



Dimensions (UK) Limited
Report and Financial Statements
for the year ended
31 March 2016

Proving life can get better

Co-operative & Community Benefit Society Number: 31192R

Dimensions (UK) Limited

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Dimensions (UK) Limited
Statutory Information

The Board	Helen Baker (Chair) Anne Barnard Calum Mercer Christine Cryne Jonathan Mason Kevin Lewis Gordon Lyle Rosalind Bergemann Marie Seaton (resigned on 14 March 2016) Steve Scown (Chief Executive Officer and a co-opted member) Susan Kirkman (a co-opted member) Paul Davies (a co-opted member)	
Executive Directors	Mark Horlock Stella Cheetham Lisa Hopkins Jackie Fletcher Steph Palmerone	Director of Finance Director of Human Resources Managing Director Director of Quality and Compliance and Secretary Director and Waymarks Managing Director
Principal and Registered Office	9/10 Commerce Park Brunel Road Theale, Reading Berkshire RG7 4AB	
Banker	National Westminster Bank Plc 13, Market Place Reading Berkshire RG1 3BB	
Solicitors	Anthony Collins solicitors LLP 134 Edmond Street Birmingham, B3 2ES	Trowers & Hamlin 3 Bunhill Row London EC1Y 8YZ
Auditor and Accounting & Tax Advisers	KPMG LLP Arlington Business Park, Reading, RG7 4SD	
Internal Auditors	BDO LLP 55 Baker Street, London, W1U 7EU	
Co-operative & Community Benefit Society Number	31192R	
Homes And Communities Agency Number	4648	

Dimensions (UK) Limited

Chair's and Chief Executive Officer's Statement

This year has seen the launch of the new Dimensions 2020 strategy built on our ambition to become the exemplar provider in our field of research-based and outcomes-focused support. Our mission is to provide high quality, personalised support for people with learning disabilities and autism, helping them to be actively engaged with and contribute to their communities.

Dimensions is committed to being large enough to give it the resilience to deliver on this strategy. Over the past year we have re-secured over £5.3m of existing work and achieved a net growth of £9m, well in excess of target, and again seen improvements in quality and price scores on tenders. Our overall financial performance in the year was disappointing with the operating surplus achieved below target. Cash reserves at times dipped below the threshold set by the Board, although cash reserves did finish the year on budget. Investments in rigorous stress testing of the business, in a tighter risk and assurance framework and the development of a top level balanced scorecard, however, have given us a clear understanding of where to focus to restore our strong financial performance.

During the year our CQC/CSSIW service ratings of good or better peaked at 99%. This percentage has fallen, coinciding with the introduction of changes to the CQC inspection and rating regime. Other performers have seen a similar dip, but we have now changed our own scheme of internal audits of services to mirror this external regulatory change of approach and to respond to the welcome drive for ever higher quality standards. We have also begun planning the roll out of Activate, our new support model based on sector-leading research. Central to this is putting decision making closer to the people we support by setting personalised and challenging goals with them, their families and staff.

In committing to increasing the voice and influence of the people we support and their families we have also looked at ways to devolve decision making down through the organisation. During 2015/16 the Dimensions operational regions, supported by business partners, have developed their own business plans for the first time. Our staff, at all levels, remain central to everything we can achieve. We are enormously grateful to them for their vision and energy, however challenging the environment in which we work. We are particularly conscious of the numbers of staff who transfer to Dimensions as a consequence of our winning new contracts rather than through their own choice and have focused on finding more effective ways to build staff well-being and engagement as well as on the more standard organisational measures such as rates of sickness and turnover. These have included the continuing roll out of the Aspire Career Development Programme and our ongoing successful work around Equality and Diversity.

If Dimensions is to deliver on its purpose we must remain open to learning from the other people and organisations around us, investing in existing and prioritising the capacity to develop new partnerships. We are proud of what has already been achieved with Ambitious about Autism in building the Rise School for children with autism, of our close engagement with VODG, of the joint work on the 'Love your Vote' Campaign and on the development of Learning Disability England to name a few of the ventures we have been involved with this year. Our thanks, however, go to everyone who has worked with us over the past twelve months and we look forward with confidence to the opportunities we will continue to build on in the year to come.



Helen Baker
Chair



Steve Scown
Chief Executive Officer

Dimensions (UK) Limited Operating and Financial Review

Overview of the Business

The principal activity of the Group ('Dimensions') is the provision of personalised support with housing through Dimensions (UK) Limited and its subsidiaries Outreach 3 Way Limited and Waymarks Limited.

Dimensions provides a wide range of services for children and adults with learning disabilities and people who experience autism, including those with complex needs or challenging behaviour. Dimensions is a not-for-profit organisation, supporting around 3,000 people and their families throughout England and Wales. The organisation enables people to be part of their community and to make their own choices and decisions about their own lives.

Dimensions also provides supported employment services to help some of the people it supports to get a job and is sponsoring The Rise School for children with autism.

As a Registered Provider of social housing, Dimensions provides low-cost rented accommodation for 1,090 people as set out below:

	Owned and directly managed by Dimensions	Owned by Dimensions but managed by other organisations	Managed by Dimensions for other organisations
Supported housing	215	273	184
Care homes	123	246	49
Total	338	519	233

In addition, Dimensions enables a further 162 people to access the private rented sector.

Vision, Mission and Values

Dimensions' vision is an inclusive society where people have equal chances to live the life they choose. Its mission is to provide high quality personalised support for people with learning disabilities and autism, helping them to be actively engaged with, and contribute to, their communities.

Dimensions' values are:

Ambition	seeking to help people reach their potential
Respect	showing people respect and recognising that their unique contribution adds value to all
Courage	being guided by the courage of our convictions to make a difference
Integrity	Ensuring that what we do is grounded in what we believe
Partnership	working with others to achieve more for people

Dimensions (UK) Limited

Operating and Financial Review

Dimensions' strategic pillars are:

Personalisation	supporting choice and control, meeting needs and encouraging ambition, protecting and improving the quality and safety of services and developing research-based support focused on outcomes
Development	growing research-based outcomes-focused support, increasing services for people with complex needs, helping people to have a good home, developing the expertise of central services and evaluating new support models and new markets
Engagement	Building partnerships and working collaboratively, developing a louder voice and promoting best practice, increasing the influence of the people supported and their families and adding value to the sector.
People	valuing and supporting the people who work with us, striving to be inclusive and to respect difference, building a workforce which is capable, highly motivated, engaged and the best they can be and developing a flexible, responsive and accountable structure.
Organisation	being an effective learning organisation, making the best possible use of resources and devolving decision making to be as close as possible to the people supported.

Dimensions' vision, mission and strategic aims continue to reflect its commitment to provide excellent personalised support for people and to provide a framework for its continuing diversification and development.

The Dimensions aim is to be the research-based exemplar provider delivering outcomes-focused care and support. Indeed, the Organisation is building on its leading edge personalisation work and has further developed ways of providing personalised support within traditional care home environments. In addition, the Organisation's network of Support Advisors work closely with personal budget holders and their families to design and implement the right packages of support for them, provided in their preferred accommodation.

The Organisation continues to develop its capacity and expertise to provide a range of services for people with particular needs such as autism, complex and challenging behaviour, young people in transition and people who wish to live independently. Its Waymarks subsidiary is also establishing additional services for people with more complex histories.

Dimensions has recognised that it needs to improve how it works with the families of the people it supports. Its network of Family Consultants, who themselves are experts by experience, help the Organisation to continue to develop and improve how it works with families so it can achieve its aim of becoming a family-friendly organisation.

Financial Results for the Year

The Group achieved an operating surplus before exceptional items of £1,705,000 (2015: £2,357,000). The total surplus recognised in the Income and Expenditure Account was £736,000 (2015: £2,200,000). Within this surplus, Dimensions (UK) Limited, the Group Parent, made a surplus of £608,000 (2015: £1,827,000).

The exceptional item relates to a pension charge.

Dimensions (UK) Limited

Operating and Financial Review

The actuaries of the Social Housing Pension Scheme ("SHPS") changed their assumptions relating to price inflation, valuation discount rates and pensionable earnings growth in completing their latest triennial valuation, which resulted in an increase in the deficit contributions attributable to Dimensions. The present value of the additional deficit contribution is £1,242,000. As a plan has been agreed to fund the deficit, FRS 102 requires a liability to be recognised for the present value of the contributions payable that arise from that agreement with the resulting expense recognised in the statement of comprehensive income.

The result, including the exceptional item, is not reflective of the underlying performance.

The underlying result for the year was lower than planned largely as a result of one-off costs including investing in Waymarks infrastructure, costs arising from on-boarding new business in Hampshire and costs arising from exiting unsustainable contracts. The Organisation continued to experience fee reductions, arising as a result of the continuing pressure on local authority budgets. It continues to manage these pressures through introducing efficiencies into its central costs and further reductions in sickness levels.

A summary of Dimensions' financial results over the past five years is set out below:

	2016	2015	2014	2013	2012
	£'000	£'000	£'000	£'000	£'000
Turnover	122,724	111,289	116,290	121,268	118,504
Operating surplus (before exceptional items and adjustments arising from acquisitions)	1,705	2,357	3,864	952	605

Dimensions' investment in its business development capacity continues to provide a good return and the organisation was able to secure significant new income. During the year, Dimensions withdrew from an unsustainable contract in Scunthorpe. It also declined to bid to retain a day service contract as its strategy is to focus on care and support contracts, particularly for people with complex needs and challenging behaviour.

Balance sheet highlights	2016	2015	2014	2013	2012
	£'000	£'000	£'000	£'000	£'000
Cash and investments	14,613	18,178	14,948	10,411	10,171
Capital and reserves	17,520	16,854	14,742	10,974	10,228

One of the reasons for the reduction in cash was the Hampshire contract. This is a significant new contract for the organisation, started during the year, and is billable and payable in arrears. In addition, the level of accrued income at 31 March 2016 increased to £4.2m. While this is not untypical of the level of accrued income expected during the year, experience in previous years is that the balance at the end of March has been lower than in other months (for example the March 2015 balance was £1.7m). This seasonal reduction in accrued income was not seen this year partly due to the timing of the March 2016 Easter bank holiday and partly due to a number of local authority contracts switching from billing in advance to in arrears where block contracts have become individual funding.

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Principal Risks

Reduced public spending - the sector that the Organisation operates in continues to undergo significant and radical change and it is clear that public services in the UK will remain under intense financial pressure for many years. It is also unclear how Brexit will affect the financial environment in the coming years. Dimensions has responded to the financial pressures through continuing to seek efficiencies and improve productivity, which has enabled it to reduce its overhead and operational costs whilst protecting the support that it provides to people.

Regulation - the expectations of Dimensions' customers regarding service quality are increasing and so its regulatory frameworks are continuing to evolve. In particular, the organisation's main regulators, the Homes & Communities Agency (HCA) and Care Quality Commission (CQC), have higher expectations of leadership and governance.

Pensions – Dimensions has participated in several defined benefit pension schemes. As for many other organisations, the liabilities of these schemes are currently greater than the market value of the assets due to reduced investment returns and increasing life expectancy rates. There is a risk that contributions may need to be increased in the future; or, where Dimensions has agreed to make annual contributions towards the deficit, as in the case of the Social Housing Pensions Scheme (SHPS), these contributions may need to be further increased. It should also be noted that if Dimensions were to cease to participate in the SHPS scheme, then the Trustees of SHPS could levy an employer debt to cover the excess liabilities, calculated on a buy-out basis. Typically, the debt calculated on a buy-out basis is much greater than the cost of funding the deficit through continuing contributions. The SHPS scheme actuary has estimated the employer debt that would have been payable if Dimensions had withdrawn from SHPS as at 30 September 2014 at £25.6m. There is no intention to withdraw from SHPS.

Legislation and case law – naturally, this will evolve over time. In certain cases there is a risk that it may do so in ways that could have a significant impact on Dimensions' costs. These changes are monitored by the organisation and actions are implemented to mitigate against adverse effects where appropriate. The announcement in the government's July 2015 budget concerning the new national living wage, which will rise incrementally until 2020, will impact on Dimensions and the Organisation has developed plans to mitigate these risks.

Future Development

Looking forward, Dimensions will continue to develop and to reap the benefits from a range of diverse initiatives and projects. It will continue to embed person-centred thinking approaches into the Organisation through initiatives such as improving how it recruits and performance manages its staff and places the people it supports at the centre of these key activities. Fundamentally, it will continue to be a leader in personalisation, helping individuals and their families to get the right support for them. It also helps other organisations on the path to personalisation through knowledge-sharing. In particular, it has developed, in collaboration with Helen Sanderson Associates, person-centred e-learning courses for its own use and has also made these available to other organisations.

Dimensions will continue to develop and improve its business systems. These initiatives will help it achieve further financial efficiencies as well as providing its managers with real-time information, which they can use to enhance how they manage their services and resources.

Value for Money Statement

Value for money (VFM) is central to how Dimensions ensures current and future delivery of its objectives and describes the relationship between its costs and the quality of its services and housing. The organisation's VFM aims are to make sure that every penny counts and leads to tangible and ambitious benefits for the people it supports through finding the most effective balance between cost and quality in all areas of its work.

The Board has adopted a strategy for optimising value for money and has systems in place to ensure that it achieves what it sets out to do. This VFM report clearly identifies how value for money was achieved in relation to each of the strategic aims in 2015/16:

- Personalisation,
- Development,
- Engagement,
- People, and
- Organisation.

The specific VFM performance of the Housing function is separately considered within this report.

This statement includes a critical assessment of the performance of assets and resources (including financial, social and environmental returns), taking into account the interests of and commitments to stakeholders, through external and internal benchmarking and monitoring performance over time. VFM is also assessed in the context of the risk management framework, which flows from the corporate strategy. VFM is monitored and scrutinised throughout the organisation and is reported on through our Governance structure, providing assurance on progress to the Board and Committees.

The Dimensions VFM Statement can also be found on its website at www.dimensions-uk.org. It has been written for the people it supports and its tenants, their families and circles of support, its staff and its other stakeholders. The VFM Statement will be shared with our stakeholders through a range of methods, including an accessible / easy-read version and presentations to Council (the representative body made up of the people supported and tenants).

How Value for Money is managed and monitored

Social care contracts represent 98% of the Group's income and are awarded on the basis of competitive tendering, testing both quality and price. This process represents a significant and objective mechanism to ensure and evidence VFM in respect of Dimensions' social care contracts.

