



EHL Business Plan

2021 - 2026

Published: April 2021

www.eastbournehomes.org.uk

- 1.0 Introduction & Corporate Plan
- 2.0 Chairs Review.....
- 3.0 Approach.....
- 4.0 Consultation.....
- 5.0 Financial Framework
- 6.0 Performance
- 7.0 Cascade.....
- 8.0 Equality & Diversity
- 9.0 Implementing, Monitoring and Review.....

- App 1 Homes
- App 2 Housing Revenue Account Forecast 2021/22.....
- App 3 Annual Plan 2021/22
- App 4 EHL 5 Year I & E & Cashflow
- App 5 HRA 5 Year Capital Programme
- App 6 Key Performance Indicators
- App 7 Strategic Risk Register

1.0 Introduction & Corporate Plan

Eastbourne Homes Limited (EHL) is the Arm's Length Management Organisation (ALMO) established in April 2005 to manage Eastbourne Borough Council's (EBC) housing stock.

In developing our latest 5-Year Business Plan, we have reviewed the Council's current Corporate Plan and its key themes:

- Prosperous Economy
- Quality Environment
- Thriving Communities
- Sustainable Performance

EHL continues to support the Council in developing housing strategy and delivering its housing services in an increasingly complex and challenging operating environment.

We have also reviewed our approach in light of the changing regulatory framework and have undertaken a self-assessment to ensure that we are well placed to meet the challenges and expectations contained the Charter for Social Housing Residents (The Government White Paper).

This document sets out clear objectives for EHL to continue its journey of delivering excellent and value for money services to its customers on behalf of EBC. This plan is an integral part of the Management Agreement for the period 2025 and summarises our priorities and what we want to achieve.

To support our Business Plan, the Board of EHL has approved a new Corporate Plan as follows:

Mission

To work with all our stakeholders to not only provide excellent customer-focussed services, but be a lead in the revitalisation of housing and communities for 21st century

Vision

To maintain, develop and set pioneering standards for the provision of homes and housing services across the Borough

5 Year Objectives

- Establish long term asset investment and transformation plans that are supportive of our vision of providing excellent customer-focussed services and supporting our stakeholders in the revitalisation of homes and housing for 21st century.
- Implement new service innovations that reflect the change to the operating environment and promote business/resident/community resilience to create a next generation of homes/services

- To better understand our residents, their vulnerability and support needs.

We will build our intelligence so that we can tailor our offer and communications to residents in order to support them, reduce unnecessary expenditure and focus scarce resources on those that need them most.

We will modernise our service delivery and maximise our use of cost-effective technological solutions whilst ensuring that those who are currently not digitally enabled are not left behind.

Values:

- Excellence as standard – we will have clear measures to demonstrate our commitment to every resident based on genuinely caring about their homes and how their tenancies help support positive life chances.
- Transparency – we will operate in an open, honest way and be accountable to residents and stakeholders
- Inclusivity – we will make sure that our services and homes enable all members of our communities to be included and to benefit from our services
- Innovation led – we will work with our stakeholders to continuously improve and adapt our homes and services to meet changing demands and expectations

2.0 Chairs Review

Although this plan is looking forward 5-years to 2026, it would be hard not to reflect on the way the COVID-19 Pandemic has changed the way EHL has had to work in 2020 which will continue into 2021 and beyond.

The way in which services to EHL's residents and the wider community will be provided in future will continue to evolve with particular focus on areas such as fire safety, the environment and the Governments long awaited Social Housing White Paper, in response to the Grenfell tragedy, a key element of which is listening to and working closely with our residents.

The Board of EHL are pleased to present our plans for the next 5-years and some of its key themes are:

Closer Working

One of the key themes for the future is working even more closely with our colleagues at the Council to make the homes and services we provide for our residents fit for the future.

For example, we are planning to look at regeneration options for some of our older, hard to repair and energy inefficient homes and we will be undertaking a full options appraisal for the future delivery of our repairs service to make sure it delivers an excellent service, value for money and provides social and community value.

Environment and Sustainability

At the same time, we need to consider our wider impact on the environment. That will include how we heat our homes in the future, and the steps we can reasonably take to make our housing “Carbon Neutral”.

Community

Some of the services we provide in our older peoples housing are in need of review and improvement and we will be looking at programmes to help with loneliness and wider social inclusion initiatives.

Hearing our Residents

Our current Tenant Involvement Strategy (TIS) runs until 2022 and we will develop a further strategy to ensure that our residents can have a say in the decisions which affect their homes and local communities. Our strategy is predicated on supporting involvement activity which is both popular with residents and delivers outcomes for both residents and our service. Resident involvement is critical to how we deliver and improve our services, and residents will continue to be encouraged to be at the heart of any decisions we make,

Meeting our Stakeholders Needs in a complex and challenging environment

EHL continue to help the Council to provide quality homes, an excellent housing service and to bring forward, fund and deliver an ambitious programme of new housing development and regeneration. The new Asset Management Strategy will focus on how we can best utilise existing assets and on the types of new homes needed to support current and future residents.

This includes helping the Council to achieve value for money targets, meet strategic housing needs and tackle priorities such as homelessness. Through this work, EHL are making sure our future housing programme offers a range of choices that support sustainable tenancies and communities.

