the back of Grenfell and this is a significant concern for members at the moment and will continue to be a key focus going forward. We have agreed an agenda for the next few months where we're almost going back to basics and looking at arrears and voids and so on. I think the key challenge remains in how we use and focus on the data to drive up performance in our associations.

How does the club help you?

The group discusses a range of issues that stimulate us to make changes or give us ideas back at the ranch. We constantly share information, policy and practice and other decisions outside the meetings, and that shouldn't be underestimated in terms of the importance of the club. Probably for some club members this is one of the critical benefits of being a member. In my view it's really important to ensure though that we keep a focus on getting some outputs: it has to be more than just about having a useful and helpful support network.

London
bm320 Club,



“We’re small and proud, and we’ve earned our place at the table: that’s the attitude we want to develop”

Denise Rajchel

➤ **What has SHAPE done this year?**

We’ve been trying to share services and jointly commission reports. We use each other as an operational and strategic support network as well as a benchmarking group.

We have an annual staff conference, and our staff meet as frequently as they need to, maybe having a speaker or a mini-training session, amongst a peer group who understand what it’s like working in a small HA. That’s crucial and gives them fantastic support.

We do our own internal benchmarking, one of our group manages STAR surveys on behalf of members, and another set up an HR consultancy which has been very successful and used by several SHAPE members. It’s all practical support around value for money and quality – and for me that’s the success of SHAPE.

We started out as just a benchmarking club but we’ve gone beyond that.

What’s been the big issues for the club?

GDPR dominated the early part of the year. It was very resource-intensive and that’s a big issue for a small HA. The VFM matrix is also a big issue. There

are 14 of us doing the same thing so why don’t we do it together?

We have spoken to the NHF about possibly providing support such as templates. We don’t mind paying for it but there’s scope for our trade body to do something to provide practical support for smaller associations.

We still haven’t got clarity on some issues and all the organisations in SHAPE operate in high value areas. How do we get back to a social rent? That’s quite challenging.

How does the club help you?

We wouldn’t be taken as seriously as individual associations. It means there are 14 of us saying the same thing. We’ve also been able to talk to the NHF and have invited them to speak to us when necessary. Two members of SHAPE sit on the national smaller housing associations panel and we are able to represent SHAPE on the panel and feed back to the NHF.

We’ve gone beyond benchmarking to mutual support networks and sharing.

Last year we commissioned a joint report on deregulation and hope to do something similar on VFM. It’s about accessing a wider range of skills.

SHAPE,
South East England



“It feels much more like a constantly active club rather than something which was just meeting every few months”

Simon Bradfield

➤ What has the Supported Housing Club been doing?

We've gone through benchmarking outside the main SPBM on things like bad debt provision, finance structures and sharing balanced scorecards and it's interesting to see different approaches to these things.

What's been the big issue for the club?

The big issues have been benchmarking and the new VFM standard. One meeting focused on the Acuity benchmarking and how that feeds into VFM metrics. Going through the report line by line with other people, you quickly work out anomalies and understand why a particular provider might be an outlier. It's a good opportunity to ensure we calculate things the same way and make benchmarking a bit more valuable. Other big topics have been GDPR and fire safety. The club provides a great forum to discuss legislative changes. We are able to bring specialists from our organisations to meetings to gain insight, for example from our property service departments to discuss fire safety.

What do you think will be the next big issue?

VFM will continue to be a theme because supported housing organisations tend

to have higher unit costs because of the support we deliver. I am concerned about the league tables being suggested in the Social Housing Green Paper and how supported housing organisations might fare in those. I expect our next meeting will focus on reaction to that Green Paper and I think there will be concerns around how league tables may be interpreted. We need the wider world to understand the extra value supported housing provide and the costs associated with it. Two of our members have recently had an IDA and I'm sure others will be keen to get feedback on how they went, as larger club members will be getting an IDA at some point.

How does the club help you?

Over this last year we've got a lot more email correspondence between members saying 'how do you do this?' and building on each other's experiences. There's a lot more continuity among attendees and it feels much more like a constantly active club. People feel comfortable firing off emails to the club with a specific question. The latest was on managing utility costs in void properties and some of the information which has come back is interesting for us, and I've passed it on to our head of tenancy for consideration.

Supported
Housing Club



“Delivering care is much more labour intensive than housing, so the day-to-day operations and challenges can feel very different in those areas of our charities where we operate this model”

Anne Taylor

➤ What has the Care Homes Benchmarking Group been doing?

A group of us with housing and residential care formed a new group to benchmark areas of performance affecting the care sector, especially around outcomes for residents and costs. The aim was to compare performance with a peer group to understand what normal, good and ‘outstanding’ look like from a benchmarking point of view.

Delivering care is much more labour intensive than housing, so the day-to-day operations and challenges can feel very different. Many of the benchmarks reflect the focus on staffing and the attendant issues, but also look at key resident and patient outcomes such as falls and medication errors.

What’s been the big issues for the club?

Much of the first six months was spent setting up the benchmarks and defining how each element is measured, which was easier said than done. We’ve looked at areas of resident welfare such as safeguarding, falls and nutrition plans, as well as HR performance. We also look at elements with financial implications such as food cost per resident, void times, local authority

funded clients, and occupancy rates.

Our discussions have included electronic medication and care plan systems, training providers, and employee satisfaction surveys, which is the subject of a spin-off project. The importance of the CQC and its inspections cannot be underestimated and our benchmarks draw parallels with the CQC’s themes. Benchmarking ourselves shows external stakeholders we are examining our practices and seeking to continuously improve them.

What do you think will be the next big issue?

We are still refining our benchmarks and will probably continue to do this for a few more periods until we are confident they are telling us something useful and that the data is not too onerous to collect.

How does the club help you?

