

AFFINITY SUTTON
VALUE FOR MONEY
STATEMENT 2014/15

AFFINITY SUTTON VALUE FOR MONEY STATEMENT 2014/15

1. This is the third Value for Money report we have published. As with previous years this report sets out our overall approach to securing value for our residents and investors. It expands on headline information contained within the annual report and financial statements and it sets out what we have achieved over the last 12 months, and our ambitions for the future.





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OUR OVERALL APPROACH

2. Affinity Sutton Group has always taken value for money seriously. We believe in delivering good quality services at the best available price. This philosophy has been at the heart of our business strategy for many years. The group can trace its origins back to the legacy left by our founder William Sutton at the turn of the last century. Today we are a charitable group owning in excess of 57,000 homes across England, concentrated in cities and populous places in accordance with our founder's original legacy. Last year we built 1,436 new homes, exceeding our own plans by 400. With the country facing an unprecedented housing shortage we consider it to be fundamental to our charitable objectives to utilise the maximum resource we can from our business to deliver new homes, and over the next 10 years we planned to build 12,500 homes. However the combined effect of the changed rent regime imposed by the government in the last Budget and the uncertain impact of the proposed Right to Buy extension means that we will not now be able to achieve this house building programme. Efficiency in running our business will help release the resources we need to build some homes, but we also believe that consolidation within the social housing sector would also release much needed capacity to increase the supply of new homes. Our response therefore is to be as efficient and effective as we can be, but also to look for opportunities to grow through merger.

OUR FINANCIAL STRENGTH

3. This year the Group made a surplus of £124m on a turnover of £430m which exceeds any we have generated before. In 2012/13 we made a surplus of £75m on a turnover of £320m. Delivering a strong financial performance is critical as it enables us to reinvest in our homes, provide services to our existing residents and fulfil our mission to provide new homes for those who cannot access decent quality, affordable accommodation. This year the Group invested £37m in capitalised major works, a long term investment in existing homes, and £109m in new homes net of grant. The group targets a reduction in operating costs annually and this year we have again delivered a real reduction in operating costs of £20 per home. This is achieved despite some very challenging pressures which have seen real increases in costs incurred by the business. Attached to this return is a listing which illustrates the efficiencies the business has delivered this year, many of which will generate continuing savings in future years. We estimate the business delivered efficiency savings this year of £7m and procured goods and services which will result in savings in future years of £8m. We delivered a further £103m in savings which directly benefitted our residents through work schemes, debt advice, welfare benefits advice and improvements to the energy efficiency of their homes. This report contains specific examples of savings we have achieved and initiatives we have undertaken which have added value.

INVESTING IN NEW WAYS OF WORKING

4. Over the last 24 months we have been investing in a substantial group wide change programme to transform the way in which we will deliver front line services. A key component of this strategy is the replacement of our existing systems with an enterprise resource planning system. We have recently completed a 9 month OJEU compliant procurement and announced that we have appointed Hitachi Solutions Europe to work with us to supply a Microsoft system. This programme of work will take 3 years to implement in full, but we believe the benefits in terms of customer capability will be evident within 18 months. As our residents increasingly use self serve in all other aspects of their lives it is now possible for their landlord to offer a fully digital service. The importance of securing value for money is well understood throughout the business, by staff, executive and board. Our investment in new systems is an example of the long term nature of the decisions we take in order to remain at the forefront of the market.



A more responsive front line housing service



KIRSTEN WILDMAN

ASSISTANT HEAD OF HOUSING – PROJECTS

The introduction of iPads for Housing Officers has allowed us to provide a more responsive front line housing service, and we can deliver services directly to customers in their homes at a time that is convenient to them.

The iPad is fully integrated with our IT systems, giving us the ability to access our housing systems remotely. Many of the forms used by NHOs have been adapted for use on the iPad, allowing us to significantly reduce our paper consumption.

Staff can be more efficient in their day to day work and many have commented that they can be more productive with their time now; they can work when they are waiting in court, travelling on trains or between visits.

