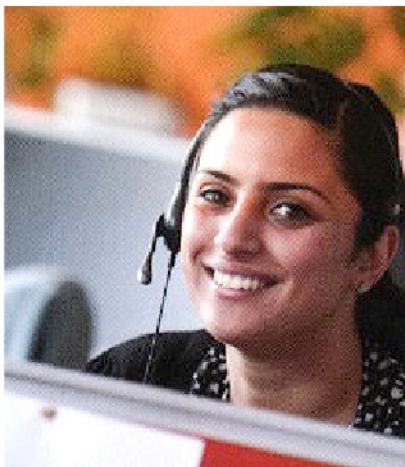


Southway Futures Strategy 2015 to 2020





Introduction

Southway Housing Trust is a community based housing provider and social enterprise established in 2007, working in and around South Manchester.

At the start of 2015, Southway owned almost 6,000 affordable homes for rent across seven Manchester wards. All Southway homes exceed the Decent Homes Standard and our core landlord services achieve above average performance and tenant satisfaction ratings.

Southway employs around 200 staff, the majority of whom live in the wider Greater Manchester area, and spends around £25million a year to benefit local Manchester communities.

In 2010 Southway adopted its first Futures Corporate Strategy which covered the period up to 2015. The Strategy took the organisation from the delivery of the promises made to its tenants in 2007, when homes were transferred from Manchester City Council, into new areas of activity. These included the development and acquisition of new affordable homes, increased social investment including employment and training initiatives, and a focus on Age Friendly work reflecting the local population profile.

This new Futures Strategy has been prepared at an exciting and challenging time. The strains on the national economy mean that our tenants and communities face welfare reform cuts and low wages, and often have incomes that are not keeping pace with the cost of living.

As a community based organisation, Southway is playing an increasingly significant role in our neighbourhoods, particularly as public services are reduced. We, along with the community and voluntary sector and other partners, will have to work harder and smarter to achieve our objectives.

At the same time there is optimism that things will improve, and as a Manchester focused organisation we want to make sure our communities benefit from this and from new opportunities.

In Greater Manchester, priorities have been set up to 2020 for economic growth and public service reform. The Manchester Residential Growth Strategy identifies the need for a big increase in the supply of new homes to support economic growth. The delivery of these plans will be strengthened as more control is devolved from central government to Greater Manchester. Southway can make a significant contribution to these aims.

This Futures Strategy is the Board's plan and sets out in detail how Southway will shape its own future. It includes our short and medium term strategic aims and priorities for the period 2015 to 2020 and shows how we will make the most of the challenges and opportunities available to us. It also sets the context for our longer term approach to investment and making the most of our financial capacity over the next 10 years and beyond.

By 2020, we will know that we have been successful because:

- We will have increased the proportion of our tenants who tell us that they are satisfied with our services and with their neighbourhoods
- We will have increased the proportion of working age people living in Southway homes who are in employment or are regularly volunteering in our communities
- A higher proportion of our older tenants and local residents will tell us that our services and neighbourhoods are age friendly
- We will have delivered new homes and will have firm plans in place to achieve our target of 1000 homes over the 10 year period up to 2026
- We will have generated surplus from new activities which will have been used to deliver greater levels of community outputs.

SMART outcome targets for all key priorities in the Strategy will be set in early 2015.

An Annual Action Plan will be adopted by the Board of Southway each March, setting out specific targets and outcome measures for the delivery of the Futures Strategy in the year ahead. The Futures Strategy is also supported by a number of other corporate strategies and plans, covering specific themes and priority areas which are listed at the end of the document.

A shorter and simpler version of the Futures Strategy will be available from Spring 2015, to enable our stakeholders to understand our priorities and assess how best they can contribute to our objectives. Finally, we would like to thank our tenants and residents, partners, other stakeholders and staff for their contributions to this Strategy.

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1. Vision Purpose and Values

Our Vision

We will work in partnership with others to make South Manchester a place that people are proud of – a safe place where people choose to live, work and play

Our primary purpose is to provide high quality affordable homes in desirable neighbourhoods where people are happy to live and have the opportunity to achieve their potential.

We also have a wider purpose which is to make best use of our resources to achieve our social and community objectives.

We will deliver our vision across three main areas of activity in the following ways.

As a housing provider, and the largest landlord in our area, we...

- Listen to our tenants and other residents and provide flexible, quality services that balance expectations and needs with costs and benefits. We provide good quality landlord services that are accessible and cost effective, and target our extra added value services at those who will benefit from them the most.
- Will increase the supply of housing in areas that are in or close to South Manchester, improving the range and choice of housing available for those who currently have limited or no access to a decent, safe and secure home.

As a neighbourhood management organisation with a focus on our communities we...

- Take our responsibility as a major stakeholder in the South Manchester area seriously and work in partnership with others to improve the area and the lives of those people and communities who are less well off.
- Support like minded local community and voluntary organisations where this means we can deliver greater shared outcomes.

As part of our commitment to improving prosperity and wellbeing we...

- Contribute to the regional priorities of economic growth and public service reform, with the overall aim of making sure our tenants and local residents feel the benefit of these changes.
- Generate surplus that can be used to help fund our social objectives. We will do this by being efficient and effective, making best use of our asset base, and delivering commercial services that complement our core business.

Our Values shape how we do things. We are...

Committed	We are dedicated to achieving our goals and delivering excellent services, and care about our customers and their communities
Ambitious	We are forward thinking and innovative and make a big impact in our neighbourhoods
Inclusive	We operate with fairness and with respect for diversity at our core
Collaborative	We work together with our customers, our local communities and our partners to achieve better results
Accountable	We take responsibility for our actions, are open with our stakeholders and can be trusted to do the right thing

2. The Strategic Context: Economy, Reform and Residential Growth

Southway is proud to be part of a diverse housing association sector that will house over 12 million people by 2033¹. What makes the sector stand out is our profit for a purpose business model and our long term commitment to people and places.

In our case, this commitment means that we want to improve the area in and around South Manchester and the quality of life of Manchester people.

