

Value for Money Assessment 2022-23

The Value for Money (VFM) strategy was approved by the Board in July 2021 and reflects both the changes to the value for money standard issued by the regulator in April 2018 and the organisation's corporate plan.

The standard states that a set of metrics should be used to measure the value for money achieved within the organisation and these are presented below.

		Group		Association		Budget FY23	Target FY22	Sector Metrics
		2022/23	2021/22	2022/23	2021/22	2023/24	2022/23	2021/22
Metric 1	Reinvestment %	9.7%	7.4%	9.7%	7.4%	13.3%	8.8%	5.74%
Metric 2	A New supply delivered SH %	1.3%	1.1%	1.3%	1.1%	3.7%	2.2%	1.53%
	B New supply delivered NSH %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%
Metric 3	Gearing %	32.9%	28.1%	32.9%	28.1%	34.0%	36.2%	41.98%
Metric 4	EBITDA MRI Interest Cover %	135.9%	156.7%	143.8%	155.9%	127.3%	166.6%	141.39%
Metric 5	Social housing cost per unit £	£ 4,418	£ 4,023	£ 4,418	£ 4,023	£ 4,770	£ 4,300	£ 4,360
Metric 6	A Operating margin SH %	19.3%	20.0%	21.8%	19.7%	21.2%	26.0%	23.95%
	B Operating margin overall %	20.2%	21.8%	21.3%	21.6%	20.3%	24.7%	22.70%
Metric 7	ROCE %	2.7%	2.6%	2.6%	2.6%	2.6%	3.1%	3.28%

The group's metrics presented above compare favourably against the sector average in some areas, but less favourably in others.

The group's re-investment of 9.7% has exceeded our target and increased when compared against last year and the sector, despite developments having been delayed at the start of the year due to materials and labour shortages. An element of this will be due to inflation and the rising cost of materials influencing the total expenditure nevertheless it does reflect our continued investment in our properties. The latest sector metrics relate to 2021-22 and as such it is difficult to compare with this benchmark as this will include lockdown delays that Housing Associations will have experienced. Even with the initial delays and shortages the both the development and capital improvement programmes have performed well with significant investment. In 2022-23 we bid on 23 section 106 schemes and were successful in securing 6 schemes with a total of 75 homes.

We have a strong development pipeline through both the purchase of section 106 schemes and smaller land led developments, both within the Teignbridge District and further afield in neighbouring authority areas. This has been further facilitated through the additional funding secured last year from the refinancing. Because of this we are seeing an increase in re-investment from the 9.7% achieved this year to 13.3% forecast for next year.

New supply delivered is a calculation based on units completed in 2022-23. We have achieved 1.3% new supply through delivering 48 units, this compares to a target of 2.2%. This difference is due to the delivery of 18 homes slipping into next year. However, these 18 homes are expected to be ready between April and July 2023.

We are just below the sector average on this metric however as the benchmark relates to 2021-22 data it is not showing the delays that have been felt across the building sector.

Committed new supply is forecasted to increase by a further 136 units in 2023-24 including 59 affordable rent, 41 social rent and 36 shared ownership properties. We will continue to seek new opportunities to achieve our development aspirations and we now have the capacity to deliver 259 homes over the next 5 years. In the 2022-23 plan the capacity was 403 homes, we have delivered 48 of these, which would leave a remaining capacity of 355, however due to the effects of the rental income cap of 7% for 2023-24, increased inflation rates averaging 14% on materials and labour costs and up to 20% on some build costs and general inflation forecast to be over the Bank of England target of 2% for 2023-24, this has resulted in a loss in capacity of 96 homes.

Gearing has increased by 4.8% from 2021-22 to 32.9%. We are utilising the loan, secured in early 2021-22, and cash reserves to fund our increased investment into new homes and regeneration, increasing the ratio. At 32.9%, this remains well below the sector average and gives us scope to increase this. We have potential through unencumbered stock to increase funding with the additional loan debt. This will allow us to further invest into new homes and regeneration, give the financial capacity to meet any requirements from the Decent Homes 2 Standard and stock condition surveys, as well as continue to develop our extensive digitalisation agenda. All of which aims to improve the quality of our homes, effectiveness of our service to tenants, improve efficiencies and achieve savings for both tenants and Teign Housing. This can be achieved whilst keeping our interest cover well within sustainable levels.

