



Annual Report to HBC Executive Board

October 2023

1. Executive Summary

- 1.1 The operating environment in which we are working is increasingly challenging. Recent challenges include a more volatile economic environment because of Brexit, the Covid pandemic and the war in Ukraine. All these events have led to higher rates of interest and inflation and a cost-of-living crisis.
- 1.2 The housing sector is under scrutiny more so than ever with recent events such as the Grenfell fire and the death of Awaab Ishak shining a spotlight on the sector the like of which we have not seen before.
- 1.3 Our three-year Corporate Plan outlines our commitment to our customers and the wider borough. Our purpose at HH is “improving people’s lives.” We want to provide customers with a safe place to call home, and the opportunity to lead happier, healthier, and more fulfilled lives.
- 1.4 Our key organisational achievements for 2022/23 include:
 - A total of 20 of our maintenance technicians have received additional training to enable them to multi skill. This should result in improved productivity, better job satisfaction and better customer satisfaction.
 - We have supported 853 households, securing over £2m of additional income, by providing support to customers to apply for under claimed benefits and by raising awareness of disability benefits.
 - Successful delivery of our first on site retro fit project on time to budget which has improved the EPC rating of the homes D to A.
 - Our response to damp and mould issues has been strong including a business wide call to action, a new policy, organisational wide awareness training, established a project group to oversee response, revised processes, and procedures, satisfied regulatory requirements. We are also piloting property condition checks as part of the gas servicing process.
 - Hardship fund has delivered over £30k of crisis funds targeting food and fuel poverty as well as temporary income shocks.

- Working with Cheshire Police, the neighbourhood safety team has played a fundamental role in the granting of a Property Closure Order for one of our highly problematic customers.
- Secured Homes England grant allocation for Sewell Street, Runcorn.
- Completed our single largest development scheme – the independent living scheme (Hazlehurst) in Runcorn.
- Achieved IIP Investing in People Gold and Investing in Wellbeing Silver.
- Achieved Carbon Literacy Gold which means that over 50% of colleagues have received carbon literacy training.

1.5 Our key priorities over the next two years until 2025 include:

- Improve our customers' experience by building on our strengths and tackling recurring and consistent themes driving dissatisfaction.
- Improve the level of customer engagement to set the foundations for a more impactful, representative, and diverse approach.
- Improve the standard of our homes.
- Develop as many new homes as possible and continue to evaluate our priority regeneration plans across Halton.
- Maintain the G1/V2 status, remain financially strong and comply with all legal and regulatory standards.
- Increase our profile, reputation, and influence in our unique and core areas of activity and expertise.
- Be an exemplary employer by developing a competitive employee offer and engendering a positive and proactive workplace culture.

2. Introduction

- 2.1 Whilst we continue to perform and manage our finance well, there have been changes to the operating environment, such as the rent reductions announced in 2015, changes to building and fire safety regulations, recommendations from the Better Social Housing Review, upcoming changes to consumer regulations, Brexit in 2019, the Coronavirus (Covid-19) pandemic in 2020/21 and 2021/22 and the invasion of Ukraine by Russia in 2022, which have added to mounting concerns of a sharp global slowdown, higher inflation and debt, and an increase in poverty levels. The economic impact has also disrupted supply chains.
- 2.2 All these external events have resulted in higher inflation and higher interest rates which have led to a widely reported cost of living crisis for individuals and businesses. HH and its customers are not immune from the adverse impacts of these external events. Additionally, the government announced in its Autumn Statement on 17th November 2022 a rent cap for social housing of 7% for 2023/24.
- 2.3 The Housing Ombudsman wrote to all RPs in late November 2022 highlighting the complaint management for damp and mould and recommending RPs self-assess against the recommendations from its spotlight report on damp and mould. The work that we have undertaken will carry into our 2023/24 property condition transformation programme. The main area of focus being on improvements to our systems, communications, and processes. We will continue to seek insight from our customers in relation to their experience and we will continue to track developments of 'Awaab's Law' along with recommendations and best practice from the Housing Ombudsman.
- 2.4 As the environment changes, we will continue to monitor performance to gain assurance that the impact of those changes is being effectively managed and mitigated.