Financially, the key drivers of the cost of care have been analysed and performance measures defined for each, including for the total hourly cost of care. The objective is to increase effectiveness in terms of both price and quality. The Dimension's five-year forecast documents the organisation's response to the various economic pressures it faces and incorporates an efficiency strategy, which sets targets for further improvements in VFM in specified areas. This, together with the risk management and stress-testing processes, ensure that the organisation remains financially viable and is therefore able to provide the people supported with high-quality and safe support, as well as to invest in research to continually improve the offering and invest in staff to develop them to their full potential.

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During 2015/16, the Board undertook a number of initiatives to promote good practice and identify potential areas for improvement in specific areas of the organisation. These initiatives are being used to drive further progress against the strategic aims and ongoing VFM objectives. They included:

- Dimensions continues to focus on providing safe, high-quality support and helping the people it supports make real contributions to their local communities. Our environment remains economically challenging and the Board concluded its development of a new five-year corporate strategy following a thorough review. From this a Balanced Scorecard has been developed incorporating relevant KPIs that clearly show how effectively the strategy is being delivered and our progress against our VFM targets moving forward.
- A key part of our strategy focusses on devolving decision making closer to the people we support. During 2015/16 the Dimensions' operational regions developed their own business plans and these, supported by regional business partnering, have helped shape the devolution of decision making to regions and so closer to the people we support.
- The approach to risk management and assurance was reviewed during the year resulting in a high level Risk Management and Assurance Framework being developed. The new framework focusses on the eight key risks assessed as presenting the greatest threats to the organisation. Each of the eight risks is assigned to an Executive lead, who is responsible for identifying mitigating actions, as well as a responsible committee who provide oversight for the management of risks under their specific remit. In addition, the Board has clearly defined "Never Events" (those events that should never happen if controls are operated effectively) to ensure that appropriate focus is given to the risks and controls in these areas.
- The Board commissioned a review by BDO of compliance with all legal obligations and standards. The review found Dimensions to be compliant in all areas. This exercise reached out across the organisation providing an opportunity to raise awareness across the organisation and thereby strengthening our ongoing compliance position.
- Dimensions works hard at ensuring the safety of other people's money in our hands. An earlier report had identified some risks in how Dimensions supports people to manage their money, in particular those that relate to safeguarding people from abuse and respecting their human rights. A plan for improving the service provided in this area was developed during the year. This plan focussed on providing greater transparency when handling financial transactions, improving existing processes, building new processes, growing new business relationships and ensuring that the people we support are given the best advice for managing and controlling their own finances.
- A project was undertaken to improve the quality of complaints management across Dimensions. In particular, the project focussed on reporting complaints, reducing the time to resolve complaints and improving communication with complainants.
- Stress testing the business has continued as an annual process. With an emphasis on financial viability and risk management, rigorous stress testing is used to strengthen control over the key risks to the business. In particular, those risks that could potentially break Dimensions. Stress testing helps Dimensions to understand how much it can stretch assets whilst still managing risk at acceptable levels, in order to maximise their effectiveness.
- Work has begun on the roll out of our new support model, Activate. This is a research based model of support built around eight structured domains and puts decision making closer to people we support by setting personalised and challenging goals with them, their families, and their staff. Our approach involves teaching new skills and enabling people to try new experiences, which is proven to lead to measurable improvements in quality of life for people and their support teams.
- Dimensions has worked with the University of London on a research project on bereavement for people with learning disabilities. This will enable us to adapt our training programmes so that we can better support people when they, a family member or a friend are at risk of dying and to provide best practice support in these circumstances.
- Waymarks began an in-depth review of its strategy and business model in the year. In 2016/17 a benchmarking review of Waymarks support packages against the cost of a placement in a forensic service will be undertaken.

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Dimensions' VFM statement in 2015 set out a number of priorities to improve its VFM performance. These priorities and the outcomes achieved were as follows:

2015/16 VFM priorities	Outcomes
Conduct an options appraisal relating to housing management (as identified in the Ark Report). This will include whether to transfer all housing management to SHOs and how to align Housing Officers with regions.	The Board agreed that Dimensions would continue to own and operate housing. Initial consultations took place with representation from regional operations in respect of where housing management should sit within the organisation. However, it has been decided that a more fundamental review of Dimensions' approach to housing and housing management is required, particularly concerning the organisation's ability to generate additional housing supply. This review will take place in 2016/17 and further consideration of housing management options will follow receipt of the report and recommendations.
Further work to be able to systematically measure the social return on Housing properties	Initial scoping has indicated that this will be a significant piece of work. Although, of course, desirable, other organisational priorities have meant that it has not been possible to progress this in the year.
Improve workforce productivity to 82%	Workforce productivity of 81% was achieved in the year. Whilst this was marginally below the target set, it is considered to be a satisfactory performance given the timing of Easter bank holidays in the year.
Achieve regulatory compliance with CQC/CSSIW of 100%	87% of Dimensions' services were Good/ Outstanding, as rated by CQC, at the end of 2015/16. However, in October 2015 we peaked at 99%. Following the change in the CQC inspection and rating regime, rating has fallen reflecting the changes in approach. The Laing & Buisson benchmarking data evidences that this is a common trend for a high proportion of Dimensions' competitors. From April 2016, our internal audit approach has now changed to mirror that of CQC.
Develop a research-based and outcomes-focused model of support in order to further improve the quality and cost effectiveness of the service offered	A model has been developed (called Activate) and a working group has been put together to embed the new support model in Dimensions.
Invest its specialist skills in increasing the organisation's provision of services for people with complex needs	Dimensions has increased the number of SCIPr instructors throughout the organisation to train more employees in strategies for crisis intervention and prevention. Dimensions has also further developed the EIBI (Early Intensive Behavioural Intervention) programme and trained more consultants in its implementation. In addition, a research programme concerning the sustainability of the Activate model has been completed with the Tizard centre.

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Develop and introduce a new Business Intelligence strategy, providing better quality data to help the organisation more effectively monitor and drive performance as well as to provide useful insights	A Management Information Plan was produced for the Executive Team in October 2015, which identified six specific areas related to data where work was required to improve quality. However, concerns continue to be raised about data quality and further work on the key data priorities has been identified for completion on 2016/17.
Review the use of technology to drive further efficiencies and improve how the organisation is able to support people	Personalised Technology has been incorporated in the remit of Operations and Better Practice and attention has been focusing on raising awareness of the possibilities of maximising people's independence and developing our offer of 'just enough support'.
Invest in initiatives to strengthen staff engagement and increase their skills. This will include developing a new and improved induction for staff with much more involvement and direction from the people supported so that staff are fully engaged	We have trained a cohort of "speak up" trainers recruited from the people supported by Dimensions who deliver sessions on our values based Induction Programme which all new employees attend. We have run these sessions for people who transfer into our workforce as well as new recruits. The staff pulse survey undertaken towards the end of 2015 showed an increase in the employee engagement measure from 55% to 63%.
Work with the people we support to increase choice and control in their lives – in particular reviewing how to support people better with managing their personal monies, as this has been recognised as a priority concern for many of them	A plan for improving the service provided in helping people manage their personal monies was developed during the year. Many areas of the plan are complete. Work is ongoing through 2016/17 to complete the actions in the plan.
Consider the further implications of the corporate strategy for the Housing function and to refresh the Housing strategy accordingly. In particular, this will include how housing solutions are developed to meet the needs of the tenants and people supported	See above. A further in-depth review of Dimensions' ability to provide appropriate housing solutions is planned for 2016/17.
Promote the specialist Housing Brokerage offered	Dimensions is sharing its knowledge in this area by, for example, presenting at conferences and promoting our best practice approach. In addition, we continue to submit tenders for new brokerage work and actively promote brokerage in situations of competitive dialogue.
Complete an estate strategy as part of the overall housing strategy	See above.
Continue to develop the register of assets and liabilities	The register of assets and liabilities was completed during 2015/16.
Review Housing procurement practices	Again, this review was predominantly concerned with how we procure housing supply to satisfy demand. This will be included in the planned review.
Develop and implement reporting on housing matters	A standard suite of Housing reports was developed and agreed at the beginning of 2015/16.

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Dispose of properties, where they have been identified to no longer provide an adequate financial or social return	Nine properties identified last year as no longer providing an adequate return were disposed of during the year. However, conditions changed for one property such that our revised assessment indicated that an adequate return could be made and this property was retained.
Closely monitor the Housing maintenance call centre performance until it returns to a satisfactory level	The call centre performance has improved in 2015/16 and is now considered to be satisfactory.
Address (where appropriate) the issues identified by individuals in the tenants' survey	All the issues raised in the tenants report were addressed with housing management providers, contractors and the call centre.

The Board is pleased with the progress made in many areas of the VFM programme during 2015/16. However, there are a number of key areas requiring further improvement. In summary, the Board's assessment of the performance in relation to each of the key strategic objectives is set out below. The examples used under each objective are key performance indicators used by the Board in monitoring VFM.

Personalisation - To deliver 'just enough support' that reflects the aspirations of every person supported

Dimensions is working towards becoming a research-based, outcomes focused provider. In terms of personalisation, this means that we are striving to ensure that the support provided is based on evidence about what really works for each person and their specific support needs. Work has begun on planning the roll out of our new support model (Activate), which is built around eight structured domains and puts decision making closer to the people we support by setting personalised and challenging goals with them, their families, and their staff. Our approach involves teaching new skills and enabling people to try new experiences, which our sector-leading research has proven is how measurable quality of life improvements for people and their support teams can best be delivered. Information has also been shared with other support providers throughout the sector regarding the research outcomes and support model used in order to influence broader practice.

Outcomes achieved in the Activate research, which we anticipate being replicated throughout the organisation, were:

For people supported:

- On all measures of quality of life, people we support in the experimental group improved more than in the control group services.
- Frequency and severity of challenging behaviour decreased for people in the experimental group.
- People we support in the experimental group achieved positive outcomes as judged by people who know them (such as family members and other professionals) in the following areas: social skills; leisure skills; communication; self-help skills; job skills; academic development and sexuality.

For support staff:

- Staff in experimental group settings showed significant increases in job satisfaction and reduced stress when compared with staff in control group settings.
- The intervention was greeted positively by staff in experimental settings, families of people supported in experimental settings and professionals engaged with the settings.

In addition to the above research on the support model, we have also focused on partnering with other universities on other topics to enhance our practice and to influence our sector. This has included work on bereavement for people with learning disabilities with London University.

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We have increased the size of our behaviour support team this year to better support people whose behaviour can challenge. This year, the incidences of challenging behaviour (per person we support who engages in challenging behaviour) was 5.60, a small increase on the previous year's figure of 5.29. This reflects the increasing amount of work Dimensions is taking on for people with higher support needs. Although our work is effective in reducing incidences of challenging behaviour in the medium-term, in the short-term as the number of people we support who engage in challenging behaviour increases (up to 308 in 2015/16 from 269 in 2014/15) then this will increase. We have also expanded on our specialist area of the organisation called Real Focus, which is generating very positive outcomes for people supported and families.

We are disappointed that our CQC/CSSIW ratings (percentage of services with a "good" rating) have decreased over the year. These rose to 99% in October 2015 (benchmark 90%; 2014/15 96%). However, following the change in the CQC inspection and rating regime, this rating has fallen (87% at the end of March 2016) reflecting the change in approach. The Laing & Buisson benchmarking data evidences that this is a common trend for a high proportion of Dimensions' competitors, with the average for the top 20 providers falling from 94% in 2014/15 to 88% in 2015/16. Dimensions continues to aim for 100% compliance, although we expect continued immediate pressure on this rating in the short-term and the target for 2016/17 is to maintain at 87% as good or outstanding.

All services are regularly audited against the "Dimensions Standards" by the internal Compliance Auditors. These standards encompass the various regulatory requirements that apply to the organisation's different businesses and consequently set a higher-base standard than pure regulatory compliance. From April 2016, the internal audit approach has changed to mirror that of the new CQC approach. Internal audits are now being carried out on an unannounced basis and these are revealing more areas for improvement. Consequently, Dimensions' compliance scores have fallen to 73% (2014/15: 87%). Guidance for how staff and managers should prepare for inspections has been circulated and all Locality Managers are required to complete a Provider Information Return (PIR) in the same format as CQC to demonstrate how they meet CQC standards. A risk profiling tool has also been developed and is being used to prioritise services. The expectation is that internal compliance scores will gradually increase over the coming year and the target is to finish 2016/17 at 80%.

Dimensions recognises that well-led services are required in order that there is high quality service provision and that people we support are safe. The specific CQC safe/well-led domain rating was 81% at the end of March 2016. This represented a decline from 98% at the beginning of the year and fell short of the target of 100%. As for the overall CQC rating, this resulted from the change of approach by CQC and the amended internal audit approach from April 2016 will address the issues.

The organisation aimed for all people receiving over 30 hours of support per week to have a person-centred review and an Individual Service Fund (if their local authority purchaser has not allocated one). In 2015/16, 430 people supported by Dimensions had an Individual Service Fund (2014/15: 358). These help to promote the independence and the well-being of the people supported by Dimensions. With the introduction of Activate, our focus will move away from person centred reviews to possibilities analyses for each individual.

Development - To increase Dimensions' ability to support more people better

Throughout 2015/16 Dimensions has continued to build on the significant progress made in the previous year with continued evidenced improvements in quality and price scores on tenders and was placed in the top five successful framework providers 61% of the time (2014/15: 57%). Dimensions has therefore been very competitive this year and has re-secured over £5.3 million of existing work and seen a net growth of £9.0 million (annualised) in the year, well in excess of target (£4.1m) for the second successive year. For 2016/17, Dimensions' target is to achieve a similar level of percentage growth, and to concentrate in particular on driving its 'start-up' Business Units through a growth-phase.

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Operating and Financial Review

In parallel to this organic growth; Dimensions has also been working on a merger opportunity into a new geography. In addition, Dimensions is the sole remaining bidder on a sector-leading initiative to outsource all of a single local authority's provision to a single provider under a newly created Social Enterprise Vehicle.

