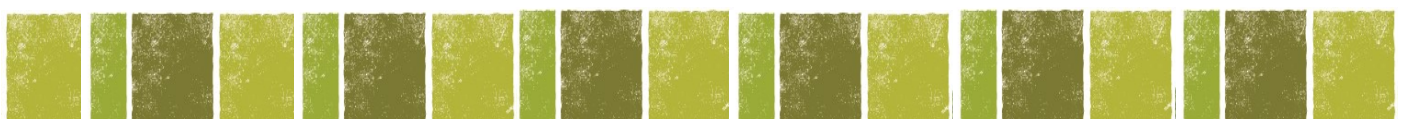




Business Plan: 2017/2022

White Horse Housing Association, (formerly Wiltshire Rural Housing Association) was established in 1984 to provide homes in rural areas throughout the County (including Swindon Borough) for local people in housing need.

White Horse Housing Association is a Registered Society under the 'Co-operative and Community Benefit Societies Act 2014' and an exempt charity under the Charities Act 2011. The Association is registered with the Homes and Communities Agency and is a member of the National Housing Federation.



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About White Horse Housing Association

WHHA owns and manages 370 homes across Wiltshire, Swindon and East Somerset (including Mendip DC and BANES areas) and operates on a sound financial footing. WHHA currently employs 5 full time and 4 part time members of staff.

Support is provided by a diverse Board of voluntary members who collectively have the qualities, experience and ability to provide skilled and professional leadership.

The Association works hard to meet its mission, objectives and values and address the key challenges of capital investment in the provision of affordable housing.

The Association operates in a risk-aware and risk-controlled manner in the current operating environment, by actively monitoring the political and economic climate and constantly assessing and mitigating against those risks throughout the year.

Mission, Objectives and Values

Mission:

"To be a leading provider of high quality affordable homes in the rural areas of Wiltshire and surrounding areas.

To provide excellent management and maintenance services to our customers and to help maintain vibrant and thriving communities."

Values:

In achieving our objectives we will act with integrity, openness, accountability, honesty, impartiality and respect in everything we do.

How we do this:

- by keeping our commitments and promises to our customers, stakeholders and staff and following through on our actions;
- by being consistent in all our activities, demonstrating an open minded and impartial approach;
- by promoting equality of opportunity, respecting each other and celebrating diversity so that everyone can give their best in every aspect of our business;
- by putting customers first: listening to them, understanding their needs, treating complaints as an opportunity to learn and recognising the impact our work has on both our customers and stakeholders;
- by valuing our staff and encouraging them to take individual responsibility for problems and find solutions to them;
- by continually striving to improve the service we provide.



Our Objectives:



The Association will continue to:

- Work closely with all of our Local Authority partners in order to ensure the provision of much needed rural accommodation.
- Ensure that our properties are managed and maintained to high standards and seek to support our tenants where appropriate.
- Contribute to the work of the National Housing Federation and the Rural Housing Alliance.
- Take an active role in the political environment, through lobbying and responding to consultations as and when appropriate.
- Modernise our systems and procedures to ensure we are effective, efficient and provide value for money.
- Remain viable, continue to grow and continue to provide a first class service to our tenants.

Development

- We are committed to building high quality, sustainable homes, and will actively work with local communities and Parish Councils to provide affordable housing for local people.
- We will provide a range of affordable housing and low cost home ownership solutions to meet the needs of local communities

Housing Management

- We actively encourage tenant participation in our services.
- We will regularly visit our neighbourhoods and actively work with residents to ensure they remain an excellent place to live.
- The Association will actively support tenants through its successful 'Tenancy Plus' initiative.
- We will facilitate a "working together" approach with our customers in finding solutions to problems that arise so they can enjoy living in our neighbourhoods in an atmosphere of mutual consideration and respect.

Asset Management

- The Association actively manages its stock to ensure that the best return on investment is achieved.
- We will provide an excellent repairs service to our tenants which in turn ensures that our assets maintain their value.

Community Involvement

- The Association will play an active part in the communities we serve to help them remain sustainable and viable for the future.