The EBITDA MRI interest cover (Earnings Before Interest, Tax, Depreciation and Amortisation, Major Repairs Included) has reduced as although the operating surplus has increased from 2021-22 by £220,000, our expenditure on capitalised major repairs has increased. The metric adjusts for this cost and reduces as the level of expenditure in this area increases. Although our funders do not use EBITDA MRI as one of their covenants, we remain within the historic targets. As a result of continued investment next year this, the interest cover ratio is expected to fall further next year as we continue our programme in new

and existing properties however the new covenant terms mean that this reduction is sustainable and well above thresholds.

The social housing cost per unit has increased from £4,023 last year to £4,418 this year. This has been due to an increase in the planned maintenance compliance spending, continued regeneration works at during 2022-23 as well as an increase in the number of high cost void rectifications and the effect of high inflation across all materials and labour. Overall, whilst we have seen a cost per property increase compared to the prior year, this brings us more aligned to sector average spending per unit.

The operating margin has decreased from last year. A reduction in operating surplus was anticipated with the drive to improve our service delivered to tenants however the climate of economic instability and high inflation rates seen during 2022-23 was unforeseen at the time of budgeting, leading to the operating margin being below target.

The return on capital employed remains static due to a marginal increase operating surplus compared to last year and asset base. This metric slightly behind target and the sector. It is forecasted to continue stabilise as the investments into new homes and services are realised and generate greater turnover and cost savings.

We continue to be committed to providing good levels of customer service in, what continues to be, a challenging environment. Economic and political uncertainty are set to continue for the coming year and Teign Housing has modelled and planned for further potential issues through the business planning process as well as creating a new organisational structure to better support the service offered to tenants as well as to help reduce costs over the long term and generating efficiencies.

Value for Money underpins all business activities at Teign Housing, and it is driven by the Board. VFM is about reviewing what we do and how we do it in order to make informed choices about how resources are effectively channelled towards the delivery of services and corporate priorities. The aim is to make the best use of our customers' money whilst balancing the cost and time with quality as well as stakeholder benefit, reasonable customer expectations, organisational benefits and business survival.

The Board's focus on VFM allows the company to continue to deliver great services and grow through developing new homes. The current business plan including the financial position after refinancing, includes the delivery of 259 homes over the next 5 years.

The Board scrutinise financial and service delivery performance at each meeting, through the management accounts and balanced scorecard, and any areas of poor performance are supported by a detailed narrative identifying the issues and the steps being taken to deliver improvements.

These include:

- Value for Money Metrics – full details of value for money achievements
- The balanced scorecard including Housemark Benchmarking Results – comparative figures with our peers in the sector
- Quarterly treasury report – details of cash flow performance, loans, investments and forecasts
- Quarterly financial framework report— details of financial performance
- Annual report – report sent annually to our residents
- Quarterly development report – progress of development schemes, comparison to business plan, development cash flows
- Interim annual review of the business plan against actual progress
- Regular reforecasting as part of the management accounts review

An evaluation of our costs in comparison to the global accounts is presented below and the figures for Teign Housing have been re-stated in line with the current global accounts format (based on SW & SE Peer Group). The latest figures available as a sector comparative are the year ending March 2022.

