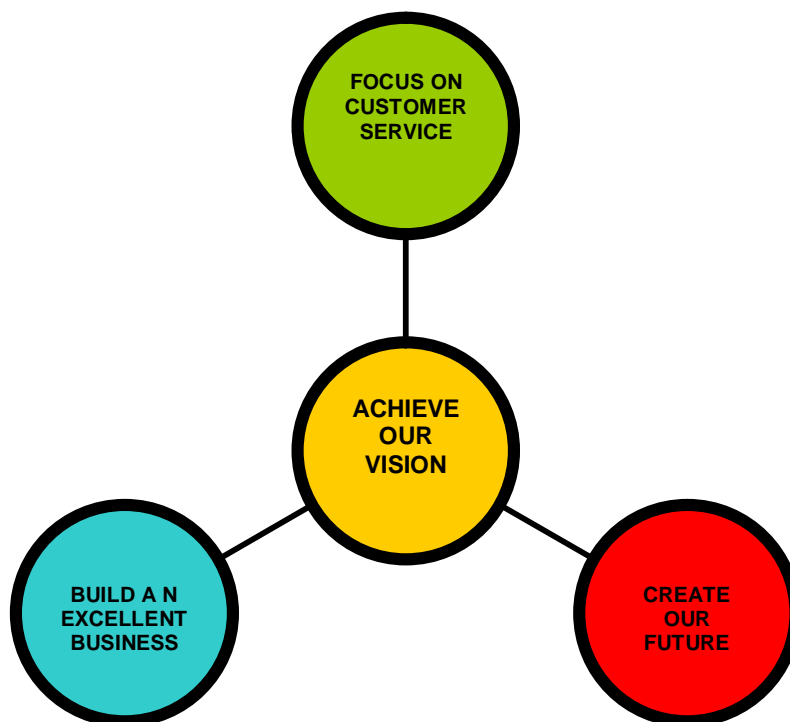


# Herefordshire Housing

## Corporate Plan

**2008 – 2011**



# Forward Planning 2008 – 2011

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## SECTION 1: SUMMARY

### 1 Introduction

HHL is the lead housing agency in Herefordshire. We have a clear view of what must be at the heart of what we do and how we work and where we want to get to:

- P** Our **Mission**, which describes what we're here for – delivering quality housing services to diverse communities.
- P** Our **Values** - the things we hold dear - which are based on teamwork, customer focus, continuous improvement and being passionate about diversity.
- P** Our **Approach**, which is to promote a can-do culture, build a strong business base and be a well-run organisation, actively seeking out and learning from good practice in both private and public sectors.
- P** Our **Vision** – where we want to get to:



### our vision

<b>V</b>	aluing community and valuing its diversity.
<b>I</b>	nspirational leaders.
<b>S</b>	ervices excellent; improvement driven by customers and tenants.
<b>I</b>	n the forefront, a leading RSL and a great place to work.
<b>O</b>	ffering choice and going the extra mile.
<b>N</b>	eighbourhoods and communities that are popular places to live.

In the context that:

- We are a maturing organisation – and we must not lose sight of where we are heading.
- We are doing well – met all our business plan targets in the first five years and now have a clear path to achieve high quality services.
- We have a long way to go – we have skills and talents. Provided we take a structured, collective, planned approach to getting our core business right, we will succeed.

HHL is already changing to meet future housing and community needs, to make its mark in the West Midlands and most importantly in Herefordshire. **For colleagues, communities and customers, the prize for meeting the challenges and changes ahead is the opportunity to:**

- ü Provide new homes and services to support sustainable communities and neighbourhoods, for current and future residents of Herefordshire.
- ü Diversify and grow our business into a social housing agency, a major partner and a service provider to others.

Our Goals reflect three key themes at the heart of achieving our Vision:

**Focus on Customer Services : Build an Excellent Business : Create our Future**

## 2 What are our Goals?

We have listed our Goals under three themes:

### Theme 1: Focus on Customer Services

- Improve housing services and service delivery
- Improve maintenance services
- Improve homes and environment
- Improve quality of life in our communities and neighbourhoods
- Be flexible, delivering the services that customers want
- Increase access to care and support for vulnerable customers
- Improve health, well-being and prosperity of our communities

### Theme 2: Build an Excellent Business

- Manage costs to achieve economy, efficiency and effectiveness
- Listen, understand, respond to customers
- Complying with all legal and regulatory requirements
- Well directed and organised operations
- Optimise income for HHL
- Have robust long term financial projections
- Make HHL a dynamic and exciting place to work
- Excellent communications, internally and externally
- Gain maximum benefits from partnership working
- Keep a buzz in the business

### Theme 3: Create our future

- Promote HHL, its work and its aspirations.
- Build new homes.
- Sustain good strategic and working relationships with Herefordshire Council.
- Plan for the effective use of our properties
- Understand diverse communities and plan to deliver appropriate services
- Explore and implement new technological solutions
- Show clear and visible leadership
- Look outside and import best practice

**ABOVE ALL  
Get the basics right  
and whatever we do, do it well**

### **3 What we expect HHL to achieve, look and feel like by 2011**

#### **Focus on Customer Services**

- Better services : higher customer satisfaction.
- Customer involvement integral into our work.
- Support the development and improvement of Homepoint.
- Repairs appointments offered and “right first time, in time” achieved.
- 2nd 5-years of major works completion in sight.
- Rising quality of life: environmental works underway; anti-social behaviour tackled.
- More support services for the more vulnerable.
- Careline delivering services to more people.

#### **Building an Excellent Business**

- Multi-skilling for in-house maintenance teams.
- e-communication for everyone out on site.
- Business systems streamlined.
- VFM per home improved.
- Wider range of customer involvement.
- Streamlined governance and operations.
- Investors in People and quality accreditation.
- Efficiency improving year on year.
- All performance indicators in the top quartile.

#### **Creating our future**

- Recognised and admired name in housing.
- Part in shaping regional and national agendas.
- Ongoing programme of development into future years.
- Working closely with Edgar Street Grid.
- Developing skills in a number of specialist areas.
- Careline continuing to develop and support the growth of HHL.

## **And by 2011, what else will have changed?**

### **Culture - more, from all of us, of:**

- Taking the initiative - self-starters, taking responsibility and volunteering for additional duties.
- Self-managing – of our individual output, time, learning, etc..
- Team working – taking on responsibility as a member of a team.
- Leadership – developing and communicating vision and goals, and channelling other colleagues towards achieving them.
- Follower-ship – helping whoever’s taking the lead, acting as a lieutenant but coupled with contributing initiatives of our own.
- Networking – gaining information & knowledge beyond our immediate team.
- “Show and tell” – marketing, HHL and ourselves and sharing good ideas.
- Organisational perspective – the ability to see ourselves in the overall context of the organisation, taking in different viewpoints.
- Organisational savvy – understanding how HHL ticks and successfully negotiating conflicting interests.

### **Context – the Housing and Regeneration Act 2008 includes provision for:**

- Primary legislation for the creation of the Homes and Community Agency
- Designed to support delivery of housing supply, particularly affordable (3m new homes by 2020)
- Shift from grant funding social housing to investing in “infrastructure” to support delivery
- Making better use of surplus public sector land and maximising potential for brownfield development
- Modernising powers e.g. on establishing new settlements
- Reform regulation of social housing

## SECTION 2: OUR CORPORATE PLAN

# HHL – big picture framework

<p><b>MISSION</b> - what we're here for</p> <p><b>VISION</b> – where we want to get to</p> <p><b>VALUES</b> – things we hold dear</p> <p><b>CULTURE</b> – how we do things around here</p> <p><b>GOALS</b> – impacts, benefits and changes we must deliver to achieve our vision</p> <p><b>SERVICE PLAN</b> – the tactics and plan for achieving our goals</p> <p><b>OBJECTIVES</b> – staging posts we're aiming for</p> <p><b>PRIORITIES</b> – vital things where we must concentrate our effort</p>	<p><b>TARGETS</b> – how high to set our sights</p> <p><b>MILESTONES</b> – markers on the way</p> <p><b>STRATEGY</b> – the plan for getting there</p> <p><b>POLICY</b> – our guiding principles on a specific issue supporting a Strategy</p> <p><b>PROCEDURES</b> – guidance on steps to turn policy into action</p> <p><b>OUTPUTS</b> – what we create or produce by our actions</p> <p><b>OUTCOMES</b> – what difference the customer sees or feels.</p>
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### 1 Why have a Corporate Plan?

A Corporate Plan helps us map our way forward as a business. It gives us the opportunity to ask “*Where are we going?*” and “*Where are the challenges coming from for Herefordshire Housing?*” and to set out how we believe we need to respond.

