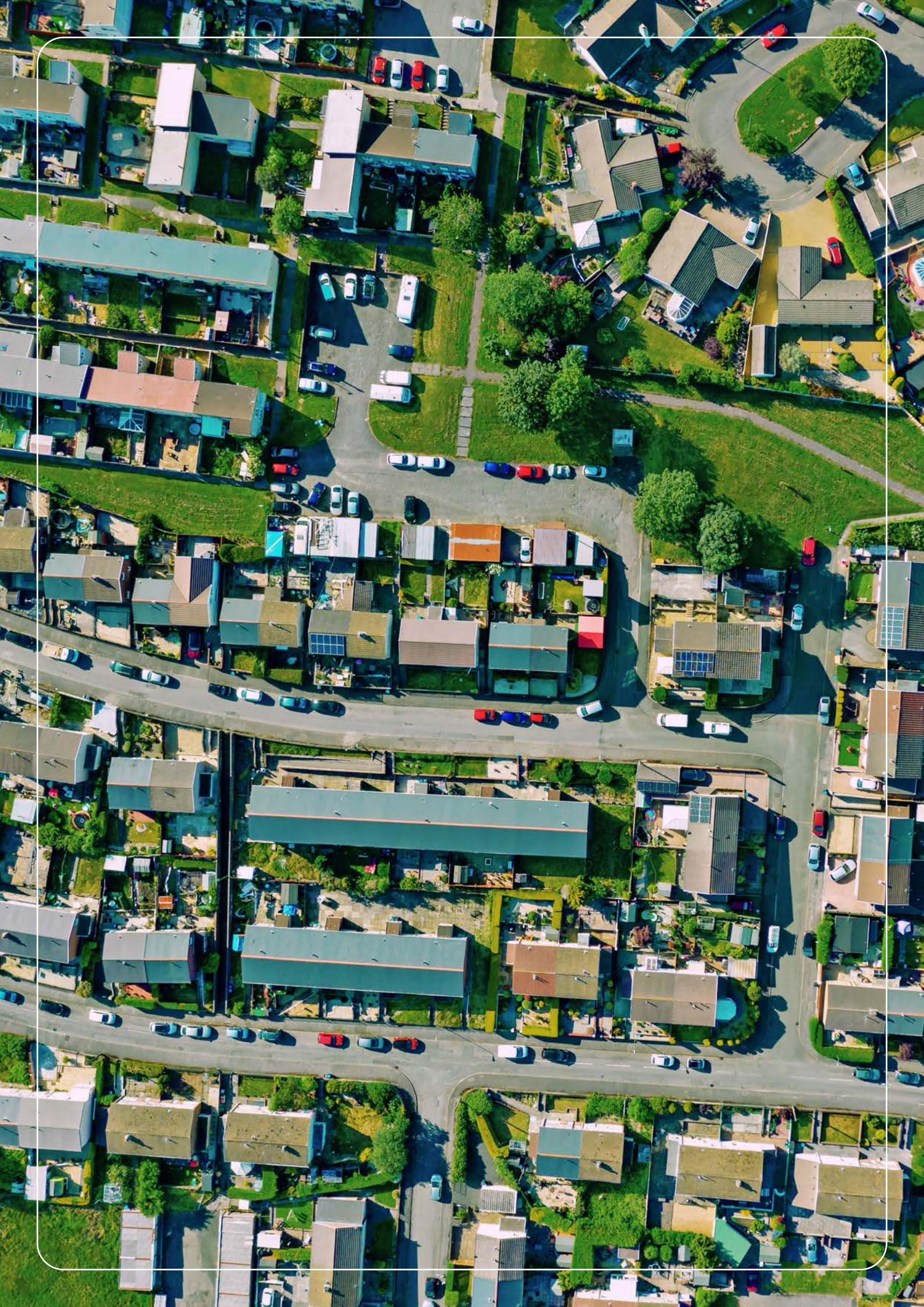


Connexus Corporate Plan

2020-23



Connexus



Connexus Corporate Plan 2020-23

Connexus is a community focused rural housing group with over 10,500 homes across Shropshire and Herefordshire.

We developed this plan prior to the Covid-19 crisis and were due to launch it on 1st April 2020. In March, the Board agreed to postpone the Corporate Plan launch so that they could review the outcomes once the crisis was over. We know now that the Covid-19 crisis will not be resolved overnight, so we need to re-evaluate our working practices and priorities for the medium and long term.

