



Habinteg
Housing Association (Ulster) Ltd

CORPORATE STRATEGY

2015 - 2018

INCORPORATING THE 2015 - 2016
OPERATIONAL PLAN & KPIs

This Corporate Strategy has been developed by Habinteg Housing Association (Ulster) Ltd in order to provide a disciplined approach to the development of the Association over the three year period April 2015 to March 2018.

This document incorporates the Operational Plan and Key Performance Indicators for the first twelve months of the Strategy period from April 2015 to March 2016.



CUSTOMER
SERVICE
EXCELLENCE



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Joint Introduction from the Chairman and Chief Executive

We are delighted to commend to you our new Corporate Strategy for the period 2015 to 2018, outlining our strategic goals and approach for the coming three years. We believe our Vision - Homes for All - clearly states our purpose and this commitment is strongly supported by our four clear objectives in the areas of Customer, Financial, Operational Excellence and People.

We fully accept that we operate within a very challenging, dynamic environment. and recognise we have much to achieve over the coming 3 years to meet our exacting targets to make the key contribution we feel essential. But we remain committed to continuous improvement and will work closely with our funders and regulators, aiming to exceed regulatory requirements.

We are extremely grateful to our Board, Committee members and staff who work hard to provide high quality services and our Residents' Forum who continue to serve at Board and Committee level. We much value our joint working within the Accord Procurement Group, the support of Minister Mervyn Storey MLA and the Department of Social Development (DSD), the Northern Ireland Housing Executive (NIHE) and our many other stakeholders.



Mike Smyth
CHAIRMAN



David Duly OBE
CHIEF EXECUTIVE



The Association

Habinteg Housing Association (Ulster) Ltd was registered in Northern Ireland on 3 August 1976 under the Industrial and Provident Societies Act (NI) 1969, Registration No. IP 172, and was registered as the 17th housing Association on 24 May 1977 under the Housing Order 1976 (subsequently amended and consolidated).

We are one of Northern Ireland's major providers of affordable, social housing with more than 2000 homes and bedspaces. We develop and manage housing schemes of varying sizes, in both urban and rural areas throughout the region; predominantly 'integrated' schemes, incorporating a wide range of house types to provide **homes for all**, irrespective of age, culture, background, ability or disability. We also work with partners in providing specialised housing initiatives for people with additional support needs.

Although we are predominantly a general needs housing provider, a strong awareness for the needs of people with disabilities is at the core of the Association's housing ethos. The majority of schemes include properties tailored for people with disabilities and, since 1998, all general needs properties have been designed to Lifetime Homes - an approach developed by Habinteg and now an NI norm for social housing, incorporating a range of features to increase flexibility and reduce any potential adaptation costs.

The organisation has two offices - head offices in Holywood and a North West Regional Office in Derry/Londonderry. A number staff members work residentially on the Association's larger housing schemes. The work of the Association is guided by a voluntary Board.

Habinteg is an Investor in People organisation, committed to continuous improvement and innovation through the training and development of staff and the Association has Customer Service Excellence Status with eleven areas of Best Practice. The Association is committed to equality and has a fully compliant Equality Scheme.

Board and Management as at AGM on 25.6.2015

Board

Mike Smyth	Chairman	Chair of F Committee
Sarah Witchell LL.B	Vice-Chairman	Chair of N&R Committee
Brian Symington MBE	Honorary Secretary	
Ian Nelson	Treasurer	
Teresa McDonough		
Bryan Mitchell CB		
Trevor Greene		Chair of D Committee
Bernie Gray		Chair of A Committee
Heather Orr		Chair of HM Committee
Trevor Boyle		
Brendan Johnston		
Edel Creery		

F = Finance; N&RC = Nominations & Remunerations; D = Development
A = Audit; HM = Housing Management

Senior Management Team

David Duly OBE	Chief Executive
Graham Murton	Deputy Chief Executive / Director of Operations
Derek Johnston	Director of Finance / Corporate Services
Darren McKinney	Director of Development
Andrew Corkill	Development Manager
Patricia Doherty	Finance Manager
Frances Magee	Housing Manager
Ann McErlean	Quality and Performance Manager
Jonathan Palmer	Maintenance Manager
Gráinne Robinson	Housing Manager
Barbara Scott	Housing Manager
Katrina Smyth	Development Manager
Scott Thompson	Planned Maintenance Manager
Michelle Winters	Human Resources Manager