3. Corporate Plan 2022 to 2025

3.1 Our three-year Corporate Plan outlines our commitment to our customers and the wider borough. Our purpose at HH is “improving people’s lives.” We want to provide customers with a safe place to call home, and the opportunity to lead happier, healthier, and more fulfilled lives.

3.2 Our five themes are summarised below:

1. **Customer:** Customers are our priority. By listening and being easy to deal with, we will support them to make a success of living in their home.
2. **Homes:** Our homes will be safe, warm, and secure, supported by a reliable repairs service. Using innovation, we will make homes as efficient as possible and minimise our carbon footprint.
3. **Place:** Working with customers we will create thriving neighbourhoods, and tackle issues that matter. Working with partners, we will create opportunities that improve our customers' health and wellbeing.
4. **Business:** We will run our business well, providing best value for money for customers. Our social purpose remains at our heart. Our services will be delivered by engaged and empowered colleagues.
5. **Development:** As a key developer in the borough, working with partners, we will build homes across the whole range of tenures, to meet the needs of people at all stages of life.

3.3 For more information about our Corporate Plan 2022 to 2025 use the link in Appendix 1.1: <https://www.haltonhousing.co.uk/about-us/corporate-plan>.

4. Key Achievements 2022/23

4.1 A right first-time repairs service

- Project Refresh Phase 1. A total of 20 of our maintenance technicians have received additional training to enable them to multi skill. This should result in improved productivity, better job satisfaction and better customer satisfaction.

- We have reduced work in progress (WIP) by 40%. This means that customers are not waiting as long for us to complete their repairs.
- Improved leadership across repairs and environmental service teams, leading to reduced absence, increased colleague morale and greater colleague engagement.

4.2 Improved customer experience

- Extensive customer and stakeholder communications included dedicated webpage and new damp, mould, and condensation leaflet.
- Our Welfare, Money and Benefits Advice Team have supported 853 households, securing over £2m of additional income, by providing support to customers to apply for under claimed benefits and by raising awareness of disability benefits.

4.3 You said, we did – ensuring the customer voice is heard and acted upon

- Listen, Learn, Act Framework has been launched with associated "You Said We Did" communications on website and included in customer REACH magazine.
- We have completed a trial of the regulator's Tenant Satisfaction Measures and completed our preparations for their introduction from April 2023.

4.4 Delivering against the Government's decarbonisation targets

- Successful delivery of our first on site retro fit project on time to budget which has improved the EPC rating of the homes D to A.

4.5 Investing in our current homes

- Customer safety and compliance with landlord health and safety requirements is good (including compliance with new alarm regulations from October 2022).

- Our response to damp and mould issues has been strong including a business wide call to action, a new policy, organisational wide awareness training, established a project group to oversee response, revised processes, and procedures, satisfied regulatory requirements. We are also piloting property condition checks as part of the gas servicing process.
- Delivery of planned investment improvement programmes

4.6 Continuing the roll out of neighbourhood plans

- Cost of living action plan delivered to target fuel and food poverty.
- Customer insight model developed to target "keep warm, keep well" welfare packs to customers that needed them the most.
- Hardship fund has delivered over £30k of crisis funds targeting food and fuel poverty as well as temporary income shocks.
- Supported customers to downsize to more affordable homes, reducing arrears and freeing up under occupied properties for those more in need.
- Grangeway community garden.
- "Spruce up your streets" initiative launched.
- Events held at independent living schemes to target loneliness (Yoga, quiz, knit & natter and crafts).

4.7 Tackling anti-social behaviour (ASB)

- Customer Scrutiny Panel review of ASB
- Working with Cheshire Police, the neighbourhood safety team has played a fundamental role in the granting of a Property Closure Order for one of our highly problematic customers.

