Swan Housing Corporation 2012-15

Contents

- Introduction 2 - 6
- Our mission 6 - 9
- Our residents 9 - 11
- Our services 12 - 15
- Finance and compliance 16 - 17
- Working at Swan 18 - 19
- Partnerships 19 - 20
- Striving for excellence 20 - 21
- SSEG services 21
- SWOT analysis 22
- Strategic Goals 23 - 25

Swan Housing Association Strategy 2012-15
Written by: Sandra Fawcett, Regional Director of Housing (London)
Applies to: Swan Housing Association
Approved by: Swan HA Board
Lead Officer: Sandra Fawcett, Regional Director of Housing (London)

Feb 2012
26 March 2012
Swan Housing Association Strategy 2012-15

1. Introduction

This strategy is designed to set out Swan Housing Association’s key priorities for its services over the coming 3 years. This strategy looks at Swan Housing Association’s:

- Mission and values
- Current and future strategic objectives for 2012-15
- The external environment
- The regulatory regime
- Our residents
- Our services
- Finance and compliance
- Working at Swan
- Working in partnership

Following the successful work through BCHA from 1994, Swan Housing Association was formed in 1998 with the transfer of some 2600 properties in Basildon. Swan now owns and manages over 10,000 properties in East London and Essex. Swan has always been clear about its commitment to the key geographical areas in which it operates and this business strategy focuses on this core objective. The breakdown of units owned and managed is as follows:

<table>
<thead>
<tr>
<th>Residential Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Needs homes</td>
<td>5,730</td>
</tr>
<tr>
<td>Leasehold/ Shared Ownership units</td>
<td>1,208</td>
</tr>
<tr>
<td>Supported Housing units</td>
<td>528</td>
</tr>
<tr>
<td>NHS homes</td>
<td>997</td>
</tr>
<tr>
<td>London Borough of Newham Private Finance Initiative</td>
<td>1,355</td>
</tr>
<tr>
<td>Garages and others</td>
<td>496</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,314</strong></td>
</tr>
</tbody>
</table>

Swan operates within the county of Essex in the following boroughs:

- Basildon
- Brentwood
- Chelmsford
- Castle Point
- Tending
- Harlow
- Thurrock
- Rochford
- Colchester
- Southend
- Maldon
- Uttlesford
- Braintree
- Braintree

And in Ipswich in Suffolk.
Swan currently operates within the following East London boroughs:

- Tower Hamlets
- Newham
- Redbridge
- Havering
- Barking and Dagenham

1.1. Organisational Structure

Swan Housing Association is a Group Structure with new profit making entities, Swan New Homes, Vivo Support and Hera.

Swan HA has a protocol in place with Swan Foundation to ensure a consistent and complementary approach that best meets the needs of both Swan’s residents and the wider community. Operational services outsourced to Hera are managed through contracts/ Service Level Agreements.

Swan New Homes

- The bidding for and development of new affordable housing in line with Swan HA’s Corporate Plan and the Homes and Communities Agency’s Affordable Housing Programme delivery agreement.

Hera Management Services

- Management of commercial properties

Hera IT Consultancy

- Management of the Business Intelligence Unit
**Vivo Care and Support**

- Management of the Home Improvement Agency contract
- Management of Swan's supported housing homes and contracts

Swan offers services to residents from the following operational bases:

**London**

London Regional Office – Chrisp Street, Poplar, London.
Local Housing Offices at Exmouth, Bow Cross in Tower Hamlets and Forest Gate in Newham.

**Essex**

Essex Regional Office – Pilgrim House – High Street, Billericay, Essex.
Parent and Child Unit - Dove Cott House, Mellow Purgess End, Basildon
Swan House Foyer (Young Persons) - Swan House Foyer, Vange, Basildon
Oakroyd House (Sheltered) - Oakroyd Avenue, Great Dunmow
Boyescroft (Sheltered) - White Street, Great Dunmow
Frinton Road (HIA) - Holland on Sea
Suite 304 (HIA) - Wellington House, Butt Road, Colchester

1.2. Governance Structure

1.2.1 Swan's Board is made up of a number of non-executive members, up to four of whom are resident members. The Board's role is to provide strategic direction and to govern, control and scrutinise our operations. The Board meets regularly to review the performance of the business and also provides advice to the subsidiary Boards and to our management team. The Board has established a number of Committees to which the Board has delegated certain responsibilities.
1.2.2 **Swan Housing Association Board**

The Board adopted the National Housing Federation’s 2010 Governance Code: Excellence in Governance at its meeting in September 2010. This replaced the National Housing Federation’s 2004 Governance Code. The Board also adopted the National Housing Federation’s Code of Conduct. In line with the underlying compliance principles these codes detail:

- The Board and its role
- Board effectiveness
- Relationships with stakeholders
- How the Board operates

Information on compliance is published annually in Swan Housing Association’s annual report and financial statements. In addition to these documents an annual report for residents is produced in October each year in line with regulatory requirements. Swan Housing Association Limited is a Housing Association constituted under the Industrial and Provident Society’s Act 1965.

The Board’s role is to provide strategic direction, oversee financial control and to govern, control and scrutinise the Association’s operations including those outsourced to other companies in the Group. It is also responsible for providing advice to its subsidiary Committees and the management structure. The Board meets 4 times a year on a cycle that enables it to take reports from the various Board Committees.

Board Members are Non-Executive Members and some are residents of the Association.

