



The Places for People Impact Report

Table of Contents

1	CEO Overview.....	3
a.	Organisational Summary.....	3
b.	Commitment to Social Value	4
2	Social Purpose and Context	5
3	Who Benefits.....	7
4	Activities and Operations.....	8
5	Stakeholders	11
6	Evidencing Social Value.....	12
a.	Evidence	12
b.	Current Management	13
c.	Future Plans	14
7	Other Issues	15
	Appendix I – Group Structure	16
	Appendix II – Financial Statements (2011/12).....	17
	Appendix III – 2012 Facts and Figures (excluding RMG, Touchstone and DCL).....	19
	Appendix IV – Case Studies.....	20

1 CEO Overview

Places for People is one of the UK's leading property management, development and regeneration companies. We own or manage around 143,000 properties in the UK, employ 5,817 people and have assets in excess of £3.1 billion. Our mission is 'ensuring successful places and enabling people to reach their potential' and we strive to create and manage sustainable communities across the country. Providing people with affordable and secure homes is our main purpose. Investing in communities is an essential part of this: we want people to sustain their tenancies and be economically active. Successful places are easier and cheaper to manage, so our investment makes a lot of sense to us.

Our vision is to provide aspirational homes and inspirational places. We have a long track record of successful development and a solid reputation for delivering large-scale regeneration in towns and cities. Our approach goes much further than simply building homes. We look at what an area needs to be able to thrive — whether it is new schools, shops, leisure facilities, job opportunities, and access to learning and training or specialist support services. Our mission is to ensure the places we create and manage are successful, so we make a long-term commitment to them. We work closely with local communities to help them meet their aspirations and improve their quality of life.

a. Organisational Summary

We manage, rent, build and sell homes, and provide access to products and services to the people who live in them. We are active in over 200 local authorities across the UK. Within the last 6 months we have acquired three major new businesses (Touchstone, DC Leisure and Residential Management Group) which have significantly improved our capabilities and the scale of our business.

The key areas of our business are:

- **Housing management** — We provide a dedicated housing management service to thousands of customers in the UK. We have skilled teams on the ground as well as a 24-hour customer service centre which deals with around 1,500 calls each day.
- **Leasehold management** – through our subsidiary Residential Management Group (RMG), we offer bespoke long leasehold block management services to a range of public and private sector clients.
- **Repairs and stock investment** — We have an in-house property maintenance, repairs and gas servicing team which operates 365 days a year. During 2011/12, 222,014 repairs were carried out and we invested £38 million on improving homes by fitting new kitchens, bathrooms, doors and windows.
- **Placemaking** — We create high-quality places where people want to live. We work with local communities to plan and design mixed tenure neighbourhoods, with energy efficient homes, a range of facilities and well-designed public spaces.
- **Neighbourhood regeneration** — We have the capacity to deliver large-scale regeneration projects and have the expertise to improve the neighbourhoods we manage by helping people into jobs and training, supporting businesses and empowering communities to make changes.

- **Market rent** — We have had a market rental business since 1999 and have recently expanded our presence in the market with the acquisition of Touchstone. We grow our market rent business through acquiring new portfolios and providing new homes for market rent as part of our mixed tenure offer on new developments.
- **Care and support** — We have provided care and support services for more than 40 years and currently serve around 7,000 people with a range of different needs. We have developed a reputation for delivering a high-quality, value for money service. We have a portfolio of supported accommodation and offer floating support and home care services.
- **Leisure** — our subsidiary DC Leisure (DCL) manages 98 leisure centres for 29 local authorities across the country, receiving 25.7m visits per year. DCL's diverse range of innovative programmes has been carefully tailored to promote community engagement, social interaction and healthy lifestyles.
- **Financial solutions** — We have developed our own financial products including personal loans and mortgages, and we can offer access to a number of insurance products. We recently launched a service which searches the market on behalf of customers to find information about mortgage, insurance and protection products that may suit their needs. We also use a range of products to make buying more affordable such as a 'save for a deposit' scheme and a shared equity product. Through our no deposit (100 per cent) mortgages, equity loans and our Renting to Owning scheme, we have helped over 150 people buy a home.
- **Landscaping** — Our dedicated landscaping company maintains public areas in our neighbourhoods, working closely with local residents. It also provides services to other organisations.