View our film about iPad use [here](#)

OUR ASSETS

5. The Group has homes which date back to the turn of the last century. We also own stock transferred from local authorities including homes built in the 1950's, 60's and 70's. It is not always the oldest stock which demands the greatest investment. In 2012/13 we commissioned Savills to work with us to develop a comprehensive understanding of the homes we own, their future reinvestment needs, and their forecast return over 30 years. Following the Savills review of the financial performance of our stock, the eFin and eQual models were developed as tools to enable the business to track the impact of the interventions we make in our stock as well as to help us identify estates that require interventions and target those interventions according to need. Using this process, as well as gathering other drivers such as staff and resident reporting specific issues, we have been able to target our investment to those estates which need it the most and will now be looking to monitor the impact. Specific projects that have resulted from this process include in Bradford where we have converted flats that we were struggling to let and which were affecting the performance of the estate into two-bedroom houses. These were completed late 2014 and will now be monitored to record any improvement in lettings. The Newton Le Willows estate was another that was identified as poorly performing by these models. A large-scale regeneration project was integrated with the existing major works plan for this estate to ensure as little disruption for residents as possible. This was completed Spring/Summer 2014. The initial feedback has been excellent from staff, residents and local stakeholders. We are now monitoring whether the formerly poorly performing flats have improved in terms of turnover and re-let times.

6. The majority of our homes are in asset groups where the projected planned maintenance and running costs are less than the anticipated rental income, generating a positive return over 30 years. Only 4,700 (12%) of our properties have negative or marginal net rates of return over the same period. This has enabled us to develop a new asset management strategy which encapsulates the opportunities and challenges that we face in keeping our homes in good condition.

7. This year we have undertaken stock appraisals of our supported accommodation, our key worker homes and those homes we own in Local Authorities where our total holding is less than 50 homes. As a result we have decided to explore whether we should continue to be a provider of accommodation specifically designed for the elderly. Or whether there might be more economic ways of providing this service using the resources of partner specialist providers. We have also decided we will continue to provide key worker accommodation, and we are satisfied that our homes in local authority areas where we have only a small holding perform well, do not provide a drain on resources and residents are satisfied with the services we provide.

8. A review of some of our most challenging estates has led us to prioritise significant investment in the next 5 year business plan cycle. As a major landlord we have a responsibility to ensure that our homes remain fit for purpose. This can be challenging particularly when we aim to fund reinvestment and regeneration work from our own resources without recourse to long term borrowing. Each estate we have identified for regeneration has different long term needs but all require capital funding. In some cases the rental income that can be derived from these estates is less than the cost of the works. In these cases we look to subsidise the work, using resources from our private sales to assist in funding. Regeneration of estates in London is difficult and not always popular with local communities. Our approach is to work closely with our residents and the local authority to propose schemes which are sympathetic to the locality and which make economic sense.

9. Based on stock condition surveys we plan to spend £46m on planned major works to 15,000 existing homes next year. This year we spent £49m. This level of investment means that our homes meet the Decent Homes Standard with failing and ageing components replaced in the year they fall due. About 4,500 homes each year fail some aspect of the decent homes standard which requires rectification in year. This year we made £500k saving on the agreed final account for a regeneration scheme in Lewisham; and we secured £150k as our share of savings on the agreed final accounts with our investment contractors in the Midlands and North. With new contracts mobilised in the South and Bromley last year we expect to be able to share in future savings on these accounts as well.

10. Our overriding objective is to keep our homes in a lettable and serviceable condition, however we realise that over time homes may become uneconomic to rent, or may simply be unsuitable to let on social tenancies. We aim to have the best available information so that we can secure the best long term return from our assets. This year we generated receipts of £3m from disposals of homes which were no longer suitable for social housing lettings.

NEW HOMES

11. We have for many years been a large scale developer of new homes. Over the last few years we have delivered an annual programme of c1,000 homes, focussed largely but not exclusively in the South East and London. Before the recent Budget our plan was to build 12,500 new homes excluding regeneration over 10 years. We are reviewing our long term plan in the light of the rent cuts imposed by government, but it is clear we will build far less new homes than we had planned.

12. We have a programme to deliver procurement efficiencies and we continuously review services and costs. We have a dedicated procurement team who manage procurement projects across the Group as well as producing policy and procedures, monitoring the market for trends and providing best practice advice. The Procurement Team provide guidance and support across the organisation, covering strategy, guidance and contract management advice. Since 2009 the cumulative savings delivered through procurement efficiencies exceeds £25m.

