
DELIVERING VALUE FOR MONEY

SELF ASSESSMENT 2015

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Community Benefits Societies Act 2014:
No 21004R.
Registered with the Homes and
Communities Agency: No LH0013

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VALUE FOR MONEY SELF ASSESSMENT 2015

1. Purpose of this report

The purpose of this report is to present to our stakeholders an assessment of Look Ahead's performance in achieving Value for Money (VFM) in 2014/15. The report demonstrates how Look Ahead has managed its resources economically, efficiently and effectively to provide quality services and homes, and shows how we are planning for and delivering on-going improvements in VFM.

2. What does VFM mean to Look Ahead Care and Support

Look Ahead exists to enable those with particular needs to live ordinary lives within the community. We aim to provide safe, high quality social care, support and housing services by designing and delivering personalised, co-produced services based on the principles of choice and recovery.

For Look Ahead, Value for Money (VFM) means making the best use of our property assets and other resources available to us to deliver the highest standard of services and achieve the best outcomes for our customers in London and the South East.

3. Look Ahead's strategic approach to delivering VFM

Achieving Value for Money is absolutely integral to the success of our business and is therefore central to our corporate strategy, our business plan and our financial and asset management strategies.

Look Ahead's business plan is underpinned by a comprehensive set of strategies and objectives that aim to deliver better value for money for our stakeholders.

These strategies have been approved by our Board and include:

Corporate Strategy - to enable those with particular needs to live ordinary lives within the community

Business Development - we will achieve sustainable and managed business growth by retaining strategically important contracts whilst developing and marketing new innovative, high value service models that maximise social and economic returns for our commissioners and deliver the best service outcomes for our customers in London and the South East

Asset Management Strategy - to ensure that our existing properties support the growth and strength of the overall social care business

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Financial Strategy - to deploy Look Ahead's financial strength, its asset base and income streams, to grow our services and support even greater numbers of people to achieve their goals and move forward with their lives

These strategies inform our objectives and key priorities for the year which are focussed on the continuous improvement of service delivery to our customers whilst utilising our assets and resources in the most efficient and effective way.

4. How Look Ahead ensures value for money

Look Ahead ensures that it achieves value for money through robust governance, controls and processes. The most important are as follows:

Look Ahead's robust approach to decision-making with regard to the use of resources to deliver our objectives

Look Ahead has a Risk Panel, consisting of at least three members of the Senior Management Team, which is central to strategic decision making. It considers and carefully assesses all new business proposals and bids for the delivery of care and support services as well as all investment proposals. There is a finite capacity within the central contingency budget to provide transitional funding for new services, and the amount if any, of such investment is assessed for each proposal in relation to the service's strategic importance to Look Ahead and the value, both economic and social, derived from the potential new service. In 2014/15 the panel convened on 40 occasions and assessed 26 new business opportunities and 5 investment proposals. A summary report of all Risk Panel decisions is presented to the Board on a quarterly basis.

Look Ahead's strategies for optimising the economic and social return on assets

Asset Management Strategy

Look Ahead's asset management strategy, approved by the Board in 2012, sets out the key strategic principles for ensuring that we maximise the future returns on our properties in delivering our social care business. These principles are as follows:

- We will ensure that our existing properties support the growth and strength of the overall social care business
- We will manage and maintain our properties effectively and efficiently to provide appropriate accommodation for our customers
- We will not generally acquire and develop new properties, other than in exceptional circumstances where there is strong business case to support this
- We will dispose of properties when they no longer support the social care business.

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Look Ahead's Asset Management Steering Group meets every month currently. It is chaired by the Chief Executive and attended by members of the Senior Management Team including the Executive Director Operations and Executive Director Finance. The aim of the group is to keep Look Ahead's property portfolio under active review and ensure that the business is implementing the strategic principles as set out in the asset management strategy.

The aim of the Asset Management Steering Group is to improve the yield i.e. the amount of social care contract income associated with our properties. We are currently working on medium term strategies in several boroughs where we have blocks of units currently housing individuals with very low or no support needs. Our aim over time will be to re-use these buildings to support higher needs customers via support contracts. Where we cannot do so, we will consider the disposal of properties and reinvestment of any net proceeds back into the business.

In those properties that we own where another provider is currently delivering the support contract we ensure that we optimise the financial arrangements relating to their occupancy of our property via a commercially tight housing management agreement. We ensure that our property asset is well maintained and its value protected. In the longer term we will work to bring those properties back into use for social care contracts delivered by Look Ahead.

We also aim to deliver a good quality housing management service so that we maximise the financial return on these assets, minimise voids and arrears and invest an appropriate amount in the reactive and planned maintenance of the building to ensure good living conditions for our customers. Where we are also delivering the support service we work assertively with customers to ensure that they respect and look after their accommodation. We also ensure that we meet our legal and regulatory requirements as a landlord and property owner in relation to health and safety.

