



southessexhomes

working **smarter** together

South Essex Homes Business Plan

2021-2026

South Essex Homes Strategy and Vision 2021-2026

Supporting Southend 2050 Ambition

Protect and improve the quality of our core housing management services

Caring for our Environment

70 % carbon neutral
footprint by 2025
100% by 2030

Significant Reduction
in grid water, gas,
electricity usage

Carbon offset
programme planting
trees and shrubs

Comprehensive 10
year plan for
Environmental
improvement

Photovoltaic energy
generation
maximised

Retrofit policies in
force recognising
environmental
impact

E vehicles deployed
throughout all
activities

Improving our Organisation (Internal)

Best ALMO
employer

Proudest ALMO
workforce

Workforce fully
matched with
requirements of job
numbers and skills

Workforce fully
engaged in
organisational
improvement IIP
style??

Improving our service delivery (External)

Tenants fully
engaged at all levels

Clients fully engaged
at all levels

Clear evidence of
responsiveness to
complaints and
outcomes of
estatewalkabouts
and scrutiny reviews
etc.

Staff competency
fully addressed

Regulatory
compliance regime
embedded

Client stakeholder
fully knowledgeable
about South Essex
Homes activities

ICT functionality fully
optimised

Innovating Commercial and Social Activities

Property numbers in
management to
match 2020 levels

Private landlords
engaged in managed
social lettings

South Essex Homes
actively engaged in
regeneration
commercial and
social

CarelineSoS
opportunities
developed

South Essex Homes
engaged in the
provision of
Specialist
Accommodation in
partnership

Expanded non
Southend Borough

1. Introduction

The South Essex Homes Business plan sets out our intention and commitment to continue the work that led to our establishment in 2005. Today, South Essex Homes remains the provider of choice delivering high quality good value housing management services on behalf of Southend on Sea Borough Council to Southend Council residents. This position was further consolidated in January 2021 with the signing of a new Partnership Agreement with the Council, which recognises the work that South Essex Homes have delivered to date in providing vital housing services, ensuring that we can now build a better and improved service as we head into the next 5 years and beyond.

Our organisation has continued to develop, improve and mature while carefully holding the interests of tenants central to all decisions made and services delivered. This business plan continues and builds upon our strategy of keeping pace with the changing world, changing client and tenant desires, and to improve our delivery at every opportunity.

2. The changing sector

The delivery of South Essex Homes vision for the future is bound within the constraints that the wider environment brings. South Essex Homes, along with the wider Social Housing sector, will face several challenges over the next few years and the Business Plan must be mindful and consider these wider challenges and opportunities in the delivery of our services.

The Grenfell Tragedy in 2017 set in motion a series of legislative changes which will change the way we deliver our services in the future. The safety of our tenants is of paramount importance, and, as we move forward, we must ensure that tenants continue to be at the core of our service delivery. The recently enacted Fire Safety Act 2021, as well as the Building Safety Bill, will put in place mechanisms to ensure the safety of the properties we manage and will require that robust and effective measures are implemented to ensure accountability. The 'Charter for Social Housing Residents' White Paper will ensure that residents have a voice and also ensure that we listen. Our Business Plan looks to develop and strengthen the activities we already have in these areas, ensuring the way we deliver our services is fit and strong for the future.

Covid-19 has had a huge impact on the way we operate and, like most organisations across the country, we have had to show our agility at being adaptable and flexible with the service delivery model we operate. Our response has required us to turn our full attention to the crisis by way of maintaining and expanding services to tenants and vulnerable Southend residents, while creating a plan to change our fundamental operating model to ensure we are well placed to deal with environmental challenges in the future. The Business Plan will ensure South Essex Homes remains an agile and collaborative organisation with staff that remain flexible and innovative, driving improvement in service delivery going forward.

The case for measuring and reducing our organisations impact on the environment has always been of great importance but the next decade will see a marked shift in the priority this area has in our overall Business Plan. Both nationally and internationally there are increased drives towards carbon reduction. Southend on Sea Borough Council has targets to ensure that it becomes Carbon Neutral

by 2035. This will see South Essex Homes needing to place greater emphasis on the environmental sustainability of the services we deliver and the products we use. The Business Plan allows for the exploration and development of key areas to ensure we are working effectively to assist in meeting these targets both locally and nationally.

3. Our Plan

We have structured our plan recognising the overarching objective of ***‘Protect and improve the quality of our core housing management services’***. To achieve our overarching objective the Board have laid out four themed areas within which we need to develop and improve in order to continue to succeed.

Our four themes supporting the overarching objective are;

- ***Caring for our environment***
- ***Improving our organisation***
- ***Improving our service delivery***
- ***Innovating commercial and social activities***

4. Caring for our environment

Southend on Sea Borough Council recognises the obligation of all public realm providers to minimise the adverse impact of their activities on the world within which we live. Government at all levels has implemented policy to ensure carbon reduction and has set targets to reduce emissions before ultimately ensuring that carbon emissions are eliminated altogether. The Council has implemented targets for its own carbon reduction with its ‘Green City Action Plan’ and South Essex Homes has a key role to play here by operating as the vehicle for housing change and improvement - driving forward initiatives for recycling, reduction in fossil fuel use, low impact procurement of refurbishment items and low impact cleaning and maintenance regimes.