Dimensions' research-based approach, now encapsulated in our Dimensions Activate support model, and expertise in providing services to people with complex and challenging needs, places it in a strong position to continue to respond to the government's commitment that people are not left in institutions where they can, and should, be living as equal and valued citizens in local communities. Dimensions' subsidiary Waymarks has expertise in community-based support for people with complex histories. Waymarks has continued to gain a good reputation and has seen a steady growth in service provision. The interventions made enable people who might otherwise be in a hospital setting or secure unit to live safely in the community with reduced support, whilst ensuring that communities are safe. At the end of March 2016, 38 people were supported by Waymarks (target: 51). In 2016/17, it is expected that the number of people supported will grow to 70.

Engagement - To build the organisation's reputation and relationships to achieve positive outcomes for the people supported

Dimensions and Ambitious about Autism continue to work in partnership in supporting the Autism Schools Trust (AST) and the first free school of the Trust (The Rise), a school for children with high-functioning autism. During 2015/16 the new school building was completed enabling the move from temporary accommodation into a new high specification environment. The school received a positive Ofsted inspection (Section 8) in November 2015 and was found to meet all requirements. At the end of March 2016, the school had 40 pupil places available of which 35 were filled (target: 40 places, 37 filled). With the opening of the new school building, the number of pupils is expected to rise to 51 by March 2017 out of a classroom capacity of 56.

Our ongoing relationship with Helen Sanderson Associates (HSA) continued to flourish during the year resulting in a project with the Helen Sanderson Foundation and organisations in India to offer a unique "buddying" opportunity for our staff. Twenty Dimensions' volunteers were matched with 20 learning disability project workers in India as part of the programme. The aims of the project include spreading best practice, enhancing the profile of Dimensions, investing in what we believe is socially right and improving outcomes for people we support and those who work with us. We are hopeful there will be opportunities for some volunteers to visit projects in India next year. The main funding for the project has come about from the proceeds of our Person-Centred Thinking e-learning course, which we developed with HSA. Overall, Dimensions' contribution through this funding was in excess of £10,000 in the year.

Our partnership with four national cinema chains offering 'autism-friendly screenings', continues and is now in its 5th successful year. Tickets sold remain on the increase reaching sales of 79,361 and most importantly providing opportunities for people with autism and their families that previously did not exist and continuing to result in an ongoing social return on Dimensions' original investment.

This year we saw the introduction of 'Ask Your Question'. 'Ask Your Question' is a Question Time format event, organised by Dimensions in partnership with local learning disability organisations. Events give adults with learning disabilities the opportunity to have their say on issues affecting them, and to pose their questions to a panel of leading local politicians and campaigners ahead of local and national elections. The event forms part of Dimensions wider "Love Your Vote" campaign to encourage democratic participation amongst people with autism and learning disabilities.

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Operating and Financial Review

Inspired by the Every Australian Counts movement that was influential in developing the National Disability Insurance Scheme, Housing & Support Alliance and People First England are proposing in 2016/17 to join together to form a membership organisation called Learning Disability England (LDE). Adopting the principles underpinning Every Australian Counts the intention is that people with learning disabilities, their families and providers will come together and campaign to advance issues they agree on. Dimensions has played a significant role in the early planning and has provided a small amount of funding to enable plans to progress. The establishment of such an organisation will provide opportunities not only for our Council and our Family & Friends Forum to have an influence at a national level but also the wider population of the people we support and their families. There are various interested parties working to take this initiative forward and this alone provides further opportunities for Dimensions to engage and work with other organisations and opinion formers. It is our intention to continue to work with key partners involved and to contribute to the ongoing development of LDE.

During 2016/17 we will also support Dimensions Council and Family & Friends Forum to review the work of each forum with a view to extending their reach and engagement to enable them to have a louder voice.

People - To foster an environment that attracts and retains the right people and encourages and recognises best practice

The quality and effectiveness of care given is significantly dependent upon the quality of the people delivering it. Therefore, the effectiveness of recruitment, staff retention and the way staff are managed and developed has a direct impact on the social and economic value for money provided.

Staff vacancies at end March 2016 were 533 (target: 525, although this did not factor in the significant growth in the year). In the final quarter of the year, Dimensions' own staff contracted hours and bank relief staff availability totalled 93% of the hours we were contracted to deliver. No target was set for this in 2015/16, however a target of 98% has been set for 2016/17.

We have invested in a number of approaches to improve recruitment, identifying a range of cost effective recruitment methods and using our buying power to bulk purchase advertising and deliver significant savings. The savings we have achieved from this amount to circa £175,000 per annum. We have rolled out values based recruitment across the organisation, testing people for their values and training them for skills once they join. Our series of Recruitment Open Days has attracted candidates who may not have been attracted via more traditional recruitment methods. Time-to-hire, however, remains at 59 days, which was higher than our target of 49 days and our competitor benchmark figure of 37 days. Our performance in this area has been affected by delays in receiving DBS checks, particularly in London and the South East. We have worked with other organisations in the sector to ensure that we are taking as proactive a route as possible in addressing this issue. We monitor recruitment hotspots and are trialling new ways to source candidates such as radio advertising.

Employee turnover is currently at 18.7% which is in line with the sector average but is an increase on the previous year's figure of 11.5% and our target of 12.0%. We are examining the reasons for this increase on a region-by-region basis and are promoting initiatives such as employee wellbeing to assist with employee retention. Turnover amongst managers is, however, very low at 4.5% providing for stable management for our teams across the country.

Dimensions' work around Equality and Diversity during 2015/16 has continued with the focus being the employment of people with a disability and the recruitment of managers from a BME ("Black, minority, ethnic") background. Currently, 6.1% of managers are from a BME background (target: 5.0%). Using positive action principles has enabled us to meet our target for the proportion of managers who are from a BME background and we are now in line with national statistics. We have invested in BME managers via our Aspire talent management programme and also in funding places on an external leadership development initiative. We have also invested in resources to support people with dyslexia. The social care workforce has a significantly higher proportion of people with dyslexia than the general population and there are a range of resources that are now available to facilitate people remaining in employment and achieving promotion.

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Operating and Financial Review

We have continued to develop our Aspire Career Development Programme as a key part of our retention strategy and around 100 people have now been or are going through the programme. Of the first cohort of 20 employees 70% of participants have either been promoted or are taking on additional responsibilities within their role. In a pulse survey carried out at the end of 2015 there was a significant improvement in the number of people who considered that Dimensions provides opportunities for learning and career development.

Dimensions has continued to work with its staff to make progress in reducing the levels and cost of sickness. Working days sickness per employee reduced to 6.3 days (2014/15: 7.6, target: 7.0). We continue to prioritise the reduction of sickness and are investing further in employee wellbeing as a further way to reduce sickness.

The hourly pay of support workers and lead support workers is regularly benchmarked against local employment markets and adjusted to ensure that market rates are paid in all areas to support the recruitment of good staff. We have also had to prepare for the challenge of the National Living Wage on 1st April 2016 and look at ways that we can differentiate our employment offer from other employers who have comparable salary arrangements. We have been able to again invest in front line pay to recruit and retain staff of a suitable quality and over 40% of front line staff saw a consolidated increase in their pay during the year.

We have seen significant growth during the year and have worked hard to ensure that employees who transfer into us from other providers receive a targeted induction that focuses on organisational values and also supports managers in being efficient and effective in the use of Dimensions systems across all aspects of HR practice.

The approach to performance management, including the performance management 'season', has the organisation maintaining a stable position but not improving. 83% of managers have had an annual appraisal in the recent managers' appraisal season (target 90%). The appraisal season for the rest of the workforce is currently ongoing. Based on learning from previous years, the requirements around the 360 degree element of the approach have been made more flexible and it is anticipated that this will assist in achieving our overall target of 90%.

Organisation - To maintain financial sustainability and use resources effectively and efficiently

The absolute and comparative cost of Dimensions' care service is an important factor for many of the organisation's stakeholders. It is only able to deliver its social objectives if it remains financially viable and efficient. It ensures this through focusing on the following key elements:

- Undertaking risk management and stress testing. Through analysing the risks to the organisation, including stress testing over a range of scenarios, the Board has concluded that making an Operating Surplus of at least 2% is the appropriate target to provide the organisation with sufficient financial flexibility to deal with the range of risks identified. The Board has therefore set a target of achieving an Operating Surplus of at least 2% in any year. In addition, the Board concluded that minimum cash and cash equivalents to adequately mitigate risks should be two months' payroll costs.
- Developing a five-year forecast that is based on a clear understanding of the key drivers of the cost of care. The forecast clearly describes the financial pressures expected to impact Dimensions over a period of time and documents how the organisation intends to manage and respond to these risks. It also informs actions and plans to achieve the margin and liquidity targets. The plans and targets are then reflected in budgets and forecasts.
- Effective monitoring of financial performance. In addition to regular executive management review, the financial performance of the organisation, including achievement of targets and efficiency plan savings, is monitored by the Finance and Resources Committee and Board to ensure that budgets and targets are met.

Dimensions (UK) Limited

Operating and Financial Review

Dimensions' financial performance in 2015/16 was disappointing in relation to the targets set by the Board.

Operating Surplus	Budget	Actual
2015/16	£2.4m (2.0%)	£1.7m (1.4%) underlying
2014/15	£2.2m (2.0%)	£2.4m (2.1%)
2013/14	£1.0m (0.8%)	£3.9m (3.3%)
2012/13	£0.6m (0.5%)	£1.0m (0.8%)
2011/12	£0.0m (0.0%)	£0.6m (0.5%) underlying

The disappointing Operating Surplus was after unplanned redundancy costs (where loss making contracts were terminated) and also additional costs associated with significant business development opportunities (together approximately £0.25m). In addition, however, recruitment issues (particularly in relation to new contracts) and higher than anticipated void costs have also reduced Operating Surplus. Note that the underlying Operating Surplus for 2015/16 above is before the exceptional pensions cost recognised in the year (£1.3m). This is an accounting provision for the cost of additional contributions to the SHPS pension scheme payable over the next 12 years, determined by the actuaries to clear the existing deficit.

The financial performance also benefited from a better performance on other contracts and overall demonstrated the hard work of staff in achieving value for money through the organisation.

In addition, although cash reserves finished the year on budget, these were from time-to-time below the threshold of two months' payroll set. During the year, cash-flow was affected by changes in payment terms and the impact on working capital of growth. The Board has agreed, however, that short-term fluctuations in the level of cash reserves are acceptable where these are anticipated and that the cash balances may fall below the threshold for up to a week per month.

Efficiency savings and efficiency remain a prime focus for Dimensions. Key factors in relation to efficiency, leading to value for money in 2016/17 were:

- Contracts that are not capable of meeting Dimensions' minimum viability threshold (able to cover their direct costs, overhead and make a small contribution to surplus) have been critically examined and improvement plans developed to restore a satisfactory trading position. Where this has not been possible then the difficult decision to terminate these contract has been taken. In 2015/16, contracts totalling £0.8m were terminated on this basis.
- Organisational productivity is closely measured and monitored. This is the maximisation of the support hours provided from the total contracted hours available (including holidays, sickness and other non-productive time). In 2015/16 this averaged 81%, a small increase on the 2014/15 figure of 79%.
- Business Support function overhead is benchmarked with peer group organisations through the Agenda Consulting Third Sector Financial Management Benchmarking exercise. Overall, there was a slight increase in overhead (7.7% as a percentage of direct costs, target 7.5%). It should be noted, however, that as the organisation has grown, the Board has chosen to invest more in certain functions (including deputies for Executive directors and in Business development) to ensure an appropriate level of resilience and to enable the organisation to achieve its strategic objectives. The Agenda Consulting analysis has helped us to identify where costs can be reduced and an overhead plan will be developed during 2016/17.
- The financial performance of subsidiaries is largely determined by their income growth. Although they are growing, this has not been as great as we expected in 2015/16 (although growth in other parts of the organisation did compensate). Business plans for each subsidiary have been developed showing credible growth expectations in 2016/17.

Dimensions (UK) Limited

Operating and Financial Review

Dimensions' future plans for Value for Money

Dimensions' assessment of its 2015/16 performance and the value for money objectives it has achieved, is that it continues to make good progress in achieving its efficiency targets, meaning more money has been available to improve the quality of the services offered, to support a wider range of activities, to keep costs down for the people supported and for local authorities, and to support investment in the future. In particular, Dimensions and its subsidiaries have been able to effectively respond to the very demanding austerity conditions in which it operates.

The Board's assessment is that Dimensions is well placed to build on what has been achieved to date in delivering value for money across its social care business in particular. It recognises however that there is more to be done in pursuing continual improvement.

The organisation's priorities for 2016/17 will be:

Personalisation

- to introduce the Activate model of support to all Dimensions' services,
- to improve our complaints management methodology,
- to improve our offer in respect of how we support people to manage their own money,

People

- to develop and introduce an Organisational Development strategy that includes a co-ordinated programme of activities aimed at improving our organisational culture,
- to develop initiatives to differentiate our employment offer from others within our sector to enable us to recruit and retain suitable employees,
- to evaluate, pilot and introduce an effective volunteering scheme across Dimensions,
- to develop and implement a leadership development programme for our Leadership Group and Operations Directors,
- to develop a well-being strategy with organisational and regional implementation plans,

Engagement

- to support the development of LDE as a viable entity and with an engagement and campaigns strategy,

Development

- to achieve the planned growth in Waymarks and Real Focus, gaining the critical mass each entity needs to make their full contribution to Group overhead and surplus,
- to benchmark the price of the Waymarks service against the alternative cost of a publicly available hospital bed,
- to develop pricing strategies for Dimensions and Waymarks, including an effective approach to pricing which incorporates outcomes-based payments,

Organisation

- to review all non-direct costs and develop an efficiency plan to reduce these (in total) to a sustainable level commensurate with our strategy and pricing strategy,
- to upgrade our data security measures, including new measures in place to enable encryption and to control portable devices,
- to adapt our compliance audit methodology so that it mirrors the CQC methodology and delivers an improvement in internal quality compliance audit scores,

Dimensions (UK) Limited

Operating and Financial Review

Housing Assessment of Value for Money

Throughout 2015/16 Dimensions has been enacting a number of the recommendations that were made in the independently commissioned Ark Housing Report (2014/15) which reviewed various aspects of the organisation's housing management and maintenance service, in particular its consistency, effectiveness, quality and financial performance. In a number of areas the Ark Report had confirmed good practice, including in respect of meeting legal and regulatory requirements and in relation to the continuing low number of complaints being made.

