



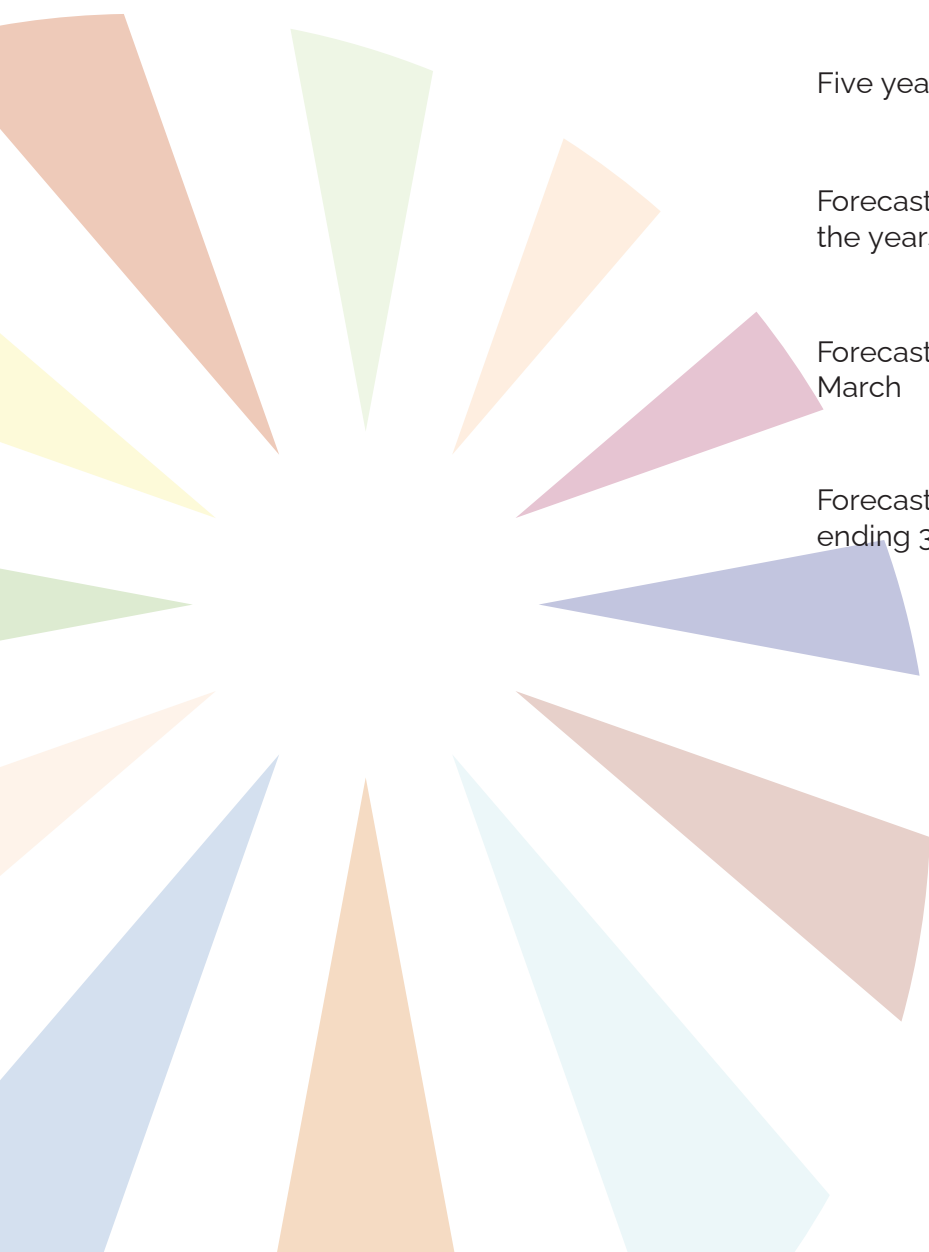
Look Ahead
CARE, SUPPORT AND HOUSING

Business Plan

2021

Contents

Introduction	3
Our mission, vision and values	4
Strategic objectives 2021	5
Looking ahead - our five year vision	6
Key Performance Indicators for 2021/22	8
Financial strategy	9
Five year financial forecast	10
Forecast income and expenditure for the years ending 31 March	11
Forecast balance sheet as at 31 March	12
Forecast cash flows for the years ending 31 March	13



Introduction

Look Ahead is a specialist housing association and provider of tailor-made care, support and accommodation services. We support thousands of people across London and the South East with a diverse range of needs, helping them to make individual choices, achieve goals and take control of their own lives.