Equally, South Essex Homes as an organisation must set the standard for our own operational reductions in carbon and increases in recycling, ensuring that we integrate measures into our working practices which assist in reducing the carbon footprint we leave as an organisation. In pursuit of this we will change the way that we work, the way we deliver work, and the things that we consume in the course of our work. Our Strategy will be to deliver services in a manner that has the smallest environmental impact and to work towards ensuring our properties and our tenants use energy efficiently and with as little impact to the overall environment as we can. The plan here will be flexible and adaptable to the changing funding available to us from grants and the Council’s capital funds as well as being sensitive to emerging and changing technologies that enable greater carbon reduction.

The approach will be a mix of, but not limited to, identifying and fitting suitable properties with energy efficiency measures, identifying suitable sites for energy generation through photovoltaic

panels, replacement of vehicles with electric/hybrid alternatives, tenant education schemes and exploration of alternatives to gas powered boilers. We will work with the Council to explore and find the best available options across the borough, utilising and combining Council assets where possible to achieve best results for the town.

5. Improving our organisation

Ensuring that our organisation is best placed to retain and recruit talent as well as develop outstanding flexible services is a key priority for South Essex Homes. We must ensure that the organisation builds this by;

- Developing a flexible operating model
- Developing a systematic organisational improvement plan

Operating Model Innovation

The Covid-19 pandemic required the organisation to adapt and change the way our services are delivered to fit in with the overarching government advice and direction at the time. The pandemic saw the majority of office-based staff work remotely which enabled a more flexible and adaptable approach to be developed. As we move into a post pandemic world it is key that we retain the ability to provide a flexible and agile service delivery model to give the most resilience to environmental threats to our organisation. The development of a new Operating Model which provides and protects services, builds on the positive outcomes from working during the pandemic and builds a supportive environment for staff is a key priority for South Essex Homes over the initial period of this Business Plan.

Organisational Improvement

South Essex Homes must attract and retain the best employees. It is of the utmost importance that staff who work for South Essex Homes are proud of their employer and are active agents in ensuring that we always 'do the right thing at the right time' for them and those to who we provide services.

Our employees are already a long way along the journey of understanding that excellent service sits at the centre of our success. Our existing staff team provide a strong foundation and are the focal point our business. Staff know our requirements, know our tenants, and know intimately our business. It is our intention to build an improvement plan model which enables staff to use their knowledge and skill to assist South Essex Homes to achieve its core objectives, working as co-designers. Over the next five years we will aim to build an even stronger more resilient foundation using all of the tacit knowledge embedded in our organisation to make things better, swifter, and more economic.

Through this model we will continually improve our services, improve our performance, and improve the overall satisfaction of employees with their employment. As a starting point we will replace the current IIP programme with a much more self-determined co-designed South Essex Homes programme of continuous improvement, working through the entire organisation covering working conditions, processes, culture, and ultimately remuneration.

6. Improving our Service Delivery

We will adopt a multi directional approach to improving our service delivery.

- Engage residents more fully.
- Create and execute an operational improvement plan.
- Ensure our staff are competent and knowledgeable in delivery of their service area.
- Ensure ICT systems are fit for purpose and full use is made of functionality.
- Invest in Social Value projects.

Resident Engagement

It has always been South Essex Homes' practice to engage and consult tenants in as many aspects of our services as possible, ranging from ensuring tenants are represented on the Board through to supporting Tenant Scrutiny. However, we believe we can still do more to involve and inform tenants. Our view of the desirability of tenant engagement is supported by the Regulator for Social Housing (RSH) and, while we conform to current standards, we will co-design a more expansive engagement strategy where tenants are better informed, more involved, assist our service provision and, where appropriate, self-determine outcomes and standards. It is key that tenant's voices are heard, and we will adopt a more rigorous complaints handling process ensuring that the underlying issues which lead to complaints are dealt with and tenants are fully appraised of any progress in implementing improvements.

Understanding the levels of satisfaction from our tenants is key to understanding how we can improve our services. A range of both transactional (at point of contact) and perception (annual) satisfaction surveys will be carried out to ensure that we, 'keep our finger on the pulse' of the effectiveness of our services, enabling improvements or adjustments to be made quickly to ensure we continue to meet the needs of our tenants.

Operational Improvement

South Essex Homes develop operational improvement tactically and opportunistically. Tenants and South Essex Homes benefit by the swift and flexible response to improvement opportunities as they present, be it restructuring services or staffing. This has worked well to date and our processes and workforce have continued to be slimmed to tightly match our operational requirements. However, having reached a position where resource levels closely match service requirements, significant further flexibility could present challenges. Our response is to plan any longer-term improvements by carefully predicting and tracking benefits and by introducing more scientific methods to lever our scarce resources, human or technological.