However, as the organisation has begun to review some of the larger-scale recommendations and with the conclusion of the Dimensions 2020 5-year Strategy, it has become apparent that there is a mismatch between the goals of the Company and the current housing provision capacity and capability, particularly the supply of new housing, that will not be closed even with the successful implementation of the Ark Report recommendations. The decision has been taken, therefore, to undertake a more comprehensive review of our housing strategy to which an independent body is currently being commissioned. Their role will be to assess the ongoing role of the housing function in the Dimensions' Group and to consider alternative solutions, such as external provision/partnerships, where these could enhance Dimensions ability to achieve its strategic objectives.

The independent review will report early in 2016/17 and will produce an options paper for discussion by the Dimensions Board and enactment later in the year.

Return on assets and management of assets

Dimensions aims to deliver a social and financial return on its housing assets and regularly assesses this return. The financial return is an objective calculation on the financial data and is the margin as a percentage of the housing assets. This tells us how well we are using our assets to generate surplus. Overall, the financial return on housing assets was 17.2% (2014/15: 14.7%). The financial return was improved because increased amounts of expenditure were capitalised under component accounting. The social return is harder to measure and processes are continually being developed to enable the organisation to review and measure this more systematically. Currently, Dimensions takes demand for the homes in which it provides services to people with learning disabilities as evidence of social return. Overall, voids reduced from 7.9% to 6.3% and from 7.9% to 7.3% on Dimensions' managed and agency-managed properties respectively, indicating a small increase in social return.

The organisation also considers individual properties, which involves challenging itself on whether it is holding and investing in the right assets. In order to address this question the following have been looked at:

- homes that have become empty and/or where notice has been received to vacate them,
- homes with impairment – by definition, these are failing to provide the organisation's minimum 5% financial return (on Housing assets), and
- other homes known to present a challenge that may not be providing an adequate social return.

In each case, the following are assessed:

- whether it is possible to achieve the minimum financial return (5%),
- whether there is an opportunity to achieve a Social Return (is there a demand for services to be provided from this home in the learning disability sector). For this, consultations are held with Operations, including Waymarks and Real Focus (specialist divisions of the Group), and
- whether the capital tied-up can be better utilised elsewhere.

Based on the analysis, a decision is made on what to do with the property (retain, invest or sell). During 2015/16, eight properties were sold (2014/15: one). In these cases the properties were no longer required for the provision of housing to people with learning disabilities. As a social return could not be demonstrated, the decision was taken to dispose of the properties.

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Note that we continue to experience difficulties in obtaining agreement to recycle the resources in ex-NHS properties, when these become unused assets. Through the Voluntary Organisations Disability Group, Dimensions is influencing the NHSE transforming care agenda to help ameliorate this problem.

Major repairs

Much of Dimensions' stock is pre-Second World War and a number of homes are from the 19th century, for which the maintenance expenditure is expected to be higher. Major repair costs are also expected to be higher than for general needs registered providers due to the different needs of Dimensions' tenants, who require more robust (expensive) fittings which also are more likely to require more frequent repair/replacement. Dimensions' assessment is that because of these factors, a major repairs charge that is 10% higher than the global accounts average is reasonable and does represent value for money. The costs of major repairs appear high for 2015/16 compared to the previous year and the benchmark figure (HCA Global Accounts Traditional RPs), see below. As noted in last year's report, the costs for 2015/16 and 2016/17 are affected by additional investment (approximately £50k per year), reflecting the under-resourcing of major repairs prior to 2013/14 and Dimensions' commitment to catch up. It is anticipated that there will be a reduction in the cost of cyclical works from 2017/18 as a result of this investment and the use of maintenance-free alternatives. In addition, although the actual spend appears high, some of the costs budgeted under routine/planned repairs has been incurred whilst undertaking major cyclical works. Taken together, the total spend in these areas was £1.68m (budget £1.61m), so a small overspend which has been capitalised through component accounting.

Dimensions challenges itself in respect of value for money in its major repairs by:

- ensuring that Stock Condition surveys are performed regularly for all properties and that the repairs identified are promptly and efficiently carried out. This ensures that properties remain of a high standard promoting the well-being, comfort and safety of tenants,
- performing regular interim inspections on properties and identifying major repairs that cannot wait until the next Stock Condition Survey,
- considering through the budget process the appropriate level of charge to tenants for major repairs. For example, in 2016/17 it is expected that the cost of major repairs will again be approximately £50k more than the amount that will be recovered through the recharge. Because the additional cost arises through the need to catch up on these works, Dimensions concluded that to charge tenants for this in addition to the underlying cost would not have represented value for money, and
- monitoring tenant satisfaction and complaints for evidence of dissatisfaction in respect of repairs.

Unit cost of major repairs compared to the benchmark is as follows:

Unit Cost (Major Repairs)	Dimensions' charges	Dimensions' actual	Benchmark (Global accounts traditional RPs)
2016/17	£780		
2015/16	£780	£1,059	Not available
2014/15	£780	£823	£767
2013/14	£702	£730	£712

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Routine / Planned Repairs

Dimensions' process for ensuring VFM in its routine and planned maintenance includes:

- aiming to remain 100% compliant in respect of safety matters (gas, electrical safety, legionella, asbestos, fire risk assessments), to protect the well-being of tenants. Dimensions does not compromise on safety,
- regularly tendering for maintenance services, including the call centre, and selecting contractors on the basis of high quality at a competitive price,
- monitoring the performance of contractors and the call centre to ensure that tenants receive the service that Dimensions expects,
- through the budget process, considering the appropriate level of charge to tenants for the maintenance services provided, and
- monitoring tenant satisfaction and complaints for evidence of dissatisfaction in respect of the repairs service, and responding to these in a timely manner to avoid any further dissatisfaction.

In 2015/16, additional focus was placed on the first-time fix percentage as evidence of the quality of the service given, as achieving a high percentage here should help deliver high tenant satisfaction.

Unit Cost (Routine and planned maintenance)	Dimensions' charges	Dimensions' actual	Benchmark (Global accounts traditional RPs)
2016/17	£1,163		
2015/16	£1,111	£889	Not available
2014/15	£1,058	£1,045	£1,016
2013/14	£1,110	£1,015	£1,007

Actual costs were lower than budget, although as noted above these costs were incurred whilst undertaking major cyclical repairs and the total cost of these repairs was broadly in line with budget. Dimensions also monitors how well its call centre works and how its contractors respond. Overall, there was a reasonable performance by contractors with 97% of emergency calls responded to within 24 hours (target: 100%), 97% of urgent calls within 7 days (target: 95%) and 93% of routine calls within 21 days (target: 90%). The call centre response improved from 89% to 92% over the year (target: 98%).

Dimensions is fully compliant in respect of gas certification, electrical safety, legionella risk assessments and asbestos risk assessments.

Housing Management

The organisation's process for ensuring value for money in its Housing Management offer includes:

- considering how best to deliver housing management—Housing management for tenants may be delivered in one of three ways: by Supported Housing Officers (SHOs), by Care Operations colleagues, or by managing agents. The Ark Housing Consultancy Report in 2015 identified some inconsistency in the service received by tenants depending on how the service is delivered. This may have indicated that value for money was not being achieved in all cases. The organisation will review its asset management strategy (including housing management) in 2016/17,
- considering the span of responsibility of its SHOs (i.e. how many tenants it thinks it is reasonable for an SHO to look after and use a cost-plus calculation based on this,
- reviewing Dimensions' charges against a benchmark group. The average housing management charge for the Dimensions' benchmark group was £20.10 per tenant per week, with a range of £14.00 to £29.12, compared to Dimensions' weekly charge of £20.20. Dimensions' housing management costs appear, therefore, to be approximately 0.5% higher than the benchmark group and consistent with the global accounts average, and
- ensuring that where managing agents undertake housing management duties, reduced service charge is offered.

Unit Cost (Management)	Dimensions' charges	Benchmark (Global accounts traditional RPs)
2016/17	£1,040	
2015/16	£1,040	Not available
2014/15	£1,053	£1,082
2013/14	£1,000	£1,040

Tenant Engagement

The organisation engages with its tenants throughout the year in a number of ways. The tenants' report is produced annually. This allows the organisation to share with tenants how it has performed in relation to the standards set by the Homes and Communities Agency. Three tenants' meetings were held in the year, at which Dimensions could engage with its tenants over a range of matters connected to their housing. There are also two tenant representatives on the Dimensions Council. This body exists to give a voice to Dimensions' tenants and the people supported, and helps to guide the organisation.

Each year, a tenants' survey is conducted to understand how they perceive the service provided and what, if anything, they would like to see changed. This is a very important mechanism for engaging with tenants and for gaining an understanding of what can be improved. In 2014/15, the survey identified a number of areas in which action could be taken to improve the service given. In particular:

Action	Outcome
Communication could be improved. Some tenants appear not to have seen a copy of the tenants' report or received news of rent changes or received rent statements. This matter will be addressed with the relevant housing management provider.	We spoke to all our management agents and operational colleagues and resent missing documents. It was found that the "missing" documents had, in fact, been sent received and received by the tenants concerned.

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Some people were not happy with reactive maintenance work done.	On contacting all the tenants who responded with this comment, many were unable to advise what the issue was and therefore we were unable to identify an issue to address. However, housing maintenance services were re-tendered and quality was a bigger factor in the scoring. A poorly performing contractor was replaced as a result of this process. Also, first-time-fix is now measured and currently our contractors are achieving in excess of 80%.
Although few people commented negatively, it would have been better if tenants were finding it easier to contact the call centre.	The performance of the call centre had not been good enough and Dimensions worked with the contractor to ensure that sufficient resource was dedicated to improve performance. The call centre performance has improved throughout the year and in the last 8 months the target of responding to all calls within 30 seconds was achieved.
All the comments received will be reviewed and, where appropriate, the individual issues raised will be addressed.	We responded individually to each and every comment.

Housing Development

A key factor in the care of people with a learning disability/autism is their home. The ability to find and deliver new homes for people is therefore an important component of delivering value for money. In 2015/16 the organisation will consider how to better provide housing solutions to meet the needs of the tenants and people supported.

The Dimensions Housing Brokerage service had a target to house 80 people in 2015/16 (2014/15: 40). This bespoke service assesses the needs of the individual and then finds them a home that matches their needs, giving the individual independence and choice thereby improving their quality of life. Promoting people's independence in this way also leads to reductions in support costs for commissioning authorities. Actual performance was:

2015/16	70 people supported into new tenancies	130 people advised about their housing options
2014/15	45 people supported into new tenancies	43 people advised about their housing options
2013/14	65 people supported into new tenancies	36 people advised about their housing options
2012/13	33 people supported into new tenancies	10 people advised about their housing options

The Board believe that the increase in the number of new tenancies and the people advised about their housing options represents good value for money, although the number of new tenancies did not quite reach the ambitious target set.

Dimensions (UK) Limited

Operating and Financial Review

Dimensions' Housing future plans for Value for Money

The priorities for delivering further improvements to value for money in respect of the housing function are as follows:

- to review the Asset Management strategy including Housing Management. In particular, this will include how housing solutions are developed to meet the needs of the tenants and people supported,
- to continue to promote the specialist Housing Brokerage offered,
- to further develop the estate strategy as part of the overall housing strategy,
- to review procurement practices,
- to dispose of properties, where they have been identified to no longer provide an adequate financial or social return, and
- to closely monitor the call centre performance to ensure that customer service levels are maintained.

Dimensions (UK) Limited Governance Report

Statement on Internal Controls Assurance

The Group's system of internal controls assurance is based on an ongoing process designed to identify the principal risks to the achievement of the Group's policies, aims and objectives; to evaluate the nature of those risks and to manage them efficiently, effectively and economically. The internal controls assurance framework is in place and embedded within the organisation.

Internal Controls Assurance Framework

The Group Board, primarily through the Group Director of Finance, is responsible for ensuring the effectiveness of the system of internal controls assurance. The framework adopted by the Group comprises:

- corporate governance oversight through the Board and Committee structure,
- best-practice internal controls embedded in Group policies and procedures,
- independent assurance through internal and external audit and the regulatory regime,
- performance monitoring of the control environment both financial and operational, and
- continuous risk assessment and active management of business risks.

Statement of Compliance

The organisation undertakes an assessment of its compliance with the HCA's Governance and Financial Viability Standard annually and certifies that it has complied with the standard.

Corporate Governance

Code of governance

The Board fully supports the National Housing Federation Excellence in Governance Code for members published in 2015 and maintains an appropriate system of corporate and financial controls consistent with the requirements of the Code.

Policy for admitting new shareholders

Although the shareholding is open, it is envisaged that the admission of new shareholders will, in the future, be restricted to persons applying to become members of the Board or one of the Board Committees.

People supported are not represented on the Board or subsidiary boards. However, there continues to be a strong connection through the regional "Everybody Counts" meetings with people who use the Group's services. From these meetings, a Council of the people supported (including tenant representatives) has been formed to advise and give direct feedback to the Board. The Council is helped to have a voice, by facilitation, within the organisation, with our Board, the Executive Team and the Leadership Group. In addition the Council is supported in identifying and grasping opportunities to have their voice heard outside Dimensions with opinion formers and other key players in our sector.

Board members' interest in shares

Each elected member of the Board who held office at 31 March 2016 had an interest of one ordinary £1 share in the shares of Dimensions (UK) Limited at the beginning (or date of appointment if later) and end of the financial year. The shares are non-equity and provide no financial return under any circumstances. The Chief Executive holds no interest in the Group's share capital.

Dimensions (UK) Limited Governance Report

Composition of the Board and key roles

The Chair and other Board members also chair and attend meetings of the Board Committees and the operating subsidiaries. Board members are remunerated for their contribution to the Dimensions (UK) Limited Board. The role of Chair of Dimensions (UK) Limited is separate to that of Chief Executive. The Chief Executive is a co-opted member of the Board. The co-Chair of the Council and the Chair of the Family & Friends Forum are also co-opted members of the Board.