Vision, Mission Statement, Values and Objectives

Our Vision is to provide

homes for all

Our Mission Statement reads

Habinteg aims to deliver high quality homes and services to enhance the lives of our residents and strengthen communities

We value

People

Always putting them at the heart of what we do

Quality

Being committed to excellence

Integrity

Being honest, respectful, transparent and trustworthy in all that we do

Equality

Embracing diversity and demonstrating equality and opportunity for all

Innovation

Adopting a progressive approach

Our Objectives are

CUSTOMER

To provide quality services to all our customers and place a strong emphasis on community involvement

FINANCIAL

To ensure financial strength and deliver value for money

OPERATIONAL EXCELLENCE

To demonstrate a commitment to best practice through innovation and continuous improvement

OUR PEOPLE

To value and empower our people to deliver organisational success

Strategic Context

This publication goes to print following the UK General Election of May 2015 and ahead of NI Assembly elections in 2016. The outcome of the former provides some general context and the latter will deliver greater clarity on the themes which will impact on our work. Of particular importance, the policy changes which will result from the Social Housing Reform Programme, soon to be presented to the Assembly and Executive, will affect the key issues of new housing legislation, regulation, rent control and tenant participation.

The continued drive towards a reduction in state benefits is a major influencing factor, particularly in dealing with vulnerable individuals in housing need. Whilst the full effects of Welfare Reform have not been immediately felt in NI - as a consequence of devolution - the sector is unlikely to escape the consequences. Lacking the financial means of raising sufficient revenues, and thus being dependent upon the actions of the Treasury, the NI Assembly faces potential penalties for non-compliance, rendering the current financial position untenable.

A reduction in the budgetary deficit will likely mean, over the course of the parliament, that less funding will be available through Housing Association Grant (HAG) for the major provision of social housing programmes. Public spending reduction may have the effect of reducing the number of new Housing Associations (HA) starts in NI.

There are additional contextual themes, reflecting local concerns.

1. **Regulation:** After a period of tight prescriptive inspection and regulation, the new framework is likely to focus on three key functional areas: **Governance, Customer and Financial Control**

HAs will need to adjust to this environment with an understanding that this is not co-regulation and key lessons will need to be responded to from inspection failures in the past.

2. **Rent Control:** There is a belief that improved control of social

rents by the Assembly will help tenants who are struggling to cope financially, across a range of benefit fronts. Policy is likely to be in place during the next three years to play a very significant role in controlling HA funding - dependent on which option is adopted.

3. Future of NI Housing Executive (NIHE): The NIHE is most likely to remain as a single unitary housing provider either as a Non Governmental Organisation (NGO) or as a newly formed HA. Its strategic arm may remain separate or partially move to the Department of Social Development (DSD). Change is unlikely before the end of this planning cycle.

A range of **PESTLE** - political, economic, social, technological, legal and environment issues pose additional questions:

Political: Which party leads DSD at Ministerial level?

Economic: The degree to which the NI economy recovers?

Social: How well NI residents are sheltered from benefit cutbacks and changes to the social waiting list profile?

Technological: The level of enhanced customer service through the development of our website and software technologies?

Legal: Any possible changes in NI law giving tenants more rights in relation to house purchase discounts?

Environment: A drive towards higher energy efficiency in Planned Maintenance work as well as the new developments?

Habinteg recognises that as an Independent HA, we are in a good place to respond to the strategic context and will continue to work with its partners to provide a quality services to customers. There The Association aims to be one of the most effective by the end of the 3 year Corporate Strategy period but does not see large growth in size to be paramount. In this regard, we would only consider merger opportunities that are focused upon the needs of our customers – they are always our first priority.

Corporate Strategy 2015 - 2018

Core Business Objective

I. CUSTOMER

To provide quality services to all our customers and place a strong emphasis on community involvement.

Strategic Aims

To Deliver...

I.1 ...a major social housing programme of 500 units over 3 years to address the Programme for Government agenda.

I.2 ...a quality housing service to our customers based on their needs and to their satisfaction over a 3 year period.

I.3 ...a Community Involvement Strategy with residents and communities over a three year period.

