Apex Housing Association
Value for Money Statement
2024-2025

Value for Money Statement 2024/25

Value for Money in Apex

This statement is for our tenants, residents, stakeholders, board members and staff. It sets out where we are on providing efficient and effective services for all our customers and creating value for money within Apex.

What does achieving Value for Money mean in Apex?

The Board and staff of Apex define value for money (VFM) as the relationship between effectiveness, efficiency and economy, often described as the value chain. Value for money is high where there is a good balance between all three – low costs, high productivity and successful outcomes.

We aim to be accountable to our customers, partners, funders and regulators by setting out here our past performance and future aspirations.

Three core components of VFM are: -

- Effectiveness – doing things right
- Efficiency – doing things right, which includes carrying out activities in a timely and simple manner, and with minimum waste
- Economy – the cost of procuring inputs to services, which reflects not just price but sustainability

Value for money is at the heart of the Apex Strategic Plan. Our strategic themes embed value for money into everything we do and how we do it creating a compelling drive to deliver value for money at Apex. There are some areas where we are improving but in areas where we need to do better, we have plans in place to do that.

The association pursues value for money to ensure we are not only delivering effective and efficient services, but also the development of as many homes as possible to meet a range of housing needs. The volume of homes delivered by the association is important to meet increasing demand, but Apex wants to deliver value by providing good quality homes and services and investing in its customers and communities.

To ensure that its resources are directed towards achieving its ambitions, Apex is committed to finding efficiencies and making sure it maximises the value of the money it spends.

Our approach to Value for Money

Value for Money is fully integrated in to our corporate and business planning. We will continue to set objectives and measure performance using a balanced scorecard based on five key areas: -

- Sustainable communities
- High quality, energy efficient homes
- Quality supported living
- An efficient and effective organisation
- Skilled people and teams

Sitting beneath the corporate strategy are a range of objectives and action plans. Delivery against these is scrutinised by the Board, Committees and Senior Management Team. Customer scrutiny is delivered through the various levels of participation as set out in the Tenant & Resident Engagement Strategy and Community Investment Strategy.

Delivering value for money in 2024/25

2024/25 saw the continued operation of the Apex group. The group structure now has assets worth over £863m, a combined turnover of £77m and an operating surplus of £12.6m. Units under management stood at just over 7,927 as of 31 March 2025.

Apex continued to grow during 24/25, increase investment in its stock and deliver high quality services to tenants and service users. The association continued to perform and support our communities through our community investment strategy, while also delivering a significant proportion of DfC's new build housing programme. In addition, Apex continued to provide high quality care and support services on our supported living schemes in extremely challenging circumstances and maintained a stable financial position throughout, despite the impact of high inflation.

Our VFM achievements to date have been built on careful decisions about how money is spent and decisive action to make the most of the value of assets under the group's control. Apex continues to create efficiencies by reviewing under-performing activities and identifying savings in administration costs.

During 2024/25 there have been challenges including:

- Recruitment of appropriately skilled staff in some areas of the organisation
- Additional costs to deliver services due to a high level of inflation affecting materials, food provisions, energy costs etc.,
- The continued impact of the rollout of Universal Credit

Despite this Apex (parent only) has:

- Increased the number of homes to over 7,200 for some 18,000 residents
- Continued to assist in the delivery of DfC's & NIHE's Social Housing Development Programme
- Continued to deliver high levels of support and care to vulnerable tenants
- Invested over £995k in our communities in conjunction with our funding partners
- 801 tenants accessed help through our Welfare Advice service
- Invested £1m in IT infrastructure and facilities to enable greater efficiency and improved service delivery
- Maintained low levels of bad debts
- Maintained an investment grade credit rating with a stable outlook
- Maintained the highest level of regulatory rating in NI
- Continued to leverage in low-rate private finance

Some performance results were below where we would want them to be in measures relevant to the delivery of value:

- Level of non-cost recovery on supported living and nursing care scheme

Measuring value for money

We are evolving how we measure Value for Money and will make further improvements during 2025/26. This is in line with developments in the sector to create a standard approach to value for money benchmarking. This year we will continue to benchmark ourselves against NI peer associations, where comparable information is available.

The association continues to show good performance on a range of cost, financial and asset performance metrics which show Apex is on a path to meeting its long-term strategic objectives.

Our approach to measurement

Apex is developing how it reports on value for money in order to continue to provide effective and efficient services and meet the DfC's regulatory framework and the measurement of value for money against the sector scorecard. Apex has regularly measured its performance against our peers within NI and other benchmarking clubs. This statement is built around what is currently agreed to be included in the NI adopted sector scorecard.

Measuring costs and performance

We set out below the performance of Apex (parent only) on the proposed sector scorecard measures based on our own audited accounts for the past two years.

Using the final methodology for the revised NI sector scorecard we will use these measures to compare Apex's performance to our peers.

