



Housing with Care

Responding to the cost of living crisis

Acuity Annual Conference for Small HA 2023



Aim of the session

- What are the issues
- How have and are we responding
- Conversation:

What are the challenges and how are we responding?

What is the impact upon our residents and staff?

Are there any limits to what we should be doing?

How far should we stray .. Are we straying too far?

Responding to the cost of living crisis

- Triggers:
Energy costs (300k), materials, staffing/labour, repairs/maintenance, fuel, interest, health and safety, IT, insurance, rent cap...
- Strategic Plan 2021 – 2025
- Business Plan:
Assumptions – economy (cost of living/habits, inflation, interest rates, unemployment), Broken
- Action Plan 2022/23:
Discover, define, develop and deliver
Optimising income and achieving efficiencies.

Approach

- Discover (Assess)
- Define
- Develop (Plan)
- Deliver (Implement)
(Evaluate)

Stakeholder engagement,
conversation and evidence

Priorities, levels of implementation

Action Plan

Implementation

Stakeholder engagement,
conversation and evidence

Discover: Engagement



Payroll has published the following news update:

2022 Efficiencies

Dear Colleague,

We very much hope that this letter finds you remaining safe, well and enjoying the summer.

At the time of writing, the Office for National Statistics has announced that inflation has hit 10.1% in the 12 months to July. There are many factors associated to this; the main one being the rising cost of labour and materials, some of which is being heavily influenced by the current conflict in Ukraine.

The ever-rising costs of living will have a significant impact upon us all and, like you, we find ourselves having to make some difficult decisions in our response to the current economic uncertainty. Some of these decisions form part of our Strategic Plan which is widely available to read and will form the basis of our Staff Away Day later in the year.

At present, our primary focus is to identify opportunities to enhance our income as well as seek efficiencies. Together, they will ensure that we can continue to offer a great place to both live and work, but we do need your support to help us achieve this.

For example, and to provide some context, our current supply of electricity is subject to a fixed-term contract until December 2022 at a cost of £90,000 per annum. We have been advised that this is estimated to rise to £346,000 (a rise of 384% or £256,000!) Consequently, this increase in cost will have to be met in a number of ways:

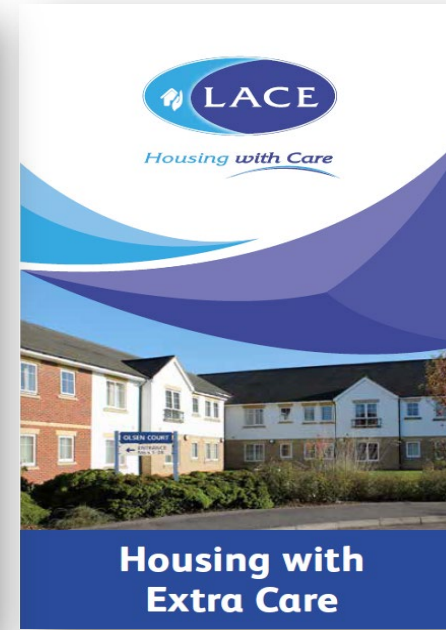
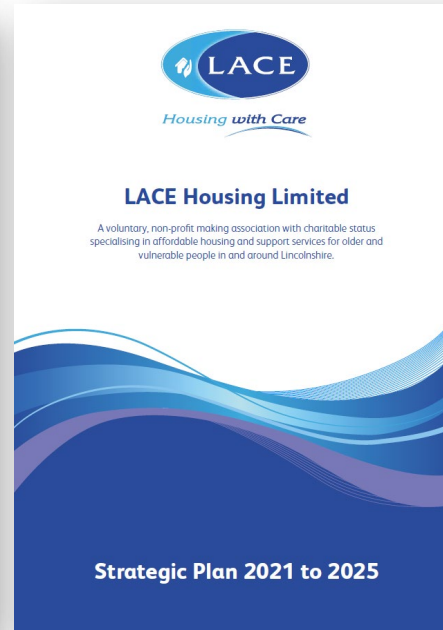
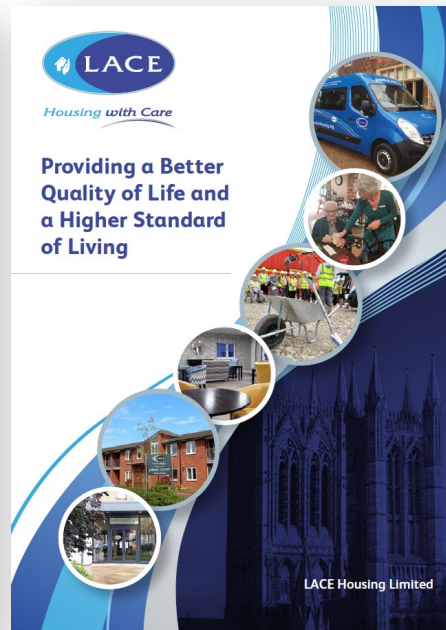
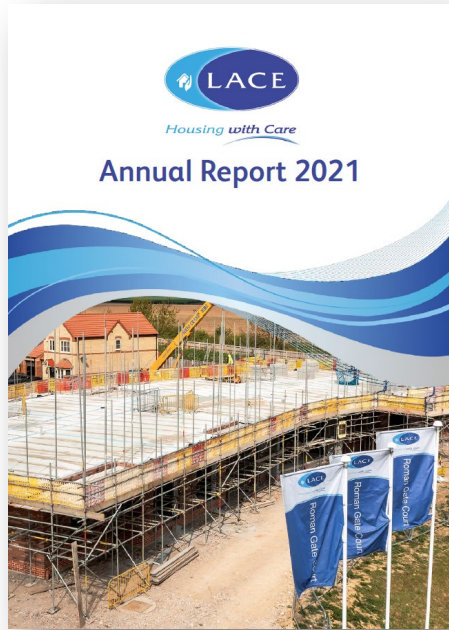
- increase our income as a result of our development programme;
- identify and reduce energy consumption;
- review work processes and invest in new systems/software to achieve efficiencies;
- question expenditure whilst minimising any adverse impact upon quality/standards;
- seek and maintain staff flexibility and agility;
- future staff recruitment subject to review;
- improve communication and understanding; and
- support and signpost staff and residents for help and advice.