1.2.3 **Regional Committees**

Both London and Essex each have a resident majority Regional Committee made up of 12 Members (8 resident places and 4 independents). Up to 4 Members from the Regional Committees are co-opted annually to the Board. Each Committee meets at least 4 times per year and is responsible for monitoring the operational delivery of housing and related services for residents or other service users in its respective region and to recommend appropriate changes to policy or service delivery.

1.2.4 **Audit and Risk Committee**

The Audit Committee meets at least 4 times per year. It receives reports from the external and internal auditors and reviews the processes for audit and risk management. It is chaired by a member of the Board who is not the Chair of the Board of Swan Housing Association.
1.2.5 **Finance and Personnel Committee**

The Finance & Personnel Committee consists of seven members. It meets at least four times per year and monitors Group accounting policies and considers financial, funding and human resources issues. It reviews and endorses the budget, management accounts and treasury policies and considers the financial parameters for new business developments, as well as considering human resources policies and practices. It is chaired by the Treasurer of Swan Housing Association.

1.2.6 **Service Improvement and Value for Money Committee**

This Committee comprises of an Independent Chair, a Board member, a member from each of the two Regional Committees and a member from each of the two Resident Consultative Committees. It meets bi-monthly and considers service improvement priorities, value for money initiatives and customer satisfaction and oversees a programme of service reviews.

1.2.7 **Equality and Diversity Committee**

This Committee consists of five members with responsibility for keeping abreast of developments in this area and formulating action plans to ensure Swan meets its obligations with regards to equality and diversity. The Committee oversees compliance with Swan’s Single Equality Scheme.

2. **Our Mission**

Swan’s mission is to: “Create homes and communities that people want to live in”. This will be achieved by:

- Maximising the availability of affordable housing for local people.
- Meeting our financial targets and offering value for money for our customers.
- Being judged as an improving landlord by our residents.
- Tackling the equality issues that matter most to residents.
- Involving our residents and building sustainable communities.

Swan’s activities are focused in the following areas:

- Providing affordable homes for people who cannot afford to rent or buy in the open market, this includes the new affordable rent product and shared ownership.
- Providing a general needs housing service and a service for the Association’s leaseholders.
- Provision of Key Worker accommodation.
- Investing in the community and involving residents.
- Providing supported housing services.

Each year the Board agrees key objectives for each area of the Corporate Plan and progress against these objectives is considered by the Board at each of its meetings.
There are a number of strategies that sit underneath the Association’s overall corporate strategy including the:

- Asset Management Strategy
- Financial Inclusion Strategy
- Single Equality Scheme
- Corporate Social Responsibility Strategy
- Worklessness Strategy
- Value for Money Strategy
- Resident Involvement and Community Development Strategy
- Financial Business Plan

All strategies and policies are developed with the input of residents through the Resident Consultative Committees in London and Essex. Following resident consultation all policies and strategies are considered by the Regional Committees and finally endorsed by the Association’s Board. All strategies are reviewed on a 3 yearly basis unless there are any significant changes to legislation or regulation in which case strategies/ policies are updated in line with any new requirements. A full matrix of strategies and polices can be found on Swan’s intranet at http://intranet/default.aspx. All policies are translated into resident service standards and procedures. Further information can be found about these under the section entitled ‘Our services’.

2.1 External Strategic Drivers

There are a number of external changes taking place which will have an impact on the Association’s services in the future. Since the election of the Coalition Government in May 2010 there have been significant changes to the external strategic position. The Housing and Regeneration Act 2008 saw a number of changes to housing law which Swan’s service adapted to, in particular the amended powers of the regulator. Both the Equality Act and Bribery Act came into force in 2011 and there are now 2 further pieces of legislation which will see implementation from 2012.

The Localism Act sees the greatest reforms to social housing for some while and includes proposals for fixed term tenancies, places a new duty on local authorities to publish a tenancy strategy for which Registered Providers will have to have due regard, gives local authorities more power to better manage their waiting lists, makes the use of a mutual exchange/ home-swap scheme compulsory, provides local authorities with the power to discharge their homelessness duty through the private sector and will make further changes to social housing regulation from April 2012. In addition the Act sees changes to Neighbourhood Planning which is likely to have an impact on the areas within which we operate.

The Welfare Reform Bill will see some significant changes to the overall Government agenda of making work pay and reducing dependency on the existing benefit system. The Government plan to introduce a new Universal Credit which will merge a range of existing benefits through one process which will be linked to the tax system. The Government has a clear desire to pay housing benefit direct to claimants through the new Universal Credit and this may well have financial implications for Swan in relation to its income stream.
The Bill is currently being reviewed in the House of Lords and is likely to receive Royal Assent in 2012.

Swan’s Financial Inclusion Strategy will be reviewed in 2012/13 to ensure that comprehensive proposals for welfare benefit advice and support, in order to minimise the impact on our income stream, can be developed.

2.2 Regulatory Requirements

Swan as a Registered Provider is subject to the requirements of the current social housing regulator, the Tenant Services Authority. The Housing and Regeneration Act 2008 gave particular powers to the regulator to ensure a greater focus on resident led regulation and tailored services to residents’ local requirements. The Tenant Services Authority launched a new regulatory framework for social housing providers in England in April 2010. A list of specific requirements are set out under the following National Standards.

- Tenant involvement and empowerment
- Home
- Tenancy
- Neighbourhood and community
- Governance and financial viability
- Value for money

Each year in Swan’s annual report for residents we report:

- How we are doing against each of the National Standards
- Specific performance criteria including how we benchmark against others
- What we will be doing in the following year to improve what we do
- How we have performed against the local offers agreed with residents

Swan produced its first new style residents’ annual report in September 2010. This was followed by detailed work with residents during the year after that to produce a report in October 2011 that was more focussed on the things that residents had felt was important for them.

