



South Essex Homes Business Plan

2023-2026

Provide quality housing services which contribute towards sustainable communities, supporting the health, wellbeing and safety of our residents.

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Improving the customer experience	Improving our organisation	Meeting our governance responsibilities	Innovating commercially	Developing sustainable communities
<p>Active Resident Engagement</p> <p>High Satisfaction</p> <p>Quality, reliable services</p> <p>Accessible Services</p> <p>Improved ICT functionality</p> <p>High Rent Collection</p>	<p>Skills and competencies mapped</p> <p>Capabilities understood</p> <p>Professionalism</p> <p>Customer Service Culture</p> <p>Rewards and Recognition</p> <p>Staff Wellbeing</p>	<p>Understanding legislative changes</p> <p>Good knowledge management systems</p> <p>Evidence collection and analysis</p> <p>Safety Improvements</p> <p>Funding Opportunities</p> <p>Reducing Residents Costs</p>	<p>Supporting our subsidiaries</p> <p>Realising opportunities to deliver more Value for Money opportunities within the group</p> <p>Developing commercial approach to win opportunities in the market</p>	<p>Supporting tenants through difficult periods</p> <p>Helping to sustain tenancies</p> <p>Building a brighter future for our communities</p>

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 City 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. South Essex Homes will continue to ensure that we can now build a better and improved service as we look forward to managing and maintaining communities and properties in Southend.

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.

1. 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 is facing several challenges 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 is changing the legislative landscape and the way we deliver our services. The safety of our tenants is of paramount importance and we must ensure that tenants continue to be at the core of our service delivery. The recently enacted Fire Safety and Building Safety Acts put in place mechanisms to ensure the safety of the properties we manage and require that robust and effective measures are implemented to ensure accountability. New social housing regulation will give greater powers to the Regulator of Social Housing and ensures that all social landlords are able to be held to account by their tenants with a set of Tenant Satisfaction Measures (TSM's) reportable to the regulator and tenants regularly. The Regulator will inspect all social landlords at regular every 4 years to ensure that processes are procedures put residents at the heart of the work that is carried out. The target is always moving and ever-increasing legislation and regulation will mean that South Essex Homes will continually need to adapt. In 2023, following the tragic death of Awaab Ishak, the government announced further measures to tackle Damp, Mould and Condensation under 'Awaab's Law', which is to be incorporated into Social Housing Regulation. This law, along with potential changes to the Decent Homes Standard mean that we continually need to adapt our Service Delivery to ensure that we remain fully compliant. This Business Plan will ensure we can meet the challenges from legislative and political arenas and have reliable, efficient systems to ensure we can evidence our activities.

During 2022 and 2023 we have seen the economic environment in which we operate significantly change with high inflation meaning our tenants ability to meet rising costs is hampered and our own ability to balance our budget becomes more difficult. Resources are becoming stretched for us, and

our tenants, and we need to constantly adapt and review in order to ensure our tenants can sustain their tenancies and South Essex Homes can remain financially viable and successful. This Business Plan will ensure that we can create efficiencies, can effectively support our tenants and reinforce strong leadership that will aid innovation.

Post Covid 19 we, like many organisations, adapted and changed our operating model to ensure that we were resilient and effective, whilst balancing the welfare of our staff and tenants. In an ever-changing world, with political, economic and legislative challenges it is vitally important that South Essex Homes is able to continue to adapt and 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 5 years will see a marked shift in the expectations on as an employer and as managing partner for Southend on Sea City Council's housing stock. 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.

2. Our Plan

We have structured our plan recognising the overarching objective of ***'Provide quality housing services which contribute towards sustainable communities, supporting the health, wellbeing and safety of our residents.'*** To achieve our overarching objective the Board have laid out five themed areas within which we need to develop and improve in order to continue to succeed.

Our five themes supporting the overarching objective are;

- ***Improving the customer experience***
- ***Improving our organisation***
- ***Meeting our governance responsibilities***
- ***Innovating commercially***
- ***Developing sustainable communities***

3. Improving the customer experience

Vision – We will provide reliable, consistent services that meet the needs of our diverse tenant base including ensuring we provide the right support at the right time to those that are most in need.