We are also working with other key local public sector providers, across East and West Sussex, to help them review their own asset investment, estates, and future delivery plans.

As well as helping to bring forward more affordable homes these new business activities have a regeneration impact and make a revenue contribution to EHL.

Our new 5-year Business Plan sets out how we will take this work to a next level at a critical time.

- A minimum 200 new affordable homes for residents with a focus on areas of particular need.
- A full review and up-date of our operating procedures and strategies to make sure we are fully compliant with the current regulatory framework and associated legislation to include the Building Safety Bill.
- Consider options for the future delivery of our responsive repairs service that reflect best practice, maximise value for money, create a consistent offer across the two Authorities and enable us to explore how we incorporate a Community Wealth Building approach
- An Asset Management Strategy (AMS) which redirects investment accordingly and sets the template for a revitalised, more cost efficient, future orientated stock offer with enhanced energy efficiency across a significant proportion of homes.
- AMS to incorporate a complete review and renewal of our older persons housing offer to reflect the impact of the Covid 19 Pandemic. This includes a commitment to dispose/re-model all homes not meeting current market expectation or anticipating future needs.
- AMS to identify projects for addressing strategic housing priorities, neighbourhood renewal, priority area improvement and joint public sector partner investment initiatives.
- Revamp our core housing services to incorporate a greater emphasis on social/community value and tenancy sustainment.
- Development with local partners of a range of community resilience projects that support residents and communities in key areas e.g., credit union, employment and skills, financial inclusion, health, and homelessness projects.

3.0 Approach

In each of the years ahead, we will compile an Annual Plan and detailed budget covering all management costs, property repairs and capital investment programmes. The budget is agreed with EBC as required under the Management Agreement. The Annual Plan for 2021/22 is appended as Appendix 2.

We will continue to review our strategies and policies to ensure they are complete in their scope and remain relevant to the work that EHL is conducting at that time.

We have also reviewed our Risk Register to be in line with the Councils 10 key strategic risks. (Appendix 7) The EHL Board review the Risk Register quarterly and each Annual Plan will incorporate operational level risk mitigations identified as priorities for that year.

4.0 Consultation

This Business Plan has been agreed by the Board of Directors, following consultation with residents through our strategic involvement group, Residents Voice. A summary of the Plan is published in Tenants Open Voice and the full plan on Eastbourne Borough Council's website

<https://www.lewes-eastbourne.gov.uk/about-the-councils/eastbourne-homes-limited-governance/>.

5.0 Financial Framework

Since establishment EHL has played a key role in enabling the Council to meet HRA financial targets and draw in the funding required to maintain and up-date its affordable homes. At the end of the Decent Homes grant programme the Council made a decision to retain EHL as a separate trading entity to:

- Ensure its housing management services remained excellent and that residents had a genuine say in how they were delivered and developed
- Make sure that there was a distinct strategic level focus on housing issues for existing and new homes
- Act as an incubator for housing related new business initiatives such as SEILL and HEDP.

Whilst in the last 3 years operational arrangements for housing management have changed, with all staff now employed by the Council, EHL continues to deliver against these three objectives. The establishment of Homes First, as a cost centre within EHL, has been at the forefront of the new housing management arrangements ensuring our housing services have a consistent brand across the two Authorities, Eastbourne, and Lewes.

The financial projections set out in Appendices 2 and 4 broadly assume a continuation of management arrangements and stock levels.

For 2021/22 the Core Management Fee is maintained accordingly as:

Core Management Fee – from HRA	Appendix 2	£7,694k
Other Income -		£ 67k
Total Income I & E	Appendix 4	£7,761k
VAT		£1,552k
Gross Income – Cashflow	Appendix 4	£9,313k

The 5-year HRA Financial Business plan principally assumes housing management costs and investment programmes based on historic spend but also includes:

- In 2021/2022 a £439k allowance for sustainability initiative pilots
- A £60m new build and acquisitions programme
- The new reserves policy which ensures the EHL Board has the capacity to redirect operational efficiencies to support the Councils strategic priorities

These investments have the potential to transform our homes over the next 5 years.

As a Business Plan priority EHL will ensure our new Asset Management Strategy reflects and supports this transformation by:

- Setting standards and targets for our homes that are reflective of a 21st century environment
- Bringing forward a programme of stock disposals where it is not possible to bring homes up to required standards – an initial £2m as a Year 1 and 2 target
- Focusing investment on key areas of housing need and demand
- Extending investment in sustainability and setting new standards for the energy efficiency of our homes.

The annual review of EHL's 5-year income and expenditure forecasts, and ongoing HRA Financial Business Planning, will enable this integrated approach to be further developed over the first 2 years of this Plan.

6.0 Performance

Improving services and outcomes for customers and communities are key drivers of the values of EHL. The demand for continuous improvement and the pace required have increased dramatically in recent years and nowhere has this been more keenly felt than in Homes First. The service needs effective performance management and measurement to ensure success in meeting these challenges, to provide evidence of achievements and to identify 'what works'.

The framework will support Homes First to achieve the following aims:



Our Objectives

We measure our performance against five key themes, under which sit some key objectives set by the Board as part of our 'balanced scorecard' approach to performance.

