

Leading change and doing things differently

Our Strategy
2015 - 2020

Working
together for
positive change



OUR VISION AND MISSION

The pursuit for improvement has shaped our vision of what people should expect from a modern housing association. One that embraces and understands the complex business of changing lives and building communities. It has emboldened us to focus our resources, our creativity and our commercial ambition to unlock the barriers towards collective social and economic advance.

Individual relationships, built on unwavering trust, are what matter most to us. They set the foundations of lasting friendships and drive us to raise the bar higher for ourselves and for our partners.

Relationships inspire us to seek new ways to capitalise on our unique standing and make a unique play to transform our sector. They empower our entrepreneurial spirit to take adventurous leaps forward and seize the initiative when there are tangible benefits for the people we serve.

We know the time is right for housing in Northern Ireland to be defined by a new set of standards and new opportunities. The time is right for a new type of housing association and we are ready and best equipped to lead the way.

We want our customers and our partners to share in our ambitious journey and we challenge others to embrace our bold vision for a better future, better and more affordable housing, safer neighbourhoods and stronger communities that value and promote diversity.



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Welcome

There is no doubt that social and affordable housing in Northern Ireland is experiencing the most exciting period of change in a generation.



Fundamental reforms from Westminster and Stormont will radically transform the housing landscape and have a profound effect on housing associations in particular.

For Choice, change brings the opportunity to become more effective and innovative in how we deliver for our customers and society as a whole.

It is what inspired three of Ireland's best performing housing providers to take

a collective and adventurous leap forward and set a course to reshape the standards and services people should expect from a modern housing association.

The needs of our customers and communities remain our core priority, but we recognise how our capacity enables us to seize new commercial opportunities that can deliver tangible benefits for the people we serve.

Our charitable roots are important to us and our social aspirations continue to motivate our vision and actions. Driving social advance is embedded in our DNA. The size, scale and capacity of Choice means that we can now do much more and our core values ensure that we will.

This corporate plan reflects our move towards a more effective and business-like approach that will lead the transformation of social, affordable and market-rented housing, and support services.

I believe it sets an ambitious course that will challenge and inspire us and others in our sector.



We want our peers and partners to share in our journey and we challenge others to embrace our bold vision for a better housing, safer neighbourhoods and stronger communities that value and promote diversity.

The time is right for a new type of housing association. We are driving the internal cultural change necessary to face the challenges of such changes.

We are ready and best equipped to lead the way.

A handwritten signature in black ink that reads "Timothy Quin".

Timothy Quin
Chairman, Choice

About Choice

Choice is the result of a strategic merger between some of Ireland's best-performing housing associations Oaklee, Trinity, Ulidia and Open Door. Operating on a group structure, the 10,000 unit landlord was formed to capitalise on the exciting business challenges and opportunities arising from a once in a generation period of change in social and affordable housing.

Already the largest housing association on the island of Ireland, we aspire to strengthen our position and resources to:

- 1 Enhance services to our customers
- 2 Build capacity and capability
- 3 Optimise our impact to improve quality of life experiences through community initiatives
- 4 Demonstrate value for money for all our stakeholders
- 5 Attract and develop high calibre Board and staff with relevant private/commercial skills
- 6 Be more enterprising and seek new commercial opportunities
- 7 More effectively manage risks

This plan outlines how we will deliver our vision and lead the change towards 2020.