A key strength of the benchmarking clubs is the opportunities for chief executives to discuss issues in a safe space. This club grew out of the Housing for Older People group so there was already a high level of trust, and our new members have fitted in equally well. This high level of trust meant we hit the ground running in terms of discussing issues that were affecting us and helping each other.

Care Homes
Benchmarking Group



“It’s about our different experiences and the best way of meeting the challenge”

Pat Burns

➤ What has HfOP been doing?

We’ve looking at group purchasing and procurement, and regulations on hot water and energy. We’ve been busy – we’ve had some excellent guest speakers, and the discussion at each meeting drives what we do at the next.

What’s been the big issues for the club?

GDPR and VFM are important, because they separate the wheat from the chaff in terms of what a small organisation needs to know and what it needs to do about it.

What do you think will be the next big issue?

Building and improving – increasing the number of homes and improving the standard of existing ones. As small HAs it’s very difficult for us to identify opportunities to build more: big companies have teams of people looking for potential sites and we don’t have that resource. It’s not so much finance but finding the right place to build it that’s very difficult. We plan to look in detail at property maintenance and we want to look at procurement again as well: that will help us achieve better VFM.

How does the club help you?

We help each other and share best practice – there’s no need to keep inventing the wheel and in small companies you don’t have many staff. We’ve helped each other on what can be important matters that we didn’t know about – hot water regulations, for instance. We didn’t know that you’ve had to declare how you’re monitoring energy from 2015 if you have a boiler room. It’s about different experiences and how we individually meet the challenge, what’s the best way of meeting it. That’s what we get out of the group. Also, we can share information about exhibitions and symposiums – each of us can’t afford to go to more than one or two each year, but we can glean the best bits from each other. I like that I can send Mark a question and he will put it out to the group and we’ll share information that way. We don’t feel alone.

Housing for Older People
Club (HfOP)

➤ Interested in joining one of our regional or specialist Clubs?

Contact mark.anderson@arap.co.uk

“I wanted to see how the best-performing associations were doing on best practice. When we had someone doing well around voids the question was: how are you achieving that? Can we come and see you? Learning from each other has been really useful.”



“The best way you can use a benchmarking club is to create an environment where people really trust each other and talk about things that are the most challenging, be honest about how difficult some things are to get right, and to share ideas.”



Benchmarking data

Cost, performance, satisfaction and regulatory comparisons

➤ Summary

SPBM data provides smaller associations with a comparison between similar peers and the rest of the sector. The averages from 2017/18 on the following pages show that on the whole SPBM members compare favourably with the rest of the sector in key areas such as rent collection, arrears, voids and the cost and management of repairs. SPBM measures show a positive trend for costs, with Housing Management costs per property and Overheads as a percentage of turnover both down from the previous year, although the averages for both these measures are higher than for larger providers.

Overall tenant satisfaction with the services provided by SPBM members is high, reflecting the ratings awarded for key services, value for money and listening to residents' views.

How to read the data

The data below provide an insight into the overall performance of SPBM members for the year April 2017 to March 2018. Two sets of data are provided for each key activity:

1. The median performance of all organisations submitting data to SPBM (referred to as 'SPBM') and the median performance of all organisations submitting data to HouseMark (referred to as 'All Providers')
2. Year-on-year data indicating the direction of travel in performance among SPBM members.

We use a traffic light system to indicate whether the median for SPBM members is better, worse or the same as the median for all providers, and trend arrows to indicate whether performance among SPBM members has improved, declined or stayed the same.

The year-on-year trend is based on data from SPBM members who submitted figures for both 2016/17 and 2017/18. Using a balanced panel in this way ensures that trend comparisons are robust and not adversely affected by changes in the sample between years. This means that the SPBM overall medians given for 2017/18 may differ slightly from the medians used for the same year in the trend analysis.



HouseMark data are median values drawn from HouseMark Cost and Performance Benchmarking, based on data from around 450 providers of all sizes and not including data from SPBM. In the sections on resident satisfaction, the HouseMark data are based on the HouseMark standard STAR methodology. All SPBM and HouseMark comparisons are based on identically defined performance indicators.

| SPBM median / All providers | |
|-----------------------------|--------|
| | Worse |
| | Same |
| | Better |

| Year-on-Year | |
|--------------|----------|
| | Improved |
| | Same |
| | Declined |

Voids and lettings

The performance of SPBM members on rent loss from voids and average re-let times during 2017/18 compares favourably with that of all providers, with SPBM members reporting shorter void times and lower void losses for general needs (GN) and Housing for Older People (HfOP), but higher void losses for supported housing.

Typically, void losses map closely to re-let times although the number of lettings can also have an effect. While void losses have reduced for GN properties year-on-year, the average void time has actually increased. For HfOP properties re-let times and void losses have both decreased, while for supported housing they have increased.

“The club provides a valuable support network but it has to be more than that; it is about using the data and meetings to drive up our performance and improve our services”

| | All Providers | SPBM | |
|--|---------------|-------|---|
| Percentage of rent lost due to void properties (GN) | 0.73 | 0.36 | ● |
| Percentage of rent lost due to void properties (HfOP) | 1.29 | 0.82 | ● |
| Percentage of rent lost due to void properties (Supported) | 3.36 | 5.02 | ● |
| Average re-let time in days (GN) | 21.37 | 20.00 | ● |
| Average re-let time in days (HfOP) | 28.00 | 23.0 | ● |
| Average re-let time in days (Supported) | 28.35 | 24.85 | ● |

| | 2016/17 | 2017/18 | |
|--|---------|---------|---|
| Percentage of rent lost due to void properties (GN) | 0.41 | 0.36 | ↑ |
| Percentage of rent lost due to void properties (HfOP) | 1.00 | 0.82 | ↑ |
| Percentage of rent lost due to void properties (Supported) | 3.18 | 5.11 | ↓ |
| Average re-let time in days (GN) | 17.00 | 20.30 | ↓ |
| Average re-let time in days (HfOP) | 25.08 | 23.00 | ↑ |
| Average re-let time in days (Supported) | 21.61 | 34.80 | ↓ |

Rent collection and arrears

The average performance of SPBM members on rent collection was above that of all providers for GN properties, but lower for HfOP and supported housing. Rent collection figures are significantly affected by the housing benefit (HB) payment cycle, so for comparing between organisations we tend to focus more on arrears. We also use measures that exclude arrears caused by

late HB payments, to give a more accurate comparison of performance.

