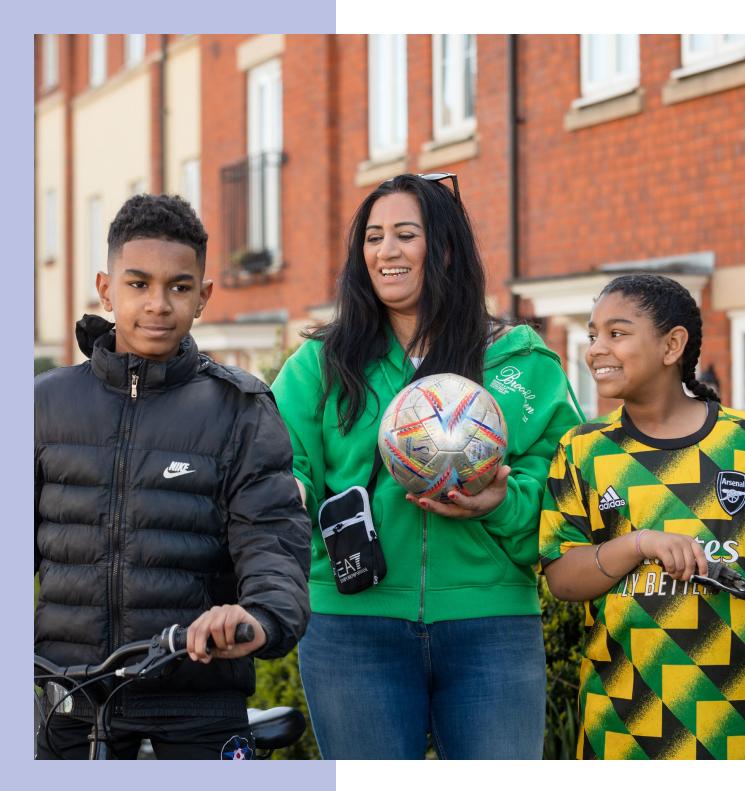


Customer annual performance report 2022/23



Introduction

Having taken over as Chair of the Resident and Board Partnership (RBP) from Joyce Ward MBE, in January 2023, my primary aim has been to enable engaged residents to continue to work alongside Sovereign to ensure that customers remain at the heart of its strategic focus.

The resident-led RBP, Scrutiny Coordination Group (SCG) and Youth Panel have had input into Sovereign's new customer service measures, discussions on how its business priorities will affect customers and scrutinised its repairs service. The groups also looked at how Sovereign can ensure communications focus on customer concerns and what the future of resident engagement looks like as part of an engagement review.

We have also accompanied trades teams for a day, learned more about the different roles within the customer service centre, and had presentations on the 'day in the life' of more specialised teams. This included anti-social-behaviour and income support, which helped us understand their processes and challenges and how they can enable customers to navigate difficult times. This year has shown us the increasing importance of support networks and working together to enable people to have a safe and comfortable home. When the Office of National Statistics asked UK adults about the important issue facing the UK today, 91% responded 'the cost of living' and 60% responded 'housing'.

Sovereign told us about, and received feedback on, the many services that they are providing to help people. This includes support to get into work or start a business, help through financial hardship to short-term grants and working to ensure that their homes provide a safe place to live. You can read about what's available on <u>Sovereign's cost of living support</u> webpage.

Sovereign has been keeping us all up to date on its services and news (including its planned merger, see page 6 for more details) through its quarterly Service Update, sent by email, text or post. It also publishes a <u>quarterly performance report</u>. This customer annual report gives you a summary of Sovereign's performance for customers between April 2022 and March 2023, including how customers have helped to shape this.

I feel that customers working as one voice with Sovereign allows us to be heard and part of decisions that impact everyone. Therefore, I would encourage all residents to <u>become involved</u> in future Sovereign activities.

Ruth Picknett-Powell

Chair, Resident and Board Partnership



Facts and figures at a glance

We're a leading housing association, providing our customers with good, affordable homes in thriving and sustainable communities.

We're driven by our social purpose, with customers at the heart of everything we do. We have more than 62,000 homes, focused in a core area covering Berkshire, Devon, Dorset, Gloucestershire, Hampshire, Isle of Wight, Oxfordshire, Surrey, Wiltshire and West of England.

We are also not-for-profit. This means every penny goes back into homes and services.

This report shares some of Sovereign's key performance stats in 2022/23 and other information that we think is of particular interest to our customers. You can also find more detail in our <u>Annual Report 2023</u>



Invested **£303m** into our existing homes up from £237m the year before

3,140 homes let, including 1,064 new builds



70% overall customer satisfaction for the year



£448m turnover and £123m surplus before tax - which pays for investing into existing homes and interest on borrowings



94% quality scores for Customer Service call handling (target 85%)

£3.5m invested in communities, plus a £1.5m customer support fund and £2.6m of external funding

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Average relet times 25 days (target 25 days)

1
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In best performing 25% of landlords on four value for money measures and above middle for three of the five others (Regulator of Social Housing)

Our merger with Network Homes

In March 2023, we announced a proposal to merge with Network Homes – coming together as one organisation that brings the best of both and makes it even better.

Over the summer, customers gave us their views and, after a detailed due diligence process and taking all the feedback into account, the merger was confirmed by both Boards in early September.

From 1 October, Sovereign and Network become one organisation called SNG (Sovereign Network Group). We'll then fully integrate both parts over the next 18 months.

This proposal won't affect customers' rights to live in their home but as one organisation we'll be able to invest more into existing homes, services, local communities and building more homes.



Listening to our customers

The Regulator of Social Housing confirmed that new 'Tenant Satisfaction Measures' (TSMs) would come into effect from April 2023.