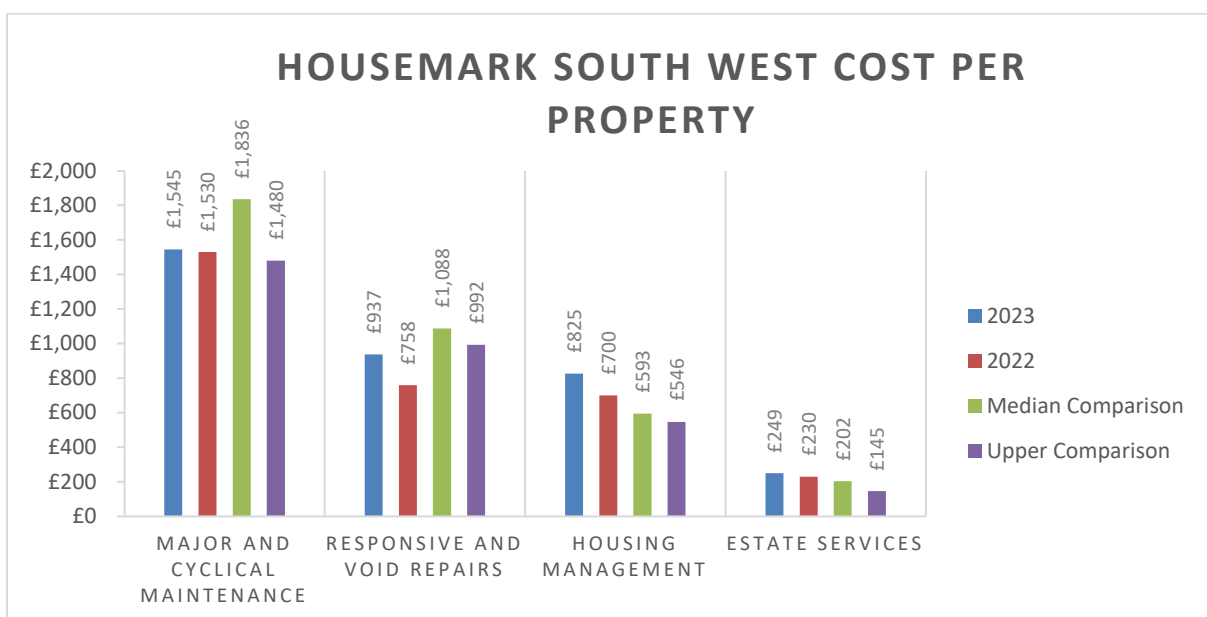
RSH Global Accounts Comparison

Area	Teign Housing			RSH Global accounts		
	2022-23 £	2021-22 £	2020-21 £	2022 £	2021 £	2020 £
<i>Expenditure – per Social Housing Property</i>						
Management	1,495	1,684	1,257	1,053	1,169	1,169
Routine & Planned Maintenance	1,013	942	1,017	1,182	1,125	1,072
Major repairs – Total	1,770	1,656	1,182	1,038	677	855
Major repairs – Revenue	759	666	512	390	240	378
Major repairs – Capital	1,011	990	670	648	438	477



South West Peer Group Housemark Comparison

Teign Housing Cost Per Property	Teign Housing	Teign Housing	Comparison Group Median	Comparison Group Upper
	2022-23	2021-22	2021-22	2021-22
Department	£	£	£	£
Major and Cyclical Maintenance	1,545	1,530	1,836	1,480
Responsive and Void Repairs	937	758	1,088	992
Housing Management	825	700	593	546
Estate Services	249	230	202	145
No of Properties	3,787	3,743	3,626	2,281



As expected, these two comparisons against RSH (SW & SE) global accounts and the Housemark South West Housing peer group show similar findings. The global accounts figures show costs per unit in 2022-23 were above that for 2021-22 by an average of 4.0% and the Housemark cost per property shows a 13.0% increase, with there being slight differences in how these are calculated.

Management cost per unit has seen a decrease from last year. This is due to the costs for the pension cessation event accrued for in 2021-22. This was a one-off event and the management costs have returned to expected levels. Continued scrutiny of management costs and tight budgetary control will ensure the overall efficiency of the organisation.

Routine and Cyclical Maintenance have increased marginally from last year and towards the sector average. Again, this finding is similar to the Housemark data, with Teign responsive and void costs increasing but below that of the comparative. This is in part due to the increased number of high cost voids that are being seen across the sector and inflationary cost pressures on materials and labour. We are continually working to ensure we receive the best quality for the best price for our purchases to mitigate the increases as much as possible. We are also driving efficiencies where possible by planning similar works in areas and by type.

Major repairs, both capital and revenue remain above the RSH sector average. Both revenue and capital expenditure have increased over the last year. Similar figures are shown in the Housemark data. The major revenue cost per unit includes regeneration spend at the Laurel Kingsway block. Although this element of the spend is treated as a revenue cost, it relates to the project as a whole and therefore contributes to the longer-term improved stock quality. In addition to this there has been continued expenditure on compliance, including asbestos and health and safety works. It is important to spend in these areas, in part to avoid longer term more expensive non-conformance related costs and to keep our residents safe.

This year has seen an increase to capital major repairs cost per unit. There is some fluctuation in capital expenditure year on year due to the planning of the maintenance programme in order to make the most efficient use of resources.

We will ensure that we maintain tight budgetary control going forward to provide optimum value to our tenants. We have a strong commitment to invest in our housing stock for the future and we have embarked on a stock condition survey to be completed by the end of

2024-25 to ensure that the investment in our stock is focused in the right areas and maintains the longevity and desirability of our homes including a focus on damp and mould. We continue to look for opportunities to invest in renewable and efficient energy solutions for both our new build and existing homes.

With the acknowledgement that the results of the stock condition survey results will have an impact on the future strategy, the Asset Management Strategy was reviewed and updated for a 12-month period and approved by the Board in April 2023. A further updated Asset Management and Carbon Reduction Strategy will be developed when the results are known and will provide us with a clear focus and direction about the future use and energy efficiency of our assets such as continued use, redesignation, redevelopment or disposal. It defines the Teign Standard which continues to be above the current Decent Homes Standard whilst we await the publication of Decent Homes 2 and Awaab's Law, it allows us to proactively manage our planned maintenance programme to drive out maximum cost efficiency and value for money. When we dispose of properties that have been assessed as not suitable or unsustainable as affordable housing, the proceeds are used to support the development of new homes.