GN arrears were lower for SPBM members than all providers. For HfOP and supported housing, SPBM members have higher average arrears than all providers.

SPBM members' arrears have fallen for HfOP and supported housing since last year and increased for GN.

| | All Providers | SPBM | |
|---|---------------|--------|--|
| Rent collected as a percentage of rent owed (GN) | 99.83 | 100.25 | |
| Rent collected as a percentage of rent owed (HfOP) | 100.66 | 99.49 | |
| Rent collected as a percentage of rent owed (Supported) | 99.99 | 98.00 | |
| Current tenant arrears (GN) | 3.39 | 2.56 | |
| Current tenant arrears (HfOP) | 0.98 | 1.12 | |
| Current tenant arrears (Supported) | 2.80 | 4.71 | |
| Current tenant arrears net of unpaid HB (GN) | 2.06 | 1.60 | |
| Current tenant arrears net of unpaid HB (HfOP) | 0.51 | 0.92 | |

| | 2016/17 | 2017/18 | |
|---|---------|---------|--|
| Rent collected as a percentage of rent owed (GN) | 100.10 | 100.25 | |
| Rent collected as a percentage of rent owed (HfOP) | 99.37 | 99.49 | |
| Rent collected as a percentage of rent owed (Supported) | 99.24 | 98.00 | |
| Current tenant arrears (GN) | 2.20 | 2.56 | |
| Current tenant arrears (HfOP) | 1.20 | 1.12 | |
| Current tenant arrears (Supported) | 4.74 | 4.71 | |
| Current tenant arrears net of unpaid HB (GN) | 1.50 | 1.60 | |
| Current tenant arrears net of unpaid HB (HfOP) | 0.32 | 0.92 | |

Repairs and maintenance

SPBM members' average performance was higher than all providers for average end-to-end time, repairs completed on the first visit and resident satisfaction with completed repairs.

The median performance of SPBM members and all providers on gas safety checks was identical.

Since last year performance has improved for the percentage of

repairs completed within target time, resident satisfaction and repairs completed on the first visit. The average end-to-end time for repair completion has increased. Performance across the other two indicators (emergency repairs completed within target and percentage of properties with a valid gas safety certificate) has remained at 100%. All data are for GN housing, supported housing and sheltered combined.

| | All Providers | SPBM | |
|---|------------------|-------|---|
| Percentage of emergency repairs completed within target | N/A ¹ | 100 | |
| Percentage of all reactive repairs completed within target | N/A | 97.00 | |
| Average end-to-end time for all reactive repairs | 8.99 | 7.14 | ● |
| Percentage of repairs completed at first visit | 94.12 | 94.78 | ● |
| Percentage of residents satisfied with most recent repair (from repair completion survey) | 96 | 97 | ● |
| Percentage of dwellings with a valid gas safety certificate | 100 | 100 | ● |

| | 2016/17 | 2017/18 | |
|---|---------|---------|---|
| Percentage of emergency repairs completed within target | 100.00 | 100.00 | ↔ |
| Percentage of all reactive repairs completed within target | 96.47 | 97.00 | ↑ |
| Average end-to-end time for all reactive repairs | 6.55 | 6.75 | ↓ |
| Percentage of repairs completed at first visit | 92.29 | 95.00 | ↑ |
| Percentage of residents satisfied with most recent repair (from repair completion survey) | 96.74 | 97.55 | ↑ |
| Percentage of dwellings with a valid gas safety certificate | 100.00 | 100.00 | ↔ |

¹HouseMark has stopped using PIs to measure repairs completion against target times and switched to more customer focussed indicators such as average end-to-end times, completion on the first visit, appointments kept and customer satisfaction

Resident satisfaction – General Needs

Over the past year satisfaction has increased for all seven metrics. SPBM members reported high levels of satisfaction, with an average of 92% satisfaction with overall service and similarly high levels of satisfaction with quality of home and neighbourhood as a place to live (90% and 89% respectively). Satisfaction was slightly lower with repairs service (86%) and value for money (VFM)

provided by rent (88%) and considerably lower for listening to tenants' views and acting on them (80%) and VFM of service charges (78%).

Compared with all providers, SPBM members reported higher levels of satisfaction among general needs residents across all seven STAR core satisfaction measures, with ratings between 3 and 8 percentage points higher.

| | All Providers | SPBM | |
|--|---------------|------|---|
| Satisfaction with the overall service provided by their landlord | 86 | 92 | ● |
| Satisfaction with the overall quality of the home | 85 | 90 | ● |
| Satisfaction with the neighbourhood as a place to live | 85 | 89 | ● |
| Satisfaction with the value for money of rent | 85 | 88 | ● |
| Satisfaction with the value for money of service charges | 70 | 78 | ● |
| Satisfaction with the repairs and maintenance service | 79 | 86 | ● |
| Satisfaction that landlord listens to / acts upon tenants' views | 73 | 80 | ● |

| | 2016/17 | 2017/18 | |
|--|---------|---------|---|
| Satisfaction with the overall service provided by their landlord | 90 | 93 | ↑ |
| Satisfaction with the overall quality of the home | 89 | 91 | ↑ |
| Satisfaction with the neighbourhood as a place to live | 89 | 90 | ↑ |
| Satisfaction with the value for money of rent | 85 | 88 | ↑ |
| Satisfaction with the value for money of service charges | 74 | 78 | ↑ |
| Satisfaction with the repairs and maintenance service | 84 | 87 | ↑ |
| Satisfaction that landlord listens to / acts upon tenants' views | 79 | 80 | ↑ |

Resident satisfaction – Housing for Older People

SPBM members reported very high levels of overall satisfaction for HfOP tenants with an average 95% satisfied with services overall and similarly high average ratings for the ‘quality of home’ and ‘neighbourhood as a place to live’ (96% and 95% respectively). Satisfaction ratings were also high for ‘repairs and maintenance’ and for VFM (90% to 94%). The average for ‘landlord listens to views and acts upon them’ was lower (82%). Compared with all providers SPBM members reported higher

levels of satisfaction among HfOP residents across all seven STAR core satisfaction measures, achieving ratings between two and ten percentage points higher.