The Coalition Government has abolished a number of Quangos in line with the Government’s Comprehensive Spending Review. This includes the Audit Commission and the Tenant Services Authority whose responsibilities will transfer into a committee of the Homes and Communities Agency from April 2012. The amended regulatory framework from April 2012 splits the national standards into 2 groups:

<table>
<thead>
<tr>
<th>Economic Standards</th>
<th>Consumer Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance and Financial Viability</td>
<td>Tenant Involvement and Empowerment</td>
</tr>
<tr>
<td>Value for Money</td>
<td>Home</td>
</tr>
<tr>
<td>Rent</td>
<td>Tenancy</td>
</tr>
<tr>
<td></td>
<td>Neighbourhood and Community</td>
</tr>
</tbody>
</table>

In the future the Homes and Communities Agency will only proactively regulate the Economic Standards.
The Government’s intention is that the downsizing of the regulator will see a ‘lighter touch’ approach with Boards and residents taking greater responsibility under a co-regulatory regime of ensuring that registered providers deliver in line with their objectives.

The Service Improvement and Value for Money Committee will continue to oversee compliance with the regulatory framework on behalf of the Board. The Association is well placed to take on board the amended regulatory framework items required from April 2012.

There are currently 3 main avenues through which the Social Housing Regulator regulates Registered Providers.

1. The submission of annual performance data – up until 2011 known as the Regulatory Statistical Return (RSR). In future this will be NROSH+,
2. The production of a residents’ annual report issued to all residents by 1 October each year and available on the website for pursuance by the regulator.
3. An annual viability review by the Social Housing Regulator of the Association’s financial performance. In future this will be part of NROSH+.

The revised regulatory framework from April 2012 merges 1 and 3 into one return.

Supporting this is our annual CORE return on all new lettings.

Any contracts with Swan for care services are subject to regulation by the Care Quality Commission. The Association therefore has a regulatory role for the existing contracts in place.

3. **Our residents**

Involving residents in both the development of our services and scrutinising our overall performance is a key element of our plan. Both current good practice and the regulatory framework require that co-regulation be at the top of a Registered Provider’s agenda and we have fully embraced this approach through the development of the Resident Scrutiny Framework in 2011. Residents are involved at all levels within the organisation through both informal and formal involvement structures. Our key aims are to ensure that:

- Residents take ownership of the scrutiny framework and work with us in partnership to direct and influence service delivery.
- We continue to train a pool of residents to develop their skills and capacity to effectively monitor our performance.
- We increase year on year the number of residents playing an active part in scrutiny and be able to demonstrate that it can really make a difference.
- Residents feel they have real opportunities to influence service delivery and change.
We recognise that involvement of residents is not all about attending meetings and giving up considerable amounts of time to participate in group work. We have an active Customer Feedback Panel and an objective for the coming 3 years is to how we expand the development of this. In addition we currently have a facebook page ‘Charlie Swan’ and an objective of this plan is to embrace further social media opportunities for involving our residents. This is in particular relation to harder to reach groups such as young people.

It is important that our work on resident involvement is focussed and delivers clear objectives in terms of the percentage of residents who are satisfied that their views are taken into account as well as showing clear demonstrable outcomes of what resident involvement delivers.

Each year we produce a detailed Resident Impact Assessment with involved residents which looks at how successful our work has been. A key feature of this Strategy will be to produce an action plan each year from the impact assessment so that we can build year on year on improving what we do for the wider group of residents across both regions.
3.1 **Community Development**

Investing both time and money in our communities and supporting community development projects is something we wish to continue to do. All community projects are assessed for value for money and success through our Resident Involvement Impact Assessment. We will continue to develop our service objectives and desired outcomes ahead of each project to achieve maximum impact within our local communities.

The Resident Involvement and Community Development Team play an important part in supporting the work of Swan Foundation and we have developed a protocol with the Foundation to ensure there are clear lines of communication and adequate planning in place for all projects where they cross between the two organisations. Embedding value for money across community development projects is key, as in all other areas of our business and our action plan will set out clear criteria to achieve this.

3.2 **Residents as customers**

A greater focus on viewing our residents as customers is one of the main enhancements to the previous 3 year strategy. During 2011 there has been considerable investment in employee development around customer care. All employees have gone through a Mary Gober training programme designed to complement the Business Behaviour Framework introduced in April 2011 and with the clear objective of seeing a year on year increase in customer satisfaction. This is something that despite considerable work on the ‘Striving for Excellence’ programme during 2009/12 we are not yet where we would like to be. The coming 3 years will see a clear focus on embedding the Mary Gober principles to meet Swan’s Business Behaviour Framework. Employees will be set more robust targets in relation to customer interaction that will be more closely linked to the performance related pay process than we have currently. A continual and ongoing increase in improving customer perception and satisfaction with our services is a key element of this Strategy.