The skills, qualities and experience required by the Board from its members and committee members

The Board audits the skills, qualities and experience that it requires. The following areas have been identified as being of particular importance and the Board seeks to ensure that these are appropriately covered:

- Experience of providing or receiving care and support (in either a personal or professional capacity)
- Knowledge of the social care and housing sectors and their regulation
- Legal knowledge or experience relevant to housing and social care
- General business skills at senior executive or Board level, including in financial management, human resources, public relations, marketing and communications and information technology
- Specialist knowledge or experience, including in employment services, providing services for children and young people, special educational needs, managing in the public sector, commissioning or procurement, risk management, change management and strategic business planning
- Knowledge of processes that lead to value for money and continuous improvement
- Experience of charities and the voluntary sector, including fundraising, campaigning and volunteering
- Experience of housing management and property/asset management
- Understanding good governance, including stakeholder involvement and engagement
- Understanding of equal opportunities and diversity
- Representation of the views and aspirations of the people Dimensions supports and their families

Shared responsibility

Members of the Board recognise their shared responsibility for the decisions of the Board, and for ensuring that the financial affairs of Dimensions (UK) Limited are properly conducted. A Register of Members' and Senior Officers' Interests is in place.

Dimensions (UK) Limited Governance Report

Meetings of the Board

The Board met eight times during the year. Member attendance at Board and Committee meetings was as follows:

	Board (8 meetings)	Group Audit Committee (3 meetings)	Human Resources Committee (4 meetings)	Finance & Resources Committee (5 meetings)	Quality & Practice Committee (4 meetings)	Development Committee (3 meetings)
Helen Baker (Chair)	8/8	-	4/4	5/5	1/1	-
Anne Barnard	8/8	-	4/4	5/5	-	-
Calum Mercer	7/8	2/3	-	5/5	-	3/3
Christine Cryne	8/8	-	1/3	-	4/4	2/3
Jonathan Mason	5/8	1/1	-	-	-	3/3
Kevin Lewis	7/8	-	-	-	4/4	-
Gordon Lyle	7/8	-	4/4	-	-	3/3
Rosalind Bergemann	6/8	3/3	-	-	-	-
Marie Seaton*	4/7	0/2	-	-	1/3	-
Steve Scown (co-optee)	8/8	-	-	-	-	-
Susan Kirkman (co-optee)+	6/8	-	-	-	3/4	-
Steve Inch (co-optee)**#	2/3	0/1	-	-	1/1	-
Paul Davies (co-optee)***#	4/6	-	-	-	1/1	-

*Resigned 14 March 2016

**Resigned 18 September 2015

***Appointed 1 September 2015

+Chair of the Family & Friends Forum

#Co-Chair of the Council

Group Audit Committee - The Committee consists of at least three non-executive directors, two of whom constitute a quorum. The Committee is chaired by Rosalind Bergemann. The purpose of the Committee is to ensure that an effective system of internal and external controls operates in the Dimensions Group, covering risk management, fraud and ethics, financial reporting, legislation, regulatory requirements and the internal and external audit functions.

Human Resources Committee - The Committee consists of at least four non-executive directors, one of whom is the Chair of Dimensions. Two non-executive directors constitute a quorum. The Committee is chaired by Gordon Lyle. Its purpose is to take a corporate overview of Dimensions' Human Resources strategy, ensuring effective contribution to organisational performance and to assist the Board in the task of remunerating executive and non-executive directors.

Finance and Resources Committee - The Committee consists of at least three non-executive directors, two of whom constitute a quorum. The Committee is chaired by Calum Mercer. The purpose of the Committee is to ensure that a detailed review of performance in relation to the finances and resourcing of Dimensions and all of its subsidiaries is undertaken on a regular basis.

Quality and Practice Committee - The Committee consists of at least four non-executive directors, including the co-opted representatives of the Family & Friends Forum and the Council. Three non-executive directors constitute a quorum. The Committee is chaired by Christine Cryne. The purpose of the Committee is to consider matters relating to the quality of service provided and to receive reports from the Safeguarding Panel.

Dimensions (UK) Limited Governance Report

Development Committee - The Committee, which had its first meeting in September 2015, consists of at least three non-executive directors. Two non-executive directors constitute a quorum. The Committee is chaired by Jonny Mason. The purpose of the Committee is to look at business development, mergers and acquisitions.

The Boards of Waymarks Limited and Outreach 3 Way Limited each met at least five times in the year.

Internal Controls

The Group Board has ultimate responsibility for ensuring that the Group has in place a system of internal controls assurance that is appropriate to the business and operating environment. These controls are designed to give reasonable assurance with respect to:

- the reliability and accuracy of financial information used within the Group or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposal; and
- the quality of service provision.

The controls include formal policies and procedures, including the documentation of key systems and rules relating to the delegation of authority. These allow the monitoring of controls and restrict the unauthorised use of the Group's assets. In addition, experienced and suitably qualified staff are employed to take responsibility for important business functions.

Independent Assurance

The Board gains significant assurance through independent assessments of internal controls. Internal audit services in the year were provided by BDO. Where specialist knowledge of a particular area is required, other independent organisations are used to conduct the internal audit review.

As part of their duties, the internal auditors carry out independent checks on the control process on behalf of the organisation and submit regular reports that include independent opinion on the adequacy and effectiveness of the organisation's system of internal controls assurance together with recommendations and proposals for improvement. An objective assessment is made on the effectiveness of the overall framework of internal controls and whether this is appropriate to the organisation and embedded. The BDO assessment for 2015/16 gave reasonable assurance.

All internal audit reports are considered by both the Group Audit Committee and the Executive Team, and are referred to the responsible Board Committee and the Board when appropriate.

KPMG LLP undertakes the statutory external audit of Dimensions (UK) and its subsidiaries. They also report on the adequacy and effectiveness of the organisation's system of internal financial control through, if considered necessary, the qualification of our accounts, the 'management letter' and through ad hoc assessments and reviews.

Performance Monitoring

The financial and operational performance of the organisation is monitored by:

- staff appraisal arrangements to maintain standards of performance,
- forecasts and budgets to allow the Boards and management to monitor key business risks and financial objectives and progress towards financial plans set for the year and the medium term,
- management accounts to provide relevant, reliable and up-to-date financial and other information and significant variances to budget investigated,
- all significant new initiatives, major commitments, asset disposals and investment projects being subject to formal authorisation,

Dimensions (UK) Limited

Governance Report

- a programme of service financial audits, which regularly review and test the financial controls operating at the service level. This is augmented by the regular Compliance Auditor service audits, through which key financial controls are reviewed and any concerns escalated for a more in-depth review,
- a set of quality standards (Dimensions' Standards) that set the expectations of its services and homes to be above those set by the regulators. A dedicated team of Compliance Auditors reviews all services and homes on a programme of visits to assess the degree of compliance with Dimensions' Standards,
- the appropriate Board(s) or Committees who review reports from management, the internal auditors, the external auditors and the Group Audit Committee to provide reasonable assurance that the control procedures are in place and are being followed. This includes a general review of the major risks facing the Group,
- a Corporate Project Manager who monitors the planning, implementation and learning from all major projects and ensures actions are progressed,
- the Board which reviews the Internal Controls Assurance framework on the effectiveness of the internal control system, and
- formal processes and procedures which have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Board also actively monitors and manages the organisation's achievement of Value for Money. Appropriate benchmarks are identified and targets for the achievement of Value for Money in relation to the organisation's objectives are set. Performance against these targets is monitored throughout the year by the Board and the relevant committee.

Risk Management

A new Risk Control and Assurance Framework was introduced in the year and reviewing and reporting of risks changed to reflect the new framework. The Group's Risk Panel (consisting of Executive Team members and the Head of Quality, Compliance & Risk) meet formally once a year to review the entire risk process and key strategic risks. Risk management is a standard agenda item on the monthly executive team meeting to evaluate newly identified risks and to review the existing highly ranked risks. The Board and functional Committees, as a central part of Dimensions' governance and oversight, review the control and assurance framework for each of their assigned areas and consider the overall resilience of the organisation.

The Group's system of internal control includes a business planning process that includes a high-level assessment of the Group's strengths and weaknesses, and opportunities and threats that it faces both internally and externally. The planning process delivers high-level business targets that form the basis for the financial and operational control environment. The plan also assesses the risks associated with the delivery of the Group's long-term business objectives and highlights the action to be taken in mitigating these.

The Board also conducts stress testing of the organisation. This involves testing what would happen to the organisation under a range of different scenarios and if multiple risks were to crystallise. Mitigating strategies in respect of the risk exposures are considered.

The Board has a current strategy and policy on fraud covering its prevention and detection. The Group Audit Committee monitors instances of fraud and produces an annual report that includes details of any reportable fraudulent activity in the period. In the year there were six instances (2015: four) of fraud with an aggregate unrecovered value of £3,000 (2015: £4,000). Where the fraud affected the people supported, they have been fully reimbursed for their loss. The necessary action has been taken to deal with the control points identified.

Dimensions (UK) Limited Governance Report

Legal and Administrative Details

Dimensions (UK) Limited is incorporated under the Co-operative & Community Benefit Societies Act 2014 and Credit Unions Act 1965 and is a Private Registered Provider of Social Housing. Details of the Board, registration numbers, the professional advisors and the address of the registered office are set out on page 2. Dimensions (UK) Limited is governed by its Rules (reference: Model Rules 2005 published by the National Housing Federation).

Employees

Dimensions (UK) Limited endeavours to employ sufficient staff with appropriate skills and to ensure that effective employment policies are in place and that good practice is followed. All employees receive training in the health and safety aspects of their duties.

The Group has a Recognition Agreement in place with the trade union UNISON.

Review of the Business

A review of the business is provided in the Operating and Financial Review.

Directors

The Directors who served during the year are listed in the statutory information on page 2.

Going Concern

The Group is forecasting a surplus for next year from its main operational activities and has sufficient cash in the bank which provide adequate resources to the group's day-to-day operations.

On this basis and after making appropriate enquiries, the Board confirms that it has a reasonable expectation that the Group has adequate resources to continue in its operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in preparing the consolidated financial statements.

External Auditors

A resolution to re-appoint KPMG LLP will be proposed at the forthcoming annual general meeting.

Dimensions (UK) Limited Directors' Report

Statement of the Board's Responsibilities in respect of the Board's Report and the Financial Statements

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative & Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland).

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and the Association and of the income and expenditure of the Group and the Association for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Association will continue in business.

The Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that its financial statements comply with the Co-operative & Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015. The Board has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Group's website, www.dimensions-uk.org. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board of Dimensions (UK) Limited on 27 July 2016 and signed on its behalf by:



Jackie Fletcher
Secretary
Dimensions (UK) Ltd
9-10 Commerce Park,
Brunel Road,
Theale
Reading
RG7 4AB

KPMG LLP
Report of the Independent Auditor to the Members of Dimensions (UK) Limited

We have audited the financial statements of Dimensions (UK) Limited for the year ended 31 March 2016 set out on pages 33 to 68. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland).

This report is made solely to the association in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the association those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board and auditor

As more fully explained in the Statement of Board's Responsibilities set out on page 31, the association's Board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

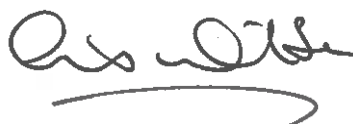
In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the group and the association as at 31 March 2016 and of the income and expenditure of the group and the association for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been properly prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the association has not kept proper books of account; or
- the association has not maintained a satisfactory system of control over transactions; or
- the financial statements are not in agreement with the association's books of account; or
- we have not received all the information and explanations we need for our audit.



Chris Wilson
for and on behalf of KPMG LLP, Statutory Auditor

KPMG LLP

Arlington Business Park

Theale

Reading

RG7 4SD

~~27 July 2016~~

3 August 2016




Dimensions (UK) Limited
Statements of Comprehensive Income
for the year ended 31 March 2016

	Notes	GROUP		PARENT	
		2016	2015	2016	2015
		£'000	restated £'000	£'000	£'000
Turnover	2,3	122,724	111,289	113,144	103,824
Operating costs					
Operating costs before exceptional items		(121,019)	(108,932)	(111,581)	(101,800)
Operating surplus before exceptional items		1,705	2,357	1,563	2,204
Exceptional items:					
(Charge) arising on pension liability		(1,242)	-	(1,242)	-
Operating surplus after exceptional items	3	463	2,357	321	2,024
Gain/(loss) on disposal of assets	7	474	(21)	474	(21)
Interest receivable and similar income	8	42	39	56	46
Amounts written off investments	10	(2)	-	(2)	-
Interest payable and similar charges	9	(241)	(175)	(241)	(222)
Surplus for the year	10	736	2,200	608	1,827
Actuarial loss in respect of pension schemes		(70)	(496)	(70)	(494)
Total comprehensive income for the year		666	1,704	538	1,333

The consolidated results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Management on 27 July 2016 and were signed on its behalf by:

 Helen Baker Chair	 Rosalind Bergemann Board Member	 Jackie Fletcher Secretary
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Dimensions (UK) Limited
Consolidated Statement of Changes in Equity
As at 31 March 2016

	Notes	Income and expenditure reserve £'000	Restricted reserves £'000	Total £'000
Balance as at 1 April 2014		14,253	897	15,150
Total comprehensive income for the year		1,704	-	1,704
Transfer of restricted expenditure from unrestricted reserve		8	(8)	-
<hr/>				
Balance at 31 March 2015		15,965	889	16,854
<hr/>				
Total comprehensive income for the year		666	-	666
Transfer of restricted expenditure from unrestricted reserve		28	(28)	-
<hr/>				
Balance at 31 March 2016	20,21	16,659	861	17,520
<hr/>				

Dimensions (UK) Limited
Association Statement of Changes in Equity
for the year ended 31 March 2016

	Notes	Income and expenditure reserve £'000	Restricted reserves £'000	Total £'000
Balance as at 1 April 2014		11,916	878	12,794
Total comprehensive income for the year		1,333	-	1,333
Reduce support in subsidiary		156	-	156
Transfer of restricted expenditure from unrestricted reserve		9	(9)	-
Balance at 31 March 2015		13,414	869	14,283
Total comprehensive income for the year		538	-	538
Increase support in subsidiary		(84)	-	(84)
Transfer of restricted expenditure from unrestricted reserve		10	(10)	-
Balance at 31 March 2016	20,21	13,878	859	14,737

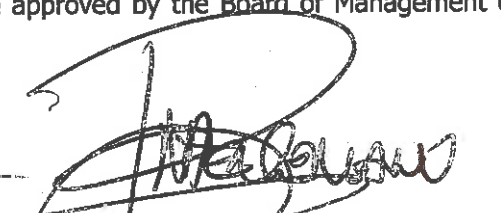
Dimensions (UK) Limited
Group and Parent Statements of Financial Position
for the year ended 31 March 2016