Where the housing management service is delivered on our behalf by an agent we monitor the agent in order to ensure that we meet our legal and regulatory requirement and optimise our financial position.

As regards developing new property, given the lack of any link between support funding and accommodation ownership the Board has decided that Look Ahead will not generally build or purchase new properties. The risks are too high, the cost of development too great and the returns to the organisation are unpredictable and often zero or negative in relation to the time and funds invested. We will consider leasing property if we can make it work financially and it enables us to bring in new revenue contracts.

Over the last five years we have carried out a limited programme of property disposals where buildings were no longer required for the purposes for which they had been provided. Our properties are only an asset to the business when they enable Look Ahead to deliver or retain social care and support contracts. Therefore where properties no longer achieve this goal and cannot be put to alternative use they will be sold and the proceeds invested.

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In terms of environmental performance we aim to provide housing which has low running costs and good thermal insulation.

Look Ahead's Asset Management Steering Group makes decisions about investment in or disposal of existing properties taking into account both landlord and property matters as well as the support service related considerations.

The risk panel (or the Board above set limits) also assesses long term property investment decisions which are all subject to a full investment appraisal including: internal rate of return, impact upon the cashflow, borrowing requirements and loan covenants.

Forward Investment Strategy

Look Ahead has generated very substantial surplus cash reserves through the successful operation of our business over the last 40 years. This has created a very valuable investment asset for Look Ahead which provides significant financial strength and resilience and enables the business to continue to develop and grow. It is very important that we safeguard and preserve this asset, previously represented on the balance sheet by property assets, and ensure that we put it to best use to support and enhance our core business. Our investment strategy which was approved by the Board in November 2013 is therefore to:

- Protect and grow the £48 million funds currently invested with Rothschild
- Allow an equity allocation of up to 50% to deliver higher returns on investment
- Invest for the longer term so we are able to 'ride out the bumps' in the investment market
- Use annual investment income, net of investment charges to fund innovation and growth in our core business

This strategy will deliver returns, estimated at 2% above inflation; it guarantees additional income for service development and innovation and it strengthens our balance sheet.

Investment Policy Statement

Look Ahead's Investment Policy sets out the parameters within which our investment portfolio is to be managed by our investment managers, Rothschild. This includes our investment objectives as well as detailed guidelines and restrictions that Rothschild must observe. The performance of the investment portfolio is reviewed quarterly by the senior management team and formally by the Board at least twice a year with Rothschild in attendance annually.

Look Ahead's fundamental understanding of the costs and outcomes of delivering our social care and landlord services

Look Ahead's core business is the delivery of social care and support services. This represents circa sixty two percent of our business and is entirely contract driven. The other essential part of our business is the provision of accommodation to some of the customers that receive our care and support services. This is funded through the collection of rent and services charges.

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The funding and the costs of the two separate parts of our business are budgeted and recorded separately so that we can closely scrutinize and monitor the financial and operational performance of each business activity as a whole but also at different levels of accountability within those businesses.

All services for the delivery of care and support are budgeted at an individual contract level. Budgets are set based on the pricing and delivery models which were approved by the Risk Panel and selected by the relevant Commissioner as the benchmark usually via a competitive tendering process. Financial performance is monitored on a monthly basis against the approved budget and operational performance is monitored in line with the approved contract terms and Look Ahead's benchmark targets. Delivering to the budget and operational targets ensures the service achieves or exceeds the value for money targets set by Look Ahead's Risk Panel.

The costs for delivering the housing management, maintenance and service chargeable services to our 2,500 managed properties are captured at an individual property level and aggregated up to a company level. Again these are monitored on a monthly basis against trends and targets and reported at all levels of the organisation.

All centrally held costs, such as the central housing management, property services teams, finance and HR functions etc are apportioned between the two businesses at contract and property level using overhead apportionment methods that identify the key drivers of these costs.

Look Ahead's performance monitoring framework drives value for money

Look ahead has a fully integrated performance monitoring framework which cascades from the Board and Performance Review Committee level to SMT and down through the operational hierarchy to individual front line staff. A suite of high level key organisational performance indicators (KPIs) are reported to Board quarterly and stretch targets are set annually to drive performance improvements.

We monitor Look Ahead's VFM performance results across the three essential areas required to deliver VFM:

- Economy – maximising the level of resources available
- Efficiency – maximising how well we use our resources
- Effectiveness – maximising the outcomes we achieve with our resources

We also find it useful to categorise the performance results in respect of the two distinct but very different aspects of our business: our social care business and our landlord services business.

We monitor our performance results against targets. The targets are set to be challenging but achievable and aim to demonstrate continuous improvement in value for money. We also compare our results with previous years to demonstrate this improvement.

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Benchmarking our social care services

Look Ahead, like other organisations who deliver supported housing and social care, operates in a very active and very competitive market where 62% of our £55m turnover is derived from contracts. The value for money that we offer is regularly benchmarked by our commissioners who re-tender or renegotiate contracts systematically and use procurement as a tool to drive up quality at the same time as reducing prices. We have delivered significant value for money to our commissioners in recent years and this has been evidenced in our success in retaining our existing services and winning new services.