- 1. Developing Our People**
 - Staff have the skills and tools they need to do their job well
 - Engaged and high performing teams
- 2. Focusing on Our Customers & Communities**
 - Residents and stakeholders are engaged
 - Improved wellbeing of the communities we service
 - A great customer experience
 - Supporting vulnerable customers and those with complex needs
- 3. Delivering operational excellence and quality homes**
 - Collecting Rent and Service Charges effectively to maximise income
 - Empty properties are let quickly and efficiently to house people in need
 - Responsive repairs are completed quickly and effectively
 - Planned repairs keeping our homes safe and in good condition
 - Robust and effective approach to managing Fire Risk & Safety

4. **Providing Good Value**

- Building resilience through partnerships
- Ambitious growth & investment
- Good budget management

5. **Contribute to a Quality Environment**

- Improved stock and management investment initiatives to achieve efficient homes and services
- Support EBC in investing £500,000 in sustainability improvement pilot projects during 2020/21

We manage performance by:

- Ensuring we deliver services which reflect the needs, priorities and opportunities identified by our residents and stakeholders
- Identifying Key Performance Indicators (KPI's) - linked into Eastbourne Borough Council's Performance Plan
- Service Improvement Plans produced annually that drive up quality and/or reduce cost
- Strong budgetary control and best value aspirations

The key performance indicators that measure EHL's service areas and delivery of targets are in Appendix 6.

These indicators are reviewed annually and set by the Board. Monitoring and scrutiny takes place on EHL's performance pack on a monthly basis by the Management Team, and quarterly by the Service and Performance Committee.

The Management Team consider actual operating performance of KPI's monthly and further drill down is undertaken by their relevant Head of Service who is accountable for the performance indicator.

This framework assists all stakeholders in understanding performance management, the components that contribute to effective performance and that all roles and responsibilities are clearly defined and transparent.

EHL learns and shares best practice as active participants in service groups run by the National Federation of ALMOs (NFA). We also benchmark our services, and share good practice, via industry leading bodies such as Housing Quality Network (HQN) and Housemark.

The Annual Service and Financial Plan has allocated resources and provided further challenge to those functions where improvement is required.

The suite of KPI's included in this Business Plan:

- Reflect this work and a commitment to continuous improvement
- Are based on a balanced scorecard, which supports the alignment of our business activities to our vision and strategy.
- Will evolve into a more consumer standards-based set of metrics which reflect the latest regulatory framework, legislation and residents' input.

This suite of high level KPIs will be monitored quarterly by the Service and Performance Committee, and annually by the Board.

7.0 Cascade

This is not a stand-alone document. This five-year Business Plan should be read in conjunction with the relevant Annual Plan, Budget and Performance Plan and Value for Money Strategy for each year.

This five-year Business Plan will in turn feed the Service Budget, Performance Plans, and service improvement activity across all work streams, detailed below.

Homes First Core Service Work Streams, January 2021.



This five-year Business Plan will offer direction to budget service Managers when considering each individual's action and performance plans, to be agreed and reviewed during the staff appraisal and development review process, and subsequently discussed at regular one to one meetings.

8.0 Equality and Diversity

When implementing and promoting this EHL Business Plan we will ensure all residents can access information in a format suitable to their needs.

We will take into account their disabilities, including physical and mental disabilities, sensory impairments and learning difficulties, literacy issues, caring and work responsibilities, sexual orientation, age, gender, race, and cultural and religious beliefs.

Upholding principles of equality and delivering an accessible plan is fundamental to EHL. We aim to identify barriers, promote fairness, and foster communities through the design and delivery of the plan.

We welcome feedback/ we monitor customer satisfaction relating to the plan.

Monitoring data will be held securely on our system and in accordance the Data Protection Act 2018 and Freedom of Information Act 2000.

This Business Plan can be made available in a variety of formats including large print, audio, alternative languages. It will be made available in this form in English on the website.

9.0 Implementing, Monitoring and Review

The EHL Managing Director is accountable for the implementation and cascading process of this EHL Business Plan.

The Board of Directors has a corporate responsibility to ensure EHL employs a sufficient number of skilled staff to deliver the Plan. This will be supported by the Council in line with the Back-to-Back Subcontract and Delegation Agreement in place. Equally they are responsible for providing training to develop staff skills and capabilities.

The EHL Managing Director is responsible for ensuring annual budgets are set that enable delivery of the actions needed to fulfil the Plan.

On adoption, the EHL Managing Director is responsible for providing appropriate reports to the Board to enable them to carry out their governance role in monitoring the success of this Plan.

Appendix 1 Homes

Over the last 15 years we have undertaken a significant investment programme in our homes and are proud of the overall standards we have achieved. We have also played a leading role in initiating and establishing the Councils' new affordable homes programme which began in 2015 and has already delivered over 300 new homes for local people.