With the right support, we know that our customers can realise their dreams and aspirations. Our customers are experts by experience - by encouraging individuals to identify and develop their own unique skills and abilities, we can support them to bring about positive change in both their lives and the people around them.

Who do we work with?

With over forty years in social care under our belt, we are experts through both practice and understanding. Today, we are proud to be the trusted partner of over 30 local authorities and health trusts, providing specialist support and care services for over 7,000 people every year with a wide range of needs, including:

- Mental health
- Learning disabilities
- Homelessness and complex needs
- Young people and care leavers

Whether it's working with someone to achieve a positive change or providing specialist care, Look Ahead's experienced and passionate teams are committed to delivering high quality services across social care, health and housing that support independence and help transform lives.

Through our annual business planning process, we drive our vision, mission and values forward through the delivery of our strategic objectives, reinforcing our commitment to supporting more customers to move forwards with their lives.

Our mission, vision and values

Our mission

Working with people to make choices, achieve goals and take control of their lives through high quality care, support and housing.

Our vision

Look Ahead will be a leading provider of specialist support and care services for people with complex and multiple needs, bridging the gap between social care, health and housing. We will have a solid reputation as a growing, solution-focused social care business that draws on the best of the public and private sectors. We will work in partnership, embrace digital innovation and maximise our property assets to deliver high quality, outcomes-based services in line with our values.

Our values

Excellence

We are committed to excellence in everything we do. The success of our organisation and, crucially, the successes and outcomes of the people who use our services, depends on our ability to deliver consistently excellent services that exceed expectations.

Aspiration

We are aspirational – for our customers, staff and organisation. We aim high, seek out opportunities and do not shy away from the challenges we face. We believe in identifying, nurturing and developing potential and creating a culture of recognition and celebration across the organisation.

Partnership

We know our organisation is stronger when we work in partnership with stakeholders, commissioners and – crucially – customers. Partnership between staff and people who use our services informs and influences everything we do. Through working together at every level, customers and staff will together design and deliver flexible, personalised and better services.

Trust

We will be an organisation with a strong social purpose. We will be trusted by our commissioners and funders to deliver the services we say we will. We will behave with integrity and transparency. We will be trusted by our customers to deliver on our promises and by their loved ones to deliver safe and consistently high quality services.

Strategic objectives 2021

Look Ahead will be a leading provider of specialist support and care services for people with complex and multiple needs, bridging the gap between social care, health and housing. We will have a solid reputation as a growing, solution-focused social care business that draws on the best of the public and private sectors. We will work in partnership, embrace digital innovation and maximise our property assets to deliver high quality, outcomes-based services in line with our values.

Strategic Objective 2022

We will collaborate and innovate to deliver an excellent customer offer that delivers positive, sustainable change

We will maximise opportunities for growth in existing and new service areas

We will be financially strong, enabling investment in our services, properties and people

We will develop an agile, diverse workforce, harnessing talent from within

Looking ahead - our five year vision

We will collaborate and innovate to deliver an excellent customer offer that delivers positive, sustainable change

- Our service delivery will be strengthened through partnerships between our staff, customers, housing, health and social care providers.
- We will be known for our safeguarding expertise and high quality specialist services for people with multiple, complex needs.
- Our customer offer will be shaped by what we know makes the biggest difference to customers' lives and the outcomes they achieve.
- We will champion innovation and embrace digital technology within our service delivery and properties.

We will maximise opportunities for growth in existing and new service areas

- We will maximise and build on our expertise in mental health, learning disabilities, homelessness and young people and care leavers.
- We will remain a regional specialist expanding our presence across London and the South East through business development, strategic business and property acquisitions.
- We will maintain a strong property portfolio by actively managing our assets through, purchasing, developing and refurbishing high quality property solutions, that meet customer, commissioner and our financial needs.
- We will position ourselves as a proactive, forward thinking organisation, agile in our approach to deliver solutions for the health and social care sector.