Competent and knowledgeable staff

The changing legislative arena brought about by the Fire Safety Act and Building Safety Bill will require South Essex Homes to put in place a robust and effective regime of safety inspections for the components on the buildings we manage. The accountability and responsibility for ensuring the buildings' safety will now fall to a Building Safety Manager. This means that we will need to ensure

we have suitably qualified and competent staff who are able to fulfil these duties, as well as competent staff to deliver support in these areas as required.

Although legislation is a precursor to a competency audit in this area, it should be a function that we perform throughout the organisation to ensure we have the right people with the right skills in the right jobs. The effectiveness of staff in all positions around the organisation should be monitored and, where possible, we should ensure all staff have the relevant support, qualifications and training to deliver the best possible service for our tenants.

ICT process and functionality review

A key factor in the delivery of excellent services is the systems and processes that staff use on a daily basis. We believe the ICT systems we use are some of the best in the market and a full change in software packages is not what we need. These systems have been developed and integrated over a number of years and, as often happens, some of the functionality the systems were first able to exploit has been reduced. We recognise we currently use a proportion of the possible functionality of these systems. Therefore, we will develop a programme to systematically identify where improvements can be made to processes and functionality. Changes which will positively impact the work of our staff will be explored and developed to ensure future efficiencies can be maximised.

The development of a modern and clear online resident portal will be key to ensuring we continue to provide an up-to-date range of services to meet tenant needs. We believe that a clear portal which residents can use regularly for routine contacts would deliver improvements and efficiencies in our service provision. Avenues will be explored which will enable residents to have the option to 'self-serve', where it is their preference, and to avoid unnecessary lengthy contact from a resident's perspective. Ensuring residents have choice is vitally important to us, however, and we will ensure that a full range of options for contact are kept.

Social Value Investment

South Essex Homes activities already contribute effectively to the wider community and our actions through supporting vulnerable tenants, contributing to the effective operation of community HUB's and helping our tenants sustain their tenancies all serve to demonstrate this. But we recognise that we can do more to ensure we add back to our communities and create programmes which add social value. The Partnership Agreement with the Council recognises that South Essex Homes need to strive towards ensuring we capture and measure the social value we add. The agreement defines social value as;

Social Value is a fundamental enabler in helping to realise the Southend 2050 Ambition and an approach which seeks to optimise the impact of the Southend pound by driving a focus on social inequalities and priorities that are motivated by our outcome delivery plans through all our commissioning and commercial investments.

We will look to invest in maximising our Social Value input into the community. To this end we will put aside 10% of the available reserves, over and above our core fixed reserve balance, each year to invest in new initiatives which will help to meet the social ambitions set out by Southend on Sea Borough Council in their Southend 2050 vision.

7. Innovating, Commercially and Socially

South Essex Homes is now sufficiently mature and experienced as an organisation that we can be confident we can widen the support given to the Council and to Southend residents. We understand that Local Authorities do not have access to inexhaustible funds and yet demand for services continue to grow exponentially. South Essex Homes will, over the period of this plan (and beyond), support the Council's plans for housing growth by professionally advising and delivering housing management services, while ensuring that the costs of those services are excellent, the quality is high and that the very best value is always delivered.

In addition, where demand for services outstrip the ability of the Council to satisfy them, we will, where possible, deliver services supported in whole or in part by our own commercial income. We have seen the challenge of this model within CarelineSoS where South Essex Homes provide Careline services to Council supported housing without charge.

