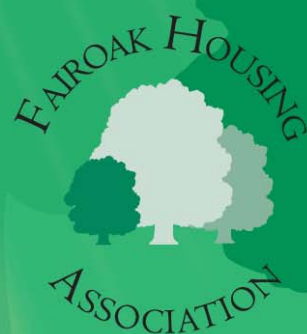




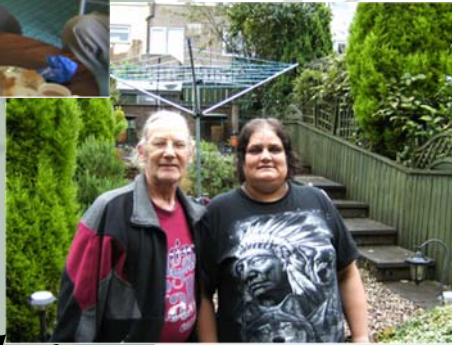
Fairoak Housing Association

# 5 Year Forecast & Business Strategy 2010 to 2015



# WHAT OUR CUSTOMERS SAY

... “I would like to express my thanks for all the hard work ... (to) help empower people with learning disabilities in making positive decisions about their future.”



“I received a lot of support and guidance especially over my move”

“I enjoy living at Langdale”

“I am happy with Fair oak and the service they provide”



“Fair oak have helped me build up trust and confidence and supported me to move on”

“(Fair oak) have always come quickly to sort things out when they are broken”



“Many thanks for all your help”

## 5 YEAR FORECAST & BUSINESS STRATEGY 2010—2015

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## Executive Summary

This strategic business plan has been developed by all of our employees, members of our Board and most importantly our customers who have provided us with useful information and ideas. This is a document that informs you of where we have come from and what we hope to achieve over the next five years. This includes our financial position, size and diversity of our housing stock, and what the potential risks to the Association might be during the journey. Thank you for taking the time to study our plan.

## Organisational Profile

The Association was originally formed in 1990 and changed its name to Fair Oak Housing Association in 2002. We originally worked solely with people with learning disabilities in Cumbria but more recently we have expanded our customer group to include people with other disabilities across five counties within the north of England.

We provide a range of accommodation, which is designed and adapted to meet the demands, needs, and desires of our customers. Fair Oak Housing Association is registered as an Industrial & Provident Society (Registered Number 28173R) and is a Registered Social Landlord (L4535).

We employ a small workforce responsible for the day to day running of the Association, property maintenance, and quality management and the development of new and innovative housing options for our customers.

Our property portfolio includes property owned by the Association and property managed on behalf of others who are interested in providing high quality accommodation for our customer group. Most recently we have developed shared ownership schemes for people with learning disabilities.



- Properties where Fair Oak are Landlord
- Properties where Fair Oak provide Housing Management
- Shared Ownership Properties

## Our Mission

Fairoak Housing Association's sole purpose is to provide affordable and suitably adapted housing for people with learning and other disabilities.

The goal of the Association is to offer continuous improvement, ensuring efficiency, through a framework of equality and values that promote the rights and desires of people with disabilities.



## Our Vision

Our vision is to provide a quality Housing Service which meets demands, needs and desires of our customers, and promotes independent living for people with learning and other disabilities.

## Equality of Opportunity

We are committed to a policy of equality of opportunity and non-discrimination; discrimination will be defined as “where an individual is treated less favourably on grounds of sex, marital status, race, disability, sexual orientation, gender reassignment, age, religion, political affiliation, and/or union membership.”



## **Types of Accommodation Provided by the Association**

We provide a variety of accommodation options including new design and build, refurbishment of existing stock and redevelopment of existing buildings to provide suitable accommodation.

For example a derelict former council owned block of flats was refurbished by the Association to provide 3 double and 3 single modern flats with facilities to accommodate 24 hour staff cover in the form of an office area and sleep over room. A more recent project has seen a former public house completely redeveloped into 4 individual flats which will incorporate the most up to date assistive technology to support the tenants to live as independently as possible.

We have also been able to work with people with LD who have opted to buy their own property with the help of the HA. This has included single owner occupiers as well as married couples.

