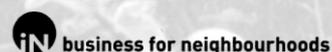


York Housing Association

CORPORATE PLAN 2016-2021

York
Housing
Association



EXECUTIVE SUMMARY

Welcome to this executive summary of our Corporate Plan for the next 5 years, 2016 to 2021. This sets out our mission, vision for the future, values we will use in getting there and our strategic business objectives.

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INTRODUCTION

HISTORY OF YORK HOUSING ASSOCIATION

York Housing Association (YHA) was founded in 1964, contemporaneous with York's new University. The purpose was "the business of providing housing, accommodation, and assistance to help house people and associated facilities and amenities [for poor people or for the relief of aged, disabled, handicapped (whether physically or mentally) or chronically sick people]".

In 1964 the Association acquired its first properties close to the city centre and in 1975 it was registered with the Housing Corporation, and developed the first new build scheme. Initially the Association was run just by volunteers, with the first paid member of staff employed in the 1970's.

York Housing Association continued to grow in York and through a transfer of engagements from Viking Housing Association in the 1980's, took on over 80 new build properties for families and older people in Rothwell, Leeds. The first supported housing schemes were developed during the 1980's and the Association also began to act as development agents for both St Andrews Street co-operative and Family Housing Association (York) Ltd.

The 1990's saw the Association develop its partnership working, and expand into the East Riding, Scarborough and Ryedale. As well as general needs housing, the supported housing activity grew significantly, extending services for people with mental ill health and providing homes for people with learning disabilities, homeless people, ex offenders and women fleeing domestic violence. York Housing Association was chosen by Tuke Housing Association (THA) to act as their managing agent, extending further the provision of services to other organisations.

In 2006 the Association became a member of the ISOS development partnership and accessed grant funding to support the development of new homes from both the Homes and Communities Agency (HCA) and local authority partners (LA's) for the funding period 2011-2015. From 2009 in partnership with Tees Valley Housing the Association redeveloped a site of outdated prefabricated bungalows in York, providing a further 200 homes for older people, families, couples and single people. York Housing Association owns approximately half of these properties including an Extra Care scheme, and manages a further 41 on behalf of Tees Valley Housing.

In 2012 Tuke Housing Association took the difficult decision to close and through a Transfer of Engagements York Housing Association took on its 65 homes and customers. This was followed in 2015 by a similar Transfer of Engagements from Family Housing Association (York) Ltd, in which the Association took on a further 57 homes and customers.

In 2013-14 the Association raised Bond finance through THFC to continue its growth programme of 40 homes per year, and formed a more local Development Partnership with Broadacres Housing for bidding to the HCA for capital funding. In 2014 York Housing Association was proud to be celebrating its 50th anniversary with a series of celebratory events marking the history.

In 2015 with a new Conservative majority Government, the operating environment and wider economic environment is much more uncertain. This Corporate Plan therefore

fundamentally reviews the Association's plans for the next 5 years 2016-2021.

SUMMARY OF ACTIVITIES DURING 2015/16

Governance and financial viability

During 2015/16 the Board continued to implement its succession strategy for Board Members reaching their maximum 9 year term. The Board used the opportunity to recruit new members with the skills and experience identified from the skills gap analysis, undertaken as part of our Governance review the previous year. We were therefore sad to say goodbye to long serving Board Members Rick Elliott and Ruth Brigham who had both served 9 years. We were however pleased to welcome new Board Members Alison Rusdale, Ian Simpson and Mike Wills to join the Board. Their biographies are included later in this document.

The Tenant Scrutiny panel continued to work hard during the year, completing 2 scrutiny reports – on grounds maintenance and void property management. The panel re-tendered their 'independent customers' friend' service and appointed a mentor from the National Communities Resource Centre to support them in their work. The recommendations from their scrutiny reports are presented directly to Board and the Audit Committee now monitor progress against those recommendations alongside progress against Internal Audit actions to ensure progress is being achieved.

Given the rapidly changing external environment, the Board decided to bring in external expertise to assist with Business Planning during the year, and to stress test the Business Plan to get a better understanding of what the current risks could do to the Association, and therefore how best the Association can mitigate these risks. David Tolston Partnerships (DTP) assisted in modelling a new 30 year Business Plan in Summer 2015, and Housing Quality Network (HQN) ran the 'Iron Grip' stress testing workshop with the Board and Executive Team.

Given the immediate financial risks outlined in the PESTEL analysis and flowing from the Business Planning and stress testing exercises, the Board held an important Away Day in October 2015 to decide how best to respond. It was agreed that the focus was to mitigate the 1% rent reduction by reducing operating costs by £250k from 2016/17 - which has been achieved. Whilst the original plan was to go back to the market for further development finance during the year, the Board agreed instead to focus our existing financial resources on completing the developments we have in the pipeline, but not to seek to undertake further borrowing until the future financial climate is more certain. In addition, the Board increased the Association's working capital balance to £750k in order to better protect the organisation from the more volatile operating environment.

The Board also agreed to explore whether merger with another local housing organisation could assist us to continue to meet our strategic objective to develop more new homes, whilst mitigating the risks of the current operating environment through increased size, scale and organisational capacity to meet the new challenges. As part of this process the Board adopted the National Housing Federation 'Merger Code', and continue to remain open to considering opportunities that merger could bring where these would strengthen our existing position.

Finally, our 2015/16 accounts are expected to return a larger than usual surplus as a result of the way in which we account for the Family Housing Association (York) Ltd. transfer which completed during the year. The Association remains committed to using its surpluses to develop new homes, where the future financial climate enables us to do this

without putting at risk existing homes.

In order to secure this approach, the Board also adopted a new Risk appetite statement which states ‘ *YHA risk appetite is to remain a strong and viable provider of excellent homes and services to our existing and future customers. To achieve this YHA will seek to grow the business and develop the organisation, including through exploring strategic partnerships, but will regularly test these proposals against market conditions and the Business Plan to ensure that we do not place our core services or homes at risk.*

Development and growth

During 2015/16 growth continued through the following acquisition and development schemes to provide 92 affordable homes:

- 57 homes transferred from Family Housing Association (York) Ltd.
- 19 new rented and shared ownership homes acquired (of 58 in total) through a S106 agreement from Barratt Homes in Whitby, Scarborough. Later phases of this scheme will run through until 2017.
- 16 homes acquired from Home Housing at Peppercorn and Renshaw House.
- Design and feasibility work commenced on a rural exception site for 12 rented and shared ownership homes in Sherriff Hutton, Ryedale, approx. 6 miles north of York.

Asset Management - The delivery of our 30 year investment programme in existing homes continued during 2015/16 with £525k invested in refurbishments, replacements and renewals to maintain our existing homes in good order.

As part of the Asset Management Strategy we continued to seek to sell properties that no longer meet our strategic objectives or where it would be financial unviable to achieve this. We therefore rehoused the last of the customers from Castlegate and Friargate House which no longer met decent homes standards and required too much investment in order to achieve this. We are in the process of securing the freehold of this property and are marketing for sale. We also successfully sold a one-off property in Hull which was decommissioned as supported housing. We sold an existing supported housing scheme in Walkington, East Riding to the managing agent who wanted to invest in alterations to make the scheme more viable for the client group going forward.

The proceeds of any asset management sales along with any historic grants that are available for recycling from these properties will continue to be utilised for future new development.

Services to customers

The focus on performance remained strong during 2015/16 with stretch targets set by the Board and monitored quarterly against past performance and that of our peers. We continue to perform in the upper median to high performance in most areas.