3.3 **Equality and Diversity**

The Association’s approach towards equality and diversity has developed considerably in the past 3 years. The Equality and Diversity Committee, as part of the strategic governance structure, reports directly to the Board. Swan has a specialist Housing Diversity Manager and each region has a Diversity Action Forum made up of managers, junior employees and residents. There are clear action plans in place to embed equality and diversity considerations across the organisation and continually review good practice in relation to services at Swan. 2012 sees the formal launch of Swan’s Single Equality Scheme and the detailed action plan attached to this will be led and monitored by Equality and Diversity Committee over the life of the corporate strategy.
4. **Our Services**

4.1 **Standards and Local Offers for General Needs housing**

Swan offers the full range of services in line with its responsibilities as a landlord and in line with the regulatory framework. These services have been agreed by residents through a range of service standards that are detailed in service standard leaflets and within the tenant and leaseholder handbooks. In addition Swan offers a number of “housing plus” services such as Decent Homes Plus, the welfare benefit advice service and a range of community development projects. In addition, in line with the regulatory framework, there was successful completion of the local offer programme for 2011/12 and the 2012/13 local offer programme is in the final stages of development. It will be available for publication from April 2012. There will continue to be an annual programme of local offers. At the end of each year these local offers will either remain as local offers as agreed with residents or be embedded formally into our service standards. These decisions will be taken by the Regional Committees. This will ensure that our services continue to reflect residents’ needs.

4.2 **Supported Housing at Swan**

Our Supported Housing services have gone from strength to strength with the Association being assessed as “excellent – A rated” under the Quality Assessment Framework. As well as the housing management service we provide to our own supported and older persons housing we also have the following contracts in place:-

- Home Improvement Agency
- The Canons

Under the move to the new group structure these contracts will be managed on behalf of the Association by Vivo. The intention going forward under the new group structure is that Vivo bids in its own right for future care and support contracts that meets its objectives and Swan bids where the service is more appropriate for its needs. There will be no competition between the Housing Association and other Group companies.

4.3 **Forest Gate PFI - Newham**

We are now 3 years into a 20 year management and maintenance contract with the Decent Homes works now complete. Performance to date has been consistently good but the detailed contract in place has clear financial penalty clauses. Performance will need to continue to be closely managed to ensure minimum risk to the Association.

4.4 **Building new homes**

A key element of the Strategy is to continue the development of affordable housing in our core geographical areas that meet the Code for Sustainable Homes Level 4. Swan is a preferred partner of the Homes and Communities
Agency (HCA) and has signed up to the terms of the 3 year delivery agreement under the Affordable Housing Programme. It should be noted that responsibilities for investment in London transfers to the Greater London Authority (GLA) with effect from April 2012 so we will be required to have a relationship with both the GLA and the HCA Eastern Region in terms of investment. There will be a requirement for Swan HA’s Board to set the strategic direction in advance of each 3 year bid with the Government’s investment agencies. Clear partnership working with Swan New Homes will be required to ensure that this can be achieved. There is the opportunity for greater strengths between the complementary skill sets of both the HA and Swan New Homes.

4.5 The Green Agenda

Swan is not just about providing affordable housing. Decisions about service provision directly impacts all residents and can significantly affect the overall sustainability of the communities we serve.

Proposed welfare reform and a challenging economic climate mean that many of Swan’s residents face an increasingly uncertain economic outlook. There are significant, positive and tangible links between environmentally sustainable lifestyles and tackling the challenges of fuel poverty and the promotion of healthier lifestyles.

Swan is committed to creating and enabling strong, inclusive sustainable communities, which reflect the needs and aspirations of all residents and customers. Key to creating these communities is a commitment to promote, educate, encourage and support residents to live more environmentally sustainable lifestyles.

To achieve this Swan will:

- Inspire and support staff and residents to live greener and more sustainable lifestyles.
- Minimise resource consumption and carbon emissions across our resident communities.
- Create a more environmentally sustainable business and promote and publish our performance.

4.6 Performance Indicators

Continuous improvement in service delivery remains a key priority of the Strategy. Swan is a top quartile performer in a number of areas but the overall objective for 2012/15 is to see all services delivering in the top quartile when benchmarked against other similar organisations. The Key Performance Indicator (KPI) pack for 2012/13 is being refocused to cover existing indicators that remain important but also to include some additional quality indicators to help us on this journey. Performance against KPIs on a quarterly basis will be monitored by the Regional Committees and reported to the Board. The item in the action plan attached to this Strategy will be an overall strategic one of top quartile delivery across all key performance indicators.
4.7 Services of strength

It is clear through feedback from customers and our benchmarking through HouseMark that there are a number of service areas of strength including Estate Services, our Supported Housing service, void turnaround, the work we do with those residents wishing to move, the ongoing downward trend in rent arrears, the excellent results from the Welfare Benefit Advice Service, our ability to respond effectively within timescale for a whole range of services including telephones, visits to the office, complaint letters, repairs completed within timescale, repairs completed first time and appointments made and kept. All of these areas are positive and the ‘Striving for Excellence’ programme each year will continue to build on these areas of strength.

We also have a robust Asset Management Strategy, are compliant with the Decent Homes Standard and have a strong partnership with Axis.

4.8 Services where we face a greater challenge

There are however areas where we have more work to do. Delivering ongoing continuous improvement towards top quartile for all indicators is a key priority.

4.8.1 The repairs service

This service remains residents’ top priority. Our 14 year partnership with Axis (Swan’s Asset Management partner) commences its 4th year from April 2012 and the service has been restructured to meet current demands. New KPIs have been negotiated with Axis with effect from April 2012 with a clearer focus on customer satisfaction and getting repairs completed first time. The structure we have in place is robust and although there is no reason why we should not collectively achieve the challenging targets we have set ourselves the nature of the service means constant review of the performance of the partnership will remain at the top of our agenda. We will be enhancing resident scrutiny from April 2012 through the Residents’ Quality Panel (RQP) and residents will continue to have a key input through the monthly partnering performance meetings. The remit of the RQP is also expanding to include an input into contractor selection for all housing service contracts. The revised targets for the repairs and maintenance service will be shown in the new Key Performance Indicator pack which will be overseen by both the Regional Committees and the Board.