Since last year average performance for overall satisfaction has risen by 2% while satisfaction with the neighbourhood and VFM of service charge has risen by 1%. Average satisfaction with the quality of home and repairs and maintenance has fallen (1% and 2% respectively) while VFM of rent and ‘listens and acts’ have remained the same.

| | All Providers | SPBM | |
|--|---------------|------|---|
| Satisfaction with the overall service provided by their landlord | 90 | 95 | ● |
| Satisfaction with the overall quality of the home | 94 | 96 | ● |
| Satisfaction with the neighbourhood as a place to live | 92 | 95 | ● |
| Satisfaction with the value for money of rent | 90 | 94 | ● |
| Satisfaction with the value for money of service charges | 82 | 92 | ● |
| Satisfaction with the repairs and maintenance service | 87 | 90 | ● |
| Satisfaction that landlord listens to / acts upon tenants’ views | 78 | 82 | ● |

| | 2016/17 | 2017/18 | |
|--|---------|---------|---|
| Satisfaction with the overall service provided by their landlord | 94 | 96 | ↑ |
| Satisfaction with the overall quality of the home | 96 | 95 | ↓ |
| Satisfaction with the neighbourhood as a place to live | 95 | 96 | ↑ |
| Satisfaction with the value for money of rent | 94 | 94 | ↔ |
| Satisfaction with the value for money of service charges | 91 | 92 | ↑ |
| Satisfaction with the repairs and maintenance service | 92 | 90 | ↓ |
| Satisfaction that landlord listens to / acts upon tenants’ views | 82 | 82 | ↔ |

Resident satisfaction – Supported Housing

SPBM members reported high levels of overall satisfaction for Supported Housing tenants, with an average 92% satisfied with services overall and high average ratings for ‘quality of home’ and ‘neighbourhood as a place to live’ (both 90%). VFM of rent and service charges were 88% and 82% respectively, while for ‘repairs and maintenance’ the average rating was 80%. The average for ‘landlord listens to views and acts upon them’ was 83%. Compared with all providers SPBM members reported higher

levels of satisfaction among supported housing residents for all seven headline satisfaction measures.

Since last year, average performance has improved by 1% with satisfaction overall, and by the same amount with the home and VFM of service charges. Average satisfaction with VFM of rent has improved by 3% while ‘landlord listens to views and acts upon them’ has improved by 5%. Over the same period average satisfaction has fallen with neighbourhood (-1%) and repairs (-2%).

| | All Providers | SPBM | |
|--|---------------|------|---|
| Satisfaction with the overall service provided by their landlord | 88 | 92 | ● |
| Satisfaction with the overall quality of the home | 89 | 90 | ● |
| Satisfaction with the neighbourhood as a place to live | 87 | 90 | ● |
| Satisfaction with the value for money of rent | 78 | 88 | ● |
| Satisfaction with the value for money of service charges | 74 | 82 | ● |
| Satisfaction with the repairs and maintenance service | 76 | 80 | ● |
| Satisfaction that landlord listens to / acts upon tenants’ views | 77 | 83 | ● |

| | 2016/17 | 2017/18 | |
|--|---------|---------|---|
| Satisfaction with the overall service provided by their landlord | 90 | 91 | ↑ |
| Satisfaction with the overall quality of the home | 90 | 91 | ↑ |
| Satisfaction with the neighbourhood as a place to live | 91 | 90 | ↓ |
| Satisfaction with the value for money of rent | 85 | 88 | ↑ |
| Satisfaction with the value for money of service charges | 81 | 82 | ↑ |
| Satisfaction with the repairs and maintenance service | 81 | 79 | ↓ |
| Satisfaction that landlord listens to / acts upon tenants’ views | 78 | 83 | ↑ |

Staff engagement

SPBM members reported that on average they lost fewer working days to sickness absence than larger providers. Time lost to sickness absence is slightly higher than the previous year.

