



# **CORPORATE STRATEGY 2019 – 2022**

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# INTRODUCTION

Welcome to Hundred Houses Corporate Strategy for 2019 to 2022.

Built on our history and recent work to strengthen our governance, Hundred Houses is in a strong position, with a bright future. Our Corporate Strategy sets out our ambition for the future, and our ongoing role in being part of the solution to the housing crisis in Greater Cambridge by providing homes for people in housing need.

We are a charitable Housing Association founded in 1933, and are proud of our history as an independent, local organisation. We completed our first development of 100 homes in 1935. Since then we have continued to grow and now own and manage over 1,400 homes in Cambridgeshire. This includes recently completing the regeneration of Eastfield in Chesterton, where we added over 60 new homes, alongside some of the original 100 houses.

Recent years have seen a focus on strengthening our governance and we are proud that the Regulator of Social Housing assessed our Governance grading as G1 and our Financial Viability as V1 (the highest grades) in April 2019.

As part of recent work, we have a new Asset Management Strategy, with strong commitments to maintaining and investing in customers' homes. We also have new finance to fund our plans, including further development of new homes that people can afford to rent and buy.

Key to our success as a community-based housing society, is close work with local residents. The Scrutiny Panel continue to influence services residents receive, and the Resident's Association are an important voice for local people. We are committed to making sure we deliver better customer services and continuing to work in partnership with residents.

This year we have decided to take a new approach to our Corporate Strategy so that it covers a three year period, but with a commitment to reviewing

it annually. This enables the strategy to be kept up to date and to respond to changes locally and nationally.

The Corporate Strategy links Our Mission:

## 'Great Value, Better Services, More Homes'

to our objectives, which are focused on maintaining customers' homes, delivering better customer service, providing more homes, developing our employee team and ensuring great value. These objectives are delivered through six core strategies, with 3 year action plans. Finally, our values guide what we do.

As proud as we are of our history, our future gives an exciting opportunity to work with customers, our employee team, our Board and partners to deliver our mission. Important ingredients of this during 2019-22 are investment in new and existing homes, developing services and relationships with customers, and developing our employee team.

We want the years ahead to be exciting times for Hundred Houses, and we hope this Corporate Strategy shows how ambitious we are.