We continue to:

- Review our own land, housing stock and garage sites for development opportunities – where suitable these are now included within the future development programme.
- Review key assets for potential opportunities.
- Assess the requirements and resources needed for progress towards EPC Band C by 2030 and Net Zero Carbon by 2050.
- The asset management software tool continues to improve the knowledge of our housing stock, including neighbourhood mapping and allows us to model the various options to determine the future of the asset.

Below is an extract from the scorecard which presents the company's performance against targets set internally and against targets taken from Housemark data in for the year ended 31 March 2023. Areas have been selected which we believe represents current VFM significance.

Area	2022-23	2021-22	2020-21	2019-20	Housemark 2021-22 Benchmark	Target 2022-23
Customer satisfaction						
Repairs	97.9%	97.6%	96.1%	96.4%	80.4%	96.0%
Standard of property at re-let	99.0%	94.0%	91.0%	-	-	100.0%
Satisfaction with complaints process	95.0%	95.0%	50.0%	71.0%	76.2%	85.0%
Rent collection & arrears						
Rent collection	99.3%	100.1%	100.9%	99.6%	101.6%	100.0%
Rent arrears (% of annual debit)	2.7%	2.3%	2.5%	2.9%	2.3%	3.2%
Void loss & turnaround						
Void losses	0.56%	0.50%	0.38%	0.33%	1.43%	0.50%
Void turnaround time (days)	25.1	22.6	25.5 days	20.5 days	24.08	25
Digital agenda						
Total number of tenant portal registrations	650	603	487	295	-	1500
Inbound communication by Webchat	1.1%	1.6%	7.7%	1.5%	-	-

Although customer satisfaction with repairs has increased slightly against last year, we do continue to exceed our target for the year and against the Housemark average. Satisfaction with standard of property at relet has increased from 94.0% to 99.0%. We have increased our target to 100.0% this year and have only narrowly missed this. Satisfaction of the complaints process has been maintained at 95.0% and we continue to receive an increased number of complaints and respondents to this metric as a result of continued awareness regarding Tenant Satisfaction Measures and ability to complain. We have a dedicated Resolutions Manager to help manage and oversee the complaints process. With greater emphasis in this area across the organisation, it is hoped that further investigation and analysis of complaints can lead to improving systems in place, ways of doing things and dealing with the root causes.

Rent collection decreased and arrears increased from the prior year. In light of the economic climate and cost of living crisis this is not unexpected as households feel their budgets further tightened each month. We do perform less favourably against the 2021-22 benchmark however this does not take the current economic climate into account and therefore is not a fair comparison. We have continued to support tenants over the last year, through the process of applying for universal credit and working with them where possible to manage their rent payments. This has helped us to improve performance from last year and exceed our internal targets. Through our Head Start team we have sign posted and assisted tenants in securing additional financial support available to them. We have also distributed over £29,000 of financial support in the form of a hardship fund to tenants in greater need.

Void losses have increased marginally. Likely as a result of an increased void turnaround time due material and labour shortages as well as the large number of high cost void rectifications.

Across the organisation we have a strong focus on VFM, and many departments have specific VFM targets. An updated VFM report was presented to the Board for approval in July 2022. In 2022-23 our VFM focus was on:

Digital

The opportunity to further enhance the digital offering to customers and staff continues to be a vital part of our approach to Value for Money into the future. Our Corporate Plan has a digital focus and the Digital Strategy approved by the Board in March 2021 sets out our plans and ambitions for the next 3 years.

We have continued with our agile working policy; this has been well received by employees and enables us to maintain the continued quality of service to our tenants.

In September the last of the remaining physical servers were decommissioned and removed from the server room at Millwood House, replaced by migrating services to Microsoft Azure (Cloud based) This was the final step in the Microsoft Modernisation Programme which has supported the move to agile working and increased security for working over a disparate area.

During the year have successfully upgraded the Civica Cx housing management system software to a more recent version (21.4). We are looking to take a further upgrade during 2023-24 which will provide additional features to assist in providing a better service to our tenants.

We have moved to an electronic expense processing system. This allows receipts to be digitally scanned saving the need for paper to be received and processed and for authorisation to follow the correct procedures before submission. This helps reduce errors and inefficiencies and supports our agile working environment.