Since the stock transfer in November 2002, we have had a range of feedback on and insights into our business. This has included views from our regulators; surveys on customer satisfaction; feed-back from colleague events, a colleague opinion survey; and a number of Board Away Days. We regularly review our long term financial forecast, we have a range of measures of performance and we compare ourselves to others.

In the external world, we have seen:

- The emergence of operating costs and demonstrable efficiency as a prerequisite of accessing capital funding;
- Regional rather than local strategies driving grant funding decisions;
- League tables gain even more stature,
- A wealth of information and projections on how the economy, investment, health, education and demography will change the face of the West Midlands, the West Midlands housing market and Herefordshire.
- and now a new Housing and Regeneration Act.

Our Corporate Plan sets out issues we face - a range of external factors and a continuing and significant internal change agenda. It identifies our goals, strategies and major objectives which are essential for us to achieve if we are to deliver our promise and reach our vision. They will stretch us all, but it will be an exciting and worthwhile journey.

We have tremendous potential and opportunity and already a significant story to tell of a changing organisation in a changing County.

- We have good people, good teams, commitment and enthusiasm
- We are developing a strong identity
- We can look back and see that we have made progress since Transfer, and know that we have faced and resolved many challenges.
- We can demonstrate change and improvement.
- We know customer satisfaction and positive perceptions are rising.
- We are well-placed to benefit from new wave of business development opportunities that include both building new homes and delivering a wider range of services.

There is much more to do - things to be consolidated, new things begun, and many more improvements yet to make. But we are on our way with a clear vision of our destination.

## 2 Why have Goals?

We are an organisation that provides houses and housing services, geographically concentrated in Herefordshire. We have the potential to make a significant impact on what happens in Herefordshire and on the lives of many people. We need to agree what **outcomes** we are aiming for - what actual impacts, benefits or changes for our customers we are aiming to achieve.

These outcomes are set out in this Corporate Plan and called our **Goals**. They sit alongside our Mission (which states our purpose, our reason for being) and our Vision for the future.

Many of our Goals:

- Recognise the breadth of impact we can have, moving us towards being a “housing agency” rather than just a landlord.
- Are aligned to other organisations’ objectives (e.g. Herefordshire Council, the Primary Care Trust).

From our Goals, each team in HHL will draw up their own **Service Plan** which will describe the **outcomes** they are planning - the activities they are focussing on, or prioritising, or starting in the year, each of which should be

specifically linked to contributing to move us to achieving one or more of our Goals. Service Plans will also include output measures - and what the team is going to measure to ensure they are on track. These will range from key performance indicators (for instance rent arrears figures or number of emergency repairs) to project milestones (for instance, initial trial of handheld PC complete). Some will be core measures that the organisation needs to monitor in every team - for instance productivity. Some may be measures that a team wants to look at itself, to improve performance locally.

### 3 How does a Corporate Plan fit into our business planning?

#### 3.1 Setting our business planning framework

In the first five years of HHL, the offer document 'Your Home:Your Choice', the transfer Business Plan and the Transfer Agreement have been our guiding documents. We planned our corporate priorities and they can be summarised as:

## YOUR HOME : *Your Choice*

<p><b>services</b></p> <ul style="list-style-type: none"> <li>• better performance</li> <li>• value for money</li> <li>• tenant influence</li> <li>• county based</li> </ul>	<p><b>homes and environment</b></p> <ul style="list-style-type: none"> <li>• improved, in 5 years</li> <li>• environmental upgrades</li> <li>• rents guaranteed</li> <li>• new homes</li> </ul>
<p><b>colleagues</b></p> <ul style="list-style-type: none"> <li>• leadership</li> <li>• open communications</li> <li>• pay &amp; conditions</li> <li>• training &amp; support</li> </ul>	<p><b>HC, lenders &amp; HCC</b></p> <ul style="list-style-type: none"> <li>• viable</li> <li>• well managed</li> <li>• well governed</li> <li>• help meet HCC strategy</li> </ul>

## priority objectives 2002 to 2007

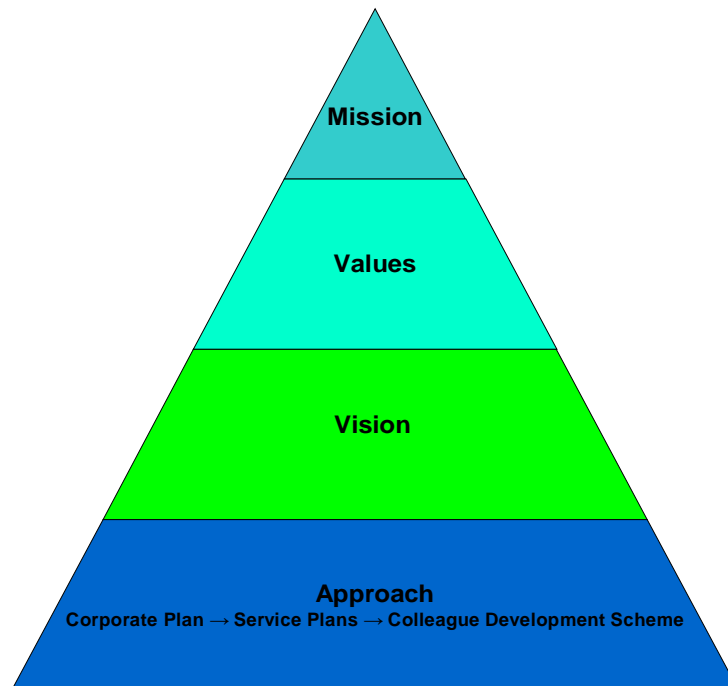
<p><b>results</b></p> <ul style="list-style-type: none"> <li>• delivered 5 yr programme</li> <li>• clear KPI's</li> <li>• improved performance</li> <li>• on target LTFF</li> </ul>	<p><b>motivated people</b></p> <ul style="list-style-type: none"> <li>• better internal comm's</li> <li>• office base improved</li> <li>• training and development</li> </ul>
<p><b>listening and responding</b></p> <ul style="list-style-type: none"> <li>• customer involvement</li> <li>• open communications</li> <li>• pay &amp; conditions</li> <li>• training &amp; support</li> </ul>	<p><b>vision and direction</b></p> <ul style="list-style-type: none"> <li>• deliver on promises</li> <li>• start redevelopment</li> <li>• reviewed governance</li> <li>• help meet HCC strategy</li> </ul>

### 3.2 Managing for Outcomes - how we expect the Corporate Plan to be used

The focus is now on “managing for outcomes”. It requires adopting a more strategic and outcome-based approach to planning, management and reporting. Managing for outcomes will improve the performance of the organisation and its teams by focusing on priorities and by co-ordinating our work through giving common purpose across HHL. It will take time, but it will make a difference to the way in which we operate.

Everyone can give of their best and make a positive contribution if they understand the context in which they work - what is important, why and how and what they do relates to it.

Together, all are designed to achieve the **Mission, Values** and **Vision** we have for HHL.



### 3.3 Service Plans

This is the start of a planning cascade through the Association.

Each team will produce a Service Plan setting out what they are planning to do to support our Goals and clearly linking all their proposed activities and priorities to them.

Each team will know best what requires the most focus in their area of the business to help us achieve our Goals. We expect each team's Service Plan

to have similarities, as they will all be linked to the common purpose of delivering the Goals, but to have different content. We would expect Service Plans to reflect:

- That some teams by the nature of their work are more involved with one Goal than another.
- Unique issues or opportunities.
- Specific challenges identified by a team that they need to work on.
- Actions that must be carried out to address the content of the Audit Commission inspection plan issued in December 2007.

### 3.3.1 What have we taken into account

This Corporate Plan has been prepared with reference to a wide range of information and views.

Tenants were consulted and expressed their views clearly on 20<sup>th</sup> February 2008, Ten ‘Corporate Plan champions’ also took our initial ideas to colleagues across the business and received over 210 additional ideas and suggestions, individual consultations were held with partners and stakeholders with whom we regularly do business.

This Plan captures those thoughts and ideas and steers a direction.

## What links to our Corporate Plan?



## **4 What is the background to HHL?**

HHL is a social landlord, owning approximately 5,400 homes in Herefordshire. It was established in response to tenants of Herefordshire Council voting in favour of a stock transfer. Their decision was based on the commitment made by the company to improve the condition of homes and services.

Herefordshire Housing is a single entity, a not-for-profit housing company (limited by guarantee), registered with the Tenant Services Authority as a registered provider and the Charities Commission as a charity.