For South Essex Homes to continue to meet the challenges we face in the external environment and continually be able to adapt and meet the demands of an increasingly regulated sector we need to we constantly are able to review our service delivery, ensure it is meeting the needs of our tenants,

provides our staff with efficient systems and processes that make their tasks more manageable and provides Value for Money, for our tenants and for our key stakeholder, Southend on Sea City Council. In order to ensure this we will;

- Improve the quality and reliability of our services that meet customer expectations by involving residents in shaping service delivery, monitoring performance and prioritising resources.
- Ensure staff are visible and services are accessible giving customers excellent services that are right for their needs at the time they need them.
- Ensure the services we provide can evidence Value for Money giving our customers and effective and efficient service at the lowest cost.
- Where possible, resolve all issues at first point of contact giving customers fast resolution to any problems they face.
- Build 'Active Engagement' with our customers to ensure that services are designed to meet their needs and expectations in line with the Resident Engagement Strategy.
- Maintain a high level of satisfaction by undertaking transactional and annual perception surveys and learning from the feedback.
- Improve our ICT systems to maximise efficiency and ensure staff time can be well spent ensuring a great service is provided to our customers and we are able to focus on things that matter most.
- Maintain high rent collection rates ensuring we continue to maximise revenue for Southend on Sea City Council.
- Build a strong, collaborative partnership with Southend on Sea City Council.

Active resident engagement

It has always been South Essex Homes' practice to engage and consult our residents in as many aspects of our services as possible, ranging from ensuring residents are represented on the Board through to supporting Tenant Scrutiny. However, we believe that we can still do more to involve and inform our residents. Our Resident Engagement Strategy sets out seven commitments to improve how we listen to and empower our residents in the decisions that influence the services we deliver. These commitments will form the foundation of our approach to Resident Engagement over the next 3 years, focusing time and resources on ensuring;

- We support Resident Groups.
- We listen to our customers needs to help better shape our services.
- We proactively celebrate and support the positive attributes of Social Housing to remove stigma.
- We are accountable to residents.
- Residents are involved in decisions about their homes to give them confidence in the safety and security of their homes.
- We play our part in improving our residents access to skills and opportunities.
- We address loneliness and social isolation, breaking down barriers to engagement.

High Satisfaction Levels

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.

It is key that tenant's voices are heard, and we will adopt a more rigorous complaints handling process, one that is in line with the Housing Ombudsman's Code of Complaint Handling and ensures that the underlying issues which lead to complaints are dealt with and tenants are fully apprised of any progress in implementing improvements.

Quality, reliability and accessibility of services

The residents that live in the homes we manage expect and must have the highest quality service that we are able to deliver. South Essex Homes has a reputation for making positive changes and over the last 17 years South Essex Homes has made a number of structural and service changes to ensure the services that residents receive are of the highest quality and are reliable. We recognise that the world does not stand still and we have to be ever alert to cultural, social and environmental changes that impact on the services we deliver.

South Essex homes will continue to keep service delivery under constant review, ensuring that our services are of the highest quality and keep up with tenant expectations. The move to hybrid working during 2020, and the subsequent cultural change in the way we work, has meant that the way in which services are delivered has changed. We must continue to review how we deliver services to ensure that our residents can access our services when they need them and our staff are visible in our schemes and on our estates.

At the same time we must be cognisant to ensuring that the services we provide are providing Value for Money. This does not just mean that we will procure and provide the lowest cost services, but this must be balanced with providing an effective and efficient service. The services must continue to meet our objectives and targets, both those set internally and those set by external partners such as the Council or the Regulator of Social Housing. We must ensure that the processes and systems we have in place do not hamper our staff in providing the best service but are designed in such a way that interaction in these systems and processes, for both staff and tenants, are straight forward and information is easily accessible.

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. Where we use different systems for different functions we will explore how well these systems integrate and look at options for ensuring that data is accessible and it is as easy as possible to report on combined metrics contained within our databases. Where functionality

of systems can be combined into existing systems to increase functionality then this will be explored and benefits analysed.

However, the systems that we use have developed over the last few years and were we can increase efficiency and functionality by investing in additional modules and set up we will look to do this to improve the efficiency of systems for our staff and better outcome for residents.

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. It is vitally important to us that residents have a choice in how they interact with us and we will ensure that a full range of options for contact are kept.

High rent collection

The collection of rents on behalf of Southend on Sea City Council is key in the continuing objectives of South Essex Homes. This has a direct impact on the Housing Revenue Account's financial viability for the Council and so will directly impact the funds available for our Management Fee. The collection of rents during the economic crisis of 2022 and 2023 has become increasingly difficult and we must ensure that we continue to look for ways in which we can maximise the rental income, both in terms of reducing arrears and by ensuring that properties do not remain vacant for longer than is necessary to complete essential works.