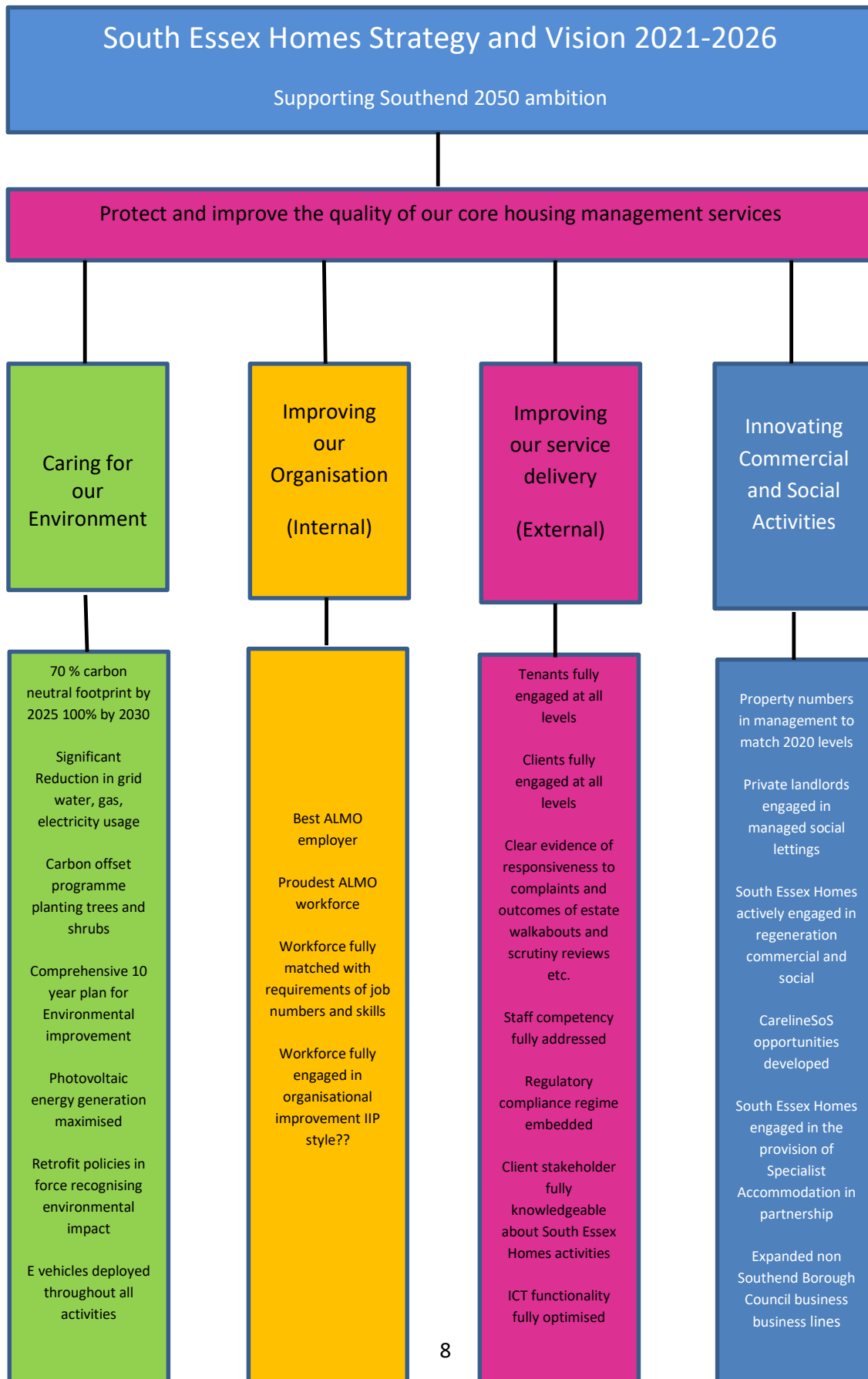
South Essex Homes will use existing capabilities and resources to grow and develop commercially viable business lines. The Careline SOS service will have a new technology platform from Summer 2021 which will improve the commercial viability of this service. We will look to exploit this technology to further the customer base of Careline SOS and aid discussions with Southend on Sea Borough Council, the NHS and other care providers on services that we can offer.

Our unique skills and knowledge are available more broadly to the Council and to the drive toward regeneration. For example, where there is no commercial gain opportunity for developers, South Essex Homes could, where appropriate, invest time and resources to bring otherwise underused properties back into use.

South Essex Homes understand that we will not succeed here without the opportunity and will work hard with the Council to ensure that we are well placed to see, raise, and take advantage of all opportunities available. The future development of opportunities with the Council, and other potential partners, will require South Essex Homes to consider the appropriate governance arrangements and structure to facilitate and deliver the best possible services. The potential for establishing a new subsidiary, a joint venture or a partnership will remain a viable option if the direction of any commercial venture will be best delivered via such a developed structure.

8. The business plan structure and design

Our objectives and themes fully support each other. They are clear, require development of opportunities as presented, are interdependently, and fully support the Council's Southend 2050 Ambition. The schematic below demonstrates the design underpinning our plan and is intended to enable us to manage and monitor progress.



The schematic lays out, in brief, our themes and the key elements within each. The elements identified are not exhaustive and will change over time to reflect the best of current thinking and learning obtained through our practical experience, and the practice of others. However, while the elements may update or change the general direction will not.

Many of the elements identified above will require further research and planning before they can be fully implemented. As an organisation we understand this and will put in place the necessary resources to ensure our plans are realistic, add real value to services and are viable. In this respect we will continue to be a learning organisation, gaining knowledge from our peers and quickly adapting our practice to reflect the best both within and outside the housing sector.