In setting our Plans for the next 5 Years we recognise that there are some key new strategic challenges for our stakeholders, and changes in the operating environment that we need to respond to:

- A significant proportion of our homes are more than 50 years old and require substantial investment to improve **energy efficiency**, respond to **regulatory requirements** and ensure we have a sustainable offer for the life of the Business Plan and the longer-term.
- Our **older persons housing offer** does not reflect the extent of local demographic need and not all the homes we do have meet the demands/expectations of the next generation of older people. We will prioritise our offer for older residents and make use of technological solutions that support healthy and sustainable lifestyles.
- We need to build more flexibility in our stock base (tenure and types of accommodation) to meet the Councils housing priorities e.g. **homelessness**, **specialist housing** and local housing needs as defined by the Housing Register
- Some of our **estates and neighbourhoods** need investment and regeneration and we need to ensure that customers are involved in the evolution of such work, in line with our Tenant Involvement offer and emerging statutory requirements.
- We want to improve the overall quality of our homes and communities and recognise that a programme of **targeted disposals** will be required to create the financial capacity to achieve this.

Existing Homes

The stock condition survey, to be completed in May 2021, will enable us to gather detailed intelligence to support decisions around these key challenges and future management of the stock allied to current and presenting housing need.

We will make sure that our excellent record on Decent Homes compliance is maintained, through ongoing investment, and that the stock condition data directs investment to match life cycle profiles and support the improvements highlighted above.

Decisions will also be made based upon the condition and future maintenance costs and the need or otherwise of the different types of stock, the local need, and demographic changes. Over the life of the five-year plan this may include disposal of some properties and some areas where change of use may be applicable.

We will also be providing a platform for ensuring the long-term future sustainability of properties and localities, allied to healthy homes, and employing green measures in conjunction with local suppliers and other Local Authorities.

New Homes

The highlights of the EBC capital programme for new housing delivery over the next 3 years are:

- £60m of direct HRA capital investment to provide affordable housing for rent and low-cost homeownership.
- A programme consisting of a combination of new build homes and strategic property acquisitions.
- This will see the delivery of 200 new homes to meet the Council's housing demands and local need, including homelessness.
- The affordable housing pipeline will also be supported by an additional portion of private sales, the proceeds of which will support deliver these affordable schemes and promote the creation of diverse, inclusive, and mixed communities.
- Delivery is supported by limited capital reserves, retained RTB receipts, grants, and borrowing.
- Over the next 2 years, the HRA capacity is constrained especially given the size of the programme. Delivery will be closely monitored to ensure financial viability within the context of a balance HRA business plan.
- The council's housing companies, EHICL and AHLLP, will also support in the delivery of the Council's Corporate Plan objectives to increase local housing provision.
- The programme will continue to explore the use of Modern Methods of Construction (MMC) and sustainable housing delivery to meet the requirements of the Council's strategy for a Carbon Neutral 2030, partnering with local SME's to deliver a variety of homes using both traditional and "modular" techniques.

Housing Stock

As at 01 April 2021

		HRA	Other Assets	
Houses	Owned	1,729	Service charge	-
Flats	Owned	1,402	managing agency	-
Retirement Flats	Owned	292	RSL properties	-
Shared Ownership properties	Owned	18	Private Sector Leases	-
Sub Total		3,441		
EBC Leasehold Properties	Managed	603	Garages	
			Garages	588
Total residential properties		4,044		

Properties sold under Right to Buy

2018/19 : 11
 2019/20 : 21
 2020/21 : 6

Appendix 2

Forecast Housing Revenue Account: 2021/22

Housing Revenue Account	2021/22
	£k
Rents	14,783
Service Charges	1,036
Other income	
Income	15,819
Loan Interest	1,564
Supervision & Management	1,479
Bad Debt Provision	205
Dep'n & Impairment	4,348
EHL Management Fee	7,694
Spend	15,290
HRA Net Operating Surplus	529
Balance B/fwd	4,412
Funding for Revenue	
Expenditure 21/22	3,085
Balance C/Fwd 22/23	1,856

Repairs Allocation EHL	2021/22
	£k
Decent Homes	242
Block Repairs/Decs	2,042
Disabled Adaptations	408
Voids	524
Compliance	345
Other Capital	881
Sustainability Pilot	439
Capital budget	4,881
Revenue Repairs	3,085
Total	7,966

Appendix 3

The Annual Plan for 2021/22 sets out how we will create a platform for a significant period of investment and change in the remaining 4 years of the Business Plan. We recognise that a year of transition is required to:

- Gather the data and customer intelligence that will determine the focus of future capital investment and help shape new service delivery models
- Make sure we fully take into account the new regulatory frameworks and associated legislation
- Establish a clear evidence base and business case for more detailed proposals, stock, and service reviews
- Produce core strategic supporting documents such as the new Asset Management Strategy

We also recognise the challenges faced by our stakeholders and residents and that, alongside this groundwork, some more immediate responses are required. During the 2021/22 year we will also:

1. Develop additional support packages for residents most affected by the Co-vid 19 pandemic
2. Undertake a number of capital investment pilot initiatives that start to address the key strategic challenges in our homes and communities, ensure that our long-term plans are informed by direct practice and enable us to extend work with public sector partners across the County.
3. Identify an initial £2m of potential property disposals and work with the Council to consider how the HRA Business Plan model might be developed in line with a more strategically focused AMS
4. Work with the Council to help make sure the new homes investment programme is targeted, supports AMS outcomes and that partnership opportunities which deliver further affordable homes are maximised
5. Undertake a full market assessment and options appraisal for the future delivery of the responsive repairs service incorporating a Community Wealth Building approach