4. Improving our organisation

Vision – We will drive our Values and Behaviours through the organisation creating a modern, inclusive housing organisation. We will build leadership and ensure that our staff have access to right development opportunities to achieve and thrive.

Ensuring that our organisation is best placed to retain and recruit talent as well as ensuring we have strong leadership is key to building a successful, sustainable organisation. Satisfied, motivated staff are the key foundation of a successful organisation and putting in place initiatives to increase staff satisfaction are essential. We must ensure that the organisation builds this by;

- Understanding the skills required across our organisation.
- Embedding our Values and Behaviours.
- Ensuring we have the right people doing the right things.
- Having professional, competent staff delivering excellent services.
- Embedding a service / customer culture throughout the organisation.
- Recognising and rewarding talent and innovation.
- Having strong leadership, developing succession for the future.

- Looking after the wellbeing of our staff, ensuring we focus on the social aspect of work as well as the task.

Skills, Competencies and Capabilities of Staff

For South Essex Homes to be able to meet the challenges we face and to ensure we are fully able to meet our continuing objectives we must ensure we understand the competencies needed to meet those objectives. This knowledge extends across all aspects of the business and to ensure we have a fully capable workforce we must match these competencies to the skills we already have within the organisation. We must ensure that any tasks are appropriately allocated between roles based on skill requirements and ensure that any gaps identified in the competency framework are quickly filled by recruitment, training, or development.

Professional, customer driven culture

During 2022 South Essex Homes staff embarked on setting the organisation values and associated behaviours through a series of workshops. We have already started the embedding of these across our organisation by ensuring that they form part of our communication strategy, and they are continually reinforced with staff, but we can do more to ensure that these become a fundamental part of the culture of the organisation. This starts with our recruitment process, ensuring South Essex Homes builds the organisation values into our interview and selection process, ensuring we have the right people with the right attributes coming into the organisation.

The new social housing regulation will require managers and director within Housing organisations to be professionally qualified to ensure that the whole housing sector builds a culture of professionalism. South Essex Homes will explore how we can effectively develop our current workforce so that we support and assist staff to study towards professional qualifications, where this will become a requirement of the role. This approach only builds our company culture so far though, it is important that across our organisation we have customer focused staff, ensuring the organisation develops and builds a culture of customer service excellence. We will do this by ensuring that customer service training becomes a fundamental part of our staff training requirements.

A strong customer driven culture starts at the top and we must ensure that across our organisation we have strong leadership, our managers and directors need to be flexible in their approach, be self aware, have integrity and be able to inspire our staff to perform well and meet expectations.

Recognising and rewarding talent

Our staff are fundamentally important to the success of South Essex Homes. They will regularly will go beyond their duties and support and assist both residents and staff where needed. South Essex Homes will encourage staff to be supportive and helpful where needed, we will do this by listening to our staff, gaining their views on appropriate reward mechanisms and ensure we have a rewards system in place that recognises good work in a way that is adaptable and flexible to diverse staff expectations.

At South Essex Homes we want to ensure that we can retain talent, keep bright and successful individuals within the organisation to assist us all on our journey of improvement and innovation. We will look to put in place appropriate development opportunities for our staff, ensuring that we have the right processes in place to spot those capable of development. This way we can have succession plans built into our organisational structure and ensure that the right skills are in place when they are needed.

Wellbeing of staff

Post pandemic we have seen a cultural shift in the way that we work. As an organisation South Essex Homes has embraced the hybrid working model but the changing culture is not a 'one size fits all' solution. We recognise that there are differing needs of staff and South Essex Homes must embrace the diverse nature of our workforce. We must continue to offer ways of working that support excellent service delivery as well as maintaining the wellbeing of our staff. Where staff require additional support we must have processes in place to identify this and act quickly to minimise any potential effects of mental health on our staff. We understand that work is not just about getting the task done, there is a social aspect to work and we must ensure that we support new ways in which staff can build social networks both in and outside the workplace. South Essex Homes understands the responsibility we have for our staff and will drive forward initiatives to support staff in a changing and volatile environment.

5. Meeting our Governance Responsibilities

Vision – We will continue to take all of our statutory and regulatory responsibilities seriously and embed a culture of compliance and assurance through all of our processes.

The last couple of years have seen some major changes in the legislative and regulatory environment in which we operate as a provider of social housing. The Building Safety and Fire Safety Acts will place additional responsibilities on us to ensure the safety of the properties we manage, this comes alongside potential changes to the Decent Homes Standard, increasing focus on Damp, Mould and Condensation and local and national government drives to meet carbon reduction targets.