	Notes	GROUP		PARENT	
		2016	2015	2016	2015
		£'000	restated £'000	£'000	£'000
Fixed Assets					
Housing properties – cost less depreciation	13	24,169	24,440	24,169	24,440
Other fixed assets	14	3,941	4,615	1,263	1,889
		<u>28,110</u>	<u>29,055</u>	<u>25,432</u>	<u>26,329</u>
Current assets					
Debtors	15	14,193	10,881	13,909	11,201
Cash at bank and in hand		14,613	18,178	14,073	17,433
		<u>28,806</u>	<u>29,059</u>	<u>27,982</u>	<u>28,634</u>
Creditors: amounts due within one year	16	(12,589)	(14,341)	(11,893)	(13,822)
Net current assets		<u>16,217</u>	<u>14,718</u>	<u>16,089</u>	<u>14,812</u>
Total assets less current liabilities		<u>44,327</u>	<u>43,773</u>	<u>41,521</u>	<u>41,141</u>
Creditors: amounts falling due after more than one year	18	19,005	20,285	19,005	20,285
Pension liability	25	6,540	5,456	6,540	5,456
Provision for liabilities	31	1,262	1,178	1,239	1,117
Capital and reserves					
Non – equity share capital	19	-	-	-	-
Restricted reserves	20	861	889	859	869
Income and expenditure account	21	16,659	15,965	13,878	13,414
		<u>17,520</u>	<u>16,854</u>	<u>14,737</u>	<u>14,283</u>
		<u>44,327</u>	<u>43,773</u>	<u>41,521</u>	<u>41,141</u>

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Management on 27 July 2016 and were signed on its behalf by:


Helen Baker
Chair


Rosalind Bergemann
Board Member


Jackie Fletcher
Secretary

Dimensions (UK) Limited
Consolidated Statement of Cash Flows
for the year ended 31 March 2016

	Notes	2016 £'000	2015 £'000
Net cash (outflow)/inflow from operating activities	26	(2,927)	5,285
Investing activities			
Interest received		42	39
Payments to acquire other tangible fixed assets		(263)	(572)
Payments to acquire and/or construct housing properties and/or their components		(825)	(1,021)
Receipts from sale of housing properties		533	-
Receipts from sale of other tangible fixed assets		40	39
Government grants repaid		-	(37)
Net cash outflow from investing activities		(473)	(1,552)
Financing activities			
Interest paid		(165)	282
Repayment of long-term loans		-	(785)
Net cash outflow from financing activities		(165)	(503)
(Decrease)/Increase in cash and cash equivalents	27	(3,565)	3,230
Cash and cash equivalents at 1 April		18,178	14,948
Cash and cash equivalents at 31 March		14,613	18,178

The accompanying notes form part of these financial statements.

Dimensions (UK) Limited

Notes to the Financial Statements for the year ended 31 March 2016

1 Legal Status

Dimensions (UK) Limited, the Parent, is registered under the Cooperative and Community Benefit Society Act 2014 and is a registered housing association.

The two subsidiaries of the Parent, Outreach 3 Way and Waymarks Limited are both charitable companies limited by guarantee.

Dimensions is a public benefit entity. The principal purpose and activities of Dimensions (UK) Limited and its subsidiaries is the provision of person-centred support packages, with housing, for people with learning disabilities and autism.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which were considered to be material in relation to the financial statements of the Group.

Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015 ("the Direction").

This is the first year in which the financial statements have been prepared under FRS 102. Please refer to note 32 for further details of the transition.

These financial statements have been prepared on a historical cost basis and are presented in Sterling (£).

The Parent company has adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes
- Categories of financial instruments
- Items of income, expenses, gains or losses relating to financial instruments, and
- Exposure to and management of financial risks.

The principal accounting policies of the Group are set out below.

Group structure and basis of consolidation

The Group financial statements incorporate the financial statements of the Parent, Dimensions (UK) Limited, and its subsidiaries:

- Outreach 3 Way Limited, and
- Waymarks Limited,

Both subsidiaries are charitable companies limited by guarantee.

All the Group members' results are presented as operations under common ownership and control.

Systems for Care, previously a dormant company, was dissolved on 4 August 2015.

2 Accounting policies (continued)

Turnover and revenue recognition

Group turnover represents care charges and grants receivable from the Department of Social Services and local health authorities for services provided in the year by the Group for care and supported living, including Supporting People grants, charges to residents, and grants from local and national funders in respect of the year. Group turnover also includes rent and service charges and charges to managing agents.

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids.

Income from Supporting People and support services

Supporting People contract income and income from charges for support services are recognised as they fall due under the contractual arrangements with Administering Authorities and included in turnover. Charges for support services, if the services are provided within the tenancy agreement, are shown as 'Charges for support services'. Where support is provided under a contract separate from the tenancy agreement the related income is shown under 'Supporting People'.

Income received in advance for the provision of specified services is deferred until the criteria for income recognition are met.

Value Added Tax

The Group charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the group and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

Management costs

Management costs include costs in running the Group, excluding those relating to the direct provision of services to clients, contractors' costs for performing maintenance work, depreciation and financing costs.

Apportionment of direct employee, administration and operating expenditure

Direct employee, administration and operating costs have been apportioned to the relevant section of the Income and Expenditure Account on the basis of costs of the staff directly engaged on operations dealt with in these financial statements.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

2 Accounting policies (continued)

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Significant management judgements

The following are the significant management judgements made in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Impairment

Dimensions is required to conduct annual impairment reviews of its housing properties. Other assets are also reviewed for impairment if there is an indication that impairment may have occurred. In general, where no offers are in place and the calculated value in use is lower than book value, then an impairment adjustment is made.

The value-in-use calculation at 31 March 2016 used a discount rate of 5%, which was applied to cash flows extending over a 30-year period. This reflects the long useful lives of housing properties. Impairment provisions of £18k were released this year (2015: £25k charge).

Capitalisation of property development costs

Distinguishing the point at which a service is more likely than not to continue, allowing capitalisation of associated development costs requires judgement. After capitalisation management monitors the asset and considers whether changes indicate that impairment is required. The total amount capitalised in the year was £636,000.

Dilapidations

Where Dimensions holds leases on properties, there may be a residual dilapidation charge at the end of the lease for returning the property to its original condition. These are provided for in full at the start of the lease, and are reviewed annually, based on a property-by-property review. Provisions totalling £359k (2015: £325k) are held.

Debtors' provisions

Specific debtor provisions are based on management judgement having reviewed all debts. Typically, all debts over one year old (not subsequently paid) will be provided for. In addition, general provisions are calculated on the following bases:

- Rent debtors – fifty per cent of arrears over eight weeks old and one hundred per cent for former tenants
- Other debtors – fifty per cent of debts (not otherwise provided for or subsequently paid) which are over six months old

Total provisions at 31 March 2016 amounted to £445k (2015: £386k).

Provision for subsidiary

A provision for the deficits in Waymarks Limited is made in the books of the Parent as it is unclear whether Waymarks will be able to generate sufficient surplus in future years to pay back the amounts owed to the Parent. The provision made at 31 March 2016 was £803k (2015: £719k).

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

2 Accounting policies (continued)

Significant management judgements (continued)

Group overhead allocation

Group central overhead costs are allocated to operating units based on the budget central expenditure and in proportion to budget direct costs.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and changes to decent homes standards which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2016 was £14,066,000.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in note 25). The liability at 31 March 2016 was £6,540,000.

Debtors

Trade and other debtors are recognised at transaction price after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the organisation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee Benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated within property, plant and equipment at cost less accumulated depreciation and accumulated impairment.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

2 Accounting policies (continued)

Government grants

Government grants include grants receivable from the Homes and Communities Agency (the HCA), local authorities, and other government organisations. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Grants due from government organisations or received in advance are included as current assets or liabilities.

Social housing grant and recycled capital grant fund

Social Housing Grant (SHG) is receivable from the Homes and Communities Agency (the HCA) and is utilised to reduce the capital costs of housing properties, including land costs.

These grants are recognised using the accrual model, as set out in FRS 102 and the Housing SORP 2014. The grants are recognised in income over the expected useful life of the housing property structure, even if the fair value of the grant exceeds the carrying value of the structure in the financial statements.

In the case of grants received specifically for components of a housing property the grant is recognised in income over the expected useful life of the component.

Government grants are classified as deferred income, at cost less accumulated amortisation.

Where SHG becomes repayable following the sale of a property it is credited to the recycled capital grant fund included in the balance sheet creditors.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Housing properties, including those with individual components, are subject to impairment reviews annually. Cash-generating units and any other assets are reviewed for impairment if there is an indication that impairment may have occurred. Where impairment indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write-down is charged to operating surplus.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

2 Accounting policies (continued)

Depreciation of housing properties

Dimensions separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight line basis, over its estimated useful economic life.

The group depreciates the major components of its housing properties at the following annual rates:

Land	-	Nil
Building/Structure	-	1.25%
Pitched Roof Coverings	-	1.25%
Windows and doors	-	2.5%
Electrical Installations	-	2.5%
Bathrooms	-	5%
Boilers	-	6.67%
Kitchen and Utility Rooms	-	10%

Sales of housing properties are recognised in the income and expenditure account at the point the sale becomes unconditional and are separately disclosed after the operating surplus for the year.

Other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on the cost of other tangible fixed assets has been provided evenly at the following annual rates and is charged over the expected economic useful lives to write them down to their estimated residual values as follows:

Freehold land	-	Nil
Housing properties available for lettings	-	1.67%
Other property	-	2%
Building improvements	-	20%
Household fixture and fittings	-	25%
Plant machinery, fixtures and motor vehicles	-	10% - 25%
Office, computer equipment and software	-	15% - 25%
Dilapidation commitments	-	Over the life of the lease

Housing buildings are depreciated from the date of practical completion. With regard to other fixed assets, depreciation is charged from the month of purchase.

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

Operating Leases

Dimensions leases properties, vehicles and office equipment. These are classified as operating leases as the title and the substantial risks and rewards of ownership remain with the lessor and are not transferred to the Group.

Costs in respect of operating leases are charged to income and expenditure on a straight line basis over the lease term.

2 Accounting policies (continued)

Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Accounting for goodwill

Where in substance the business combination is a donation of net assets or net liabilities, the difference arising between the fair value of the net assets or net liabilities acquired at the date of acquisition and the consideration paid represents either purchased or negative goodwill. Purchased goodwill is treated as an expense and is included in the income and expenditure account within operating costs. Negative goodwill is treated as a donation and is included in the income and expenditure account within turnover.

Bank accounts of people we support

In certain cases the Group and its employees support people we care for to manage their money in a Dimensions bank account specifically named and managed for that individual. These bank accounts do not relate to the Group and are therefore not dealt with in these financial statements.

Restricted reserves

Donations to an Amenity Fund are retained in a restricted reserve for use by a specified service only.

The value of freehold land and buildings received from donors and specifically covenanted for the provision of autism related services is retained in a restricted reserve.

The surplus on the disposal of a care home restricted to the provision of accommodation to people with learning disabilities is also retained in a restricted reserve.

Funds received where there are prescribed uses of those funds in relation to individual people we support or defined groups of people we support are accounted for separately together with the subsequent use of the funds.

Managing agents

The Group owns properties in respect of supported housing schemes which are run by outside agencies. Where the agencies carry the financial risk, the income and expenditure account includes only that income and expenditure which relates solely to the Group.

Related party transactions

The Parent has taken advantage of the exemption in Financial Reporting Standard 8 from reporting related party transactions with its fellow group undertakings.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

2 Accounting policies (continued)

Pension costs

The Group participates in the Social Housing Defined Contribution Scheme administered by the Pension Trust.

Contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

In the past, Dimensions participated in SHPS Defined Benefit Schemes. Contributions payable from the Association to the SHPS under the terms of its funding agreement for past deficits are recognised as a liability in the association's financial statements.

The Group also participates in The Royal County of Berkshire Pension Fund. This pension scheme provides benefits based on final pensionable earnings. The Group is able to identify its share of the underlying assets and liabilities of these schemes and accordingly the pension costs relating to the schemes are accounted for in accordance with the full requirements of FRS 102. Current service costs, net finance returns and actuarial gains and losses are all included in the statement of comprehensive income.

In addition, the Group operates defined contribution pension schemes. The costs under these schemes are charged to the income and expenditure account as incurred.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

3 Particulars of turnover, operating costs, and operating surplus

GROUP	2016		2015	
	Turnover	Operating costs	Operating costs restated	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings (note 4(a))	3,124	(2,489)	(2,185)	677
Other social housing activities:				
Charges for support services (note 4(b))	119,600	(119,772)	(106,747)	1,680
Sub-total	122,724	(122,261)	(108,932)	2,357
Non-social housing activities	-	-	-	-
Total	122,724	(122,261)	(108,932)	2,357
PARENT				
Social housing lettings (note 4(a))	3,124	(2,544)	(2,458)	404
Other social housing activities:				
Charges for support services (note 4(b))	110,365	(110,624)	(99,342)	1,620
Sub-total	113,489	(113,168)	(101,800)	2,024
Non-social housing activities	-	-	-	-
Total	113,489	(113,168)	(101,800)	2,024

4(a) Particulars of income and expenditure from social housing lettings

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	restated £'000	£'000	£'000
Income				
Rents receivable*	542	566	542	566
Service income	362	323	362	323
Government grants taken to income	345	346	345	346
Charges to Managing Agents	1,875	1,627	1,875	1,627
Total income from social housing lettings	3,124	2,862	3,124	2,862
Expenditure				
Management	769	490	780	614
Services	191	191	191	173
Routine maintenance	188	296	232	463
Planned maintenance	191	121	191	121
Major repairs expenditure	326	196	326	196
Payments to agents	217	222	217	222
Depreciation of housing properties	625	639	625	639
Impairment of housing properties	-	47	-	47
Release of impairment provision	(18)	(17)	(18)	(17)
Operating costs on social housing lettings	2,489	2,185	2,544	2,458
Operating surplus from lettings	635	677	580	404

*Rents receivable are stated after deducting £33,000 (2015: £85,000) for void losses.

All income and expenditure relates to supported housing and housing for people with learning disabilities and autism.

