

## SCHEDULE 2

### Form of Annual Statement on Social Impact

#### Annual Impact Reporting 2016/17

##### 1. Your Activities

*Give an account of the activities you have undertaken in the previous year as a result of the loan finance raised.*

Hightown has continued to be a registered provider of social housing and provider of care and supported housing services. At 31 March 2017 we now manage over 5,300 units and provide over 30,000 hours of care and support each week.

Unfortunately it is not possible to fully trace the proceeds of the Retail Charity Bond investment into particular development schemes due the application of capital funding across a large number of schemes, each at different stages of development when funds are used. However, all these schemes were for charitable purposes providing accommodation for people in need of affordable housing and care & support.

In the year 2016/17 we spent a further £69.6 million on the final costs of delivery of new units and of other units under construction at the year end. We delivered 265 new units of affordable housing including 50 homes for shared ownership and completion of a new care facility at Fletcher Way, Hemel Hempstead, that provided new homes for 8 care and support service users with learning disabilities and severe physical disabilities.

## 2. Your Impact

***Give examples of how the activities described above have had a positive effect on the lives of some of your beneficiaries.***

**As set out below:**

**Social and Environmental Return on Assets - examples of Hightown's Value for Money achievements that impact Hightown's residents and wider society:**

The social and environmental outcomes from Hightown's work that benefit Hightown's residents, service users and the wider community can be difficult to calculate and quantify but nevertheless are as important as measurable financial outcomes.

Our VfM self-assessments have reported on the benefits of our services, with reference to independent research into other organisations providing similar outcomes, and from research commissioned by Hightown from RSM Consulting (RSM) to assess the impact of Hightown projects working with homeless people in Hertfordshire. That report evaluated a range of cost savings and value creation to the local area of almost £600,000 split across Healthcare (£300,000), Policing (£80,000) and the local authority, encompassing housing and employment (£220,000). An infographic of the savings is attached. A copy of the full report can be found on the Hightown website [www.hightownha.org.uk](http://www.hightownha.org.uk)

Working in partnership with local authorities to deliver a large number of new homes, Hightown is having a significant social impact, reducing the use of expensive temporary accommodation and improving the quality of life of a significant number of households. Government figures estimate that the average annual cost to a Local Authority of providing temporary accommodation for a homeless family is £18,000 per year. In 2016/17, Hightown provided general needs rented accommodation to 137 homeless households, 110 of these households were statutory homeless and owed a duty by the Local Authority; if they had not accessed permanent accommodation the Local Authority would have had an obligation to provide temporary accommodation to them, representing a potential saving to the Local Authorities of up to £2.47 million.

In 2016/17 Hightown rented homes to 317 general needs households, mainly through choice based lettings schemes, 43% of these were homeless; and facilitated 69 exchanges. We provided 60 new shared ownership homes. This has transformed the lives and well-being of 449 occupiers.

From the Government's Housing Benefit Caseload Statistics, claimants living in the Private Rented Sector (PRS) cost £23.41 per week more in housing benefit than in the social rented sector. The provision of affordable housing therefore reduces public costs. Hightown currently has 1,404 working age tenants in receipt of Housing Benefit paid directly to Hightown. Many others will have housing benefit paid to them. The direct payments received alone represent a saving in housing costs to Local Authorities in our areas of operation of £32,868 per week, (£1.7m annually) compared to PRS accommodation.

A report for The Institute of Public Policy Research in 2014 found that for every "£1 of spending on construction a further £2.60-£2.84 in gross output will be generated across the economy as a whole". In 2016/17, Hightown invested approximately £70 million in

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developing new homes, which according to this research will have generated in the region of £199 million for the wider economy.

Also in 2016/17 Hightown invested over £200k in a range of measures, such as gas central heating to replace electric systems, boiler and hot water cylinder replacements, and loft insulation, to reduce heat loss and energy used, improve the warmth of people's homes and to provide savings in utility costs to residents. From The Energy Saving Trust figures it is estimated that individual households will save up to £560 per year on utility bills.

Tenants living in affordable housing can also use the provision of a stable high quality home to improve their financial circumstances. In general needs rented housing the lower cost rents can enable them to save to move into private sector housing. In 2016/17, twelve general needs tenants who gave notice on their tenancies moved into the private rented sector and two were moving out to buy a property. Two residents left their general needs accommodation to take up employment in the Army. One of these tenants had been unemployed throughout their tenancy. Over the coming year Hightown will be gathering more information from tenants to be able to evaluate the impact for individuals of accessing a stable home.

In our shared ownership homes 35 residents were able to increase the share of the property they owned. This indicates that their financial circumstances had improved to enable them to do this.

Through the delivery of our care and supported housing services we improve the quality of life of a large proportion of our 820 service users. We provide over 30,000 hours of support each week.