We will be financially strong, enabling investment in our services, properties and people

- We will improve our EBITDA and annual turnover aligned to our business plan.
- We will maintain a healthy financial reserve to evidence our stability.
- We will develop diverse funding streams within housing, social care and health to support growth and investment.
- We will optimise the future returns on our investments and property assets applying rigorous appraisal of all potential options for improving value for money.
- We will continually focus on efficiency ensuring our services offer clear value for money that we will measure and communicate.

We will develop an agile, safe, diverse workforce, harnessing talent from within whilst recognising the need to bring in external skills

- We will attract and retain the best talent, bringing together a wide range of different skills, professional backgrounds and lived experiences.
- A high proportion of our leaders will be developed and grown from within.
- Our leaders will have the freedom and autonomy to demonstrate innovation and creativity to meet local need.
- Our people will have access to the right tools and technology to enable them to deliver flexible, person-centred support that meets customer need.

Key Performance Indicators for 2021/22

Key Performance Indicator	2020/21 Target
% of all services achieving outstanding or good in quality audits	88%
CQC locations where one standard has been rated "inadequate" by CQC	0
% of units with a valid Landlord Gas Safety Record	100%
% of rent and service charges lost through voids	5.5%
% of spot purchase placements filled	90%
Net rent and service charge arrears of current tenants (low point in month)	6.0%
Gross growth	£5.6m
Net growth	£3.6m
Operating surplus	0.4%
EBITDA	4.1%
Staff leaving voluntarily as a % of total number of staff	23%
Agency staff spend as a % of total staffing spend (operations)	2.0%
% of staff who have completed their required safeguarding training	100%
% of reactive repairs completed within target times	90%
% of all services achieving "outstanding" in quality audit	10%

Look Ahead's performance monitoring framework measures business plan delivery against these key indicators. Performance is monitored throughout the year at all management levels at Performance Review Committee and Board and via the half yearly business review process.

Financial strategy

The financial plan fully supports Look Ahead's mission and financial strategy.

The financial strategy states that:

'We will effectively deploy Look Ahead's financial strength, its asset base and income streams, to grow our services and transform the lives of even greater numbers of vulnerable people'

Financial strength and viability

Our ability to deliver this is dependent on our continued long term financial strength and viability.

Financial objectives

Over the next five years we will effectively deploy our financial strength to:

- Pursue a strategy for sustainable and managed growth
- Re-invest surplus funds in developing and marketing new, innovative and high value personalised services that promote customer choice and independence and achieve the best outcomes for our customers
- Maximise the social and economic returns on our property assets by remodelling and leveraging them to deliver higher value quality care and support services
- Achieve value for money by driving an agenda for improving customer service and efficiency across our services and central support functions
- Proactively seek merger opportunities that strengthen Look Ahead's financial position, increase our social impact and enhance the outcomes for our customers
- Implement an investment strategy that maximises returns on cash invested within acceptable levels of risk
- Continue to employ a robust risk management strategy to secure long term financial viability and strength

Five year financial forecast

The financial forecasts for the next five years, based on Look Ahead's organisational objectives and corporate priorities, are set out in the following pages:

The key financial assumptions underlying the projections are as follows:

	2022 £'000	2023 £'000	2024 £'000	2025 £'000	2026 £'000
Consumer Price Index	-	1.8%	1.9%	1.9%	2.0%
Rent inflation	-	2.8%	2.9%	2.9%	3.0%
Average void rate	5.5%	5.5%	5.5%	5.5%	5.5%
Average bad debt rate	3.6%	3.6%	3.6%	3.6%	3.6%
Maintenance inflation	-	1.8%	1.9%	1.9%	2.0%
Spot Contract inflation rate	-	1.8%	1.9%	1.9%	2.0%
Block Contract inflation rate	-	0.0%	0.0%	0.0%	0.0%
LIBOR rate	0.18%	0.13%	0.23%	0.45%	0.52%