4.8.2 Welfare Reform

The proposed Welfare Reform Act will present considerable challenges for all social housing providers including Swan with effect from 2013. The introduction of Universal Credit, the move to a centralised assessment system for welfare benefits, the proposed threshold for overall benefit entitlement, the increase in non-dependent charges and the proposals to cut housing benefit for those who are under-occupying will present challenges for Swan’s income stream. A plan is being put in place to mitigate this risk which will include additional Welfare Benefit Advice Officers, additional information on claimant circumstances obtained from local authorities, an increase in preventative work, additional checks regarding financial circumstances at tenancy sign up
to enable extra support and closer performance management as each change takes effect.

4.8.3 **Leasehold management and service charges**

The leasehold management service has traditionally, as is similar with many other housing organisations, had lower customer satisfaction than we would like. Discussions are taking place with Hera about outsourcing this service during 2012 and a clear Service Level Agreement will be put in place to ensure continual improvements in performance in this area of the business. This will be monitored by the Regional Committees.

A comprehensive service charge review was completed in 2011. The accuracy and transparency of information is still an area that is subject to improvement and clear targets on what we want to achieve in respect of this are set out in the action plan.

4.8.4 **Anti-Social Behaviour**

The 2010/11 HouseMark information showed that we are in the lower quartiles for both performance and cost of the anti-social behaviour service. A service review of the anti-social behaviour service is starting in March 2012 and this will be overseen by the Service Improvement and Value for Money Committee. Anti-social behaviour is a top priority service for residents and therefore the outputs of this review and the changes we make to the service will be critical to ensure we move ourselves to a stronger position. Although since the HouseMark information was assessed (current HouseMark information only takes us to March 2011) there have been significant improvements in our service, our overall objectives for the next 3 years will be to move us to the top quartile.

4.8.5 **Satisfaction with complaints**

Although we are a good performer for customer satisfaction with our complaints service when compared to others, we have, in the latter part of 2011, due to some issues with the repairs and maintenance service seen some drop off in performance. The new targets for the Axis partnership will address this.

4.8.6 **Maintaining a stable employee group**

Due to the current external economic climate the Association has a stable workforce with a very low turnover of staff within the housing teams and few temporary employees. However as we have seen previously in times when the market picks up, the turnover rate of junior level employees in housing can be somewhat volatile and therefore this Strategy under the section “Working at Swan” will be looking at development of employees, career succession and management development support.
5. **Finance and Compliance**

The new Business Improvement and Compliance team will have clear responsibility to ensure both regulatory compliance and compliance against Service Level Agreements for services provided by other members of the group.

5.1 **Current loan arrangements**

Our syndicated loan facility contains two key covenants; interest cover and debt per unit covenant. The level of both covenants decline over the term of the loan facility. We monitor our compliance with covenants in a number of ways. The covenants are forecast as part of the annual budgeting and business plan process. The Treasury team will monitor covenant compliance as part of the short term cash flow forecasting process. From a Swan Housing Association perspective the debt per unit covenant is most constraining, however, we ensure compliance by adjusting the development programme to ensure compliance.

5.2 **Current refinancing proposals**

The Housing Association has a fully funded business plan, however, to provide headroom for further growth it will be necessary to raise further finance. At the current time there are a number of constraints on our ability to raise monies. We have a restrictive debt per unit covenant, a limited amount of security not already charged to the syndicate, our funding syndicate are seeking to reduce their exposure to the Social Housing sector, below market pricing and restrictive covenants in our funding arrangements that limit our ability to borrow outside the syndicate to £10m. To mitigate some of these issues we are in the process of renegotiating the terms of the existing funding arrangements to give us the ability to borrow monies outside the syndicate in return for agreeing to apply a proportion of those monies to the repayment of debt / cancellation of commitments. Once this is agreed it is our intention to pursue a bond issue (public or private) to diversify our sources of funds and create headroom for growth.

5.3 **Regulatory compliance and financial viability**

Our annual return will be the key document to demonstrate we are meeting the regulators requirements under the Governance and Financial Viability and Value for Money Standards. The regulator will monitor economic standards for private Registered Providers through a risk management approach with the regulator focussing on organisations which are most exposed to risk. The regulator will not monitor how providers deliver the consumer standards and will not have a role in defining or promoting best practice. The Service Improvement and Value for Money Committee will monitor the implementation of any changes arising from the new regulatory framework as it did following the introduction of the TSA regulatory framework in April 2010.
5.4 **Value for Money**

Value for money is currently overseen by the Service Improvement and Value for Money Committee. The Value for Money Standard is one of the economic standards as set out in the amendments to the regulatory framework. Although the Governance and Financial Viability Standards are largely unchanged, the Value for Money Standard has been revised from April 2012 to emphasise the responsibility of Board to deliver a clear strategy to drive continuous improvement. A robust self assessment will now be required each year and reported to tenants. This will include information on the return on assets and a strategy for maximising the future return on assets measured against the organisation’s purpose and objectives. In line with the regulatory framework we will also be considering any potential benefits of alternative delivery models. Our performance will be published by the regulator and compared to others which will allow us on a year on year basis to adjust our objectives where appropriate.