As at 31 March 2016 our performance was as follows;

Current Tenant Arrears – 1.62%

Bad debts written off – 0.75%

Voids – 1.36%

Percentage of dwellings with a valid gas safety certificate – 99.3%* (100% at end Q4)

Repairs completed right first time – 95%

We received 13 complaints during the year, all of which were resolved by our internal

complaints process.

The triennial customers satisfaction survey took place in the Autumn of 2015 and we again scored well with 88% of customers satisfied with services overall. Our Maintenance service in particular scores well in terms of tenant satisfaction and response times, and we continue to monitor value for money closely in this area.

Support services - During 2015/16 the planned re-tendering of a number of York's support contracts for vulnerable people have been delayed as the Local Authority considers the approach it wishes to take.

In the meantime, we formed a strategic partnership with Foundation and the Peasholme Centre Charity, who have experience of working across a wide range of vulnerable client groups, so that we are in a strong position when the tenders are issued. However, our key priority is to ensure those services continue to be delivered by an experienced support provider.

During the year we continued to meet all our contractual support commitments and successfully negotiated to secure through service level agreements, the future of some of our existing contracts e.g.

- Intensive Housing Management service for City of York Council customers
- Auden House Extra Care scheme

From April 2015 we also began piloting a new model for Extra Care in York through the provision of a 24/7 on site care service at Auden House. This has been a great success and is now being rolled out to other older persons housing schemes in York as part of the Older Person's housing strategy.

Partnerships

The Association continues to provide and receive a range of services to/from a number of other organisations. During 2015/16 this included:

- Tees Valley Housing – management services to 41 homes
- Broadacres – maintenance services to approximately 400 homes extended to a further 200
- Sadeh Lok – development services on a specific development scheme
- Hull Churches – we provided a S106 bidding service. In return we buy-in their Fire Safety services
- Joseph Rowntree Housing Trust – following the departure of our Head of Development in September we now buy-in a development service, delivered by their Deputy Director Development and Asset Management.

This activity both provides an additional revenue income to the Association and helps us achieve efficiencies of scale through our operations, as well as learning from others.

Staffing

During 2015/16 we embarked on a full restructure. Initially we began this exercise to better resource some areas of the organisation that were feeling the strain of recent growth (maintenance, housing management, finance). However, following the 1% rent reduction and need to cut operating costs, we revised the purpose of the restructure and focussed on strengthening our ability to manage the changes required by introducing a new tier of Heads of Service, consolidated a number of back office services into a new Resources

Team, and pulled back from appointing some planned new specialist posts in tenant involvement, IT, property sales etc. in favour of using specialist consultants as/ when required to support these areas of activity. We were saddened to have to make a small number of redundancies as part of this process. We now have a reduced staffing structure of 46 posts.

The Board also took a difficult decision to limit future pension liabilities on the Association by closing all the Defined Benefit pension schemes available to staff. A Defined Contribution pension is now available with a higher Employer's contribution than was previously available to 'compensate' to some extent for the reduction in pension benefits. This decision was entirely related to rising deficits in the pension scheme and the Board's desire to cap this risk given the more uncertain operating environment.

CURRENT POSITION, LOOKING FORWARD

Despite the future uncertainties York Housing Association is starting the 2016/17 year with a positive outlook. As at 31 March 2016 the Association:

- owns 952 homes and provides services to individuals and families living in York, Leeds, Ryedale, East Riding, Scarborough, and Harrogate.
- employs 46 staff, or 43 full time equivalent posts.
- We continued to see a growth in turnover, despite the rent reductions, as a result of new business. We have budgeted for a surplus of £340k in 2016/17, and increased our working capital to £750k in order to maintain a larger 'safety net' in the light of the more uncertain operating environment.
- We identified efficiency savings of £250k in 2015/16 and have built these into our budget going forward which has reduced our Operating Costs as a percentage of turnover falling from 83.5% in 2015/16 to 81% in 2016/17.

It remains the Associations strategy to continue to invest surpluses in future development activity, however the extent to which this will be possible over the next 5 years is likely to be significantly reduced from the 40 homes per annum target we were able to exceed in the 2010 – 2015 period.

The Board has adopted the National Housing Federation 'Merger Code', and continues to remain open to considering opportunities that merger could bring where these would strengthen our existing position. Any merger opportunities will therefore be assessed against their ability to strengthen our existing governance, financial viability, development capacity, performance and services to customers, partnership working and staffing opportunities. On that basis we will consider merger opportunities with other Registered Housing Providers.

GOVERNANCE

YHA is a Housing Association with charitable status, registered in England under the Co-operative and Community Benefit Societies Act 2014, registration number 16826R. The Board of the Association is responsible for directing the affairs of the Association in accordance with its objects and rules. The members listed below provide a Board of ten, who bring the necessary skills and experience to oversee the current and likely future activities of the Association. A full Board skills review has been undertaken and priorities

for filling future vacancies have been identified.

Janet Whipps, Chair

Janet joined the Board in 2011 and is a qualified town planner and has worked in planning, housing and regeneration for 35 years. She spent most of her working career in Hull, rising to the position of Chief Housing Officer. Latterly she was Chief Executive of Gateway the Housing Market Renewal Pathfinder for Hull. She is now retired but is an Associate Director with regeneration company Eye Develop.

Kelly Shaw, Chair of HR and Governance Committee

Kelly joined the Board as an Observer in October 2012, was co-opted in May 2013 and became a full Board member at the September 2013 AGM. She has a 16 year track record of working in Executive and Non-Executive recruitment specialising across a range of sectors to include public, private, health and not-for-profit. Kelly brings sector knowledge and experience in the field of Human Resources to the Board and is also Chair of the HR and Governance Committee.

Michael Newbury, Chair of Audit Committee

Mike is a qualified accountant and has worked extensively in the fields of audit and independent reviews of public sector organisations across England. He is currently a Director at the National Audit Office. Mike was raised in social housing in a rural community and is passionate about the difference good quality affordable homes can make to people's lives.

Mike Leonard, Vice Chair of Audit Committee

Mike joined the Board in 2011 and is a qualified facilities/property manager. Mike has worked in residential accommodation services for over thirteen years in both the Higher Education sector and as a Board Member for Leeds South East Homes, and is currently employed as the Residential Property Manager at The University of Leeds.

Sue Walters-Thompson, member of HR and Governance Committee

Sue joined the Board in September 2012. A Chartered Town Planner since 1992, Sue's career has spanned both the public and private sectors. Initially employed by Harrogate Borough Council in Forward Planning, Sue then moved to work in the housebuilding industry for a number of years before taking up employment at City of York Council where she was involved in affordable housing negotiations and also worked closely with local communities. Sue has also worked for housing and planning consultancies and, for five years, held the position of North Yorkshire Housing Strategy Manager - a sub regional post facilitating partnership working on strategic housing issues across North Yorkshire. She is currently Housing Manager at Hambleton District Council.

Pat Walton, member of HR and Governance Committee

Pat joined the Board in 2011 and has recently retired as a lecturer in social work at the University of York. She is a qualified social worker with ten years practice experience in mental health settings and a further 20 years in social work education. During these years she has been involved in management and research with NHS, local authority, third sector and community organisations.

Alison Rusdale, member of Audit Committee

Alison joined the Board in 2015. A qualified accountant she has worked in Social Housing for most of her career first with Barnsley Council and then transferring to Berneslai Homes in 2004. She is now Director of Corporate Services for Berneslai Homes.