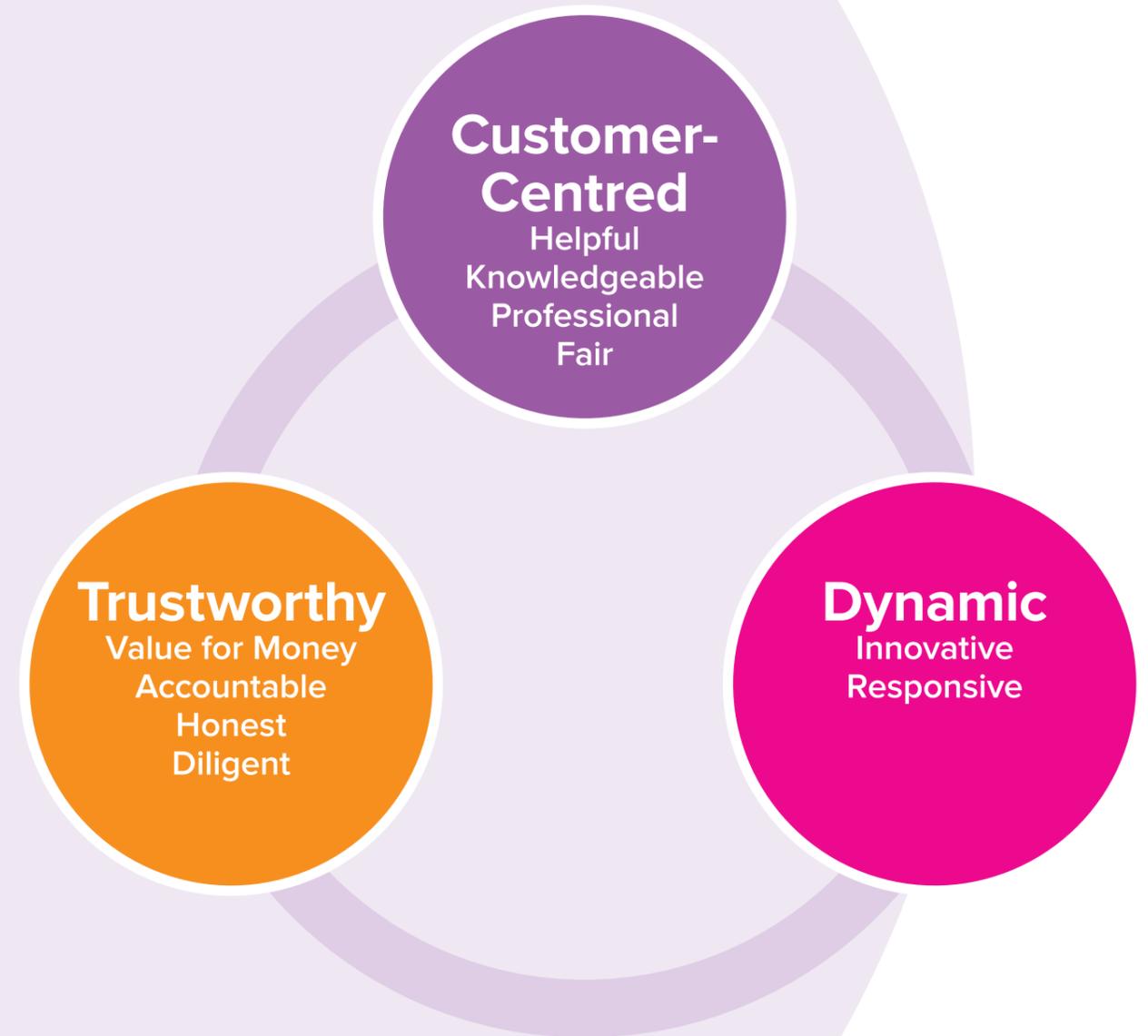
OUR KEY STRATEGIC ASPIRATIONS INCLUDE...

- Putting customers first and meeting housing need
- Board professionalism and governance
- Social Enterprise and Housing Plus
- Building and strengthening our partnerships and care services
- Promotion of Shared Future and Community Engagement
- Further expansion in the Republic of Ireland
- Employment opportunities and apprenticeships through DLO (Direct Labour Organisation)
- Localised services to meet local and public representative needs
- 'Best in Class' ICT systems
- Involving our customers and other stakeholders better
- Working closely with government and good governance
- Housing-led community regeneration
- Provision of affordable housing for sale
- Enhancing our economic efficiency by reducing costs
- Reducing losses from void properties

Our Core Values

Our core values are the building blocks of our culture, providing common language and acceptable standards of behaviour. The values we are adopting for our brand are as follows:

Customer Centred
Trustworthy
Dynamic



This strategy has been specifically framed to respond to the challenges we face over the next five years; the Housing Strategies launched by respective Ministers in NI and ROI; and the new commercial opportunities available to an organisation of our scale and resources.