Action Plan— Our Objectives

Objective 1— To provide attractive, sustainable and affordable homes within rural areas for local people in housing need.	How: By continuing to work with our development partners to provide more homes.
<p>Actions and Targets:</p> <p>Continue to develop affordable homes by exploring new opportunities, assessing viability and seeking a range of finance options within approved investment targets. This includes:</p> <ul style="list-style-type: none"> • 5 units at Winterslow (including 1 SO unit) in 2017 • 4 shared ownership units in Corston and 3 affordable rent and 1 shared ownership unit at Crudwell in 2018 <p>Explore the potential for cross subsidising new rented homes by providing alternative tenure options, converting existing social rents and disposing of unsuitable or unviable assets.</p> <p>Explore alternative construction methods to improve end-to-end construction times whilst reducing fuel costs and CO2 emissions.</p> <p>Maintain pro-active relationships with the strategic Authorities and local Parish Council's whilst continuing to play an active role in local, regional and national partnerships to take advantage of Government initiatives to support an increase in the supply of new homes.</p>	<p>How have we done?</p> <p>Since December 2014 the Association has completed 36 new units:</p> <ul style="list-style-type: none"> • 6 units at Ogbourne St George • 10 units at Minety • 6 units at Redlynch • 5 units at Hullavington (including 1 SO) • 5 units at Urchfont (including 2 SO) • 2 units at Burton • 2 units at North Newnton <p>⇒ Completed the Transfer of Engagements with KRHA to add a further 96 properties to our portfolio.</p> <p>⇒ Explored alternative methods of construction, in particular straw bale houses.</p> <p>⇒ New Disposals Policy adopted. Obtained HCA permission to dispose of 9 unviable units with an estimated market value of 1.8 million.</p>
Objective 2— To maintain our financial strength and offer excellent Value for Money to our customers.	How: By implementing robust budgetary control, an effective risk management system and continually benchmarking our performance.
<p>Actions and Targets:</p> <p>Maintain an annual surplus on 'ordinary activities' that ensures compliance with our loan covenants</p> <p>Ensure loan covenants and management ratios are maintained and reported quarterly to the Board</p> <p>Undertake monthly internal budget monitoring and report Management Accounts quarterly to the Board</p> <p>Update and maintain the 30 year Business Plan model</p> <p>Maintain net rent arrears and 'bad debt' below 2% of annual rent debit</p> <p>Seek to achieve an average cost per property for management, response repairs/voids and major/cyclical works that meets or exceeds the SPBM reported average.</p> <p>Update the 'Value for Money' strategy annually setting clear targets and actions for future improvement</p> <p>Achieve top quartile performance across 90% of targets each year</p> <p>Audit and Risk Committee to review and update the Strategic Risk Map 4 times per year.</p>	<p>How have we done?</p> <p>Increased annual turnover by 27% with the addition of the former KRHA houses from the 1 October 2015.</p> <p>Full business plan merger completed. Assessment of the Government's budget changes (including the rent cut) undertaken and included in revised Business Plan.</p> <p>Rent arrears remains below the 2% target despite the transfer of the former KRHA tenancies.</p> <p>Value for Money Strategy approved in November 2016, including a range of targets and objectives to improve and measure VFM savings.</p> <p>SBWM annual report demonstrates good performance across a wide range of measures when compared to our peers. Those areas requiring improvement have been highlighted in the VFM strategy.</p> <p>Risk Management Policy and Risk Appetite Matrix approved by the Board. Strategic Risk Map reviewed and updated by the new Audit and Risk Committee.</p> <p>Welfare Reform action plan updated. Universal Credit visits continuing as the roll out increases across our operating area.</p>
Objective 3— Maintain our properties to a high standard, improving their sustainability and reducing running costs, so that all customers have an attractive and economical home.	How: By ensuring our assets are effectively managed, repaired and improved to a high standard and meet the Decent Homes Standard.
<p>Actions and Targets:</p> <p>Review the Asset Management Strategy in 2017 and set targets and actions for improvement to ensure the return on our assets equals, or exceeds, our average cost of capital.</p> <p>Develop the existing asset management and stock condition database to ensure we have accurate information to plan future investment. Explore the use of Omni-ledger to maintain these records in future.</p> <p>Implement the two new repairs and maintenance contracts and seek to continually improve service delivery by developing partnership working practices which allow both the Association and the contractor to share in improved efficiencies.</p> <p>In 2017/18 we will replace 1 kitchen and 20 bathrooms. 33 properties will have new windows and doors. 7 properties will have their electric heating systems renewed and a further 10 gas and oil boilers will be pro-actively replaced.</p>	<p>How have we done?</p> <p>New strategic asset performance model was developed in 2016. Results will feed into the review of the AMS.</p> <p>Stock condition database and Omni-ledger 'component ledger' have been updated and now include Kilmersdon properties.</p> <p>Full re-procurement of the repairs and maintenance contracts undertaken during 2016/17. Both contracts awarded to 3 Solutions. The new 'partnering contract' seeks to develop a new relationship with our contractor to jointly work at achieving further efficiencies in the delivery of the service. Regular contractor meetings will be scheduled to monitored performance, agree priorities and investigate more efficient ways of working.</p> <p>In 2016/17 we replaced 4 kitchens and 25 bathrooms. 35 properties had new windows and doors and a further 31 properties had new external doors. We have pro-actively renewed 10 gas and oil fired boilers.</p>