Places for People is registered under the Housing and Regeneration Act (Number L4236) and incorporated under the Companies Act (Number 3777037) as a company limited by guarantee. It is also a member of various trade bodies including the Home Builders Federation, British Property Federation and the National Housing Federation. An overview of our Group structure is provided in Appendix I.

Over the last 10 years we have raised a number of property investment bonds, listed on the London Stock Exchange. The income from these bonds is unrestricted. By raising money this way we are able to build new homes, support first-time buyers and develop new products and services to meet customer demand.

b. Commitment to Social Value

As a major social housing provider, Places for People is committed to providing social value. Places for People has no shareholders and all financial surpluses are re-invested in the business. Our commitment to social value is communicated to our stakeholders through our Annual Report¹, our Corporate

¹ Our 2012 Annual Review can be found at: http://www.placesforpeople.co.uk/media/292221/annual_review_2012.pdf.

Responsibility Report² and our website³. We also engage extensively with our customers and staff, as we report below. Places for People is an active member of Business in the Community and submits into its annual Corporate Responsibility Index, a well-respected benchmark for responsible business. We are proud to hold a Platinum band in both the 2012 and 2013 CR Index.

We are committed to measuring and reporting our impact in future years.

A handwritten signature in blue ink that reads 'David Cowans'.

David Cowans, Group Chief Executive

2 Social Purpose and Context

The UK's long-term failure to produce sufficient new housing annually is a root cause of the shortage of housing, over-crowding and housing market volatility. It is estimated that over 230,000 new homes are needed each year. According to the Government's own statistics, social housing waiting lists have doubled over the last 13 years to almost 5 million. We have long believed that the current system for funding social housing is not sustainable in the long term and actively work to influence Government and other bodies on the development of innovative funding and delivery models to boost housing supply in the UK.

The National Housing Federation predicts that home ownership in England will fall to 63.8 per cent over the next 10 years — the lowest level since the mid-1980s. It is anticipated that the mortgage market will continue to be constrained for at least the next few years with lending reserved for only the best borrowers. As a result, more people are moving into private rented properties with rents continuing to rise as demand increases.

² Our 2012 Corporate Responsibility Report can be found at: http://www.placesforpeople.co.uk/media/292227/corporate_responsibility_report_2012.pdf.

³ See <http://www.placesforpeople.co.uk/>.

The lack of sustainable housing supply is compounded by social issues caused by a range of factors including historic deprivation, worklessness, Government spending cuts, and poor historical neighbourhood design. At the time of writing, unemployment levels stood at 2.58 million⁴, a rise of over 1 million since 2008.

The purpose of Places for People is to address these issues through our mission, which is a statement of our overall goals and business aims as set out in our Business Plan. It defines the key measures of the Group's success. It declares our purpose as a Group and is the standard against which we judge our actions and decisions. The Group's mission statement encapsulates both the Group's long-term commitment to its neighbourhoods and their future sustainability:

"Ensuring successful places and enabling people to reach their potential"

Our mission remains a benchmark measure for all of the work we do in all of our places – existing or new. It focuses the interventions and investment we need to make to ensure that our neighbourhoods are, and remain, successful places where people want to live. We seek to find ways to meet our customers' aspirations for the future both in enabling them to reach their potential and in providing housing choice.

We describe our key social goal as placemaking. We achieve this through:

- Investment in the physical fabric of communities
- Investment in the social fabric of communities.