Annual Plan 2021/2022

Ref	Key Actions	Completion dates	Responsible Management Team Member	Rationale for action
1	New Asset Management Strategy (AMS): Complete a full stock condition survey and refresh the Property Services Business Plan.	30.09.21	Homes First Property Services Lead	Support AMS and identify next phase investment programme priorities.
2	AMS: Delivery Programme launched to incorporate Investment projects/pilots underway in following areas: <ul style="list-style-type: none"> • Carbon reduction • Neighbourhood regeneration • Older Persons Accommodation • Cross County partnerships 	30.12.21	Homes First Property Services Lead	Provide operational context and targets to deliver HRA Business Plan targets and begin stock investment
3	Core Services: undertake a full options review and develop a clear project plan for the future delivery the repairs service.	31.03.22	Homes First Property Services Lead	To incorporate best practice in sector, deliver cost efficiencies and service improvements.
4	Community Resilience: Utilise customer insight and community consultation to develop a pilot neighbourhood improvement plan, incorporating a range of actions aimed at social and physical regeneration and incorporating the development of social inclusion projects and partnerships that support residents and communities e.g., employment & skills, financial inclusion, health and homelessness projects.	31.03.22	Customer Experience & Performance Improvement Lead	Understand the needs of tenants to enable resources to be directly effectively to tackle issues impacting on their lives through effective partnership working and management.

5	Core Services: Successfully deliver the STEPS contract to completion (Nov. 21) and prepare contract tender. Support staff in transition to new arrangements.	31.03.22	Head of Homes First	Delivering our contractual commitments enhances our reputation with both partners and customers.
6	Core Services: Investigate new technologies to create efficiencies and opportunities for automation in customer journeys and virtual inspections/viewings.	31.03.22	Customer Experience & Performance Improvement Lead / Property Services Lead	Deliver efficient and high performing, customer-focussed services.
7	Core Services: Develop a programme of ad-hoc and programmed service-based e-surveys and virtual involvement opportunities.	31.03.22	Customer Experience & Performance Improvement Lead	Increased customer influence in service improvement and design.
8	Core Services: <i>Track progress and implement requirements of the Charter for Social Housing Residents (White Paper) and Building Safety Bill.</i>	31.03.22	<i>Head of Homes First</i>	<i>Deliver statutory and regulatory expectations.</i>
9	Core Services: Monitor the impact of the new ASB policy on our most vulnerable customers and work with Adult Social Care to signpost and deliver services in support of customers good mental health.	31.03.22	Neighbourhood Housing Lead	Deliver services which are relevant and responsive to our customers' needs and identified priorities.
10	New Homes: Be at the forefront of tackling the shortage of new homes by progressing 1 x strategic partner masterplan to delivery stage, maximising new affordable housing, and meeting strategic housing priorities	31.03.22	Managing Director	Helps meet stakeholder objectives to increase housing supply and support sustainable communities

Appendix 4

EASTBOURNE HOMES LIMITED BUSINESS PLAN 2021/22 TO 2025/26 INCOME AND EXPENDITURE

	Year 0 2020/21 Fcast Outturn £	Year 1 2021/22 Budget £	Year 2 2022/23 Forecast £	Year 3 2023/24 Forecast £	Year 4 2024/25 Forecast £	Year 5 2025/26 Forecast £
Income	7,760,880	7,760,650	7,915,863	8,074,180	8,235,664	8,400,377
Income	7,760,880	7,760,650	7,915,863	8,074,180	8,235,664	8,400,377
Corporate	437,709	136,465	139,194	141,978	144,818	147,714
Governance	697,950	724,521	726,837	729,200	731,610	734,068
Finance	44,516	49,725	50,720	51,734	52,769	53,824
ICT	86,243	85,782	87,498	89,248	91,033	92,853
HEDP	-	2,800	-	-	-	-
Central Services	1,266,418	999,293	1,004,249	1,012,160	1,020,229	1,028,460
Homes First - Salary Costs	1,658,712	1,795,046	1,830,947	1,867,566	1,904,917	1,943,016
Homes First - Neighbourhood Management	362,354	376,408	383,936	391,615	399,447	407,436
Homes First - Older Persons	161,548	155,560	158,671	161,844	165,081	168,383
Homes First - Retirement Blocks	514,462	560,949	572,168	583,611	595,284	607,189
Homes First - Repairs Service	1,763,955	2,571,605	2,445,422	2,494,330	2,544,217	2,595,101
Homes First - Asset & Capital Works	708,265	729,281	691,052	704,873	718,971	733,350
Homes First - Health & Safety	865,662	872,508	826,771	843,307	860,173	877,376
Homes First	6,034,959	7,061,357	6,908,967	7,047,146	7,188,089	7,331,851
SURPLUS/ (DEFICIT) BEFORE TAX						
Rephasing of repair services	(159,503)					
Underspend from enhancement	(300,000)	300,000				
Corporation Tax		-	503	2,826	5,196	7,613
SURPLUS/ (DEFICIT) AFTER TAX	0	0	2,144	12,048	22,150	32,454
Capital Expenditure	4,387,700	4,475,454	4,564,963	4,656,262	4,749,388	4,844,375
Capital Recharge	(4,387,700)	(4,475,454)	(4,564,963)	(4,656,262)	(4,749,388)	(4,844,375)
	-	-	-	-	-	-