We are sure that you will appreciate that whilst these are challenging times, there is much that we can do both individually and together in order to respond. Over the coming weeks a series of team and one-on-one meetings will be held in order to explore efficiencies as well as enhance our income. We very much encourage you to actively participate.

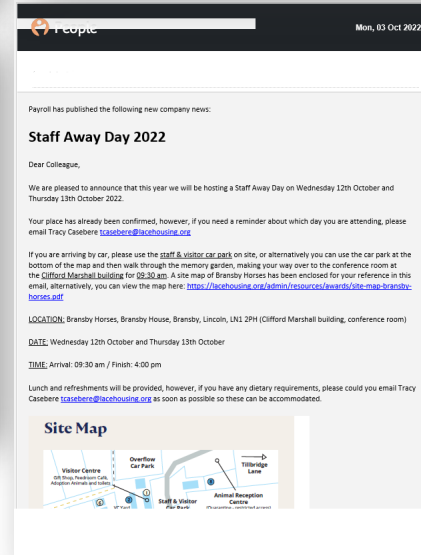
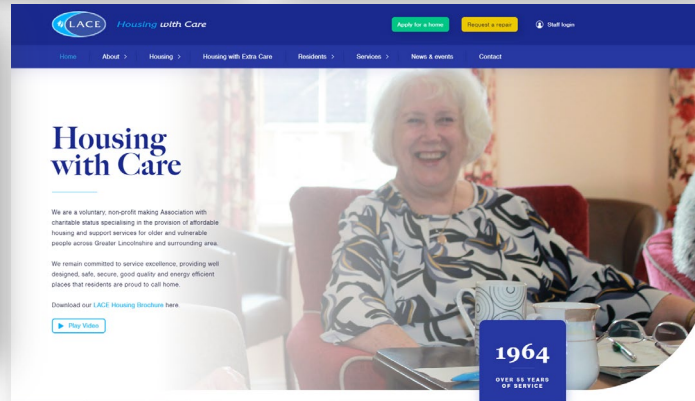
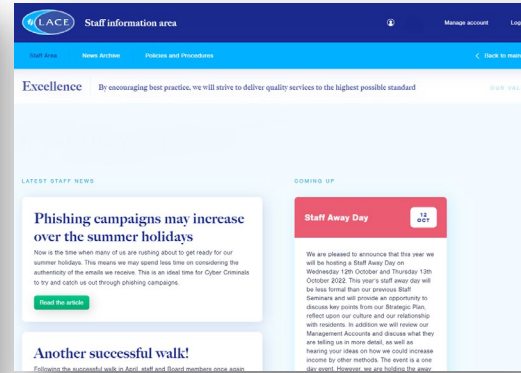
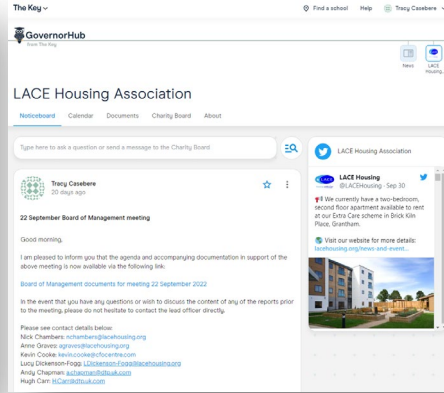
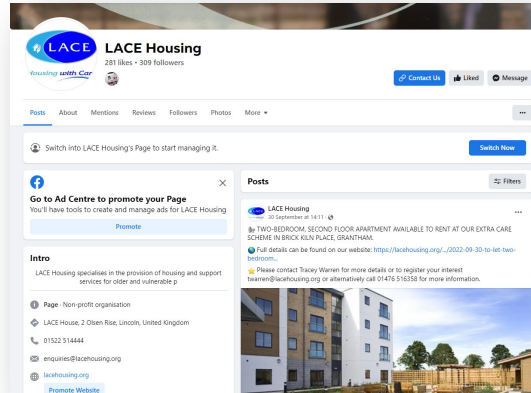
In the meantime, thank you so much for your ongoing support and understanding.