New Social Housing Regulation will put in place measures that will see stronger control by the Regulator of Social Housing, the introduction of Tenant Satisfaction Measures and an increased focus on resident engagement. This aims to empower residents, putting them at the heart of the work we do. We must ensure we continue to take this seriously by;

- Understanding what changing legislation means for South Essex Homes.
- Ensuring we have appropriate data collection and knowledge management systems, and processes, in place to evidence and comply with legislation.
- Continuing a programme of safety improvements to resident's homes.
- Fully understanding the EPC rating of all properties we manage.
- Taking advantage of funding opportunities to further the carbon reduction.
- Exploring ways to reduce costs to our tenants through energy efficiency measures.

The changing legislative landscape

The last couple of years have seen some major upheavals in the way that Social Housing organisations are regulated and the legislation that now has woven its way into our everyday work. There is now much more focus on the work that we, and organisations like us, do to ensure that residents voices are heard, and we can evidence the safety of our properties and environments for our residents. The Fire Safety Act and Building Safety Act came into force during 2021 and 2022 and give us additional responsibilities to ensure that we effectively manage the risks inherent in the buildings that we manage to keep residents safe and secure in their homes. The Social Housing (Regulation) Bill is soon to be enacted which will ensure the empowerment of residents giving redress for poor services, add a greater emphasis to transparency of information and performance and enhance regulation to improve the quality of social housing.

To keep ourselves ahead of the game we must understand what changing legislation means for us at South Essex Homes and ensure that we keep a pace of any potential changes before they are enacted so we can act quickly, and decisively, to bring our systems up to the required standard. We must ensure that we have the systems and processes in place to collect, analyse and evidence the work that we do that meets this legislation. Ease of access and reportability of information is key to us being able to satisfy our Residents, the Regulator and the Housing Ombudsman that we are able to meet the challenges that the changing legislative landscape brings.

The safety of resident's homes

At South Essex Homes we have the safety of the properties we manage at the heart of our objectives. Providing good quality, safe homes is key to the work that we do. South Essex Homes implemented fire safety improvements to the Tower blocks and Sheltered Schemes that we manage prior to any existing legislation, installing fire doors and compartmentalising properties to ensure that, should the worst happen and a fire break out, our properties integrity is maintained and residents are kept safe in their homes. We must continue to work in this vain, keeping our properties as safe as possible and keeping ahead of the game on fire safety improvements to our blocks, schemes and estates. We recently piloted the installation of an annunciation system in a tower block and a sprinkler system in another, these initiatives must be continued and enhanced as we move through the next 5 years.

The carbon reduction agenda

Southend on Sea City 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. We have an obligation here to ensure that we minimise costs for our residents and ensure that energy use in their homes is

reduced as much as possible, creating less reliance on the gas and electric networks and reducing energy bills for them.

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.

In order to do this, we must work in partnership with Southend on Sea City Council to understand the current position of all of the properties that we manage and where we have properties that do not currently meet EPC C we must ensure that we have a plan to bring these properties up to the required standard. This understanding and forward planning will also make a significant contribution in our work to mitigate the risks of tenants living in damp and cold properties, reducing their potential exposure to mould. The availability of funding is very much a driver in how we can meet these challenges, we will work with Southend on Sea City Council to identify and bid for funding that will enable carbon reduction works to take place and our resident's homes to be improved.

6. Innovating Commercially

Vision – We will aim to maximise the revenue generated through the Group structure, maximising the return for the group, making surpluses available for use to further enhance our services and supplement the Management Fee.

The ability of South Essex Homes to support and supplement the management fee provided to us by Southend on Sea City Council has never been greater. As costs rise, and as we see our tenant base increasing need support, we must ensure that we can deliver added value to the partnership by maximising surpluses available to reinvest in the services delivered to our tenants. South Essex Homes must continue to ensure that we can deliver on these promises by;

- Supporting the growth of our subsidiaries.
- Collaborating with Southend on Sea City Council to pursue opportunities to deliver services differently across the group.

Supporting the growth of our subsidiaries

The South Essex Homes group has for 10 years been striving to produce opportunities and business lines beyond the core housing management function. The aim of this is to financially support the

delivery of the core housing management service, whilst taking advantage of opportunities, both from within (Southend Council, South Essex Homes and the wider family) and the external market. 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, either directly or through our South Essex Property Services, will help the council to meet these challenges by collaborating to deliver the best possible services whilst considering the appropriate governance and structure to facilitate that.