Ian Simpson, member of HR and Governance Committee

Recently retired and now living in Ryedale. Ian's first employment was with Betty's the famous tearooms however, he spent most of his career in Bradford specialising in housing management and regeneration projects. Ian was involved in the transfer of the council's housing homes to BCHT now Incommunities.

Ian is a Fellow of the Chartered Institute of Housing and a previous Branch Chairman and Treasurer. His non executive roles have included the chairmanship of Manningham HA, Sadeh Lok HA and Foundation, a charity addressing homelessness and in particular the housing needs of ex offenders.

Mike Wills member of Audit Committee

Mike joined the Board in February 2016. He is a Chartered Accountant and started his career working within National Government for the Inland Revenue and the Treasury.

After some years as the tax partner in a large provincial accountancy practice, Mike moved into direct company management by way of a series of non-executive directorships. He also helped create a new specialist school which was sold to a national concern. Mike could possibly be best described as a "company doctor", as over the last twenty years he has been involved in restructuring and developing many privately owned groups of companies.

Mike joined the Board of Family Housing Association in York and quickly developed the strategy that led to that organisation being effectively absorbed by York Housing Association. He has largely retired from corporate work, but acts as a trustee, executor, treasurer and company advisor for a variety of individuals and organisations.

MISSION STATEMENT

To be an excellent landlord, providing high quality housing and support services, making a positive contribution in the communities with which we work.

VISION

To be recognised by customers and partners as being the organisation to turn to as the best, the most efficient and effective provider of housing and support services in the local area.

VALUES

All our activities will be conducted according to principles and practices which reflect the association's values. We will:

- Ensure that customers are a driving force behind the business.
- Be pro-active in finding ways to support a diverse range of individuals and local communities.
- Treat all those with whom we are associated equally, fairly and with respect, and actively challenge any form of discrimination.
- Use creativity and innovation to achieve continuous improvement.
- Maximise the positive environmental impact of our activities.
- Conduct all its activities professionally, in a context of openness, accessibility, accountability and probity.

STRATEGIC BUSINESS PRIORITIES

Strategic Objective 1

To remain a strong and viable provider of excellent homes and services to our existing and future customers.

Strategic Objective 2

Grow the business and develop the organisation.

Strategic Objective 3

Excellent service provider to all our customers.

Strategic Objective 4

Remain open to exploring strategic partnerships.

Strategic Objective 5

Employer of choice.

This chapter outlines the operating environment and context in which the business operates. It identifies the main issues that are influencing the future of the business, sets out the vision for the next five years, and some strategic priorities that will enable the vision to be delivered.

1. THE ASSOCIATION

1.1 CONTEXT

The context in which we operate will influence how we conduct our business and where there will be potential new business opportunities. There are a number of critical factors likely to impact on the Association in the short and medium term. The Board and staff have consider these in the form of a PESTEL analysis:-

2015/16 has been a year of unprecedented change for the housing sector. Experts have said than any one of the changes announced during the last year would have been significant, but with the number of announcements that have been coming in quick succession, it is believed that the shape of housing in the UK hasn't seen this extent of change since the 1970's.

POLITICAL

- **The new Conservative Government** was formed in May 2015 with a majority in the House of Commons, and politicians have used this mandate to push through far reaching political changes quickly, many of which relate to housing. Their primary aim with regard to housing is to build more new homes. Their focus will be on owner occupation which they believe is the tenure of aspiration for the majority of people. They also wish to reduce the cost of Welfare and view social housing as part of the Welfare system. A number of policies are therefore aimed at redefining social housing as a temporary measure whilst people are in real housing need, but incentivising move on as life circumstances improve and they are no longer 'dependent' on social housing as their only housing option.
- **The Housing and Planning Bill** is currently going through Parliament which will introduce a number of policies that will address these issues and potentially have a significant impact on York Housing Association. These include extending the Right to Buy to Housing Association customers; introducing a 'Pay to Stay' requirement in which higher earning households are charged a market rent to remain in their tenancy; increasing the use of fixed term rather than lifetime tenancies; and the introduction of 'starter homes' with 20% discount for under 40's to purchase a new home.

ECONOMIC

- **The global economic climate** means that the UK Governments actions alone won't bring about an immediate return to economic prosperity. However, the UK Governments actions to address the structural deficit, particularly cuts to public sector finances and Welfare Reform, mean that different sectors of society are feeling the impact in different ways. Whilst those who are economically active living in high value areas in the South are starting to benefit from economic recovery, the more vulnerable in society, those dependent on public services and Welfare funding, and those living in the North are not yet seeing the results of the economic

recovery. The gap in incomes is the highest it has been for decades. Those who continue to suffer the impact of the economic variances are predominantly YHA's customers, therefore we need to continue to monitor the effects both on the business and our customers.

- **Reducing the UK deficit** is a priority for the new Government who have committed to rebalance the country's finances by 2020. One area in which they aim to do this is through reducing the cost of Welfare, of which Housing Benefit makes up a significant element. In the first Conservative Budget, Summer 2015, the Chancellor therefore announced a 1% rent reduction to be applied for 4 consecutive years starting in April 2016 to all social housing tenancies. This was followed shortly after with the Comprehensive Spending Review in the Autumn of 2015 which announced a cap on social housing rents at Local Housing Allowance (LHA) levels, which are used to cap rents in the private sector. These two measures, alongside the introduction of the Welfare and Work Act, will continue to reduce benefits to the most dependent in society and progress the roll out of Universal Credit, removing the option for customers to have their housing benefit paid direct to their landlord.
- **Local Authorities cuts** continue to impact on local services, including essential support services which are being cut to the bone and/or decommissioned. The Association faces increasing risks around the loss of funding for support services and the potential decommissioning of a number of our support properties. The impact of these changes means that York Housing Association needs to become even more efficient in its operations and this will impact on services, particularly to vulnerable and support customers at a time when they need even more support to live independently. In the coming year, the re-tendering of support services to all vulnerable people in York poses a major risk to the Association, its supported housing accommodation, support customers and staff.
- **The EU Referendum** planned for June 2016 will have unknown consequences for the wider economy. This creates a broader range of economic forecasts which make Business Planning over a 30 year period more speculative.

SOCIOLOGICAL

- **Aging demographics** continue to place higher demands on the public purse at a time when Local Authorities, Health and Housing providers have fewer resources to respond to needs. Innovation and more cross organisational working is likely to be the future if services are to be successfully provided.
- **Population migration** is an increasing issue for Europe and the UK. Whilst immigration has not yet become a significant issue in York Housing Association's operating area, it is forecast to become more so.
- **Homelessness** is increasing again after a number of years of decrease, as the gap between the wealthy and the poor is widening. As York Housing Association provides a number of specialist services and accommodation to support the homeless, this is an area where we need to remain responsive and open to changes in delivery models.
- **Workforce changes** are revolutionising working practices. The removal of the statutory retirement age could lead to an aging workforce; at the same time younger people will join the organisation bringing new mobile communication and

networking practices with them. This brings new challenges to maintain a healthy workforce where the pace of change is so rapid. Our recent and ongoing

investment in staff development is key to ensuring the Association remains up to date, relevant and is able to adapt to the changing operating environment.