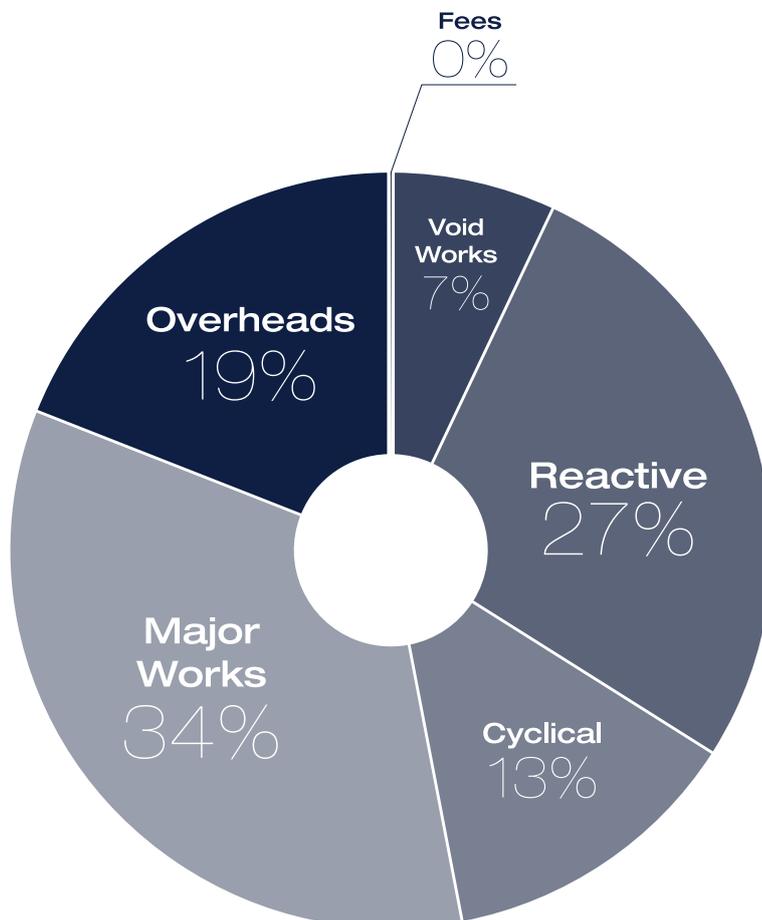
| | All Providers | SPBM | |
|---|---------------|------|---|
| Average number of working days lost due to sickness absence | 9.86 | 5.40 | ● |

| | 2016/17 | 2017/18 | |
|---|---------|---------|---|
| Average number of working days lost due to sickness absence | 5.86 | 5.95 | ↓ |

Repairs and Maintenance expenditure

This exercise is designed to enable SPBM members to compare repairs and maintenance spending in a meaningful way, and is one of many cost comparison exercises that we carry out with SPBM members. These costs are taken from management accounts.

The average weekly spend per property in 2017/18 was £33.71, or 31% of rent. This amount is higher than 2016/17, when it was £32.39.



Repairs and maintenance spending (national SPBM medians)

VFM / Cost measures

These unit cost metrics have been developed with HouseMark to enable sector comparisons and are more robust than those derived from the statutory accounts because they require members to apportion costs in accordance with a methodology more consistent than that associated with accounting practice. The cost-per- property measures are ‘direct’ and exclude overheads.

Compared with all providers SPBM members reported higher average cost per property of housing management and higher overheads as a percentage of turnover. SPBM members’ cost per property of responsive repairs, void works, major and cyclical were lower than the average for all providers.

Since last year costs have reduced across all measures.

Overhead costs as a percentage of turnover has also fallen over the same period.

NOTE: All data are for general needs housing, supported housing and housing for older people combined.

NOTE: The general traffic light convention of green indicating ‘better’ and red ‘worse’ should not be applied to cost metrics as higher costs may reflect the scope and quality of services. Red should therefore simply indicate higher costs than All Providers and green, lower.

| | All Providers ² | SPBM | |
|--|----------------------------|-------|---|
| Cost per property of Housing Management | 278 | 454 | ● |
| Cost per property of responsive repairs and void works | 675 | 645 | ● |
| Cost per property - Major and cyclical works | 1256 | 838 | ● |
| Overhead costs as a percentage of turnover | 10.82 | 14.50 | ● |

| | 2016/17 | 2017/18 | |
|--|---------|---------|---|
| Cost per property of Housing Management | 393 | 382 | ↑ |
| Cost per property of responsive repairs and void works | 678 | 652 | ↑ |
| Cost per property - Major and cyclical works | 980 | 838 | ↑ |
| Overhead costs as a percentage of turnover | 14.84 | 14.21 | ↑ |

“ The diversity of RSLs involved and the discussion at meetings on the benchmarking data helped me to report to the Board on how the Co-op’s own data compares and what lessons can be learnt from this information. There is also much more work and learning that can be achieved.”

➤ ²Based on HouseMark data at 24 September 2018 (67 data sets).

Regulator for Social Housing

This year the Regulator for Social Housing (RSH) introduced the requirement that all regulated housing associations, big or small, must report in their accounts against the headline metrics below. Arguably, these measures are as much to do with context as

performance. The intention of the RSH is that they should serve as a starting point for associations to explore and demonstrate VFM, drawing on other data and evidence (such as that found in the rest of this report) to 'unpack' the headline position.

| | All Providers ³ | SPBM |
|---|----------------------------|--------|
| Operating margin (overall) | 29.90 | 22.26 |
| Operating margin (social housing lettings) | 32.72 | 26.40 |
| EBITDA MRI (as a percentage of interest) | 213.61 | 297.48 |
| Gearing (RSH and Scorecard measure) | 43.60 | 19.92 |
| New supply delivered (Social housing units) | 1.10 | 0 |
| New supply delivered (Non-social housing units) | 0 | 0 |
| Reinvestment % | 5.74 | 4.14 |
| Return on Capital Employed (ROCE) % | 4.00 | 3.44 |
| Headline social housing cost per unit | 3237 | 4258 |



³Source: HouseMark Sector Scorecard submissions up to July 2018



SPBM Salaries Survey 2018

Summary of 2018 findings

| | |
|----------------------------------|---|
| Staff turnover | Average staff turnover was 12%, 1.3% higher than in 2017. |
| Salaries costs | Total salaries costs are 20% of financial turnover on average, the same as last year. For general needs providers, salaries costs are 17% of turnover on average. |
| Salary increases | The average salary increase was 2%, higher than the previous year (1.8%). |
| Staff numbers | General needs providers employ on average 2.24 FTE staff per 100 properties. |
| Pensions | The average cost of pensions to employers (including past deficit) was 7.26% of the total salaries bill, lower than in 2017 (9.25%). |
| Pension contributions | The average employer contribution is 7.95% of salary. The average employee contribution is 5%. On average 80% of staff participate in pension schemes. |
| Overtime and bonuses | 10% of organisations pay overtime. 22% pay bonuses. |
| Sickness benefits | 52% of organisations offer enhanced sickness absence entitlements. |
| Other benefits packages | All organisations provide a range of other benefits as part of their staff reward packages with the most frequent benefits being an appraisal scheme, time off in lieu (TOIL), payment of professional fees, provision of study time, personal development planning (PDP) and flexi-time. |
| Training and development budgets | Organisations spent, on average, £568 per FTE member of staff. |
| Boards and Board remuneration | The average Board has nine members. Around one in five organisations remunerate Board members (19%). |