Early in 2023 two further subsidiaries were created to further the potential for the South Essex Homes Group to exploit opportunities in the market to sell services that are in demand, so further supporting the core work of South Essex Homes. South Essex Facilities Management was established to ensure that there was appropriate governance and structure arrangements in place to be able to be confidently bid, and win, work from the commercial sector. The success of South Essex Facilities Management is key to the success of the group, the additional surplus that can be generated from within the group is limited and this subsidiary gives us access to an almost unlimited market. We must ensure that we support the reputational and financial growth of this business.

We are uniquely placed to be able to offer our skills and expertise on large scale developments in the Southend area, especially those where the Council has a part to play. Our subsidiary, Southend LocalitE, has been established so that we can take full advantage of the opportunities that arise, especially around the Roots Hall & Fossett's Farm developments. This represents a substantial opportunity for the group and we must position ourselves to take full advantage when the time is right.

7. Developing sustainable communities

Vision – We will aim to add socially to the communities we serve, supporting and implementing measures to support the future of the people of Southend.

We must ensure that we have strong sustainable communities, adding socially to the city in which we operate. South Essex Homes must continue to ensure that we can deliver on these promises by;

- Supporting our tenants through financially difficult periods.
- Supporting our tenants to sustain their tenancies.
- Giving people in our communities a brighter future.

Supporting our tenants through financially difficult periods

Nationally the 'Cost of Living' Crisis has placed significant pressure on people and we are keenly aware that many of our residents have been particularly affected by the difficult economic climate. We know that 72% *of our residents are in receipt of benefits (*main tenant is in receipt of Housing Benefit or Universal Credit) or are on low and fixed incomes. It is important that SEH supports our residents as much as we can to help them maximise their income to face this financial challenges.

SEH is already committed to assisting residents to ensure they are aware of a wide range of opportunities to access funds and services to help them manage their finances. Activities such as providing benefits or money advice (either directly or via partners such as the CAS), signposting to other support agencies, identifying resources such as food and fuel vouchers or reduced cost food and helping residents apply for ELF, DHP or Hardship Fund grants all contribute towards this objective. We know that we will need to do as much, if not more in future. We will continue to develop initiatives both internally and with our partners that provide improved economic benefits for residents and target those that need assistance most.

Supporting our tenants to sustain their tenancies

SEH serves a diverse community of residents and we recognise that the service we provide to help them live happily and healthily in their homes will vary in line with their needs and protected characteristics. We have found that some residents, particularly those with complex needs or mental health issues, need considerable input from our teams to help them sustain their tenancies and we have shaped our staff resource to try and meet this need. We have also developed excellent joint working with the Police and Adult Social Care to proactively work with individual tenants or in particular communities, to try to prevent issues escalating to crisis point. This is a challenging area for SEH, SCC and wider society and we anticipate that this demand to provide support for vulnerable tenants will grow. This objective captures our aspiration to be creative and responsive to the diverse needs of our residents, manage safe and stable communities and in so doing assist the Council in its aim to reduce homelessness.

