



Strategic Plan
2014 - 2017

A Social Business Investing in
People and Communities

Our Mission:

A Social Business Investing in People and Communities

More than a registered provider but conscious also that our roots as a housing association have framed the organisation we are, we have redefined our mission to more clearly articulate who we are and what we do.

A Social Business

For us this means being a well-run not-for-profit organisation, operating effectively and efficiently, generating surpluses which create even more social value and wide-ranging social impact.

Investing in

We will use our resources wisely to create a return, generating more growth, enabling more social value, and increasing the quality of our services.

People and Communities

Our tenants, customers, colleagues and local areas where we operate will all benefit from our passion, commitment and investment in them.

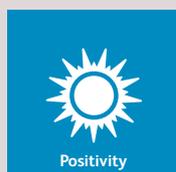
Our Values

At Black Country Housing Group our values are not just a set of words, but are at the heart of the way our organisation works and how our colleagues interact in their day-to-day activities.

These are well and truly embedded within our organisation. We expect our board and colleague behaviours to be in line with our values, and reward colleagues for role modelling these behaviours.

Our Values are:

- Integrity
- Positivity
- Respect
- Quality



Strategic Plan 2014 - 2017

40 years and forwards

2014 is an important year for Black Country Housing Group, as we look back and celebrate 40 years of our history and most importantly, look forward to setting our new 3 year Strategic Plan.

Our roots go back to 1974 when St Philip's Housing and Lotus Housing were first established developing homes independently in the Black Country and Birmingham until merging in 1990 to become Black Country Housing Group.

Since then we have grown from providing general needs homes to building new homes for older and younger people as well as people with learning disabilities. We have been pioneers in sustainability leading the sector nationally, developing our reputation for innovation. We were one of the first housing associations to establish a home improvement agency over 20 years ago, and more recently have become a provider of employment services.

With a strong local presence, we have been a key partner in a range of community regeneration initiatives and continue to invest in our local communities, particularly more recently in Blackheath with the development of our new offices on the High Street and our support for ABBA, A Better Blackheath Association.

We are clear on our role as a Social Business, focussed on people and communities, operating across the Black Country areas of Sandwell, Dudley, Wolverhampton and Walsall, as well as in Birmingham, providing affordable homes as well as a diverse range of services which distinguish us from our peers. This diversity is important to us, and we will continue over the next 3 years to grow the services we offer beyond provision of homes, as we see this as an essential part of our role in local communities.

As well as building more new homes, we will increase the scale and scope of the services we provide, and will enter new markets such as healthcare where these align closely to our existing service offer. We are clear about our financial parameters and our risk exposure, and our Board will oversee those areas effectively, being conscious of the impact of poorly managed diversification.

We will also look to expand our existing business by acquisition as well as by organic growth, whether by growing our portfolio of homes, through expansion of our care business or other business areas. These acquisitions will be opportunistic and our strategy will be to explore these as they arise, evaluating each on their strategic fit, risk, financial viability and benefits to customers.

The current external environment is challenging. The impact of welfare reform is yet to fully play out, whilst austerity measures will continue as local authorities reduce services or seek more value-for-money from existing contracts, necessitating more creative thinking, yet also providing potential opportunities for BCHG.

In spite of these challenges BCHG remains a strong and vibrant organisation with talented and committed colleagues, making significant impact locally, known nationally and we will build on these strengths in the 3 years ahead.

Within the Strategic Plan's 3 year horizon, BCHG will:

- Deliver a programme of at least 105 new affordable homes;
- Open our first residential care home for older people;
- Increase domiciliary care turnover by 33%;
- Increase Homeforce turnover by 25%;
- Achieve 87% customer satisfaction ratings for our housing services;
- Achieve 97% satisfaction ratings for our care services;
- Support 5250 local people into training and employment;
- Establish two new social enterprises;
- Support the creation of a vibrant and prosperous Blackheath;
- Be an outstanding employer.



Black Country Housing Group

Our Business

Homes

We own and manage around 2000 affordable homes, including general needs properties, shared ownership homes, six sheltered schemes for older residents, two supported living schemes and accommodation for younger people.

As a member of the Homes and Communities Agency Affordable Homes Programme we will deliver our final year of the current programme during 2014/15, and will bid to develop more homes in the 2015/18 programme through the Matrix Partnership. During the life of the Plan we will build our first residential care home for older people with dementia, and will aim to provide more homes for people with learning disabilities and younger people.

Environmental Sustainability

Our nationally recognised environmental consultancy e²S has for many years pioneered environmental sustainability within the social housing sector, and is focussing now on supporting Homeforce in expanding our range of Green Deal installation measures, as well as seeking other consultancy services.

e²S continues to shape national thinking particularly around energy security and will continue to progress the concept of eco-cottages, as well as supporting Homeforce with its expansion as a Green Deal installer.