During November 2022 the new resident portal and app were launched. This provides tenants with a self-service function to contact Teign Housing, manage their rent accounts and personal details, as well as a very useful personal budgeting tool to assist with managing their home and personal finances. The ability to access rent accounts and details

at any time of day will increase the accuracy of the information held such as contact details, this will make the data more accurate. This was Phase 1, there is further functionality planned for release in Phase 2 & 3 in the new financial year. There continues to be a drive to enhance the use of the CX tenant portal. Registrations have increased by 8% from last year.

Digital Notebooks were launched to the Customers & Communities Directorate in March 2023. This provides all customer facing staff with a notebook that can be written in during meetings or visits. The pages of this notebook can then be photographed, and the text uploaded as photo or converted to text to enable the swift and accurate recording of details. The page in the notebook can then be wiped down and used again for the next meeting. This will greatly improve data accuracy in our Housing Management Software and enable the latest updates and changes to be visible in a much more timely fashion.

In September 2022 we introduced Civica Involve, changing the way the company conducts surveys and consultations, consolidating them all into one piece of software. This will mean all data is in one place and the results can easily be accessed by a wider number of employees and enable us to conduct more customer satisfaction surveys on a monthly basis by undertaking them online for those who have internet access. The first survey conducted was the Repair Satisfaction Survey. We will be rolling this out for further surveys during the year and this will help to support the work that we are doing on the new Tenant Satisfaction Measures.

Improve skills and behaviours of staff

Through learning and development, we will continue to facilitate a culture of respect and exceptional customer service, including Mary Gober training and training delivered by Chris Gross.

Welfare Reform

We continue to work with our tenants to support them with issues surrounding Universal Credit. We have a team of 5 in the Head Start Team who support our residents with issues such as Universal Credit claims and any grants that they may be entitled to. With a clear focus on tenancy sustainment, they carry out affordability assessments and checks prior to sign up and then continue to monitor the tenant's payment behaviours during the first 12 months of their tenancy, offering additional support as and when required. During 2022-23 the Hardship Fund was launched which provided over £29,000 of financial to help to those experiencing real financial difficulty. In its first year this scheme has supported 234 households and 652 individuals have benefitted from the grants available in the fund. For

2023-24 this commitment has continued with a Hardship fund of over £37,000 available. Providing this level of support improves not only the financial situation of our tenants but also their mental stress and worry and leads to better engagement in managing tenancies.

Asset Management

We have recently commissioned the first part of our full housing stock survey. This will give us valuable insight into the condition of our housing stock to undertake any necessary remedial action but also better plan our cyclical and planned maintenance cycle and highlight any issues before they become too serious. Whilst a financial outlay in the short term, this will provide efficiency savings over the long term and also allow us to identify any problem stock where it may be beneficial to dispose and replace with newly developed housing.

Procurement

We continue to be a member of the Advantage South West Procurement Consortium. This organisation exists to improve lives and homes through innovation and collaboration and improves value for money for its members. In 2022-23 the savings delivered through the membership of this consortium total £185,469 bringing the total savings since we joined in 2010 to £2,019,008.

Templer HomeBuild

The wholly owned subsidiary, Templer HomeBuild continues to provide us with greater control over service delivery and cost efficiencies. There is a strong emphasis on 'right first time' generating progressive efficiencies and cost savings. The VAT savings to be realised from Templer HomeBuild in 2022-23 were £486,200. The 2023-24 budget includes a further VAT saving of £655,432.

Voids

In 2022-23 we continued to see a rise in the number properties that are being returned to us in a very poor state of repair or that need extensive clearance work. The Void Standard introduced 3 years ago has led to a fall in void costs when these properties are re-let however, we are still experiencing a significant rise in those property requiring considerable repair work, including structural damage. We are continuing to investigate the reasons for this and trialling earlier intervention and support to help minimise these cases.

Tenants

Our outsourced repairs reporting service has been brought in-house into our Customer First Team in Devon. As part of our journey mapping process with tenants, it was requested that we do this to improve the service level given. We have seen improvements in the scheduling and planning of operative's days, giving better efficiencies and it now means that with one call into Teign Housing, tenants can resolve a number of different queries across departments.

The Customer First Team continued to be engaged in Call Quality and Monitoring Coaching to improve the way we interact with our customers. Our Customer First Team Advisors are scored on set criteria centered around tone of voice and active listening. This process has increased baseline scores which significantly improves our customers experience and, hopefully, improves their expectations of our service.

A journey mapping session involving tenants, Neighbourhood Policing Team and Teignbridge District Council was held in March to co-design improvements to managing ASB (Anti-Social Behaviour) within our communities. There will be a follow up session in early 2023-24. This direct involvement helps shape effective processes and forging links between the partner agencies to achieve better outcomes with best use of our resources for our residents.

