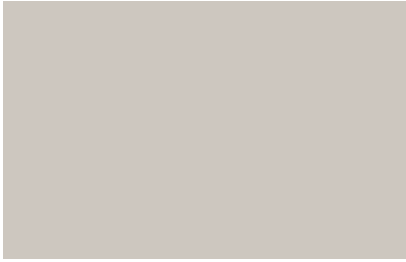


Annual Review

2018/19







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Our heritage



“I want your support in a scheme to find a house which we can use for some of these people. It won’t be easy. The time is not ripe for this adventure. And it will cost money. Are you prepared to back such a plan?”

The year was 1943 and the Second World War was at its height. Pre welfare state and the NHS and yet one man had a vision of the need to support older people.

That man was the Revd Walter Hall. Six years earlier he had gathered together a group of friends in an attempt to find a solution to the problem of accommodation for vulnerable, elderly people, and to provide an alternative to the workhouse. He asked the Methodist Conference to look at the setting up of homes for older people and, in July 1943, they agreed.

With the backing of the Church, our first care home, The Ryelands in Wallington, Surrey, was bought and a values-led innovative charity was born.

Fast forward 75 years and MHA continues to be values-led, sustaining its promise to continue delivering high-quality care and support, nurturing mind, body and spirit

We may now support over 18,500 people each year, but providing excellent care and helping people live later life well is still key to what we do and is why we have one of the highest quality ratings in the care sector. From the best accommodation and expert, caring staff, to creating communities, tackling loneliness and social isolation and offering meaningful activities designed with and for our members and residents.

These are testing times for the sector as a whole and we are one of the longest standing charities for older people in the country. We do all we can, and will continue to do all we can, to help older people live full, happy lives.



A foreword from our Chair
of Board of Trustees

John Robinson CBE



I am pleased to present Methodist Homes (MHA) Annual Review for 2018/19.

During the last twelve months, I have had the pleasure of visiting a further 22 of MHA's homes and schemes, meeting many wonderful residents, members, staff and volunteers and seeing first-hand the work we do to support older people. We do wonderful work that is particularly vital in these difficult times for the country. State support for older people is being steadily reduced in housing, care homes and in the community, at the very time that the need is increasing due to our aging population. So it is even more important that we play our part in enabling as many people as we can to live comfortable and fulfilled lives.

MHA was founded 75 years ago by the Methodist Church, fulfilling a Christian duty to care for all people no matter their faith or background. Today we serve over 18,500 older people across our 90 care homes, 70 retirement living communities and 62 Live at Home schemes

supported by 7,667 staff and 4,105 volunteers. Our founders can be proud of MHA's work today, except I am sure they would be saying that we should do more! And there is much more to do.

One area which makes MHA's work differ from others is the support we give through our Chaplaincy service. Chaplains are available to residents, families and staff in all our care homes and retirement living schemes and we have been looking at how we can extend this into our Live at Home community services, making sure we truly care for the mind, body and spirit of all the people we support.

We launched our five year strategy in April 2019 and it is important for the success of this strategy that we continue on a firm financial footing. We have undertaken a review of our fixed assets during the 2018/19 financial year as part of our continuing drive to ensure we have the money available to enable us to provide real quality of care. These financial statements show we made



a net income in 2018/19 of £9.8m which is slightly less than last year (2017/18: £15.9m). Despite this we actually ended the year with a greatly improved cash position, largely due to the completion of a number of property sales.

Our new strategy will set the direction for our services for the next five years and beyond. The Board is committed to ensuring that our borrowing levels are kept at a sustainable level, maintaining a sound financial footing to take the charity forward into this next phase.





An introduction from our Chief Executive

Sam Monaghan



Over the past year we have been celebrating our 75th anniversary but very much looking forward as we reviewed and refreshed our strategy for the next five years and beyond.

It builds on what we have achieved and learnt in establishing, running and ensuring the quality of our homes and schemes across the country. It draws on the culture of innovation and influencing, sustained and encouraged since our first beginnings. It recognises what we can achieve when we work collaboratively as 'One MHA', with the passion, relevance and inclusivity of a modern, forward-looking charity. And crucially, as MHA has throughout its history, the strategy responds to what our residents and those we support tell us of their experience and needs today, reflecting the wider societal context.