TECHNICAL

- **The development of new homes** has been a key technical area of business for York Housing Association over recent years. The Homes and Communities Agency (HCA) has just published its new funding prospectus for 2016-2021 and the context has changed considerably. There will no longer be funding available for the development of new rented housing, with the priority moving to the development of low cost home ownership models. So Rent to Buy, Shared Ownership homes, and Starter Homes will make up the majority of new development. Whilst Right to Buy sales will be fully reimbursed, this is likely to be on completion of the replacement home and potentially some years after the original sale.
- **Risk appetite** will need to increase in order to remain active in the field of new development as income will increasingly become dependent on sales proceeds and require greater cashflow flexibility. As development activity is also likely to be more sporadic in future, the ability to sustain a permanent Development Team with the right level of skills and knowledge is also a new risk, therefore continuing to buy-in this service as and when required is considered a safer strategy at the present time.
- **IT development** as a vehicle for creating efficiencies in the sector and driving Value for Money are moving forward at a pace. Successful Housing Providers will provide more mobile working for staff, reducing office costs, and delivering more automated customer services e.g. online rent accounts, reporting and tracking of repairs, customer profiling data etc. reducing the need for higher staffing levels. Ongoing investment in our IT infrastructure and software is likely to continue for the next few years to enable us to create greater efficiencies.

ENVIRONMENTAL

- **Climate Change, the Environment and sustainability.** We will continue to plan to take whatever reasonable and cost-effective action we can to reduce any adverse effects the Association may have upon the environment, and to mitigate the effects of climate change upon our customers and housing homes. This is set within the context of local, national and international government action on climate change, and the fact that the existing national housing homes requires massive investment to reduce its carbon-emissions. We have a Sustainability Action Plan in place which will help us achieve this.
- **Partnership rather than competition.** Our staff and Board members recognise the importance of effective partnership working and will continue to maintain and build effective relationships with key stakeholders and potential future partners. We have substantial experience of engaging in effective partnership working and are committed to finding solutions that meet changing needs and take account of constraints on funding. Where strategic partnerships help us to deliver our objectives and provide better services to customers, whilst reducing costs, we are open to considering working more closely with other organisations.

LEGAL

- **Reclassification** of the sector by the Office of National Statistics (ONS) has resulted in the status of Housing Associations being moved from the private to the public sector on the grounds of the level of Government intervention contained within legislation. This has resulted in the global debt of the sector now landing on the public balance sheet at a time when the Chancellor is trying to reduce the size of public debt. As a result, there are a number of de-regulatory measures currently being considered in an attempt to overturn this classification.
- **Regulation** and rating by the HCA continues to apply to Registered Housing Providers with over 1000 homes, with smaller Associations experiencing a lighter touch regime. As York Housing Association currently manages homes just under this level, we have limited involvement from the Regulator, however this could well be set to change. Consultation is underway over the future role of the Regulator, including the possibility of the sector paying for Regulation. There is a suggestion that a more nuanced approach to Regulatory intervention will be taken, based on risk and activity rather than number of homes; but at the same time there is speculation that the limit for Regulatory intervention may rise to, say 3,000 homes. York Housing Association seeks to operate in line with the Regulatory Standards however, at just under the current 1,000 unit regulatory trigger level, this will be an important area to watch over the next 12 months so that we can understand the implications of future development taking us into a more regulated regime.

In summary, the external operating environment brings a whole new range of challenges but also some potential opportunities. At the time of writing this Corporate Plan many of the new Government proposals are still to be finalised and guidance to be issued, and the EU Referendum is pending. So the next 12 months will be one of watching, preparing, keeping up to speed with developments and then making decisions about our response as the facts become clearer.

1.2 KEY STRATEGIC RISKS

The key risks facing the Association are reviewed quarterly and a strategic Risk Map is discussed by the Audit Committee with the highest risks being reported to Board for discussion. Whilst these may change as the external environment changes, and mitigating actions are put in place, the risks do affect the Association's business during the period of this Corporate Plan 2016 – 2021, and are therefore included by way of further context:

The key strategic risks facing the Association are:

- Changes contained in the Welfare and Work Act
- Changes contained in the Housing and Planning Bill
- Lack of Business continuity
- Technological failure
- Financial viability
- Failings in reputation, image and public relations
- Failure of operational performance
- Poor tenant/service user relationships
- Failure of Board/governance arrangements including tenant scrutiny panel

- Failure of human resource management
- Fraud or bribery
- Failure to comply with regulatory, contractual and legal framework
- Lack of organisational capacity to respond flexibly to the rapidly changing external environment.

1.3 VISION

Our Vision for 2021 is to be recognised by customers and partners as being the organisation to turn to as the best, the most efficient and effective provider of housing and support services in the local area.

Governance and Management

Strategic Objective 1. To remain a strong and viable provider of excellent homes and services to our existing and future customers, by remaining financially strong, practicing robust governance and effectively managing risk.

The Board aims to operate at a strategic level to deliver the Association's Mission, Vision and Objectives whilst reflecting the Values of the Association. This will achieve the intended outcomes for existing and future customers in an effective, transparent and accountable manner.

The Board will be made up of a range of people with the right skills, knowledge and experience to ensure the organisation remains successful into the future. Members will be in touch with the rapidly changing external environment, ready and able to respond, and resilient to change. Its governance structures will reflect the scale of the organisation, and the Board will review the effectiveness of these annually, using the outcomes to improve its governance arrangements. The Board will consider customers views when making decisions.

To ensure optimum effectiveness the Board recognises the need to get the best from its Members - both as a collective Board, and as individuals who bring a range of skills and experience. As such it will build its sense of 'team' through participation in a range of informal events outside of formal meetings; whilst also supporting the work of Board Champions to individually contribute their 'specialisms' to particular areas of the Association's business. In all cases, Board Member contribution will be at the strategic level.

The Board aims to ensure that its framework for risk management and internal control is effective in providing assurance that the Association remains financially viable, adheres to relevant legislation and regulatory requirements, and safeguards taxpayer's interests and the reputation of the sector.

Value for Money will permeate the organisational culture in order that we can do most good with the least resource. Management of the Association's resources economically, efficiently and effectively to provide quality homes and services will enable us to plan for and deliver on-going improvements. With this in mind, the Board and Executive will be proactive in exploring strategic partnership opportunities where these will enable us to deliver our strategic objectives whilst also achieving economies of scale and providing efficiencies.

The roles, responsibilities, and accountabilities of the Executive and Board are clearly defined, and the relationship will be characterised by both trust and proportionate challenge. The Board and Executive will agree and then monitor stretching targets to ensure performance remains high.

Homes

Strategic Objective 2. Grow the business and develop the organisation to achieve our ambition that in 20 years we house double the number of customers that we do currently.

Our core charitable object is *'to provide housing, accommodation, associated facilities and amenities, and assistance - to poor people and for the relief of aged, disabled, handicapped or chronically sick people'*. However, in order to achieve this we recognise that we can deliver more in the current economic climate if we provide homes across a wider spectrum of housing need. This helps to spread our business risks and generate more income to cross subsidise our core objects.

We therefore aspire to develop increasingly diverse forms of tenure, products, and models to meet local housing needs: including social rent, affordable rent, low cost home ownership models such as shared ownership, rent to buy, and discount for sale. Given the Governments focus on home ownership and absence of future government grant for rented homes, we will in future explore market sale of starter homes as a form of cross subsidy for the ongoing development of rented homes. This wider range will reflect the diversity of our geography, LA partners requirements, and customers needs. We continue to believe that intermediate housing and market rented housing is increasingly necessary in the current market to meet the needs of those who cannot afford to buy a home.

In order to navigate through this more complex range of options, we will anchor our decision making around protecting our existing homes and customers. This means we will supply new services to existing customers or current services to new customers, but not new services to new customers simply in order to expand. This way we will manage our risks and exposure to market conditions, without taking excessive risks in venturing into new territory, whilst still growing and delivering more.