This section outlines the context within which we will operate over the five years.

2.1. National Housing Policy

National Housing Policy is primarily focussed on increasing the supply of housing (addressing the housing crisis) and supporting people into owner occupation, both of which have a positive impact on activity in the economy. National Welfare Reform policy also has a significant impact on housing providers and our tenants.

In many ways the regional and local context has a more direct bearing on Southway priorities.

2.2. Greater Manchester Growth and Reform Plan

The Greater Manchester Growth and Reform Plan sets an aspiration for GM to be a net contributor to the UK economy by 2020. This means addressing a £4.7bn gap between public spending and tax generated, and moving towards fiscal self reliance.

It will be achieved through a place based partnership of agencies from all sectors, led by the combined Greater Manchester Authority, a partnership that has a shared ambition to increase the prosperity of the people of Greater Manchester.

The social housing sector has a higher proportion of retired people and of working age people not in employment than the general population. Many of the tenant population also live on below average incomes, with 72% of social housing tenants across Greater Manchester receiving Housing Benefit (compared to 66% nationally) which helps them to meet the costs of their rent.

¹ National Housing Federation publication “An Ambition to Deliver” (2014)

Growth

Compared to the UK as a whole, economic activity in Greater Manchester is lower, unemployment is higher and pay tends to be lower. Growth sectors include professional, financial, technical and scientific businesses and information and communication. To achieve economic growth, the skills and productivity base of the GM population will have to improve to meet the needs of these sectors, for example by increasing the number of people with qualifications (11.6% in Greater Manchester have no qualifications compared to 9.9% nationally).

Reform

£7bn is spent in Greater Manchester as a result of poor outcomes such as crime, unemployment or unplanned hospital admissions. Public service reform will focus on reducing dependency on services and reducing expenditure by focusing on those with complex dependencies and those furthest away from the jobs market. The number of residents receiving out of work benefits will be reduced by 12%. Health and social care reform will be implemented at scale to move towards a population that is fit for work and with services that suit the needs of an ageing population, based around community delivery. Early years services for children and young people will also be improved.

2.3. The Manchester Residential Growth Prospectus (June 2013)

This Plan has one key message: there is an urgent need to build more homes for the growing population to keep up with economic growth and job creation in the next 10 to 15 years. This challenge will be met within the context of reduced public funding, a market rent sector that lacks choice and has indifferent standards at the lower end and the impact of public sector cuts and welfare reform on some neighbourhoods.

There are six guiding principles to the delivery of the plan:

- Build more homes
- Create pathways to home ownership
- Develop a quality market rented sector
- Bring empty homes back into use
- Ensure planning and policy frameworks support residential growth
- Develop a strong sense of place and high quality neighbourhoods

2.4. The Southway Contribution

Southway will align its priorities to those of the Greater Manchester partnership. Our unique strength and contribution comes from the type of organisation that we are. Southway has a community base and a detailed knowledge and focus on our area, and is a key stakeholder in South Manchester. We have a strong asset base, provide good quality homes and have an existing Development Programme which is already delivering new affordable homes. We are also a willing partner with a strong track record, and know from feedback that we have a good reputation and are trusted by our tenants, residents and partners.

We will work with Manchester City Council, other public agencies and partners from all sectors to improve the prosperity and wellbeing of our tenants and local residents. This will include joint work with other housing providers in Greater Manchester as part of Strategic Partnerships and working groups.

Southway will contribute to the design of services with other agencies, including reform of our own landlord services. This will be built around improved partnership working and information and data sharing, shared cost and reward mechanisms, and workforce reform. We will capitalise on our strengths as a community based organisation, a place shaper, and the unique relationship we have with our tenants and local communities.

Raising aspirations and providing opportunities to access work and training and to contribute to the local community is one way in which Southway can support the growth agenda. Social investment will remain a key area of activity for Southway, with a focus on employment and training initiatives, and building the confidence and capacity of our tenants and the communities they live in. We will also work with other housing providers to make sure the interests and aspirations of our tenants and their communities are properly reflected in national and local policy, including our commitment to challenge poverty as part of the Greater Manchester Poverty Pledge.

We are already a significant provider of housing in the South Manchester area and will continue to provide homes that support economic and social aspirations, with housing of the right type, that is affordable and in the right location. We will make sure that our investment plans are aligned to the principles and objectives of the Residential Growth Plan. Whilst our first priority is providing affordable homes for rent, Southway will also look for opportunities to provide low cost home ownership options and market rent solutions for groups currently not able to access a decent home in areas where they wish to live.

Finally, as a major local stakeholder and place shaper, we recognise our role in working with strategic partners to support healthy neighbourhoods that are well connected to local facilities, have good transport links and the contribution this can make to climate change objectives.

3. The Southway Area

3.1. Our Geographical Area

The core Southway area covers seven Manchester City Council wards in South Manchester, and was defined as part of the housing stock transfer process in 2007.

Up until 2014, our focus was on improving the properties and housing management services within these areas, as well as making significant investment in transforming and regenerating the neighbourhoods and communities.

Whilst our main priority and core purpose will always be to provide services and opportunities that improve and enhance the lives of our tenants, we believe that we will be better placed to achieve this by stepping outside the constraints of the 2007 ward boundaries and operating in the wider South Manchester geographical area,

From 2015 the Southway area will be expanded as we pursue the following strategies:

- We have identified areas that border our core area, where there is currently no leading housing provider that owns a large number of homes or has a focus on delivering community based services in the way we currently do. Where feasible, we will develop a presence within these communities, providing high quality housing, services and solutions to improve neighbourhoods and drive growth and regeneration.
- We will not be limited by our current geographic area if we identify opportunities to develop services that return a surplus that can be re-invested into our communities. We will consider profit making initiatives throughout the Greater Manchester area, with a focus on the neighbouring areas of Trafford and Stockport.