The Board agreed that despite the current situation, the broad direction and focus outlined in the plan remained the same. Connexus is therefore publishing this Corporate Plan to show our stakeholders the general direction for the organisation. We will conduct a wider review of our ability to deliver the planned outcomes in the aftermath of the Covid-19 crisis when the situation is clearer.

We have agreed defined targets and objectives for 2020-21 but in this updated plan, we have removed targets for 2022-23 due to the uncertainty of the current situation.

Our focus is excellent service delivery and the provision of high-quality affordable housing to the counties of Herefordshire and Shropshire through development of new affordable homes, maintenance and improvement of our existing homes and the development of associated services to enhance the lives of our customers and communities.

This is the second corporate plan following the merger between Shropshire and Herefordshire Housing Groups in July 2017. Our previous plan focused on delivery of the merger between these two organisations. It is now time to deliver progress for Connexus customers and communities.

But our plan is so much more than that - we want to grow Connexus, not just to provide new homes, but to place greater emphasis on the issues that matter most to our customers - regeneration of existing homes, reduction of fuel poverty, improving services and responding effectively to external factors - climate change, environmental standards and government policy. Our people are passionate about the services we provide and we will invest in them and empower them to provide a great service to all of our customers.

At the end of 2023, Connexus will be firmly established as the rural housing provider of quality affordable homes in Shropshire and Herefordshire, with a skilled and motivated workforce delivering high quality services working in partnership with our local authorities.

Connexus is ambitious and wants to deliver more for Herefordshire and Shropshire but our overriding priority is looking after our existing tenants and improvements to our homes.

Our values

Passionate - We care deeply about our work and our customers and take pride in serving people and communities. This shows in our energy, enthusiasm and commitment to going the extra mile, and building for the future.

Respectful - We deal with people of all ages, all backgrounds, all needs and requirements and we treat everyone fairly, considerately and as individuals.

Involving - We develop services for people, making sure we listen to what they need and involve them all the way. We learn from our experiences and always look to grow and develop together.

Determined - When we start something, we see it through. We are decisive, focused, and tenacious and work around challenges to find the best outcome.

Effective - We aim to get it right first time and to do the simple things well, because that sets the standard and everything else follows. We deliver.

We will:

- Deliver new homes for affordable and social rent, shared ownership plus market sale and market rent for profit (to deliver back into the provision of affordable homes) in the counties of Shropshire and Herefordshire, with a particular emphasis on the provision of housing in our rural communities.
- Not undertake a market rent programme in excess of 5% of the development programme.
- Only develop outright sale homes to provide profits for the delivery of additional affordable homes.
- Deliver support based around our core services to our communities in overcoming the challenges of living in a rural environment.
- Not diversify from our existing customer base.
- Deliver an effective, efficient repairs service for our customers and improve the quality of our existing homes, with a focus on thermal efficiency.
- Offer customers the opportunity to scrutinise service delivery to ensure excellence.
- Ensure we are recognised as operating within effective governance arrangements, with resilient finances capable of withstanding a range of operating environments.
- Create a great place to work, with a clear focus on our staff and their wellbeing, ensuring that they are supported, motivated, engaged and empowered to deliver a great service to our customers.
- Not be seeking out a further merger partner over the timeline of this plan.





Our Priorities

In light of the COVID-19 crisis the 2023 outcomes have been adjusted to reflect the uncertainty of impact on service delivery and subsequent ability to achieve specific targets over the coming months.

Customer Focus

Customers are at the heart of our business and their safety is our top priority. We will communicate in a straightforward way, being clear on our challenges, increasing our use of online and social channels, and ensuring accessibility and involvement for customers to meet their needs. We will talk to and involve customers and other stakeholders to understand what matters to them and improve our service delivery. We will measure customer satisfaction and address areas of concern.

Ensuring good value for money will be central to the delivery of our services and we will create a culture of strong performance and strive to continuously review and improve the way we work.