**EASTBOURNE HOMES LIMITED
BUSINESS PLAN 2021/22 TO 2025/26
CASHFLOW FORECAST**

	Year 0 2020/21 Outturn	Year 1 2021/22 Budget	Year 2 2022/23 Forecast	Year 3 2023/24 Forecast	Year 4 2024/25 Forecast	Year 5 2025/26 Forecast
CASH INFLOWS						
Management Fee	9,313,056	9,232,800	9,417,456	9,605,805	9,797,921	9,993,880
Capital Recharge	5,265,240	5,370,545	5,477,956	5,587,515	5,699,265	5,813,250
Other Income	73,486	74,955	76,454	77,984	79,543	81,134
	14,651,782	14,678,300	14,971,866	15,271,303	15,576,730	15,888,264
CASH OUTFLOWS						
Capital Expenditure	5,265,240	5,370,545	5,477,956	5,587,515	5,699,265	5,813,250
Purchase Ledger	8,761,652	9,672,780	9,495,859	9,671,167	9,849,982	10,032,372
Reserves Transfer to EBC	1,481,763					
HMRC: Value Added Tax	91,901	(60,000)	529	2,975	5,469	8,013
HMRC: Corporation Tax			-	503	2,826	5,196
	15,600,556	14,983,324	14,974,344	15,262,160	15,557,542	15,858,832
Net Cash Inflows	(948,774)	(305,024)	(2,478)	9,144	19,188	29,432
Opening balance - bank	3,416,839	2,468,065	2,163,040	2,160,563	2,169,706	2,188,894
Closing balance - bank	2,468,065	2,163,040	2,160,563	2,169,706	2,188,894	2,218,326

Appendix 5

HOUSING REVENUE ACCOUNT 5 Year CAPITAL PROGRAMME 2021/22 - 2025/26					
Scheme	Approved Budget 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26
Managed By Eastbourne Homes					
Capital Works	4,442	4,535	4,552	4,663	4,897
Sustainability Initiative Pilot	439	-	-	-	-
Sub Total EHL	4,881	4,535	4,552	4,663	4,897
New Build Programme	10,237	21,442	13,259	10,241	10,497
Acquisitions Programme	4,702	4,773	4,892	5,014	5,140
Total HRA Capital Programme	19,820	30,750	22,703	19,918	20,534
Funded by:					
Borrowing	7,886	23,245	14,495	13,001	13,615
Capital Receipts inc. RTB	3,852	1,615	1,660	1,705	1,752
Major Repairs Reserve	4,348	4,403	4,635	4,841	5,028
Reserves	649	1,207	1,695	-	-
Revenue contributions from HRA	3,085	280	218	371	139
Total Financing	19,820	30,750	22,703	19,918	20,534

Appendix 6

Key Performance Indicators 2020/21

Strategic Theme	Objective What do we need to achieve?	Measure How will we know when we succeed?	Aspiration	Suggested Target/s
Developing our People	Staff have the skills and tools they need to do their job well	Percentage of staff completed mandatory training	100%	Year 1: 76% Year 2: 84% Year 3: 92% Year 4: 100% Year 5: 100%
	Engaged and high performing teams	Average days staff absence per employee per year	8	8
Focussing on our Customers & Communities	Residents and stakeholders are engaged	Satisfaction with opportunities to be involved	Upper quartile performance, improving year on year.	75%
		Satisfaction that landlord listens to tenants views and takes notice of them	Upper quartile performance, improving year on year.	70%
	Improved wellbeing of the communities we service	Average time post assessment for aids and adaptations: Minor Major	Working days 15 60	Working days 15 60
	A great customer experience	Number of complaints'	Data only to establish baseline followed by targets for improvement.	Year 1: Data only Years 2-5: Measure to be developed.
Overall satisfaction with the service		Upper quartile	80%	

Eastbourne Homes Ltd

		provided by EHL	performance, improving year on year.	
	Supporting vulnerable customers and those with complex needs	Measure to be developed during 2020/21	Data only	<ol style="list-style-type: none"> 1. Number of safeguarding referrals 2. Number of hoarding cases 3. Number of current tenancy sustainment cases
	Responsible neighbourhood management	Suggested new measures for 2021-22	Data only to establish baseline followed by targets for improvement.	<ol style="list-style-type: none"> 1. Number of complaints relating to anti-social behaviour 2. Satisfaction with landlord's handling of anti-social behaviour 3. Number of current ASB cases 4. Referrals to mediation 5. Successful outcomes of mediation
Delivering Operational excellence and quality homes	Collecting rent and service charges effectively to maximise income	Rent arrears of current tenants (as a percentage of all rent)	3%	3%
		Percentage paying rent by direct debit	Achieve year on year increase	Year 1: 60% Year 2: 65% Year 3: 70% Year 4: 75% Year 5: 80%