We aspire to provide quality homes that local people want to live in. We want customers to know that a YHA home will be well built, well managed and good value for money both in terms of its cost and energy efficiency. Our new build standard will be sensible balance between quantity and quality, so that we can continue to use the Association's financial capacity to develop as many new homes as we are able, without compromising on quality. We won't seek to take risks in our new developments, by using proven technologies, and those which customers can easily operate.

We aim to achieve defined quality and environmental standards in all of our homes which means new developments will not be at the expense of our existing homes, in which we will also continue to invest. Our asset management strategy will also aim to maintain existing homes to a good standard of repair, management, and good value for money both in terms of cost and energy efficiency. Achieving this standard for our existing homes will steer our future capital investment programmes, and ensure that they remain effective over time. Where the standard can't be achieved, we will be bold in our asset management decisions to dispose, and recycle sale proceeds to develop more new homes that meet the standard. This way we will both protecting customers' homes and the Associations' assets into the future.

Customers

Strategic Objective 3. We aim to be an **excellent service provider to all our customers**, maintaining high levels of customer satisfaction, meeting support contract requirements, and delivering operational performance in line with or exceeding benchmarking comparisons in the sector.

In order to achieve excellent customer service this we aspire to understand what our existing and future customers want so that we can factor that into all aspects of our decision making and delivery. Our decision making at all levels in the organisation will be shaped by customers input and feedback. We will involve customers in the governance of the Association through scrutiny of the Associations activities including strategies and policies. We will involve them in the design of service delivery, and act on feedback on the services they receive. We recognise the need to empower customers to engage in this way and therefore will invest in building their capacity to fully participate.

We aspire to become excellent at communicating with our customers and recognise the need to be flexible to meet individual customers' circumstances. We will deliver services in the best way to meet the needs of our customers, including through use of mobile technology and digital communications. We will support those customers who are digitally excluded to access technology where this will improve their employability, reduce social isolation, and assist them to maximise their income.

We aim to ensure our existing customers are financially included which means they have access to good advice about how to maximise their incomes; through employment, welfare and other benefits, and are supported to deal with the consequences as they affect individuals differently. We will do all we can to assist customers who are financially excluded to access appropriate financial services by marshalling our own resources, and signposting to others.

We anticipate that we will increasingly have customers who need support to live independently, particularly as the population generally ages. As revenue funding for older persons services reduces, we will use innovation and flexibility to adapt our services and recognise this changing demographic. We will constantly redefine our existing partner relationships and develop new ones to ensure vulnerable customers continue to receive the support they require.

Partners

Strategic Objective 4. Be proactive in exploring strategic partnerships, where these will create greater efficiencies and enable us to meet our aspirations for the provision of new homes.

We recognise that in order to deliver our aspiration of doubling the number of people we house in the next 20 years, we will need to create financial efficiencies in our operations that can be used to finance new development. Working in partnership with others is a key way of achieving this, so we will remain open to exploring potential partnerships with a wide range of organisations in the longer term.

With regard to Supported Housing and Services, we recognise that we need to be clear about our position in an increasingly higher risk environment. We are therefore committed to protecting and continuing our existing Support services to vulnerable people wherever this can be achieved, and accept that this means continuing to seek efficiencies

as Local Authority partners seek reduced costs. We will strive to work in partnership with Local Authorities to achieve this, however, where the level of service to be provided falls below the standards of quality that we know our customers require, we will seek to exit with minimal disruption to customers, services, and staffing.

In terms of new Supported housing we will continue to respond to partners requests to develop specialist housing to meet the specific needs of particular customer groups however, we will also seek to 'future proof' any new developments. This will ensure that our investments strengthen the financial viability of the Association, and provide further financial security to contribute to future growth.

We will continue to bid to provide support services where there is connectivity with our existing business or customers.

Staff

Strategic Objective 5. Be an **employer of choice**, giving our staff opportunities to innovate to deliver our objectives, and empowering them to shape services to meet customers' needs and expectations.

The Executive Team will be well networked in the sector and in the region in order to remain abreast of the rapidly changing external environment. They will manage the delivery of this Vision by demonstrating excellent leadership, providing role models for staff, and through excellent performance management – supporting delivery by providing clarity on priorities, targets, and timescales.

We aim to ensure that the Association's staff are clear how they contribute to the overall delivery of the Association's Vision, and work together across teams and services to provide the best possible outcomes. This will involve building strong relationships with peers, managers and direct reports so that everyone understands that their contribution is valued and plays an important part in the organisation overall delivering the Vision. Staff will be encouraged to be proactive in the way in which they tailor services to meet the needs of individual customers, and feel empowered to be flexible in the way they work. The culture we are aiming to create is one in which staff are proud to work for YHA, committed to the provision of affordable housing and support services, highly motivated and proactive resulting in high levels of performance; whilst practicing behaviours that reflect the Values of the Association.

Staff will be encouraged to participate in both training and personal development to maximise their potential. With ongoing investment we aim to ensure they have the necessary equipment to deliver their role to the best of their ability.

We will continue to be proactive in finding ways to encourage a diverse range of individuals be become involved in the work of the Association.

1.4 STRATEGIC BUSINESS PRIORITIES

Objective 1

To remain a strong and viable provider of excellent homes and services to our existing and future customers, by remaining financially strong, practicing robust governance and effectively managing risk.

Measures:

1. Agreeing and monitoring a 30 year financial Business Plan that supports the delivery of the strategic objectives.
2. Meeting the requirements of lenders.
3. Achieving an unqualified external audit.
4. Maintaining a skilled and competent Board with a wide range of expertise by carrying out regular Board appraisal, and a Board skills audit update bi-annually.
5. Carrying out a comprehensive quarterly review of risk
6. Undertake a robust annual self-assessment of Value for Money and seek to evidence this through increased operating margins in line with sector benchmarks

Objective 2

Grow the business so that in 20 years we are housing double the number of customers that we do currently

Measures:

1. Achieve a growth rate of 4.7% for the five year period of 2016-2021 (measured by turnover).
2. Develop or acquire 44 new homes for the five year period of 2016-2021.
3. Successfully manage a wider range of intermediate housing tenures including Discount for Sale, shared ownership, Rent to Buy and explore the opportunities and risks around market sales of starter homes.

Objective 3

We aim to be an **excellent service provider to all our customers**, maintaining high levels of customer satisfaction, meeting support contract requirements, and delivering operational performance in line with or exceeding benchmarking comparisons in the sector.

Measures:

1. Achieve and maintain a minimum of 88% overall satisfaction in Tenant Satisfaction Surveys, Major Repairs Feedback Surveys and Day to Day Repairs Customer Feedback.
2. Meet a minimum of level B in our Supporting People contracts.
3. Meet or exceed key performance indicators, using benchmarking comparisons from within the sector.
4. Continue to support and develop a Tenant Scrutiny Panel to undertake reviews of the service from a customer perspective, undertaking at least 1 scrutiny exercise per annum.
5. Continue to retain external accreditation through the Customer Service Excellence Award

Objective 4

Be proactive in exploring strategic partnerships, where these will create greater efficiencies and enable us to meet our aspirations for the provision of new homes.

Measures:

1. Identify and develop a minimum of two new business opportunities per annum.
2. Identify and develop a minimum of two new partnership working opportunities per annum.
3. Quantify the Value for Money savings achieved through partnership working
4. Be involved in minimum of two initiatives per annum that support local neighbourhoods.

Objective 5

Be an employer of choice, giving our staff development opportunities and freedom to innovate to deliver our objectives, empowering them to shape services to meet customers' needs and expectations.