Action Plan— Our Objectives

Objective 4— Provide attractive, sustainable housing schemes that are well managed and where tenants play an active role in maintaining their surroundings	How: By implementing housing management policies and procedures that improve neighbourhoods, enhance tenant involvement with our services and increase overall satisfaction
Actions and Targets: Continue to undertake regular scheme inspections to maintain and improve the look of our schemes and monitor their effectiveness. Seek to introduce a system of 'tenancy audits' once the new repairs and maintenance contracts have commenced. Continue to roll out a network of Neighbourhood Voices to help the Association manage its schemes. Continue to analyse tenant satisfaction and complaints data to identify areas of dis-satisfaction and develop action plans for improvement Maintain tenant satisfaction across the range of services above 90%. Undertake the tri-annual STAR survey during the autumn of 2017. Explore alternative methods of assessing tenant satisfaction over a rolling 3 year period to provide constant up-to-date data. This could include introducing a Net Promoter Scoring system. Work with local communities to identify and support projects that enhance community cohesion and resident involvement	How have we done? New 'Neighbourhood Inspection' programme published each year and completed as planned. Results and outcomes have been reviewed and changes made to the frequency of inspections on some schemes. New Neighbourhood Voice tenants have been recruited at Eckweek Gardens and Coundley Court. The new 'Residents' Voice' Scrutiny Panel has met twice during 2016 to assist with the review of the repairs and maintenance service. Their feedback was included in the new service specification. Telephone surveys of all responsive and cyclical repairs (and capital works) are now undertaken following completion of the work. This has resulted in an increase in returns and an improvement in the accuracy of feedback.
Objective 5— To ensure the Association is efficient and modern and promotes its successes to enhance its reputation	How: Continually reviewing what we do, our systems and procedures to ensure we are effective and efficient.
Actions and Targets: Continue to improve internal office systems to create greater efficiencies and increase capacity. Specific projects include: <ul style="list-style-type: none"> • Upgrading the Omni-ledger system to the new 'windows' version • Implement the Asset Management module of the Omni-ledger system and explore the Assets and Liability Register functionality. • Integrating and/or interfacing the Omni-ledger system with 3 Solutions 'Markus' system for improved repairs management • Explore options for electronic Board agendas and remote access. • Scanning all property files, invoices, development files etc. • Continue to improve remote access to the Association's electronic data, including the Omni-ledger system. • Providing electronic forms and data to reduce paper usage and provide greater security Promote staff development through annual staff appraisals and bi-monthly 1-2-1's, reviewing individual performance and identifying training needs. Implement the new Governance Framework. Actively seek to recruit new Board members and ensure a balance of skills and experience is maintained to provide effective scrutiny and leadership	How have we done? Scanning of all Tenancy files has now been completed and all electronic files stored in structured folders for ease for use. Work has now commenced on the property files. All staff appraisals and 1-2-1's completed as planned. New staffing structure implemented on the 1 February 2016. New Housing Maintenance Apprentice employed. New 'remote access' server installed and laptops provided to visiting staff, enabling access to office systems from within tenants homes. New mobile phones have 'mobile forms' enabled and these are currently being trialed. 'My Tenancy System' has been implemented to enable tenants to access their rent accounts, repairs history, personal data etc.—24 hours a day. Re-branding project successfully completed with the new name and branding all approved. Complete review undertaken of the existing rules, code of governance and standing orders with Award Management Consultancy. Formally adopted by the Board in July 2016 followed by the AGM in September 2016. The new rules have been formally registered with the HCA/FCA and the Governance Framework has been implemented from October.