3.2. Our Neighbourhoods

This section provides a profile of Southway's core area and our tenants. The information draws upon analysis of a number of sources, including: Manchester Housing Demand Study (November 2010); Manchester City Council's Core Strategy Development Plan (July 2012); Indices of Multiple Deprivation 2010: Analysis for Manchester (May 2011); Data from the Community Insight tool (including Census data); Southway STAR Survey 2012 and 2014 results; and Southway tenant and lettings data.

Southway manages almost 6,000 properties for social and affordable rent. All of these are located in South Manchester, largely concentrated in estates in Chorlton Park, Old Moat and Burnage.

Manchester is the fourth most deprived district in England². It is a diverse city, containing contrasting populations of urban professionals and students, and disadvantaged, 'hard pressed' residents.

South Manchester in particular is an area of great contrast, with pockets of deprivation set within affluent, desirable neighbourhoods.³

Southway neighbourhoods in Chorlton Park, Old Moat and Burnage each contain some Lower Super Output Areas (LSOAs) ranked in the most deprived 5% in England. In addition, some LSOAs rank in the most deprived 1% in the domains of 'health deprivation and disability', 'crime' and 'income deprivation affecting children'.

Properties

The vast majority of Southway's properties are houses. Most were built during the interwar period and some in the 1970s and 1980s. 67% of our homes are three bedroom and 22% are two bedroom. There is a smaller number of properties with one bedroom (9%) and with four to six bedrooms (2%). We also have some smaller flats and bungalows suitable for older residents, and we manage two age friendly sheltered schemes for older people.

Recent new development has focussed on smaller one and two bedroom flats, enabling us to provide choice for smaller households and reduce under occupation in our existing housing stock.

South Manchester is relatively undersupplied with affordable housing, the majority of which is concentrated in Southway's neighbourhoods. 20.7% of housing in South Manchester is social rented, compared to an average of 36.1% city wide, and much higher proportions in areas outside of the City Centre (61% in East and 37.6% in North Manchester).

² According to the Indices of Multiple Deprivation 2010

³ The average IMD score of the LSOAs that contain Southway properties is 43.75, which aligns with the most deprived 15% of LSOAs in England. (This excludes two LSOAs around Catterick Road – a small proportion of the properties in these areas are Southway homes, and much lower levels of deprivation amongst other residents mean the areas have notably lower IMD scores than other LSOAs containing Southway homes. Their inclusion would misleadingly skew the average.) In contrast the surrounding LSOAs in South Manchester score an average of 19.23, amongst the least deprived in Manchester.

There is a high level of unmet demand for affordable housing, partly due to the high cost of private sector housing in the area. This is reflected in the fact that a very high proportion of Southway's new lets are made to people with the most pressing need to move.⁴

Due to the limited availability of land, there is relatively little opportunity to develop new housing in the area.⁵

In the rest of South Manchester, there is a high proportion of large houses and of owner-occupiers, in comparison to the rest of the city. There is also a fairly high proportion of private rented properties and flats, in comparison to other areas outside of the city centre.

People

Within Southway's tenant population:

- Unsurprisingly given the role of the social housing sector, a relatively high proportion of tenants are economically inactive or on a low income and a high proportion are in receipt of welfare benefits.
- A higher proportion of Southway tenants suffer from a long standing health problem, disability or infirmity in comparison to the Manchester average and the national average.
- People aged over 60 and retired people make up a higher proportion of our tenant population than in the rest of South Manchester and the City as a whole.
- There is a high proportion of single parent families and of children, in comparison to the rest of South Manchester and the city as a whole. The proportion of households with children is likely to increase, due to the recent Government and Southway focus on ensuring the most efficient use of homes, coupled with Southway's stock profile. This is reflected in 2013/14 lettings data.

The proportion of people from a black or minority ethnic group is higher than the Manchester average, though lower than the national average, and the proportion is likely to continue to slowly increase as Manchester is becoming more ethnically diverse.

⁴ In 2013/14, 28% of Southway lets were to people in Band 1 of Manchester City Council's Housing Register (urgent need to move plus additional preference) compared to 17% of social housing lets city-wide, and 52% were to people in Band 2 (need to move – reasonable preference plus working/community connection) compared to 27% city-wide.

⁵ According to Manchester City Council's Core Strategy Development Plan (July 2012) of 60,000 new homes to be provided across Manchester between 2012 and 2027 only 3,240 will be in the South.

4. Affordable Homes in Desirable Neighbourhoods

As the largest landlord within our area, we listen to our tenants and other residents and provide flexible, quality services that balance expectations and needs with costs and benefits. We provide good quality landlord services that are accessible and cost effective and target our extra added value services at those who will benefit from them the most.

We take our responsibility as a neighbourhood management organisation seriously. In the areas where we are a major landlord and stakeholder we work with others to improve the area and the lives of those people and communities who are less well off.

4.1 An Efficient and Dynamic Landlord Service

Since 2007, Southway has consistently improved services and offers high quality rent collection, responsive repairs, void (empty property) management and tackling Anti-Social Behaviour services.

Our aim for the five years to 2020 is to further modernise our operations and transform the landlord service, making use of new technologies and ways of working, so that we can better meet the individual requirements of tenants whilst maintaining current standards of performance.

Where relevant, our services will be designed to complement and add value to those provided by other agencies, with the aim of tackling complex needs and promoting independence, and achieving improved shared outcomes.

To achieve this overarching aspiration, and reflecting the Vision and Values presented above, we will deliver:

- A responsive, flexible, community based service that takes into account the different needs of customers.
- A new relationship with our tenants, based on mutual respect and pride in Southway and our communities.
- High standard core services, achieving excellent levels of customer satisfaction, and delivering value for money.

Our staff will:

- Be trained and supported to identify and assist vulnerable tenants, to take a flexible approach in delivering services, to show tenacity in solving problems, and to look for opportunities to empower tenants and increase their employment chances and life skills.
- Spend more of their time working in and with the community resolving a diverse range of issues at first point of contact, using up to date technology and resources to support this approach.