We are proud of our SPIRIT values, which capture the way we expect our staff to behave and how we want people to see us. We take this very seriously. The values are a key part of all annual appraisals and recognition schemes such as the Star Awards. SPIRIT stands for Support, Positive, Integrity, Respect, Innovative and Together. It means that we want staff to demonstrate a 'can-do' attitude with colleagues and customers, and respect difference and individuality. It also encourages people to come up with new ideas, to lead by example and work together to achieve the best results.

⁴ Figure provided by the Office for National Statistics

3 Who Benefits

The main beneficiaries of Places for People are listed below.

Customers. The central need of our customers is access to affordable housing in thriving communities. We aim to provide innovative housing solutions in a range of tenures to meet this need. The affordability of homes (for sale or for rent) and availability of housing options is one of the most important challenges to face our current and future customers. For many years now, we have been developing products and services to help people access homeownership or rent a property from us. Listening to customers' views has always been important to us. It helps us shape and deliver better services. Like many other housing providers, we know it can be difficult to engage customers from different backgrounds and ages to give their views. For that reason, we introduced a new approach to customer involvement in 2012, which includes national as well as local customer conferences where people can give their views on a range of topical issues. Our website and customer annual reports demonstrate how we continuously respond to customer feedback to improve our products and services.

Neighbourhoods. Our neighbourhood assessment approach was described as a sector-leading initiative by Sheffield Hallam University and delivers impressive results in our communities. We listen to feedback from customers and other local stakeholders to find out what the main issues are in the local area. We then produce an action plan for the neighbourhood. The action plan focuses on physical, economic, environmental and social improvements, which are delivered with support from partners such as the local authority and the police. We monitor progress regularly. We apply the neighbourhood assessment approach to all areas which consist of over 20 properties.

Young people in neighbourhoods. Places for People has always recognised the importance of young people: they are our future customers, and they play a key role in our communities. We know that some young people face real challenges. This could be struggling academically, feeling disengaged or having low aspirations. We developed a Young People's Strategy which aims to address some of these issues. Through the strategy, we engage young people in different ways. We offer them personal and skills development opportunities as well as training and employment support. The ultimate aim is for them to maximise their potential as responsible, economically active citizens and potential future customers.

4 Activities and Operations

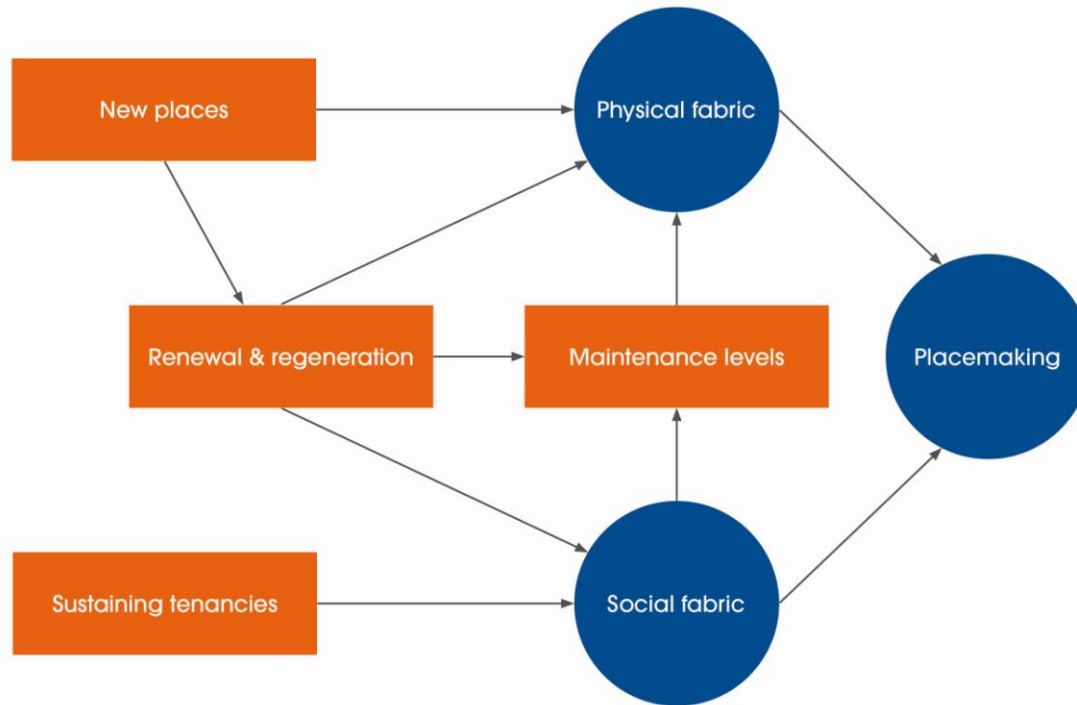
Places for People aims to achieve the following outcomes.

