

New market development

Case Study: Care and Repair.

The Challenge:

To expand income sources by developing new markets for trade, whilst changing the infrastructure and skills of the organisation to develop alongside.

Summary points:

- Care and Repair has established a reputation for supporting older and disabled people; areas that have been traditionally funded by the health service or the local authority.
- As funding streams change new markets must be identified to ensure continuation of services.
- Identifying new markets has a process which begins with being aware of general changes to the market, the identification of market need and matching a service to the need.

What and Why:

Expand on what the challenge is and the activities associated with it.

The challenge is to generate revenue from opening new markets for the organisation. The running costs of the business are funded from a shrinking existing market. Some services provided can be delivered by charging the home occupier direct.

How does the activity align with the organisation's mission / values / aims / objectives?

Only activities that fit within the mission are undertaken. So all new activity is on the theme of services to the elderly, disabled, or low income families.

How will the activity improve the financial sustainability of the organisation in the short, medium and long term?

The new activity should counter the deficit of being active in a shrinking market. Finding new activity at the same rate as the shrinkage is a challenge; if the two are not keeping pace then the organisation has to look to its costs to reduce outgoings until new revenue can be generated.

New market development

? • How?

- **What were the key steps in establishing the activity?**

Changes in the market place drove the need to identify new opportunities from the public sector particularly the local authority and the Primary Care Trust.

- **What additional resources / skills were identified as being needed by the organisation to progress the activity?**

Financial: Must understand basic cost analysis to ensure costs are covered. Income generated by new business is slower to realise, therefore there is an impact on cash flow from winning the business to getting payments into the organisation.

Personnel (staff, volunteers, board / trustees): Management committee is aware of new business being sought and gets updates on existing contract activity. Care & Repair has a finance sub-committee. Staff are involved in contract delivery and help monitor the delivery progress.

IT: IT is used for communications and financial management.

Assets: Care & Repair operates from shop premises in Harehills with open access for the local community.

Monitoring and evaluation: There is a dedicated team of staff who monitor their services. Results and feedback are published in the annual report and related documents.

? • Who's Involved?

- **How were stakeholders identified and brought on board?**

Staff: Staff are recruited through the local press and by word of mouth.

Volunteers: Not normally used in day to day business.

Board: Management and Directors recruit new board members having agreed on skills needed to complement the existing board.

Funders: Management will approach by letter, written request etc.

Service Users: Traditionally referred from social services or callers into the shop. However 'service users' now covers a broader range of those involved with the organisation such as other local suppliers whom Care and Repair supports.

Local Community: Have the opportunity to call into the shop.

Commissioners: Tend to be public sector, approached by management.

New market development

Why Not?

• What risks were identified in establishing activities?

Personnel: The development of new markets such as shopping and gardening services cannot be done at the expense of existing services. Pilot contracts are in now place, but these took a year to sort out.

Financial: There is an impact on the finances from new business as it may be slow to build, set up and to obtain regular payments.

Existing provision: Is unaffected but core service delivery staff cannot be expected to undertake two jobs to deliver new business and existing. So new staff must be recruited – the risk being that the new work may be unsuccessful.

• How were these risks managed?

Planning: The costs of a new service must be adequately covered particularly staffing. Short term contracts may be the best option initially.

Key Facts:

- **Organisation's name and trading subsidiaries:** Care & Repair (Leeds) Ltd
- **Organisation's mission:** "Helping older people, disabled people and people on low incomes to live in safe, warm, secure, well maintained and adapted homes in Leeds."

FYE 2004 / 05 Turnover: £770,000 No. of paid staff 17

% Income grant v trading: 50 : 50 No of volunteers 0

Status: Industrial and Provident Society Date of Inc. 1st April 1989

Moving Forward:

Seeking new markets requires entrepreneurial flair, financial understanding and a certain amount of luck, of being in the right place at the right time to hear about opportunities.

The next steps are speed of response, building successful relationships with contractors, and exploiting opportunities. Care & Repair seeks to do this.

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Background:

Care & Repair (Leeds) is an independent Home Improvement Agency for Leeds and has been running for 17 years. The aims of the agency are to help older people, disabled people and people on low incomes to live in safe, warm, secure, well maintained and adapted homes. These aims are achieved by providing a wide range of cost-effective, efficient, client - centred services, which are flexible and can be adapted to meet changing needs.

The services we offer are:

- Helping to identify what repairs are needed, improvements or adaptations are needed.
- Advising on the financial options available for work.
- Home visits to help with form filling and grant applications.
- Maximising income through benefits checks, efficiency advice and charitable sources.
- Drawing up plans and applying for building regulations and planning approval.
- Helping to choose a builder, obtaining estimates and organising the work.
- Giving help and support throughout the process of repairs and adaptations.
- Ensuring builders' work is up to a satisfactory standard.
- Assisting disabled people in achieving successful aids and adaptations to their homes.
- Providing help in Urdu, Bengali & Punjabi, and working with other agencies to provide an 'own language' service as required.
- A handyman and security service for older and disabled people.
- Other security measures for designated areas with high burglary rates.
- Running a prevention of falls service for older people.
- Carrying out minor adaptations to assist people leaving hospital quickly.
- Providing a Gardening service.
- Providing a Shopping service.
- Providing advice and information on all of the above.