4.8 Other significant achievements during the year include:

- Chartered Institute for Housing contacted us asking to feature our "Reach Out" Magazine as an example of best practice in supporting customers through the cost-of-living crisis.
- New data model established that will help us as a business to understand which of our customers are most likely to be impacted by the cost-of-living crisis.

- Completed 1,435 stock condition surveys between April 2022 and March 2023. This means that 75.8% of our homes have had a survey within the last five years, ensuring decisions for future planned investment is based on robust data.
- Continued to support customers through the ongoing cost-of-living action plan - providing both direct support and signposting to partner agencies.
- A project with Travis Perkins and Citizens Advice Halton has provided school uniforms for over 150 school children from low-income families across Halton.
- In July we partnered with Cheshire Police for ASB Awareness Week 2022.
- Entered contract with Homes England for the latest Affordable Housing Programme.
- Secured Homes England grant allocation for Sewell Street, Runcorn.
- Second cohort of Thrive commenced in September. 10 colleagues from across the business are part of the programme which has started with a deep dive into the business and sessions from the Leadership Team.
- We have retained the certification required for the Cyber Essentials+ scheme which helps show how we deliver cyber security.
- First year of new external audit with RSM. No adverse findings or recommendations. Accounts all completed and submitted on time.
- Successfully developed and delivered a significant element of the plan to mitigate the adverse financial impact of the rent cap and high inflation. The number of colleague redundancies was kept relatively low.
- Completed our single largest development scheme – the independent living scheme (Hazlehurst) in Runcorn.
- Good start on CRM project. Excellent engagement from business users who are supporting the project and motivated to bring in the changes to working practices that the solution will offer.
- Achieved IIP Investing in People Gold and Investing in Wellbeing Silver.
- Achieved Carbon Literacy Gold which means that over 50% of colleagues have received carbon literacy training.

- Recruited six new apprentices and one of our apprentices has been nominated for apprentice of the year at the forthcoming Halton Business Awards.
- New EDI strategy developed and approved.
- Preparation is underway for our third regulatory IDA.

5. Main Challenges

5.1 Our main challenges include:

- Increasing number of customer complaints
- Increased media spotlight and general negative sentiment around the sector
- Changing consumer regulatory framework
- Continued budget pressures across repairs and maintenance, asset management and customer safety.
- Increased focus on property condition and understanding our homes.
- Systems and processes being fit for purpose to support colleagues.
- Impact of the cost of living and the increasing demand for crisis support.
- Low levels of customer engagement with community initiatives.
- Increased need for partnership working to develop a more joined up approach to tackling neighbourhood issues.
- Identifying a solid pipeline of development schemes at an affordable cost
- Construction market and contractor solvency
- Talent retention in competitive markets both inside and outside of sector
- Continuing data quality focus across all areas of the business to increase data confidence.

6. Key Priorities

6.1 Our key priorities over the next two years until 2025 include:

- Improve our customers' experience by building on our strengths and tackling recurring and consistent themes driving dissatisfaction.
- Improve the level of customer engagement to set the foundations for a more impactful, representative, and diverse approach.

- Improve the standard of our homes.
- Develop as many new homes as possible and continue to evaluate our priority regeneration plans across Halton.
- Maintain the G1/V2 status, remain financially strong and comply with all legal and regulatory standards.
- Increase our profile, reputation, and influence in our unique and core areas of activity and expertise.
- Be an exemplary employer by developing a competitive employee offer and engendering a positive and proactive workplace culture.

6.2 The delivery of most of these objectives will require additional investment of some kind. We need to create additional financial capacity to meet this requirement and review our headroom/golden rules to increase our financial resilience in the event of future economic shocks.

6.3 We cannot deliver on our objectives alone and will need rely on the support of key partners. Likewise key partners will need to rely on HH to deliver their objectives. We need to be clear on what our strategic partnerships are, their purpose, expected outcomes and who is taking the lead role in developing each relationship.