13. The Procurement Team's work with Development includes advice on consultants' framework, working with employer's agents on QJEU projects and the best way to help achieve efficiencies through the tender process. Standard documentation has been produced for consultants to use. Methods of recording procurement process outcomes and performance of contractors are regularly reviewed to analyse and apply the market knowledge to future procurement.

14. We have existing Framework agreements in place with Employers Agents and Architects. A new Framework Agreement is now in place for Valuation services and arrangements for CDM services are under review following the introduction of the new CDM Regulations 2015 on the 6 April 2015. The aim of all of the Frameworks is to deliver services below the cost ceiling whilst maintaining quality outcomes. These agreements have fixed fees for the period of the framework, bringing not only greater cost control but also the benefits of streamlined working processes, closer working relationships and access to a wide pool of experience to facilitate continued improvement. The Employers Agent, Architect and CDMC frameworks will be re-tendered over the coming 12 months with a view to generating further opportunities for innovation and best value. A number of our consultants have brought us projects which we have been able to progress, thus boosting our development pipeline. We also have in place a Solicitors' framework and a Valuers' framework to drive forward efficiency, quality and consistency, this has resulted in recurring annual savings of £110,000.

15. We require our main contractors to manage the supply chain to ensure continuity of supply, innovation and cost control. As part of our procurement processes, we review the supply chains of all stakeholders and require them to state how these will support the delivery of the contract. This is illustrated by our approach to three joint ventures currently on site in London and Sussex where each work package is reviewed in detail to obtain best value. Our Employers Requirements include a schedule listing preferred materials and components, including specification of doors, windows, heating systems and sanitary fittings, together with a list of preferred suppliers. Alternative suppliers are considered upon application by the contractor, providing an equal or higher standard and quality will be delivered. This helps maintain a degree of product consistency and quality, whilst also reducing future maintenance costs.

16. In 2010 the Group established Affinity Sutton Professional Services. This is a build and design company to deliver one stop professional services to development which optimises the usage of our VAT group arrangements. We have saved £3.5m in VAT on development scheme costs, using this company.

17. Benchmarking against the performance of the g15 London developers shows that our new build acquisition and works costs are competitive within the peer group. However, like others we have seen tender prices increasing this year and with both contractors and volume house builders reporting difficulties due to increasing costs, labour shortages and the availability of materials. This has been most evident in London and the South East where full order books have meant less appetite from contractors to bid for new work. Anecdotal reports have been supported by BCIS statistics which have shown quarterly costs increases of up to 6.9% during the last year. Continued cost increases are also illustrated by the average cost of new Affinity Sutton homes in relation to HCA/GLA programmes. For the 11-15 bid the average cost per unit was estimated at £179,000. During the course of the programme the actual average cost increased to £185,000. For the 15-18 bid the average cost was estimated at £198,000 per unit and actuals are indicating a further increase to £218,000. In response, we are endeavouring to mitigate inflationary pressures by continuing to undertake value engineering exercises on new developments to achieve savings through more efficient design and material specification. For example, we have recently achieved savings of £1m on a large regeneration scheme in Ealing and £45,000 on a small rural scheme in Sussex. This work is undertaken with the aim of maintaining quality and the rate of customer satisfaction which is currently in excess of 85%.

INVESTMENT IN COMMUNITIES

18. Each year the Group funds £4m of Community Investment projects and this year secured matched funding and support of £1.4m to support projects in neighbourhoods where we are the predominant landlord.

19. During the year the programme achieved efficiencies of 10% whilst still supporting a record number of people in the areas where we are a significant local landlord. Our Ready2work employment service helped a record 904 people into work, 81% of whom remain in work for longer than 6 months, 82% of clients were residents. In addition a record 104 apprenticeships were provided and, 2,822 training outcomes delivered for residents by the 'Ready2work' team. We created partnerships with over 30 local and national employers to place our residents into work and successfully delivered the government's Work Programme in Bromley supporting 125 long term unemployed people into work.

20. The Group established the first national partnership between a Housing Association and a Credit Union (Leeds City CU) in 2013 and this year it continued with 511 new credit union accounts taken up. Our 'Money Matter's' service helped save residents an estimated £4.3m. 1,004 affordable loans were provided to residents; and 1,637 residents were referred for free debt advice; and 3,875 residents received financial capability support.