At its core it's about enabling people to 'live later life well' whether that's through social activity or befriending in one of our 62 Live at Home community schemes; or the support and care offered in one of our 70 retirement living settings or 90 care homes.

It's about developing friendly and caring communities, places that are broader than a single service, places with strong connections in their local areas, places where people are able to maintain and maximise their independence and still feel safe. It's about nurturing and sustaining body, mind and spirit, being able to make a contribution and valuing and linking the past and present. It's about integrating, celebrating and reconciling the experiences of a lifetime.

Today we support over 18,500 people each year through our unique blend of care homes and community and retirement living schemes embedded in local communities. And, as the largest charity in the sector, we invest all our donated income and any surplus we generate into developing and enhancing the services we are able to offer. By 2024, our vision is to further enhance the quality, impact and reach of that work.

Mission

As a charity, our mission is to enable people to live later life well.

Our values – inspired by our Methodist roots

Respect every person, treating them with dignity

Nurture mind, body and spirit

Inspire the best in each other

Our vision

By 2024 we will have increased the quality, impact and reach of our services by connecting our communities and realising our potential as One MHA



Our vision captures what was reinforced to us as we reviewed our strategy with those we care for and support, their families, our colleagues and our partners from across the health, social care and housing sectors. It's the difference that community and life enhancing support make in enabling people to live later life well.

Our refreshed strategy therefore builds upon and strengthens our work in these areas:

- **MHA in Community:** connecting, developing and co-locating our services and working with partners to improve access to support, activities and local faith and inter-generational engagement; increasing quality, effectiveness and efficiency through greater collaboration; and widening our influence locally, including the potential for increased volunteering and fundraising



- **MHA Enhancing Later Life:** encouraging the development and sharing of new ways of working and new models of care and support; better evidencing the impact of our valued services such as chaplaincy and music therapy to improve their delivery and more broadly influence the sector for the benefit of all older people; and enhancing the quality and consistency of dementia and end of life care and other practice developments through accreditation

Supported by:

- **MHA People:** attracting, developing and retaining the right people to build and enhance our mix of experience and skills; and maximising their ongoing potential through professional, personal and career development within in a collaborative, supportive and inclusive culture
- **MHA Fit for the Future:** improving our infrastructure and processes to support increased quality, effectiveness, efficiency and financial and service planning





Through this strategy our goal is that we are able to extend the quality, impact and reach of our services to enable more people to live later life well. But it will be contingent on our ability to work more collaboratively as **One MHA**, better linking our homes and schemes and their connection with our support services.

Such a level of collaborative endeavour will be critical to the success of each of the above strands of the strategy and the way we work across the organisation and with partners. It was a hallmark of those who founded MHA 75 years ago, though clearly it presents different challenges and complexities now that we are an organisation of 7,667 staff and 4,105 volunteers. But such a unity of purpose, mind-set and action, at both a local and cross-organisational level, will enable us to achieve the fuller potential of this strategy, shaping and carrying forward the mission and legacy of MHA.



Our care homes

Providing excellent care is at the core of what we do at MHA.

75 years after the first care home opened at the behest of the Revd. Walter Hall we now operate 90 across Great Britain.

Our reputation in the care sector and beyond was further enhanced in 2018/19 when we became one of the top quality rated providers in the country. 91% of our care homes are now rated as 'good', 'outstanding' or equivalent by our regulators.

Our homes cover a range of care requirements including nursing, specialist dementia and dementia nursing and we are fortunate to have in our care 4,900 residents.

A further testament to the quality of care was reflected in the 97% satisfaction ratings in the independent Your Care Survey.

Fitzwarren House in Swindon and Briar Hill House in Rugeley became our latest care homes to be rated as 'outstanding' and Starr Hills care home in Lytham St Annes became MHA's first to retain its 'outstanding' rating after re-inspection.