Benchmarking our landlord services

Look Ahead is very unusual in the social housing sector in that all of our property stock is utilised for supported housing provision. This means that the accommodation is provided to customers only for the duration of their requirement for support and is often for the short to medium term. This is very different to that of general needs housing provision where customers often have assured tenancies. For example, the turnover of lettings in Look Ahead in 2014/15 was 1,332 or 57% of stock. The average turnover of lettings for registered providers is much lower at 8%. The length of stay in accommodation and therefore the level of lettings impacts on the results of key performance metrics such as void levels and costs of maintenance. The type of customer groups and their different levels of care and support needs also impact on these performance metrics and others such as the level of arrears. It is therefore not possible to find other supported housing providers that have a similar mix of customer groups and social care service provision to Look Ahead such that it would make a useful or meaningful comparison of performance at the organisational level.

However Look Ahead is a member of a specialist housing benchmarking group which is a pan London group of homelessness providers. The group of homelessness providers compares data on landlord services and when compared to the other seven homelessness providers our performance tends to be in the middle for rent collection, arrears and repairs. The latest data we have is for 2013-14 and on rent it shows a relatively good performance as our arrears were 5.5% against an average of 7.1% and we collected 92% of rent against an average of 93%. However on repairs we only completed 90% of repairs on time against an average of 95%. As a priority, we will be working with our maintenance contractors, who were recently appointed following a robust competitive tendering process to improve performance in this area.

We have also compared our rating for satisfaction against other providers, and our overall satisfaction of 85% is just 1% below the average for supported housing tenants found from Housemark's analysis of satisfaction surveys in 2013-14.

We are one of a small group of Housing Associations working with HACT to develop a set of standards for evaluating the impact of interventions in the housing sector. This will improve the ability of housing organisations firstly to commission better research but more importantly to determine what works and what doesn't so improving efficiency generally. The work draws on best practice from other sectors, notably health and the aim is to roll it out to the wider sector.

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5. Look Ahead's VFM performance for 2014/15

i. Economy – how we increased the resources available to us

The table below summarises the key results that show how we have increased the resources available to Look Ahead.

Economy - how we increased the resources available to us:		Target	2015	2014	2013
Social Care	Net new business growth	£2.0m	£0.7m	£1.7m	£2.7m
& Support	Annual care and support contract income	£35.0m	£34.6m	£34.5m	£31.8m
Services	Net investment income (target from 2014/15)	£200k	£257k	£46k	£137k
Overall	Surplus achieved	£1.9m	£0.6m	£2.4m	£11.4m
	Investment return (since inception)	12.39%	16.87%	7.19%	n/a

Net new business growth

A key indicator of delivering value for money has been our success in winning new business where the winner is determined on an optimal mix of price and quality. In 2014/15 we secured contracts for 10 new services amounting to £4.2 million per annum, which were awarded to us after rigorous and very competitive tendering processes. Our overall net position however, after taking into account contract reductions and losses over the past 12 months shows net growth of just £0.7 million per annum. This was below our target of £2.0 million and lower than previous year's levels. There are several factors that have impacted on our net growth this year:

- In the first half of the year there was a significant drop in the volume of tender opportunities for the provision of new care and support services across London in the run up to the local elections.
- We also experienced another year where a large amount of the tendering was in response to bids for our existing services in Tower Hamlets, our single largest area of operation. We were successful in retaining all of our contracts in that borough.
- We responded to the budget challenges faced by our Commissioners and delivered value for money savings to them for some of our existing services. This helped secure the services longer term future in a continuing environment of severe public sector spending cuts.
- Our last remaining large hostel building in Westminster was decommissioned as the property was no longer fit for purpose.
- We did not retain one of our largest Learning Disability services with historical annual income of £1.4m. Although the quality of our bid was very high we could not compete on price in a borough which does not adopt the London Living Wage. Look Ahead is proud to be a London Living Wage employer and therefore there will be some boroughs where we will find it very difficult to compete on price and secure new business.

During 2014/15 we presented to our Board Look Ahead's brand new business development strategy which sets out specific actions to address the risks of securing sustainable and managed growth into the future, in an environment of very challenging

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public sector spending cuts. This was approved by our Board in March 2015. We will be implementing the strategy and action plan in 2015/16.

Surpluses

As well as new business growth we target a sustainable level of surplus, which is currently set at 3.5% of turnover. We include this indicator as we need to maintain our long term financial strength and revenue surpluses. The level of surplus is set at a modest level to ensure that, after allowing for risk, as much of the income as possible is reinvested in the work of Look Ahead.