➤ Each year Acuity runs a survey comparing salaries, terms and conditions for smaller housing providers. This service is free for SPBM subscribers. More than fifty smaller housing providers participated in 2018 and the feedback from participating organisations has been excellent. Participants receive a detailed report with a comparison and analysis of salaries and other benefits. The report was developed with considerable input from SPBM subscribers and is intended to help them and their Boards judge how the pay and rewards they offer compare with others. Would you like to see the full detail underpinning these figures? If so, please contact Acuity about taking part in the 2019 survey.

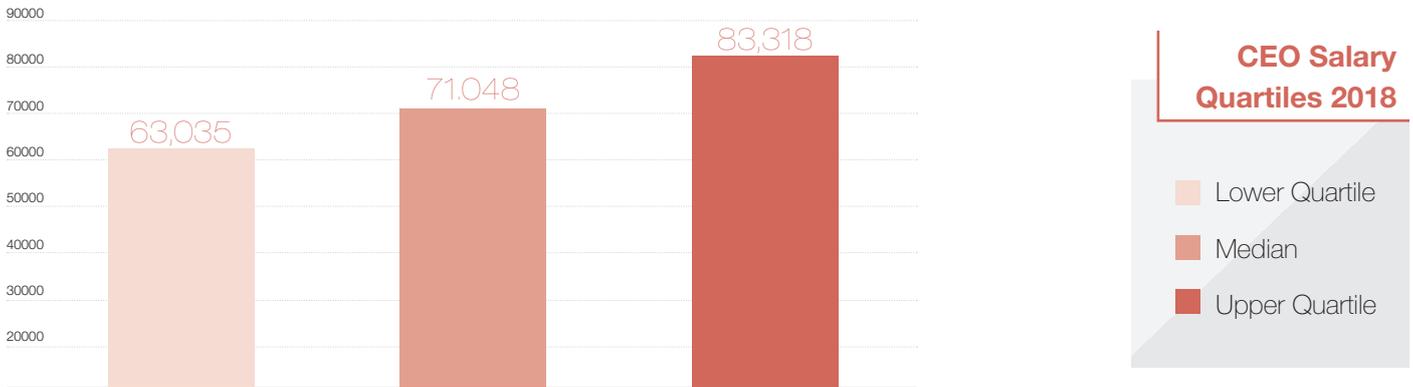
“Count us in for next year’s survey – well worth the effort!”

Salaries for key roles

Please note that the full report includes more detailed breakdown and analysis. Where we have included year-on-year comparisons they are based on the sample from each year and not on a balanced panel.

Chief Executives' salaries

The average salary for Chief Executives is £71,048. Over the past four years CEO pay has steadily increased.



Housing Management salaries

The median salary for a Housing Director was £55,000, 1.3% higher than in 2017. Over the same period the median salary for a Housing Manager or equivalent role (Level 4⁴) has decreased by 1.2% to £37,800. The median salary for a Housing Officer or equivalent role has decreased by 5% to £25,700.

| | No. job roles | Lower quartile £000 | Median £000 | Upper quartile £000 |
|--|---------------|---------------------|-------------|---------------------|
| Housing Director | 19 | 52.8 | 55.0 | 64.6 |
| Housing Manager (Level 4) | 28 | 36.1 | 37.8 | 40.8 |
| Housing Officer and equivalent (Level 3) | 64 | 23.6 | 25.7 | 28.2 |

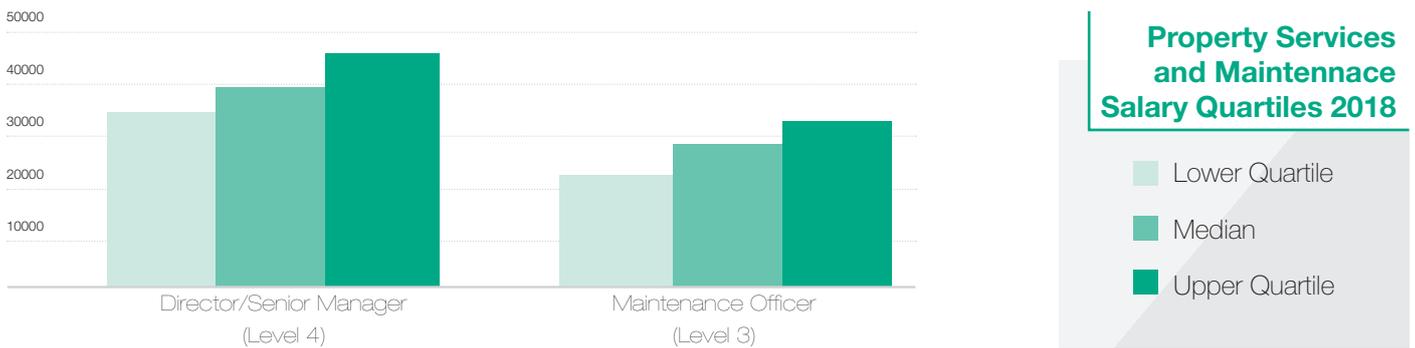


⁴The SPBM salaries survey uses a system of 'levels' to determine the role and responsibility of each post

Property Services and Maintenance salaries

The median salary for a Property Services Director or equivalent Level 4 role was £39.1k, 3.8% lower than in the 2017 survey. Over the same period, the median salary for a Maintenance Officer or equivalent role has increased by 2.5% to £28k.