- **Sustaining tenancies.** We aim to help people to manage their tenancy successfully. Stable tenancies contribute both to the physical standard of properties and also to the cohesion of the community. This can be measured with the following indicators:
 - amount of income generated for customers by the Money Advice Team
 - percentage of tenancy turnover.
- **New places.** We build and develop new housing and community schemes to a high standard that can support modern facilities and provide economical comfort with reduced environmental impact. New developments also contribute positively to local communities through boosting the local economy. This can be measured with the following indicators:
 - number of build completions
 - percentage of new homes built to the Code for Sustainable Homes Level 3 or above.
- **Renewal and regeneration.** In addition to new developments we also renew and regenerate existing schemes and neighbourhoods. Renewal and regeneration can transform communities, providing housing in good repair and able to provide economical warmth whilst also boosting the local economy and providing a more pleasant outdoor environment. This can be measured with the following indicators:
 - number of new business start-ups supported
 - number of people supported into work, training or education
 - CO2 savings as a result of environmental retrofitting to existing homes
 - percentage of the Group's larger neighbourhoods with a Green Spaces management/maintenance plan in place

- Sustainable procurement. An indicator to reflect the social value delivered through our sustainable procurement strategy through impact on local economies is under development.
- **Maintenance levels.** Planned maintenance is necessary in order to ensure our homes meet quality standards. The most relevant indicator is:
 - percentage of homes that meet the Decent Homes Standard.

An extract from our Financial Statement for 2012 can be found at Appendix II which relates our income to our social housing activities.

Sustainable Places



5 Stakeholders

In addition to the beneficiaries identified above (customers, neighbourhoods and young people) we also have the following stakeholders.

Staff. We continue to recognise that we need to invest in our people to make sure they can flourish and deliver the best possible service to our customers and in our communities. We survey our staff regularly and conduct follow-up focus groups with staff from all areas of the Group. An analysis of the role and composition of our staff is given in Appendix III and further details of our impact on our staff are given in our Corporate Responsibility Report⁵.

Suppliers. We have worked hard to make our suppliers' experience of working with us as easy as possible. In return, we expect them to make a difference where they can: for instance by employing apprentices and reducing their impact on the environment. We introduced a new electronic procurement system last year which has reduced the amount of paperwork involved in making payments to our suppliers. As a result, we are now paying 81 per cent of invoices on time. We are currently working to develop ways of capturing the social value impact of our sustainable procurement strategy.

Environment. We have become a lot better at measuring and managing our performance over the last few years. Our actual energy use, waste, CO2 emissions and costs are now measured on a yearly basis. Our achievement of the ISO14001 certification back in 2010 has greatly helped us to manage the impact our business activities have on the environment. Further details of our impact on the environment are given in our Corporate Responsibility Report⁵.

Policy-makers. We work extensively with Government bodies and with organisations such as the National Housing Federation, the Chartered Institute of Housing and other registered providers to help influence key policy areas, including the development of innovative funding models to boost housing supply.

⁵ Our 2012 Corporate Responsibility Report can be found at: http://www.placesforpeople.co.uk/media/292227/corporate_responsibility_report_2012.pdf.