A Board of 12 members – 4 tenants, 4 Councillors and 4 independents (presenting relevant professional skills) provide strategic direction. The Board guards the mission, vision and values, sets strategies, plans and objectives, monitors operational and financial performance and establishes the framework to manage risk. The Board has recently completed a review of the governance arrangements to ensure ongoing focus of the key areas of the Board's responsibilities.

The company is managed, on a day to day basis, by a Chief Executive who leads a Management Team of three Directors and has line management responsibility for the Human Resources team, the Business Excellence Team and the Executive Support team. The Directors have departmental responsibility for the respective areas of Resources (income collection, office support and professional services such as finance and legal), Operations (housing management, new development, asset management and property and estate maintenance) and Communications (customer involvement, Careline and Information Technology).

The company monitors progress in achieving its objectives via an established framework for managing performance. Having identified the priorities and planned their delivery through action plans and key performance targets, progress is monitored monthly at management level and quarterly at Board level.

The company has around 215 colleagues, including in-house repairs, gas servicing, grounds maintenance teams and a supported housing team, providing a range of services to tenants. HHL has a Careline team who, in addition to supporting HHL's tenants, provide support to vulnerable people on 22,000 lines across the country, mainly via contracts with other landlords.

While our principal activities are the management and development of social housing and related support, the Company undertakes non-social housing activities, namely the letting of approximately 2,000 garages and 31 shops.

We have a strong commitment to the County, all of properties are located in the County and we are the largest social landlord, providing over 50% of general needs and supported housing in Herefordshire. A broad analysis of the company's spending shows that over 75% is within the local economy.

The housing stock consists of low rise flats and maisonettes (42% of stock), houses (42%) and bungalows (16%), including sheltered schemes for older people. The physical condition of the stock is generally good and the Government's Decent Homes Standard will be comfortably met.

The housing stock is widely dispersed throughout the County and managed from purpose built headquarters in Hereford, supplemented by other outlets; an estate office in the south of the city and a city centre presence. The emphasis is very much on taking services to customers, via surgeries at local outlets and patch based visiting officers. The highest concentration of the stock is within the largest conurbation, Hereford city (69%) and the market town of Ross-On-Wye (10%), which lies to the south. The remaining stock is distributed over approximately 74 rural areas predominantly to the south and west of Hereford City. 20% of the housing stock is designated for elderly or disabled tenants who are provided with a warden and/or a Careline alarm service which provides cover for medical and other emergencies 24 hours a day.

A significant proportion of the property that the company owns and manages lies in the south of the city, the most deprived area of Hereford City. The overall indicator of multiple deprivation also reveals that Golden Post and Newton Farm, where approximately 14% of the housing stock is located, is the most deprived in Herefordshire.

Customer profile analysis as derived from the 2006 customer survey reveals:

- 75% of tenants are over 45
- 93% describe themselves as white British
- 46% have someone in the household with a disability, this rises to 55% amongst respondents over 65
- 50% receive a pension
- 60% receive housing benefit, rising to 70% in respondents aged over 65
- 28% work in some kind of employment
- 46% of tenants are over 65
- 1% describe themselves as black, Asian or mixed race
- 7% have a carer, 9% are carers.
- 49% of household incomes are £70 - £180
- Newer tenants have below average income

#### 4.1 How do we work?

We have **around 215 colleagues**, around three quarters based in our offices or on our estates delivering housing and corporate support services and a quarter delivering property maintenance services directly to customers. We are one of the **larger employers in Hereford**.

We have a clear view of what must be at the heart of what we do and how we work:

- P** Our **mission**, which describes what we're here for - **delivering quality housing services to diverse communities**.
- P** Our **vision**, how we want to be in the future.
- P** Our **values** - the things we hold dear - which are based on **teamwork, customer focus, continuous improvement and being passionate about diversity**
- P** Our **approach**, which is to promote a **can-do** culture, build a **strong business base** and be a **well-run organisation**, actively **seeking out and learning from good practice** in both private and public sectors.

#### 4.2 Who do we work with and who has an interest in our work?

Many people come together to work to our mutual benefit. We count our key stakeholders as:

- Our residents and communities.
- All those who work in the Association, both paid colleague and voluntary Board members
- Our key business partners: Herefordshire Council, our funders, our major works contractor, the Homes and Communities Agency and the Tenant Services Authority

In addition, we have a growing range of partners delivering specialist support services for our customers.

We work closely with other RSLs, community interest groups; education, health and police through partnerships such as Herefordshire Strategic Partnership and its various theme groups and sub-groups, including Herefordshire RSL Forum.

#### 4.3 What is our relationship with Herefordshire Council?

HHL is an independent organisation, but both HHL and the local authority work exclusively in Herefordshire producing a synergy between our two organisations. To a large extent, "our success is their success" - and vice versa.

A partnership between the two organisations was envisaged at transfer, with HHL assisting Herefordshire Council in assessing housing need and contributing to the council's Housing Strategy. In turn, Herefordshire Council supports HHL through its land use planning powers, support for vulnerable adults, Housing Benefit for tenants, environmental services etc.

#### **4.4 What is the backdrop to our work?**

The first two years were ones of significant change and achievement. In that period we established, reviewed and consolidated our infrastructure, setting good foundations for future progress and growth. This helped us to strengthen our control over the business and provide the flexibility to adapt to future challenges. This included building a new headquarters, implementing new integrated information systems, restructuring departments and assessing the most cost effective way of providing central support services.

Our main priority, over the first five years, has been delivering promises to tenants, with the focus being a modernisation programme valued at over £41m. We have already completed all of the 'promises' ahead of time; 1,300 homes have new double glazing, 1,900 homes have new central heating systems, 1,300 homes have new bathrooms and external doors have been fitted to 3,600 homes. The company is confident that it will complete the remaining categories before November 2007, having already re-wired 1,760 homes and installed over 2,100 kitchens at the end of March 2007.

We gained charitable status by registering with the Charities Commission in 2004, saving a projected £50m in corporation tax, over a 30 year period. Since transfer, we have factored in an additional £23m, over 30 years, to improve the condition of existing stock. We are confident of meeting the Decent Homes Standard by 2010, having estimated that 94% of properties meet the standard and having provided for the cost of meeting the standard (£1m to £1.5m).

We have reviewed our plans to build new homes, incorporating mixed tenure (shared ownership) and re-financing to add 150 units over the next 6 years.

We have also reviewed services and introduced new services since transfer, such as a dedicated anti-social behaviour team, a tenancy support officer providing advice on welfare benefits and new rent payment mechanisms. The company is also an active member of the Herefordshire Community Safety Partnership. We have developed new ways of working with other local organisations for the benefit of the community, such as debt advice via the CAB, a one-stop information shop in one of the most deprived areas in the South Wye and working with local schools on ASB awareness.

The company has maintained its financial position, performing within covenants and repaying loans within the timescales anticipated in the original business plan. Herefordshire Housing has also maintained an excellent relationship with the Tenant Services Authority since transfer.

Herefordshire Housing wants its rents to be affordable and deliver a good service to its customers – control of costs and quality being a key focus. The company has controlled rent increases and costs since transfer; rents are below the average for the area and costs are below average for the sector. The balance between rent levels, costs and quality of service is constantly under review. Herefordshire Housing compares its performance to similar organisations; the latest full year comparison showed seven of the ten performance indicators being above average, in the upper middle or top quartile.

Herefordshire Housing exists for its customers so we involved customers in a review of customer care as part of the planning process for 2006. The outcome involved a number of things, including customer care standards and targeted training and it was pleasing to see, from the 2006 survey results, that customers were already benefiting from the changes i.e. 98% felt that colleagues are polite and courteous. This Corporate Plan addresses the need to continually improve customer care, including consideration of a Customer Relationship Management System.

Repairs and improvements to homes are a key priority for our customers; satisfaction with both of these areas is high, currently running at 95% and 96% respectively.

General customer satisfaction has increased since the results of the first survey in June 2004:

	<u>2004</u>		<u>2006</u>
Overall customer satisfaction	76%		85%
Value for Money	80%		83%
Helpful colleagues		74%	86%
Happy with outcome	51%		72%
Being informed	78%		82%

In addition to the satisfaction ratings, when asked about what affected quality of life, customers referred to anti-social behaviour, criminal activity and poor environmental conditions (including vandalism and graffiti).

Herefordshire Housing needs to improve the way that it contributes to the estate environment; this will involve a better process for inspecting estates with customers.

In recognising the age profile of our customers (and the local and national trend to an ageing population) and the relatively high number of customers with disabilities, we have worked closely with the local authority and invested heavily in time and money, to reduce the waiting list and improve the way aids and adaptations are delivered to its customers.