"I'm a trained nurse, with nearly 40 years' experience, so I see things with a professional eye. I'm so impressed by not only the care I get, but the care people living with dementia get too. The patience, gentleness and lovely persuasion the carers have is wonderful to see."

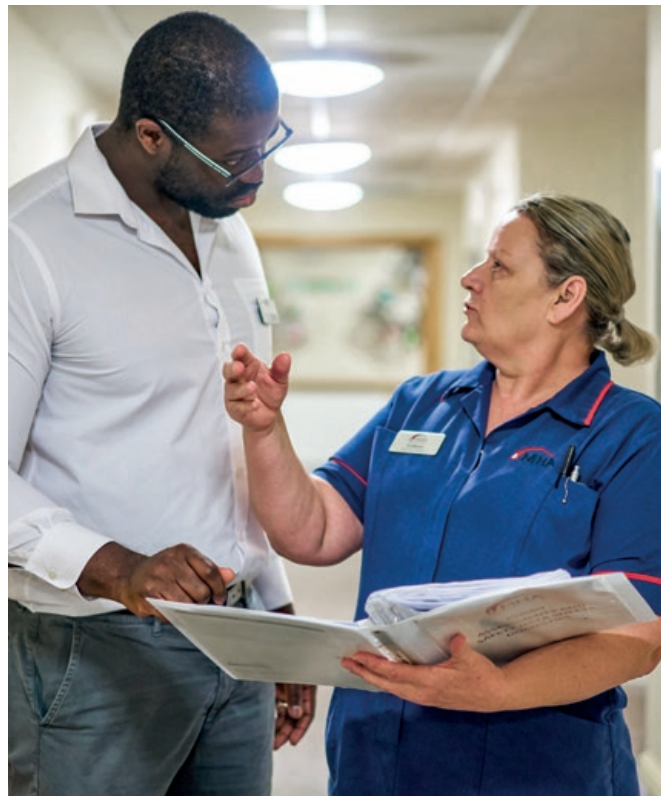
Josie 95 Kenbrook Resident



90 
care homes

91% 
care services rated
'outstanding' or 'good'

97% 
overall resident satisfaction
rating in independent Your
Care Rating survey



Our retirement living

Our 70 retirement living sites offer thriving communities with a range of activities and events available to them should they chose.

In addition, residents have the peace of mind knowing that care is available 24-hours a day through an on-call system and the knowledge that they can have packages of care tailored to their needs if and when they require it.

We were delighted to welcome new residents into our communities in 2018/19, bringing the total number of people enjoying life in our retirement living to 3,004.

Our regulators currently rate 95 percent of services inspected as 'good' or 'outstanding'.

"I get a call through my intercom every morning to check I'm okay, and a cleaner for my flat every couple of weeks. That's all I need at the moment, but I know there's more support on offer if necessary. I can definitely see myself living here for another 15 or 20 years."

Scott 68



95%



of retirement living with care services inspected rated as 'good' or 'outstanding'

3,000



residents supported in our retirement living





Our Live at Home community services

Our Live at Home (LaH) community services have been helping people in later life to maintain their independence for over 30 years. They offer a range of different groups, clubs and activities in local communities helping build friendships, providing support and tackling loneliness and isolation among its members.

Whether someone is looking for mentally stimulating or physical activities, or a meaningful way to pass the time, joining our schemes is all about having fun, forming friendships and engaging in conversation. How often and which activities, clubs and groups a Live at Home member takes part in is entirely up to the individual.

Responding to need we opened five new schemes in 2018/19 reaching out to an additional 500 people and giving us a total of 62 LaHs across the country. New schemes in Burton, Uttoxeter, Enfield and Trafford mean even more older people are enabled to forge new friendships.

In 2018/19 we trained over 150 members of staff to undertake member assessments with embedded outcome measures. This has enabled us to better understand how our services improve social connections and well being. These insights will be used to develop services and activities which not only improve social connections but support physical, mental and emotional well being.