6 Evidencing Social Value

a. Evidence

Outcome	Indicator	2011/12	2012/13
Tenancy sustainability	amount of income generated for customers by the Money Advice Team	£361,969.01	£370,377.48
	level of tenancy turnover (Places for People Homes)	9.38%	9.49%
New places	build completions	638	338
	percentage of new homes built to the Code for Sustainable Homes > Level 3	63%	56%
Renewal and Regeneration	number of business start-ups supported	117	12
	number of people supported into learning/training or employment	1,192 into learning/training; 351 into employment	1,538 into learning/training; 283 into employment

Outcome	Indicator	2011/12	2012/13
	CO2 savings as a result of environmental retrofitting to existing homes	Not yet available	Not yet available
	percentage of the Group's larger neighbourhoods with a Green Spaces management/maintenance plan in place	n/a	30%
Maintenance levels	percentage of homes that meet the Decent Homes Standard.	100%	100%

b. Current Management

We focus on the long-term sustainability of the neighbourhoods we manage. Using our award-winning neighbourhood assessment and planning approach we are able to target resources effectively and deliver the changes a neighbourhood needs to thrive — such as improving homes, creating access to jobs and training, improving green spaces, making places safer and providing activities for young people.

The approach is evidence based, takes a long term view of the neighbourhood, tests new approaches and develops new ways of working. Impacts of the approach have included reduced turnover, increased customer satisfaction, reduced crime, increased customer involvement and improved housing management performance. We apply the neighbourhood assessment approach to any area containing over 20 homes. Currently, nearly 500 neighbourhoods are included, covering a total number of nearly 43,000 homes.

An annual Impact assessment document details the progress made in each neighbourhood. The overall Neighbourhood Planning methodology was evaluated in 2010/11 by Sheffield Hallam University and described as a sector-leading initiative in their evaluation report. Areas identified for further improvement have been incorporated into the process. Neighbourhood Planning is now embedded within the business.

We manage our direct environmental impacts through the ISO 14001 standard, as well as delivering an asset investment programme to improve the energy efficiency of our existing homes and promote affordable warmth for our customers.