4(b) Particulars of income and expenditure from other social housing activities

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	restated £'000	£'000	£'000
Grants	104,059	93,570	98,694	88,689
Charges for support services	5,739	5,447	5,246	5,024
Supporting People	2,344	2,705	2,344	2,705
Other	7,458	6,705	4,081	4,544
Total income from social care	119,600	108,427	110,365	100,962
Expenditure on social care				
Management	110,762	98,712	102,575	92,275
Exceptional item: pension liability charge	1,242	-	1,242	-
Services	5,864	5,878	5,202	5,239
Maintenance	1,019	1,141	773	864
Depreciation	885	1,021	832	964
Impairment provision / (release)	-	(5)	-	-
Total expenditure on social care	119,772	106,747	110,624	99,342
Operating surplus on social care	(172)	1,680	(259)	1,620

5 Directors emoluments

The directors are defined as the members of the Board, the Chief Executive and the Senior Management Team at any point during the year. Aggregate emoluments payable to directors (including pension contributions and benefits in kind were):

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Non-executive directors	103	89	103	89
Executive staff members	814	793	772	793
	<u>917</u>	<u>882</u>	<u>875</u>	<u>882</u>
Compensation for loss of office	<u>39</u>	<u>88</u>	<u>39</u>	<u>88</u>

No retirement benefits are accrued under defined benefit schemes. The Chief Executive is an ordinary member of the Social Housing Defined Contribution Pension Scheme and no enhanced or special terms are applied. The Organisation does not make any further contribution to an individual pension arrangement for the Chief Executive.

The Chief Executive is the highest paid director. The emoluments payable to the Chief Executive (excluding pension contributions but including benefits in kind) were:

	£'000	£'000	£'000	£'000
Emoluments	<u>155</u>	<u>153</u>	<u>155</u>	<u>153</u>

6 Staff numbers and costs

The average headcount and the average number of full time equivalent persons employed by the Group and Parent during the year (including senior executives), analysed by category, were as follows:

Headcount	GROUP		PARENT	
	2016 No.	2015 No.	2016 No.	2015 No.
Care staff	4,254	3,684	3,939	3,489
Administration	308	274	296	264
	4,562	3,958	4,235	3,753
Full Time Equivalent				
	GROUP		PARENT	
	2016 No.	2015 No.	2016 No.	2015 No.
Care staff	3,588	3,309	3,342	3,134
Administration	260	233	250	226
	3,848	3,542	3,592	3,360

Remuneration of staff (excluding pension contribution but including benefits in kind) is in the following bands:

	GROUP		PARENT	
	2016 No.	2015 No.	2016 No.	2015 No.
£60,000 to £69,999	8	5	8	5
£70,000 to £79,999	1	1	1	1
£80,000 to £89,999	1	-	1	-
£90,000 to £99,999	2	3	2	3
£100,000 to £109,999	1	2	1	2
£110,000 to £119,999	1	1	1	1
£120,000 to £129,999	1	-	1	-
£150,000 to £159,999	2	1	2	1

Staff costs	GROUP		PARENT	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Wages and salaries	83,190	74,338	77,327	69,907
Social security costs	6,093	5,618	5,637	5,275
Pension costs	3,045	1,477	3,011	1,443
	92,328	81,433	85,975	76,625

7	Surplus on disposal of fixed assets	GROUP		PARENT	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Proceeds from disposal of housing properties	933	-	933	-
	Cost of sales	(457)	(7)	(457)	(7)
	Incidental selling costs	(7)	-	(7)	-
	Surplus/(deficit) on disposal of housing properties	469	(7)	469	(7)
	Deficit on disposal of other fixed assets	5	(14)	5	(14)
	Surplus/(deficit) for the year	474	(21)	474	(21)
8	Interest receivable and similar income	GROUP		PARENT	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Bank interest	42	39	42	40
	Intercompany Loan Interest	-	-	14	6
		42	39	56	46
9	Interest payable and similar charges	GROUP		PARENT	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Finance cost on pension scheme	241	222	241	222
	Bank loans	-	(47)	-	-
		241	175	241	222

All bank loans were paid off during 2014/15 and so no interest has been incurred during 2015/16. Interest payable on bank loans in 2014/15 was reduced by a £55,000 refund of interest paid in respect of interest rate swaps cancelled.

10 Surplus for the year

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	restated £'000	£'000	£'000
The surplus for the year is stated after charging/(crediting):				
Depreciation and impairment:				
Housing properties	625	639	625	639
Impairment of housing properties	(18)	30	(18)	30
Other fixed assets	885	1,021	840	964
Impairment provision released	-	(5)	-	-
Write down in value of fixed asset investments	2	-	2	-
Auditor's remuneration:				
Audit	77	75	77	71
Non-audit services	8	173	10	173
Operating leases rental	3,274	2,308	2,926	2,069
Exceptional items:				
Charge arising on pension liability	(1,242)	-	(1,242)	-

11 Taxation status

The Group and Parent have charitable status and their sources of income are exempt from income and corporation tax provided that they are applied for charitable purposes.

12 Investments in subsidiaries

As required by statute, the financial statements consolidate the results of Outreach 3 Way and Waymarks Limited, which were subsidiaries of the organisation at the end of the year. The organisation wholly owns the two subsidiaries and has the right to appoint members to the boards and thereby exercises control over them. Both subsidiaries of Dimensions (UK) Limited are non-regulated entities within the Group.

Dimensions (UK) Limited is the ultimate parent undertaking.

Each subsidiary bears its direct employee, administration and operating costs. Central overhead costs are apportioned to the parent and subsidiaries based on the total direct costs of providing social housing and other activities in each entity.

Costs apportioned to non-regulated entities were as follows:

	2016	2015
	£'000	£'000
Outreach 3 Way	486	401
Waymarks Limited	143	58

13 Housing properties		
GROUP & PARENT		Housing properties available for letting
		£'000
Cost		
At 1 April 2015		32,965
Additions		825
Disposals		(789)
At 31 March 2016		33,001
Depreciation and impairment		
At 1 April 2015 (restated)		8,525
Depreciation charged during the year		625
Impairment charge		-
Release of impairment provision		(18)
Disposals		(300)
At 31 March 2016		8,832
Net book value		
At 31 March 2016		24,169
Net book value		
At 31 March 2015 (restated)		24,440
	2016	2015
	£'000	£'000
Housing property costs comprise:		
Freeholds	27,313	27,296
Long leaseholds	4,257	4,242
Short leaseholds	1,431	1,427
	33,001	32,965
Expenditure on works to existing properties comprise the following:	£'000	£'000
Components capitalised	636	495
Amounts charged to the income and expenditure account	326	196
	962	691

13 Housing properties (continued)
Impairment

Impairment of £18,000 was released (2015: £30,000 charged) in the year to increase the carrying value of certain housing properties to their value-in-use, being the estimated recoverable amount.

The value-in-use calculation used a discount rate of 5.0%, applied to cash flows extending over a 30 year period, which reflects the long useful lives of housing properties.

14 Tangible fixed assets
**a) Other fixed assets
GROUP**

	Property restated £'000	Office & computer equipment £'000	Household fixtures & fittings £'000	Total £'000
Cost				
At 1 April 2015	3,906	4,150	987	9,043
Additions	-	223	42	265
Disposals	(40)	-	(93)	(133)
At 31 March 2016	3,866	4,373	936	9,175
Depreciation				
At 1 April 2015	794	2,754	880	4,428
Charged during the year	49	798	38	885
Disposals	(32)	-	(47)	(79)
At 31 March 2016	811	3,552	871	5,234
Net book value				
At 31 March 2016	3,055	821	65	3,941
Net book value				
At 31 March 2015	3,112	1,396	107	4,615

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

14 Tangible fixed assets (continued)

b) Other fixed assets PARENT				
	Property £'000	Office & computer equipment £'000	Household fixtures & fittings £'000	Total £'000
Cost				
At 1 April 2015	448	4,092	858	5,398
Additions	-	225	36	261
Disposals	-	-	(93)	(93)
At 31 March 2016	448	4,317	801	5,566
Depreciation				
As at 1 April 2015	54	2,696	759	3,509
Charge for year	8	800	32	840
Disposals	-	-	(46)	(46)
At 31 March 2016	62	3,496	745	4,303
Net book value				
At 31 March 2016	386	821	56	1,263
Net book value				
At 31 March 2015	394	1,396	99	1,889

15 Debtors	GROUP		PARENT	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Due within one year				
Rent and service charges receivable	561	326	529	314
Less: provision for bad and doubtful debts	(116)	(74)	(103)	(72)
	445	252	426	242
Trade debtors	8,376	7,783	7,444	7,379
Prepayments and accrued income	5,372	2,846	5,089	2,591
Amounts owed by subsidiaries	-	-	460	473
	14,193	10,881	13,419	10,685
Due after more than one year				
Amounts owed by subsidiaries	-	-	490	516
	14,193	10,881	13,909	11,201

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016
16 Creditors: amounts falling due within one year

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Trade creditors	1,533	1,431	1,481	1,357
Rent paid in advance	120	117	120	117
Social housing grant received	341	345	341	345
Other creditors	891	1,368	743	1,351
Taxation and social security costs	1,948	1,574	1,804	1,473
Accruals and deferred income	6,130	8,790	5,778	8,463
Recycled capital grant fund (note 17)	1,626	716	1,626	716
	12,589	14,341	11,893	13,822

17 Recycled capital grant fund

	GROUP		PARENT	
	2016	2015	2016	2015
	£ '000	£ '000	£ '000	£ '000
At 1 April	1,621	2,083	1,621	2,083
Grants recycled	319	-	319	-
Purchase/development of property	-	(430)	-	(430)
Interest accrued	5	5	5	5
Reduction on repayment of grant to Homes and Communities Agency	-	(37)	-	(37)
Balance at 31 March	1,945	1,621	1,945	1,621
Amount due for repayment to Homes and Communities Agency	1,626	716	1,626	716

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

- 18 **Creditors:** amounts falling due after more than one year

	GROUP		PARENT	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Social housing grant received	18,686	19,380	18,686	19,380
Recycled capital grant fund (note 17)	319	905	319	905
	<u>19,005</u>	<u>20,285</u>	<u>19,005</u>	<u>20,285</u>

Recycled capital grant funds are repayable in instalments due as follows:

	GROUP		PARENT	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
In one year or less (note 16)	1,626	716	1,626	716
Between one and two years	-	905	-	905
Between two and five years	319	-	319	-
In five years or more	-	-	-	-
	<u>1,945</u>	<u>1,621</u>	<u>1,945</u>	<u>1,621</u>

- 19 **Non-equity share capital**

	PARENT	
Allotted, issued and fully paid	2016 £	2015 £
Ordinary shares of £1 each at 1 April	19	21
New shares	-	19
Cancellations	(1)	(21)
	<u>18</u>	<u>19</u>
Ordinary shares of £1 each at 31 March	18	19

The shares have limited rights and carry no entitlement to a dividend. They are not repayable and do not carry rights to participate in a winding up. They carry an entitlement to vote at the Organisation's General Meetings.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

20 Restricted reserves

	At 1 April 2015 £'000	Transfer (to)/from income and expenditure account £'000	At 31 March 2016 £'000
Amenity Fund for respite care	12	(4)	8
Reserve related to Hollow Lane	410	-	410
Assets tied to autism related service	382	(6)	376
Reserves related to restricted funds	65	-	65
PARENT	869	(10)	859
Reserve related to O3W	20	(18)	2
GROUP	889	(28)	861

21 Income and expenditure account

	GROUP		PARENT	
	2016	2015 restated	2016	2015
	£'000	£'000	£'000	£'000
Balance brought forward	15,965	14,253	13,414	11,916
Surplus for the year	736	2,200	608	1,827
(Increase)/reduction in support to subsidiary	-	-	(84)	156
Transfers from restricted reserves (note 20)	28	8	10	9
Actuarial loss on pension schemes	(70)	(496)	(70)	(494)
Balance carried forward	16,659	15,965	13,878	13,414
Income and expenditure account excluding pension liability	23,199	21,421	20,418	18,870
Pension liability	(6,540)	(5,456)	(6,540)	(5,456)
Income and expenditure account after including pensions liability	16,659	15,965	13,878	13,414

22 Financial commitments

There were no capital commitments as at 31 March 2016 (2015: £nil).

23 Operating lease commitments

At 31 March 2016 the Group had total commitments under operating leases as follows:

	Land & buildings		Other	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Amounts due in:				
Less than one year	1,220	979	503	539
Between two and five years	1,889	1,601	529	610
Over five years	4,557	3,386	-	-
	7,666	5,966	1,032	1,149

24 Social Housing Units/Bed spaces

	2016	2015
	No.	No.
Under management at the end of the year:		
Agency managed	519	561
Directly managed	338	379
	857	940

25 Pension liability

The Group participates in a number of defined contribution and defined benefit pension schemes. Further details of the main participating schemes are given below.

The pension liability included on the balance sheet is analysed as follows:

	GROUP		PARENT	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Social Housing Pension Scheme	4,289	3,356	4,289	3,356
Royal County of Berkshire Pension Fund	2,251	2,100	2,251	2,100
	6,540	5,456	6,540	5,456

The People's Pension

The People's Pension is the qualifying workplace pension scheme used by Dimensions for auto-enrolment. The employer's contribution is currently 1% of qualifying earnings and this will rise to 3% in 2017/18. The total charge to the Group for the year was £326,000 (2015: £301,000).

As at 31 March 2016, 2,840 employees (2015: 2,493) were enrolled in the scheme.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

25 Pension liability (continued)

Standard Life Money Purchase Scheme

Group employees at the level of Locality Manager and above have access to a Standard Life money purchase scheme. Members of this scheme are required to make a minimum contribution of 3%. The employer's contribution is 7%. The total charge to the Group for the year was £483,000 (2015: £501,000).

As at 31 March 2016, 308 employees (2015: 351) were members of the Standard Life Money Purchase Pension Scheme.

NHS Pension Scheme (NHSPS)

The NHSPS is an unfunded, defined benefit scheme and contributions to the scheme are determined by the Secretary of State on the advice of the Government Actuary. The most recent actuarial valuation for the scheme was for the period 2004-2012. This showed that at 31 March 2012 the scheme had a notional deficit of £10.3 billion.

The scheme is a multi-employer scheme and the disclosures relating to Dimensions (UK) Limited's share of the pension surplus or deficit, are not required by FRS102. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the scheme, the income and expenditure account charge for the period in respect of this scheme is derived from the employer contribution payable. During the year ended 31 March 2016, the employer's rate of contribution was paid at the rate recommended by the Actuary of 14.3%. The employees' contributions ranged between 5% and 9.3%. The total charge to the Group for the year was £838,000 (2015: £441,000). As at 31 March 2016, 323 employees (2015: 182) were members of the NHSPS.