## 4.5 How we support Communities

A significant proportion of our properties lie in the south of the city, within the most deprived area of the County of Herefordshire.

Herefordshire Housing recognises that the most effective way to cater for needs is to be able to recognise and identify them at the start of the tenancy and be able to respond to changing circumstances as they arise. On a day to day basis, this is delivered by a large team of colleagues dealing with tenancy issues, including lettings officers, housing officers, rent recovery officers and a dedicated tenancy support officer who provides specialist advice on benefits and training for other colleagues.

As many of the issues in the wider community are multi-faceted, we also recognise that the most effective way to contribute is to work in partnership with residents and other organisations. For example, we support Newton Farm Information Centre, a local charity providing a wide range of advice either directly, by signposting or by providing space for other agencies on a surgery basis. This includes regular visits by the Citizens Advice Bureau and a permanent access point for the Credit Union.

The main focus, over the first five years, was delivering promises made to transferring tenants, establishing an independent and viable organisation in which customer involvement is embedded and also well placed to face the future challenges i.e. continually improving the quality of service in an effective and efficient way.

## 4.6 What obligations do we have?

We have a range of obligations, of which the key ones are:

- Contractual
  - Transfer Agreement
  - Leases and tenancies with occupiers
  - Grant funding conditions
- Regulatory requirements from:
  - Tenant Services Authority registration and meeting their Regulatory Code
  - Charity Commissioners for our proposed charities companies and Financial Services Authority for our proposed charitable Industrial and Provident Society
  - Companies House
  - Health and Safety Executive
- Financial
  - Loan covenants
  - Funding requirements from the Homes and Communities Agency
  - General requirements for audited accounts etc
- Statutory

- Employment legislation
- Discrimination legislation
- Health and safety legislation
- Housing Acts and related legislation

#### **4.6.1 Finance**

Our long term financial forecasts are based on a Profit and Loss Account and Balance Sheet format. Our financial modelling looks ahead for 40 years. At the end of this Corporate Plan are our current Balance Sheet projections together with projections of our income and expenditure before and after tax as well as our long term debt profile.

Our model has been recently validated by consultants and is regularly updated as the business changes or information becomes available or projections more accurate. A 'mini review' was carried out in March 2008.

The key financial constraints on our long term plans are the Lenders covenants, particularly those related to interest cover, rather than asset cover. In turn this means that a key priority for us is achieving efficiencies and cost savings.

#### **4.6.2 Customer views and opinions**

There is a great deal of consensus around what services tenants want. There is clear agreement amongst tenants of all ages, ethnicities and backgrounds that before housing associations think about anything else, they need to get the basics right. Fundamentally, housing associations should provide a home fit to live in, collect rent and carry out maintenance work. Before considering broadening their scope beyond this, tenants say that housing associations must first do well at delivering core housing services.

A good basic level of service is perceived as:

- commitment to delivering a quality service;
- competent and polite service from customer facing colleagues
- speedy repairs completed to a high standard;
- listening to tenants;
- security;
- affordable rent.

## **Dream landlord checklist**

Drawing on what tenants expect in terms of the services they get and their ideas of what would make a 'dream landlord', two characteristics stand out.

### **A. Getting the basics right**

First, the 'dream landlord' gets the basics right. The dream landlord understands its customers in all their diversity and knows their preferences and circumstances. It has high quality, responsive services that offer value for money.

### **B. Going the extra mile**

Second, the dream landlord goes the extra mile. The dream landlord gives tenants **choices** over the kind of service they receive, enables them to become home owners, is concerned both about the quality of housing stock as well as the quality of life of its tenants and has a presence in the community. The dream landlord is open. It listens to people and acts on what it hears. The dream landlord must be able to go the extra mile in relation to all of the following:

1. quick response to enquiries, needs, complaints;
2. choice as a guiding principle;
3. options and support to buy, including help to buy outright;
4. added services, such as leisure facilities;
5. attention to the appearance of the area, including communal areas and gardens;
6. modernisation, not just repairs;
7. inclusive service, with attention paid to the needs of ALL groups;
8. excellent contractor management.

## **Herefordshire Housing customers**

Beacon Research<sup>1</sup> completed a tenant survey during July 2006.

Overall, only 84.6% of respondents said that they were satisfied with the service provided by Herefordshire Housing, whilst 5.2% were dissatisfied. Younger tenants were generally less satisfied with the service.

Similarly, 83.3% of tenants describe their rent as good value and 85% are satisfied with the quality of their accommodation.

Over 82% of respondents say that the current condition of their property is good, including 34.3% who say it is very good.

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<sup>1</sup> 'Beacon Research' are an independent company (tel: 01995 606330) commissioned by HHL to conduct the research.

The areas in which tenants live is often a contentious issue, yet 84.1% of respondents who expressed an opinion, say that they are satisfied with their area and only 8.5% are dissatisfied.

These figures include 49.6% of tenants who are 'very satisfied' with their area

Anti-social behaviour, poor environmental conditions and even criminal activity can pose a threat to the quality of life on Housing estates and there is some evidence, in this survey that such problems continue to exist for your tenants.

Unfortunately, the age profile of respondents does not represent the views of all tenants. The age profile of tenants who responded to this survey shows that 46% were aged 65 or more, whilst only 11.9% were aged 34 or less. Older tenants were more likely to respond to the survey.

Age of Tenant	%
16 – 34	11.9
35 – 44	12.3
45 – 64	30.0
65+	45.7

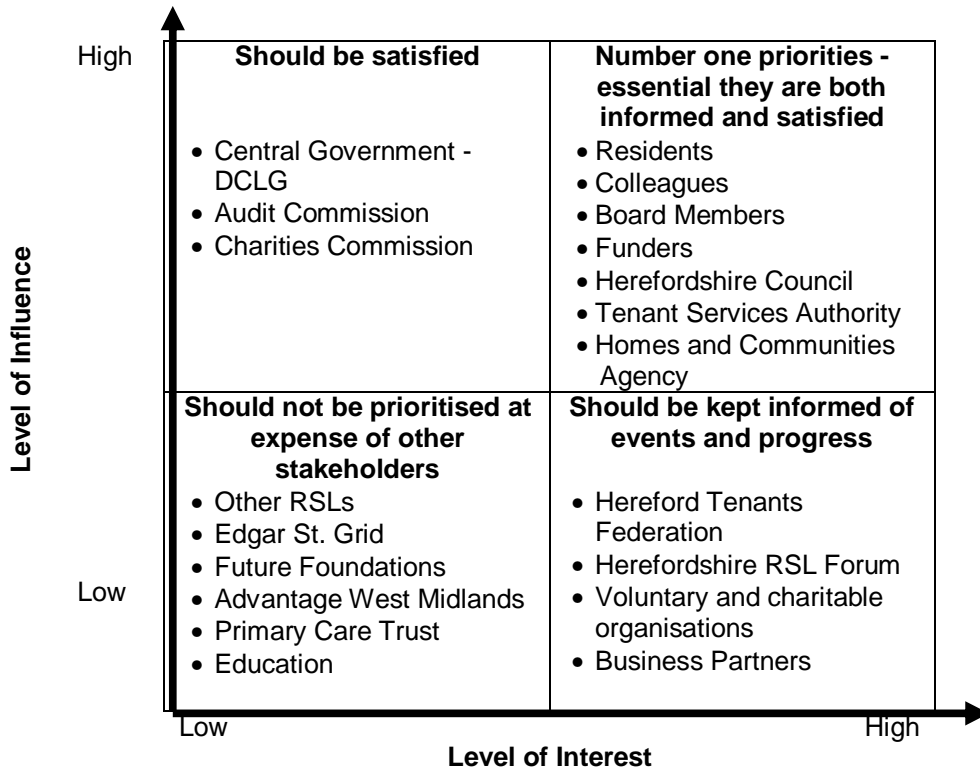
## Ethnicity

The vast majority (92.6%) of tenants responding to the survey describe themselves as White-British, whilst a further 1.6% are White-Irish / White-Other. Only 8 respondents (0.7%) were Black, Asian or Mixed race. 'Welsh' is not regarded as an ethnic minority.

## 5 Who's interested in what we do?

### 5.1 Stakeholder mapping

- 1) Many people and organisations have an interest in our work and in drawing up this Corporate Plan, we have considered:
  - a) What level of interest do they have?
  - b) What level of influence does each have on our activities? Will this change over time?
- 2) Over the period of this plan, we believe both levels of influence and levels of interest will remain broadly constant, although within this:
  - a) the interest of the Audit Commission will increase as we approach our housing re-inspection;
  - b) the interest of the Tenant Services Authority will continue with close regulation and extend to a funding interest as we begin to build more affordable housing;
  - c) we will be exploring putting in place a new partnering contract to deliver major improvements to our properties.