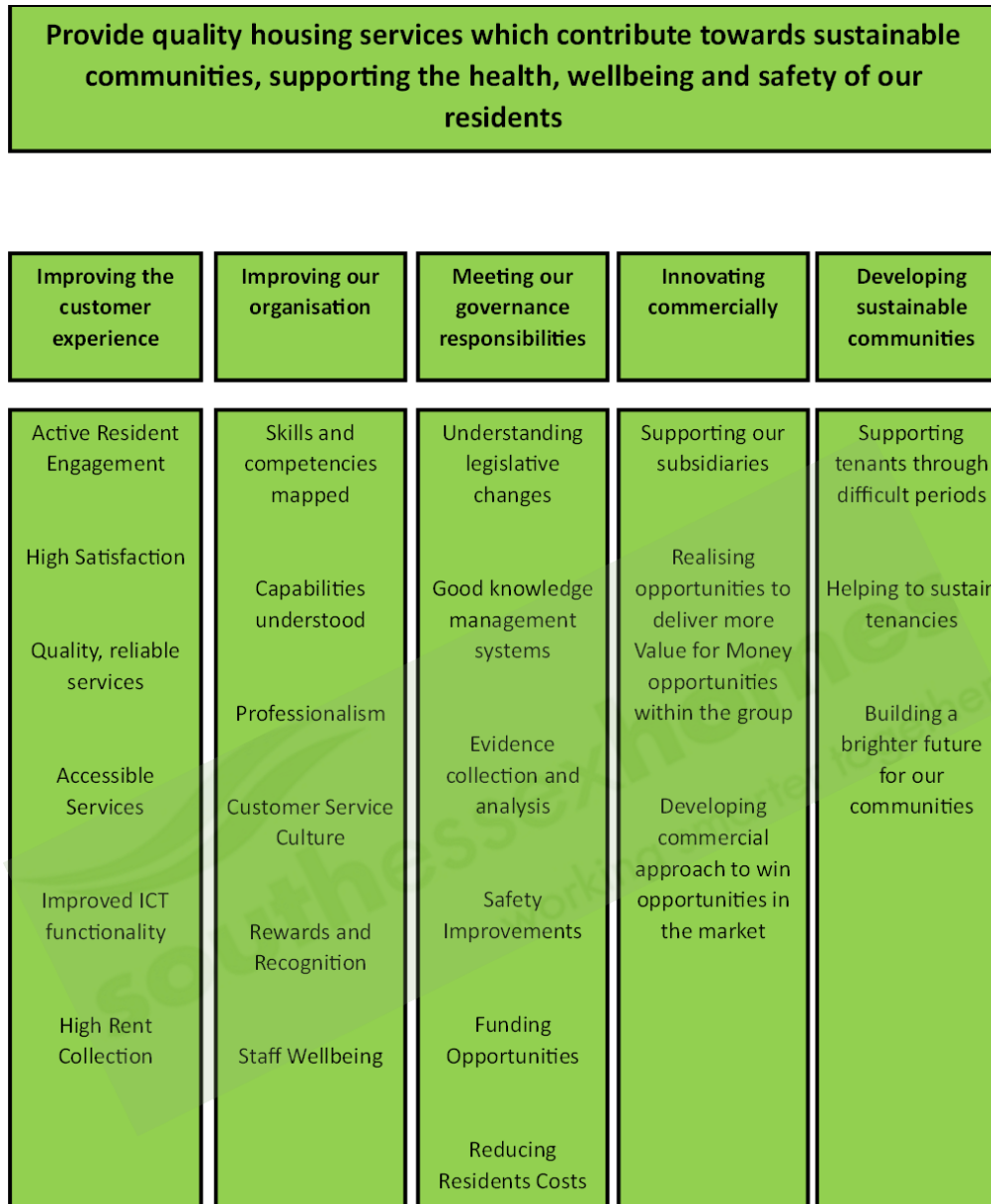
Giving people in our communities a brighter future

Some residents feel that they have limited choices and do not have access to opportunities to improve their life chances. As Southend's largest social housing management organisation, SEH has a key role to contribute towards the well-being, capacity building and financial stability of our residents. SEH has a history of supporting programmes that helps residents improve their skills, employability and reduces digital and social isolation. Through the work of our staff, complemented by the work we have commissioned through local partners, we aim to contribute real social value in the communities we serve. These ambitions are reflected in our Resident Engagement Strategy.

We will continue to invest in maximising our Social Value input into the community. To this end we will put aside reserves, over and above our core fixed reserve balance, each year, as well as explore options to identify external funding sources to help deliver our community development offer. This will enable us to invest in new initiatives which will help residents and also contribute towards social ambitions set out by Southend on Sea City Council.

8. The business plan structure and design

Our objectives and themes fully support each other. 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 three 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 three years, and we have prepared a draft comprehensive action plan which will serve as an operational guide, this will need to be continually updated but can be found as an appendix to this Business Plan.

10. Resource Estimates

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

Income and Expenditure forecast

		2023/24	2024/25	2025/26	Totals
Revenue	Management Fee	7,191,739	7,650,047	7,842,537	22,684,323
	Service Charges	6,219,337	6,219,337	6,343,723	18,782,397
	Careline Income	425,000	425,000	425,000	1,275,000
	Other Income	547,915	545,000	495,000	1,587,915
		14,383,991	14,839,384	15,106,260	44,329,635
Expenditure	Employee Costs	7,868,033	8,261,435	8,426,664	24,556,132
	Utility Costs	2,855,685	2,855,685	2,912,799	8,624,170
	SLA Costs	1,298,132	1,363,039	1,390,299	4,051,470
	Other Non Pay Costs	2,248,679	2,248,679	2,248,679	6,746,037
		14,270,530	14,728,838	14,978,441	43,977,809
Suplus / (Deficit) before Business Plan Expenditure		113,461	110,546	127,819	351,826
Business Plan Expenditure (On-going - Not already built into Budget)					
Improving the Customer Experience					
	ICT Functionality - Northgate Development - On-going		50,000	85,000	135,000
Suplus / (Deficit) on on-going commitments		113,461	60,546	42,819	216,826
Business Plan Expenditure (One off - Not already built into Budget)					
Improving the Customer Experience					
	Quality and Reliability of Services	50,000	50,000		100,000
	ICT Functionality - Northgate Development - One Off	125,000	225,000		350,000
Improving our Organisation					
	Professional Housing Qualifications		25,000	25,000	50,000
	Customer Services Training	20,000			20,000
Meeting our Governance Responsibilities					
	Regulatory Compliance Team	60,000	120,000		180,000
Developing Sustainable Communities					
	Hardship Fund	50,000	25,000	20,000	95,000
	Community Development Initiatives	50,000	50,000	50,000	150,000
Proposed One Off Business Plan Expenditure		355,000	495,000	95,000	945,000