	Empty properties are let quickly and efficiently to house people in need	Average void time key to key overall (days)	20 days	20 days	
		Average void time (without exceptions)	30 days	30 days	
	Responsive repairs are completed quickly and effectively	Number of non-emergency repairs completed within target time	97%	97%	
		Percentage of repairs completed right first time	97%	97%	
		Percentage of appointments made and kept	97%	97%	
		Percentage of tenants satisfied with responsive repairs	90%	90%	
	Planned repairs keeping our homes safe and in good condition	Gas – percentage of homes with a valid landlord's gas safety certificate	100%	100%	
		Tenants and Leaseholder satisfaction with major repairs and improvements	Data only to establish baseline followed by targets for improvement.	Year 1: Data only Years 2-5: Measure to be developed.	
		Tenant satisfaction with the health and safety of their home	Data only to establish baseline followed by targets for improvement.	Year 1: Data only Years 2-5: Measure to be developed.	
		Achieve and maintain compliance with the Decent Homes Standard	100%	100%	
	Robust and effective approach to managing Fire Risk & Safety	Compliance with KPI Targets related to Fire Risk & Safety management	100%	100%	
	Providing	Ambitious growth and investment	How many affordable housing units are	Align to Corporate	30

Eastbourne Homes Ltd

Good Value		delivered to be managed by Homes First	Target	
	Good budget management	Budget spend to not exceed variance	Within 5%	+/- 5%
A Quality Environment	Achieve efficient homes	Measure to be developed during 2020/21	To be set once SCS complete and programme developed.	Year 1: Data only Years 2-5: Measure to be developed.
	Sustainability pilot projects	Measure to be developed during 2020/21	To be set once SCS complete and programme developed.	Year 1: Data only Years 2-5: Measure to be developed.

Appendix 7

Strategic Risk Register (Eastbourne Homes)