11,100
members



2,122



Live at home volunteers

8,835

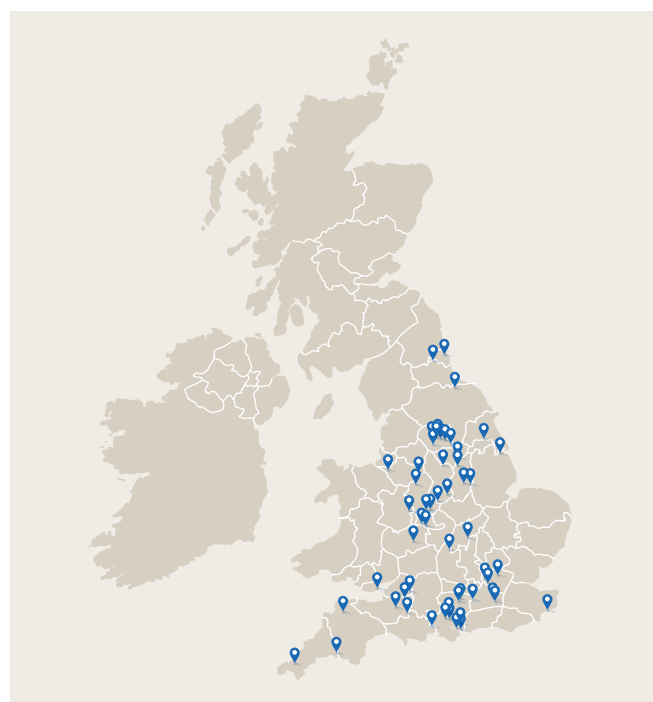


benefiting from friendship groups

1,226



members benefiting from befriending



Our life enhancing services

At MHA we recognise the importance of looking after each person's mind, body and spirit to promote a fulfilled life. We take a holistic and personalised approach which is at the core of the work we do.

For people living with dementia, music therapy can unlock memories, improve communication and reduce agitation, anxiety and depression. This benefits not only the person living with dementia but also their carers and loved ones.

Today, MHA is the largest employer of music therapists working with people living with dementia in Britain. We employ 26 therapists across our homes to work in one to one and group sessions. This year, 812 residents benefitted from one-to-one courses of music therapy with therapists spending 3,711 hours in individual sessions.

"After a session, Eileen converses a lot more and is chatty, she is more physically able and her personality really shines through," said music therapist Chris. "She is still living with dementia - we can't change that - but the frequency of her anxiety responses come down and that is purely due to music therapy."

Chaplains have also been a presence in our homes since we opened The Ryelands almost 75 years ago. As well as being in all our care homes, our retirement living communities also benefit from the services of a chaplain.

We now employ 140 chaplains, who this year spent 82,400 hours supporting our residents, their families and our people, working across our homes and schemes.

In addition, we have hundreds of intergenerational projects across our services, because we see the benefit they bring for both sides. These include 38 ongoing programmes with pre and primary schools linked to care homes.

In Northwood, near Watford, it began with the pupils teaching LaH members how to use tablets so they could FaceTime their relatives and shop online. It has now evolved, with members teaching the students about local history and crafting.

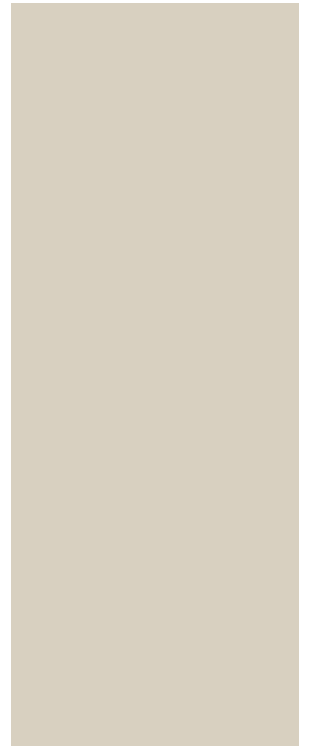
There are mutual benefits to these sessions, including friendships between young and old and the building of community cohesion and connections across cultures. Students have shown a marked improvement in confidence and our members, many with no children and grandchildren living nearby, remark on the delight of engaging with young people.