Plan Context



Choice is proud of its roots and while our charitable focus remains at the core of what we do, the new strategy reflects a move into a more effective and business-like approach in our delivery. Our strategic priority is to harness the competitive advantage gained by the merging of strong performing associations, to lead a step-change in the development of social, affordable and market-rented housing; and support services. Our combined assets enable us to raise private finance at better rates, offset the challenge of a reducing housing association grant and explore new opportunities to transform communities within the context of the 'housing plus' agenda.

Partnership working and ensuring that we play to our strengths is critical, particularly in the management of care schemes. This plan seeks to establish smarter collaborations that deliver better results for our customers and our partners.

Our value for money agenda carefully calibrates cost reduction and service delivery outcomes to maintain the highest quality services while a streamlined governance and accountability structure now requires fewer resources yet delivers greater purchasing power.

We value the contribution of experienced and qualified individuals on our Board and staff. Attracting high calibre individuals, including those from a non-housing and private sector background, and developing existing Board and staff remains a core priority for Choice.

Business Growth Operating Environment

NORTHERN IRELAND

11,000

New households needed across all tenure types each year

(Regional Development Strategy 2035)

1,100

New social dwellings will be required each year to meet the on-going needs of a growing population

(The Housing Executive net stock model)

900

Further homes are needed each year to address a backlog that has been building since 2001

(The Housing Executive net stock model)

Key external issues

- GB and NI Public Sector Expenditure will remain highly pressured in the next Parliament, irrespective of the majority party
- The drive to re-balance the NI economy will involve privatisation and major structural changes, including the Housing Executive stock transfer
- The banks will be very active over the next 1-5 years in exiting from their exposure to property
- The price of property remains low while interest rates are historically low
- New funders and innovative funding are entering the social and affordable housing sector
- Welfare Reform will commence 2015 with changes likely to continue in the new Parliament
- Economic forecast pointing towards a period of austerity and associated measures
- Demand for our product remains strong (both social and affordable)

REPUBLIC OF IRELAND

98,318

Net housing need

(2011 Annual Needs Assessment)

66.8%

Of those in need are unable to meet the cost of accommodation

(2011 Annual Needs Assessment)

9.7%

Have needs based in medical and compassionate reasons accounting for one tenth of households

(2011 Annual Needs Assessment)

Our Environment

“The challenging economic environment also creates opportunities to become more innovative and efficient in delivering and maintaining social housing... We believe there are clear opportunities to create a more effective and efficient housing association sector”.

Facing the Future: Housing Strategy for Northern Ireland 2012-17

Our Environment



The former NI Housing Strategy contains five themes that this corporate plan aims to address:

- 1 Ensuring access to decent, affordable, sustainable homes across all tenures
- 2 Meeting housing needs and supporting the most vulnerable
- 3 Housing and Welfare Reform
- 4 Driving regeneration and sustaining communities through housing
- 5 Getting the structures right

“The challenging economic environment also creates opportunities to become more innovative and efficient in delivering and maintaining social housing... We believe there are clear opportunities to create a more effective and efficient housing association sector”.

Facing the Future: Housing Strategy for Northern Ireland 2012-17

The ‘Together Building a United Community’ strategy also focuses this plan through its proposal that: “Both the Northern Ireland Housing Executive and Housing Associations ask their tenants to sign up to a voluntary ‘Good Neighbour’ charter - thereby encouraging support for good relations programmes in their estates and housing schemes.” We also recognise the potential to support the commitment for the development of 10 shared neighbourhoods.

Our high level response to these points follows on the next couple of pages.

Together Building a United Community

1

HOUSING STRATEGY THEMES

Ensuring access to decent, affordable and sustainable homes.