I.4 ...a major Planned Maintenance investment programme to take place over 3 years to address outcomes of the Stock Condition Survey*

Operational Plan and Key Performance Indicators Y1 2015/2016

1.1.1 Deliver allocated 2015 - 2016 Social Housing Development Programme

Target: 157 units

1.2.1 Tenant Satisfaction Planned Maintenance

Target: 100% sample / more than 85% satisfaction rate

1.2.2 Tenant Satisfaction Cyclical Maintenance

Target: 10% sample / more than 85% satisfaction rate

1.2.3 Annual Tenant Satisfaction Survey

Target: 20% sample; 75% response rate; minimum 90% satisfaction rate

1.2.4 Repairs Satisfaction Survey

Target: 10% sample; minimum 85% satisfaction level under contract

1.2.5 Repair Response Times

Internal Target: Emergency 90% Urgent 90% Routine 90%

External Target: Emergency 85% Urgent 80% Routine 80%

1.2.6 Complaints Handling

Target: 90% response rate within 15 working days

1.3.1 Community Involvement

Target: Implement year 1 activities - Resident Involvement Action Plan

*Additional elements will be introduced in the Y2 Operational Plan in order to fully support Strategic Aim 1.4 - Planned Maintenance.

The Association's 12 month Operational Plan is agreed at Board and Senior Management level with progress reported quarterly.

Yearly outcomes against targets are published in the Annual Report and can be viewed online at www.habinteg-ulster.co.uk

Corporate Strategy 2015 - 2018

Core Business Objective

2. FINANCIAL

To ensure financial strength and deliver value for money.

Strategic Aims

To deliver...

2.1 ...a Value for Money housing service to residents, reflecting actual costs to secure we remain viable.

2.2 ...budgeting control in each of the programmed work activity areas.

2.3 ...financial control to ensure full compliance with all banking covenants over a 3 year period.

2.4 ...a debt recovery strategy which ensures the financial viability of the Association



Operational Plan and Key Performance Indicators Y1 2015/2016

2.1.1 Management Cost per Unit

Target: £688 based on average stock

2.1.2 Maintenance Cost per Unit

Target: £1010 day to day repairs and cyclical maintenance
£1465 total maintenance costs

2.2.1 Planned Maintenance Expenditure versus Budget

Target: < 10% variance of agreed budget cost spend per quarter

2.2.2 Cyclical Maintenance Expenditure versus Budget

Target: 10% variance of agreed budget cost spend per quarter

2.3.1 Financial Interest Cover Covenant Ratio

Target: 1.2% (from lender)

2.4.1 Tenant Arrears

Internal Target: 4% under standard calculation
9% under revised calculation

External Target: 5% (DSD)

2.4.2 Owner Occupier Arrears

Target: Reduction of 5% at year end

*Additional elements will be introduced in the Y2 Operational Plan in order to fully support Strategic Aim 2.4 - debt recovery strategy.

Corporate Strategy 2015 - 2018

Core Business Objective

3. OPERATIONAL EXCELLENCE

To demonstrate a commitment to best practice through innovation and continuous improvement.

Strategic Aims

To Deliver...

3.1 ...a void management strategy to ensure the most efficient use of the Association's dwellings

3.2 ...accessible housing solutions for tenants through a quality adaptations service

3.3 ...a package of strategic and operational financial processes to allow effective budgeting control



Operational Plan and Key Performance Indicators Y1 2015/2016

3.1.1 Voids % Rent Loss

Internal Target: 1%

External Target: 4%

3.1.2 % Void Relet < 20 Working Days (ex. non-actionable voids)

Target: 80%

3.1.3 % Void Response Times

Target: 90% response rate within 15 working days

3.2.1 Adaptations Minor

Target: 100% response rate / 8 weeks urgent cases; 26 weeks routine

3.2.2 Adaptations Major

Internal Target: After receiving all statutory approval

External Target: Up to 52 weeks

3.3.1 Monthly Management Accounts for Review by SMT

Target: 21 calendar days after the end of each month

3.3.2 Payment of Invoices within 30 Days of Receipt

Target: 100%

3.3.3 Budget Monitoring Responses

Target: 100% 5 working days after Management Accounts distributed

*Additional elements will be introduced in the Y2 Operational Plan in order to fully support Strategic Aim 3.1 - void management strategy.