  
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Nick Abbey, Chair



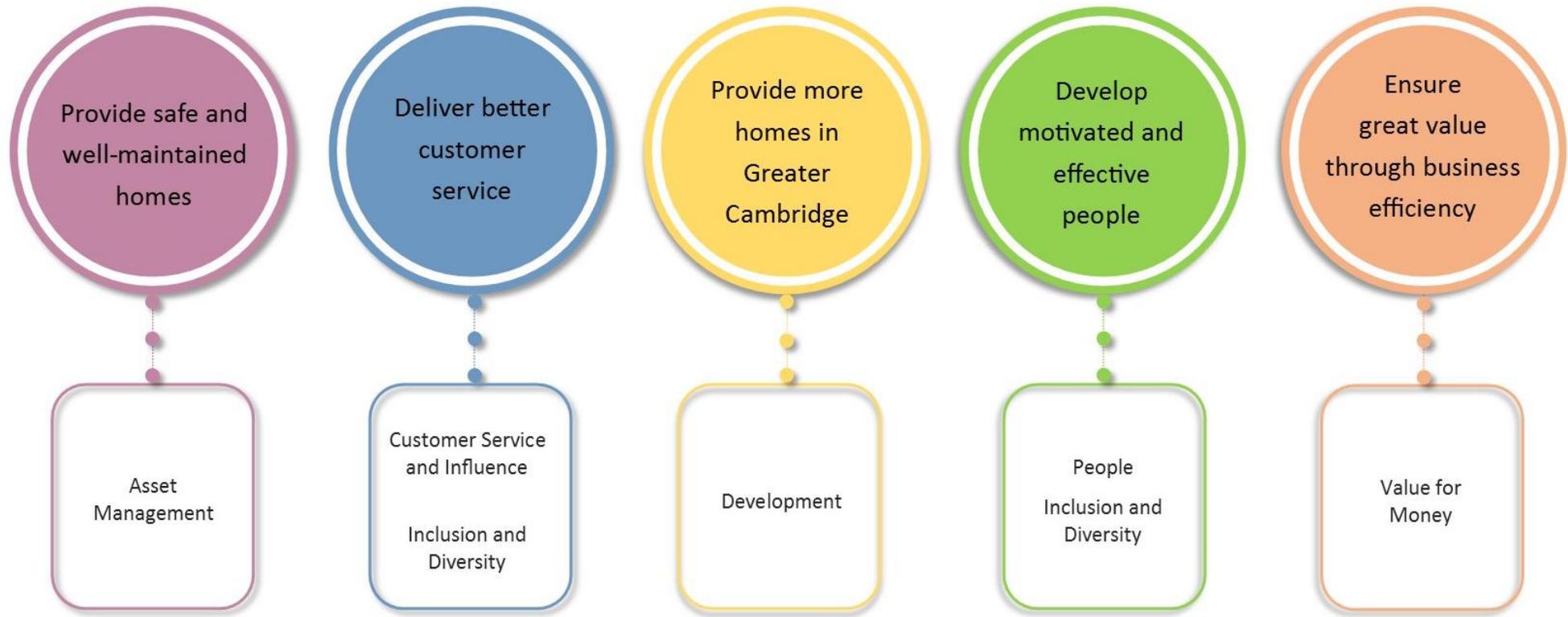
  
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Matt Thomas, CEO



# OUR MISSION

*Great Value, Better Services, More Homes*

## OUR OBJECTIVES



## OUR CORE STRATEGIES

## OUR VALUES

- Innovative
- Customer Focussed
- Effective
- Collaborative

# OUR MISSION AND OBJECTIVES

Our Mission and Objectives give a clear statement of our reason for existing and our priorities. We are focused on providing the best possible service to our customers, in ways that offer great value and enables us to build more homes locally.

Our Board recently agreed that alongside our objective to 'Provide more homes in Greater Cambridge', it was important that we are clear about our commitments in our new Asset Management Strategy to 'Provide safe and well-maintained homes'. This is a significant part of our investment in our financial plan and we are committed to maintaining good quality homes for our customers.

Central to our strategy is delivering 'better customer service' by working with customers to make sure our services meet their needs. While this objective is focused on our service to customers who live in homes we own or manage, the principles of customer service also apply to the way we work with stakeholders, partners and contractors, and our internal customer service to each other.

Key to delivering our strategy is our employee team. They are Hundred Houses, and the achievement of the Most Improved company award, following the Best Employers Eastern Region survey last year, reflects the important work that has taken place in recruiting and developing the team.

Running through the strategy, and reflected in our mission, is our objective to achieve value for money 'through business efficiency'. As a relatively small Housing Association we face challenges in how we use our resources, but our financial results and benchmarking reflect that we perform well and continue to focus on achieving the right balance between quality of service and efficiency.

## OUR STRATEGIES

Underpinning our objectives are six strategies which set out how we will deliver our mission and objectives.

The strategies include clear policy statements and objectives (included on the following page) which have been agreed by Committees and Board.

The strategies also include 3-year rolling action plans which are monitored by Committees and Board and collectively form our Corporate Strategy Action Plan.

For Development, the strategy is currently being reviewed, and will be incorporated into the Corporate Strategy for 2020-23. Additional strategies, such as our Treasury Strategy, are not directly included in the Corporate Strategy, but remain key strategies which are monitored by Board and Committees.



Our strategies and objectives are funded through our business plan, which is set over 30-years and regularly reviewed by our Board to make sure we have the right level of funding and are achieving value for money.

## OUR VALUES

Helping to outline how we will deliver our strategy and objectives, are the behaviours we are committed to developing. These outline a focus on customers (internal and external) and the way we work together (collaboration) in an innovative and effective way.

While all of these values are relevant, we have committed to reviewing our values this year, alongside understanding and developing our culture.