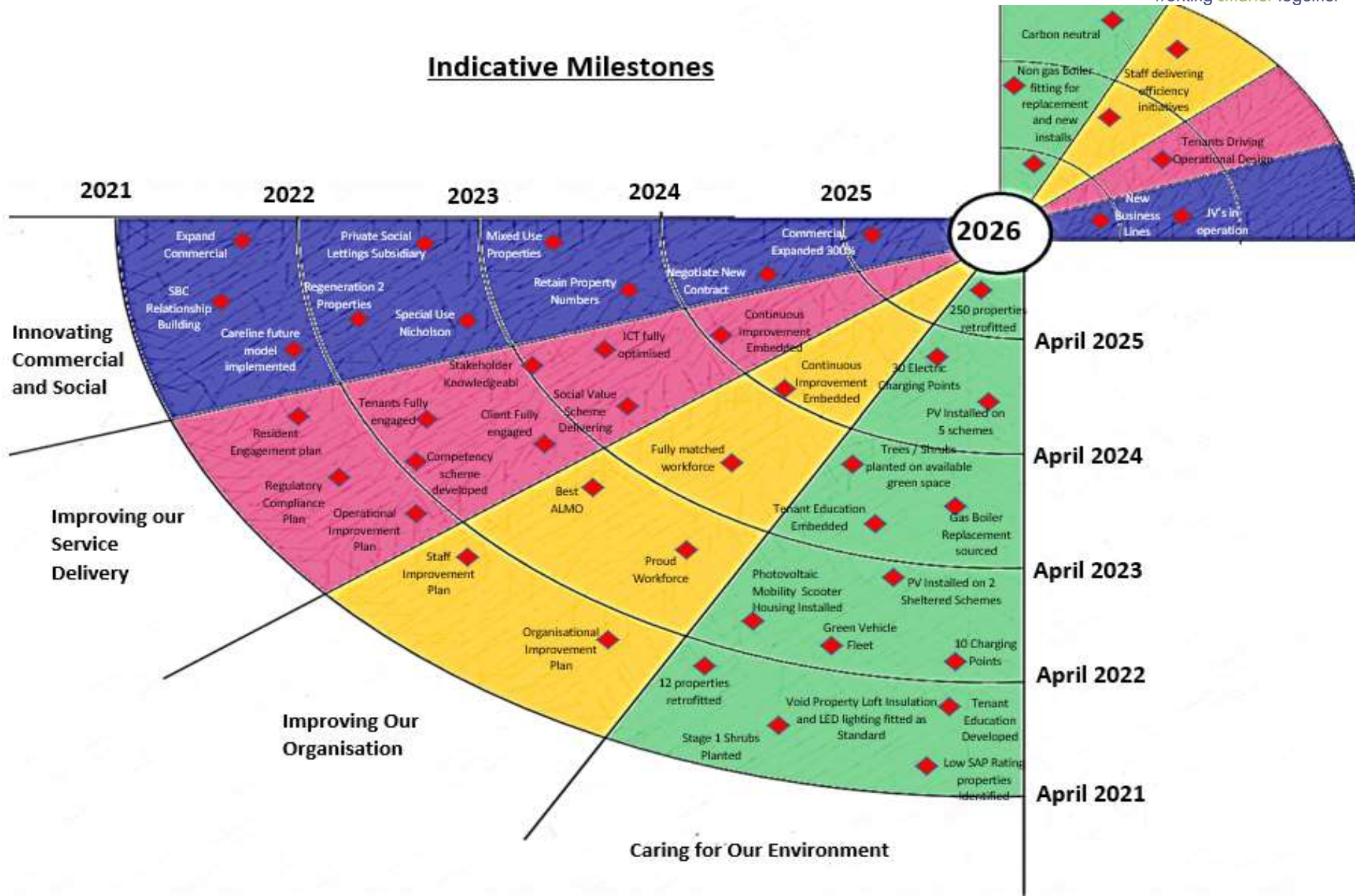
9. Timelines

Our plan covers the next five years, but we recognise that the services we currently provide will continue well beyond this relatively short period. As an organisation we have always planned for the longer term. Tenants hold an expectation of quality housing for the entire lifetime of their tenancy and often longer in the case of succession. It is for this reason that many of the individual plans that we intend to research and implement during this period will impact many years beyond the five-year period described here. We accept this and will maintain our respect for those requiring lifelong support.

We cannot complete every element of our plan at the same time; some elements are dependent upon others while many interlink at the more granular level. For planning purposes we need to layout our milestones within a banded timeline in the knowledge that priorities are likely to change in line with the ongoing dialogue with the Council. We see our business plan as a living plan, one which can swiftly adjust to best serve the needs of both the Council and tenants.

There is much to do over the next five years, and we have prepared a draft comprehensive action plan which will serve as an operational guide for staff and executives. For the purposes of contextualising time, action, and milestone expectations we have prepared a 'fan/bowtie' schematic showing the elements of our ambitions in an easy to view time scale stretching from now to the five-year period end, and beyond.

Indicative Milestones



10. Resource Estimates

The following tables summarise our estimated and projected five-year resource positions.