Corporate Strategy 2015 - 2018

Core Business Objective

4. OUR PEOPLE

To value and empower our people to deliver organisational success.

Strategic Aims

To Deliver...

4.1 ...an efficient and effective HR strategy for the Association over 3 years

4.2 ...a quality working environment for staff members over a 3 year period.

4.3 ...a significant programme of appropriate training for staff members to meet their needs, over a 3 year period.

4.4 ...a 3 year fundraising programme that helps staff nominated charities on behalf of all communities.



Operational Plan and Key Performance Indicators 2015 - 2016

4.1.1 % Sickness Absence Rate

Target: 4%

4.1.2 % Labour Turnover

Indicator: 5%

4.1.3 Appraisals

Target: 100% completed and returned

4.2.1 Staff Satisfaction Survey

Target: 85% response rate; 75% satisfaction rate

4.2.2 New Office Accommodation

Target: Agreed proposals by 31 March 2016

4.3.1 Staff Training

Target: 80% staff satisfaction with training

4.4.1 Staff Nominated Charity

Target: Fundraise minimum of £3000

*Additional elements will be introduced in the Y2 Operational Plan in order to fully support Strategic Aim 4.1 - HR strategy

Projected Balance Sheets - 3 years ended 31 March 2018

	Mar-16	Mar-17	Mar-18
	£	£	£
FIXED ASSETS			
Housing properties	190,436,553	215,018,261	239,255,397
Less : Housing association grant	(125,370,789)	(135,651,335)	(144,487,061)
Depreciation	(22,320,689)	(25,024,689)	(27,836,849)
	42,745,075	54,342,237	66,931,487
Other fixed assets	927,190	877,679	1,824,867
	43,672,265	55,219,916	68,756,353
CURRENT ASSETS			
Debtors	967,921	1,216,330	1,504,389
HAG receivable	0	0	0
Short term investment	0	0	0
Bank & cash balances	5,091,611	7,465,376	6,931,119
	6,059,531	8,681,706	8,435,508
CURRENT LIABILITIES			
Bank overdraft	0	0	0
Loans Due within one year	2,869,038	2,869,038	2,869,038
HAG In Advance	0	0	0
Creditors	2,440,500	2,767,673	2,722,399
NET CURRENT (LIABILITIES)/ASSETS	749,994	3,044,995	2,844,071
TOTAL ASSETS LESS CURRENT LIABILITIES	44,422,260	58,264,911	71,600,425
CREDITORS DUE AFTER MORE THAN ONE YEAR			
Loans	31,392,311	44,517,896	57,081,078
Disposal proceeds fund	176,066	176,066	176,066
Pension fund liability	1,103,000	1,103,000	1,103,000
	32,671,377	45,796,962	58,360,144
SHARE CAPITAL	71	71	71
CAPITAL RESERVES	12	12	12
REVENUE RESERVES	11,641,550	12,467,867	13,240,197
DESIGNATED RESERVES	109,250	0	0
	11,750,883	12,467,950	13,240,280
	44,422,260	58,264,911	71,600,425

Income & Expenditure account - Budget for 3 years to 2017/18

	2015/16	2016/17	2017/18
	£	£	£
Turnover	10,765,379	11,423,800	12,756,789
Operating Costs	(8,280,212)	(8,915,725)	(9,110,341)
Operating surplus	2,485,167	2,508,074	3,646,448
Profit and (Loss) on sale of Fixed Assets	0	0	0
Profit and (Loss) on Investments	0	0	0
add back:			
Tenants services fund	(16,120)	(18,837)	(19,693)
Interest receivable and other income	15,000	0	0
Interest payable, similar charges & Other finance costs	(1,586,192)	(1,969,358)	(2,854,424)
Surplus (deficit) before transfers	897,855	519,879	772,331
Transfer (to)/from reserves	288,040	306,438	0
Surplus (deficit)	1,185,895	826,317	772,331

In order that the Association can deliver on its targets and meet strategic aims, accounts are projected to ensure Financial provision. Budgets are approved at Finance Committee and Board.

Habinteg ordinarily projects budgets beyond three years (five years) but for the purpose of this strategy document, tables are shown here up to 31 March 2018.



Habinteg

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