The ASB Respect Line was launched during Q4 of 2022-23. This gives residents access to Out of Hours services to report Anti-Social Behaviour and access to welfare calls and services. This increased focus and investment on improving the service and satisfaction for resolving ASB issues will address and reduce the amount of complaints received regarding this area.

Executive Management Team approval has been given to allow tenants to pay by recurring card payment. Most of our tenants now pay by direct debit but we are keen to support other means of payment that may be better suited to individuals. The service will go live in the new financial year and this will assist the Income Team in collecting rent and other payments.

Homemaker South West support people with debt problems across the region. We have been working alongside them since 2019 at a cost of £24,500 since that time. They continue to support our tenants to maximise their income with total gains, with some tenants receiving over £15,000 of support they were entitled to. Some of this income supports tenants to

ensure they are paying their rent which in turn benefits the company. We see this as an efficient service, directly benefiting our tenants.

We have worked tenaciously, in partnership with THB, to continue to achieve 100% compliance on gas and electrical safety testing this year, employing various strategies, resulting in us not incurring legal costs.

Rents and Tenancy Sustainment teams have completed more DHP applications on behalf of tenants, which whilst initially it takes more time this does prove VFM when the applications are awarded as the debt is cleared quicker than us chasing a tenant for payment and the cost of the tenant making payments to us.

Independence and Wellbeing

The Independent Living service was overhauled with the introduction of a new Independence and Wellbeing service during 2021-22, and the full benefits of this have been felt in 2022-23. The team continued to offer the community events launched last year. The Winter Warmers campaign provided information as to how to reduce fuel consumption and understand benefit entitlements and avoiding fuel poverty. The company provided a hot meal to residents every 2 weeks and took place in our community rooms and continued as the Spring Kitchen and Summer Sizzlers and will be also expanding into other community rooms in the area. These all encourage the community to get together, aiming to build relationships and combat loneliness and improve wellbeing and have been very well received. The feedback has been positive about the new service, as to how this has made a difference to them, to have someone knock at their door on a regular basis is appreciated.

We have continued to capture the needs of our most vulnerable residents by setting goal plans and during the year and a further 56 customers living in our sheltered accommodation have received a plan.

ALRT (Assisted Lifting Response Team)

The company has continued to work in partnership with Torbay and South Devon NHS and Appello to offer this service. Customers who benefit from this service will get the Torbay ALRT team to attend to assist a non-injured faller with lifting. The team has specialist lifting equipment and training, meaning they can get customers up quickly and help advise on preventing further accidents.

It also means a shorter wait time than if they were waiting for an ambulance, as paramedics have to prioritise emergency cases over someone who is unable to get up, but unhurt.

This service has benefited 50 customers this year which has prevented them not waiting for the ambulance and then being admitted into hospital unnecessarily thus helping to reduce the time that emergency services attend to much higher priority cases.

TeignCare

With the digitalisation of telephone systems significant investment was needed to upgrade the alarm system. After financially modelling this, it was found that the service would no longer be financially viable to provide going forwards, so the decision was made at Board to cease the service by seeking a buyer to continue the provision. During the year negotiations were entered with Appello Careline Ltd and the sale was agreed for April 2023. This has ensured continuity of service for the existing customers.

Tenant Involvement

We continue to actively engage with our tenants and the wider community. We have a Resident Involvement Manager who co-ordinates this and helps us to gauge what it is that tenants' value and what they expect from us. We have a Tenants' Forum which during the year have meet via Zoom every 6 weeks. During the year we have reintroduced in person meetings but Zoom remains the preferred method due to convenience for Forum members. We continue to consult on changes to services and processes as well as tenant related policies, procedures, and strategies. We also have a Scrutiny Panel who undertake regular reviews of our services, from a tenant point of view and provide critical feedback and recommendations for service improvement. Thirdly, a tenant Service Board supports our strong ethos towards co-regulation and at their quarterly meetings they focus on areas in relation to the Regulator of Social Housing's Consumer Standards. These all help to keep Teign Housing connected with its tenants.

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

We have completed work on 26 properties in that were in bands E & F and are awaiting inspection to confirm they are now at Band C. A further 60 properties have been surveyed to confirm the work required to bring them up to EPC C. This work is budgeted for in 2023-24. 20 properties were identified as being suitable for becoming External Wall Insulation (EWI) pilots, this work has been successfully completed in the year and we continue to identify properties as they become void to continue this carbon reduction investment.

Provide quality repairs

During the year there was 97.9% satisfaction with repairs carried out.