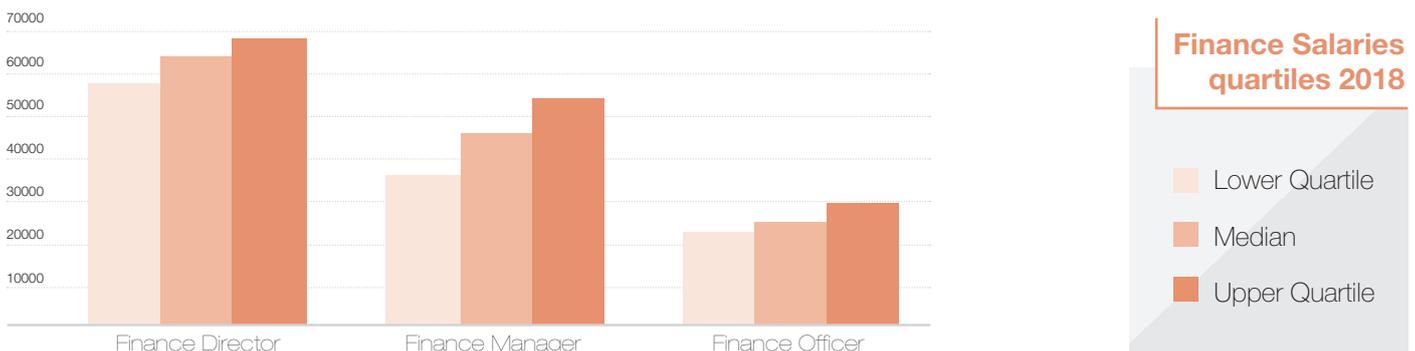
| | No. job roles | Lower quartile £000 | Median £000 | Upper quartile £000 |
|---|---------------|---------------------|-------------|---------------------|
| Senior Manager and equivalent (Level 4) | 29 | 35.0 | 39.1 | 45.9 |
| Officer and equivalent (Level 3) | 47 | 22.0 | 28.0 | 32.0 |



Finance salaries

The median salary for a Finance Director was £65,700, a 10% increase since the 2017 survey. Over the same period, the median salary for a Finance Manager or equivalent Level 4 role has decreased by 1.2% to £47,100. The median salary for a Finance Officer (Level 3) was £26,000, 12% lower than in 2016. As noted above, some of the organisations taking part this year did not take part last year, which will impact the year-on-year comparisons.

| | No. job roles | Lower quartile £000 | Median £000 | Upper quartile £000 |
|--|---------------|---------------------|-------------|---------------------|
| Finance Director | 24 | 57.3 | 65.7 | 69.3 |
| Finance Manager and equivalent (level 4) | 16 | 37.2 | 47.1 | 54.5 |
| Finance Officer (level 3) | 41 | 22.5 | 26.0 | 30.5 |

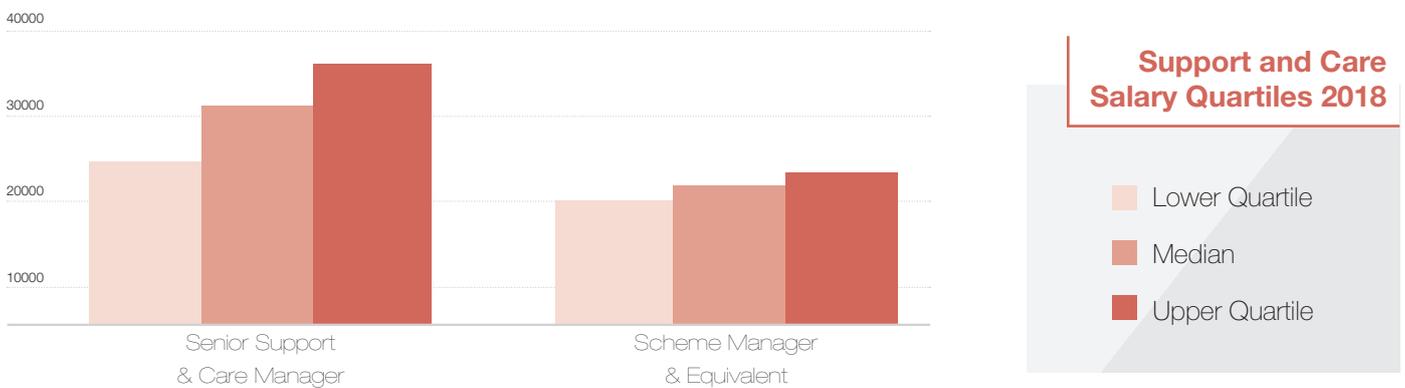


Support and Care salaries

The median salary for Senior Support and Care Managers (Level 4) was £31,400. The median salary for a Support Worker or Scheme Manager role at Level 3 was £21,900.

Please note that some Scheme Manager posts have accommodation provided: full comparative data may be found in Annex II of the full report.

| | No. job roles | Lower quartile £000 | Median £000 | Upper quartile £000 |
|---|---------------|---------------------|-------------|---------------------|
| Support Services Manager (level 4) | 49 | 26.5 | 31.4 | 37.8 |
| Scheme Manager and equivalent (level 3) | 22 | 19.8 | 21.9 | 24.1 |



“ Thanks for the salary survey information. This is the first year we’ve participated. I think it will be very helpful in salary negotiations with our board. It answers so many of the questions they ask me about what other organisations do.”

“ We have used the data to play an important role in helping set the salary review for the coming year. I have also used it to help with job re-evaluations. The fact that we get raw data is very helpful as it allows me to filter by meaningful comparators.”