3) We have sought the views of those with the highest influence and interest in our work in identifying the key strategic themes for this Corporate Plan. In future years, we expect to improve on how we affect this and for there to be an ongoing and repeated process of consultation, but our input from key stakeholders for this Corporate Plan has been via:

Residents	Tenant Board Member involvement; Customer Surveys; consultation sessions with customers
Funders	Regular meetings, with specific discussion in January on the Corporate Plan
Local Authority	Quarterly meetings, throughout the year.
Tenant Services Authority	Regular meetings throughout the year with our lead Regulator.
Colleagues	Senior Management Team. Colleagues via Service Plans.
Board Members	Board members away days November 2007 and March 2008 October 04; Review of mission, vision and values and Input into strategic themes and approval of final Corporate Plan

**5.2 How do we think this Corporate Plan meets the Tenant Services Authority’s checklist?**

1) Using our resources for the purpose intended?	<b>P</b>
2) Demonstrates direction and leadership	<b>P</b>
3) Informs assessment of risk	<b>P</b>
4) Complies with the law.	<b>P</b>
5) Is open to and provides services to diverse groups.	<b>P</b>
6) Evidences the quality of planning framework	<b>P</b>
7) Demonstrates HHL can cope with change of circumstances, through	<b>P</b>
a) Reliable accurate information	<b>P</b>

b) Reflecting prudent assessment, yet allowing flexibility if assumptions prove to be wrong or trading conditions change	<b>P</b>
c) Clear and distinct trigger points when the Board will review the plan and revisions can be agreed	<b>P</b>
8) Can add to assessment of compliance with the regulatory Code-viable, well managed and well governed	<b>P</b>
a) Coherent and robust	<b>P</b>
b) Focuses on achievement of organisational objectives	<b>P</b>
c) Assesses the risk to achieving those objectives	<b>P</b>
d) Demonstrates long and short-term viability across a range of scenarios	<b>P</b>
e) Provides for meeting commitments to lenders and tenants	<b>P</b>
f) Links to asset management, treasury management and other strategies	<b>P</b>
9) Clearly linked to objectives and targets	<b>P</b>
a) Demand and investment	<b>P</b>
b) Service development	<b>P</b>
c) Performance measurement	<b>P</b>
d) Financial modelling	<b>P</b>
e) Summary and conclusion of a series of complementary analyses - asset management and risk assessment	<b>P</b>
f) Comments on the impact of these analyses on the financial projections	<b>P</b>
g) Incorporates scenario projections or sensitivity analyses to demonstrate appreciation of risk and flexibility to respond to changes from expectations	<b>P</b>

### 5.3 Funders checklist?

1) Reassurance on the security of their investment and to help support further fundraising	<b>P</b>
2) Viability of the business over the funding period- i.e. the ability to repay debt	<b>P</b>
3) Confidence that the business is being well managed	<b>P</b>
4) What are projections of 3 years and over 30 years (or up to when we reach a steady state) for:	<b>P</b>
a) Asset management	<b>P</b>
b) Stock condition	<b>P</b>
c) Treasury management	<b>P</b>
5) What non-financial information backs this up?	<b>P</b>
a) How do strategic decisions relate to our vision?	<b>P</b>
6) Does this corporate plan represent good stewardship?	<b>P</b>
a) Robust, identifying risks and demonstrating how effective the we are at managing risk	<b>P</b>

### 5.4 Herefordshire Council?

1) Are promises to residents being met	<b>P</b>
2) Are the commitments in the Transfer Agreement being met?	<b>P</b>
3) Do HHL's strategic priorities appropriately support and complement those of Herefordshire Council	<b>P</b>

### 5.5 Central Government - DCLG checklist?

1) Decent Homes Standard	<b>P</b>
2) Sustainable Communities Plan	<b>P</b>
3) Crime and disorder	<b>P</b>
4) Teenage pregnancy	<b>P</b>

5) Rent Restructuring	<b>P</b>
6) Respect Agenda	<b>P</b>

## 6 What do we see as potential risks in the market place?

### 6.1 STEP analysis

<b>Socio-cultural</b>	<b>For HHL?</b>	<b>Technical/Technological</b>	<b>For HHL?</b>
Demographic Change	<b>P</b>	IT dependency	<b>P</b>
Migration of Workers	<b>P</b>	Changing methods of construction	<b>?</b>
People's expectations & aspirations	<b>P</b>	Partnering	<b>P</b>
Consumerism & rise of personal debt	<b>P</b>	Customer Service centres	<b>P</b>
Rural services	<b>P</b>	e-government and e-commerce	<b>P</b>
Crime and anti-social behaviour	<b>P</b>	Expertise/skill/competency shortages	<b>?</b>
Training/education - low attainment	<b>P</b>	Accessibility of information	<b>P</b>
Asylum seekers	<b>O</b>	Systems development & complexity	<b>P</b>
Changing pattern of future demand	<b>P</b>	Specific skills shortages	<b>P</b>
		Herefordshire Council change to HB computer system,	<b>P</b>
		Ageing housing stock/ Popularity and condition of housing stock	<b>P</b>
		Mass access to IT and internet	<b>?</b>
<b>Economic</b>	<b>For HHL?</b>	<b>Political/Legal</b>	<b>For HHL?</b>
Performance of stock market	<b>?</b>	Change in Government	<b>P</b>
Interest rates	<b>P</b>	Housing Benefit Changes (Flat rate local housing benefit. Direct payment to tenants. Housing verification framework)	<b>P</b>
Relative and absolute rent levels	<b>P</b>	Supporting People	<b>P</b>
Inflation rates (inc. differential rates)	<b>P</b>	Changes to the RTB rules	<b>?</b>
Unemployment	<b>P</b>	Capital funding programme changes	<b>P</b>
Competition for funding	<b>P</b>	Decent Homes Standards	<b>P</b>
Comparative tenure costs	<b>?</b>	Rent Restructuring	<b>P</b>
Diversification	<b>P</b>	Brownfield sites	<b>?</b>
Flexibility of labour market	<b>P</b>	Best Value	<b>P</b>
Poverty and deprivation	<b>P</b>	Regional Housing Chambers	<b>P</b>
Buoyant construction sector	<b>P</b>	Stock transfers and ALMOs	<b>P</b>
Raw materials price rises	<b>P</b>	Change in Regulation	<b>P</b>
Land prices	<b>P</b>	Hereford 's standing and Hereford's reputation	<b>P</b>
Changing level/type of competition	<b>P</b>	New Housing and Regeneration Bill	<b>P</b>

## 6.2 What are our current Risks?

The latest risk map was considered by our Audit Committee in November 2007 (below). This analysis reflects the action plan for improvement that we have agreed with the Tenant Services Authority.

The risk map is updated quarterly.

## 6.3 Checking against our Key Strategic Risks

Main 'Business Significant Risks'	RANKING	CONTROL/MANAGEMENT ACTION	RESPONSIBILITY	MONITORING & REVIEW MECHANISM
Audit Commission Re-inspection	1	Delivery of Tenant Services Authority Action Plan	Chief Executive	To Board and Tenant Services Authority
Leasehold Management	2	Leasehold & SC Working Group – overseeing delivery of Leasehold Project plan	Director of Ops	Updates to Audit Committee
Equality and Diversity	3	Diversity Working Group overseeing delivery of Diversity Action Plan	Dir of Comms	To Board
Asset Management Strategy (AMS)	4	Asset Management Group – overseeing delivery of AMS inc Action Plan	Director of Ops	To Board
Value for Money Management	5	Value for Money Working Group – to develop Action Plan	Director of Resources	To Board – annual AES & VFM review
Supported Housing and Careline	6	Sheltered Housing Review - Project Plan	Director of Ops	Updates to Audit Committee
Customer Profiling	7	Customer Census Project in place	Dir of Comms	To Customer Services Committee
Customer Involvement	8	Annual Resident Involvement Impact Assessment	Dir of Comms	Annual Board review
Complaints Management	9	Complaints Working Group to develop new policy and process as part of the Asset & Customer Care Comprehensive Service Review	Dir of Comms	To Board