Provide quality repairs and minimise return visits

During the year 99.3% of all repairs were resolved on the first visit

Work efficiently and respectfully in customers' homes

During the year 96.37% of all planned work was completed on time

In 2023-24 as well as the projects above which will continue, our focus will also be on:

Reduce our carbon emissions, improve the environment, and reduce the costs of living in our homes

The stock condition data from the stock surveys will provide better and more accurate data to inform our investment plans for carbon reduction. Using this data along with EPC information we can cost effectively target properties due for planned maintenance to both maintain decent homes standards and focus on the least energy efficient properties first to maximise the return on investment. Surveys have identified 60 properties currently at EPC band E & F to be brought up to band C in 2023-24.

Working on target of achieving a minimum EPC C across all stock by 2030, careful planning will be used to coordinate the work so that carbon zero plans integrate with EPC improvements. This will allow Social Housing Decarbonisation Fund applications to be submitted efficiently and effectively.

Damp and Mould

We are taking a proactive approach to this including looking at property trends, in the coming year monitors will be installed in homes where there is a greater probability of damp and mould occurring to allow us to monitor the situation, we have a damp and mould group established to focus on this issue as well as regular mould washing when applicable and advise to tenants as to how to prevent it occurring.

Further Improve our complaints process

The aim of the investment in a dedicated Resolutions Manager is for the organisation to be able to deliver a better service to our customers. We will continue to enhance our approach to complaints with increased training opportunities for all employees and co-develop

processes with our residents. Full results are published quarterly to the Board and the Service Board.

Ensure our property assets remain sustainable

We will continue our investment work on our less efficient properties with the aim that every home will reach a minimum of EPC band C by 2030. We have begun to trail suitable void properties to invest in, to act as a pilot and monitor these to determine if they are less costly to maintain and reduce fuel bills for customers. The detailed information regarding the condition of our stock emanating from the Stock Condition Survey will further support this.

Develop more affordable homes

We will continue to develop affordable homes, whilst ensuring that homes remain affordable for people living in our local communities. This may be through the purchase of section 106 developments or through smaller land led schemes. In the business plan, we have a target of delivering 140 new homes in 2023-24. We continue to review our land and properties for redevelopment opportunities. Ultimately this will lead to an increase in rental income, which in turn can be re-invested in our existing stock or to build more new homes.

Improve cash flow by increasing the collection of non-rent debt

As part of the restructure rechargeable repairs will be invoiced through our housing management system and the balance will show on Tenant records, the debt will be managed by the Income Team who will have sight of both rent account and non-rent charges. This holistic view will increase the success rate of the debt chasing process.

Tenants

The letting process will be launched in the My Teign Account app during 2023. Parts of the lettings process have already been mapped into the app and having a dedicated place for all the pre-tenancy inspection and affordability checks has already reduced the time taken to process new applications. The app build is well underway with a target launch date of August 2023.

The Customer First Team will relaunch the Call Quality and Monitoring Coaching to improve the way we interact with our customers. Team leaders will be included in the relaunched programme and subject matter experts will be invited to provide coaching and feedback on specific call types. This will give a wider and improved quality of response to callers by enhancing the advisor's detailed knowledge of the call subject matter.

Mary Gober Training is scheduled in June for the Customer and Communities Team Leaders and Managers as well as the full Customer First Team. This training is focused on Customer Service but also a wider remit of matching personal skills to technical skills to best equip employees to achieve full potential and improve service levels across the directorate.

Independence and Wellbeing

Tenancy sustainment plans are now being created with all new tenants as part of the sign-up process. This allows goals to be set for their outcomes of moving into the sheltered schemes and also to identify any needs for support and assistance prior to moving in. This could be assistance with registering at a doctor's surgery or other medical and social requirements. This helps the team best plan for the support needed and have it in place on the day the tenancy begins.

The Board has approved the investment in the Dispersed Alarms to be installed over the next two years, at a cost of £320,000 in line with the digitalisation project and move from analogue technology. We are currently consulting with a group of residents on the type of alarm that would best suit and have demonstrations lined up with a number of providers in the coming weeks. This promotes the engagement with the residents especially when introducing a new piece of technology. It is critical that the users feel comfortable and able to use the alarm units for their safety and peace of mind.

The community events with Winter Warmers, Spring Kitchen and Summer Sizzlers will continue as well as the craft sessions to promote relationships and contact and reduce any feelings of loneliness. At these sessions we are inviting partner agencies to demonstrate the support offered.

Engaging with our community

The neighbourhood team over the next year we will continue to focus on engaging with our communities over the digital platforms that we have available to us. During 2022-23 we trained frontline staff in mediation and develop a specialist inhouse mediator to save the cost of outsourcing this service, we will continue to use these skills and training in improving conflict mediation across our communities.