In accordance with FRS102, a valuation of the Scheme liability is carried out annually by the scheme actuary as at the balance sheet date by updating the results of the full actuarial valuation. The latest assessment of the liabilities of the scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Business Services Authority website. Copies can also be obtained from The Stationery Office.

Further information on the value of the scheme assets and liabilities, as required by the SORP, is not available.

Social Housing Pension Scheme

Dimensions participates in the Social Housing Pension Scheme (SHPS). The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate, to 31 March 2007. From April 2007 the employer operated a career average re-valued earnings (CARE) scheme with a 1/80th accrual rate. From 1 April 2014, Dimensions stopped participating in the CARE scheme and active members were offered membership of the SHPS Defined Contribution (DC) scheme at an employer contribution rate of 8.5% and a minimum employee contribution rate of 3%. The multi-employer defined benefit schemes are closed to new members.

During the accounting period Dimensions paid contributions at the rate of 8.5%. Member contributions varied between 3% and 20% depending on their age. At 31 March 2016, 41 employees (2015: 43) were members of SHPS.

25 Pension liability (continued)

As at 30 September 2008, the administrators of the Social Housing Pension Scheme defined the deficits attributable at that point in time to each employer in value terms, rather than as a percentage of payroll. Accordingly, the deficit attributable at that point in time to Dimensions, after reflecting subsequent additional contributions paid / payable was calculable and recognised as a provision.

The last formal valuation of the Scheme was performed as at 30 September 2014 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £3,123 million (September 2011: £2,062 million). The valuation revealed a further shortfall of assets compared with the value of liabilities of £1,323 million (September 2011: £1,035 million), equivalent to a past service funding level of 70% (September 2011: 67%). As a consequence of the increased deficit, employers pay additional deficit contributions from 1 April 2016 on a share of liability basis. The total estimated net present value of the additional contributions for Dimensions is now £4,289,000.

The actuaries to the scheme have changed their assumptions relating to price inflation, valuation discount rates and pensionable earnings growth in completing their latest triennial valuation, which has resulted in an increase to deficit contributions. The additional costs that Dimensions has to fund the past deficits identified are £628,000 per annum.

The total charge to Dimensions for the year in respect of current service was £98,000 (2015: £115,000).

Royal County of Berkshire Pension Fund

Dimensions participates in a defined benefit statutory scheme, the Royal County of Berkshire Pension Fund, part of the Local Government Pension Scheme. The scheme provides benefits to employees based upon final pensionable earnings. However, no new members were admitted after 1 July 1996.

The scheme is funded to ensure payment of accrued benefits as they fall due.

Qualified actuaries, on the basis of valuations using the projected unit method, determine the contributions.

The most recent formal actuarial valuation of the scheme at 31 March 2016 showed that the actuarial value of the scheme's assets do not cover the accrued liabilities based on estimated fund pensionable salaries at retirement to the extent of £2,251,000 (2015: £2,100,000). Dimensions has provided for this by holding a provision calculated under the accounting rules set out in Financial Reporting Standard 102 (FRS102).

During the year ended 31 March 2016, the employer's rate of contribution was paid at the rate recommended by the Actuary of 20.2%. The employees' contributions' ranged between 5.5% and 6.5%. The contribution paid by Dimensions during the year was £16,000 (2015: £22,000). At 31 March 2016, 4 employees (2015: 6) were members of the Royal County of Berkshire Pension Fund.

As the scheme is closed to new members, under the projected unit method, the current service cost will increase as the members of the scheme approach retirement.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

25 Pension liability (continued)

The disclosures required by FRS102 are as follows:

The major assumptions used by the actuary were (in nominal terms):

	2016	2015	2014
	% pa	% pa	% pa
Increases in salaries	4.30	4.30	4.70
Increases in pensions and deferred pensions	2.5	2.5	2.9
Discount rate	3.8	3.4	4.5
Retail price inflation	3.4	3.3	3.7
Consumer price inflation	2.5	2.5	2.9

The assets in the scheme were:

	Actual asset allocation 2016	Actual asset allocation 2015
Equities	45%	44%
Gilts	1%	1%
Other bonds	14%	14%
Property	12%	12%
Cash	5%	5%
Target Return	19%	18%
Commodities	3%	4%
Alternative assets	1%	2%
	100%	100%

The discount rate is used as a single net interest cost to be the expected return on assets.

The amounts recognised in the financial statements under FRS102 are as follows:

Balance sheet disclosure

	2016	2015	2014
	£'000	£'000	£'000
Present value of funded obligation	3,960	4,206	3,504
Fair value of scheme assets (bid value)	(1,709)	(2,106)	(1,941)
Net liability in balance sheet	2,251	2,100	1,563

Analysis of the amount charged to operating surplus

	2016	2015
	£'000	£'000
Current service cost	25	30
Total operating charge	25	30

25 Pension liability (continued)

Analysis of the amount charged to other finance income

	2016 £'000	2015 £'000
Expected return on employer share of assets	-	122
Interest on pension scheme liabilities	-	(158)
Net interest on the defined benefit liability asset	(71)	-
Administration expenses	(1)	-
	<hr/>	<hr/>
Net return	(72)	(36)
	<hr/>	<hr/>

Analysis of amount recognised in statement of comprehensive income

	2016 £'000	2015 £'000	2014 £'000
Actual return less expected return on pension scheme assets	(104)	58	(43)
Experience losses	-	-	(267)
Other actuarial losses on assets	(289)	-	-
Changes in financial assumptions underlying the present value of the schemes liabilities	323	(554)	(103)
	<hr/>	<hr/>	<hr/>
Actuarial losses	(70)	(496)	(413)
	<hr/>	<hr/>	<hr/>

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2016 £'000	2015 £'000
Opening defined benefit obligation	4,206	3,504
Service cost	25	30
Interest cost	141	158
Contributions by scheme participants	5	7
Actuarial losses	(323)	551
Estimated benefits paid (net of transfers in)	(94)	(44)
	<hr/>	<hr/>
Closing defined benefit obligation	3,960	4,206
	<hr/>	<hr/>

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

25 Pension liability (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets	2016 £'000	2015 £'000
Opening fair value of scheme assets	2,106	1,941
Expected return on scheme assets	-	122
Interest on assets	70	-
Return on assets less interest	(104)	-
Employer contributions	16	22
Contributions by scheme participants	5	7
Actuarial (losses)/gains	(289)	58
Administration expenses	(1)	-
Estimated benefits paid (net of transfers in)	(94)	(44)
Fair value of scheme assets at end of year	1,709	2,106
Reconciliation of opening and closing surplus	2016 £'000	2015 £'000
At beginning of the year	(2,100)	(1,563)
Service cost	(25)	(30)
Interest cost	(71)	(36)
Employer contributions	16	22
Actuarial loss	(70)	(493)
Administration expense	(1)	-
Deficit in scheme at end of year	(2,251)	(2,100)

Amounts for the current and previous periods	2016 £'000	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Defined benefit obligation	(3,960)	(4,206)	(3,504)	(2,929)	(2,760)
Scheme assets	1,709	2,106	1,941	1,827	1,692
Deficit	(2,251)	(2,100)	(1,563)	(1,102)	(1,068)
Experience adjustments on scheme liabilities	-	-	(372)	-	-
Percentage of liabilities	-	-	(10.6%)	-	-
Experience adjustments on scheme assets	(289)	58	62	86	(109)
Percentage of assets	(16.9%)	2.8%	3.2%	4.7%	(6.4%)
Cumulative actuarial loss	(1,255)	(1,185)	(692)	(279)	(292)

26 Reconciliation of operating surplus to net cash inflow from operating activities

	GROUP	
	2016	2015
	£'000	£'000
Operating surplus	463	2,356
Depreciation and impairment	1,510	1,660
Release of/increase in impairment provision	(18)	26
Difference between pension charge and cash contributions	1,251	8
(Increase)/decrease in debtors	(2,912)	2,099
Decrease in creditors	(2,876)	(518)
Amortisation of government grant in the year	(345)	(346)
Net cash (outflow)/inflow from operating activities	(2,927)	5,285

As discussed in the operating and financial review above debtors were unusually high at year-end, due to the level of accrued income caused by the timing of the Easter holiday as well as the billing in arrears of the Hampshire contract.

The operating surplus included the £1,242,000 exceptional item charged arising on the SHPS pension liability.

27 Analysis of changes in net debt

Group	At 1 April 2015	Cash flow	At 31 March 2016
	£'000	£'000	£'000
Cash at bank and in hand	18,178	3,565	14,613
Total	18,178	3,565	14,613

28 Reconciliation of net cash flow to movement in net funds

	GROUP	
	2016	2015
	£'000	£'000
Increase in cash in the year	(3,565)	3,230
Cash used to repay debt financing	-	782
Change in net funds	(3,565)	4,012
Net funds at 1 April	18,178	14,166
Net funds at 31 March	14,613	18,178

29 Incorporation

Dimensions (UK) Limited is registered with the Homes and Communities Agency as a Registered Provider of Social Housing, is incorporated under the Co-operative & Community Benefit Societies and Credit Unions Acts 1965 to 2014 and is registered in England.

30 Related parties

Helen Baker, Chair of the Board, is chair of Charity Works and receives no payment for the role in Charity Works. During the year, Dimensions has paid Charity Works £5,000 (2015: £26,000) to source and employ graduate interns. There is no outstanding balance at the year-end between the two parties.

Steve Scown, Chief Executive, was appointed interim Chair of the Voluntary Organisation Disability Group (VODG) on 1 July 2015. Prior to this he was an officer for the Charity. Steve received no payment for his role at VODG. During the year, Dimensions has paid VODG £6,000 (2015: £6,000) in membership fees. There is no outstanding balance at the year-end between the two parties.

Dimensions has supported the son of Susan Kirkman, a Board member, during the year. There has been no financial transaction between the two parties during the year as the support given was funded by Sheffield City Council.

Kevin Lewis, a Board member, received £2,000 in remuneration for consultancy to NHS England during the year, paid via Dimensions.

Some of the Trustees of Dimensions provided their services as trustees to the Autism Schools Trust for no remuneration. In addition, other Dimensions employees have participated in activities to assist in the running of the Rise School. Dimensions has charged £17,000 for personnel services (2015: £10,000) and £70,000 for accounting service (2015: £6,000). Of the £70,000 charge for accounting services, £53,000 (2015: nil) has been treated as a donation in kind to Autism Schools Trust, to support their cash flow. At 31 March 2016 the Trust owed Dimensions £34,000 (2015: £35,000).

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

31	Provisions for liabilities	GROUP		PARENT	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Aggregate provisions for liabilities	1,262	1,178	1,239	1,117
		<u>1,262</u>	<u>1,178</u>	<u>1,239</u>	<u>1,117</u>
	Group		Dilapidations £'000	Income adjustments £'000	Total £'000
	At 1 April 2015		333	845	1178
	Release of provision		(2)	(242)	(244)
	Additions		69	346	415
	Utilised		(36)	(51)	(87)
			<u>364</u>	<u>898</u>	<u>1,262</u>

Dilapidations of offices are provided for. The prior year provision has been reassessed and some provision released. New provisions have been added for new office leases taken out and some provisions have been utilised where the offices leases have ended, the lease has not been renewed and the offices have been vacated. The various leases have various lease end dates, ending between the next financial year and 2020/2021. The individual reimbursements are expected to be made at the end of the relevant lease, upon exit from the property.

Income has been provided against where applicable. Some previous provisions relating to support services, some dating as far back as 2011/12, have been reversed during the year as it is now felt unlikely that a transfer in funds will materialise. New provisions have been added relating to disputed rents, support hours and transitions. These outflows are expected to be incurred in the next financial year. Some disputes have been resolved during the year and the provision utilised.

Parent		Income		Total £'000
		Dilapidations £'000	adjustments £'000	
	At 1 April 2015	325	792	1117
	Release of provision	-	(188)	(188)
	Additions	69	327	396
	Utilised	(35)	(51)	(86)
		<u>359</u>	<u>880</u>	<u>1,239</u>

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016

32 Transition to FRS 102

The Group has adopted FRS 102 from 1 April 2014 and has restated the comparative amounts.

Changes for FRS 102 adoption

a) Component Accounting

The housing SORP update 2010 required that Dimensions adopt component accounting for its housing properties. The Charities SORP (2005) however, which its subsidiaries followed, did not require component accounting. As such, the Charities' chosen policy was to hold assets as whole asset rather than split them into their individual components.

The new Charities SORP (FRS102), states that where an asset comprises two or more major components which have substantially different economic lives, each component must, unless impractical or involving undue cost or effort, be depreciated separately over its useful economic life. Therefore in transitioning to FRS 102 the Group's charities have applied component accounting to all fixed assets.

The effect of this change for FRS 102 adoption is to increase the Groups surplus for the year ended 31 March 2015 by £1,000. The cumulative effect on reserves is £409,000 (2014: £408,000).

b) No other restatements were required.

Dimensions (UK) Limited
Notes to the Financial Statements for the year ended 31 March 2016
32 Transition to FRS 102 (continued)
Impact of component accounting

GROUP	Cumulative prior year adjustments to 31 March 2014 £'000	Prior year adjustment for 2014/15 £'000	Cumulative prior year adjustment to 31 March 2015 £'000
Income and expenditure account			
Operating costs – depreciation credit	(356)	-	(356)
Operating costs – reduce impairment provision	(11)	(1)	(12)
Operating costs – loss on disposal of an asset	18	-	18
Operating costs – major improvement expenditure	(59)	-	(59)
Impact on operating surplus	(408)	(1)	(409)
Balance Sheet			
Tangible Fixed Assets (NBV) - Properties			
At 31 March as previously stated	2,756	-	2,703
Reduce accumulated depreciation	356	-	356
Reduce impairment provision	11	1	12
Remove the cost of the disposed asset	(59)	-	(59)
Remove the accumulated depreciation of the disposed asset	41	-	41
Additional capitalisation of components	59	-	59
At 31 March as restated	3,164		3,112
Revenue reserves			
Revenue reserve at 31 March as previously stated	(13,845)		(15,556)
Impact on operating surplus	(408)	(1)	(409)
Revenue reserve at 31 March as restated	(14,253)		(15,965)