White Horse Housing Association—Summary Budgets 2017-2022

	Budget 2017/18 £	Budget 2018/19 £	Budget 2019/20 £	Budget 2020/21 £	Budget 2021/22 £
Property Income					
Rents	1,976,740	1,957,500	1,938,500	1,970,000	2,009,600
Service Charges	29,700	30,600	31,500	32,500	33,600
Gross Rents Receivable	2,006,440	1,988,100	1,970,000	2,002,500	2,043,200
Less Rent Losses from Voids	12,400	12,400	12,400	12,400	12,400
Rent losses from Bad Debts	10,400	10,700	11,000	11,300	11,700
Net Property Income Received	1,983,640	1,965,000	1,946,600	1,978,800	2,019,100
Solar PV Income	48,100	49,600	51,100	52,700	54,400
Shared Ownership Sales Income	72,000	684,000	0	0	0
Property Sales Income	330,000	0	0	0	0
Amortisation of Grant FRS 102	91,520	91,500	91,500	91,500	91,500
Operating Costs					
Service Costs	37,700	38,200	38,700	39,200	39,900
Housing Management Costs	102,200	105,400	108,500	112,000	115,600
Administration/Finance	328,300	334,700	343,400	353,600	364,900
Day to Day Maintenance	328,200	317,200	332,100	344,500	356,700
Cyclical Repairs	134,900	141,400	135,400	138,700	133,000
Major Repairs	75,800	48,000	49,400	51,000	52,700
Depreciation					
Freehold and Leasehold Property	432,880	433,380	415,780	399,480	394,280
Other Fixed Assets	2,500	2,500	2,500	2,100	0
Depreciation FRS102 Adjustment	91,520	91,520	91,520	91,520	91,520
Parks & Open Spaces	11,900	12,200	12,500	12,800	13,100
Pension Contribution FRS102 Adjustment	70,000	70,000	70,000	70,000	70,000
Transfer to Restricted Reserves	320,000	664,000	0	0	0
Total Operating Costs	1,935,900	2,258,500	1,599,800	1,614,900	1,631,700
Operating Surplus	589,360	531,600	489,400	508,100	533,300
Interest Received	600	600	600	600	600
RHI Grant Received	2,100	2,200	2,300	2,400	2,500
Loan Interest Payable	271,800	261,300	250,600	250,200	253,100
Loan Costs Written Off	8,200	8,500	8,900	9,400	9,900
Pensions Interest FRS102 Adjustment	4,000	4,000	4,000	4,000	4,000
Movement in Bad Debts Provision	4,100	4,000	4,000	4,000	4,000
Sundry Income Received	1,800	1,800	1,800	1,800	1,800
Total Surplus for the period	309,760	262,400	230,600	249,300	271,200
Accumulated Surplus at start of Year	6,929,904	7,239,664	7,502,064	7,732,664	7,981,964
Accumulated Surplus at end of Period	7,239,664	7,502,064	7,732,664	7,981,964	8,253,164

Key Assumptions underpinning the Financial Plan

Rent Increase—Rents are **decreased** by –1% from 2016 to 2020 (4 years) in accordance with the Governments rent policy. Rents are assumed to rise by CPI only from 2020.

Major Maintenance Projects— Bathroom, window and door refurbishments and boiler replacements continue throughout the period of the plan on a life cycle basis. A new programme has been established for the Kilmersdon properties.

Development— Further development will depend on loan availability, income from disposals and use of surpluses.

Loans—The Association will increase its current loan facilities to enable the development programme to continue throughout the plan period provided its it prudent to do so and our financial conditions are fully met.