Measures:

1. Maintain Investors in People (IIP) and Positive about Disability accreditation.
2. Manage and support staff effectively with regular supervision and appraisals.
3. Providing an effective programme of training and development to ensure all staff have the skills and knowledge to carry out their jobs effectively.
4. Provide a range of opportunities and support to enable staff to develop their careers.

1.5 BUSINESS STRATEGY

We have the following policies/strategies in place which support the delivery of the above priorities; and these are reviewed every three years by the Board:-

- An annually updated 5 year Corporate Plan including financial Business Plan
- A 30 year Business Plan
- Risk Management Strategy
- Standing Orders, authorisations and Financial Regulations
- Accounting Policy
- Treasury Management Strategy
- Value for Money Strategy
- Rent Policy
- IT Strategy
- Disaster Recovery Policy and Procedure
- Equality and Diversity Strategy
- HR Strategy, including a recruitment and retention policy
- Health and Safety Policy
- Asset Management Strategy
- Property Development Strategy
- Sustainability Strategy
- Anti-Social Behaviour Strategy
- Communications Strategy
- Customer Service Strategy
- Tenant Involvement Strategy

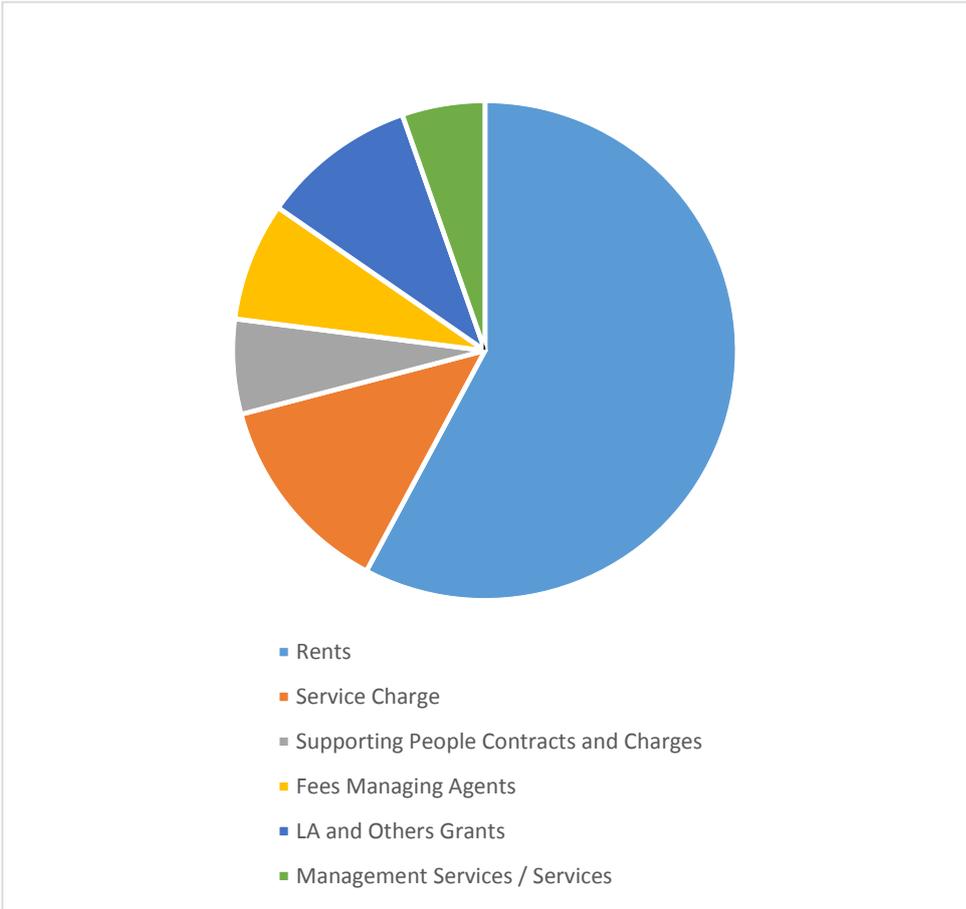
2. GROWTH OF THE BUSINESS

This chapter looks at the business activities and the services/products offered to support these activities. It also looks at the market in which we compete and our position within this market. The methods used to generate new business are listed as well as the methods used to monitor success against targets.

The Financial Business Plan projections attached at Appendix 1 set out growth and financial projections for the period of this Corporate Plan 2016-21 to provide a future five year forecast. However, as a result of rent reductions and the removal of grant for affordable rented housing, growth is anticipated to be much slower over the next 5 years. As stated previously, at this stage, we anticipate no further borrowing but have funds in place to complete the two schemes we have currently budgeted for at Whitby and Sherriff Hutton.

2.1 MARKETING

2.1.1 INCOME FROM KEY ACTIVITIES



2.1.2 COMPETITIVE SITUATION

The competitive environment in which we work is one of competition for land and/or properties for the development of new affordable homes. In our core area of York, land and property is at a premium and it is difficult to obtain development opportunities at a price that can be viable when repaid with lower than market rents or sales values,

particularly without HCA grant. We are therefore competing against the private sector developers and larger Housing Associations who can afford to pay more to secure these opportunities. However, in our wider operating area, land and property prices are lower and the opportunities are greater so we continue to focus our development on York, but also Ryedale, Scarborough and East Riding.

Housing needs, and the need for support, are assessed by local authorities for their local area, subject to regional priorities. In order to access funding the Association markets itself to the Homes and Communities Agency and local authorities, and to potential partner organisations in both the statutory and voluntary sectors, such as health trusts and care providers.

In terms of Support Services we are increasingly competing against a range of specialist care and support organisations to tender for services. The move towards personalisation, and in some cases, individual budgets, for support services means that we are also increasingly marketing services to individuals as potential customers, as well as to LA and health care commissioners.

The Association's main competitors are:

- Private sector developers
- Other Registered Providers
- Local Authorities
- Voluntary organisations / local charities
- Commercial organisations

2.1.3 THE MACRO ENVIRONMENT SITUATION

We recognise that although our size means that we cannot influence the housing market, we still need to regularly appraise the changes affecting the market which helps us to ensure we continue to focus our efforts and resources on the areas and issues of greatest housing need.

The Housing Market

- There is an acute housing crisis in Yorkshire and Humber, as the region is a desirable place to live but there are currently insufficient homes being built.
- In 2014 (latest figures available) the average house price in the region was £166k, in York this is £225k
- The average annual earnings in the region are £23,400, and in York £24k
- The ratio of house prices to income in the region is therefore 7.1 and in York 9.4. This means it requires 7.1 or 9.4 times the average income to buy an average home in these areas.
- The average private rent in Y&H is £535 month and in York £738
- This dysfunctional housing market is having severe financial consequences for the taxpayer. As rents and prices rocket, many people are turning to the state for help to find a home and for assistance with their housing costs. As Housing Benefit is to be capped in future, this will leave an increasing gap in the market for those who can't afford to either buy or rent and there is insufficient affordable housing to meet this need.
- In Feb 2015 17.9% of housing benefit claimants in the region were in employment, and this rises to 25.8% in York.
- The above house price and rental statistics coupled with low wages and high benefit dependency means that the gulf between house prices, private rents and earnings is

significant. As a single person or earner in a household, this makes getting on the home ownership or private rental ladder impossible without a significant deposit. Even as a couple or dual income household, this still stretches beyond affordable outgoing levels.