Kindest regards and very best wishes,

Discover: Engagement



Discover: Engagement



Discover and define: Residents Feedback



- Open, transparent, trust and respect ... culture
- Takeover
- Estimated impact upon rents and service charges
- Energy Usage
- Service provision and frequency
- Cash: fund raising, donations and payment systems
- Withdrawal of enhanced service offer
- Alternative to inhouse repairs and grounds maintenance
- Expectations

Discover and define: Staff/Board Feedback



- Energy Usage: Heating, lighting, IT, mileage
- IT/Server: Invest in improved software/cloud
- Frequency of services: Cleaning, shredding
- Assets/Materials: P&M Storage facility, vehicles, paper
- Departmental Review: Working from home/use of office, Property Maintenance restructure/void response times, staffing levels (Finance and Hospitality)
- Income: Finance charges, Office space, Holiday facility, food, launderette, mobility scooter, Development

Develop and deliver:



- Increase income
 - Development: Roman Gate Court (03/23), Collinson Court (05/23) and Welton by Lincoln
 - LILP: Dementia Service
 - Office Space, Holiday Accommodation, Storage (rent/disposal)
 - Cost Recovery: Communal Appliances, Mobility Scooter Charging Facilities, Hospitality
 - Acuity: Shared services
- Reduce energy consumption
 - Heating/Lighting: behaviour, product renewal, usage reduction, insulation
 - Transport: disposal, locality review, fuel

Develop and deliver:

- Review work process and invest in new systems
 - Departmental Review: Property Maintenance, Finance and Housing
 - Information Technology: Investment in new IT system
- Question expenditure minimizing impact upon services
 - Service Charge: impact assessment, cost recovery
 - Contract/Supplies: frequency, alternative supplies/suppliers
 - Budget: major repairs, provisions, policies, rent cap
- Seek and maintain staff flexibility and agility
 - Homeworking, multifunctional
- Review future staff recruitment
 - Staff: natural wastage, redundancies

Develop and deliver:



- Improve communication and understanding
 - Openness and Transparency: Newsletter, Social Media, Blog, People HR, Away Day etc
- Signpost for help and advice
 - WPA: Cash Plan, Employee Advisory Service, Cost of Living Payment

Develop and deliver



- Estimated efficiencies of £254,090 based upon the following assumptions:
 - Implementation of above priority slides
 - Rent Cap of 7%
 - Electricity Fixed 1 Year Contract at £346,000

Open session



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Nick Chambers, Chief Executive Officer.