In 2014/15 our surplus was £0.6 million which was lower than our target of £1.9 million and lower than the previous years. The lower surplus reflects the lower levels of growth and the loss of our Learning Disability and Westminster hostel services mentioned earlier. This highlights why achieving growth is important to Look Ahead. Growth enables more customers to access and benefit from the innovative, high quality services that Look Ahead provides but it also generates surpluses which can be reinvested in continuous service improvement. Our surplus results were also affected by larger levels of rent losses due to higher numbers of void properties and higher rent arrears. This is explained in more detail later on in this report. We also incurred significant levels of agency staff costs in two of our more complex Learning Disability services. This was in part due to staff recruitment and retention issues in one particular borough. We have now developed a new Workforce Development Strategy which seeks to address the issues of recruitment and retention in some of these complex high care services. And finally, we incurred additional costs in 2014/15 during our move to a new Head Office. Look Ahead relocated its head office following the expiry of our office lease at Derry Street. The new offices in Westminster had to be refurbished to meet our requirements which meant there was a three month period when Look Ahead incurred the costs of the office lease at Derry Street as well as the new office lease in Westminster.

Return on our investment portfolio

Since inception on 5 January 2012 our investment portfolio, managed by Rothschild, has earned a very good return of 16.87%. This performance is significantly above our target of 12.39%. Our investment strategy aims to achieve a return of RPI +2% over 5 years with a medium risk profile. This ensures this valuable asset, previously held as property assets is safeguarded and grows. In 2014/15, the investment portfolio also generated investment income net of investment charges amounting to £257,000. This was above our target of £200,000. We utilise this income to fund innovation and have applied them in 2014/15 to extend the valuable work we do with our customers in our co-production and our experts by experience programmes.

Maximising the social and economic return on our property assets

In 2014/15 we made progress in line with our asset management strategy as follows:

- We completed the redevelopment of two of our existing properties in Tower Hamlets. These were previously used as low care supported housing. The properties now provide 21 self contained units as well as communal and office

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space for a high support complex care service. The new service offers 11 high support and 10 step down units which enables us to provide a move-on pathway for customers by adjusting their support levels until they are ready to make the transition to living in the community with visiting support. The service brought in additional contract funding of £0.4 million per annum and is already delivering significant savings to the public purse as demonstrated by the case study described below.

MM is a 54 year old woman with a diagnosis of Schizoaffective disorder. She was convicted of a serious crime which resulted in her being placed under a Section 37/41 of the Mental Care Act. She spent several years as an inpatient in forensic units and was eventually moved into residential care in 2010 in an out of borough location at a cost to the borough of approximately £1,000 per week.

At the time the offence was committed it was thought that residential care was likely to be the only option for MM in the long term as this provided the 24 hour monitoring, care and support that she required to minimise the risk of her re-offending. Following assessments however it was decided to offer her a self-contained flat within Look Ahead's High Support Complex Care Service at a cost of £323 per week, a saving to commissioners of nearly £700 per week.

MM adjusted quickly to her new environment and soon began to appreciate the independence that living in her own flat offered whilst still receiving the emotional and practical care and support that she required, particularly in the evenings when MM feels most vulnerable. MM has lived in the service since October 2014 and along with her family, clinical support team and commissioners we have seen her grow in confidence and independence at a pace which suits her without compromising the identified risks to others.

- In partnership with Slough Borough Council we have reutilised some of our property stock in the borough previously providing low support accommodation, to provide accommodation based services for customers with significant learning disabilities or mental health support needs, who have moved from more costly placements.
- We are in the advance stages of finalising the service model and proposals to Slough Borough Council to convert our decommissioned hostel building into accommodation for a high support forensic service.
- We have revised our plans for the use of a 6 unit block of accommodation in Tower Hamlets. Our initial plan was to provide a learning disability step down service which would enable customers to move on from our high support service at Mary Jones Court. Tower Hamlets are now considering proposals for a Learning Disability residential care service in this property.

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- We have revised our plans for using Ibis House. Our initial plan was to provide a high support mental health service. We are now working with our partners at Newham Children Services to develop a service for teenage parents.
- We decanted and decommissioned our last remaining hostel building in Westminster ready for its disposal in April 2015. The building was at the very end of its useful life and no longer fit for purpose.
- We agreed the sale of our properties in Elmbridge to other registered providers, Paragon and Transform. These properties no longer supported Look Ahead's social care business.

ii. Efficiency – how well we utilised our resources

The table below summarises the key results that show how well we have utilised the resources available to Look Ahead.

