Creating great places to live

Sovereign corporate plan 2019-2024
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Our vision

We’ll be the leading landlord across the south of England, providing good quality, affordable homes and services within successful, sustainable communities.
Introduction

Sovereign has been providing homes and services for more than 30 years, and with 140,000 customers across the south of England we are one of the largest housing associations in the country.

As we’ve grown and changed, we’ve never forgotten that we’re a social business and remain committed to our fundamental purpose: giving our residents the best in customer services and the opportunity to create the communities they want to live and succeed in.

Customers will always come first at Sovereign and we are re-thinking how we meet their ever changing and growing expectations.

The emergence of Covid-19 and it’s subsequent devastating impact throughout the world, also reinforced this promise to our residents and showed that the business has the resilience, expertise and commitment to provide for our customers and to deliver on the ambitions set out in this corporate plan.

We want to create great places for people to live and prosper. We’ve a strong track record and we want to do more.

This past year, despite Covid, we had a record breaking year with 1,702 affordable homes. And we want to build more. Using land led deals so we control the long term place making we want to create.

To help do this we will invest in the best technology and the best people to help us fulfil our ambitions for today and tomorrow and for the next 30 years.

We know the next 30 years will see changes, many that we can’t now imagine. But we’re a long-term business, and this plan sets out our vision for the next five years, and how we are going to deliver on this.

It explains how we’ll move forward, together, towards a future in which we remain an independent business delivering on our core social purpose. We will continue to grow and do more; and we’ll retain the strength we need to keep residents’ interests and safety at the heart of what we do.

It’s important that we don’t underestimate the task ahead. We can visualise our destination, and understand how we take the first steps, but we’ll be travelling across a changing landscape.

We’ve already identified what we need to do now, and some key enablers that will help us on the longer journey. As we get started, we’ll keep adding more detail to our plans. Throughout, our aim will be to retain the strength that enables us to make choices for the benefit of our residents and future generations.
Residents will remain at the heart of what we do, today and tomorrow. We want the high quality of our current homes, together with excellent services that meet our residents' needs and expectations, to make us the landlord of choice across the south of England. We’ve identified some areas where we need to improve, and these are an early focus for our plans.

At the same time, we want to meet the needs of our future residents by continuing to grow – delivering more new, high-quality affordable housing, supported by market development where it makes sense. Our current approach doesn’t always deliver the quality our residents deserve. We are going to take more control, to enable us to achieve our ambitions for great new places and truly affordable homes.

Our ability to offer the homes and services our residents need and deserve, and to build more for the future, is underpinned by our strength as an organisation. We’ll take care of our financial strength, and we’ll make sure we evolve as a business: developing the culture, capacity and capabilities we need to continue on our journey. This is why we are creating a new target operating model to reflect our changing environment and new opportunities.

As an independent social business, we will own our own future, working with others, including government, but pursuing a strategy which is right for us and our customers. We’ll lead from the front; influencing policy through our public affairs and research, and maintaining a strong voice on issues that matter.
More homes, better places
We work in areas of high housing need. We want to maximise the volume and pace of delivering new homes. Our aim is to increase our output to nearly 2,000 new homes every year. We’ll focus on those areas where housing need is clear and our contribution can have maximum positive effect.

We want our investment to make a real difference: adding to the overall number of homes, not just competing for a bigger share. Our past dependence on Section 106 acquisitions doesn’t give us best value and leaves too much in the control of others. We’re moving to a land-led approach. We’ll still include good quality Section 106 in our programme. And we are becoming place-makers, commissioning attractive homes and shaping sustainable new neighbourhoods where people want to live successful lives.
More homes, better places

We’ll adapt and we’ll deliver. We’ll use new approaches – innovative partnerships and modern methods of construction – to manage risk and future-proof our programme. And we’ll find the skills and experience we need by learning, bringing new people into the business, and partnering with others.

We’ll set a Sovereign standard for 2050, describing the homes and neighbourhoods that will take us through the next 30 years. We’ll look at the size, tenure mix, appearance and environmental performance of our homes, and what makes it socially sustainable. And then we’ll invest in our legacy, to make sure it’s fit for the future.
More homes, better places

By 2024

We’ll have developed 9,500 new homes across the south of England, focused on our existing operating area but expanding if it makes sense.

We’ll be known as a leading place-maker, creating sustainable new places that are flexible in meeting the needs of an ageing population, as well as younger age groups.

50% of our programme will be land-led, either through our own developments or through sharing development risk with others.

We’ll have a clear 30-year vision for the homes we own, and will have started the journey to achieve it, embracing environmental efficiency and new technology to help us on our way. We’ll have detailed plans for our five most challenged estates.

Our dynamic, innovative approach will make us a partner of choice for public and private sector partners and investors. We’ll be a destination employer for highly skilled development and regeneration professionals.
Strong foundations, more choice
Sovereign is financially strong. Over the last 10 years, lower grant levels, rent reductions, fluctuations in the development market and changing government expectations have been challenging, but we’ve been able to adapt and thrive.