# Our Core Strategies

Asset Management Strategy	Customer Service and Influence Strategy	Inclusion and Diversity Strategy	People Strategy	Value for Money Strategy
<p><b>Policy Statement</b></p> <p>To manage and invest in our customers' homes to make sure they are safe, well-maintained and meet our customers' needs. We will deliver value through our effective management, maintenance and investment in our customers' homes to ensure we have a funded programme of improvements to existing homes and use our data to make well-informed effective decisions on our assets. We will assess options on homes that are under performing, no longer meet our customers' needs or have the potential to support the provision of more homes. We will deliver a responsive repairs service in a structured and sustainable way. We will meet the needs and aim to meet the aspirations of our customers to help them enjoy their homes.</p>	<p><b>Policy Statement</b></p> <p>We believe the best services are delivered when we work with and listen to our customers. We recognise the importance of understanding our customers' priorities and satisfaction drivers when seeking to improve levels of satisfaction. We will use information to tailor services, providing services on-line wherever possible and desired by our customers. We will provide access to advice and offer support to tenants where they would like us to. We seek to use our customers' feedback to continually improve and achieve our corporate objectives and <b>'deliver better customer service'</b>.</p>	<p><b>Policy Statement</b></p> <p>We will be inclusive in all that we do. We will promote the value of the diversity of people we work with. We will avoid discriminating on the basis of gender, race, age, religion or belief, disability, sexual orientation, gender reassignment, marital status or pregnancy. Inclusive communities and workplaces support physical, psychological and emotional wellbeing. This enables individuals to reach their potential; enhancing the quality of life for themselves and others.</p>	<p><b>Policy Statement</b></p> <p>To deliver all aspects of our Corporate Strategy we recognise the need to <b>'Develop motivated and effective people'</b>. We believe that this is best achieved by developing a diverse team who are focused on continual improvement. We recognise the link between employee satisfaction and customer satisfaction and want our employees to feel engaged in delivering good customer service and performance. We want to ensure that we demonstrate our Values of being <b>innovative, customer focused, effective and collaborative</b>, to all that we work with. We believe that using coaching approaches will help us deliver this.</p>	<p><b>Policy Statement</b></p> <p>We seek to spend money wisely and optimise our return on assets to ensure HHS is run efficiently and in line with our values. We recognise our responsibilities to secure Value for Money (VfM) in all our activities, to enable us to target resources to the greatest effect in delivering our Corporate Strategy, and specifically our Corporate Objective to 'Ensure great value through business efficiency'.</p>
<p><b>Our Objectives</b></p> <ul style="list-style-type: none"> <li>• Understand our assets</li> <li>• Ensure homes are safe</li> <li>• Provide well-maintained homes</li> <li>• Demonstrate value for money</li> <li>• Improve efficiency and standards of homes</li> <li>• Involve customers in decision making</li> </ul>	<p><b>Our Objectives</b></p> <ul style="list-style-type: none"> <li>• Customer voices are heard and acted upon</li> <li>• Understand the needs and wants of our customers</li> <li>• Improved customer satisfaction</li> <li>• Involve customers in decision making and setting standards</li> </ul>	<p><b>Our Objectives</b></p> <ul style="list-style-type: none"> <li>• Promote inclusion and diversity</li> <li>• Provide equality of opportunity and avoid discrimination</li> <li>• Help to create communities where customers want to live</li> <li>• A productive employer of choice</li> </ul>	<p><b>Our Objectives</b></p> <ul style="list-style-type: none"> <li>• Improving employee engagement</li> <li>• Improving customer service</li> <li>• Improving performance</li> <li>• Promoting wellbeing</li> <li>• Valuing Diversity</li> </ul>	<p><b>Our Objectives</b></p> <ul style="list-style-type: none"> <li>• Value for Money integral to all decisions</li> <li>• Benchmarking used to continuously improve efficiency</li> <li>• Clear understanding of cost drivers</li> </ul>

# MEASURING SUCCESS

Regularly reviewing progress with the strategy action plans helps to ensure we are delivering both the individual strategy objectives and our overall mission and objectives.

The Regulator of Social Housing's Value for Money Standard has a specific requirement that housing associations have 'appropriate targets in place for

measuring performance in achieving value for money in delivering strategic objectives'.

A combination of the Regulator of Social Housing's Value for Money metrics, HouseMark indicators, and Board and Committee agreed Key Performance Indicators (KPIs) are used to measure performance for each strategic objective:

## Provide safe and well-maintained homes

- Responsive repairs to planned maintenance ratio
- Maintenance cost per property
- Major repairs cost per property
- Compliance KPI's
- Average SAP rating

## Deliver better Customer Service

- £ invested for every £ generated in communities
- Rent collected
- STAR survey and other customer service KPI's

## Provide more homes in Greater Cambridge

- Reinvestment %
- New supply delivered %
- Homes developed

## Ensure great value through business efficiency

- Gearing
- Earnings Before Interest, Tax, Depreciation, Amortisation (major works included)
- Headline social housing cost per unit
- Operating margin %
- Return on Capital Employed

## Develop motivated and effective people

- Management cost per property
- Employee turnover
- Sickness absence
- Employee satisfaction

Relevant metrics are published in our annual financial statements and our annual report to residents, and are used by Committee, Board and managers to monitor progress and benchmark performance against other housing associations. A glossary is included to help explain these KPIs.