I can't thank Affinity
Sutton enough
for providing this
opportunity for me



MARK

Mark, 22, had bad experiences of care and school, had no qualifications, dyslexia and depression and the challenge of trying to support a new family.

Ready2Work supported Mark with pre-employment training and he is now studying Animal Care with a view to becoming a Veterinary Practitioner.

"I can't thank Affinity Sutton enough for providing this opportunity for me. I've struggled so much in my life and you guys were the first to stick with me and work out what I really needed. I never thought I would achieve something like this"

21. During the year we helped 3,824 residents to get on-line through our Get connected service. 7,450 young people benefitted from local sports and arts projects. Six programmes for young residents aged between 16 and 25 enabling them to become community ambassadors in their neighbourhood were completed around the country and a 2nd cohort of National Ambassadors started their programme. Our youth programme was recognised with a 'Charity Times' national award for best practice.

22. We supported 50 community centres to be the focus of activities for their communities and supported a further 8 to transfer into long-term community management. A total area of 18,000 sq metres of community land and buildings were improved for the benefit of local communities.



I truly believe that
without this course
I may not have
dared go ahead



LISA

Lisa, a former victim of domestic violence and a single mother of four was a trained seamstress.

Ready2Work supported her with business start up training and awarded her a £1,000 grant from its business start up fund to set up by herself.

"I had no idea how to start a business or any idea of what questions to ask and who to ask them to. I had no capital to invest and I am alone parent of four children. It felt like an impossible task. I truly believe that without this course I may not have dared go ahead with this business idea, and I am confident that having done it I wouldn't be on such a sound footing as I am today."

23. The value that communities derive from this investment can be difficult to quantify, so we have been working with HACT to develop a set of financial values which can be attributed to particular interventions. This work has been well received by other landlords as a tool to measure the impact that community investment has on peoples' wellbeing. This work has assessed the value of the achievements listed above. In this year alone it is the equivalent of £70m, an increase of £12m from last year. With a reduced budget for CI this has improved the cost:benefit ratio from 1:13 in 13-14 to 1:14 in 14-15. Just over half of the increase relates to further work we have done with HACT which has enabled us to widen the areas in which we can assess our social impact, in particular the health benefits of CI activities, whilst the rest is down to higher performance. These benefits directly impact on our residents and the communities they live in and we are very proud that this work has helped to improve and transform their lives.



PROCUREMENT

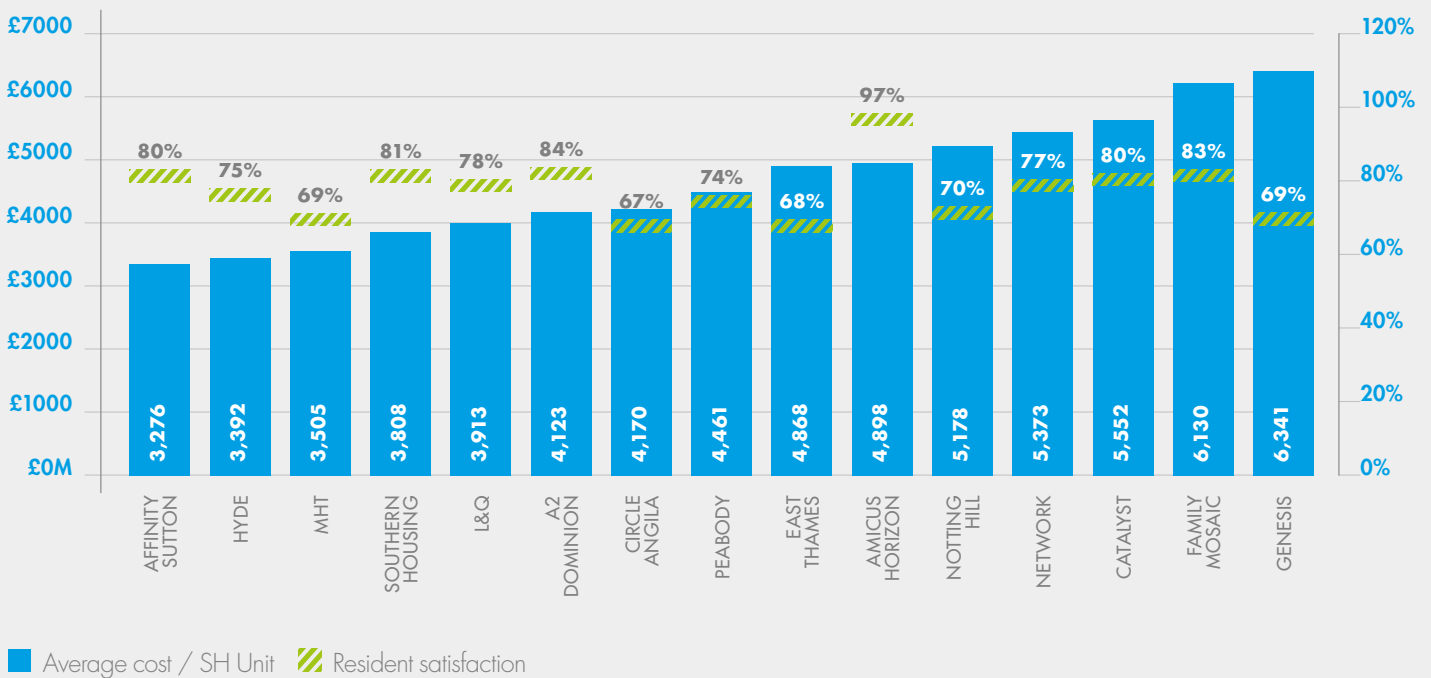
24. The group maintains a savings register which is independently verified and which lists all savings achieved through procurement. Procurement savings translate into budget reductions or fund additional activity. In 2015/16 budgets have been reduced from savings made in procurement activity in previous years.