Forecast income and expenditure for the years ending 31 March

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Rents and service charges	27,630	28,258	29,057	29,723	30,460
Less rent losses (bad debts/voids)	(1,520/995)	(1,554/1,017)	(1,598/1,046)	(1,635/1,070)	(1,675/1,097)
Net income from rent & service charges	25,116	25,686	26,413	27,019	27,688
Contract income	48,346	53,783	58,237	64,885	70,666
Other income	2,112	2,150	2,191	2,233	2,277
Total income	75,573	81,619	86,840	94,137	100,631
Operating salary costs	33,556	35,831	38,884	43,312	47,141
Other direct costs	25,844	28,049	29,129	30,519	31,700
Central support costs	11,174	11,629	12,156	12,445	13,056
Contingency	570	509	519	529	539
Operating costs	71,144	76,018	80,688	86,805	92,436
EBITDA	4,430	5,601	6,152	7,331	8,195
<i>EBITDA %</i>	<i>5.9%</i>	<i>6.9%</i>	<i>7.1%</i>	<i>7.8%</i>	<i>8.1%</i>
Amortisation of social housing grant	(888)	(891)	(893)	(894)	(897)
Goodwill	(195)	(195)	(195)	(195)	(195)
Total depreciation	(3,336)	(3,755)	(4,027)	(4,127)	(4,454)
Net interest and other financing costs	(91)	(116)	(166)	(179)	(179)
Net surplus	1,695	2,425	2,656	3,725	4,264
<i>Net surplus %</i>	<i>2.2%</i>	<i>3.0%</i>	<i>3.1%</i>	<i>4.0%</i>	<i>4.2%</i>

Forecast balance sheet as at 31 March

	2022 £'000	2023 £'000	2024 £'000	2025 £'000	2026 £'000
Fixed assets					
Housing properties at cost	157,448	165,811	173,227	181,035	188,878
Less: Depreciation	(20,923)	(22,913)	(25,202)	(27,844)	(30,851)
Net property costs	136,525	142,898	148,025	153,191	158,027
Other fixed assets	11,299	11,299	11,299	11,299	11,299
Investment properties	7,430	7,430	7,430	7,430	7,430
Financial investments	39,000	39,000	39,000	39,000	39,000
Total fixed assets	194,254	194,254	194,254	194,254	194,254
Current assets					
Debtors	811	834	858	883	909
Cash at bank and in hand	1,014	1,014	1,014	1,014	1,014
	1,825	1,848	1,872	1,897	1,923
Creditors					
Amounts falling due within one year	(9,330)	(9,591)	(9,869)	(10,156)	(10,460)
Net current assets	(7,505)	(7,744)	(7,998)	(8,259)	(8,537)
Total net assets	186,749	189,613	190,229	191,805	194,307
Creditors					
Unamortised Grant	70,844	70,894	70,001	69,107	68,209
Pension Past Deficit Liability	5,184	3,769	2,354	939	-
Other amounts falling due after more than one year (includes loans)	16,723	17,763	16,766	16,280	15,751
Capital and reserves					
Restricted reserves	149	149	149	149	149
Revenue reserve	93,849	97,038	100,959	105,331	110,198
Total financing and reserves	186,749	189,613	190,229	191,805	194,307

Forecast cash flows for the years ending 31 March

	2022 £'000	2023 £'000	2024 £'000	2025 £'000	2026 £'000
Net cash inflow from operating activities	4,430	4,425	4,987	6,172	7,529
Interest received	26	47	64	84	100
Interest paid	(266)	(303)	(360)	(382)	(390)
Net cash flow after interest	4,189	4,169	4,691	5,874	7,239
Fixed assets expenditure	(12,334)	(8,872)	(10,702)	(8,971)	(9,029)
Cash transferred from Investments	4,167	2,722	4,311	3,583	2,319
Loan agreements	955	1,041	(997)	(486)	(529)
Proceeds from sale of property	-	-	2,697	-	-
Increase/(Decrease) in cash	(3,022)	-	(0)	(0)	0
Cash balance brought forward	4,036	1,014	1,014	1,014	1,014
Cash balance carried forward	1,014	1,014	1,014	1,014	1,014



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