We use our business value to invest in social outcomes, and our financial strength means we can make choices. But if we’re to be transparent and accountable about our choices, we need a framework for allocating resources between new homes and improving or regenerating our current properties. We’ll aim to demonstrate how our business value is being used for social purpose and, equally, how it’s being enhanced by our more commercial activity.

Merger has made us stronger. We’ve been able to consolidate our geographic footprint, enhance our capacity and learn from each other’s experience. We’ll actively pursue further mergers where they can add to our strength, including in areas within or adjacent to our operating area.
We’ll invest strategically in technology, data and process mapping, to achieve greater efficiency and increased effectiveness. We’re shifting to digital service delivery; meeting customers’ changing expectations and enhancing efficiency. This is the way we do things now, a change in how we work together and provide services. It will involve every part of the business and help make sure our business is fit for the future.

Our people are a key part of our strength and are central to our future success. We want to continue to attract, retain and develop great talent. That will mean changing our offer, with more flexible ways of working, more focus on a diverse and inclusive workforce, and more to offer the leaders who play a crucial part in our work. And our modern, connected business will need offices to match.

We’ll use our strength and our effectiveness to make sure our voice is heard, influencing policy at the highest level, to benefit our residents and business.
We’ll be financially robust and be seen by investors and the Regulator as being in the top league of associations nationally.

We’ll be optimising our capacity to deliver more of the social outcomes that fulfil our fundamental purpose. We’ll be transparent and accountable in our investment choices.

We’ll continue to grow, owning and managing more homes across the south of England, through organic growth and mergers that enhance our strength.

We’ll be a modern connected business, where people, processes, data and technology work together smoothly to meet the needs of our customers.

We’ll be an employer of choice, where great people have a fulfilling career. We’ll create an inclusive culture that focuses on the customer and moves at pace to get things done.
More homes, better places
Quality services, more opportunity
Quality services, more opportunity

**Our service offer is good, but we want it to be better.** We want to work with our residents to co-create new standards for services that work with their busy lives, but provide support where it’s needed. And we’ll plan the most effective way to deliver those standards.

**Affordability is far from a given for all our rents.** We are reviewing our approach to rent setting, aiming for rents that truly enable financial independence and help make work pay.

**Some of our homes and communities feel unloved.** We want people to aspire to live in our homes and neighbourhoods, and day to day standards need to be better in some areas. We’ll develop a Sovereign standard for 2050 that will focus investment in our existing communities, and highlight homes and neighbourhoods that need a strategic approach.
Quality services, more opportunity

Place-making is about more than bricks and mortar. We’ll continue to focus our Community Investment activity to maximise the benefit to the communities we serve.

Housing need is changing. Wider changes in society are having a disproportionate impact on older and younger people, including the homeless. We will develop our offer for these groups, and will work in partnership with others where this makes sense.
We’ll be delivering core services to new standards, co-created with our customers, including significant progress to deliver individualised services where they’re needed.

We’ll have a sector-leading, customer contact service centre. Digital access will enable choices within the core service.

We’ll have a new rent policy in place.

Our Home and Place standard will shape our day to day and planned investment in the built estate.

Our Community Investment and tenancy sustainment activity will add real value to our residents and their communities. It will be valued and recognised by our stakeholders.

We’ll have clear offers in place for older people, specialist supported housing and homeless people.
Our strategy has been developed to respond to the environmental and business risks captured by our corporate risk map. We have also considered the risks that come with the changes to our strategy.

The changes we’re making, to help tackle the housing crisis and to create great places with a mix of tenures, bring with them additional risk. Though the government continues to support the provision of new homes through subsidy, this isn’t sufficient to meet the full cost of our affordable home programme. Land-led development – the only way that we can genuinely contribute to increasing the rate and quantum of overall housing delivery – brings with it greater exposure to sales and other standard development risk. We have invested (and continue to invest) in our development and sales teams, in our structures, skills and processes to be able to control these risks.

Covid-19 has changed the world but we have the resilience and financial strength to accept these fresh challenges, adapt and meet the ambitions set out in this plan.

We’re already investing in our business capability, to help manage change. One of the first tasks is to understand the operating model that we want to adopt to make sure that we work in a joined up and consistent way across the business, supported by accurate and timely data and management information. We’ll invest in project management support for the cross-departmental change projects. And we’ll be clear with our people about the drivers for change and the results we want to see.
We’ll be accountable for delivery within our governance and scrutiny structures. Our strategic delivery plan includes both enablers and milestones that will set us on our way, and goals that will deliver our transformation. For both, we’ll identify the reporting structures that will help us stay on track. And it’s important to see how far we’ve come. So we’ll identify performance measures that reflect our strategic intent – clarifying our aims for operational teams and creating opportunities to celebrate our success.

As always, our values will shape how we deliver our strategy, guiding how we work – both within Sovereign and with our partners.

At the start of our delivery plans, we’re focusing on six early enablers.

- Creating a target operating model and future-proof technology platform that provides a framework for excellent customer service
- Agreeing a new Sovereign Home and Place Standard for 2050
- Moving to a land-led approach to development
- Developing our skills and leadership base
- Embedding a modern customer-focused culture
- Optimising our finances and capacity, to support our social purpose