Efficiency - how well we utilised our resources:		Target	2015	2014	2013
Social Care & Support Services	Services with utilisation below 90%	9%	25%	20%	12%
	Services with staffing levels below 90%	10%	5%	7%	8%
	Contract income collection %	90%	94%	95%	95%
Landlord Services	Maintenance cost (reactive/voids) per unit	£701	£824	£918	£892
	Maintenance cost (planned) per unit	£443	£323	£235	£317
	Percentage of first time fixes	85%	84%	83%	82%
	Void %	5.0%	6.8%	6.6%	4.8%
	Net arrears of current tenants	6.0%	6.6%	5.5%	5.1%
	Bad debt %	3.0%	4.0%	3.4%	3.6%
Overall	Overheads as % of turnover	12.4%	14.0%	13.2%	13.7%

Service utilisation

Service utilisation has decreased again this year with 25% of services below 90% utilisation. Some of this is attributable to the turnover of customers in our services as we successfully move them on to independent living. We also continue to experience lower levels of referrals to some of our services, reflecting the challenging budget environment our commissioners face as some local authorities decide to reduce or decommission services. This is more evident in our 'non statutory' services where low levels of support are provided and we expect this trend to continue. We continue to work closely with the commissioners concerned to ensure any blockages in the referrals processes are addressed at the earliest opportunity as well as investigating the possibility of any alternative referral routes or in some cases alternative service provision.

Staffing levels

Only 5% of our services had staffing levels that fell below 90%. This is better than our target of 10% and an improvement on the previous year.

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Contract income collection

We achieved a contract income collection rate of 94% which was better than our target but just below the previous year's performance of 95%. This continues to be a good result, given the increasing trend towards contract payment terms of monthly in arrears or payment by results. This is usually non-negotiable.

Maintenance costs per unit – owned properties

The reactive maintenance costs for our own properties have decreased by 10.0% to £824 per unit in the year, however this is higher than our target of £701 per unit. During the year we tendered our responsive repairs, void, planned and cyclical maintenance services and appointed three contractors across three separate geographical areas. These contractors offered the best value for money in terms of price and quality of service. The reduction in cost year on year is in part due to the new maintenance contracts. We have missed our target due to the higher turnover of property due to shorter stays of residents. This results in a higher volume of void maintenance costs. High turnover is a demonstration of success of support offered, and is encouraged by Commissioners who receive greater value for money on their contract income if they can increase the number of referrals over the period of the contracts. We have incurred 37% more costs on planned maintenance activities reflecting the increased level of cyclical works required in the year.

Rent losses

Void losses in 2014/15 were 6.8% of rents and service charges which was slightly higher than the previous year but much higher than our target of 5.0%. We have seen a gradual increase in the level of voids over the past few years which has largely been driven by the lower levels of referrals into some of our 'non-statutory' low support services. High voids in a service can be an indication that the service is no longer strategically relevant and is likely to be cut or decommissioned following further public sector spending cuts. To address these issues we proactively approach commissioners with other creative proposals for utilising our buildings for higher support needs. This is an important and effective strand of our asset management strategy although it can take several months, and sometimes longer for the proposals to be approved and implemented.

Rent arrears of 6.6% and bad debts of 4% have also increased and are above target. The introduction of welfare reforms has had an impact on our ability to collect rent on time, particularly for those customers that rely on Housing Benefit. The new assessment process for securing Housing Benefit coupled with the cut back to staffing in local Housing Benefit offices have led to delays in payments. To address this we have implemented a new team structure which focuses resources in our Landlord Services team in training our support staff and improving the support to our customers so they can manage effectively the impact of the welfare reforms.

Overheads as a % of turnover

One of the most important indicators of efficiency for our business is the simple ratio between central overhead costs and turnover. Over the past six years we have seen our overheads reduce from 17.7% of turnover in 2008/09 to 14.0% of turnover in 2014/15. The

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reduction in overhead has been achieved by implementing various programmes for delivering efficiencies and improving effectiveness as well as achieving net new business growth. In 2014/15 our overheads did increase compared to the previous year and were also above target. This reflected the additional one-off costs we incurred as a result of the head office move as well as some restructure costs. In 2014/15 we restructured our senior operations and property services teams which freed up funds to invest in a new business partnering model across our HR and Finance functions. The business partner models will improve the technical support provided to our operational and head office teams and will be fully implemented in 2015/16. We also developed a new IT strategy which was approved by the Board in December 2014. This will deliver much needed improvements to our business systems which will also deliver ongoing efficiencies and improvement to our services.

Procurement

In 2014/15 we concluded procurement exercises for our maintenance and concierge services. We regularly conduct procurement exercises for the largest areas of our expenditure to ensure that we are obtaining the best value for money available in the marketplace in terms of service and product quality as well as price. For example, the new contract for our concierge services realised cost savings of £35,000 or 4.5% and provided improved contract monitoring and key performance indicators.

iii. Effectiveness – what we achieved with our resources

The table below summarises the key results that show what we have achieved with the resources available to Look Ahead.

Effectiveness - what outcomes we achieved:		Target	2015	2014	2013
Social Care & Support Services	Customer satisfaction with choice and control over their support	85%	80%	83%	85%
	Customer opportunities to get involved	80%	76%	80%	81%
	% of customers moved on	66%	62%	63%	63%
Landlord Services	Customer satisfaction with home environment and local area	80%	73%	75%	76%
	Customer satisfaction with maintenance service	80%	69%	75%	78%
Overall	Customer satisfaction with overall services	90%	83%	85%	95%

Customer satisfaction

Our commissioners endorse Look Ahead's quality of service by benchmarking and then selecting Look Ahead as their preferred provider. However an important indicator of whether we are actually achieving the required outcomes for our customers post contract award is the level of customer satisfaction.