Interest Rates— It has been assumed that Interest rates will increase in line with current Treasury forecasts.

Inflation—It has been assumed that the Consumer Price Index will increase in line with current Treasury forecasts.

White Horse Housing Association—Capital budgets 2017-2022

Major Repairs/Planned Works	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Kitchen Refurbishment Complete	4,500	12,000	16,500	9,000	0	£42,000
Bathroom Refurbishment Complete	137,000	155,000	140,000	155,000	120,000	£707,000
2nd. WC Refurbishment	9,000	14,000	2,000	5,000	10,000	£40,000
Roof Coverings	4,500	0	0	0	0	£4,500
Re-Wiring Whole House	7,000	0	0	0	0	£7,000
Oil Tanks - Bunded	0	4,923	5,000	5,223	3,000	£18,146
Central Heating - Electric	20,000	50,000	50,000	0	0	£120,000
Central Heating Boilers Gas	16,000	16,598	17,096	26,000	20,000	£95,694
Central Heating Boilers Oil	16,496	17,023	17,534	21,000	20,000	£92,053
Windows - Whole House PVCu	105,000	50,000	25,000	53,000	8,000	£241,000
Voids Work (Capitilised)	30,000	30,000	30,000	30,000	30,000	£150,000
CONTINGENCY	20,000	20,000	20,000	20,000	20,000	£100,000
Total Budget for Year	£369,496	£369,544	£323,130	£324,223	£231,000	£1,617,393

Capital Programme Summary:

Note: Replacement of individual components is based upon their age and condition. The newly established capital programme for the Kilmersdon properties is based on the recent Stock Condition Survey and historic repairs records.

⇒ The Kitchen refurbishment programme will be focussed on the properties in Kilmersdon and the surrounding villages. This aims to complete those properties that did not have refurbished kitchen in the previous programme (2006-09).



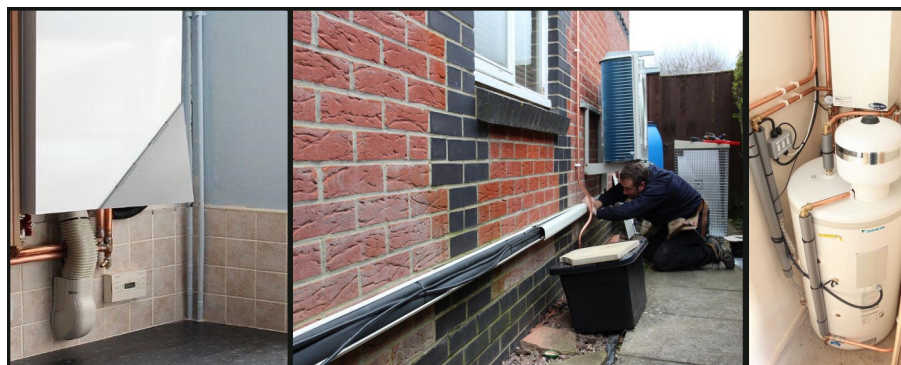
⇒ The Bathroom refurbishment programme will continue across all properties. Where the property has a second separate toilet this will be refurbished at the same time, depending on its condition.

⇒ The programme to replace windows and doors within Wiltshire will complete in 2018/19. For the properties in Kilmersdon a new programme of replacement has been established.

⇒ A programme has been created to replace old and potentially failing gas and oil boilers. The programme is based on an assessment of recent repairs costs, the availability of spares and the overall condition of the boiler.

⇒ A fund has been established to install modern heating systems in those properties served by solid fuel appliances only.

⇒ A budget line for capitalised 'void works' has been created to enable refurbishment of key components (kitchens, bathrooms, windows/doors, heating etc.) whilst the property is empty. This enables all the work to be completed at one time and is therefore more efficient and cost effective. It also ensures future tenants have a modernised home to move into with less disruption.



⇒ A 'contingency' fund has been established to provide funding for unexpected capital works during the year.

For more information about WHHA, and particularly about the Board and Staff, Governance arrangements and the location and size of homes owned, please see our Annual Review available at www.whitehorsehousing.co.uk or on request from the office.



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