Table 1

The tables above show the forecast position with regards to our operating budget for the next 3 years. We have both a contingency (built with the expenditure already) and a surplus available with current assumptions. Current assumptions are;

- Inflation will fall to around 5% for 24/25 and 2% for 25/26.
- Increases in pay costs will match inflation assumptions.
- Increases in costs for pay, utilities and SLA's with Southend Council will be funded by increases in the Management Fee.

It is anticipated that the implementation the Business Plan will cost in the region of £945k in one off costs. It is expected that there would be around £85k in on going ICT license costs once we have fully implemented the Business Plan.

11. Source of Funds

Where the development and the implementation of the Business Plan objectives cannot be reliably delivered by existing staff, using existing resources, we will need to ensure that we are in a position to find alternate funding for these costs. South Essex Homes has proven to maintain sound financial management, prudently using funds in the pursuit and meeting of our targets. This, along with the commercial aims and aspirations we have had for many years, has produced reserves that are in place to meet a range of scenarios, ranging from enabling us to be resilient and weather financial storms, to being able to advance and grow when the need arises.

The changing landscape for social housing is just a time when we are required to invest in the future and ensure that we can implement measures that ensure our continued success and sustainability. The reserves position of South Essex Homes over the next 3 years is forecast as set out below.

Reserves Position Before Business Plan Expenditure		
Reserves as at 31st March 2023		2,447,000
Forecast Surplus from 23/24 Accounts		113,461
Reserves as at 31st March 2024		2,560,461
Forecast Surplus from 24/25 Accounts		110,546
Reserves as at 31st March 2025		2,671,007
Forecast Surplus from 25/26 Accounts		127,819
Reserves as at 31st March 2026		2,798,826

Table 2

As set out in Table 1 over the next 3 years we anticipate being required to spend around £945k on one off expenditure to make the required changes to our systems and processes to meet the objectives within Business Plan. On top of this we would have around £85k of additional annual costs from license fees for the software updates we need to make.

The table below shows the forecast reserves position each year after funding this expenditure to meet our Business Plan objectives.

Reserves Position After Business Plan Expenditure		
Reserves as at 31st March 2023		2,447,000
Forecast Surplus from 23/24 Accounts		113,461
One off Business Plan Expenditure		(355,000)
Reserves as at 31st March 2024		2,205,461
Forecast Surplus from 24/25 Accounts		60,546
One off Business Plan Expenditure		(495,000)
Reserves as at 31st March 2025		1,771,007
Forecast Surplus from 25/26 Accounts		42,819
One off Business Plan Expenditure		(95,000)
Reserves as at 31st March 2026		1,813,826

Table 3

The planned expenditure for Business Plan objectives can be comfortably made without reducing our reserves balances too low, as set out in our Reserves Policy.

12. Risks

The delivery of any projects and the delivery of services always come with a range of risks including financial risks, staffing risks, reputational risks and risks associated with unsuccessful delivery of outcomes. It is important that we understand these risks and ensure that we have in place mitigations to ensure these risks are lowered. The main risks associated with each of the 5 themes are set out below, the Business Plan objectives will seek to mitigate these risks.