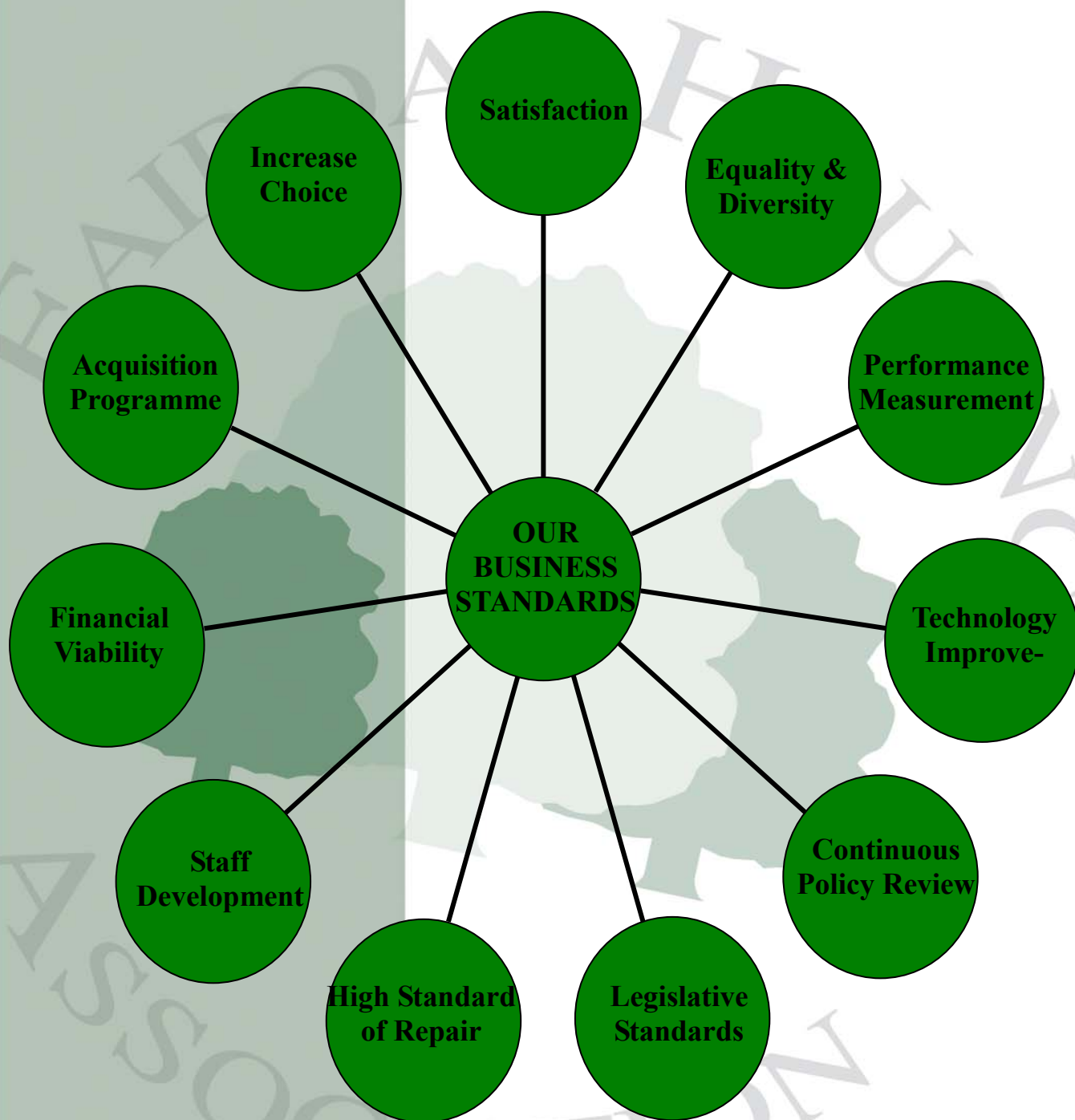
One of our strengths is the provision of housing related support; by working in partnership with other provider organisations we are able to meet the complex needs of our customer group. Every partner provider working with us must meet the vigorous standards we demand.

Some of the providers currently working with us include:

- St Gregory's
- MENCAP
- The Oaklea Trust
- Real Life Options
- Azure
- Creative Support

## Our Business Standards

The Association sets itself standards by which all our work is implemented and we carry out a continual process of appraisal against these standards to evaluate and re-shape our business to ensure we are meeting our customers changing needs.



## Managing Risk and Business Opportunity

**Risk management** is the identification, assessment, and prioritisation of risks followed by a coordinated and economical application of resources to minimise, monitor and control the probability and impact of the risks identified. The following table represents a snapshot of our current risk register:

Assessment of Risk	Description	Action Required
High	Financial Impacts including instability in interest rates, decreases in asset values and external policy changes	Critical review of borrowings ongoing basis, monitor government trends and changes in legislation
Medium	Capital funding including shared ownership, availability of government funding	Continue to source alternative funding
Low	Unforeseen maintenance, tenant disputes, strategic development	Continuous review of reserves policy, maintaining a variety of communication methods with tenants, continue to review each project on its merits and bring to the Board individually

**Business opportunities** are considered by the Association after careful consideration of our strengths. Following a SWOT (strengths, weaknesses, opportunities & threats) analysis the following list is a summary of the key strengths of the Association:

- ✓ Experienced and diverse Board skills
- ✓ Strong and dynamic management throughout the Association's staff team
- ✓ Financial stability
- ✓ A person centred approach
- ✓ A strong reputation
- ✓ Collaborative working ability
- ✓ Entrepreneurial approach to development

## **Our Strategic Objectives**

### **1. Maintaining High Standards**

We will listen and respond to our tenants concerns promptly and monitor their satisfaction of the housing management services we provide. When carrying out any work we consider value for money, impact on the environment, quality and meeting changing needs

Expected Outcomes:

- ✓ Maintaining or improving tenant satisfaction
- ✓ Response time analysis
- ✓ Maintaining existing level of 100% compliance with Decent Homes Standards

### **2. Understanding & Involving Customers**

We will maintain a variety of methods of communication designed to listen and respond to our tenants.

Expected Outcomes:

- ✓ Social events to encourage tenants to feel comfortable talking to us
- ✓ Tenant forum to be established to enable tenants to give their opinions on the running of the Association and strategic direction
- ✓ Monitor and react to compliments and complaints

### **3. Financial Security**

We will maximise the potential of our existing resources to deliver high standards and innovation in housing and we will continue to seek appropriate funding to meet our development objectives.

Expected Outcomes:

- ✓ Continuous review of our loan portfolio
- ✓ Value for money culture within the Association
- ✓ Improvement in rent collection and management of vacancies
- ✓ Continuous monitoring of performance against budget and cash flow

#### 4. Governance

We will maintain good governance by ensuring we have the right people with the right skills and the right team culture with clear expectations to enable the Association to meet its objectives. As-

Expected Outcomes:

- ✓ Appraisal of the Board
- ✓ Continued skills analysis and recruitment as and when required
- ✓ Delegation in line with policy
- ✓ Clear and precise reporting to the Board to facilitate good decision making
- ✓ Continuous review of the Risk Register and ongoing management

#### 5. Strategic Development

We will provide a wide range of affordable housing options to meet the demands and desires of our customers.

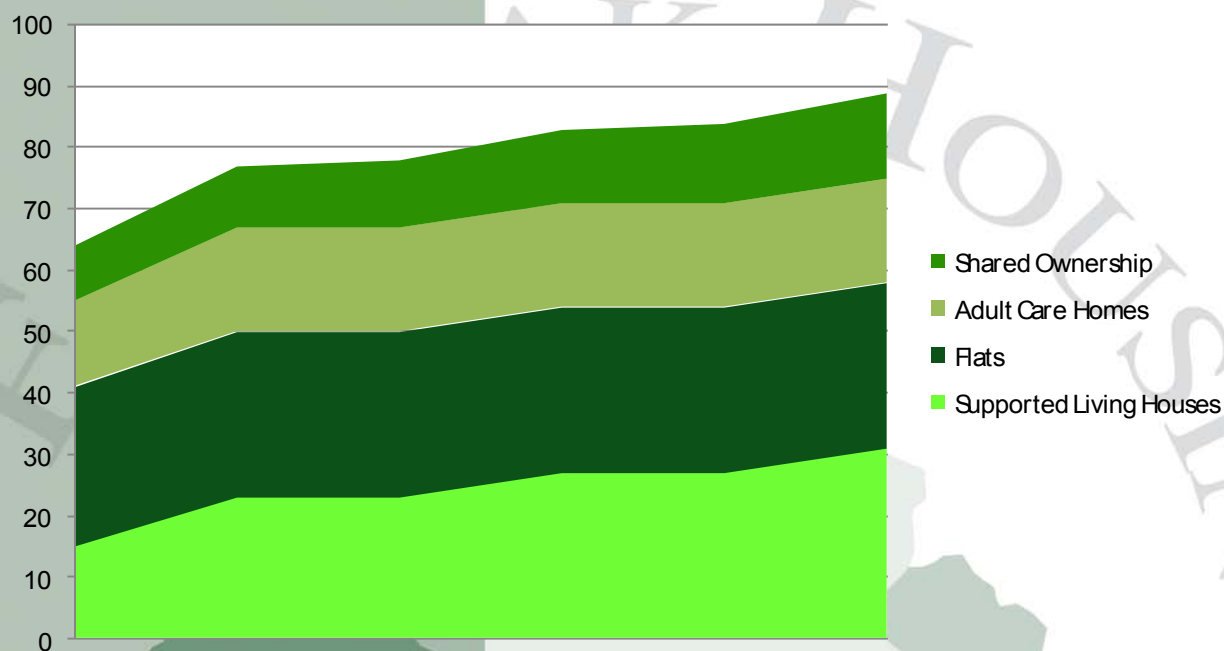
Expected Outcomes:

- ✓ Continuing to make shared ownership a reality for people with learning disabilities
- ✓ To work with partners to increase the provision of housing management services
- ✓ To develop additional properties as resources permit
- ✓ To maintain affordability for our tenants
- ✓ To strive to be innovative in our approach to the development of housing

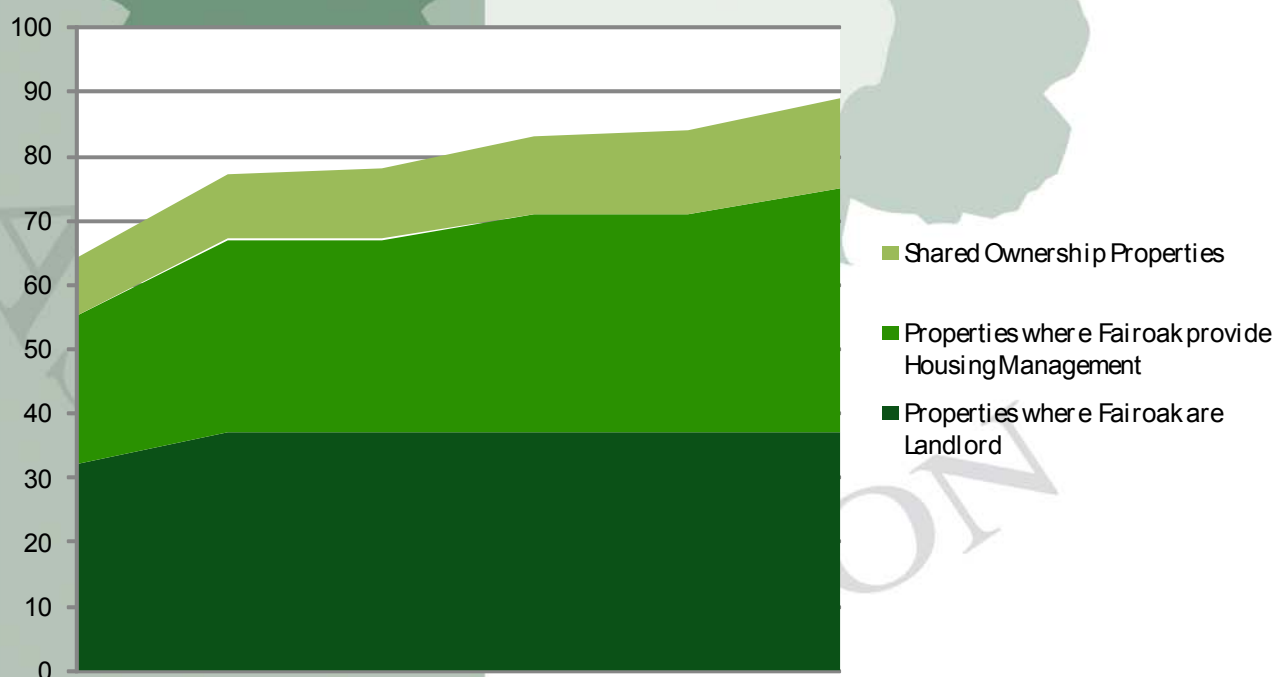
## Forecast

The graph below shows the forecast effect on the number of units within the Association and the split between ownership and provision of housing management services.

Forecast number of units by type of unit 2010 to 2015



Forecast number of units owned, managed and shared ownership 2010 to 2015



The table below shows the forecast effect on the income and expenditure account of the Association.

	2010-11	2011-12	2012-13	2013-14	2014-15
<b>INCOME</b>					
Rent & Other Income	529,256	536,902	547,271	552,744	563,271
Shared Ownership Income	408,000	50,000	55,000	60,000	65,000
	<u>937,256</u>	<u>586,902</u>	<u>602,271</u>	<u>612,744</u>	<u>628,271</u>
<b>OPERATING COSTS</b>					
Overheads	460,092	471,594	481,026	485,836	490,695
Shared Ownership Costs	408,000	50,000	55,000	60,000	65,000
	<u>868,092</u>	<u>521,594</u>	<u>536,026</u>	<u>545,836</u>	<u>555,695</u>
Operating Surplus/(Deficit)	<u>69,164</u>	<u>65,308</u>	<u>66,245</u>	<u>66,908</u>	<u>72,577</u>
Loan Interest	54,500	55,318	55,871	56,709	57,559
	<u>113,500</u>	<u>110,636</u>	<u>111,742</u>	<u>113,418</u>	<u>115,118</u>
<b>NET SURPLUS/(DEFICIT)</b>	<u>14,664</u>	<u>9,990</u>	<u>10,374</u>	<u>10,199</u>	<u>15,017</u>

## contact us

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