Income and Expenditure forecast

Estimated Income and Expenditure £000 (price base March 2021)										
		Core	Innovating Commercial and Social	Improving our service delivery	Improving our organisation	Caring for our environment	Total	% Change	Productivity Gain - Non Cash gains	Tenant Benefit
2020/21	Expenditure	11,145,000					11,145,000	0.0%		
	Income	11,381,000					11,381,000	0.0%		
	Net position	236,000					236,000	0.0%		
2021/22	Expenditure	11,147,537	60,000	170,000	30,000	112,500	11,520,037	3.3%		
	Income	11,233,122	100,000	-	-	110,000	11,443,122	1.9%		
	Net position	85,585	40,000	- 170,000	- 30,000	- 2,500	- 76,915	-189.9%	1.0%	4,000
2022/23	Expenditure	11,304,126	225,000	452,500	45,000	745,000	12,771,626	13.0%		
	Income	11,385,011	130,000	-	-	730,000	12,245,011	7.6%		
	Net position	80,885	- 95,000	- 452,500	- 45,000	- 15,000	- 526,615	-751.1%	1.0%	22,000
2023/24	Expenditure	11,439,070	225,000	303,000	25,000	845,000	12,837,070	12.2%		
	Income	11,515,296	220,000	-	-	830,000	12,565,296	9.1%		
	Net position	76,225	- 5,000	- 303,000	- 25,000	- 15,000	- 271,775	-456.5%	1.0%	40,000
2024/25	Expenditure	11,567,522	215,000	286,000	25,000	855,000	12,948,522	11.9%		
	Income	11,638,855	310,000	-	-	830,000	12,778,855	9.8%		
	Net position	71,334	95,000	- 286,000	- 25,000	- 25,000	- 169,666	-337.8%	1.0%	58,000
2025/26	Expenditure	11,684,862	250,000	289,000	25,000	835,000	13,083,862	12.0%		
	Income	11,750,915	400,000	-	-	810,000	12,960,915	10.3%		
	Net position	66,053	150,000	- 289,000	- 25,000	- 25,000	- 122,947	-286.1%	1.0%	76,000

Our current resource estimates are based on assumptions prevalent at the time of agreeing our planning principles and adjusted for projected requirements known to date. However, it is reasonable to assume that we will continue to operate effectively maintaining our financial position with only minor adjustments.

The table above shows the projected financial position and provides a further indication of how the 'Improving our organisation theme' will afford us an opportunity to increase overall productivity. Whilst it is not possible to reduce current expenditure it would be possible to use the efficiency gain to offset new costs and in some cases service increases.

Our theme 'Caring for our environment' has been developed with regard to current expectations of achievable expenditure. This will be dependent on the availability of grant funding to offset some of the initiatives and the ability for the Council's Capital programme to absorb non grant funded elements. The initiatives will give savings to both tenants (through reduced energy bills) and staff (by reduced travel to work).

Source of Funds

South Essex Homes will continue to support service provision utilising a range of sources of funds and our projections are as follows;

Source of funds £000	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Management Fee SBC		6,336,000	6,454,627	6,550,987	6,642,055	6,724,252
Service Charges		4,116,831	4,150,093	4,184,018	4,216,509	4,246,373
SBC Capital Funding		85,000	395,000	445,000	445,000	435,000
Other direct Income (non SBC)		660,291	660,291	660,291	660,291	660,291
Contribution SEPS		215,000	215,000	215,000	215,000	215,000
Interest received		5,000	5,000	5,000	5,000	5,000
Grant Funding		25,000	335,000	385,000	385,000	375,000
Other Sources		-	30,000	120,000	210,000	300,000
Total Income	11,381,000	11,443,122	12,245,011	12,565,296	12,778,855	12,960,915
Total Expenditure	11,145,000	11,520,037	12,771,626	12,837,070	12,948,522	13,083,862
Surplus / (Deficit)	236,000	- 76,915	- 526,615	- 271,775	- 169,666	- 122,947
Released E,E,E working		67,293	68,492	69,470	70,378	116,849
Drawn from reserves		9,622	458,123	202,305	99,288	6,098
Reserves position	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
I & E Reserves at 31st March	3,010,000	3,000,378	2,542,255	2,339,950	2,240,662	2,234,564
Social Value Contribution	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Social Value Funds Available		200,000	200,000	150,000	130,000	120,000
Capital Plan Estimates	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Capital		85,000	395,000	445,000	445,000	435,000

Where our estimates of expenditure to meet the objectives of our Business Plan lead to an in year deficit we will ensure efficiencies driven out of operational and organisational improvement are directed to fill the gap. Any shortfall remaining will be earmarked as being funded from reserves. The initiation of a Social Value fund would contribute to the reduction of reserve balances over the next 5 years and beyond. We would look to contribute 10% of available reserves, over and above any reserves needed to be kept as per the Partnership Agreement. The 5 years of this Business Plan expects to contribute £800k to Social Value initiatives that help to meet the social objectives laid out in the Southend 2050 vision.

Staffing

Our staffing forecast in terms of department and grade breakdown are shown below. Minor changes are forecast primarily focused on improving our ability to engage tenants and ensure we are able to meet the regulatory compliances challenges over the coming years.