Finally, we continue to look to innovation and best practice in dementia care across our services, especially for our residents who are living with dementia.

A number of our care homes introduced motion-activated sensory projection systems - known as magic tables - to help stimulate and engage residents. Quizzes, music and different themes help prompt conversations, spark nostalgia and maintain memory. Therapeutic scenes and sounds can aid a dementia resident's sense of calm.

"I first noticed the effect after seeing one of our residents who has dementia. She was visibly distressed at the number of people around her, but immediately became immersed in the interactive game,"

Maria Brown, manager at our Langholme care home in Falmouth.



Our financial summary

We have undertaken a review of our fixed assets during the 2018/19 financial year as part of our continuing drive to ensure we have the money available to enable us to provide real quality of care. These financial statements show we made a net surplus in 2018/19 of £9.8m which is slightly less than last year (2018: £15.9m). Despite this we actually ended the year with a greatly improved cash position, largely due to the completion of a number of property sales.

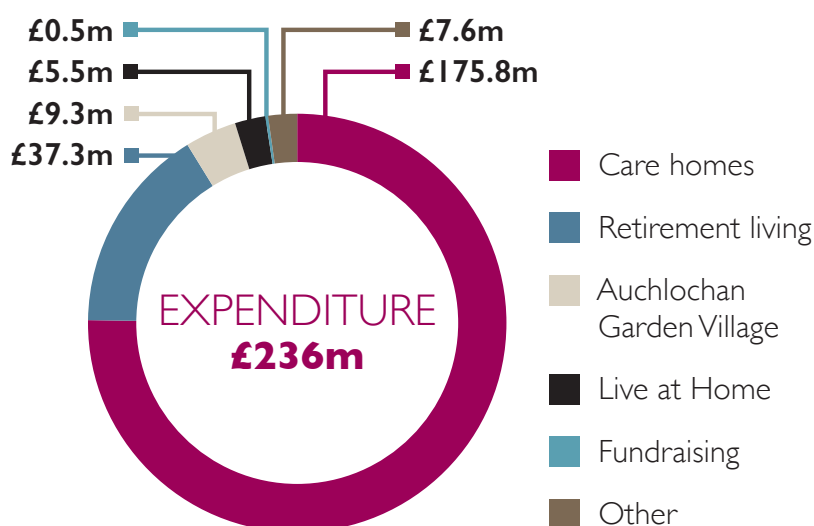
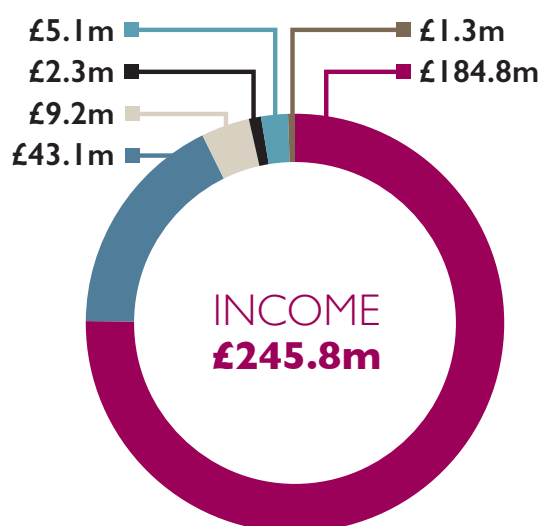
The surplus generated by our care homes has benefitted from continuing high occupancy levels, robust average weekly fees and cost benefits achieved through procurement savings. As with our competitors, high turnover in front line

staff, particularly nurses remains one of our key challenges. Another key challenge is the pressure on margins due to continuing local authority and NHS austerity.

We have been investing in developing vibrant communities within retirement living settings which deliver the services that our residents' desire. The flexibility we offer in our terms, and the option of renting, buying, or a combination, are key to the service.

We are grateful for the generous donations received of £5.01m (2018 £4.9m) which have contributed towards our charitable causes.