c. Future Plans

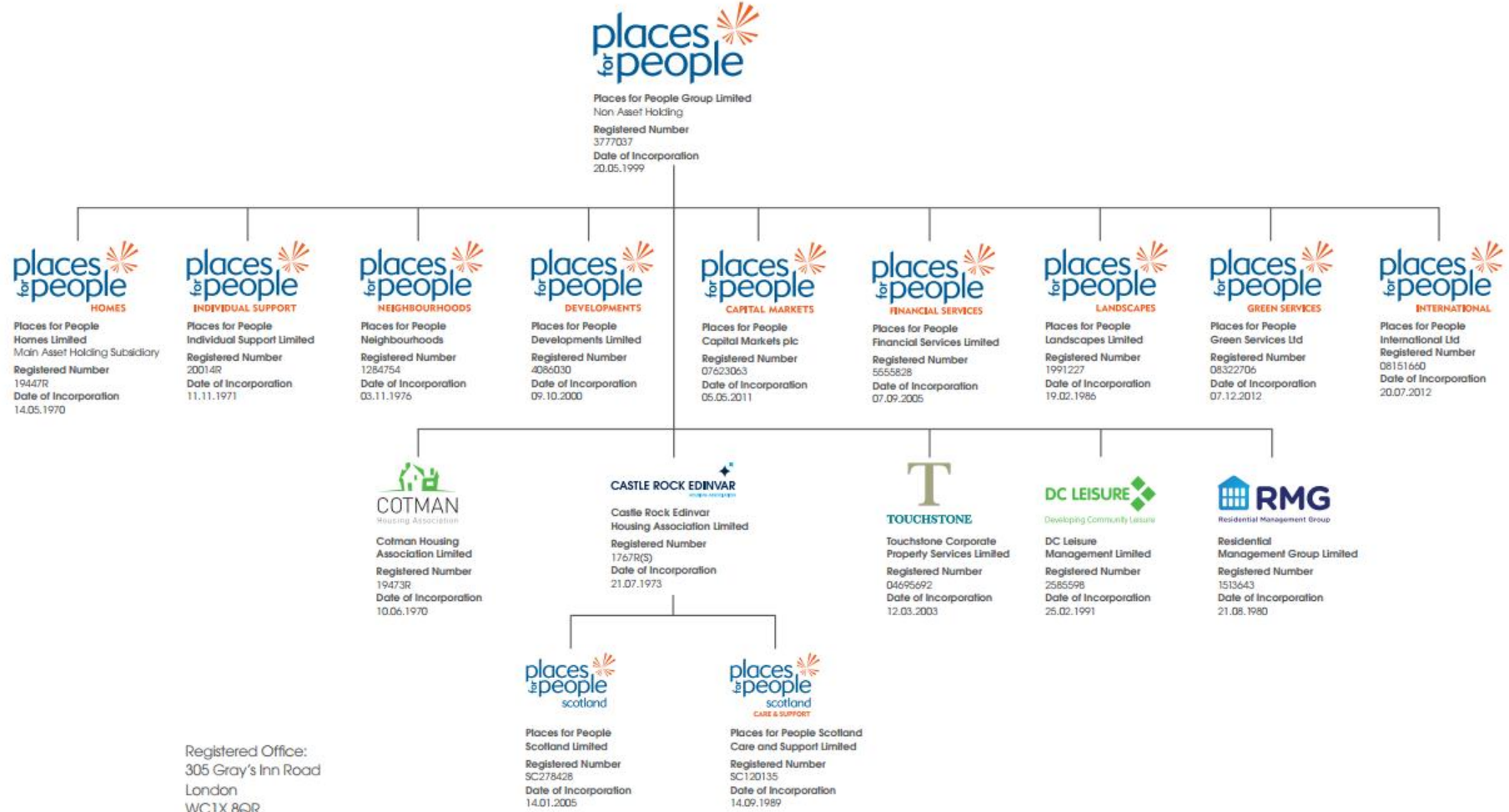
Places for People is committed to reporting regularly on the social and environmental impact of its products and activities.

For several years we have worked with housing organisations, charities and communities abroad. We offer our skills and experience to help them develop housing solutions and attract funding. We plan to develop this part of the business, working in both a charitable and commercial capacity, to provide organisational, financial and placemaking expertise to both developing and industrialised countries.

7 Other Issues

None.

Appendix I – Group Structure



Appendix II – Financial Statements (2011/12)

Notes to the Financial Statements for the year ending 31 March 2012

	Turnover	Cost of sales	Operating costs	Group 2012 Operating profit/(loss)
2. Group Turnover, Cost of Sales, Operating Costs and Operating Profit	£'000	£'000	£'000	£'000
Lettings activities				
Income and expenditure from social housing lettings (note 3)	218,062	–	(140,747)	77,315
Income and expenditure from non-social housing lettings	19,318	–	(11,612)	7,706
Total	237,380	–	(152,359)	85,021
Other social housing activities				
Supporting People	8,869	–	(8,574)	295
Domiciliary care	3,265	–	(3,649)	(384)
Total	12,134	–	(12,223)	(89)
Property development and sales activities				
Social housing property sales	9,266	(9,135)	(48)	83
Shared Ownership	9,131	(6,967)	(25)	2,139
Non-social housing property sales	81,974	(66,954)	(5,506)	9,514
Total	100,371	(83,056)	(5,579)	11,736
Other non-social housing activities				
VAT recoverable	217	–	–	217
Equity loan funding	16	–	–	16
Neighbourhood regeneration	5,881	–	(5,846)	35
Other	13,458	–	(14,181)	(723)
Total	19,572	–	(20,027)	(455)
Total	369,457	(83,056)	(190,188)	96,213