Sector Scorecard	Apex 2024/25	Apex 2023/24
Business Health		
Operating margin (all activities)	16.9%	16.3%
Operating margin (social housing lettings)	21.1%	19.5%
EBITDA % Interest cover (MRI) (i)	109.4%	126.0%
Development - capacity and supply		
Units completed (ii)	250	275
New supply delivered % - social (iii)	3.22%	3.87%
Gearing (1) (iv)	39.68%	34.65%
Outcomes delivered		
Customer satisfaction with services provided by landlord (2)	88.0%	88.0%
Reinvestment % (v)	7.65%	9.6%
Investment in community activities (vi)	£0.995m	£1.057m
Effective asset management		
Return on capital employed	1.4	1.3
Occupancy (vii)	99.3%	99.7%
Ratio of responsive repairs to planned maintenance	0.55	0.76
Operating efficiencies		
Headline social housing unit cost per unit (incl Major Repairs)	£6,153	£5,662
Rent Collected – Excl. Nursing Care	100.1%	99.25%

(1) - Gearing = net debt/NBV of properties
(2) - Customer satisfaction surveys are carried out every 3yrs

Commentary on KPI's where performance is lower than in previous year

(i) Increased interest payments associated with additional finance to fund development programme.
(ii) Units to complete reduced due to timing of development programme.
(iii) As in (ii) above.
(iv) New debt to fund future development programme.
(v) Due to timing of development programme.
(vi) Social supermarket handed over to Foyle Foodbank which reduced Apex's net community investment.
(vii) Normal tenancy turnover – no unusual trend emerging

Measuring asset performance

In order to fund our ambitions to build more homes the Apex group needs a large, stable and well performing asset base from which it can receive rental revenue and raise finance, and an active programme of development from which it can receive increased revenues.

Portfolio as at 31 March 2025: -

Portfolio	Book value £m	Rental income £m	Gross yield 2025	Gross yield 2024	Operating profit £m	Operating margin 2025	Operating margin 2024
Social housing lettings (excluding shared ownership)	774	37.5	4.8%	4.4%	17.8	47.4%	38.9%
Shared ownership	6	0.21	3.5%	3.3%	n/a	n/a	n/a
Commercial rent	n/a	0.10	n/a	n/a	0.06	56.0%	14.0%

Gross Yield = Rental income/book value

Measuring social impact

Apex continues to measure the impact of its community investment activities. In 2024/25 Apex achieved the following key outcomes: -

- Invested over £995k in our communities in conjunction with our funding partners
- 538 tenants benefited from benefits advice services
- 23 Staff were assisted with Welfare Advice
- All new tenants received a pre-tenancy questionnaire, and based on this, they are offered a welfare benefits check on commencement of tenancy, if appropriate
- £3k of free school meals and uniform grants were accessed for tenants
- £206k of additional benefits identified and claimed through our benefits advice service
- Grant funding of £24,734 secured to support individual tenants

- 48 Energy vouchers were provided to tenants
- 177 new tenants benefited from a home starter pack with an investment of £75k
- Almost 250 tenants have been helped by our Tenancy Support Officer
- £600k external funding sourced to deliver Community Investment services over the next 3 years
- 277 new homes handed over to tenants
- 54 new homes started on construction sites across Northern Ireland
- Skeoge Community Hub is now supporting an average of 152 Apex tenants per week and is delivering a range of projects including an internet café, targeted programmes and activities and a weekly Welfare and Housing Advice clinic.
- Skeoge Community Hub has a dedicated Family Support Worker in place from 4th September 2023 (3 Year funding secured).
- 175 disabled adaptations carried out
- During the year 8 properties stair-cased out of shared ownership, with the occupants purchasing the remainder of their property from Apex.
- 157 'Housing for All' initiatives delivered with a total of 8,803 people participating
- £275,979 invested across 9 neighbourhoods in NI through 'Housing for All' schemes
- The Tenant Network grew from 1018 to 1268 during the year
- 1,510 tenants engaged across 149 opportunities
- £33,461 invested through the Tenant Engagement activities
- Tenant Network approved £6,975 to 16 applications for the Community Spirit grants
- 20 staff achieved accredited qualifications
- 30 front-line staff received training on Domestic Abuse
- 30 work experience placements facilitated
- 1apprenticeship in Housing commenced year 1 and 2 commenced year 2 of the programme
- 87%+ tenant satisfaction level with new Apex home
- £6.4m invested in refurbishment and upgrades to tenant's homes
- 127 connected tenants taking part in engagement opportunities
- 100 tenants took part in 14 Cooking events
- A total of £18,000 in funding grants given to 14 groups
- 70 hot meals per week provided through the luncheon club
- Through our partnership with Foyle Foodbank, 8,602 people were supported during the year
- Supported living services delivered to over 1,000 tenants and residents

Apex's future plans

Key value for money targets that have been set for the association in the 2025/26 plan and managed by a balanced scorecard:

Customers

Overall satisfaction with services	>85%
Satisfaction with repairs & maintenance services	>80%

Process

Rent collected from current and former tenants as % of rent due	>98%

People

Staff turnover	<12%

Financial health and growth

Total starts on site (subject to SHDP funding availability)	>300
Group operating surplus	>£8m
Group surplus on ordinary activities	>£1.25m

These outputs will be monitored and presented to the Board, Committees and Senior Management Team throughout the year.