25. Total cash savings achieved through the group's procurement activity for 2014/15 stand at £1.9m. Procurement aims to ensure value for money is achieved at the awarding of contracts and extends to strategic delivery. We expect to deliver additional value from the tender process as well as the ongoing contract management.

FINANCING

26. This year we have again maintained the highest credit rating score in the sector, a position enjoyed by only two other landlords. This reflects the underlying financial strength of the organisation, a position we remain committed to maintaining. This year we undertook a review of our key financial measures, our golden rules and reduced them from 10 to 7.

SOCIAL HOUSING LETTINGS OPERATING COST PER UNIT & RESIDENT SATISFACTION



Amongst those measures is an expectation that operating costs will reduce year on year as a key indicator of efficiency. Above is an extract from the 2013/14 benchmarking report which measures the performance of the 15 large London developers which shows that we achieved the lowest operating cost in the group, but customer satisfaction remained at our target level and 6th within the peer group.

27. We were part of the Housemark performance data set for 2013/14. This gives further insight to the areas which contribute to our overall operating costs. Performance this year is set out in the table below which shows good overall levels of performance and improvements on the last year in four areas, and only one area, major works, showing worsening performance relative to the others in the group. Performance in this area has remained stable with the same amount of investment committed as previous years.

EFFICIENCY SUMMARY FOR AFFINITY SUTTON			
BUSINESS ACTIVITY	COST KPI	COST KPI QUARTILE	
		AFFINITY SUTTON (2013/2014)	AFFINITY SUTTON (2012/2013)
Overheads	Overhead costs as % adjusted turnover	Upper	Mid Upper
Major Works & Cyclical Maintenance	Total CPP of Major Works & Cyclical Maintenance	Mid Lower	Mid Upper
Responsive Repairs & Void Works	Total CPP of Responsive Repairs & Void Works	Mid Upper	Mid Lower
Housing Management	Total CPP of Housing Management	Upper	Mid Upper
Development	Staff involved in standard units developed per 100 units	Mid Upper	Lower
Estate Services	Total CPP of Estate Services	Mid Upper	Mid Upper

TRANSPARENCY AND SCRUTINY

28. This year we have published a range of information about our spending, both on our web site and in our annual report. As part of our commitment to transparency, we will continue to keep this under review with the aim of increasing the amount of information we make available as well as consulting with our residents about the information we publish.

29. Our web site contains details of payments to our top suppliers, the pay and reward offered to our staff and board, key statistics and performance information, action taken to combat tenancy fraud, delivery performance on our affordable homes programme, our current regulatory rating, our code of conduct and the results of resident scrutiny. We have done this to demonstrate to our residents the services we provide and the cost of providing those services.

30. Following last year's launch of the resident led Regional Scrutiny Boards (RSBs), the Group continues to support and develop the RSBs in a programme of work which examines performance in core areas of the business and making service improvement recommendations to the Board.