Customer Satisfaction	10	Regular Surveys and the development of comprehensive service standards that are regularly tested	Dir of Comms	To Customer Services Committee
Tenant Services Authority: fail to comply with regulatory code - performance standards not met	11	Annual Compliance Review	SMT	Board - annual report
Leadership & Management development	12	Review approach including review of Management development programme	Chief Executive	To HR & R Committee
Board Expertise	13	Annual review of skills and training and development plan	Chief Executive	Annual Board review
Governance of RSL	14	Governance Action Plan	Chief Executive	To Board and Tenant Services Authority
Insufficient colleague skill or resource	15	Full skills audit	Heads of Service	Updates to Human Resources and Remuneration (HR&R) Committee
Loss of Senior Management skill	16	Annual review of terms and conditions	Chief Executive	Annual review and report to HR&R Committee
Changes to Government Policy	17	Regular Review	SMT	Board / appropriate committee review
Voids Management	18	Robust performance monitoring	Property Manager	Monitor via KPI's to Customer Services Committee
Higher interest rates	19	Prudent Assumptions in Plan	Director of Resources	To Board as part of Treasury Management Review
Low inflation	20	Business Plan - assumptions /sensitivity	Director of Resources	Board - annual review of Business Plan
Health & Safety	21	Detailed Policies and Procedures developed and reviewed by H&S Officer	Chief Executive	To HR & R Committee
Business Continuity	22	Develop holistic Business Continuity Plan	SMT	Board - Approval and annual review

## Appendix Five

HHL

## BUSINESS PLAN

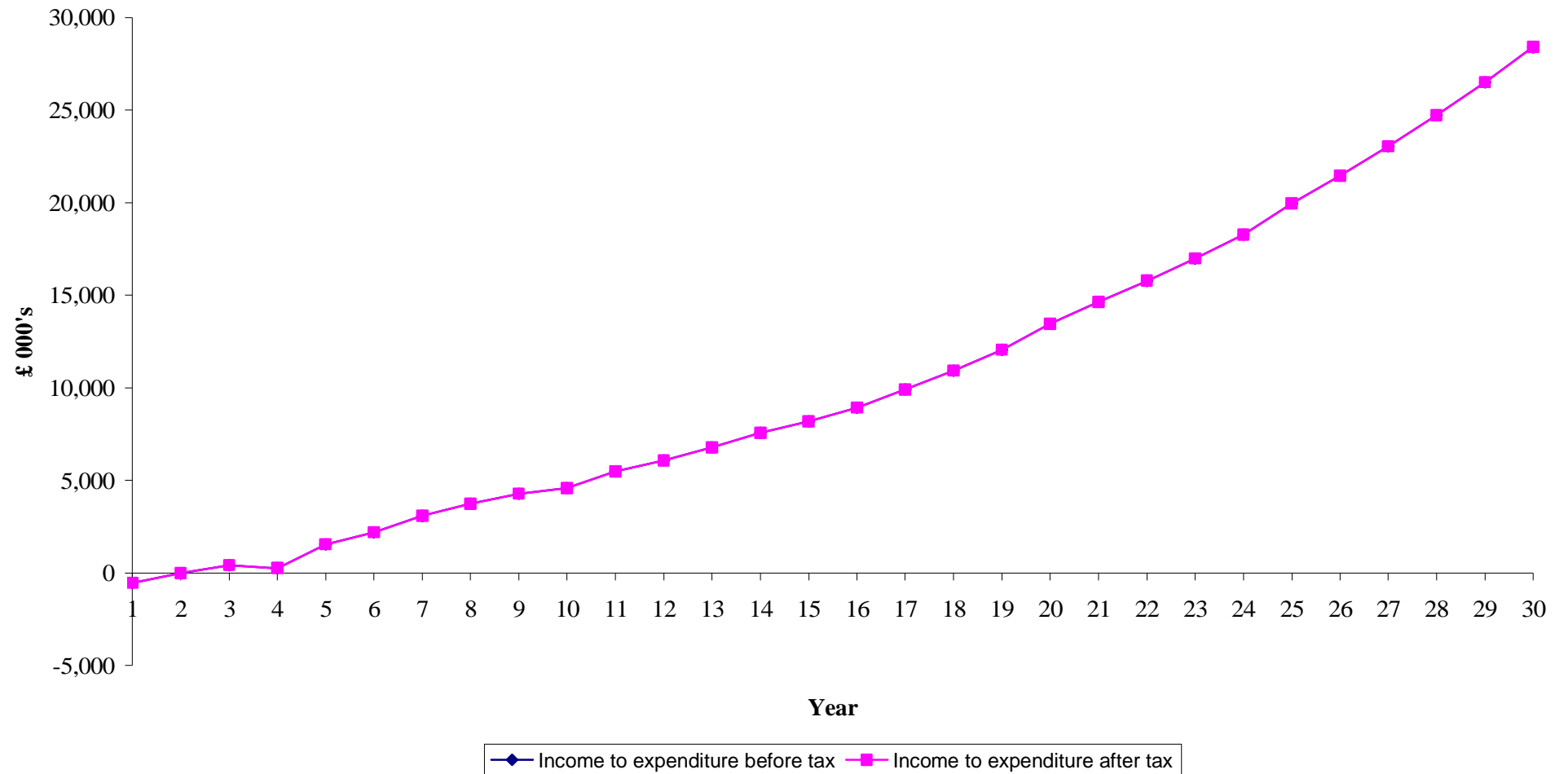
## BALANCE SHEET FORECAST

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
As at	Apr-08	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Fixed Assets</b>																				
Housing properties	51,903	55,102	59,993	65,115	70,606	75,719	80,741	85,675	90,661	95,773	101,094	103,545	106,060	108,650	111,308	114,114	117,004	119,968	123,010	126,136
Less: SHG/HAG	-751	-1,462	-2,597	-3,816	-4,565	-5,846	-7,159	-8,505	-9,884	-11,298	-12,748	-12,747	-12,746	-12,745	-12,744	-12,743	-12,742	-12,742	-12,741	-12,741
Less Other Capital Grants	-156	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606
Less: Cummulative Depreciation																				
Housing	-2,620	-3,187	-3,764	-4,352	-4,955	-5,569	-6,196	-6,835	-7,487	-8,153	-8,833	-9,511	-10,189	-10,866	-11,542	-12,217	-12,893	-13,568	-14,242	-14,917
Other Fixed Assets - tangible	5,383	10,917	8,769	8,808	8,848	8,889	8,932	8,976	9,021	9,067	9,115	9,164	9,215	9,267	9,321	9,376	9,433	9,492	9,553	9,615
Less: Cummulative Depreciation																				
Other Fixed Assets	-1,199	-1,484	-1,819	-2,105	-2,382	-2,651	-2,912	-3,165	-3,412	-3,651	-3,883	-4,109	-4,329	-4,543	-4,751	-4,954	-5,152	-5,344	-5,533	-5,716
Other Fixed Assets - intangible	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Fixed Assets - investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>52,560</b>	<b>59,279</b>	<b>59,976</b>	<b>63,045</b>	<b>66,946</b>	<b>69,936</b>	<b>72,801</b>	<b>75,540</b>	<b>78,293</b>	<b>81,133</b>	<b>84,139</b>	<b>85,736</b>	<b>87,406</b>	<b>89,158</b>	<b>90,986</b>	<b>92,970</b>	<b>95,044</b>	<b>97,200</b>	<b>99,441</b>	<b>101,771</b>
<b>Current Assets</b>																				
Tenant Debtors	680	748	790	830	867	902	935	968	1,000	1,031	1,062	1,094	1,126	1,159	1,192	1,227	1,263	1,300	1,337	1,376
Other Debtors	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699
Non liquid current assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash	78	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
Short term investments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>2,457</b>	<b>2,947</b>	<b>2,989</b>	<b>3,029</b>	<b>3,066</b>	<b>3,101</b>	<b>3,134</b>	<b>3,167</b>	<b>3,199</b>	<b>3,230</b>	<b>3,261</b>	<b>3,293</b>	<b>3,325</b>	<b>3,358</b>	<b>3,391</b>	<b>3,426</b>	<b>3,462</b>	<b>3,499</b>	<b>3,536</b>	<b>3,575</b>
Short term loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Creditors: amounts falling due in one yr	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953
Creditors: RTB receipts due to Council	-600	-326	-379	-426	-405	-452	-502	-462	-512	-564	-532	-586	-643	-587	-642	-701	-613	-667	-725	-594
<b>Net current assets</b>	<b>-2,096</b>	<b>-1,333</b>	<b>-1,343</b>	<b>-1,351</b>	<b>-1,292</b>	<b>-1,304</b>	<b>-1,321</b>	<b>-1,248</b>	<b>-1,266</b>	<b>-1,287</b>	<b>-1,224</b>	<b>-1,246</b>	<b>-1,271</b>	<b>-1,183</b>	<b>-1,204</b>	<b>-1,228</b>	<b>-1,104</b>	<b>-1,122</b>	<b>-1,142</b>	<b>-971</b>
<b>Total assets less current liabilities</b>	<b>50,464</b>	<b>57,946</b>	<b>58,633</b>	<b>61,694</b>	<b>65,655</b>	<b>68,632</b>	<b>71,480</b>	<b>74,292</b>	<b>77,027</b>	<b>79,845</b>	<b>82,915</b>	<b>84,491</b>	<b>86,135</b>	<b>87,975</b>	<b>89,782</b>	<b>91,742</b>	<b>93,939</b>	<b>96,078</b>	<b>98,299</b>	<b>100,799</b>
Long term loans: amounts falling due after more than one year	-53,750	-61,769	-62,466	-65,114	-68,823	-70,257	-70,908	-70,642	-69,643	-68,179	-66,666	-62,760	-58,335	-53,398	-47,642	-41,427	-34,696	-26,938	-18,225	-8,677
Long term Creditors: amounts falling due after more than one year	0	-1	-3	-4	-6	-7	-8	-9	-10	-11	-12	-13	-14	-15	-16	-17	-18	-18	-19	-19
Provisions	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249
<b>Net Assets</b>	<b>-3,286</b>	<b>-3,823</b>	<b>-3,833</b>	<b>-3,420</b>	<b>-3,168</b>	<b>-1,624</b>	<b>572</b>	<b>3,650</b>	<b>7,384</b>	<b>11,666</b>	<b>16,249</b>	<b>21,731</b>	<b>27,800</b>	<b>34,578</b>	<b>42,140</b>	<b>50,316</b>	<b>59,244</b>	<b>69,141</b>	<b>80,074</b>	<b>92,123</b>
<b>Capital and reserves</b>																				
Revenue reserve	-1,772	-2,310	-2,322	-1,910	-1,660	-117	2,078	5,155	8,888	13,169	17,750	23,231	29,300	36,076	43,638	51,813	60,740	70,636	81,569	93,617
Restricted Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Designated Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>-1,772</b>	<b>-2,310</b>	<b>-2,322</b>	<b>-1,910</b>	<b>-1,660</b>	<b>-117</b>	<b>2,078</b>	<b>5,155</b>	<b>8,888</b>	<b>13,169</b>	<b>17,750</b>	<b>23,231</b>	<b>29,300</b>	<b>36,076</b>	<b>43,638</b>	<b>51,813</b>	<b>60,740</b>	<b>70,636</b>	<b>81,569</b>	<b>93,617</b>