Digital

In 2023-24 we plan to complete the implementation of the GIS (Geographic Information System) and web mapping software so that we can benefit from full utilisation of its capabilities. This software will allow us to overlay details such as tree maps and grounds

maintenance maps to a map of our housing stock, from this we can better plan resources and scheduling of services.

Implementation of a new purchase order and invoice matching software will be rolled out in the summer 2023. The new software allows for better workflows for authorising purchase orders and invoices as well as improved interface for entering details and raising orders. This will help reduce errors, enable matching of invoices to be a much more seamless process to assist the supplier payment process and provide a more efficient system for our users.

We will continue working on improvements and exploring new functionality for Civica Cx housing management system. The aim is to continue to improve both the user experience for employees and tenants including better data accuracy, increased options for repairs diagnosis and mobile functionality.

Health and Safety

During the year we redesigned our Health & Safety Service and are working towards aligning our practices with HSG65. The team now forms part of our overall Assurance Team working collectively towards promoting a positive and impartial culture in which we can continually improve our performance. The Health & Safety Team ensure where possible and applicable that the physical environments and assets that protect our employees and customers are safe, secure and for purpose.

Increase financial Capacity

The Revolving Credit Facility (RCF) has been extended to 2028 and we look to make best use of our unencumbered stock by securing further funding against this to enable the continued expansion of our development capacity and capital investment in improvements for our existing stock. This project will begin in the Autumn.

Improve our complaints process

We continue to fully roll-out “Lessons Learned” and in 2023-24 we aim to achieve improve resident satisfaction with the complaints process.

Ensure our residents are happy with their repairs

Next year we aim to continue to exceed 96% satisfaction with repairs carried out.

Provide quality repairs and minimise return visits

Next year we aim to exceed 99% of repairs requiring only one visit.

Work efficiently and respectfully in customers' homes

Next year we plan to complete 100% of all planned works on time.

Remain Financially Strong

In 2023-24 our operating margin is budgeted to be 20.0%

The Consumer Standards and the Social Housing White Paper

We have delivered training for the whole company on these subjects in 2022-23 and will continue with refreshers during 2023-24 to provide updates and reinforce the importance of these crucial topics. The consumer standards working group meets regularly to discuss new initiatives to improve the service standard for our tenants, monitor current performance and review any new regulatory developments. This is important information given the heightened importance now placed on the resident and the new standards which are being put in place.

All of this continues to allow us to have a strong business plan that can manage the impact of costs increases which have resulted from the strategic decisions made to improve the quality of our homes and services and to keep our customers safe. We also continue to deliver new homes and improve the overall capacity of the plan whilst still delivering the aims and aspirations of the company.

Assurance and Internal Control

The Board of Teign Housing has overall responsibility for establishing and maintaining an effective system of internal control. The systems of internal control are the measures designed to ensure that Teign Housing is successfully working toward its objectives, and that the risks which threaten the achievement of the company's objectives are identified and properly managed. Such a system can provide reasonable but not absolute assurance and cannot eliminate risk.

The Board reviews the system of internal controls, assesses its effectiveness and takes any steps it considers necessary to maintain or improve their effectiveness.

Teign Housing's system of internal controls includes the measures set out below

Policy and strategy – there are a range of policies and strategies in place that determine and guide the activities and arrangements of the company.

Prevention and detection of fraud

The system of internal control includes measures designed to prevent or detect fraud. The Board has established a policy on the prevention, detection and investigation of fraud which includes a whistle blowing procedure and an anti-money laundering policy. The company uses different measures to prevent and detect fraud which include but are not limited to:

- A Risk Management Framework
- Policies on staff conduct
- Declarations of interest
- Key reconciliations
- Authorisation controls
- Access controls
- Exception reports
- Financial Regulations

Board's assessment of assurance and internal control

The Board has conducted a review and made enquiries of the Executive and Senior Management Team to inform its view on the effectiveness of Teign Housing's internal controls. A full report on Internal Controls Assurance was provided to the Audit Committee on 29 June 2023. The results of the Board's review are the basis of this statement.

Teign Housing has assessed its compliance with the Regulator of Social Housing's Governance and Financial Viability Standard and considers itself to be compliant.

The Board confirms that an effective system of internal control has been in place throughout the year ending 31 March 2023 and up to the date of signing this report.

The Strategic Report, incorporating the Value for Money Statement, was approved by the Board of Directors on 29 June 2023 and signed on its behalf by:

Maureen Robinson
Chair of the Board