5.5 **New ‘Affordable Rent’ product**

The 3 year Strategy will see the formal introduction of the new ‘affordable rent’ product with all new developments being let at the new ‘affordable rent’ (up to 80% of market rent including service charges). The annual increase in social rents in line with the regulatory framework will continue at RPI plus 0.5% and these figures have been built into the financial business plan. In addition under the Homes and Communities Agency’s Affordable Housing Programme we are required to let approximately 75 empty homes per year at the new ‘affordable rent’ over the next 3 years. Although this new regime gives a potential positive impact on rental income there is an increased risk of bad debts due to higher rents and longer void times as we are required to let homes through the Council’s nomination process as we do for social rented homes. Our strategy for minimising the risk attached to this is a key item for the action plan.

5.6 **Risk and Audit**

The management of risk is a key strategic responsibility of both the Board and Swan’s Executive Team. Discussions on risk will be a key agenda item for the Board throughout the life of this Corporate Plan.

Audit and Risk Committee will feed clear recommendations into the Board on the risk map. The ongoing programme of internal audits for the HA will remain but in addition compliance work is a requirement for other members of the group. The risk map and audit programme will be adjusted to reflect the changing nature of the business in this way.
6. **Working at Swan**

With ‘Investors In People’ accreditation, a robust employee appraisal and business behaviour framework process and an annual training and development plan Swan is well placed to face the challenges set out and deliver the objectives of this 3 year strategy. There are, however, areas for development and continuous improvement and these include:-

- Embedding the Mary Gober approach across the organisation.
- Developing a plan for career succession.
- Review and implementation of a Management Development Programme.
- Development of a clearer approach towards technical skills and knowledge training as split apart from management and people skills training.

A new induction process was developed during 2011 which is more robust than previously offered and continual development of this and review will be carried out during 2012/13.

6.1 **Communications**

The restructure of the Communications function in early 2012 has seen a clear distinction between resident communication and internal communication for employees. Resident communication is now sitting in its correct place within the Resident Involvement and Communication Team with the overall service for internal communications being managed in the People and Communications Team.

The early part of 2012/13 will see the re-launch of Swan HA’s external website which is being worked on with both employees and residents to meet the wider needs of the business. Both the layout will be updated and the content revised to bring it up to date. The development of the website will be an ongoing project during 2012/15 with the introduction of a quarterly review to ensure that there is a clearer focus on the website meeting ongoing business needs rather than it being a stand alone project that is managed sporadically.

The Core Brief will remain the main method for internal communications but this strategy sees the introduction of a more formal approach for feedback from junior employees through the team meeting structure up to Swan HA’s Executive Team and onwards to the governance structure where appropriate ideas and suggestions have been made. There is a wealth of experience and knowledge at more junior level and in common with many other housing associations we do not always maximise the use of this. The objectives set out in this strategy seek to change this during the coming 3 year period.

6.2 **Promotion of Swan’s brand**

Promotion of the work we do in terms of improving services to residents is not a current strength. There has been considerable focus in the past 4 years in the delivery of the ‘Striving for Excellence’ programme, continuous improvement in services, achieving a positive Audit Commission inspection, achieving “A” grade level under the Quality Assessment Framework (QAF) for
supported housing and achieving various accreditations that publicly
demonstrate the standard of our services when externally compared to others.
We have always taken a fairly conservative approach in not wishing to oversell
ourselves when the back up evidence is not there but this needs to be
balanced against a continuous improving agenda that we did not in the
previous corporate plan readily promote. This Strategy seeks to address this.
The recruitment of a new Resident Communication Manager will have key
responsibilities for looking at various award submissions and work has already
commenced with Bellenden, our public relations advisors, for 2012/13 on a
marketing strategy for positive areas of good practice, including the excellent
work we do in involving our residents.

7. Partnerships

7.1 External Stakeholders

We have positive relationships in place with current stakeholders at the local
authorities in London and Essex including Housing Benefit departments and
Housing Strategy teams. Our position with local strategic partnerships across
our key local authority areas such as Tower Hamlets and Basildon is positive.
Relationships with the police and other public sector bodies in the area, in
addition to our work with voluntary agencies in particular around those offering
housing and financial advice such as the Citizens Advice Bureau, housing
advice centres and those supporting residents such as the local women’s
refuge in Basildon, the Limehouse Project and Bromley by Bow centre see
some excellent joint working. In addition partnership working with other
Registered Providers particularly in terms of looking at shared services to
review value for money and possible joint working on community development
activities, development activities and regeneration will be key in order to
improve what we do.

From April 2012 our partnership with the regulator will change and will be on
an ‘at risk’ basis only. Our work on co-regulation is therefore key. Our
partnership with both our involved residents and the wider resident group
continues to be a priority for us as a housing service. Clear targets have been
set for increased resident involvement in the governance structure and from
2012 we will be seeking to measure the positive outcomes that this approach
provides.

7.2 Shared Services

Historically some Registered Providers have had a tendency to view
partnership working as potentially anti-competitive and a threat to what we are
trying to achieve. Although there are clear competitive areas around bidding
for regeneration schemes and discussions about land values for new
development sites there is further work that could benefit our overall service
delivery for residents by working in closer partnership on both Housing and
Asset Management services, Estate Services and community development
projects. A clear target for this strategy will be to build on these relationships
and start off with some small projects such as shared mystery shopping and
peer review and some shared anti-social behaviour services with a year on
year expectation that we will continue to work with others to explore where efficiencies and improvements in services could be obtained by partnership working with others. There is also the opportunity for Swan to offer its services on a cost basis for other RPs which would in turn raise our profile across a wider local authority area and reduce our overheads.