Business area FTE's							
		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Board		-	-	-	-	-	-
EMT			5.81	5.81	5.81	5.81	5.81
Resources			12.20	12.20	12.20	12.20	12.20
Income Management			10.00	10.00	10.00	10.00	10.00
Support Services			35.65	37.65	37.65	37.65	37.65
Tenancy Services			26.00	26.00	26.00	29.00	31.00
Estate Services			40.38	40.38	40.38	40.38	40.38
Careline			14.60	14.60	14.60	14.60	14.60
Property Services - Operations			15.00	15.00	15.00	15.00	15.00
Property Services - Compliance			6.10	6.60	6.60	6.60	6.60
Total		-	165.74	168.24	168.24	171.24	173.24
Grade FTE's							
		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Board			-	-	-	-	-
EMT			5.81	5.81	5.81	5.81	5.81
Heads of Service			3.00	3.00	3.00	3.00	3.00
Service Managers			10.00	10.00	10.00	11.00	11.00
Senior Officers			12.32	12.82	12.82	12.82	12.82
Officers			74.75	76.25	76.25	77.25	78.25
Assistants			24.62	25.12	25.12	26.12	27.12
Manual grades			35.24	35.24	35.24	35.24	35.24
Total		-	165.74	168.24	168.24	171.24	173.24

Established staff numbers are forecast to remain broadly constant. However, as we develop new business lines and drive efficiencies through the organisation, the shape and size of the organisation may change too. An allowance has been made for additional staff in the areas of tenant engagement, private sector letting and regulatory compliance, but we may, as the business develops, require more or less resources than we currently have. This will always be supported by an appropriate and justified business case for Board approval.

Equally, where new Southend Borough Council properties are added to the South Essex Homes Management portfolio, any increase in staff numbers (bearing in mind our non-profit making status) will be subject to the generation of an appropriate well balanced business case. Any adjustment in numbers supported by the business case will be reflected here at the appropriate time.

11. Risks

South Essex Homes complete continual business and delivery risk assessments whereby each element of service is reviewed, potential risks raised, and mitigations identified.

The risks associated with the Business Plan sit at a higher level and all risks are owned by South Essex Homes Board.

Theme	Risk	Risk Pre mitigation level	Mitigation (continue or new)	Post mitigation level
Protect and improve	SEH lose focus and develops unrelated business interests	G	Board and Executive focus and report monthly on delivery performance indicators	G
Innovating Commercial and Social	SBC does not engage SEH as a new homes managing partner	A	SEH focus on providing assistance, the right service levels, and the best prices/value	G
Improving our service delivery	SEH fails to engage tenants at enhanced levels	A	SEH invest in resources and planning to enable/facilitate engagement	G
Improving our organisation	Managers and staff fail to engage and deliver improved process and technology	R	SEH create a comprehensive plan to replace IIP, secure new technology staff and work with SBC to enhance services	G
Caring for our environment	SEH fails to secure technology to support remote working and/or fails to secure funding for solar initiatives	R	SEH create a comprehensive plan to secure new technology staff and work with SBC to enhance services	G
Covid-19	SEH fails to adapt to post Covid environment	A	SEH create and action plans to reform operating models	G

Queensway Development

The Business Plan does not make any assumption around the loss of properties resulting from the development of the Queensway Estate. There will undoubtedly be a loss of properties and a resulting loss of revenue but the reduction in Management Fees associated with this development are not yet understood and more work would be required to understand this. Any resulting loss of revenue would be offset by an associated reduction in expenditure.

12. Sensitivity Analysis and Stress Testing

The Business Plan and associated financial forecasts are delivered on assumptions made at the time of writing, both on achievable timescales and resources required.

It has been assumed that Salary Increases will be at 2% per annum and these will be offset by additional negotiated management fee paid by Southend on Sea Borough Council. The below shows the additional financial burden that will prevail for every 1% movement in salary awards for the duration of this business plan.

Additional Pay Costs For Each 1% Cost of Living Award					
	21-22	22-23	23-24	24-25	25-26
Management Fee Funded	44,167.43	44,579.33	44,761.58	44,911.93	44,996.45
Capital Funded	909.15	909.15	909.15	909.15	909.15
Service Charge Funded	16,102.93	16,148.77	16,199.45	16,236.88	16,250.90
Careline Funded	6,113.25	6,176.54	6,240.46	6,277.52	6,286.72
Total	67,292.76	67,813.78	68,110.63	68,335.48	68,443.21

The Business Plan assumes that Careline customers will grow conservatively by a net of 15 per month (180 per year). The below models how any change to this will affect the availability of funds over the course of this Business Plan.