Central Support

Our teams are supported by in-house efficient and effective back-office teams, and reviews are in hand to ensure that processes are further streamlined and that these teams support internal and external customers as efficiently as possible.

We need to ensure we have the right infrastructure in place to support our programme of transformation, and will invest significantly in our ICT over the next 3 years. Project Q is our programme of delivering and embedding value-for-money across BCHG, and colleagues have been active in "Challenging the Status Quo", by seeking continuous improvement, being creative and innovative in how we operate, which improve our services to customers.

Employment Services

For several years we have run employment contracts, successfully operating as a sub-contractor for the Work Programme, as well as delivering National Careers Service.

We have been successful in this, and see the opportunities for further expansion of employability and careers advice services. We also want to support our tenants with development of employability skills, believing that employment is a route out of dependency and poverty.

Partnerships

We have a long history of partnership working, and have been instrumental in taking the lead in partnership structures.

As a founder member of Energyextra an energy savings company BCHG continues to lead this company looking to sustain the organisation in the current challenging energy services market. BCHG is the accountable body for the Big Lottery-funded Sandwell Financial Services Hub which aims to improve financial confidence of social housing tenants.

With our local partners Accord Group, Murray Hall Charitable Trust and Kaleidoscope Plus we have established the ground-breaking Health for Living Consortium which aims to improve the health and wellbeing of local residents within the West Midlands.

We have worked successfully with Sandwell Women's Aid for many years in providing suitable accommodation for victims of domestic violence. Finally we are a development partner within the Matrix Group, developing more affordable homes in the locality.

Social Enterprise

The Savoy Centre in Netherton Dudley is managed by BCHG and provides education and training facilities, office accommodation and business start-up units.

Locally we are a founder member of ABBA, A Better Blackheath Association, and we will work with partners in re-energising the local area where we have a significant presence, creating a vibrant and prosperous neighbourhood. This is a priority for social investment and we will work with local people to create social enterprises in the life of this plan.



Care and Support

BCHG has for many years operated a domiciliary care agency, providing care to individuals within our sheltered schemes in addition to older and vulnerable people in their own homes within the local community.

We are well-placed to expand our wider wrap-around service, which encompasses repairs, adaptations, care and other personal assistance, as well as developing dementia and befriending services.

“Enabling Independence”

Care and Support

“Improving Homes, Improving Lives”

Homeforce



Homeforce

Homeforce is a Home Improvement Agency delivering adaptations, disabled facilities grants and minor works in the homes of vulnerable and older people.

Our recent focus has been to successfully expand the delivery of repairs to other housing organisations and agencies as well as private homeowners, and there are plans to bring the responsive repairs service back in-house, to enable further growth in repairs delivery to other housing providers, as well as to our tenants.

Delivering Social Value and Providing Social Investment

As a social business our intention is to create wide ranging social value through all our activities.

We know we create social value by virtue of the type of services we deliver, such as providing safe and secure homes for individuals who cannot access other forms of tenure, and decent housing is essential to individuals' health, wellbeing and economic security.

We are mapping our social value so that we are clear on what added value our services make to society and individuals.

A key priority for BCHG as a not-for-profit social business is to utilise the efficiencies and savings we generate through our value-for-money activities, both financial and non-financial, for social investment. That means investing funds in activities and projects which create a social return rather than a financial return to BCHG per se.

Our key priorities during the life of this plan centre on:

- Investing in young people through our apprenticeship programme;
- Investing resources in supporting our local community in Blackheath;
- Offering an extended housing options service;
- Providing a hardship fund for very vulnerable customers;
- Providing more support to younger people;
- Creating a Social Investment Fund for social enterprise/ project start-ups.

Our Strategic Priorities for 2014 to 2017

Our key objectives focus around delivering excellence in all our services to our customers, taking all available opportunities for growing our business further and continuing to transform our business as we look to improve value-for-money, and be recognised as a great employer.

Our priorities are:

Delivering Excellence

In delivering excellence we will be:

- Providing high quality homes which are safe, secure and energy efficient;
- Transforming our services and ways of working to improve delivery;
- Maintaining highest viability and governance HCA ratings;
- Delivering personalised and individual care and support services which meet the highest standards of regulatory excellence;
- Increasing customer satisfaction with all our services.

Growing our Social Business

We will achieve growth by:

- Providing more affordable homes;
- Developing our first residential care home;
- Providing more units of specialist accommodation;
- Providing more care hours and expanding the service offer;
- Supporting more people with training and employment advice;
- Increasing Homeforce turnover;
- Enabling the creation of more social enterprises;
- Supporting our local community in creating a vibrant and prosperous Blackheath;
- Creating new services in the health and social care market.