Objectives	2023 outcomes
1. A customer service approach that enables more support and resolution at the first point of contact. A service that embraces technology to respond to our customers via phone, social media, online and live-chat but does not exclude those who do not have access to technology. Core services digitally enabled and accessible 24 hours a day, seven days a week.	<ul style="list-style-type: none"> • Increase contact via digital means and issues resolved at first point of contact.
2. A Customer Offer consistently delivered – do what we say when we say we are going to do it. A landlord that delivers efficiently.	<ul style="list-style-type: none"> • Increase in repairs satisfaction. • Reduced re-let times combined with maintained or improved lettings satisfaction. • Current tenant rent arrears maintained or improved.
3. A landlord that listens, understands and develops services that matter to its customers including expanding involvement activities to strengthen the customer voice.	<ul style="list-style-type: none"> • Development of groups with common interest and involvement of all customers. • A clear plan of communication and opportunity for feedback for tenants that includes a variety of communication and access options. • Improved means by which the Board has a clear line of sight into the Customers' experience of Connexus.
4. A clear and simpler approach to letting our homes, which creates sustainable tenancies with well-developed pre-tenancy checks and effective support interventions.	<ul style="list-style-type: none"> • Tenancy turnover maintained at current levels or reduced.
5. A safe and secure environment for our customers - their homes and the communities that we serve. The right homes, in the right places, and affordable to live in.	<ul style="list-style-type: none"> • An updated evidence based asset management plan with a revised long-term financial forecast to deliver improvements to our homes to make them sustainable and energy efficient. • Sheltered housing schemes that are popular with our client group and easy to let.

Our People

Our culture is to be open, to listen, to empower and to encourage. We will be honest and clear in our communications, involving our people in decision-making and encouraging innovation. We have values, behaviours and guiding principles, which support us in our work.

Objectives	2023 outcomes
1. An approach to working practices that is based on the needs of our people and our customers.	<ul style="list-style-type: none"> Introduce smart working principles for agile working to allow staff to work around their own personal circumstances to suit the needs of the customers and the business which are reactive to Government pandemic guidelines.
2. A healthy and safe workforce with a good work-life balance.	<ul style="list-style-type: none"> Implemented a robust health and safety culture following on from the review in 2020. A wellbeing strategy in place that recognises the importance of work life balance and the wellbeing of staff.
3. A model of working that places Resources teams as enablers, supporting the delivery of services by going out to the work.	<ul style="list-style-type: none"> An agile workforce able to deliver services under conditions dictated by pandemic restrictions.
4. A focused learning and development programme, succession planning by "growing our own" and investment in apprenticeships.	<ul style="list-style-type: none"> Developed apprenticeship and graduate employment programmes in conjunction with our partners to deliver opportunities for people in our homes and communities to work with us. A clear colleague journey that supports potential applicants from interest in Connexus to point of application through recruitment, to training, retention, development and career progression. Increased the number of vacancies filled by internal appointments. Enhance leadership capability across the business by developing a leadership programme.
5. ICT systems that enable effective service delivery and management of processes without driving our way of working and behaviour.	



One Connexus

We are committed to one level of service delivery and culture across our two counties, unless local circumstances dictate otherwise. We will develop the Connexus brand and raise awareness to make us recognised for quality, community and rural based housing.

Objectives	2023 outcomes
1. One approach for our teams to use across our geography that meets the needs of the customer, with full integration of our systems.	<ul style="list-style-type: none"> Integration of core systems for housing, repairs, customer services, finance, HR, assets, development and health and safety so that services are consistent across the business.
2. Aligned policies and procedures across Connexus.	<ul style="list-style-type: none"> Services delivered as Connexus unless influenced by external factors.
3. To embrace new systems, technologies and ways of working which drive efficiency whilst maintaining accessibility for our customers.	
4. A simplified corporate and management structure that meets the needs of the business.	<ul style="list-style-type: none"> One Head Office based in Craven Arms, South Shropshire with hubs in Hereford and Wem delivering services to our customers in the two counties and through agile working under conditions dictated by pandemic restrictions. A consolidated and simplified corporate structure that meets the needs of the business that is cost effective and efficient.

Commitment to our Communities

We are more than just providers of housing and are committed to a wider role in the development of housing and other related services in our communities. We will work with our strategic partners (including local authorities) across the two counties to make our communities more sustainable and better places to live and work.

