Value for money
Report 2018

Crown Simmons

The Regulator of Social Housing has introduced a standard set of value for money metrics to capture performance across the housing sector in a fair and comparable way.

Performance against the Regulator's published metrics over the last three years

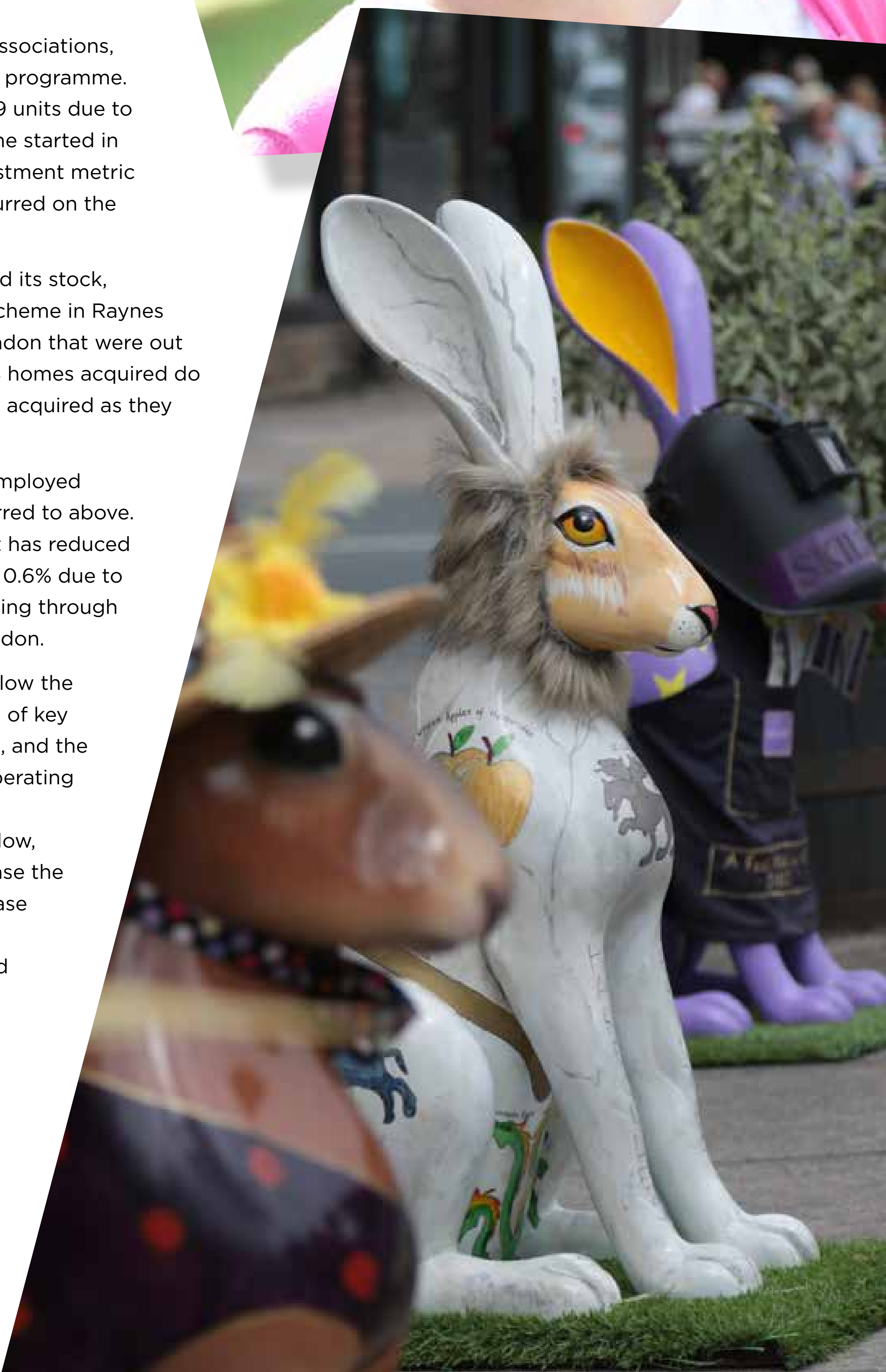
	Metric	Benchmark (SPBM Quartile)	2016	2017	2018
1	Reinvestment (%)	1	1.33%	1.31%	1.29%
2a	New Supply delivered - Social housing	2	0	0	0
2b	New Supply delivered - Non-Social housing	1	0	0	0
3	Gearing	1	4.07%	2.88%	1.96%
4	EBITDAMRI Interest cover	3	230.42%	204.13%	954.15%
5	Headline social housing cost per unit	2	5,178	3,794	3,818
6a	Operating margin = Social Housing Lettings	2	14.08%	22.08%	25.61%
6b	Operating margin overall	3	12.95%	19.66%	20.73%
7	Return on capital employed	1	2.11%	2.16%	9.88%

Performance against our own value for money metrics
(comprising Crown Simmons Housing and Fellowship Houses Trust)

	Objective	2021 Target	Performance at 31 March 2018
1	Continuous year on year improvement in resident satisfaction	>85%	STAR survey (2016) – 85% satisfaction
2	Provide more opportunities for residents to be self-servicing	> 40 users self-servicing	More residents using My Tenancy or other self-servicing tools
3	Grow units in management by at least 15%	15%	0%. Units in management reduced in 2017/18 due to disposals and redevelopment of a key site. We have 39 homes in development and took a stock transfer of 49 homes on 1 April 2018.
4	Achieve external recognition for our positive culture	1 per year	In 2017/18 we were shortlisted for the Engage Awards and the SE Energy Efficiency Awards
5a	Operating margin of 25%	25%	20.73%
5b	Target surplus 10%	10%	109%
6	Operating costs per unit at median level	OCs at median level	£3818

Louise Amphlett, Financial Accountant

The '**Haslemere Hares**' community arts project 2018



Like most small developing housing associations, we do not have an even development programme. The current programme consists of 39 units due to complete in 2019/20. A 28-unit scheme started in March 2018 and we expect the reinvestment metric to increase in 2018/19 as spend is incurred on the scheme.

In 2017/18 Crown Simmons rationalised its stock, acquiring 28 homes in a key worker scheme in Raynes Park and transferred 40 homes in London that were out of our core area of operations. The 28 homes acquired do not meet the definition of new supply acquired as they were not newly developed.

Interest cover and return on capital employed improved in 2018 due to the sale referred to above. Headline social housing costs per unit has reduced over the three years but increased by 0.6% due to the number of occupied homes reducing through the sale of 40 occupied homes in London.

Operating margin overall (which is below the sector average as we manage 81 units of key worker accommodation under a lease, and the lease payments are included in the operating costs) and social housing lettings has continued to improve. Our gearing is low, but we have ambitious plans to increase the units in management which will increase gearing. We are currently negotiating a £10m revolving credit facility to fund further developments.