Best use will be made of our resources by:

- Encouraging increased use of on line services for routine transactions with a commitment to provide our tenants with the skills and equipment to do this.
- Reinvesting savings from channel-shifting and new ways of working into support services and community activities that benefit our more vulnerable tenants and promote independence.
- Offering incentives and rewards to promote the use of on line services, and positive behaviour, particularly around the prompt payment of rent.

We will judge our success by how far we improve levels of tenant satisfaction with our services and by how efficient (in cost) and effective (in performance) our services are when compared to similar landlords.

4.2 A Neighbourhood Manager and Place Shaper

Southway will play a role in managing and shaping improvements in neighbourhoods, so they are good places to live. Southway neighbourhoods are already neighbourhoods of choice and our affordable homes are in high demand, but there are still challenges to be addressed and improvements to be made.

Southway will work with Manchester City Council and local people to manage our neighbourhoods effectively. This will include delivering high quality, cost effective tenancy and estate management services, shaped around the priorities in each neighbourhood. Our social investment priorities will be closely aligned to our role as a Place Shaper. Where we can achieve greater outcomes we will look for ways to work in partnership with other agencies, including looking at how we can better integrate services.

Our tenants and residents regularly identify two areas for priority action: the management of the environment and our green spaces, and tackling Anti-Social Behaviour.

One of the unique aspects of South Manchester is its greenery and open spaces. Recognising and promoting the importance of **the environment** in which people live is at the heart of our Green Spaces Strategy (2014) and our investment in neighbourhoods. We believe that the green environment of South Manchester helps to create places where people want to live and that managing the environment well and improving the quality of open spaces can impact significantly on how places are perceived and valued.

We will deliver well designed and well managed environmental services and create green spaces that are safe for people to access and enjoy. Our green oases will provide an “Urban Park” across the area, which can bring people together, build stronger communities and contribute to a healthier society, whilst also enhancing biodiversity.

We will judge our success in this area by measuring levels of tenant satisfaction with the area as a place to live and with the quality of our environmental management services,

and by the levels of active use of our green spaces. We will also seek external recognition for our approach, including aiming to secure external grant funding and contributions from partners to achieve Green Flag status.

Preventing and resolving **Anti-Social Behaviour** and improving community safety is a key part of making sure South Manchester is a place that people are proud of.

Southway's communities should not have to put up with Anti-Social Behaviour. We do not tolerate Anti-Social Behaviour being caused by our tenants, leaseholders, people living at or visiting our properties, or applicants wanting to become tenants.

Hate Crime is also totally unacceptable and will not be tolerated. It is contrary to our commitment to promote equality and diversity and to our belief that differences should be respected and valued.

Southway is a member of the Manchester Community Safety Partnership and will continue to work closely with the Police and other agencies to build safer communities, with the needs of victims at the heart of our approach.

We will focus on a mixture of robust case management built around effective enforcement, support and partnership working, and preventative measures including the provision of diversionary activities aligned to "hotspots" and designing out crime when we carry out improvements.

We will judge our success by measuring the levels of victim satisfaction and tenant's perceptions of the area and by achieving and retaining external accreditation for our services.

4.3 Asset Management Strategy

The Southway Asset Management Strategy includes the activities carried out to make sure that all of Southway's assets - homes, community buildings and land - meet agreed standards and have a long term and sustainable future. The Strategy sets the balance between service standards, quality, and value for money and customer satisfaction, and is clearly linked to corporate objectives.

Its main aims are to:

- Provide homes that meet the Southway Decent Homes Plus Standard.
- Ensure repairs and maintenance services are provided in cost effective ways that deliver value for money to customers and the business.
- Ensure the long term sustainability of our homes and neighbourhoods.

- Make sure that our assets (homes, land and buildings) are managed effectively and that we look creatively to maximise their value to further strengthen the business plan.
- Make sure that our homes provide the best economic and social return for Southway and our tenants.

Between 2007 and 2014 the Strategy focussed on delivering a major home improvement programme, agreed as part of the stock transfer promises in 2007, followed by putting services in place to maintain the standards achieved.

The last stock condition survey carried out in 2011 identified continuing investment needs in our homes for a range of cyclical maintenance to property fabric and heating systems and the provision of major equipment and adaptations. In line with best practice a new stock condition survey will be undertaken in 2015, with the results informing the level of investment required for the next thirty years, with a specific focus on the five year period 2016/17 to 2020/21. It is not expected that there will be any significant or new areas of core investment required that would lead to a significant increase in resource requirements.

The Asset Management Strategy will be updated following the results of the stock condition survey. The new Strategy will include measures to demonstrate a commitment to making the most of the asset base for which we are responsible. The following areas will also be considered.

Environmental Sustainability

Southway adopted its Environmental Sustainability Strategy in 2011. Its main focus has been on delivering projects that best support our tenants and our communities. These include:

- Providing energy efficient homes through a range of improvements.
- Providing support and advice to tenants to save money on their utility bills using our nationally recognised and award winning Energy Doctor Service.

The majority of Southway homes sit in energy rating bands C and D, whilst the government target is that all homes should achieve a B rating by 2035. The provision of energy efficient homes will be incorporated into the Asset Management Strategy, with targets set that are integral to maintenance, improvement and new build programmes.

We will judge our success by the proportion of our homes that achieve grade B and by the energy savings achieved by our tenants following our advice and investment.

Age Friendly

The review of the Asset Management Strategy will include considering how existing homes can be modified to more easily meet the needs of older people. Modifications and adaptations to homes currently take place when a specific tenant need is identified. Options to take a more proactive approach as part of improving and repairing our homes will be considered, with the aim of reducing the need for individual adaptations so that independent living is more easily achieved.

Use of Asset Base, Property Demand and Options Appraisal

Evidencing the effective use of our asset base is a key issue in achieving value for money.

Whilst it is accepted that Southway stock is of high demand, we will put a methodology in place to understand its wider value and challenge assumptions about future use. This will enable us to assess whether there are better options for pockets of stock including, for example, disposal, demolition, regeneration or conversion.