Theme	Risk	Likelihood (1-5)	Impact (1-5)
Improving the Customer Experience	Fail to engage residents appropriately leading to services not being delivered to meet their needs.	2	4
	Low resident satisfaction leading to loss of reputation and residents not trusting our service delivery.	3	4
	Failure to provide a range of access to services leading to residents not being able to contact us and feeling South Essex Homes are not easy to deal with.	3	2
	Failure to implement improvements to Northagte leading to staff working inefficiently and residents not being able to self serve through a Portal.	3	2
Improving our Organisation	Reduced collection rates for rent meaning we fail to meet the terms agreed as part of the Partnership agreement	2	4
	Staff are unsatisfied and unmotivated leading to poor service delivery, high staff turnover and high sickness levels	3	4
	Managers and directors not training to CIH level 4/5, failing to meet statutory requirements	4	4
	Failure of staff to interact with customers politely and with excellent customer service, leading to higher complaints and a loss of reputation.	3	4
	Fail to understand the skills required to meet our objectives leading to a workforce that cannot meet the requirements of the organisation.	2	4
Meeting our Governance Responsibilities	Not having adequate data capture systems in place to understand our information fully, leading to resources being incorrectly directed and a loss of reputation.	3	4
	Failure to understand the requirements of legislation leading to not meeting statutory and regulatory requirements.	3	5
	Not meeting targets for all properties to be at EPC C by 2030 meaning unused properties and lost revenue for Southend Council.	3	4
	Failing to identify appropriate funding opportunities to support the work to enhance the energy efficiency of our properties leading to higher costs for our residents and failure to meet carbon reduction targets	3	4
Innovating commercially	Failure of subsidiaries to grow commercially leading to funds not being available to support the work of South Essex Homes.	3	3
Developing sustainable communities	Fail to identify residents in financial hardship and give appropriate financial support leading to financial hardship, increased rent arrears and a higher incidence of Mental Health in our customer base.	3	3
	Fail to interact with our communities to build opportunities for the future leading to an increased stigma around social housing.	3	3

Queensway Development

The Business Plan does not make any assumption around the loss of properties resulting from the development of the Queensway Estate. If this development continues 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.

13. Performance

The Business Plan progress will be monitored through an Action Plan led by the Executive Team. This will detail the responsibilities for each action, a timescale for completion and assign performance indicators where necessary. This will be monitored by the Executive Team, and reported to the Board twice a year.

As we progress with the Business Plan we would expect to see improvements to our core Key Performance Indicators agreed with Southend on Sea City Council. For 2023/24 the agreed performance indicators are;

Pentana Code	Description	20223/24 Proposed Target
EPC	% of stock not meeting EPC rating C	Info Only
KP4	Collection Rate for rents	98.50%
KP5	Current Rent Arrears as % of rent due	2.75%
KP7	SEH KP 7 Void turnaround times	17
KP12a	Responsive Contractor repairs completed in target times	98.0%
KP12b	Gas contractor repairs completed in target times	99.0%
KP15	Average number of calendar days taken to complete repairs	8
KP17	% of Homes that have Valid Gas Safety Certificate	100.0%
KP19	% of homes not meeting Decent Homes standard	0%
KP24	Number of working days lost due to sick leave	8
KP25	% of complaints responded within timescale	99%
KP25 (F1-1)	Total complaints responded - Stage 1	Info Only
KP25 (F1-2)	Total complaints responded - Stage 2	Info Only
KP26	% of staff turnover	12.00%
Local R13	Current Rent Arrears in Cash	Info Only
Local R13a	Former tenants arrears	Info Only
Local R14	FTAs a percentage of debit	1.20%
Local R2	No. of Evictions for rent arrears	Info Only
Local R66b	Tenants with more than seven weeks of (gross) rent arrears as a % of the total number of tenants	5.75%
Local V3R	SEH Local V3 Void loss as % of debit - exc Queensway	2.00%
Local V7R	% of property void and unlettable - exc Queensway	0.60%
Local V8R	% of property void and re-lettable - exc Queensway	1.00%

14. 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 5% in 23/24 and 24/25 and 2% in 25/26 and these will be offset by additional negotiated management fee paid by Southend on Sea City 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.

	23/24	24/25	25/26
Total Pay Costs as per Business Plan	7,868,033	8,261,435	8,426,664
Effect of 1% Pay Rise	(293,981)	(308,680)	(82,615)
Effect of 2% Pay Rise	(220,486)	(231,510)	0
Effect of 3% Pay Rise	(146,991)	(154,340)	82,615
Effect of 4% Pay Rise	(73,495)	(77,170)	165,229
Effect of 5% Pay Rise	0	0	247,844
Effect of 6% Pay Rise	73,495	77,170	330,458
Effect of 7% Pay Rise	146,991	154,340	413,073
Effect of 8% Pay Rise	220,486	231,510	495,687
Effect of 9% Pay Rise	293,981	308,680	578,302
Effect of 10% Pay Rise	367,476	385,850	660,916

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 City 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 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 3 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.

15. Business Plan Delivery

The 3-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

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