Challenging the Status Quo

We will transform our business, deliver VFM and be an outstanding employer by:

- Ensuring modern and future-proofed ICT infrastructure;
- Transforming service delivery of key business areas;
- Promoting Project Q in delivering service improvements and increased VFM;
- Ensuring equality and diversity is central to our activities;
- Leading and developing highly engaged colleagues;
- Ensuring high performing support teams.

Resourcing the Strategy

BCHG has generated consistent levels of surpluses for many years, and our approach is to reinvest those surpluses to create more homes and services, rather than sitting on banks of increasing reserves. This is a key part of our business growth strategy, and borrowing more whilst ensuring ongoing financial viability is an essential part of our risk management approach.

Our non-housing activities are required to make a financial return although the primary reason for undertaking those activities is not profit-driven, rather that these complement the wider social activities we do. Our Value-for-Money Strategy sets out the ways in which we will improve VFM through understanding and managing our costs and transforming our back-office and front-line services.

We have identified our priorities for social investment which we will fund directly from our social investment fund or colleague time. We will use some of gains from value-for-money savings to not only reinvest back into existing services and growth, but also provide investment for projects that BCHG considers create social value for residents in our local communities.

During the life of the plan BCHG will raise additional borrowing of around £22m to support its asset growth programme.

Headline figures from our financial plan are set out below.

Financial Overview:

	2014/15 £000	2015/16 £000	2016/17 £000
Turnover	14,453	14,953	15,787
Operating Costs	11,159	11,718	12,241
Operating Surplus	3,294	3,285	3,546
Net Surplus	1,302	1,126	1,324

Balance Sheet Summary:

	2014/15 £000	2015/16 £000	2016/17 £000
Housing Assets	114,521	116,440	125,308
Grant	57,955	58,730	59,414
Other Assets	2,197	6,995	2,498
Loans	43,987	48,686	50,794
Reserves	14,776	16,019	17,160

Risk Analysis

The board reviews the key risks facing BCHG regularly and takes account of the external environment and risks facing the housing sector as a whole, in addition to the local risks facing our business. These risks are actively managed by the Board and Executive Team and should not constrain the delivery of this plan.

In setting a challenging 3-year plan the organisation sees the key risks as:

- Lack of strong Leadership and Governance skills;
- Failure to respond to changes in the external environment;
- Welfare reform has greater impact than anticipated;
- Inability to secure new finance;
- Lack of ability or willingness to diversify into other activities;
- Failure to deliver the Affordable Homes Programme;
- Failure to deliver business transformation;
- Inability to offer sufficient assets for security for future borrowing.

Governing and Leading our Business

Over the last 3 years the organisation has restructured its governance arrangements, enacting a succession plan where longer serving board members stepped down in a planned way, bringing new skills and experience into the governance structures, whilst also retaining knowledge of some of our experienced board members.

Our board includes a wide range of public and private sector experience, with knowledge of housing and other sectors enhancing and strengthening board competence.

The inclusion of the Chief Executive on the Board fosters team-working between Board and Executive, jointly forming a strong leadership team for the business. Maintaining our strong governance and viability ratings by our regulator are very important to us and we will ensure that we continue to lead the business effectively.

As a group structure with a range of operations it is essential that our governance structures support and govern our business well and this is achieved through the Audit and Risk Committee and BCS Associates subsidiary Board. We continue to develop the role of our Resident Scrutiny Panel, and see reporting by the panel through the governance structure as an integral part of effective governance.

The Executive Team has undergone recent change under the leadership of the new Chief Executive, and the Executive Team comprises

Chief Executive, Director of Finance and Corporate Services, Operations Director and Director of Care and Social Business.

Our people are very important to us and we will strive for high levels of engagement within our colleagues as it is proven that engaged staff achieve higher levels of customer satisfaction, an essential measure of how well we are delivering our services. Being a great employer is important to us, and we are investing in building leadership and management capabilities to ensure delivery of this strategic plan.

Our Executive Team:



Amanda Tomlinson
Chief Executive



David Saunders
Director of Finance & Corporate Services



Ian Stuart
Director of Operations



Janette Beckett
Director of Care and Social Business

Our Board Members:

Peter Bilson
Chair - Member since 2008

Kevin Wright
Deputy Chair - Member since 2008

Fadel Takouri
Member since 2007

Adam Carey
Member since 2012

David Gutteridge
Member since 2008

Ian Stinton
Member since 2012

Donald Sadler
Member since 2011

Karen Battersby
Member since 2013

Nigel Foster
Member since 2011

Surrinder Bains
Member since 2013



Black Country Housing Group

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