

Fit for the Future Corporate Plan

2016–2020

Year 2

Introduction



Last year we launched Midland Heart's Fit for the Future corporate plan to 2020. Since then we have completely transformed our business.

We have simplified and refocused our operations to make sure we can remain strong and healthy for 2020 and continue to deliver desperately needed new homes. I am immensely proud that we delivered our best ever performance across our operations and, most importantly, fantastic outcomes for our customers. That also puts us in a really positive footing for the future.

We also know that this is a really important year for the Midlands. In particular, the West Midlands Combined Authority brings real opportunities for housing associations, who have a key role in helping to drive the housing, support and public services agendas for our region.

Going forward we will continue to deliver our strategy to achieve our ambition to be a leading housing organisation supporting customers to live independently. This will allow us to fulfil our vision of building as many homes as we can and secure the very best services for our customers into the future.



Ruth Cooke
CEO
Midland Heart

WE HAVE SIMPLIFIED AND REFOCUSED OUR OPERATIONS TO MAKE SURE WE CAN REMAIN STRONG AND HEALTHY FOR 2020 AND CONTINUE TO DELIVER DESPERATELY NEEDED NEW HOMES

Where are we now?

Year 1 of our 2020 vision saw Midland Heart deliver a number of significant projects and also achieve some of our best ever performance.

Key achievements

Highest levels of customer satisfaction in last three years	Lowest ever arrears levels
Lowest ever re-let times	Record surplus and A1 credit rating
Lowest ever number of complaints	Strong regulatory and quality ratings for our CQC registered services
Maintained our staff engagement through a major programme of change	Highest repairs satisfaction in last three years

Key outcomes

Streamlined our services to create a single operations directorate	Launched our leadership and management development programme
Prepared for a second expansion of Property Care, our in-house maintenance service	Successfully transferred learning disability and mental health services to new providers
Began a programme to sell properties where our customers no longer want to live so that we can reinvest the proceeds in modern, more energy efficient homes	Launched our Total Reward Strategy to ensure fair, equitable and competitive reward and benefits for all employees

Mission, vision and values

Our Mission

To be a leading housing organisation, delivering homes and services across the Midlands that enable people to live independently

Our vision

- Remain true to our charitable aims of providing affordable homes in the most challenging areas of the Midlands
- Deliver a range of housing options balancing great customer service and value for money
- Build desperately needed new homes for social and affordable rent whilst supporting customers who aspire to move into home ownership
- Continue to work with commissioners to protect and deliver our Supported Living services, to support people who are homeless and seek to grow Retirement Living services to provide high quality housing options for older people
- Be the first point of call for others in the sector, who want to work in partnership with a leading housing and support provider

Our Values

Our values guide our work.

People Focused:

We're passionate about supporting our customers, colleagues and partners.

Inclusive:

We value everyone's abilities, respect their views and embrace individuality because that's what makes us a stronger team.

Professional:

We act as proud ambassadors for Midland Heart; working with integrity, honesty and drive to help our organisation succeed.



Our strategic objectives to 2020

Our mission is to be a leading housing organisation. We have three strategic objectives which are fundamental to us becoming a leading organisation.

1

Build as many affordable homes as we can

To be consistently in the top 20 nationally for building homes for affordable and social rent, meaning we will build around 2,350 homes over five years.