31. Positive outcomes during the year have included;

- Scrutiny of a partnering repairs contractor's 'first time fix' procedures
- Scrutiny of the way Affinity Sutton delivers its front line housing service
- Scrutiny of how the Affinity Sutton contractors provide services to vulnerable residents



LOOKING FORWARD

32. Our main efficiency tool will continue to be a focus on bearing down on costs and expecting operating costs to rise at a rate less than inflation. However to maintain our efficiency and effectiveness as a leading sector provider we are expecting to invest substantially in our IT systems over the next three years. This will have an impact on our cost base, but it is essential investment if we are to realise our ambition to remain a leading provider of good customer services. We know that in the future our residents will expect to be able to transact with their landlord through self serve on line channels. Our investment in IT will make this a reality for our customers, and will lay the foundations for more efficient delivery of services, enabling us to deliver value for money for our residents.

APPENDIX

Examples of 2014/15 efficiencies:

Efficiencies	£7,167,608.55
Future Efficiencies	£8,062,366.55
Residents benefit	£102,600,483.00

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Asset Sustainability	Three projects to switch 64 properties to high performing gas boilers. Reduced residents' fuel bills by an estimated £225 per household per year.	£42,241.00		Residents benefit
Community Investment	Money saved in interest payments by diverting residents to low cost loan providers plus other savings such as reductions from warm home discount.	£633,000.00		Residents benefit
Community Investment	Referral to free (to end user) debt advice to residents – historic debt written-off.	£9,580,000.00		Residents benefit
Community Investment	Digital Inclusion – Get Connected programme to promote internet use and generate residents savings from being online.	£1,110,000.00		Residents benefit
Community Investment	Free debt advice reduces ongoing payments by residents to repay their debts. Helping residents manage their money better through free debt advice which saves them money.	£2,580,000.00		Residents benefit
Community Investment	Savings in benefit payments by supporting the unemployed into work.	£7,861,000.00		Residents benefit
Community Investment	Social Impact measurement tool developed with HACT – helps quantify cost/benefit ratio, and our impact to society and target resources to maximise social value.	£70,460,000.00		Residents benefit
Community Investment	Further development of HACT social value model has enabled us to identify wellbeing impact in 2 further areas – Health impact of CI (included above) but also the impact of housing the homeless.	£8,080,000.00		Residents benefit
Asset Sustainability	Four projects to install cavity wall insulation to medium rise blocks of flats affecting 111 properties.	£131,732.00		Residents benefit

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Asset Sustainability	Set up nationwide Service Level Agreement with external provider of loft and cavity insulation. Reduced residents' fuel bills by an estimated £70 per year for cavity insulation and £15 per year for lofts.	£13,000.00		Residents benefit
CBS	Initiative to repair fogged sealed double glazed units rather than renew.	£40,000.00		Residents benefit
CBS	Contained increased annual cost of responsive maintenance within PPP of £399.	£240,000.00		Residents benefit
Asset Sustainability	Programme of solid wall insulation to 35 Affinity Sutton properties in Orpington. Improved energy performance and SAP score of properties, reduced residents' fuel bills by an estimated £275 per year.	£39,250.00		Residents benefit
Asset Sustainability	Programme of solid wall insulation to 50 Affinity Sutton properties in Plymouth. Improved energy performance and SAP score of properties, reduced residents' fuel bills by an estimated £140 per year.	£17,000.00		Residents benefit
Customer Accounts	Welfare Benefits focus on arrears reduction.	£1,773,260.00		Residents benefit
Reward	Increased expenditure by salary exchange from individuals' salaries by £91,700 in the 2014 Additions window, generating an increase in the employer's National Insurance saving.	£31,800.00		Efficiency
New Business Finance	A restructure of Corporate Finance team has led to savings of staffing costs.	£50,000.00		Efficiency
Business Intelligence	Staff restructure in Data and Business Intelligence team reduced staffing costs.	£75,000.00		Efficiency
Development – Sales	A review of marketing methods and agency fees to identify efficiencies. Procurement activities to negotiate preferential rates and secure value for money.	£100,000.00		Efficiency
Community Investment	Community Assets – better use of existing local facilities has saved need for new build community centre on Leybridge estate, Lewisham.	£600,000.00		Efficiency