A particular priority is to review the long term use of bungalow schemes where access and the feeling of security do not meet modern expectations.

Acquisition and New Build Properties

Standards for acquired and new build properties will be built into the new Asset Management Strategy, as will advice on affordability reviews. Standards will include consideration of running costs for tenants and residents, making homes as energy efficient and age friendly as possible and minimising ongoing maintenance and running costs.

Repairs Provider of Choice

The Repairs Service is the most important service to our tenants and the one that our tenants use most often. The service is managed and provided by our in house Repairs Team and achieves upper quartile performance for all key aspects of the service including satisfaction, delivery of service standards and value for money.

In 2014 a new service Business Plan was adopted. This targets areas where there is scope to further improve service delivery and customer satisfaction and to make sure the service is closely aligned to the Asset Management Strategy. The plan also sets a new vision which is “To be the repairs provider of choice in the South Manchester area”.

This vision reflects our current position as a community based organisation serving Southway tenants, but also our aspiration to sell services to other potential customers in and around the Southway area. Extending business opportunities and increasing the financial surplus will further benefit Southway communities.

An early initiative, to be launched in 2015, is to provide services to residents in our neighbourhoods living in homes purchased through the Right to Buy, older people living in private sector homes, and our tenants who wish to carry out their own improvements. These groups have been identified because being able to access a reliable and trustworthy local maintenance service is likely to be their priority.

Running parallel to this, potential corporate customers within the area will be identified for longer term arrangements, where our particular service offer - locally based, accessible and with high standards of customer care - may suit their requirements. Target groups include, for example, care homes, managed blocks of accommodation and other RP's with dispersed stock in the area.

We will judge the success with our repairs service by retaining an upper quartile position when compared to other landlords for tenant satisfaction, cost, quality and performance.

We will judge the success of our commercial repairs service on the basis of turnover and profit achieved.

5. Social Investment

Investing in the people who live in our homes and communities will continue to be a key priority for Southway. We will work in partnership with others to improve the prosperity and wellbeing of the people and communities that we work with, particularly those who are less well off, and make sure our tenants and local residents benefit from the economic growth of Greater Manchester.

One way in which we will achieve more from our investment is by supporting like minded local community and voluntary organisations where this means we can deliver greater shared outcomes.

And where we can deliver commercial services that complement our core business, we will invest any surpluses achieved into our social objectives.

We will measure our success by the numbers of people who engage with us and improve their own lives, become more independent or achieve their aspirations whether these are, for example, to support others or benefit the community through volunteering, get into and sustain employment, learn new skills or complete training and qualifications.

We will judge our success by the outcomes we achieve which will be quantified and compared against similar projects using our Value Insight tool. An Annual Report will be produced to celebrate success and promote our communities.

5.1. Employment and Training

By 2020 we want to have offered all our working age tenants who are able to work access to the advice and support they need to get into and sustain employment.

To support this aim we will make sure we have up to date information on the employment status and skills and aspirations of our tenants, so that we can target our investment in employment related support services where it will have most impact. We will also make sure we have strong partnerships and referral arrangements in place with relevant agencies, and target our services at people who are furthest from the jobs market including those with no work skills or qualifications and those aged over 50.

Key priorities include:

- Supporting at least 400 tenants a year to access employability support through learning hubs and one-to-one support with employability, financial literacy and free internet access and IT training from all Southway community buildings.

- Directly supporting at least 50 Southway tenants each year into paid employment or to set up their own businesses.
- Supporting an Employers Network to engage local businesses which can actively contribute to employment and training opportunities in the Southway area.
- Creating the environment with our partners to support the right kind of economic growth as well as flexible services and spaces to support enterprise.
- Providing or referring families with complex needs and high levels of dependency to key worker services, with access to targeted support and with the ultimate aspiration of assisting them to achieve employment.

5.2. Volunteering

Southway is committed to developing and promoting volunteering and volunteer networks. We will support the significant contribution that individuals or groups make by giving their time, experience, knowledge and skills without any financial gain, to provide a benefit to individuals, the environment or the wider community. We value the role and recognise that a number of our services and activities would not take place without them.

Volunteering provides added benefits to those involved, with improvements in general health and well being and increased self-confidence. Helping others keeps people active, increases social contact and provides stimulation and a sense of pride.

Southway will support formal and informal volunteering opportunities, particularly where they contribute to the delivery of our objectives. For example, providing Energy Doctor Advice and befriending services, running community facilities and age friendly projects, and contributing to consultative groups.

Our successful Time Bank model will form the cornerstone of our approach, and will be rolled out into all our communities supporting at least 150 volunteers a year in each project.

5.3. Health and Wellbeing

We believe strongly in the fundamental value of good mental and physical health and wellbeing to improve the quality of life for our tenants, and in enabling people access to training, volunteering and employment opportunities.

We know that our tenant population includes higher than average numbers of older people, people reporting that they have a long term limiting illness or disability, and people living on low incomes, unlike the profile of the people living in the more affluent parts of South Manchester. We also know that people living in our neighbourhoods are more likely

to develop long term health conditions at a younger age and have lower life expectancy than the general population.

Identifying opportunities to work with other agencies to deliver health and well being projects will be a growing part of our social investment approach from 2015. This includes contributing to the Vision set out in the Health and Wellbeing Strategy: Living Longer Living Better. By 2020 this will have transformed services so that they “will support people to live longer, healthier lives by ensuring a wide range of high quality health and social care services are easily accessible within communities, and are centred on the individual and their specific health needs.”

Southway will particularly focus on two of the four strategic objectives, which are to improve health outcomes and to support self reliance, and will develop strong productive relationships locally as health and social care provider’s move towards a place based model for delivery of services.

5.4. Partnerships and Community Buildings

We recognise that we cannot tackle all the social issues in our communities.

We also recognise that locally based community buildings and services can make a big difference to how accessible services are for our tenants and other residents, and can help to build a sense of community around the building and the services provided.