Notes to the Financial Statements for the year ending 31 March 2012

3. Group Income and Expenditure from Housing Lettings 2012	General needs housing £'000	Supported housing and housing for older people £'000	Low cost home ownership £'000	Other £'000
Income from housing lettings activities				
Rent receivable net of service charges	155,415	22,216	7,088	979
Service charges receivable	10,127	9,717	3,405	391
Rents receivable	165,542	31,933	10,493	1,370
Revenue grants from local authorities and other agencies	5,419	–	–	–
Revenue grants from the Homes & Communities Agency	186	46	–	–
Other revenue grants	–	–	–	–
Care income	–	98	–	686
Other income	1,556	531	89	113
Total income	172,703	32,608	10,582	2,169
Expenditure on housing lettings activities				
Services	(10,077)	(8,605)	(3,623)	(413)
Management	(34,608)	(6,621)	(1,141)	(199)
Care costs	–	(713)	–	–
Routine maintenance	(30,931)	(4,936)	–	(87)
Planned maintenance	(12,746)	(3,408)	–	(31)
Rent losses from bad debts	(1,082)	(180)	(293)	(223)
Major repairs expenditure	(3,781)	(560)	–	(20)
Depreciation on housing assets	(12,241)	(1,819)	(552)	(82)
Impairment of housing properties	(851)	(1)	–	–
Other costs	(551)	(345)	(24)	(3)
Total expenditure	(106,868)	(27,188)	(5,633)	(1,058)
Operating profit	65,835	5,420	4,949	1,111
Void losses	(1,451)	(1,016)	(13)	(26)

Appendix III – 2012 Facts and Figures (excluding RMG, Touchstone and DCL)

Facts and Figures

Housing

61,978 Properties 222,014 Repairs
7,159 Lettings £73.00 Average rent

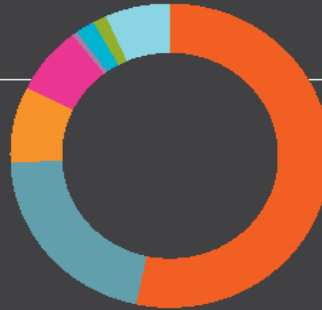
Owned or managed	
General social rent	41,229
Owner occupied	7,566
Market rent	3,704
Older people	3,576
Shared ownership	3,355
Supported housing	2,441
Staff	108



Care and Support

6,752 People receiving care and support

Older people	3,614
Learning disabilities/mental health	1,402
Floating support	550
Homeless families or individuals	478
Young people at risk	47
Physical or sensory disabilities	122
Women at risk of domestic violence	99
Other	440



Developments

638 mixed tenure homes built in 2011/12

Tenure of new properties built	
General social rent	49%
Affordable sale	40%
Market rent	6%
Market sale	5%



Our Employees

2,430 staff (average full-time equivalent)

Employees (average full-time equivalent)	
Housing management and maintenance	1,385
Individual care and support	714
Central support and administration	282
Development	49



Ethnic background of employees (%)

White	70%
Undisclosed	20%
BME	10%



Employee gender (%)

Male	45%
Female	55%



Customer Satisfaction

Customer satisfaction (%)	
Satisfied or very satisfied	79%
Neither	7%
Dissatisfied or very dissatisfied	14%



Appendix IV – Case Studies



Newington St Andrews, West Hull

In West Hull we are working closely with our development partners and Hull City Council to deliver affordable homes on three key sites within this regeneration area. We have already delivered 84 new homes for rent, and we will deliver another 188 new homes by March 2015. These homes will all be built on mixed tenure sites and to high design and quality standards achieving Lifetime Homes and Code for Sustainable Homes Level 3.



Wolverton Park, Milton Keynes

Our development at Wolverton Park in Milton Keynes has won a number of accolades — this time on the world stage. It beat off stiff competition from across the world to win the Urban Land Institute Global Award for Excellence, at a ceremony in Los Angeles. It was the only European winner and picked up the prize alongside four other developments — three in America, and one in Singapore. Wolverton Park was recognised for carefully transforming a historic railway works site into a thriving 300-home canalside development with commercial space and 2.5 acres of parkland.