# REVIEWING OUR CORPORATE STRATEGY

Our Corporate Strategy will be reviewed and updated once a year as part of our business planning cycle. This includes the Board considering our Mission and Objectives, and the Board and Committees considering the actions required for each underpinning strategy.

Our Corporate Strategy is also considered through our Risk Assurance Framework, which includes a regular review of Threats, Opportunities, Challenges and Strengths, within the context of our operating environment and business, as well as identifying, and mitigating, strategic risks which could impact on the delivery of our corporate objectives.

# GLOSSARY

## Value for Money (VfM) Key Performance Indicators (KPIs)

### Regulator of Social Housing (RSH) Value for Money Indicators

The RSH's Value for Money Standard sets out 7 value for money indicators housing associations are expected to measure and benchmark against. The 7 indicators are included below and further details are available at:

<https://www.gov.uk/government/publications/value-for-money-metrics-technical-note>

### Responsive repairs to planned maintenance ratio

Responsive repairs expenditure as a proportion of planned and major works expenditure (including those capitalised); enabling an understanding of the proportion of maintenance expenditure that is planned, rather than reactive.

### Maintenance cost per property

The total maintenance expenditure divided by the number of properties owned and managed; enabling a comparison of the overall investment in property maintenance, both in relation to previous years and other housing associations (through benchmarking).

### Major repairs cost per property

The total expenditure on major works (such as new kitchens, bathrooms, roofs, heating systems) divided by the number of properties owned and managed; enabling an understanding of the investment in works which will improve the property, both in relation to previous years and other housing associations.

### Compliance KPIs

Property health and safety compliance is reported to each Operations Committee, this includes a variety of measures including fire safety, gas, electrical testing, asbestos and legionella.

### Average SAP rating

The Standard Assessment Procedure (SAP) is the methodology used by the Government to assess and compare the energy and environmental performance of dwellings. The average SAP rating gives a measure of the average efficiency, we also collect individual property data.

### Reinvestment %

The investment in properties (existing as well as new build) as a percentage of the cost of total properties held (RSH Value for Money Indicator).

### New supply delivered %

The number of new social housing properties that have been acquired or developed in the year as a proportion of total social housing properties managed (RSH Value for Money Indicator).

### Homes developed

The number of new homes completed in the year.

### Management cost per property

The direct costs of managing homes divided by the number of properties owned and managed; enabling a comparison of management costs in relation to previous years and other housing associations.

### Employee turnover

The number of employees who have left in the year, as a proportion of the total number of employees.

### Sickness absence

The number of days lost to sickness absence as a proportion of the total number of days employees are contracted to work.

### Employee satisfaction

Use of Best Employers (or other) data as measures of employee satisfaction, reported to Remuneration and Nominations Committee.

### £ invested for every £ generated in communities

Measure of the value of expenditure in community work as a proportion of all income generated.

### Rent collected

Rent collected as a proportion of rent due.

### STAR survey and other customer service KPI's

Key results from the Survey of Tenants and Residents (focused on satisfaction), plus other customer service KPI's (including complaints and compliments) reported to Operations Committee.

### Gearing

Proportion of how much of the accounts value of our housing properties are funded by debt (RSH Value for Money Indicator)

### Earnings Before Interest, Tax, Depreciation, Amortisation (major works included)

Interest cover ratio which measures the level of surplus generated after fully maintaining properties, against interest payments (RSH Value for Money Indicator).

### Headline social housing cost per unit

The total cost of providing social housing services divided by the number of social housing properties owned and managed (RSH Value for Money Indicator).

### Operating margin %

The surplus generated as a proportion of turnover (RSH Value for Money Indicator).

### Return on Capital Employed

Compares operating surplus to total assets less current liabilities to assess the efficient investment of capital resources (RSH Value for Money Indicator).