Here are a few, more smaller scale illustrations of how Hightown's care and supported housing services has achieved a social return on assets during 2016/17:

None of the residents of our Buckinghamshire mental health services have been re-admitted to hospital in over two years. This has been achieved by providing the residents with person centred support and developing skills to progress to more independence. Previously tenants with poor mental health had been on a revolving door in and out of hospital and institutional care services.

Our Watford based young people's services have built links with a local supermarket who now regularly donate food and toiletries to the service which make a significant difference in improving the wellbeing of individuals who often arrive at these services with nothing.

We have increased our focus on health and wellbeing in the past year with a view to improving the lives of our service users in terms of both overall health and participation in the community. Initiatives include:

- A walking group in High Wycombe that brought people together from a number of our mental health and learning disability services as well as partner agencies.
- Yoga classes in our Mably House homelessness service in Hatfield

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- The introduction of exercise classes in one of our learning disability services in Tring
- Mindfulness sessions in our Kent House homelessness service in St Albans
- Cookery and healthy eating classes in numerous services

***What were the results against the outcome indicators you described in your application?***

<b>Outputs</b>	<b>Indicator</b>	<b>Results</b>
Build 200 homes a year to let at sub-market rents	Number of new homes completed for rent at sub-market rents	265 new affordable homes built in 2016/17
Let those 200 new homes for sub-market rents to people from local authority housing registers who cannot afford to rent or buy at market rates	Number of new homes let at sub-market rents	We let 201 new homes and re-let 116 homes. This provided housing to 459 people.
Let 40 of those homes for sub-market rent to people who have are statutorily homeless	Number of lets to homeless people	We let 137 homes to people who were classed as homeless.
Build 100 new homes per year for shared ownership	Number on completed shared ownership homes in year	We completed 50 new shared ownership homes.
Part sell/part rent 100 new shared ownership homes a year to people who cannot afford to buy outright.	Number of new shared ownership homes built	We sold 60 new shared ownership homes in the year and 35 shared owners bought a large proportion of their home (staircased).

***Describe any evidence of wider impact created to date as a result of your activities***

As set out above and as in separate Social Impact Report.

### 3. Your Response

*How do your results compare with your targets and objectives? Are there any lessons you have learned and changes to you intend to make as a result? Do you see any other factors arising that may affect your future impact?*

The financial year to 31 March 2017 was a very successful year for Hightown. We delivered a surplus for the year of £15.9 million, exceeding the budgeted surplus by £4.5 million. This was invested into funding our development programme to build new homes, defraying new borrowing.

Our performance KPI's remain strong. Our value for money measurement of general needs performance through the HouseMark benchmarking continues to show Hightown as a strong performer with upper quartile performance in the most important areas. We continue to have the lowest general needs properties management cost per unit in our peer group.

We delivered 265 new units of Affordable Housing of which 50 were new shared ownership units and whilst this is less than the strategy target of 350 units pa, the reduced number is due to delays in delivery of the development programme and these units will cascade into 2017/18.

The continued fall in rents imposed by a -1% rent reduction in social rents introduced in July 2015 has been managed and due to the growth in our new unit numbers, we are able to manage this income reduction without a detrimental impact on services or standards. We continue to believe that we will be able to manage the reductions to 2020 through increased efficiency in managing the pressure for growth from new units within the additional income created.

We have over 1,000 units in the development pipeline with a strategic objective to deliver at least 350 new homes a year for each of the next 5 years.

From 1 July 2016 we took over the supply of care and support to a further 142 clients with Learning Disabilities in 26 schemes in Buckinghamshire and Berkshire from another housing association with 237 staff transferring to Hightown under TUPE arrangements.

APPENDIX

INFOGRAPHIC



# SOCIAL IMPACT

## of our homelessness services

Providing care and support is a significant part of our business and we are proud to see our service users progress towards independence. However, positive outcomes are not always easy to demonstrate. Hightown asked RSM Consulting to work with our three homelessness services in St Albans on a pilot project to measure outcomes in these particular services.

**£590,564**  
savings for local partners per year

**1:1.6**  
**Return on Investment**  
Cost savings for local partners and wellbeing value for the service users against the annual running cost of the services.

“ The assessed savings demonstrate the fantastic impact that Hightown has for the individuals they engage with. ”



		ANNUAL SAVINGS		
		HEALTH	POLICE	LOCAL AUTHORITY
	<b>20</b> service users	 <b>£144,223</b>	 <b>£33,920</b>	 <b>£121,758</b>
	<b>20</b> service users	 <b>£68,458</b>	 <b>£35,100</b>	 <b>£18,828</b>
	<b>12</b> service users	 <b>£81,745</b>	 <b>£9,342</b>	 <b>£77,190</b>