Customers give their opinions to Look Ahead in a variety of ways. Corporately we carry out a customer satisfaction survey and monitor formal complaints. The customer satisfaction survey is used in all our services and is available in paper format, easy read

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and on the internet through Survey Monkey. In addition most services collect feedback from customers locally.

We also gather and monitor feedback and complaints through the Customer Services Committee (CSC) which is our strategic forum for gathering customer views. This meets on a quarterly basis and is made up of customers from across Look Ahead's services. Their views have helped shape our approach to nutrition and well being, safeguarding, reward and recognition as well as complaints and feedback.

During the year Look Ahead launched a new Families and Carers' Forum for those involved with our customers with learning disabilities. This forum was set up in response to specific service improvement opportunities relating to these services identified by both carers, families and by CQC and its aim is to use their feedback to improve standards and build stronger relationships with these very important stakeholders. The forum meets quarterly and has been well attended. The group's views are already helping to shape services, they have contributed to the customer welcome pack and two members will be acting as quality auditors.

In 2014/15, 83% of customers were satisfied with the overall service we delivered and only 4% were dissatisfied. It is disappointing that all of our customer satisfaction scores have decreased marginally in the year and have come below the challenging targets that we set ourselves. However, we compare favourably to other London Supported Housing Associations whose average overall satisfaction levels are 76% (most recent benchmark analysis by Housemark 2013-14 Survey of Tenants and Residents).

Our customers consistently rate us highly for the quality of customer service and for the amount of choice and control they have over their support.

Our maintenance service continues to be the area of service delivery achieving least customer satisfaction, in line with the sector as a whole. Just 69% of customers were satisfied, which is the lowest level for some time. We believe this is, in part, due to disruption caused by the appointment and implementation of new maintenance contractors in September 2014, following the procurement process. Our result compares with an average customer satisfaction of 67% for the repairs and maintenance services of supported housing associations, according to STAR (Survey of Tenants and Residents) benchmarking data. We will be establishing a new maintenance forum of customers and staff members to monitor maintenance contracts and performance and this forum will report back regularly to Look Ahead's Customer Services Committee. This will supplement what we already do as part of our contract monitoring process.

We have generally had a good response rate for our customer survey over the last two years and our findings have been remarkably consistent. To avoid complacency, in 2015/16 we will be working with our Customer Services Committee to develop a new approach to customer feedback. We will be reviewing both what we ask and how we do this in order to both provide us with fresh insight and to improve response rates where they have been low. Our recent trial of on-line surveys went well and we will use the expertise of our customer quality checkers to capture qualitative feedback about our services.

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Customer involvement

Look Ahead is committed to customer involvement and we encourage customers to participate in both the running of their services and volunteering in the wider community as part of promoting recovery. We are active participants in the 'Time Credits' scheme which acts as an incentive for service-users to participate. At our New Kent Road service for example, customers helping with an established programme of involvement activities ranging from regular movie and karaoke nights to assisting with recruitment of staff, can earn 'Time Credits' which are redeemable at participating retailers, with the most popular proving to be attending matches at Millwall Football Club.

Toward Recovery was a Look Ahead project to deliver ten 'recovery' focused open learning sessions in Tower Hamlets. The sessions were open to anybody living and working in Tower Hamlets with mental health issues. The aim was to support a move away from a purely medical model of recovery to an educational one, where people gain the skills, knowledge and tools to better manage their conditions and live a fulfilling life. The pilot was based on the Recovery College model, which to date has only been delivered by Mental Health Trusts. Crucial to the success of the model was having co-production at its heart. All ten sessions were co-designed and co-delivered jointly by experts by experience and experts by profession, and this diversity of experience was also to be found in the staff team, the steering group and the 20+ volunteers. The pilot was funded by Tower Hamlets CCG to test an innovative model – we found that the co-produced and educational approach to recovery had a powerful impact on people, which was different from other forms of support on offer. Participants were asked for feedback. Just one of the many positive comments was: "What I've gained here, I haven't gained in the NHS for 20 years"

Customer outcomes

In 2014/15, 2,665 of our customers moved on from our support with just under two thirds of these being in a planned way which is largely in line with 2013/14.

714 customers who moved on from our services achieved a positive outcome in relation to employment, education and training. This is 65% of all those who had an identified support need and 27% of all customers who moved on.

The case study overleaf illustrates the positive work being done to achieve these outcomes.

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RJ moved into Look Ahead's Gateway service for young people and then to our Southwark Accommodation Based mother and baby unit in 2013, having previously been an in-patient for 6 months at the Affective and Emotional disorders unit at the Bethlehem Hospital. Diagnosed with various mental health illnesses and severe suicide ideation and self harm, RJ was able to overcome and manage many of the hurdles she had been experiencing over the years with the support of her psychiatrist and Look Ahead support worker.