5 year net surplus split	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	2018/19 £k
Care Homes	7,534	4,615	11,406	11,267	9,554
Retirement living	-823	-977	1,536	8,532	5,063
Live at Home	-2,072	-33	-2,265	-2,357	-3,135
Donations and legacies	4,407	4,201	5,189	4,350	4,574
Other	-3,342	-492	-3,521	-5,845	-6,241
Total	5,704	7,314	12,345	15,947	9,815



- Care homes
- Retirement living
- Auchlochan Garden Village
- Live at Home
- Fundraising
- Other

Consolidated statement of financial activities

Income and expenditure

Income and endowments from	2018/19 £k	2017/18 £k	Variance £k
Donations and legacies	5,071	4,931	140
Charitable activities			
Care homes	189,234	174,307	14,927
Retirement living	47,727	46,556	1,171
Live at Home	2,377	2,333	44
Other	1,189	1,227	-38
Total charitable activities	240,527	224,423	16,104
Investments	161	76	85
Total	245,759	229,430	16,329

Expenditure on:	2018/19 £k	2017/18 £k	Variance £k
Raising funds	497	581	-84
Charitable activities			
Care homes	179,680	163,040	16,640
Retirement living	42,664	38,024	4,640
Live at Home	5,512	4,690	822
Other	7,051	6,843	208
Total charitable activities	234,907	212,597	22,310
Other	576	291	285
Total	235,980	213,469	22,511
Net (losses)/gains on investments	36	-14	50
Net income/(loss) - surplus	9,815	15,947	-6,132

Reconciliation of funds:	2018/19 £k	2017/18 £k	Variance £k
Total funds brought forward	276,992	253,528	23,464
Total funds carried forward	286,890	276,992	9,898

Consolidated statement of financial activities

Balance statement

Fixed assets	2018/19 £k	2017/18 £k
Intangible fixed assets & investments	1,747	2,430
Tangible fixed assets	450,489	465,010
Total fixed assets	452,236	476,440
Current assets		
Total	56,073	35,664
Current liabilities		
Total	-46,205	-41,594
Net current (liabilities) / assets		
Total	9,868	-5,930
Total assets less current liabilities		
Total	462,104	461,510
Creditors due after more than one year	-122,998	-128,113
Provisions for liabilities	-48,701	-50,451
Total assets before defined benefit pension liability	290,405	282,946
Defined benefit pension liability	-3,515	-5,954
Total assets	286,890	276,992
Capital and reserves		
Total	286,890	276,992

Who's who

Leadership Team

Name	Position
Simon Monaghan	Chief Executive
Anna Marshall-Day	Director of People and Organisation
Mandy Mottram	General Counsel and Company Secretary
Daniel Ryan	Director of Operations
Chris Swift	Director of Chaplaincy and Spirituality
Andrew White	Director of Property

Board of Trustees

Name	Position
John Robinson CBE (Chair)	Nominations Committee
Ian Ailles	Finance Committee
Debbie Aplin*	Property Committee
Martin Burkitt	Audit & Risk and Property Committees
Hilary Cocker	Finance & Nominations Committees
Andrew Cozens	Nominations and Quality Committees
Bala Gananpragasam	Quality Committee
David Hall*	Audit & Risk and Nominations Committees
Vanella Jackson*	Quality Committee
Norman Mann*	Audit & Risk Committees
James Reilly	Quality & Finance Committees

*With the forthcoming retirement of a number of our Trustees, who have contributed greatly during their time with MHA, we have been fortunate to appoint four new Trustees, who will bring considerable skills and diversity of experience to the Board. They are Lisa Commane, the Revd Ruth Gee, Janet Haugh and Keith Hickey.



TELEPHONE 01332 296200

FAX 01332 200674

EMAIL enquiries@mha.org.uk

MHA, Epworth House, Stuart Street,
Derby, DE1 2EQ

 /methodisthomes

 @MethodistHomes

 /methodist-homes-mha

MHA is a registered charity in England and Wales
Company limited by guarantee (no 4043124)
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A full copy of our annual report and accounts is available at www.mha.org.uk



Setting Standards for
Retirement Communities



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