We will continue to work closely with a number of community partners. We want to strengthen these relationships and will set up a formal partnership structure with local community and voluntary organisations so that where we have shared objectives we can maximise outputs, share our expertise and work together to establish sustainable funding arrangements. This structure will also provide a framework through which we can reinvest any surpluses available to support social investment.

We will invest, either directly through ownership or as part of a partnership arrangement, in a network of local community buildings within our neighbourhoods. Southway directly provides community services from Westcroft Road in Burnage and Buckthorn House in Arrowfield Road and has an interest in buildings at Barlow Moor and Burnage library. In addition to these buildings, we will support other organisations that are providing essential community services to our neighbourhoods and support the use of locally based buildings as the base for our social investment services and projects. Supporting local cultural activities, events and festivals can also contribute to making great places and will be part of our approach.

We will focus on developing and expanding the services currently offered from these centres to provide for a range of different community needs, and work alongside the

groups on a long-term basis, supporting their sustainability and helping their businesses thrive. We will also encourage the development of shared service models, where community centres become 'hubs' for the delivery of a wide variety of services. This includes working in partnership, learning, advising, supporting, and capacity building. We also hope to support the groups and organisations involved in running some of the centres to become more self sufficient, with strong business plans and governance structures.

6. Southway Age Friendly Living

The Southway Age Friendly Strategy was adopted in 2010. The Strategy recognises that our older tenants are a significant group, with over 43% of Southway households including a person aged 60 or over. The aim of the Strategy is to “improve the quality of life of our older tenants”.

Southway Age Friendly Living extends this aim to all older people living in South Manchester and to sharing and expanding the expertise and influence we have gained into new areas of work.

The majority of the older population live in family homes which may become unsuitable as people age and can result in high levels of loneliness and isolation as the families and communities around them change. The reality is that the majority of older people will stay in these homes due to limited access to other housing options, and also a preference in most cases to stay in the home and neighbourhood that they know.

The challenge is to make sure that older people can achieve a good quality of life whilst living in these homes and neighbourhoods, with access to services that are designed to meet their needs.

Increasing access to alternative housing options is also a priority. This includes increasing the amount of housing built specifically to meet the needs of older people, both one and two bedroom homes, and making best use of the affordable housing stock that is already in the area, whether owned by Southway or by other providers.

The Old Moat Age Friendly Neighbourhood project, which was commissioned by Southway in 2012, has been identified by the World Health Organisation and other local partners as a new and innovative way of understanding and achieving age friendly living. The learning from this project underpins our approach. Our approach is also complementary to the aims and objectives of the Housing for an Age Friendly Manchester Strategy, adopted in early 2015 by Manchester City Council, housing providers and health partners.

We will remain committed to delivering our Age Friendly landlord objectives. We are also well placed to take advantage of the growing interest in ageing and the opportunities that may arise from this. Establishing Southway Age Friendly Living in 2015, as an Age Friendly Centre of Best Practice, is the first step. There is potential to increase our focus and external reputation by providing excellent services to existing and potential customers, and offering consultancy, support and agency services to other Housing Providers and agencies.

Opportunities and priorities during 2015 to 2020 include:

- Continuing to deliver projects and pilot new ways of working as part of the Old Moat project, including new models for service delivery piloted as the Old Moat Naturally Occurring Retirement Community (or NORC) and extending successful outcomes into other areas.
- Contributing to the delivery of the Manchester City Council Extra Care Strategy as either the main provider of new projects or as a member of a new partnership.
- Leading the delivery of new Age Friendly neighbourhood projects
- Delivering improvements to the quality of existing housing and gardens for older people, working with local partners and as part of our Asset Management Strategy
- Providing housing and related services for groups in addition to our current customer base including older owner occupiers, who may want a range of secure, shared or full ownership options.
- New initiatives including, for example, consideration of age friendly city centre living, market rent options and working with specific groups.

Where new opportunities are on the basis of generating a return, surpluses will be used to contribute towards our social objectives.

7. Priorities For Investment

Southway is a well run organisation that has a strong Business Plan and financial capacity which will be used to support the delivery of our vision.

This section identifies continuing and new areas for investment, which will be delivered in addition to our core landlord and social investment activities, and which will be a priority for the balance of available resources.

A key part of our commitment is to increase the supply of housing in areas that are in or close to South Manchester, improving the range and choice of housing available for those who currently have limited or no access to a decent, safe and secure home.

Our aim is to provide up to 1,000 new homes over the next ten years.

7.1. Affordable Homes

Southway began the development and acquisition of additional homes in 2012. Southway will have acquired 43 homes by April 2015, and with projects already committed will have built 152 new affordable homes by 2018.

Additional affordable homes will also be considered as a high priority for resources available.

Our strategy for the provision of further affordable homes is based on a clearly identified need within the Southway area. The housing market is unlike other parts of Manchester in that there is a much lower level of social and affordable housing, with lower turnover, and property sale prices and market rent levels are above the city average.

The area is already recognised as a neighbourhood of choice, but with 64% of households who are economically active earning incomes of below £20,000 a year, and average house prices that are six times the average income, there are limited housing options available to people who can contribute to the economic growth of the area and the city as a whole.

Our priorities include:

- Replacing homes lost through the Right to Buy.
- Addressing the imbalance in the existing stock by increasing numbers of smaller one and two bedroom homes for people of all ages, including people on the housing waiting list and existing tenants wishing to downsize.

- Increasing the number and range of options for the growing number of older people.
- Providing housing as part of regenerating neighbourhoods with a focus on struggling local centres and schemes which improve the provision of local community facilities.
- Contributing to wider strategies, such as the Empty Homes Strategy and the Student Strategy, with a focus on acquiring homes to remove blight from neighbourhoods and bringing properties in to use for one of our target groups.

Mixed tenure models, including low cost home ownership and outright sale, will be considered where there is a strong strategic case or where it is necessary for the scheme to be financially viable.