Develop a balanced housing market across NI which provides households with good housing choices at prices they can afford.

OUR HIGH LEVEL RESPONSES

- 1 Affordable Housing Initiative implemented scheme on site 2015/6
- 2 Three private rental portfolios added by March 2016
- 3 Significant commercial activity across a range of projects

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HOUSING STRATEGY THEMES

Meeting housing needs and supporting the most vulnerable.

To reflect the change in social housing to cater for low income and workless households.

Make the best use of available stock and provide better advice and support.

OUR HIGH LEVEL RESPONSES

- 1 Care & Support project for dementia implemented
- 2 Develop partnership scheme using Bamford ‘Full life model’
- 3 Deliver land-banking strategy supporting 20 schemes by 2017
- 4 Create a re-modelling programme for 500 units of stock by 2018
- 5 Choice based letting implemented in one area by 2016
6. Asset management strategy:

* Repair response times to meet average 90% target by 2016
 * Repair costs per unit to below £500 by March 2016
 * Planned stock programme 100% delivered each year 2015-2020

3

HOUSING STRATEGY THEMES

Housing and Welfare Reform.

To simplify and reduce the impact of the current welfare reforms while providing support to households impacted by the changes.

OUR HIGH LEVEL RESPONSES

- 1 Govt. target Sept 2015 implemented support 1,000 customers affected
- 2 Review sheltered housing model/action plan to Board by 2016
- 3 Maintain Open Door directly managed homeless service and identify one new scheme by 2018
- 4 Reduce void levels below 2% through Empty Homes Strategy
- 5 Income Recovery review of service/staff roles reduce debt to 3%

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HOUSING STRATEGY THEMES

Driving regeneration and sustaining communities through housing.

Using a housing-led approach to regenerate communities experiencing blight, dereliction or decline, bring more empty homes back into use and generate additional employment and training opportunities.

OUR HIGH LEVEL RESPONSES

- 1 One major regeneration project inner city renewal 2015-20
- 2 Six housing plus initiatives identified by 2015 and implemented by 2017
- 3 Companies established to deliver partnership under three SPVs 2016
- 4 VFM initiative for house completions at 10% new build savings

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HOUSING STRATEGY THEMES

Getting the structures right.

Allowing access to non-public funding to deliver innovative housing & related services in pursuit of the preceding themes.

OUR HIGH LEVEL RESPONSES

- 1 Engage with the Housing Executive regarding their future options
- 2 Review Bloomfield transfer model and implement Stage 2
- 3 Explore leasing and alternative partnership housing initiatives
- 4 Implement a new Treasury & Borrowing Strategy new sources of funding
- 5 ICT strategic review to support agile working for staff by 2016
- 6 ICT updated systems implementation by 2017
- 7 Procurement for Choice implemented 2015 and contract value for money

AND

REPUBLIC OF IRELAND

The housing policy statement (June 2011) set out the Government’s policy and vision for the future of the housing sector based on: **“choice, fairness, equity across tenures, delivering quality outcomes for resources invested”.**

OUR HIGH LEVEL RESPONSES

- 1 Achieve target for HFA/EIB funding usage of €55m euro by 2018
- 2 Re-configure the lending facility from Choice to Oaklee Housing Trust 2015/6
- 3 Create a merger opportunity with another association by 2016

HOUSING STRATEGY THEMES

Together: Building a United Community

Both the Northern Ireland Housing Executive and Housing Associations ask their tenants to sign up to a voluntary 'Good Neighbour' charter - thereby encouraging support for good relations programmes in their estates and housing schemes.

We will seek to create communities of 'good neighbours' and ensure that there is greater choice open to those who wish to live in a mixed area. We also recognise the potential to support the commitment for the development of 10 shared neighbourhoods.