- YHA's potential customers are therefore those who can't afford to buy a home or rent privately and are therefore looking for affordable homes i.e. a home at less than the average house price or less than a market rent. This is no longer our historic target customers earning below average incomes, but includes many average income earners, many of whom are in employment.
- The demand for new homes of all tenures is significant with an accepted requirement of 240,000 new homes per year required across the Country. It is estimated that 11,400 too few homes were built in the region to keep up with demand. Predictions are that 342,000 new households will form in the region over the next 20 years to 2037.

Source

National Housing Federation Home Truths 2015/16

Housing Choices for Customers

A number of factors influence people's decisions about where they live, what form of tenure they hold and what type of housing they live in.

These factors can include:

- Financial resources/affordability (e.g. ability to fund mortgage, level of rent).
- Career and mobility (e.g. permanent, insecure or temporary employment, or unemployment).
- Health (e.g. disability, need to access ongoing health care).
- Family (e.g. close to relatives, schools).
- Environment (e.g. safety and security, urban or rural setting).
- Transport links.

Forms of tenure can include:

- Outright home ownership (with or without mortgage, on freehold or leasehold basis).
- Shared Ownership (where mortgage is on the percentage of property and remainder rented).
- Low cost home ownership e.g. discount for sale, starter homes, etc
- Leasehold rented (most commonly on blocks of flats, where there are communal services).
- Private market rented.
- Sub market rented (usually for a designated group e.g. nurses accommodation).
- Social rented (local authorities, ALMOs and housing associations)
- Affordable rented where the occupier rents at 80% of market rent, in some cases with the option to purchase within a few years.

2.1.4 NEW BUSINESS CRITERIA

York Housing Association currently owns 953 homes and manages a further 119 homes and is keen to continue to grow, in terms of developing more new homes to meet the massive housing need in the Country.

However, we recognise that as a smaller Housing Association our diversity (in both geography and services) can become a potential risk, and growth needs to be at a manageable rate in order to maintain our reputation to be able to deliver.

When an invitation to develop a new scheme, service or manage homes on behalf of others is forthcoming, the Board will consider it using the following criteria to assess whether or not to pursue the opportunity:

Criteria:

1. Whether we already have a presence (either homes or support services) in that geographic area. The following all fall into that category:
 - City of York
 - Scarborough
 - Leeds
 - Ryedale
 - East Riding
 - Harrogate

Given the current limitations on development finance and capacity, our strategy is to concentrate our efforts in the first 5 of these areas, plus Selby where we don't currently have a presence but have aspirations to become established due to its geographic proximity.

2. Whether we have established contacts in that geographic area
3. Whether we would be able to take 100% nominations from the Local Authority for any allocations, or use its nominated Choice Based Lettings Scheme. In other words, we would not be required to establish our own waiting list.
4. Travelling distance would not exceed 1.5 hours for the staff who would be providing the regular management service (i.e. from home or office location).
5. Condition and type of homes
6. Capacity of existing staff - to either incorporate the additional work, or manage new staff to do so (e.g. any TUPE implications?)
7. The scale of the opportunity in comparison to YHA's existing size – for example, above 25% of existing homes would represent more transformational change than organic growth.
8. Our reputation and ability to do a good job – in other words, do we have experience managing homes, tenure, customers of that nature; or will this be new territory for YHA?
9. Any wider business opportunities that may arise from our decision to proceed or not, for example the opportunity to purchase/transfer the homes in the future.

This criteria is not exhaustive and every new business opportunity will be considered on its individual merits, however this is intended to provide a guide to Board, Management and Partners when considering new partnership opportunities in the future.

We will increase our housing homes, where necessary investing our own resources, and expand our other activities through:

Development

- Grant funded housing (through Homes and Communities Agency and other sources).
- Acquisition of affordable housing homes on mixed developments through planning gain or Section 106 agreements.
- Acquisition/development of rural housing.
- Acquiring more leasehold properties.
- Acquisitions or homes transfers from other housing associations
- Acquisition of specific homes from other housing associations (as a result of their rationalisation strategy).

Supporting Vulnerable People living in the Community

- Responding to opportunities to tender where these would enhance, consolidate or secure our existing support services and/or customers.
- Expanding services to people with wide range of support needs where this would draw upon our existing experience and/or services.

Providing Agency Services for others

- Financial
- Housing Management
- Maintenance

Customers

Efforts will be directed towards existing customers and new customers who present the greatest need and where evidence indicates that there is potential for growth or expansion of services that would support our existing business or customers. The client groups and customers we seek to support are:

KEY ACTIVITIES	CLIENT GROUPS	CUSTOMERS	INFLUENCERS
Housing	Families, couples and single people	<ul style="list-style-type: none"> • Low income families and single people • Key workers or middle income households who are unable to access housing for sale on the open market • Oversees student families 	<ul style="list-style-type: none"> • Local Authorities • Public Bodies • Universities
Support	People who need support	<ul style="list-style-type: none"> • People with chaotic or complex support needs • Homeless families • Homeless single people • People with learning disabilities • People with mental ill health • Young people leaving care • Ex offenders • Women fleeing domestic violence • Older people 	<ul style="list-style-type: none"> • Local Authorities • PCTs • Voluntary Organisations • Probation Service

KEY ACTIVITIES	CLIENT GROUPS	CUSTOMERS	INFLUENCERS
Agency Services	Financial services, housing management services and maintenance services	<ul style="list-style-type: none"> Registered Providers Voluntary Organisations 	

Methods

- Relationship management and retaining an excellent reputation is key to developing and growing the business.
- The Chief Executive, and Operations Director will regularly arrange face to face meetings with key strategic decision makers in each of the local authorities where we currently operate, as well as those neighbouring authorities where opportunities for new business have been identified and will endeavour to maintain a good working relationship.
- The Chief Executive and Directors will attend relevant national, regional, and sub regional forums and events where key stakeholders and influencers are in attendance, to maintain a high profile for YHA and ensure any strategic partnership opportunities are not missed.
- The Chief Executive and Directors will identify ongoing opportunities to meet with key stakeholders to promote the work of the organisation and discuss new business opportunities.
- We will produce and regularly review marketing materials which set out the expertise of the organisation and its aspirations for new business.
- We will be an active member of the Rural Housing Enabler programme to ensure that we are aware of rural housing sites and able to be considered to take them forward for development.

Contingency Plans

- If situations arise during the period of the Corporate Plan which significantly affect our ability to deliver the vision a reappraisal of the Plan will be undertaken and reported to Board for approval.
- The Executive Team will take appropriate action if and when less significant issues arise during the course of the plan, and report these to the Board, as appropriate.
- Regular performance monitoring will be undertaken and reported to the Board during the course of the plan.