The customer experience revolution

and how not to miss it



Successful organisations are being driven by customer experience, enabled by technology. Denise Raine considers how the social housing sector can overcome challenges to offer the same service to tenants.

The biggest and most successful organisations are using customer experience to drive what they do, personalising their offering to encourage loyalty, enhance their reputation and differentiate their product

from competitors. Technology, including social media and mobile apps, is enabling these changes, allowing companies to gain a deep understanding of their customers and then take timely, tailored action.

Responsive, person-centred services have long been the goal in social housing – so how can we make this work for our residents?

➤ Step ONE

getting the technology right

Getting the technology right
There's no getting away from the fact that housing providers need to continue tackling the obstacles that impede residents getting online. Recent research, including our own, tells the same story: social housing tenants are less likely to have internet access than the general population, and are more likely to be missing out because of factors beyond their control.

That puts the onus on smaller housing associations to navigate the available technology to identify what will work best for them and their tenants. This poses another problem: many smaller providers simply don't have the in-house resources or knowledge to identify the most suitable and cost-effective technology.

The solutions? Get good advice – Acuity has linked up to create a special deal for members with specialist consultancy 3C - and work collaboratively. IT is a frequent topic at benchmarking meetings and several of our groups have successfully shared information and made joint approaches to IT providers.

Worried that you can't convince your tenants? Ease of access is king. Most people can be won over by clicking on a well-designed mobile app at a time which suits them, particularly if it is associated with getting an enhanced service. And demonstrate the benefits: if most customers are helping themselves, landlords can focus resources on enhanced services, including extra face-to-face support for those who really need it.

➤ Step TWO

remember it's
not all about
technology

The key to getting your customer experience right is not in the tech, however, but in your approach. It's a good idea to start by establishing what is important to your tenants; engaging meaningfully with them on a regular basis and using that information to shape the services you offer.

So, ask the right questions – and once you've listened, take action. It's really important to show that you're acting on what tenants want, or they'll understandably be less invested in sharing that information with you. Gathering customer intelligence and demonstrating that it has made a difference means building on the tenant satisfaction which our sector has been developing over decades, but massively extending its reach and power.

“Listening” now needs to be demonstrably followed by “doing”, with housing providers demonstrating they are both listening and acting on what tenants want.”

➤ Step THREE

what can
you do?

Here's your to-do list:

- Take a customer-centric approach and embed it in your organisation
- Create a digital strategy fit for your context, perhaps by working with a consultancy or with benchmarking club colleagues
- Regularly engage meaningfully with tenants
- Turn insight into action

As more associations develop their online service delivery and customer

engagement, the kind of customer relationship enjoyed by leading brands will extend to social landlords, enabling them to understand the diverse needs of customers and personalise services accordingly.

This requires another mindset shift: from 'one-size fits all' services based on limited customer intelligence to individualised services based on real-time interaction with clients.

“Bespoke satisfaction surveys will remain a key tool in measuring success in both delivery and engagement as well the evidence base for shaping services.”

Why is it important?

Our sector’s social purpose means associations want to do the right thing by their residents, and don’t want their offer to be distinguished from other aspects of their customer experience by being trapped in the 20th century.

Pragmatically, there are external reasons for making this a priority. The Green Paper, *A new deal for social housing*, heralds a period of increased political and public scrutiny: post-Grenfell, the sector’s credibility and reputation depends on demonstrating high levels of customer service, engagement, empowerment and transparency.

Well before the Green Paper was published the NHF had already set out the sector’s stall with the Offer for Tenants campaign, which aims to improve the transparency of what residents can expect from their landlords in terms of service provision and accountability.

As you would expect, the initiative is informed by listening to and learning from residents.

It’s all about future-proofing

We do not know what kind of changes to policy, law and regulation will emerge from the Green Paper, but it pays to stay ahead of the game.

What seems certain is that the future is about high quality and increasingly personalised service delivery underpinned by insight derived from similarly high-quality engagement.

Bespoke satisfaction surveys will remain a key tool in measuring success in both delivery and engagement as well the evidence base for shaping services. For most businesses, technology is already the primary vehicle for both the flow of service provision and business intelligence: that needs to also be true of our sector, for the sake of our residents.



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SPBM benchmarking clubs

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Community HAs North-West, Liverpool, Manchester & Wirral

Contact: George Evans, Eldonian
Community Based HA

West Midlands

Contact: Trevor Palfreyman, Adullam
Homes HA

Care Homes, England

Contact: Anne Taylor, Thorngate Churcher
Trust

South-West, Cornwall / Bristol / Poole

Contact: Peter Moore, Cornwall Rural HA

Supported Housing, England

Contact: Simon Bradfield, Advance

Yorkshire & Humberside

Contact: Craig Simons, Leeds Jewish HA

SHAPE, Isle of Wight & South East up to Luton

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Thanks and acknowledgements

We would like to thank David Orr for his contribution and support over the years and wish him a happy retirement. Also for their contributions: Angela Gascoigne, Craig Simons, Karen Cooper, Anne Taylor, Denise Rajchel, George Evans, Simon Bradfield, Ben Laryea, Pat Burns, Trevor Palfreyman and Susan Young. We would also like to thank our colleagues, Jonathon Cox and John Wickenden, at HouseMark for their help with this report and throughout the year and Neale Brodie from One Digital.

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About Acuity

Acuity provides a wide range of consultancy services to help social housing providers improve services and engage with their residents. We specialise in supporting the performance benchmarking activities of smaller housing providers in partnership with HouseMark, and in customer / resident satisfaction measurement and insight. We work with staff, Board members and residents to support their learning and development needs.

Our philosophy is to build relationships with clients that enable them to achieve performance and service improvements through access to the highest quality information and learning experiences. Our services are highly flexible, and always carefully tailored to the requirements and budgets of our customers. We have been providing consultancy services to the social housing sector since 1998. For further information visit www.arap.co.uk

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