8. Striving for Excellence

Striving for Excellence was launched before the start of the previous 3 year Corporate Plan and has successfully been delivered year on year in line with the targets set. Ongoing performance is scrutinised by the Service Improvement and Value for Money Committee. This programme will continue throughout 2012/15 with annual targets agreed with residents at the start of each year that are measurable and deliver clear improvements in services. These will continue to be managed under the regulatory framework headings so that a clear ‘Golden Thread’ between the regulatory expectations of us as a landlord and overall delivery can be seen.

8.1 HouseMark

The last 2 years have seen a much more focussed approach to the use of HouseMark with regular, more accurate information now being submitted, the outputs being better analysed and considered with the support of the Service Improvement and Value for Money Committee and the joining of local clubs to assist in learning from good practice. This strategy sees proposals to continue this positive work with the following outputs:-

- In terms of value for money, year on year reduction in housing management costs per unit.
- Service Reviews established each year following analysis of HouseMark results. 2012/13 sees Service Reviews of Anti-Social Behaviour, Processing and Payment costs and Accommodation and Office costs.
- Greater analysis of our own costs to ensure accurate submissions to HouseMark.

The Strategy will also see a commitment towards closer benchmarking with other registered providers locally. A positive model has been developed within Tower Hamlets and we aim to see if this can be done across areas of Essex although as with all these ideas they do present a challenge in comparing like for like information. The new regulatory approach however requires us to self assess in a much more detailed way than perhaps housing associations have done in the past and therefore the use of HouseMark information to become more focused to enable us to do this is positive.

8.2 Accreditations

Swan currently has a positive track record in achieving external service delivery accreditations and we are currently accredited with Investors In People, Quality Housing Services (QHS), Customer Services Excellence and ISO:9001 and 14001. Maintaining these accreditations with year on year improvement in scores is a key part of this strategy. Regular audits are
carried out for all accreditations and therefore keeping on top of the latest developments in terms of good practice will be crucial to us maintaining and enhancing our accreditations. The Equality and Diversity Committee has endorsed proposals to look at an equality and diversity accreditation during 2013 which will further enhance our work in this area.

9. **Swan Group Services**

There presents a clear opportunity for the Housing Association to receive profits from the commercial companies in the group to enhance what we can offer for our residents.

These outsourced services ensure that the group uses its expertise to its best abilities and that Swan Housing Association can benefit from potential profits from the commercial entities.

Any outsourced services within the group must meet both regulatory standards, the requirements of our funders and the terms of our tenancy and lease agreements with residents. The performance of all outsourced services will be reported through the governance structure at the appropriate Committee and onwards up to the Board.

In line with our requirements under the regulatory framework ensuring value for money for these outsourced services will be the responsibility of the Housing Association. Overhead costs are currently considered through HouseMark and further work is ongoing under the direction of the Service Improvement and Value for Money Committee to ensure that these costs are scrutinised and targets set where reduction is deemed appropriate. However, it will be important for the HA to have a continual eye on the wider market where services are outsourced under management agreements at a cost to the Association. There will be a requirement for specific services that have been outsourced to be reviewed on a regular basis to ensure value for money for both the Association and its residents.
10. **Strengths, Weaknesses, Opportunities and Threats**  
- as at Strategy outset

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Ambitious organisation with a robust track</td>
<td>➢ Our customer satisfaction is not as high as we</td>
</tr>
<tr>
<td>record.</td>
<td>would like.</td>
</tr>
<tr>
<td>➢ Continually improving performance on</td>
<td>➢ Our Anti-Social Behaviour service is satisfactory</td>
</tr>
<tr>
<td>Key Performance Indicators.</td>
<td>when we want to be excellent.</td>
</tr>
<tr>
<td>➢ Robust management of our resources</td>
<td>➢ Our ability to deal with more complex repairs</td>
</tr>
<tr>
<td>➢ Good quality homes.</td>
<td>complaints need to improve.</td>
</tr>
<tr>
<td>➢ Positive relationship with external</td>
<td>➢ We need to better understand the cost of our</td>
</tr>
<tr>
<td>stakeholders.</td>
<td>overheads and the impact on value for money for</td>
</tr>
<tr>
<td>➢ Ability and resources to offer “housing</td>
<td>our residents.</td>
</tr>
<tr>
<td>plus” services for residents.</td>
<td>➢ Although our work on service charges following</td>
</tr>
<tr>
<td>➢ Established ‘Striving for Excellence’</td>
<td>the review has improved considerably our costs</td>
</tr>
<tr>
<td>programme delivered on target.</td>
<td>and availability of information are not as</td>
</tr>
<tr>
<td>➢ Good resident scrutiny and involvement.</td>
<td>transparent as we would like.</td>
</tr>
<tr>
<td>➢ Flexibility and openness to new ideas and</td>
<td>➢ We do not adequately promote our areas of</td>
</tr>
<tr>
<td>business opportunities.</td>
<td>strength.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Opportunities for regeneration and</td>
<td>➢ Reduced external regulation.</td>
</tr>
<tr>
<td>housing management contracts robust</td>
<td>➢ Welfare reforms both the impact on our residents</td>
</tr>
<tr>
<td>track record.</td>
<td>and potential impact on our income stream.</td>
</tr>
<tr>
<td>➢ Strong Group structure for support to</td>
<td>➢ Loss of contracts.</td>
</tr>
<tr>
<td>deliver what others cannot.</td>
<td>➢ Failure of Group Service Level Agreements/ contracts</td>
</tr>
<tr>
<td>➢ Continuously improving performance is a</td>
<td>outsourced.</td>
</tr>
<tr>
<td>gateway for new business.</td>
<td>➢ Increased costs of new funding.</td>
</tr>
<tr>
<td>➢ Opportunity to submit positive services for</td>
<td>➢ Challenging external financial position including</td>
</tr>
<tr>
<td>future awards.</td>
<td>reduced social housing grant impacts on delivery</td>
</tr>
<tr>
<td>➢ Working in partnership with others for</td>
<td>of new affordable housing.</td>
</tr>
<tr>
<td>new initiatives and service expansion.</td>
<td>➢ Loss of investment partner status</td>
</tr>
<tr>
<td>➢ Stock rationalisation leading to greater</td>
<td></td>
</tr>
<tr>
<td>efficiencies.</td>
<td></td>
</tr>
<tr>
<td>➢ Opportunities for acquisitions and shared</td>
<td></td>
</tr>
<tr>
<td>service contracts.</td>
<td></td>
</tr>
</tbody>
</table>
11. Strategic Goals