New opportunities for the 2015 to 2020 programme include:

- Community Capacity Building projects – Working alongside partners to carry out neighbourhood regeneration projects that support community Hubs. Providing new homes and increasing opportunities for building communities and the capacity of individuals.
- Age Friendly Living – Projects that will specifically support the Age Friendly agenda and provide Extra Care accommodation or sheltered or age restricted housing. This may include provision of community facilities that are focussed on older people.
- New Build Opportunities, including the acquisition of sites that will be used for general needs accommodation.

Southway will continue to bid for grant support as a way to stretch our own resources and increase the number of new homes.

Right to Buy (RTB) Replacements

There has been a steep increase in RTB sales since discounts were increased, the proceeds of which have been re-invested in new stock.

From April 2015, Southway anticipates sales at a similar rate, but its Business Plan will not be reliant on such for funding its mainstream stock expansion programme. Surpluses from future sales will be ring-fenced to replacement properties outside of existing programmes.

7.2. Homes for Market Rent

Nationally the private rented sector has grown significantly in recent years. It now houses 3.6 million households and according to the 2010/11 English Housing Survey two thirds of all newly forming households now enter the sector. The sector is forecast to continue to grow for at least the next ten years.

The general trend over the longer term however has been a decline from 90% of homes being privately rented in the early 19th century to just 8% in the mid 1990s and around 16% now. Recent growth of the sector has largely been driven by an increasing number of people not being able to buy a home or access social housing, rather than by choice.

In Manchester housing demand is forecast to increase significantly, as the city continues to be the focus for regional population and household growth. Between 2008 and 2033, the number of households in Manchester is projected to rise from 202,000 to 276,000, a 37% increase.

Whilst Greater Manchester strategies identify growth in market rent as a priority, many existing tenants have issues about security, stability, affordability, and property condition and landlord services.

In the Southway area, rental levels are high and there is a huge demand for affordable rent but the vast majority of applicants will not be successful. Grants to support the provision of new affordable homes are limited, which will restrict the numbers that can be built. There is therefore potentially strong demand for good quality well managed rented homes at the cheaper end of market rent levels that will also meet a social need.

Southway is investigating launching a market rent product for two main reasons:

- To directly deliver core social objectives by providing a housing option for groups with limited access to good quality, well managed homes, and
- Where possible, to generate income streams to reinvest in core objectives.

A number of preferred business streams have been identified which are:

- Provision for families with children, who cannot afford to buy and won't be prioritised for affordable rented, focused in South Manchester, with a minimum return on investment expected.
- Shared homes for young single people in South Manchester and surrounding areas, to support neighbourhood regeneration and to provide homes for younger people with limited housing options.
- General lets, particularly in areas close to the core Southway area, including Stretford along the Trafford boundary and up to Reddish within the Stockport boundary, which generate a higher return on investment and may provide opportunities for development at scale.

A future priority may also include Age Friendly market rent as part of larger mixed tenure projects.

The Southway market rent service will provide well managed homes with greater security than is often the case in the sector, for target groups, and will contribute towards our wider vision.

The scale and specific design of the market rent service will be finalised in the first half of 2015, with the first homes becoming available later that year.

7.3. Neighbourhood Regeneration

Neighbourhood management is at the core of our service offer, and is a skill we can use to achieve wider objectives, including regeneration at a local level. Our approach to date in delivering the Home and Environment Improvement Programmes has been to transform neighbourhoods with high quality and effective investment supported by strong on going management.

Opportunities in and around the Southway area exist which we will explore, and we will develop plans where we are best placed to do so. Priorities identified for further work include those listed below.

Student Strategy

Manchester City Council and the Universities of Manchester have adopted a Student Strategy which includes housing. Some of the traditional areas for student housing are changing, as new accommodation in other parts of the city provides a more attractive option.

Southway will continue to contribute to this strategy in target areas which are in transition. This will include acquiring properties which have been left empty for more than six months around the fringe of the student areas, focused around Withington and Ladybarn.

Opportunities to make a greater contribution as larger shared properties become less popular will also be explored, particularly as an opportunity for market rent for single people in low paid employment, or in some cases for conversion and onward sale.

Our aims are to:

- Mitigate risks of empty properties and neighbourhood decline in specific areas affected by students moving away.
- Create additional housing for people on the waiting list, particularly people under the age of 35 living on low incomes and affected by housing benefit changes.

- Maximise the potential for Southway to acquire larger shared homes and family housing for affordable or market rent or a return to home ownership.

As our ownership increases in these target areas our influence will grow and lead to the possibility of wider initiatives to support the regeneration of neighbourhoods.

Levenshulme

Levenshulme sits either side of the A6, a main through route. The area to the west of the A6 has close links with Burnage and Ladybarn, within the Southway core area. To date there has been no clear lead housing provider in the area and no overarching regeneration strategy for housing. Instead, a piecemeal approach has been taken.

Southway will establish a clearer understanding of the housing market in this area and consider opportunities to put in place a more coherent plan which supports wider regeneration projects.

Our overall aims in establishing a role in the Levenshulme area are to:

- Increase the supply of good quality homes.
- Provide a focussed neighbourhood management lead to complement other improvements being planned.
- Coordinate inputs from a number of social housing providers with small stock numbers in the area, including investigating opportunities for rationalisation of stock ownership or management.

Rationalisation

There are a number of social housing providers with homes in the Southway area, the majority of which have small numbers of homes managed from remote locations. 21 of them have less than 100 homes.

Where these homes are close to Southway neighbourhoods, or where there may be a wider advantage in working together (for example in schemes for older people), the opportunities to improve the use and management of these homes will be explored and discussed with landlords.

Our aims are to:

- Identify opportunities to collaborate and establish partnerships to improve housing and neighbourhood offers.
- Increase Southway's own supply through stock acquisition.
- Develop new products and services.
- Offer value for money management and maintenance services to other providers.

7.4. Strategic Development Partnerships

Southway recognises the value of working in partnership with others to increase outputs and share skills and expertise. A number of opportunities may exist and will be explored to put in place partnership delivery models, along with other Manchester or Greater Manchester housing providers and other partners. This will be considered where it will maximise the value of land, and increase investment finance or public grant to create delivery efficiencies and support new housing supply at scale.