2

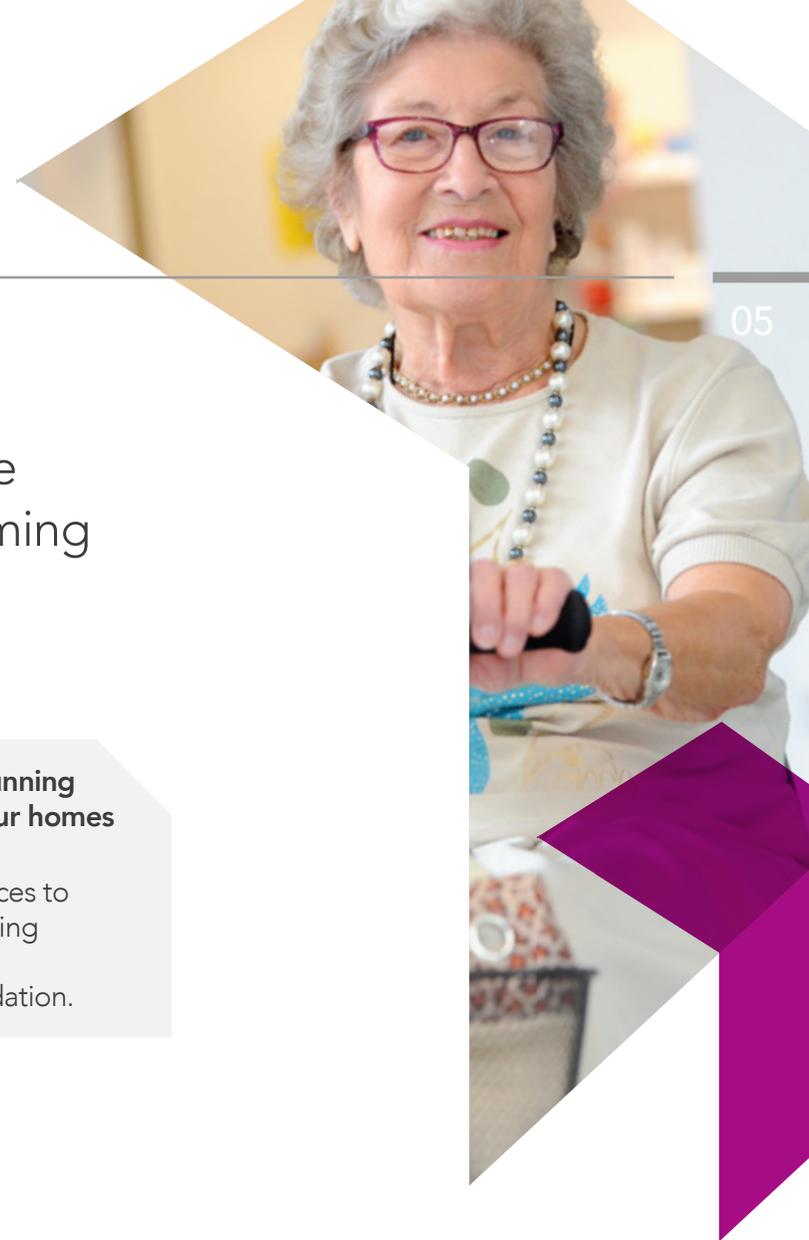
Remain financially strong

To maintain our operating margin of above 30% and to use our surplus to fund new homes.

3

Reduce the annual running and repair costs of our homes

Our cost per unit of accommodation reduces to around £3,000, excluding supported living and retirement accommodation.



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Key themes

There are four key themes that will enable us to achieve our objectives.

Customers

Improve and maintain the services we offer

- Maintain consistently high levels of customer satisfaction for our landlord services
- Customers have a lesser need to contact us and we provide more efficient methods for customers to make service requests
- We support our customers to sustain their tenancies
- To maintain the viability of our Supported Living accommodation
- Continue to be a major provider of Retirement Living accommodation in the Midlands



Financials

Be financially strong to secure the future of our services

- Our Supported & Retirement Living business will be subsidy free by 2020
- A clear plan on how we will tackle the impact of the LHA cap and further LA budget cuts
- Achieve our surplus to invest in new and existing homes



Growth

Ambitious to expand our homes and services and respond positively to the challenges around us

- To replace lost Right to Buy homes over the life of the strategy on a 1:1 basis
- Mergers & Strategic Partnerships: Being prepared and keeping regular dialogue with potential partners. We are seen by them as the partner of choice when considering partnership activity



Organisational Readiness

Have high performing teams and the right systems in place to deliver our vision

- To have a leadership and management team that is highly engaged, motivated, diverse and able
- Ensure Midland Heart is an easy place for staff to interact with the back office operations, allowing front line staff to focus on delivery
- The right governance and board structures to support our vision



What outcomes do we expect to see in 2017/18



Customers

- We want to maintain our high levels of customer satisfaction
- We will do all we can to support customers through the impact of welfare reform and austerity measures (such as the impact of the LHA cap and local authority budget cuts) and will help them to sustain their tenancies
- To embed the changes we have made to our Operations teams, such as our People and Place team who are delivering a new model of neighbourhood services and the expansion of Property Care to maintain our homes



Staff

- To further shape and strengthen our culture following a period of change for our business
- Continue to develop our teams, driving the leadership and management programme
- To embed the behaviours and standards that are integral to how we work
- Engaged staff teams, further strengthened by our staff Partnership Council



Financials

- Achieve our budgeted surplus of c£38m to invest in our homes and services
- Maintain our strong A1 credit rating
- See a reduction in the cost of running and repairing our homes



Stakeholders

- Maintain our G1 V1 rating and strong performance with our regulators, the Homes and Communities Agency and Care Quality Commission
- Carefully manage relationships with key stakeholders and commissioners as Local Authority budget cuts continue
- Be open to the prospects of merger and strategic partnerships with the right partner