Sensitivity Analysis for Careline Income					
	2021/22	2022/23	2023/24	2024/25	2025/26
+400 customers per annum	36,934	73,867	110,801	147,734	184,668
+350 customers per annum	28,540	57,079	85,619	114,158	142,698
+300 customers per annum	20,146	40,291	60,437	80,582	100,728
+250 customers per annum	11,752	23,503	35,255	47,006	58,758
+200 customers per annum	3,358	6,715	10,073	13,430	16,788
As per business Plan (+180 customers per annum)	0	0	0	0	0
+150 customers per annum	(5,036)	(10,073)	(15,109)	(20,146)	(25,182)
+100 customers per annum	(13,430)	(26,861)	(40,291)	(53,722)	(67,152)
+50 customers per annum	(21,824)	(43,649)	(65,473)	(87,298)	(109,122)
+0 customers per annum	(30,218)	(60,437)	(90,655)	(120,874)	(151,092)
-50 customers per annum	(38,612)	(77,225)	(115,837)	(154,450)	(193,062)
-100 customers per annum	(47,006)	(94,013)	(141,019)	(188,026)	(235,032)

In formulating the Business Plan there are several factors that may stress the delivery of the plan.

We operate in an environment of increasing regulation, and we must ensure that we are able to continue to keep up to date with movements in the regulatory regime affecting the sector as well as ensuring that adequate resources are available to ensure compliance. There will need to be continued dialogue with our colleagues at Southend on Sea Borough Council and other stakeholders to ensure that this remains a top priority and we have access to funding, where it is necessary. We are all too aware of the pressures that local authority finances are under after the stresses of COVID and will need to ensure the HRA is able to effectively budget to meet the increasing demands being placed upon social housing.

As an organisation we must ensure we have the right people, with the right skills, to develop and grow the business plan. There is a risk that key personnel will leave the organisation, taking appropriate skills and knowledge with them. We will look to invest in our staff and ensure that we have a strong thriving organisation, where employees are satisfied and happy to come to work. We understand the competencies and skills that are required to deliver the outcomes and will ensure that we have the 'right people, in the right place' to deliver on the plans needs. This will involve looking at our structure and making appropriate changes as is necessary to ensure the longevity and success of the organisation.

We understand that the Business Plan does not stand still. As we move through the next 5 years there will be hurdles and obstacles that we will need to deal with and overcome. The Executive Team and the Board will be regularly monitoring and assessing how the Business Plan is progressing through the Business Plan Action Plan. Any risks to delivery can be identified early and measures put in place to ensure South Essex Homes keeps on track to deliver its priorities.

13. Business Plan Delivery

The 5-year Business Plan of South Essex Homes gives a strategic overview of the Board's ambitions and vision for the future delivery of South Essex Homes business and services. The delivery of these ambitions will link to a series of objectives. An operational delivery plan will be developed which will support each theme of the Business Plan, assign responsibilities, and develop specific deliverable

objectives. Ultimately the delivery plan will inform Executive, management and staff work streams to ensure the ambitions are fully embedded throughout the organisation and ownership is reflected across all levels.

For further details Contact

Daniel Lyons

Assistant Director – Finance & Corporate Services

Current performance targets

Pentana Code	Description	2019/20 Actual	2020/21 Target	2020/21 Forecast	2021/22 Target
NEW - SEH KP25 (F1-1)	Total complaints responded - Stage 1	141	N/A	90	Info Only
NEW - SEH KP25 (F1-2)	Total complaints responded - Stage 2				Info Only
SEH KP25	% of complaints acknowledged within timescale	83%	N/A	N/A	100%
SEH Local R2	No. of Evictions	35	N/A	0	Info Only
SEH KP4	Collection Rate for rents	99.45%	98.60%	99.50%	98.60%
SEH KP5	Current Rent Arrears as % of rent due	2.17%	2.70%	2.42%	2.70%
SEH Local R66b	Tenants with more than seven weeks of (gross) rent arrears as a % of the total number of tenants	4.69%	N/A	5.18%	5.25%
SEH Local R14	FTAs a percentage of debit	1.04%	1.20%	1.03%	1.20%
SEH Local R13	Current Rent Arrears in Cash	709,832	N/A	759,444	Info Only
SEH Local R13a	Former tenants arrears	420,499	N/A	438,659	Info Only
SEH KP7	SEH KP 7 Void turnaround times	20.2	17	42	17
SEH Local V3	SEH Local V3 Void loss as % of debit	1.81%	N/A	2.53%	2.00%
SEH Local V8	% of property void and re-lettable	1.27%	N/A	1.24%	1.25%
SEH Local V7	% of property void and unlettable	0.22%	N/A	0.49%	0.49%
SEH KP12b	Gas contractor repairs completed in target times	99.95%	100.0%	99.9%	99.0%
SEH KP17	% of Homes that have Valid Gas Safety Certificate	99.97%	100.0%	100.0%	100.0%
SEH KP12a	Responsive Contractor repairs completed in target times	88.22%	98.0%	98.50%	99.0%
SEH KP15	Average number of calendar days taken to complete repairs	8.56	N/A	6	8.5
SEH KP19	% of homes not meeting Decent Homes standard	2.30%	0%	4.50%	0%
NEW	% of staff turnover	N/A	N/A	N/A	Info Only
SEH KP24	Number of working days lost due to sick leave	9.33	9	10.4	Info Only