Feedback

Feedback on the success of the Association will be obtained from the following sources:

- Tenant Satisfaction Surveys
- Tenant Scrutiny
- Customer Panel
- Support Service Commissioner Reviews
- Staff Opinion surveys
- Internal and external audit
- Monthly management accounts

- Reports to Board and Committees
- Scheme Work Audits carried out by Homes and Communities Agency

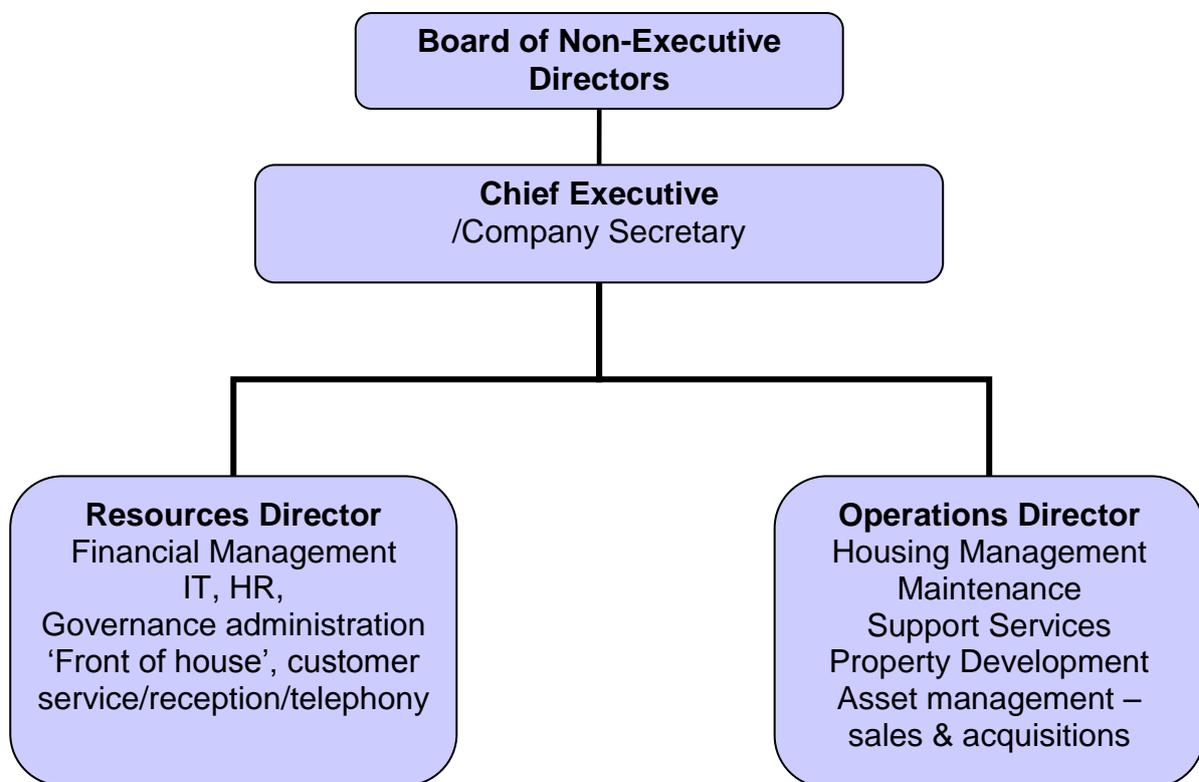
3 OPERATIONS

This chapter details the organisational structure in place to deliver the wide range of products and services to customers.

3.1 ORGANISATION

3.1.1 ORGANISATIONAL STRUCTURE

An overview of organisational structure is set out below.



3.1.2 PERSONNEL

Executive Team

Chief Executive – Julia Histon

The Chief Executive (CE) has overall responsibility for the effective leadership, performance and development of the Association. The CE is the primary link person with the Board of Management, The Homes and Communities Agency and numerous outside bodies. Julia joined York HA in October 2011 following the retirement of the previous post holder. She is a longstanding member of the Chartered Institute of Housing and has a Degree in Business Administration. Julia is Vice Chair of the Y&H NHF Regional Chief Executives forum; an active member of the Y&H smaller HA's forum; and represents the Housing Association sector on the York, North Yorkshire and East Rising Housing Board.

Operations Director - Kate Spencer

The Operations Director (OD) has responsibility for the day-to-day management and maintenance of the Association's housing homes, including rent collection, letting of properties, development, asset management (sales and acquisitions), repairs and delivery of customer services. She is also responsible for the management of a wide range of supported housing services, in residential and non-residential settings that are staffed by the Association or by managing agents on our behalf.

Resources Director – Derrick Palmer

The Resources Director is responsible for all aspects of the Association's 'back office' services. These include financial management, control, reporting and forecasting; including treasury management and rent accounting. He also leads on risk management and value for money. He oversees the organisation's investment in and development of information technology, Human Resources, and Administrative services. These include Governance administration, 'front of house' reception, customer service and telephony.

Remunerations

We have a Pay Policy and job evaluation procedure which is agreed by the Board and implemented by the HR and Governance Committee. We are a member of the Social Housing Pension Scheme and offer a defined contribution pension scheme to which all members of staff are entitled to join.

- As at 31 March 2016 the Association has 46 individual employees in total on its staffing structure, which equates to 43 full time equivalent posts.

3.2 HOUSING

The housing homes owned by the Association consists of:

HOUSING TYPE	NO. OF HOMES	PERCENTAGE
General needs (including intermediate and affordable rent)	455	47
Supported housing	285	30
Older persons housing	131	14
Shared ownership	45	5
Leaseholder	9	1
Student housing and other	27	3
TOTAL	952	100

3.3 SUPPORT SERVICES

We deliver housing with support to 186 properties and floating support to a further 148 tenancies. This support is funded through Supporting People contracts with City of York Council, Leeds City Council, North Yorkshire County Council and North East Lincolnshire Council. Our Supporting People Contracts are made up as follows:

	Number of Clients
• York Project Based Mental Health Scheme	32
• York Women's Housing Project	6
• York Young People at Risk	24
• York Homeless Prevention	88
• York Intensive Housing Management Scheme	33
• York Extra Care	41
• York Sheltered Housing Scheme	57
• Leeds Sheltered Housing Scheme	33
• North East Lincolnshire BME Floating Support	20

Total

334 customers

3.4 AGENCY SERVICES

The agency services we provide are:

Development Services Sadeh Lok Housing Association

Management Services Tees Valley Housing (now part of Thirteen Group)
 Home Group
 Broadacres (maintenance only)

4 DEVELOPMENT

4.1 TYPES OF DEVELOPMENT

We continue to seek opportunities to develop a mix of general needs housing for single people, couples, families and older people, as well as supported housing for a range of vulnerable customers.

All development schemes aim to contribute to the local authority's strategic housing needs assessment, and will not go forward without the explicit support of the relevant local authority.

We seek opportunities to develop new build properties which meet or exceed current building standards and we also purchase "off the shelf" e.g. through S106 acquisitions, where this is felt to be appropriate and where the standard of the completed scheme is in line with customers expectations.

When developing supported housing, we will, wherever possible, aim to "future proof" schemes, so that alternative uses can be made of the buildings, should the needs change in the future.

4.2 ACCESS TO NATIONAL AFFORDABLE HOUSING PROGRAMME

We have formed a development partnership with Broadacres and all offers to provide housing under the National Affordable Housing Programme (NAHP) managed by the Homes and Communities Agency are processed through this mechanism. In addition, we liaise directly with HCA investment officers based in the Yorkshire and Humberside region regarding specific schemes, and will continue to do so.

4.3 ACCESSING ALTERNATIVE CAPITAL AND DEVELOPMENT

During our history of developing housing, we have been able to access other sources of grant funding. Examples include the significant capital grant from the Communities and Local Government towards the cost of the Arc Light scheme, under the "Places for Change" programme; and 50% capital funding from Scarborough Borough Council for the provision of 15 single homeless homes, and Health funding for specific supported housing provision. We will continue to source other capital and development funding streams, where possible, to support further development.

4.4 CAPITAL FINANCE

We will continue to take out loans or raise bond finance to support our development programme as and when appropriate. This activity is conducted in line with the Association's Treasury Management Strategy.

5 FINANCE

5.1 FINANCIAL OBJECTIVES

We set an annual budget and longer term financial plans which ensure that

- Targets set by the Board are achieved
- Lenders' covenants are met
- We Achieve our Corporate Plan objectives

5.2 ACCOUNTS

The following appendix 1 shows projections of our balance sheet, income and expenditure account and cash flow statement for the next five years.