Our aims are to:

- Along with other providers, make a significant contribution to Greater Manchester new homes targets.
- Have access to public sector owned land which is made available to support the delivery of new homes.
- Access institutional investment and public grant.

7.5. Balance of Priorities for Investment

The balance of investment between affordable homes and other priorities will be set during 2015 as detailed Business Cases for each opportunity are finalised.

The Financial Plan will include a contingency for the period 2015 to 2020, so that we are able to respond to new strategic priorities and initiatives that are consistent with our objectives if and when they arise.

8. Well Managed and Financially Strong

We will make sure that Southway continues to be well run with strong and appropriate organisational structures, and with leadership and governance that supports the delivery of our objectives and the requirements of the regulator.

A governance review will be completed in 2015, to make sure the organisation has the structures and skills required to deliver this Strategy both in the Board and the Senior Management team.

8.1. Funding

Southway has a strong financial base to support such a growth strategy.

Turnover is all from rent and is approximately £25m per annum, and consistently covers interest liabilities going forward by around 300% each year. This is not dependant on any surpluses from property sales, and is after reflecting social investment costs of £1m per year, as well as a bad debt provision of 4% (against current performance of 0.5%).

Southway has existing funding from Barclays, currently £66m, being repaid in steps to 2029. The margins charged on this were established in 2007, and are well below prevailing market levels. The value of the assets covering this debt exceeds £140m. The funding strategy is to retain this facility in its current form until the Futures Strategy reaches the point where access to Southway's full financial capacity is required.

An independent analysis of financial capacity, completed in 2014, identified that:

- (a) The current facility has sufficient scope to fund current operating plans, the stock investment plan, financial obligations, developments already committed to, and a provision sufficient to fund 270 grant-aided Affordable Rent homes beyond that immediate programme (but will actually be used to fund the priorities discussed above). The existing Business Plan has been built on prudent assumptions, and has strong capacity to withstand adversity
- (b) Capacity to support debt vastly exceeds that provided by the current facility. Borrowing of around £150m could be both 'covered' and serviced. This capacity will be accessed to support the growth plans in this Futures Strategy, which exceed the provision at above. This would be sufficient to support a development programme of 1,000 grant-aided Affordable Rent properties in the 10 years following the existing programme.

Southway is aware of the different means available to achieve this capacity, and will select from these options in accordance with the *pace* of growth expected, and to achieve best value in funding.

Our Approach to Value for Money

We will make best use of our resources by being efficient and effective in the way that we do things, by maintaining the Southway standard and making efficient use of the homes we provide, and by delivering commercial services that complement our core business. This approach will mean that we can generate a surplus that can be used to help fund our social objectives.

We will set and achieve efficiency targets each year to improve our cost, performance and satisfaction levels when compared to the rest of the housing sector and we will comply with the standards set by our Regulator for Value for Money.

Our Income

Our “Rent First ; Every Contact Counts” approach to income maximisation will mean that we can achieve and sustain above average rent collection and void management performance and make plans based on a reliable income stream.

We will improve the efficiency of our rent recovery service during 2015/16, and continue to invest in services that support our tenants when they most need it, including debt and welfare rights advice, employment and training services, and a range of financial inclusion projects which will help our tenants to make the most of the money they have.

We will also recognise and reward our tenants when they do the right thing by continuing to promote the Southway Rewards Scheme.

8.2. Our Staff

Southway directly employs around 200 people. We can only deliver our objectives if we have the right people with the right skills doing the right jobs. We value our staff and have put in place a People Strategy to set out our commitment to them and also to be clear about what we expect in return. Our overall approach to our staff is summarised in our People Strategy objective which is:

Our staff are trusted to do the right thing – they are enthusiastic, skilled and willing to go the extra mile for customers.

We will make sure that our high levels of staff satisfaction and engagement are maintained and improved and that all our staff have the management, training and support that they need to do a good job. We will recognise achievement and exceptional performance, promote curiosity and a tenacious attitude to solving problems, and encourage staff to come up with new ideas to improve our services

Strategies that Support Delivery

Corporate Strategies

Single Equality Scheme

Sets out Southway's approach to promoting equality and valuing diversity, in our role as a service provider and as an employer.

Value For Money Strategy

Sets out Southway's commitment to delivering value for money, including: the approaches we will take when seeking value in everyday decisions; specific projects where there is potential to increase value; and steps to measure value and account for how resources are used.

People Strategy

Sets out our objectives and commitment to our staff to support them in doing the right thing and providing high quality services.

Procurement Strategy

Sets out how we will get best value and added value from social investment from the procurement of all goods and services.

Landlord Service

'Rent First/Every Contact Counts': An Approach to Income Maximisation

The document has two parts: 'Rent First' which sets out principles and guidance for tenants; and 'Every Contact Counts' which guides staff in helping to safeguard Southway's income stream. Together they form Southway's approach to income maximisation, in response to the challenges of Welfare Reform.

Asset Management Strategy

Sets out how we will make the best use of our assets (homes, buildings and land) to provide the best economic and social return for Southway and our tenants long term.

Customer Involvement Strategy

Establishes the opportunities that Southway will provide to ensure its tenants and residents can get involved in shaping our services and the future of the business.

Green Spaces Strategy

Sets out Southway's commitment and vision towards green spaces in terms of their design, management and safe use. We will make the very best use of our green space and provide an 'urban park' across our area.

Social and Community Investment

Age Friendly Strategy

Sets out how Southway will improve the quality of life of our older residents.

Digital Access Strategy

Explains how Southway will develop digital services and support tenants to be able to access these services and be confident online.

Environmental Sustainability Strategy

Sets out Southway's commitment to improving sustainability in our communities, in our tenants' lives, and in our role as an employer.

Employment and Training Strategy

Sets out how Southway will support local people to access training and employment opportunities, and will attempt to ensure opportunities are maximised for them

