

# Ensuring Value for Money 2020/21

Newydd has adopted the Sector Scorecard to benchmark performance.

The Sector Scorecard is an annual exercise to benchmark housing associations' performance and check they are providing value for money. It helps us to compare our performance to others and challenge those things we need to improve.

The scorecard is grouped into five areas, these are:

- Business Health
- Development (Capacity and Supply)
- Outcomes Delivered
- Effective Asset Management
- Operating Efficiency

# Business Health



Financial robustness and efficiency indicate organisational health. Operating margin demonstrates profitability and interest cover is a key indicator of liquidity and investment capacity.

	Newydd Target	Newydd 2020/21	Wales Median* 2020/21	UK Median* 2020/21
<b>Operating Margin</b> Overall	30%	27.6%	21%	23.6%
<b>Operating Margin</b> Social lettings	30%	28.9%	—	25.5%
<b>Interest Cover</b>	130%+	172%	176%	217%

We have a healthy operating margin and are using this to build more affordable homes

\*Source is Sector Scorecard Analysis Report 2021 produced by Housemark. Includes the results of 308 housing associations, of which 11 are Welsh Associations.

# Development (Capacity and Supply)



This demonstrates how we have used our balance sheet to build and acquire new homes.

The gearing measures the degree of dependence on debt finance and can be an indicator of appetite for growth.

	Newydd Target	Newydd 2020/21	Wales Median* 2020/21	UK Median* 2020/21
Units Developed	100	68 including 18 market rent	—	—
Units Developed as a percentage of units owned	3% +	2.2%	1.2%	0.9%
Gearing	41.1%	35.2%	33.0%	34.0%

We had **173** new homes on site as of 1<sup>st</sup> April 2021.

\*Source is Sector Scorecard Analysis Report 2021 produced by Housemark.  
Includes the results of 308 housing associations, of which 11 are Welsh Associations.



# Outcomes Delivered



Tenant satisfaction is a key measure that we are doing the right things and doing them right.

This also measures how successful we are at delivering our vision of affordable homes and sustainable communities with excellent services to tenants and customers.

	Newydd Target	Newydd 2020/21	Wales Median* 2020/21	UK Median* 2020/21
<b>Customer Satisfaction</b>	90%	79%	79%	86%
<b>% invested in new housing supply</b> for every £ generated from operations	not set	6.3%	6.9%	5.0%
<b>% invested in communities</b> for every £ generated from operations	not set	£42.43	£29.69	£64.88

COVID  
lockdowns  
slowed down the  
development  
programme and  
halted face to face  
community  
activities

\*Source is Sector Scorecard Analysis Report 2021 produced by Housemark. Includes the results of 308 housing associations, of which 11 are Welsh Associations.

# Effective Asset Management



Percentage return on capital employed is a common measure to assess efficient investment in capital resources.

Occupancy rate demonstrates how efficient we are at keeping properties tenanted.

Effective planning based on stock condition surveys can reduce spend on responsive repairs in favour of planned which is the more cost-effective way of maintaining properties.



	Newydd Target	Newydd 2020/21	Wales Median* 2020/21	UK Median* 2020/21
<b>Return on capital employed</b>	not set	2.4%	2.4%	3.1%
<b>Occupancy</b>	98.9%+	98.0%	99.3%	99.2%
<b>Ratio of responsive repairs to planned maintenance</b>	43%	79%	—	71%

Issues with  
void turn around times  
have been resolved  
and some properties  
that had been difficult  
to let have been  
repurposed.

\*Source is Sector Scorecard Analysis Report 2021 produced by Housemark. Includes the results of 308 housing associations, of which 11 are Welsh Associations.

# Operating Efficiencies



This measures how well we are delivering value for money through our strategic choices.

	Newydd Target	Newydd 2020/21	Wales Median* 2020/21	UK Median* 2020/21
<b>Headline social housing cost per unit</b>	£3,438	£3,529	£3,671	£3,901
<b>Rent collected</b>	100%	100.3%	100.4%	100%

We are  
investing more  
in maintenance  
when able to.

\*Source is Sector Scorecard Analysis Report 2021 produced by Housemark.  
Includes the results of 308 housing associations, of which 11 are Welsh Associations.

**Email**

[enquiries@newydd.co.uk](mailto:enquiries@newydd.co.uk)

**Telephone**

0303 040 1998

**Website**

[newydd.co.uk](http://newydd.co.uk)

**Write**

Newydd Housing Association

5 Village Way

Tongwynlais CF15 7NE

[f](#) [@](#) [t](#) [in](#) @NewyddHousing