Objectives	2023 outcomes
1. A clear understanding of the stock that we own, developed from our stock condition surveys, informing our 10-year investment plan identifying where we will invest, regenerate or dispose. Delivery of our asset management strategy with a focus on estates, communities and portfolio decision making.	<ul style="list-style-type: none"> Replaced stock sold through Right to Buy (RtB)/Right to Acquire (RtA) and disposals programme in the same county, estimated to be up to 40 homes per year. Identified homes that are not fit for purpose, sold and replaced on a one for one basis.
2. A quality home vision that is defined and agreed with our stakeholders and is manageable within our financial constraints.	<ul style="list-style-type: none"> Developed a roadmap for all homes to have a minimum energy performance rating of Band C by 2030 and carbon neutral by 2050.
3. A new homes strategy delivered which ensures growth in our stock.	<ul style="list-style-type: none"> Developed in our core areas of Shropshire and Herefordshire a minimum of 250 new homes per year (143 in 20/21 due to delays caused by Covid-19 crisis) achieving a growth target of 2.5% of existing homes over the lifetime of this plan, at least 50% of which will be for affordable rent. Delivered at least 50% of our new homes in defined rural areas and working with a range of stakeholders to make those communities more sustainable.
4. A Housing and Support strategy delivered within our core geography of Herefordshire and Shropshire that includes expanding our Independent Living Schemes, our hubs and ensuring our communities are great places to live.	<ul style="list-style-type: none"> Delivered social value to our tenants evidenced through the HACT model. Neighbourhood policy in place for July 2020. Neighbourhood development plans in place. Increase in satisfaction with Neighbourhood and number of Community Hubs dependent on conditions dictated by pandemic restrictions.
5. Work with our partners and stakeholders to maximise local employment opportunities with a clear link to employment opportunities for our customers and delivery of social value.	<ul style="list-style-type: none"> Increase in number of customers employed at Connexus. Maintained Job club figures getting our customers into employment once pandemic restrictions have been lifted.
6. To pilot a carbon neutral approach for both the refurbishment of existing homes and for our new build homes and responds to the carbon neutral targets set by government.	<ul style="list-style-type: none"> Piloted a low cost and carbon neutral new-build approach clearly identifying social, economic and sustainability aspirations. Delivered our European Regional Development Fund (ERDF) allocation to significantly increase the energy efficiency of identified existing homes.

Well governed, resilient and financially sound

We recognise that regulatory and other compliance requirements are fundamental to the success of Connexus. We will ensure compliance by having clear measures, clarity of purpose, and clarity around the services we provide. To enable us to deliver our objectives we will have a robust business plan with a clear risk based approach to delivery.

Objectives	2023 outcomes
1. Strategic and operational risk registers will be maintained to ensure appropriate monitoring and use of stress testing. Risk mitigations will be timed, tested and costed.	<ul style="list-style-type: none">Financial measurement linked to golden rules.
2. Our compliance will be 100% against all Regulatory Standards, Code of Governance and Health & Safety, moving Connexus back to G1.	<ul style="list-style-type: none">Achieved a governance rating with the Regulator of Social Housing of G1 and maintained it at that level.Confirmed compliance with all regulatory standards and published on our website on an annual basis.
3. Our organisation will be efficient and financially resilient.	<ul style="list-style-type: none">Maintained or improved an operating margin on an annual basis.
4. A clear understanding of the performance of Connexus with a focus on continuous improvement through performance dashboard scrutiny and an embedded cost improvement programme.	<ul style="list-style-type: none">A performance based culture managed through a series of dashboards reported to Boards and customers linking directly to Service Improvement plans and individual work plans for teams.Monitor performance against top quartile for our sector. Services benchmarked with other organisations.



By the end of 2021- we will aim to deliver the following outcomes:

Corporate Plan objectives 2020 to 2023		Outcomes 2020/21	Measure of success	Timeframe
Customer Focus All objectives are linked to all outcomes			1	
<ul style="list-style-type: none">Increased resolution at First point of contact.Consistent customer offerDelivers what matters to the customerSimple approach to lettingsSafe and secure homes	Improved voids and lettings performance across the Group	Re-let time maximum 20 days	31/03/21	
	Housing services delivered in a consistent way	Rent arrears less than 2%	31/03/21	
	improved customer satisfaction and net promoter scores	Customer satisfaction of 92% NPS 60	31/03/21 31/03/21	
	Listen to and empower our customers to scrutinise and influence services. CST2 – Deliver a modern and consistent customer service	New customers actively involved	31/03/21	
	Deliver a modern and consistent customer service	On-line portal <ul style="list-style-type: none">call volume reduction 3%150 portal sign-ups	01/10/20 31/03/21 31/03/21	
	Safer homes	100% compliance (except electrical) 100% electrical safety checks (lets)	30/09/20 31/03/21	
	Increased delivery of Independent Living services	Review of 5 Housing for older people schemes and development of sustainable independent living model	30/09/20	
	Community alarms appropriate for the needs of our customers	Review of community alarms across Connexus	31/03/21	
	Independent Living Schemes that are popular and easy to let	Re-let times maximum of 26.5 days	31/12/20	
	More targeted and effective communications	Improved use of email and on-line communications to drive efficiencies	31/03/21	