This strategy needs to complement Swan’s Corporate Plan 2012-2015, much of which is directly relevant to the way that we deliver our housing services.

Swans mission is to create homes and communities that people want to live in. Swan is:

**Imaginative**
we create solutions, break down barriers, achieve against the odds – make things happen

**Insistent**
we go the extra mile for our residents, we put energy into what we do because we believe in it

**In touch**
we listen and respond to our residents and involve them in decision-making, we are aware of the latest developments in housing

The Corporate Plan also identifies a number of objectives:

**Involve our residents and build sustainable communities**

**In the next three years we will:**
- Enhance our programme of resident scrutiny to oversee our performance.
- Develop a resident communication strategy.
- Work with residents to develop our “local offers” and build successful offers into Swan’s permanent service standards.
- Work with local people on our regeneration schemes to develop plans to shape the community.
- Inspire and support staff and residents to live greener and more sustainable lifestyles.

**We will have succeeded by 2015 if:**
- The impact of resident scrutiny demonstrates measurable service improvements.
- Our regeneration projects meet the needs of local communities and committed projects are delivered on time.
- Satisfaction with involvement in decision making at Swan increases to 66%.
- Developed a sustainable living guide and green website.

**To be judged as an improving landlord by our residents**

**In the next three years we will:**
- Continue to meet our “Striving for Excellence” programme objectives year on year.
- Improve on our ability to deliver services right first time.
- Introduce a new model for measuring customer satisfaction.
• Restructure the Axis partnership and set clear customer satisfaction targets for repairs.

**We will have succeeded by 2015 if:**
• Customer satisfaction with all services increases by 2% year on year.
• We have retained our accreditation with Customer Services Excellence and Quality Housing Services and improved our scores.
• We have achieved our new “quality” performance indicators for our repair, complaints and anti-social behaviour services.

**Tackle the equality issues that matter most to residents**

**In the next three years we will:**
• Implement our Worklessness Strategy working in partnership with others.
• Implement Swan’s Single Equality Scheme, seek to remove barriers to our services and promote equality.
• Develop a plan to support residents through the Welfare Reform changes.
• Deliver excellent Supported Housing services.

**We will have succeeded by 2015 if:**
• We deliver our support and care contracts to help us improve the services offered to the wider community.
• We achieve the “Excellent” standard within the Social Housing Equality Framework.
• We support 10 people a year to obtain active employment.
• We achieve equal satisfaction with our services across all equality groups.

**To maximise availability of affordable housing for local people**

**In the next three years we will:**
• Build more affordable homes including family homes and homes adapted for people with disability.
• Develop a direct marketing scheme to match overcrowded and under-occupied households who want to move home.
• Introduce new allocation schemes to transfer residents whose current home does not meet their needs.

**We will have succeeded by 2015 if:**
• We have built affordable homes that meet the needs of our communities in line with our business plan objectives.
• We have helped an additional 10 tenants per year move into homes that better meet their needs.
• We have worked with our local authority partners to deliver the regeneration schemes we have committed to.

**To meet our financial targets and offer value for money for our customers**

**In the next three years we will:**
• Work with our Residents Value for Money Panel to ensure scrutiny of costs and quality.
• Continue our programme of service reviews with a positive focus on achieving better value for money.
• Continue to improve our performance on rent collection and the turnaround of empty homes.
• Produce an annual report for residents on how we have performed against our performance targets and value for money objectives.

**We will have succeeded by 2015 if:**
• We have delivered £100,000 per annum value for money savings.
• We have annually published transparent information on the cost of our services and how we involved residents in decision making.
• We have reduced our housing management costs to under £500 per unit.
• We have become a top quartile performer for rent collection and the turnaround of empty homes when compared to others.

**Being a good employer**

**In the next three years we will:**
• Develop an employee career succession strategy.
• Develop an annual programme of employee awards to reflect success.
• Develop a careers section of Swan’s website to allow job applications online and monitor success and outcomes.

**We will have succeeded by 2015 if:**
• We can demonstrate that our careers succession strategy has achieved its objectives.
• The careers section of the website is up and running online and has produced a more streamlined approach to recruitment.
• The annual programme of employee awards is delivered, employee satisfaction obtained through the appraisal process and the outcomes and results communicated more widely.
• Employee satisfaction remains at an upper quartile position.