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Community Investment	Digital Champion volunteers delivering training to get residents online. Approx. 2,000 volunteer led sessions will be delivered by the end of the financial year.	£22,000.00		Efficiency
Community Investment	Ready2work impact on arrears. Newly employed residents average arrears decrease from £690 to £454, a saving of £236 per household.	£174,942.00		Efficiency
CBS	130 Tablets "free issued" to Contract Managers and MTO's. Recycling of 130 obsolete PDA units. A one off cost saving on purchase of tablets of £45,000. An annual financial benefit of approx. £15,000 to the budget due to reduced travel, printing, and stationery.	£60,000.00		Efficiency
Commercial Operations	Local letting agent finders fees no longer incurred on hard to let key worker accommodation and market rented lettings. Credit check fees no longer incurred due to centralised voids and lettings process.	£16,368.00		Efficiency
Financial Services	Since 2010 ASPS has been established as the group's Design and Build contractor, taking advantage of the relevant VAT law where professional services supplied alongside new build residential works are also subject to the 0% VAT rate.	£939,397.78	£557,000.00	Efficiency
Asset Sustainability	Savings made on quote for contract to carry out Property Stock Condition Survey by requiring company to validate data rather than compile.	£10,000.00		Efficiency
Business Systems	Re-harvesting of Data Centre software licences.	£34,174.00		Efficiency
Business Systems	Review and subsequent cancellation of Annual Licence Fee, Maintenance and Support contracts of software systems that are no longer being used.	£17,031.00		Efficiency
20/20, Corporate Responsibility Management	Change of default printer settings to black & white duplex.	£175,000.00		Efficiency

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Local office review project	Local office review project A number of local estate offices closed and disposed of or converted, savings on running costs and income generated from sales and leasing out units.	£76,000.00		Efficiency
Community Investment	Community Fit Project – ‘retro fit and ‘green’ technologies installed in Community Centres reducing energy bills.	£10,000.00		Efficiency
CBS	Improved work scheduling and productivity of trade staff through consolidation of planning team and replacing Optitime with DRS software.	£50,000.00		Efficiency
Marketing and Strategy	Reduction in printing costs by moving Shine and ‘You Said we Did’ leaflet online. Through economies of scale and one print supplier and generally increasing our digital communications we have saved a total of £100k over the last two years.	£28,200.00		Efficiency
20/20, Corporate Responsibility Management	Replace current lighting technologies with LED lighting.	£10,000.00		Efficiency
Office Services	The decision to use digital communication instead of paper at every opportunity i.e. rent statements, pay slips, the residents magazine, etc.	£210,000.00	£150,000.00	Efficiency
London	Handy person – employed environmental handyman for tasks such as rubbish & bulky waste disposal instead of buying in services.	£16,800.00		Efficiency
Various	Savings made through Procurement process in regards to Multi-Year contracts.	£43,866.30	£103,923.89	Efficiency
Various	Savings made through Procurement process in regards to 1 year contracts.	£250,345.57	£54,196.72	Efficiency
Community Investment	Community Grants Programme – outsourced to specialist provider savings on costs of running similar programme in house.	£30,000.00	£30,000.00	Efficiency
Strategic Research	Saving on consultancy fees and Management Accounts’ time by automating finance reporting to budget holders.	£15,000.00	£5,000.00	Efficiency

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Strategic Research	Savings through improved efficiency and competitive research procurement processes	£38,500.00		Efficiency
Resident Involvement	Negotiated cost for the venue for the 2014 NRC.	£23,931.00		Efficiency
20/20, Corporate Responsibility Management	Change of corporate travel booking service removes admin fee per journey.	£10,000.00		Efficiency
Housing operations – South region	Retendering of the south communal cleaning and window cleaning contracts, reduced costs and contract numbers requiring less management time.	£40,703.74	£610,556.09	Efficiency
Housing operations – North and East	Retendering of the East neighbourhood 3 grounds maintenance service.	£35,807.52	£107,422.56	Efficiency
Reward	Taking “in house” all face to face communication activities associated with the roll-out of Additions 2014 (and subsequent roll-outs). Previously we commissioned independent financial advisers to front such sessions.	£12,800.00		Efficiency
Learning & Development	Launch of a new e-learning system with an increasing number of modules which are used to replace, either fully or partially, conventional classroom training.	£200,000.00		Efficiency
Supported Housing	Retender alarm monitoring contracts.	£30,000.00		Efficiency
North and East Housing	Reviewed the concessionary garden maintenance list, which provides free grass and hedge cutting in Hertsmere.	£27,000.00	£108,000.00	Efficiency
Planned Investment	OJEU procurement for long term partnering agreement to carry out major works in the South (won by Mears) & Bromley area (Breyer).	£760,000.00	£3,040,000.00	Efficiency
Planned Investment	Keepmoat extension – efficiency/shared savings from our partnering contract; Partnering contract with Keepmoat extended for further 5 years.	£345,000.00	£1,380,000.00	Efficiency