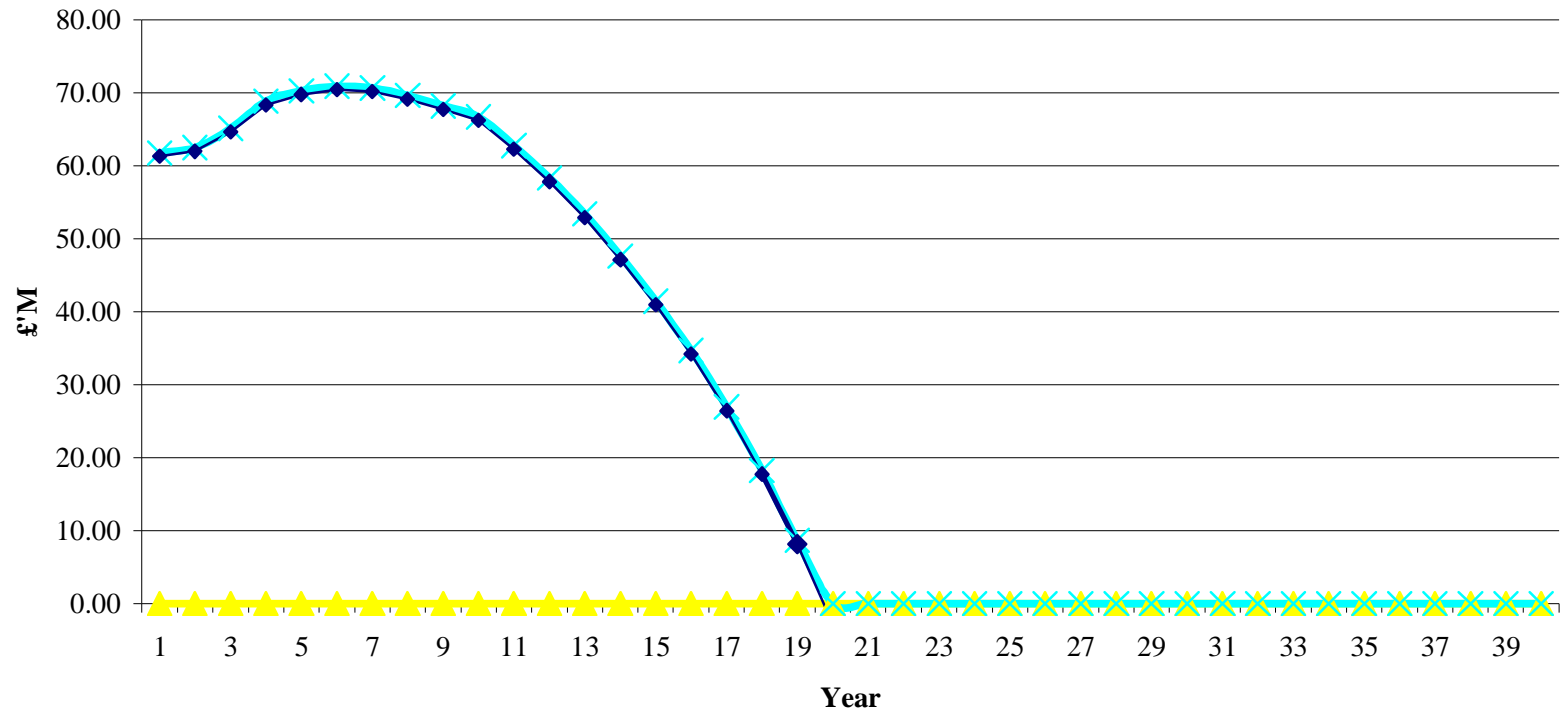
HHL Corporate Plan 2008 to 2011

Year	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	
As at	Mar-28	Mar-29	Mar-30	Mar-31	Mar-32	Mar-33	Mar-34	Mar-35	Mar-36	Mar-37	Mar-38	Mar-39	Mar-40	Mar-41	Mar-42	Mar-43	Mar-44	Mar-45	Mar-46	Mar-47	Mar-48	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Fixed Assets</b>	129,246	132,433	135,708	139,064	142,502	145,891	149,364	152,925	156,574	160,315	164,149	168,079	172,107	176,236	180,469	184,807	189,253	193,811	198,482	203,271	208,179	
Housing properties	-12,740	-12,739	-12,739	-12,739	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738	-12,738
Less: SHG/HAG	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606	-606
Less Other Capital Grants	-15,592	-16,265	-16,941	-17,616	-18,290	-18,973	-19,656	-20,339	-21,022	-21,705	-22,388	-23,071	-23,754	-24,437	-25,120	-25,803	-26,486	-27,169	-27,852	-28,535	-29,218	
Less: Cummulative Depreciation																						
Housing	9,679	9,745	9,814	9,884	9,956	10,030	10,107	10,186	10,267	10,343	10,421	10,502	10,584	10,670	10,758	10,848	10,941	11,037	11,136	11,238	11,343	
Other Fixed Assets - tangible	-5,896	-6,071	-6,243	-6,411	-6,576	-6,738	-6,896	-7,052	-7,205	-7,355	-7,503	-7,649	-7,792	-7,933	-8,073	-8,210	-8,346	-8,481	-8,614	-8,746	-8,877	
Less: Cummulative Depreciation																						
Other Fixed Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Fixed Assets - intangible	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other Fixed Assets - investments	<b>104,092</b>	<b>106,496</b>	<b>108,992</b>	<b>111,576</b>	<b>114,247</b>	<b>116,866</b>	<b>119,575</b>	<b>122,376</b>	<b>125,270</b>	<b>128,253</b>	<b>131,335</b>	<b>134,517</b>	<b>137,802</b>	<b>141,192</b>	<b>144,690</b>	<b>148,298</b>	<b>152,018</b>	<b>155,855</b>	<b>159,809</b>	<b>163,884</b>	<b>168,083</b>	
<b>Current Assets</b>	1,417	1,458	1,501	1,545	1,591	1,638	1,687	1,738	1,790	1,844	1,899	1,956	2,015	2,075	2,137	2,202	2,268	2,336	2,406	2,478	2,552	
Tenant Debtors	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	1,699	
Other Debtors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Non liquid current assets	2,963	15,207	28,371	42,779	58,385	74,956	93,655	113,844	135,618	159,085	184,346	211,365	240,393	271,555	304,980	340,808	379,183	420,263	464,209	511,194	561,401	
Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Short term investments	<b>6,079</b>	<b>18,364</b>	<b>31,571</b>	<b>46,023</b>	<b>61,674</b>	<b>78,293</b>	<b>97,042</b>	<b>117,281</b>	<b>139,107</b>	<b>162,628</b>	<b>187,944</b>	<b>215,020</b>	<b>244,107</b>	<b>275,329</b>	<b>308,816</b>	<b>344,708</b>	<b>383,150</b>	<b>424,297</b>	<b>468,313</b>	<b>515,371</b>	<b>565,653</b>	
Short term loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Creditors: amounts falling due in one yr	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	-3,953	
Creditors: RTB receipts due to Council	-644	-698	-622	-672	-726	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Net current assets</b>	<b>1,481</b>	<b>13,713</b>	<b>26,996</b>	<b>41,398</b>	<b>56,996</b>	<b>74,340</b>	<b>93,089</b>	<b>113,328</b>	<b>135,154</b>	<b>158,675</b>	<b>183,991</b>	<b>211,067</b>	<b>240,154</b>	<b>271,376</b>	<b>304,863</b>	<b>340,755</b>	<b>379,197</b>	<b>420,344</b>	<b>464,360</b>	<b>511,418</b>	<b>561,700</b>	
<b>Total assets less current liabilities</b>	<b>105,573</b>	<b>120,209</b>	<b>135,989</b>	<b>152,974</b>	<b>171,243</b>	<b>191,206</b>	<b>212,664</b>	<b>235,704</b>	<b>260,424</b>	<b>286,929</b>	<b>315,326</b>	<b>345,584</b>	<b>377,956</b>	<b>412,568</b>	<b>449,553</b>	<b>489,053</b>	<b>531,215</b>	<b>576,199</b>	<b>624,169</b>	<b>675,302</b>	<b>729,783</b>	
Long term loans: amounts falling due	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	
Long term Creditors: amounts falling due	-20	-21	-21	-21	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	-22	
Provisions	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	-249	
<b>Net Assets</b>	<b>105,573</b>	<b>120,209</b>	<b>135,989</b>	<b>152,974</b>	<b>171,243</b>	<b>191,206</b>	<b>212,664</b>	<b>235,704</b>	<b>260,424</b>	<b>286,929</b>	<b>315,326</b>	<b>345,584</b>	<b>377,956</b>	<b>412,568</b>	<b>449,553</b>	<b>489,053</b>	<b>531,215</b>	<b>576,199</b>	<b>624,169</b>	<b>675,302</b>	<b>729,783</b>	
<b>Capital and reserves</b>	107,067	121,703	137,482	154,466	172,735	192,698	214,156	237,196	261,916	288,421	316,818	347,076	379,448	414,060	451,045	490,545	532,708	577,691	625,662	676,794	731,275	
Revenue reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Restricted Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Designated Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revaluation Reserve	<b>107,067</b>	<b>121,703</b>	<b>137,482</b>	<b>154,466</b>	<b>172,735</b>	<b>192,698</b>	<b>214,156</b>	<b>237,196</b>	<b>261,916</b>	<b>288,421</b>	<b>316,818</b>	<b>347,076</b>	<b>379,448</b>	<b>414,060</b>	<b>451,045</b>	<b>490,545</b>	<b>532,708</b>	<b>577,691</b>	<b>625,662</b>	<b>676,794</b>	<b>731,275</b>	

### Income and expenditure before and after tax



### Debt Level changes from Base Model



## SECTION 3: MANAGING FOR OUTCOMES GUIDANCE NOTES

### 1 Introduction

The focus is now on managing for outcomes. It requires adopting a more strategic and outcome-based approach to planning, management and reporting. Managing for outcomes will improve the performance of the company and teams by focusing on priorities and co-ordinating our work by giving common purpose across the Association. It will take time, but it will make a difference to the way in which we operate.

#### 1.1 What do we mean by “Managing for Outcomes”?

“Managing for outcomes” aims to and improve the HHL’s performance by giving everyone the same common purpose and framework for cascading this through the company.