Corporate Plan objectives 2020 to 2023

Outcomes 2020/21

Measure of success

Timeframe

Our People

All objectives are linked to all outcomes

2

- Working practices based on needs of our people and customers
- Healthy and safe workforce
- Resources as enablers
- Learning & Development and investment in apprenticeships
- IT systems that deliver effective service delivery

Colleagues have access to equipment they need to work in a mobile way	Increased number of colleagues able to work from any location	30/09/20
Enhanced colleague journey to aid recruitment and retention	Improved recruitment (applicant numbers and quality of candidates), retention/colleague turnover, and absence levels.	31/10/20
Fully trained and competent workforce	Implementation of the Learning & Development strategy	31/03/21
Delivery of ICT arrangements in relation to office review	Right equipment and places to work	28/02/21
Healthy and safe employees	Health and safety action plan fully implemented	30/11/20

One Connexus

All objectives are linked to all outcomes

3

- One approach across our geography
- Aligned policies and procedures
- New systems driving efficiency maintaining accessibility
- Simplified corporate and management structure

Implement the same IT system (Orchard) for Assets and Repairs across the Group. 1st Touch (hand-held devices for Trades colleagues) plus support in the use of the Orchard Assets system	All Repairs teams using Orchard and 1st Touch	31/07/20
Reduced timeframe for statutory accounts production	Reduced external audit costs 21/22 Reduced hours worked over year end	31/08/20
Develop a reliable and consistent invoice payment service	Invoices paid within 30 days - at least 80% Reduce overtime cost to £3k	31/03/21
Corporate structure review	Review of Registered Providers (RPs) and other companies in structure and consolidated if demonstrating Value for Money (VfM).	31/03/21

**Corporate Plan objectives
2020 to 2023**

Outcomes 2020/21

Measure of success

Timeframe

Commitment to our Communities

All objectives are linked to all outcomes

4

<ul style="list-style-type: none"> • Clear understanding of our stock • Quality home vision • New homes strategy • Housing support strategy • Maximise local employment • Pilot carbon neutral approach 	Fully informed asset management system	Stock condition surveys of 50% of stock	31/03/21
	Asset Management Strategy	Asset Management strategy in place	31/03/21
	Maintaining robust governance (of assets)	Electronic asset management system in place	31/03/21
	New homes delivered	143 new homes delivered	31/03/21
	Clarity over rural offer to tenants	Rural sustainable communities defined	31/03/21
	Improved energy efficiency in our homes	Start on site for ERDF project	31/03/21
	Pilot a carbon neutral approach to development	Developed a pilot new build approach specification that is both cost and carbon neutral	31/03/21
	Approach to neighbourhoods agreed	Neighbourhood policy developed	30/06/20
	Aligning service charge recovery across Connexus	Fixed service charges implemented	31/03/21








Well governed, resilient and financially sound

All objectives are linked to all outcomes

5

<ul style="list-style-type: none"> • Strategic and operational risk register • 100% compliance against standards • Efficient and financially resilient • Performance focus 	Up to date strategic and operational risk registers	Risk registers reviewed monthly at Business Review	30/04/20
	G1 status obtained	Embedding excellence plan implemented	30/09/20
	Compliance with standards	Standards reviewed and compliance scrutinised at Board/Committee	31/03/21
	Performance reviewed monthly	Business Review Meetings carried out monthly with Heads of Service and corrective action taken where appropriate	31/03/21

Financial Projections

		2020	2021	2022	2023
Homes					
Assets and Liabilities		£m	£m	£m	£m
	Homes	10,367	10,457	10,659	10,906
	Borrowing	241.7	238.3	248.3	258.5
	Reserves	95.4	109.5	126.5	140.0
Income and costs					
	Rents and Service charges	49.9	51.8	54.2	56.9
	Property Sales income	1.2	2.4	2.3	1.5
	Other income	26.9	33.4	37.2	27.3
	Operating costs	69.0	73.5	76.8	72.2
Surplus					
Key ratios					
-	Operating margin	34.8%	35.5%	36.9%	37.5%
-	EBITDA MRI/Interest	232%	179%	172%	202%
-	Debt per unit	£23,311	£22,792	£23,305	£23,708

Golden Rules

Connexus Group continues to apply a series of 'Golden Rules' which act as a financial buffer as part of an ongoing and managed approach to controlling financial risk exposure

1. A minimum operating margin from social housing letting
2. A minimum interest cover.
3. A maximum Net Debt per Unit.
4. Liquidity will be aligned to the Regulator of Social Housings target of a minimum of 18 months
5. Non reliance on non-core sales activity

These will be quantified following Board approval.



We're here
to help

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