The support she was given was invaluable to her recovery and it was agreed that education and employment was exactly what she needed to maintain a good mental health. RJ is a highly ambitious and dedicated individual and she was slowly encouraged and supported to volunteer at a local school. RJ became pregnant and continued with her volunteering, and when the baby was a few months old it was agreed that she was ready to live independently and was thus supported to move to Berkshire where her mother lives. RJ is now studying to be a teacher at the Open University and is volunteering at her local hospital because she wants to give back to the community.

Care Quality Commission

Almost a quarter of our services are regulated by the Care Quality Commission (CQC). These are services where we provide some degree of personal care to some customers. CQC routinely inspect these services to assess how well we are meeting their standards of care and the results are published. This is an important external measure of the quality of our services and for the year ended 31 March 2015 2 of our services received a Good assessment, 5 Required Improvement and 1 was assessed as inadequate. Action plans to implement any improvements were drawn up for each service and the requirements have been, or are being, put into effect.

CQC made extensive changes in their inspection regime during 2014, introducing new standards against which services provided were to be audited. We have revised our internal Quality Management System (QMS) to match CQC's approach. All of our services, whether CQC registered or not, are audited against CQC standards: Safe, Caring, Effective, Responsive and Well-led. We apply CQC criteria stringently, treating any potential issues as a breach of the standards. We then compare how we are doing against the CQC's national averages.

We carried out an initial review to determine which services should be audited first and selected those that it was felt would obtain the most benefit from the new approach. Thus the first QMS audits have been of our more challenging services and those with known issues. We have audited approximately half of our services since 1 January 2015 and the initial results can be summarised in the table overleaf:

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<u>Service rating</u>	Look Ahead Average	National Average
Outstanding	0.0%	0.3%
Good	50.0%	60.0%
Requires Improvement	45.0%	33.0%
Inadequate	5.0%	6.0%

These results confirm the challenges that were anticipated to be identified by our tough QMS system. We expect that the average ratings will improve as we complete the audits, partly because the remaining ones should be more straightforward, but more importantly, as a result of the changes that are being implemented across our services from the learning and action plans that have been produced from the earlier audits.

Contribution to health, social care and public health outcomes

The following case studies are just two examples of many in which our supported housing services have achieved a positive contribution to health, social care and public health outcomes as well as significant savings to the public purse:

Look Ahead provides a 10-bed Crisis House service in Tower Hamlets. This is a 24/7 service which is designed to support individuals either living in the community who are experiencing relapse or crisis in their mental health but who cannot be safely supported in their own home, or who are in acute psychiatric beds but no longer requiring intensive clinical input in an inpatient setting and so would benefit from facilitated early discharge.

These individuals can access the service for up to 21 days and in exceptional circumstances this can be extended to 28 days. We have developed a range of highly effective practices for supporting and accelerating customers' recovery journeys which have delivered positive results for customers and significant financial benefits. Between 2010 and 2013 the cost of each positive move on reduced by 60% from £14,000 to £6,000 whilst positive outcomes increased by 81% over the same period.

Claire who is in her early forties was first diagnosed with bi-polar disorder 14 years ago. She lives alone in her own flat and receives floating support from Look Ahead. She has spent the last seven years out of hospital, managing mild episodes with medication and with support from her support worker and psychiatrist as and when required. In February 2013, following a combination of traumatic events Claire started to become unwell. With the support of her keyworker, Claire admitted herself to hospital where she stayed whilst her medication was adjusted and her condition stabilised. After three days, her psychiatrist felt that she no longer needed to be in hospital but would benefit from a slightly longer period of care before returning home. Claire was subsequently admitted to Look Ahead's Crisis House with the agreement of herself and medical staff.

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Claire stayed at the Crisis House for four days. Whilst there, staff supported her as she readjusted to the change in her medication, this included helping her to monitor her own mood and behaviour and encouraging her to interact with staff and other customers. The close proximity of the Crisis House to Claire's flat meant that with the support of staff, she was able to visit her home or go out in her local area, building on her sense of familiarity with the area. This was crucial to helping her visualise being well enough to settle back confidently into her own flat and be part of her local community.

At the point of leaving Crisis House, she was discharged to the care of the Home Treatment Team (HTT), who had worked with staff during her stay to jointly plan her discharge and on-going support strategy. Claire saw the HTT once a day for the next week and following this period of support she felt able to return to her voluntary work.

After completing the redevelopment of a property in Tower Hamlets in 2014 to deliver 19 self contained units as well as communal and office space, Look Ahead opened a 24 hour high support recovery service for forensic customers with the aim of improving customer outcomes. Most of the customers previously resided in out-of-borough placements and since opening the service we have saved the Local Authority over £304,000 in the first year as well as improving the outcomes for the customers.