OUR HIGH LEVEL RESPONSES

Pond Park, Lisburn

Carron Crescent, Enniskillen

Our strategy

We will deliver our business objectives under annual business plans based on a balanced scorecard that maps strategic initiatives under four business headings:-





1

BUSINESS GROWTH

We will ensure that we meet our financial and business growth targets to maintain our financial viability

Strategic Aims



Shared Equity Initiatives

Under the ‘Get Britain Building’ new build shared equity initiative loan funding has been provided by the DSD to pilot shared equity schemes and increase the supply of housing for owner-occupation at affordable prices. We propose to develop circa 200 dwellings in the first year aimed at first time buyers in areas of identified high demand for equity sharing dwellings. To achieve this we will partner with established private sector developers using a competitive “design and build” procurement vehicle/s.

Stock Transfers

We will build on the experience gained from rolling out the second pilot the Housing Executive stock transfer in N. I. at Bloomfield Avenue, Bangor. The tenant ballot for that scheme resulted in overwhelming support from the customers (92%) in favour of transferring to us. The Housing Executive have indicated that the next three phases of stock earmarked for transfer could be around 2,000 dwellings over the next three years. We will be pro-active in submitting realistic bids for the schemes released under the three tranches of the programme.

Supported Housing

We are committed to building on our track record as one of the leading providers of supported housing for people with disabilities and engaging with all new strategies. We will continue to positively contribute to meeting targets set under the ‘Bamford’ and ‘Transforming Your Care’ agendas that aim to provide suitable accommodation and support facilities in the community for NI particularly those with long-term institutional care. Furthermore, through our asset management strategy we will continue to re-model our existing supported housing portfolio of accommodation to meet changing needs for supported housing.

Governance, regulatory compliance and risk management

We will ensure that our policies, procedures and operational systems are fully compliant with the DSD regulatory framework. We will formulate and develop a governance action plan that commits to having an appropriate governance structure for a dynamic multi-functional organisation. We will develop a robust corporate risk management

Strategic Aims

Framework that embeds risk management principles in all our activities by:

- Supporting responsible well thought through risk taking and innovation
- Engaging staff at all levels to innovate, contribute ideas and raise concerns
- Providing guidance and training to equip staff and Board in managing risk

Sector Consolidation

The key drivers for consolidation are :-

- Size and scale to attract private finance
- Skills and resources to meet regulatory compliance
- Meeting housing need

We have led the way in the voluntary housing movement in managing a number of successful mergers and amalgamations that have helped to grow our asset base. Our plans will take account of scenarios that emerge as we develop closer working relationships with other housing associations. During the plan period, we

will pro actively engage with other like-minded associations to explore opportunities for partnership working on a range of initiatives including:

- Provision of core services and value for money
- Joint management
- Land/stock transfer
- Group formation/membership

Enterprises – Private Rental Portfolios

We aim to build on the success of the acquisition of the distressed asset private rental portfolio in North Belfast. Private rental portfolios have the potential to contribute to the group by providing a revenue return and potential land bank opportunities for future social housing developments. We aim to raise the standards of housing provision and service for tenants of the portfolios we acquire.

Funding the Plan

The Group has ambitious development plans and during the year, it will be necessary to raise new finance to support these plans. The parent, Choice Housing Ireland, is in negotiations with the European Investment Bank (EIB) aimed at securing £150m of long-term funding. We will also secure some £35m of short-term bank funding under a revolving credit facility during the year.

In the Republic of Ireland OHT hopes to secure €55m long term funding from the Housing Finance Agency, together with CALF Capital Advance Leasing Facility funding from Department of the Environment and additional development funding from the Group.

We will introduce a Value for Money Strategy which will set sector-leading targets for efficiency and effectiveness. We expect to see cost savings from the increase in scale which the merger has achieved, and will establish a framework for delivering these.

The Group aims to diversify into affordable housing, design and build, and regeneration projects and we will establish a financial structure to deliver on this.