It starts from our Corporate Plan. This gives the strategic direction and sets the context for our work - giving everyone working in the company an understanding of what we are aiming for and why. The Corporate Plan sets out our Goals - these are the priority outcomes the company wants and needs to see from everyone’s efforts.

To achieve our vision, we need to turn our Goals into action. This requires teams and individuals to adopt a more strategic and outcome-focused approach for planning, management and reporting. This in turn will influence what teams and individuals decide to do or not to do, the way they choose to work and the priority they give to various activities.

Each team needs to understand what are Goals are and translate them into their own **Service Plans** - the plans that set out how they will contribute to HHL’s Goals.

#### 1.2 What do we expect of managers?

The senior management team is accountable for achieving outcomes.

Managers throughout the Association are accountable for 'managing for outcomes'. They will also continue to be accountable for the delivery of outputs, but with a greater emphasis on their effectiveness - for instance for altering their mix of outputs as circumstances dictate.

#### 1.3 What’s in it for teams?

The benefits include:

- Re-assurance that the team is focussing its resources on delivering results that will have the greatest positive impact on customers and communities.
- Confidence that what they are planning will link to HHL’s vision and its future.

- Greater ability to link their plans with those of other teams, share experience and move forward together.
- Better information to support the management of the company and improve communication within HHL.

#### **1.4 Where do we start?**

The initial focus of management for outcomes is thinking and planning, as improving the quality of thinking and planning should help to ensure that teams are focusing on the Goals that matter - - this includes ensuring value for money.

Re-orienting a team management system to include a greater focus on our Goals will be demanding as well as rewarding. It will take time for teams to identify:

- The Goals they aim to pursue.
- The best outputs to deliver to contribute to those outcomes.
- And measures for evaluating achievement of outcomes.

Over time managing for outcomes will assist teams to make decisions that improve the effectiveness and efficiency of their activities.

#### **1.5 How does this link to Service Plans?**

All teams need to produce a Service Plan at the end of the thinking and planning process. This is not an end in itself, as it's the thinking, planning and subsequent action that are all important. However it is a vital reference document that we will use collectively to track our progress over the coming months.

## 2 Managing for Outcomes: Key messages for managers

**Managing for Outcomes** The focus is now on managing for outcomes. It requires adopting a more strategic and outcome-based approach to planning, management and reporting while focusing on delivering outputs.

Managing for outcomes will improve the performance of teams by focusing on priority outcomes and outputs. It will take time, but it will make a difference to the way in which we operate.

**Leadership** Managing for outcomes is challenging - senior managers' leadership is crucial. Start early, don't overreach, build on success and don't miss the good in the pursuit of excellence.

Encourage colleague involvement in team planning and seek their commitment to the association outcomes the team intends to pursue and the outputs the team intends to deliver to pursue these.

**Accountability** Senior managers will not be held accountable for achieving outcomes, but they will be held accountable for 'managing for outcomes'. They remain accountable for delivering outputs and for altering their mix of outputs as circumstances dictate.

**Planning** Focus on planning (first) and then on writing the service plan.

Begin by identifying the outcomes. Identify the vital few outcomes, and the best outputs to pursue those outcomes. Take a fresh look at all activities and think about how to work with others.

While teams may identify their capability needs after they've identified their outcomes and outputs, planning is not a linear process. Outcomes, outputs and capability influence each other.

SMT will be looking for evidence that teams have:

- sound, systematic and evidence-based reasons backing their choice of outcomes and outputs ;
- identified the uncertainties and the possibility of unintended or adverse impacts resulting from the outputs they intend to deliver;
- considered how they will know whether they are making progress towards the outcomes, and how they will measure the impact of their outputs;
- planned with other teams whose outcomes overlap, are the same or similar; and
- involved HHL early in team thinking, debating and planning.

**Service Plan** Once teams are clear about the Goals they'll pursue, the outputs they'll deliver, and how they'll measure progress and the impact of their outputs, they should write their service plan.

It should be written in plain language and tell a compelling story that identifies the outcomes to be pursued, the outputs to be produced, why those outcomes and outputs are chosen as opposed to others, how risk and uncertainty will be managed, the capability required to deliver the outputs to pursue the outcomes and, and how teams will know they are making a difference to Hereford.

**Finally** 'What' managing for outcomes involves is clear, but 'how' teams do it is over to them. There is no template and teams will be expected to support each other.

Managing for outcomes is challenging and will take time.  
**Start early and don't miss the good in the pursuit of excellence.**