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
SR_001	No political and partnership continuity/consensus with regard to organisational objectives	Sudden changes of political objectives at either national or local level renders the organisation, its current Business Plan and Medium-Term Financial Strategy unfit for purpose.	3	4	12	<p><u>Reduces Likelihood</u> 1. Maintain inclusive governance structures, incorporating Council links, as evidence for decision making and supported by strong relationships.</p> <p><u>Reduces Impact</u> 2. Business Plan and Medium-Term Financial Strategy meets the strategic objectives of the Council</p> <p>3. Maintain an organisational architecture that can respond to changes in the environment.</p>	D of SD	3	3	9	Amber	10 th June 2021
SR_002	Changes to the economic environment	1. Economic development of the town suffers.	5	5	25	<p><u>Reduces Impact</u> 1. Robust Medium-Term Financial Strategy reviewed</p>	EHL MD	4	5	20	Red	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	makes the Council/EHL economically less sustainable	<p>2. EHL objectives cannot be met.</p> <p>3. Pandemic/other major event has serious impact on HRA through changes to demand, profile of new residents and increased arrears</p>				<p>annually and monitored quarterly. Refreshed in line with macro-economic environment triennially.</p> <p>2. Creating an organisational architecture that can respond to changes in the environment and enable flexibility on spend and service delivery</p> <p><u>Reduces Likelihood</u></p> <p>3. EHL Asset Management Strategy sets out how investment will adapt stock offer to reflect changing demands, Covid 19 pandemic and help maintain HRA financial performance.</p> <p>4. EHL procurement and service delivery arrangements avoid over reliance on single suppliers. Contracts support supply chain to maintain labour and secure supplies</p>						
SR_003	Unforeseen socio-economic and/or	1. Unsustainable demand on services.	4	5	20	<p><u>Reduces Impact</u></p> <p>1. Programme to build our customer intelligence so that</p>	D of SD	4	4	16	Amber	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	demographic shifts creating significant changes of demands and expectations.	2. Service failure. 3. EHL service and stock offer unsustainable and not fit for purpose.				<p>we can tailor our service offer to residents and focus scarce resources on those that need them most.</p> <p>2. Programme to modernise our service delivery and maximise our use of cost-effective technological solutions.</p> <p>3. New AMS which redirects investment towards Council strategic priorities.</p> <p>4. Ensuring community and interest group engagement in policy development (e.g., Neighbourhood Management Schemes; Corporate Consultation Programme)</p>						
SR_004	The employment market provides unsustainable	Employment market unable to fulfil recruitment and retention	4	4	16	<p><u>Reduces Likelihood</u></p> <p>1. Changes undertaken to increase non-financial attractiveness of Homes First</p>	D of SD	3	3	9	Amber	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	employment base for the needs of the organisation	requirements of Homes First and key Suppliers resulting in a decline in performance standards and an increase in service costs.				to current and future staff. 2. Appropriate reward and recognition policies reviewed on a regular basis. <u>Reduces Likelihood and Impact</u> 3. Review of organisation and service delivery models to ensure core provision reflects innovative contracting and staff development/training arrangements						
SR_005	Not being able to sustain a culture that supports organisational objectives and future development.	1. Decline in performance. 2. Higher turnover of staff. 3. Decline in morale. 4. Increase in absenteeism. 5. Service failure	3	4	12	<u>Reduces Likelihood</u> 1. Staff development and training programmes maintained 2. Continue to develop our performance management capability to ensure early intervention where service and/or cultural issues arise. 3. Continue to develop communications through ongoing interactions with staff	D of SD	3	3	9	Amber	10 th June 2021
SR_006	Council/EHL prevented from delivering	1. Denial of access to property	3	5	15	<u>Reduces Likelihood</u> 1. Adoption of best practice IT and Asset Management	EHL MD	3	4	12	Amber	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	services for a prolonged period of time.	2. Denial of access to technology/information 3. Denial of access to people				<p>policies and procedures.</p> <p><u>Reduces Likelihood and Impact</u></p> <p>2. Joint Transformation programme has created a more flexible, less location dependent service architecture.</p> <p>3. Two-way contract arrangements for core housing services provide reciprocal ICT and staff capacity</p> <p><u>Reduces Impact</u></p> <p>4. Regularly reviewed and tested Business Continuity Plans.</p> <p>5. Regularly reviewed and tested Disaster Recovery Plan.</p>						
SR_007	Council/EHL materially impacted by the medium to long	1. Service profile of EHL changes materially as a result of the impact of the	5	5	25	<p><u>Reduces Likelihood and Impact</u></p> <p>1. Working in partnership with other public bodies.</p>	EHL MD	4	5	20	Red	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	term effects of an event under the Civil Contingencies Act	<p>event.</p> <p>2. Cost profile of EHL changes materially as a result of the impact of the event.</p> <p>3. Work adversely affected by reduced staff numbers due to effects of pandemic virus.</p>				<p>2. Robust emergency planning and use of Council's emergency powers.</p> <p><u>Reduces Impact</u></p> <p>3. Ongoing and robust risk profiling of local area (demographic and geographic).</p> <p>4. Service delivery arrangements and contracts allow for flexibility in spend</p>						
SR_008	Failure to meet regulatory or legal requirements	<p>1. Trust and confidence in EHL is negatively impacted.</p> <p>2. Deterioration of financial position as a result of regulatory intervention/penalties</p> <p>3. Deterioration of service performance as a result of regulatory intervention/penalties</p>	3	4	12	<p><u>Reduces Likelihood</u></p> <p>1. Developing, maintaining, and monitoring of a robust governance and compliance framework.</p> <p>2. Building relationships with government, regulatory and industry bodies.</p> <p>3. Develop our Performance Management capability to ensure early intervention where service and/or cultural issues arise.</p> <p>4. Review operational procedures, stock condition data and asset investment plans to reflect changing</p>	EHL MD	2	4	8	Amber	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
						<p>regulatory frameworks e.g., Building Safety Bill</p> <p>5. Ensure there is full understanding of new legislation and co-regulation frameworks and that Tenant Involvement Strategies are developed accordingly</p> <p>6. Ensure that fire risk regulations are adhered to and that Fire Risk Assessments are regularly reviewed.</p>						
SR_009	Commercial enterprises that are fully controlled by EHL do not deliver financial expectations or do not meet governance requirements.	<p>1. Unfamiliar activity with staff inexperienced in this area</p> <p>2. EHL finances affected if projects do not meet financial expectations.</p> <p>3. Reputational damage if governance procedures are inadequate.</p> <p>4. Failure to abide by company law.</p>	3	4	12	<p><u>Reduces Likelihood</u></p> <p>1. Hire suitably qualified/experienced staff to give legal and specialist support.</p> <p>2. Board control over SEIL contract decisions including not proceeding unless terms are commercially sustainable</p> <p>3. Ensure governance processes are set up and adhered to.</p>	EHL MD	2	4	8	Amber	10 th June 2021
SR_010	EHL suffers a personal or sensitive data breach by	1. Trust and confidence in EHL is negatively impacted.	3	4	12	<p><u>Reduces Likelihood</u></p> <p>1. Ongoing corporate training for data protection. Ensure all staff complete the e-learning</p>	AD HR & BT	2	4	8	Amber	10 th June 2021

Code	Title	Description	Likelihood	Impact	Original Risk Score	Internal Controls	Risk Owner	Likelihood	Impact	Current Risk Score	Traffic Light	Next Review Date
	inadequate handling of data or by an IT incident	<p>2. Deterioration of financial position as a result of regulatory intervention/penalties</p> <p>3. Deterioration of service performance as a result of regulatory intervention/penalties</p> <p>4. Increased probability of compensation claims by persons affected by a personal data breach.</p>				<p>Data Protection course.</p> <p>3. Ensure that the Data Protection Policy is regularly reviewed.</p> <p>4. Ensure the Data Protection Officer is afforded the resources to discharge their statutory functions.</p> <p>5. Ensure that managers regularly remind staff of their responsibilities under data protection, including personal data breach reporting arrangements.</p> <p>6. Ensure the suite of IT policies is kept up to date.</p> <p>7. Ensure that IT security is in place and regularly tested.</p> <p><u>Reduces Impact</u></p> <p>8. Incident management procedures to mitigate loss or breach of data are in place.</p>						

Eastbourne Homes Ltd (Registered Company Number: 5340097) England and Wales
Registered Office: Town Hall, Grove Road, Eastbourne, East Sussex, BN21 4QU
Eastbourne Homes Ltd is a company wholly owned by Eastbourne Borough Council