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Planned Investment	Rebate from our national painting contractor based on volume of work they carry out.	£89,000.00	£180,000.00	Efficiency
Service & Compliance – Operations (N)	Challenged fire detection contractor to make cost efficiencies following asset reconciliation work undertaken.	£40,000.00	£40,000.00	Efficiency
Service & Compliance – Operations (N)	Negotiated with lift contractors to reduce a proposed 15% uplift in costs allowed within the context of the contract (LEIA indices).	£57,800.00	£231,200.00	Efficiency
IMS	Improved WAN network with higher access speeds and at a lower cost.	£200,000.00		Efficiency
Community Investment	E-learning courses – greater use of on-line training which is much cheaper than face to face.	£96,481.00		Efficiency
Community Investment	Internal recruitment – by recruiting residents directly we are saving on advertising and recruitment costs.	£18,900.00		Efficiency
Customer Accounts	Residents using Civica at a reduced cost per transaction to make payments.	£14,522.00		Efficiency
Community Investment	Value of activity provided by partner organisations at no cost to ASG (matched funding and grants).	£1,149,000.00		Efficiency
Community Investment	Fundraising role to raise external funds for community programmes.	£289,000.00		Efficiency
Business Intelligence	New reports created with use of Promaster avoided consultancy costs.	£27,000.00		Efficiency
Business Intelligence	Saving on consultancy fees and Management Accounts' time by automating finance reporting to budget holders.	£15,000.00		Efficiency
Community Investment	Continued focus on productivity and efficiency has enabled employment service to support more people into work for the same cost as last year.	£517,000.00		Efficiency

TEAM	WHAT ACTION WAS TAKEN	EFFICIENCIES 2014/15	FUTURE EFFICIENCIES	EFFICIENCY/ RESIDENT BENEFIT
Business Intelligence	Savings on consultancy fees to develop ASB reporting capabilities.	£10,000.00		Efficiency
Operations – Property Services	Increased value from the Tersus asbestos surveying contract.	£9,400.00	£441,800.00	Efficiency
Operations	During the financial year 2014/2015 the Leasehold team was disbanded and a number of posts made redundant.		£56,000.00	Efficiency
Commercial	Realignment of CI budget to investment returns from Community Foundation.		£400,000.00	Efficiency
Commercial	Finance Assistant post deleted from commercial operations team structure reduced annual staff budget.		£20,000.00	Efficiency
Housing	Retendering of the Yorkshire grounds maintenance service.		£42,725.28	Efficiency
Housing	Retendering of the Stevenage grounds maintenance service.		£40,993.20	Efficiency
Housing	Retendering of the Herts mere grounds maintenance and concessionary garden service.		£355,079.09	Efficiency
Housing	Retendering of the Bracknell grounds maintenance service.		£28,469.72	Efficiency
Housing	Reduction in use of ASB case management services due to new policy & procedure and training implemented during 2014-15.		£28,000.00	Efficiency
Operations – Property Services	Procurement of a national contract with one contractor providing all Portable Appliance Testing.		£12,000.00	Efficiency
Commercial	Calling tenants ahead of arriving to carry out work reduced number of jobs unable to complete as tenant not available.		30,000.00	Efficiency
Commercial	Purchasing plant and equipment where it is more cost effective than hiring.		10,000.00	Efficiency



Affinity Sutton

Affinity Sutton Group Limited

Charitable Registered Society under the Co-operative and Community Benefit Societies Act 2014 No. 28038R
Homes & Communities Agency No. LH4087

Registered office:

Level 6, 6 More London Place
Tooley Street, London, SE1 2DA

www.affinitysutton.com