DM is a 40 year old male with a primary diagnosis of schizoaffective disorder with an underlying antisocial personality disorder. He has an extensive history of poly-substance misuse and alcohol dependency. DM has over 87 criminal convictions; his index offence was 'wounding with intent to commit grievous bodily harm' (GBH). DM moved to our service in March 2014 from an out of borough residential placement which cost the Local Authority over £1,000 per week. DM is now completely abstinent from alcohol and all illicit substances and with the right care and support at our service, he has completed two NVQ qualifications in catering and hospitality, and mechanics at Hackney Community College. Having been under the Probation Service himself for many years, he is now working for the Probation Service as a volunteer peer mentor supporting other young men who are struggling to get off the cycle of criminal behaviour - because he has done so well Probation are now funding a vocational qualification for DM to become an accredited mentor.

6. Look Ahead's future plans for improving value for money

Continuing to deliver value for money to our customers and commissioners

Look Ahead's Business Plan 2015 was approved by the Board in March and clearly sets out Look Ahead's Corporate Strategy and Financial Strategy including our continued aim to improve value for money. The main areas we will be focussing on this year are as follows:

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- We will continue to deliver net contract growth by submitting bids for new services which offer the best value for money to our commissioners. Our five year financial projections show our intention to achieve a net contract growth of £2 million per annum.
- Look Ahead's new business development strategy was approved by the Board in March 2015. It identifies Look Ahead's key priorities for achieving future growth. This year we will be implementing some of the actions required to deliver these priorities.
- We will be reviewing and developing our asset management strategy to ensure it effectively supports the achievement of our key priorities identified in our business development strategy.
- In 2014/15 we implemented the London Living Wage and National Living wage and we will continue to adopt this approach to ensure all of our staff can achieve a decent standard of living. In addition to this we will be implementing other initiatives to achieve the goals set out in our workforce development strategy. This strategy, approved by the Board in February 2015 aims to improve recruitment, retention and the key skills of our staff which will ensure that we can continue to deliver high quality, safe services.
- We will continue to invest the funds generated by our investment portfolio in customer-led initiatives to improve our services and customer outcomes. We have increased the target funds from £200,000 to £250,000.
- We will implement some of the key actions identified in our IT strategy, including the upgrade or replacement of our housing management system and the implementation of access to WIFI for our customers. These activities will enable our social care and landlord businesses to improve customer outcomes and at the same time deliver efficiencies.
- We will continue to focus on improving quality, particularly in our CQC registered services. We will use our Quality Management system to work with managers to develop tools to improve standards and achieve outstanding levels of service delivery to ensure quality and improvement continues.
- We will be working with our Customer Services Committee to develop a new approach to customer feedback and we will use the expertise of our customer quality checkers to capture qualitative feedback about our services.
- We will work with our new maintenance contractors to improve service levels and levels of customer satisfaction.
- We will contain the level of overhead costs by delivering efficiencies and growth. Our financial projections show year on year improvements in our overhead rates with an overall aim to achieve a rate of 10% of turnover by 2020 which is the widely accepted benchmark for care and support contracts.

Improving the social and economic return on our property assets

As mentioned above, we will be reviewing and developing a new asset management strategy to support Look Ahead's overall aim to achieve sustainable and managed growth. There are several initiatives that we will be pressing forward in 2015/16 as part of our current asset management strategy to increase the social and economic return of our property assets:

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- We will continue to use our existing property portfolio as leverage to secure higher value social care services.
- We will complete the refurbishment of our hostel buildings in Slough to convert the accommodation to a high support forensic service, following Slough Borough Council's approval of our service model proposal.
- In Tower Hamlets we are considering use of a 6 unit block of accommodation to provide a learning disability residential care service which will bring in a high value contract.
- With our partners in Children Services in Newham, we are considering proposals for using a decommissioned building, Ibis House, for Teenage Parents.
- In Barking & Dagenham, we are working with the commissioners to develop three new services in one of our large buildings. The building is currently used to provide a low support service to young families and is due to be decommissioned in September.
- We are continuing to explore options to use our property stock in Ealing to deliver high value care services.
- We will be completing the sale of a care home in Surrey.
- We will complete the sale of the properties in Elmbridge to Paragon and Transform.

Improving our performance monitoring

In 2015/16 we are rolling out across the organisation an improved performance monitoring framework which will enable us to quickly disseminate and cascade business critical performance information down the organisation to improve accountability and ownership at all tiers. The framework focuses on our core business objectives and is closely tied in to the recently approved Business and Workforce Development Strategies which are central to our future success.

7. Conclusion

Look Ahead is a contract driven social business. Delivering value for money is absolutely central to our strategic business plan and to our business success. We continue to deliver value for money to our stakeholders, to our customers and our Commissioners. In order to deliver our vision successfully we must continue to deliver best value for money as compared to our competitors. This means combining competitive prices with the highest level of quality, and achieving the successful service outcomes that our commissioners require and our customers expect.

Published: 31 July 2015