£150m

long-term funding bid with the European Investment Bank (EIB)

£35m

short-term funding under a revolving credit facility during 2015

£55m

long-term funding sought from the Housing Finance Agency, CALF funding and additional development funding from the Group



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INTERNAL BUSINESS PROCESSES

We will continuously improve our performance and business processes to demonstrate that we meet our statutory commitments and provide value for money

Our Policy Environment

We recognise that our customers are facing hardship due to high levels of unemployment and economic austerity.

Income Recovery Strategy

Collecting rental income is becoming increasingly challenging in the current economic environment and is further impacted by uncertainties regarding the government's Welfare Reform Agenda.

We recognise that our customers are facing hardship due to high levels of unemployment and fiscal austerity. To assist them, we will introduce initiatives to support financial inclusion by increasing awareness of how to maximise benefits and manage income. We will also work with partners to assist us in delivering the maximum benefit for our customers and set ambitious arrears management targets during the life of the plan.

Our Welfare Reform Action Plan underpins the financial inclusion strategic plan for Choice and includes a cross-departmental team that will develop initiatives that enable the association to respond effectively to the government's Welfare Reform Agenda.



Our Policy Environment

Information and Communication Technology (ICT) Strategy

In a growing business we must be responsive and accessible to meet all of our customers' needs. Our ICT strategy provides a distinct advantage and enables a unique service delivery model that helps front-line specialist staff concentrate on key performance areas of estate management, response repairs and voids management, while a dedicated services centre helps resolve other issues.

During the plan period, the following ICT investment commitments will be rolled out starting in Year 1:

- Electronic Document Management System (EDMS)
- Agile working solutions for all frontline staff
- Customer Web Portal and Customer Apps
- Performance management and business planning solution
- Staff and Board Intranet

Allocations and Voids (Empty Homes Strategy)

During the life of the plan we aim to reduce lettable void losses to below 3% by reducing voids and expediting the allocation of vacant properties. Allocation specialists will have challenging targets for the promotion of vacant properties available for letting.

A programme of re-modelling and improving stock will facilitate more efficient stock management and assist in responding to the Welfare Reform Agenda of providing for an increasing number of smaller households. Therefore we will also reduce the strategic unlettable voids accordingly below 3%.

Asset Management

Our Asset Management Strategy (AMS) will ensure that we have a strong asset base of well-maintained properties that continue to provide our customers with good quality accommodation that is fit for purpose and meets the relevant statutory requirements. Based on an in-house rolling stock condition survey, to be completed by 2016, more than £2m and will be invested in the Annual Planned Maintenance Programme. Where possible, contracts and services (day to day repairs) will be competitively procured to achieve value for money and effective services.

Procurement

All procurement activities will be discharged honestly, fairly and in a manner that secures best value for money for Choice. The guiding principles for procurements are set out in the procurement strategy which are:

- To ensure that all procurement activities comply with procurement regulations
- To obtain best value for money in all purchasing, and
- To promote sustainability in procurement

Under the Corporate Plan we will:-

- Align legacy contracts
- Ensure that procurement staff are adequately equipped to deliver the service
- Establish a Choice Procurement Group
- Collaborate where appropriate with partners to achieve greater value for money



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3

LEARNING & INNOVATION

We will be innovative and creative by fostering a culture of learning and development with our Board, staff and customers

Board

In keeping with the principles of good governance, the Board is committed to ensuring their continued effectiveness by:

- (i) Periodically review the composition of the Board, the skills and contributions of individual members
- (ii) Periodically assess the effectiveness of Board processes, including its accountability
- (iii) Assess the extent and quality of information the Board receives
- (iv) Review the training and development needs of members on the Board as a whole
- (v) Periodically appraise individual Board members and collective Board performance
- (vi) Establish a process for succession planning

Staff

Our continued success relies on the contribution made by all our staff. We recognise the need for high performing individuals and teams, who share our core values and ambitions, to realise our strategic objectives. Why would you want to work for us? What makes us the employer of 'choice'? To achieve this aim we will:

- (i) Recruit, develop and retain sufficient staff to effectively manage and maintain the housing stock
- (ii) Develop and maintain systems, policies and procedures for the effective performance management of staff
- (iii) Create a positive work culture to facilitate the delivery of a customer-focused service
- (iv) Implement health and well-being initiatives to assist in pro actively managing staff absence

Resourcing the Plan

The following key issues need to be addressed to resource the Plan:

- 1** Complete implementation plans to facilitate the mergers
- 2** Prepare staff resource plans for each part of the business that will deliver our business aims
- 3** Complete a review of the management structure for Choice including the appointment of a Group Chief Executive
- 4** Implement an approach to employee engagement that will ensure that Choice develops a work culture that delivers future success and shared values
- 5** Complete a job evaluation review of all posts to establish new pay grades for Choice
- 6** Implement a learning and development strategy that will facilitate the mergers, develop skill, management competence and leadership capability
- 7** Implement an approved voluntary redundancy scheme
- 8** Provide a recruitment service that selects new employees who will add value to the business.
- 9** Support managers to develop high performing teams



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CUSTOMER EXCELLENCE

We will aim to provide customers with excellent services to meet their expectations and needs

Housing and tenant service standards

Facing our key issues:



The Board will ensure that we meet and exceed the housing performance standards set by the DSD in the following areas :-

- Rent levels within the DSD targets
- Services charges
- Rent collected
- Rent arrears
- Allocations
- Voids
- Response repairs
- Landlord tenant relations – tenant satisfaction



Customer Involvement Strategy

We will build on the success of our existing tenant involvement initiatives (tenant forums, tenant focus groups, tenant inspectors) to ensure that we put our customer at the heart of all our activities and involve them in the design and delivery of services. Why would you want to make us your landlord of 'choice'?

We will continually engage and consult with our customers on all operational initiatives to ensure that they have their say. Annual Satisfaction Surveys will be conducted and an action plan will be implemented and reviewed by the Board to ensure we achieve a tenant satisfaction rating of over 90%.

We will ensure that customers are represented on Board Sub-Committees and invest in ICT that enables customers to easily access core services. We will also invest in developing the skills of our frontline staff to ensure they effectively engage and support customers.

Energy and Sustainable Development Strategy

We will move from a 'pragmatic' to a more 'proactive' approach to play our part in protecting the environment, promoting energy awareness and providing homes which are more energy efficient, thereby helping to address fuel poverty issues.

We want to build on the success of being the first housing association to employ a dedicated Energy Officer. We will continue to 'mainstream' sustainability throughout development, maintenance and management operations. Our planned maintenance programme will have a strong emphasis on retrofitting energy efficient measures.

Delivering Value for Money

In an environment of reducing capital grant funding and continuous pressure on revenue income, we acknowledge the need to deliver value for money in all our activities.

To provide a focus for this important aspect of our work, the Board has established a 'Value for Money Working Group' comprising Board, staff and external representation. The group has been tasked with delivering value for money while maintaining quality in four areas:

1. The capital cost of building properties
2. Standardisation of building components and house types
3. The procurement of projects (e.g. competitive developer/contractor led design and build projects)
4. The provision of effective planned and response maintenance

Housing Plus Initiative

As a large social housing landlord, we recognise that we should endeavour to play our part to make a more positive contribution to society and, where possible, support our customers to do so too.

To this end, we will work with relevant partners to support our customers to access employment opportunities in Choice and elsewhere, and offer assistance through financial inclusion measures. These involve providing our customers with advice and support on benefits, budgeting, debt and money advice and assisting them in accessing mainstream financial services. Our Housing Plus initiatives will also include 'adding value' to our completed developments by incorporating and maximising the use of community/social facilities.

We will aim to:

- Incorporate social clauses in all capital development and significant planned maintenance projects
- Work with specialist organisations in the provision of training opportunities (apprenticeships etc)
- The provision of adult education for tenant groups
- Develop a Choice financial inclusion plan
- Explore the potential for expanding the Choice DLO
- Incorporate Housing Plus initiatives in stock transfer schemes





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Working
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