These are designed to give tenants visibility of how well their landlord is performing and to guide its activities to improve.

Tenant Satisfaction Measures

All landlords need to gather feedback on 12 key measures, which will be reported on at year end (April 2024). The main one is Overall Satisfaction which is gathered by asking: Taking everything into account, how satisfied or dissatisfied are you with the service provided by Sovereign? The TSMs also measure key areas of service like repairs, and resolving ASB and complaints.

We began testing them all from June 2022, conducting telephone surveys with customers on a monthly basis.

Widening our customer feedback

We've developed a three-level way of gathering feedback from customers:

- feedback on how they feel about us overall
- feedback on how they feel about specific services (like repairs, resolving ASB and handling complaints)
- feedback on specific channels (like phone and email)

We're also starting to measure satisfaction online - introducing feedback surveys on our website and MySovereign portal.

Last year we collected telephone feedback for over 2,600 customers and the year-end figure for Overall Satisfaction was slightly down (by 2%) on the previous year at 70%.

Overall Satisfaction is affected by how a company performs and also by factors in the external world. The Institute of Customer Service benchmarks satisfaction and has seen a similar drop across most organisations, which it put down to several key factors including the cost of living crisis.

For Sovereign customers, the main cause of dissatisfaction was delays to repairs and planned maintenance, which is a key focus area for us to improve in 2023.

As well as our phone surveys, we want to make sure every single customer has the chance to provide their feedback so we also introduced an email Anniversary Survey in 2022. This survey goes to all customers a year after they first join Sovereign and then every year after that.

Nine customer outcomes







I'm treated fairly and with respect

Dealing with you is effortless and easv

You listen to me and respond in a personalised way







l'm well informed and you do what you say you'll do

ned You anticipate what my changing needs I do and aspirations

l live in a good quality, affordable home



I'm involved in shaping where I live



I feel

part of my

community



I'm proud of where I live, I feel safe and secure

Complaints

During the year we received 6,183 complaints - up 36% on the year before. This is in line with an increase across the housing sector and a trend in other sectors too. In 2022, the Institute of Customer Service annual study showed that over 17% of customers nationally had experienced a problem with an organisation - the highest level ever recorded in their survey.

We welcome complaints as an opportunity to put something right and to learn lessons to improve our services.

Almost all complaints to us were resolved at the first stage of our process, with only 8% going to Stage 2. Of those, only 26 escalated to the Ombudsman. The main focus of complaints was around quality, delays to work and not updating customers well enough.

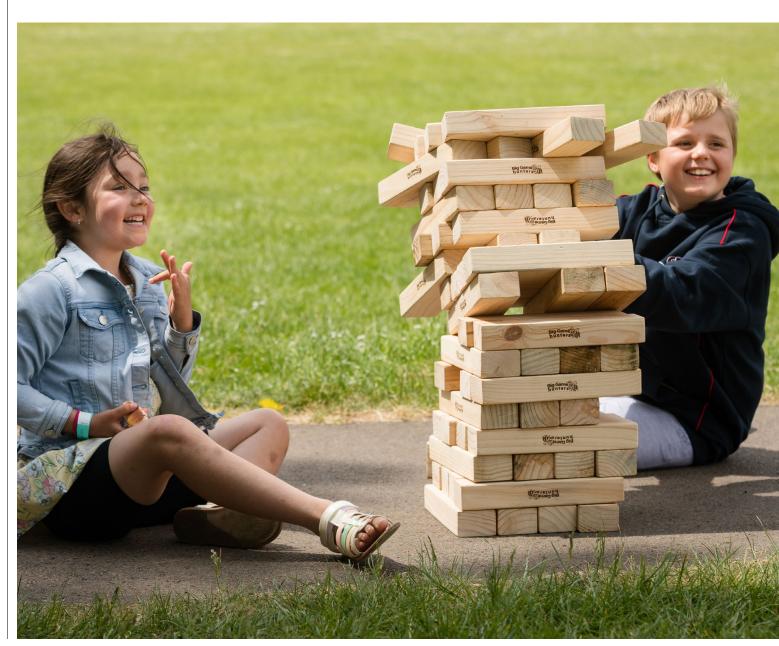
Towards the end of the year we began transforming how we handle complaints, moving towards a centralised and more proactive way of managing cases. This now means customers have one point of contact all the way through, who will liaise with other teams to resolve the complaint more quickly and effectively – and keep them better informed about progress.

Our new localised approach since April 2023 also sees teams meeting weekly to look through their priorities, helping us identify and resolve any concerns.

Customer satisfaction results

- Repairs satisfaction 89% (target 95%)
- Complaints satisfaction 55% (target 70%)
- Antisocial behaviour satisfaction 61% (target 75%)

" Thank you... for the professional way the complaint was managed and resolved... leaving me feeling valued as a tenant."



Involving customers in decision-making





New chair for the RBP

Ruth Picknett-Powell introduced herself at the beginning of this report as our new Resident and Board Partnership (RBP) chair. She started in December 2022, replacing Joyce Ward MBE, our first RBP chair who served from 2017.

At a tea party to mark Her Late Majesty the Queen's Platinum Jubilee, Mark Washer paid tribute to Joyce for her service and congratulated her on the MBE she received in the 2022 New Year's Honours.

Ruth lives in a Sovereign home in Amesbury and joined the RBP last year. She works in the Civil Service as a project management team leader.

Recruiting for the RBP

Ruth was successfully appointed as chair of the RBP from 17 applicants, following an interview and selection process.

We also received 70 applications to join the RBP and successfully appointed three new members after a series of selection events.

Following our merger with Network Homes, we'll be working to combine our engagement offer so all customers get the best possible opportunities to get involved, so please look out for more details.

Customer-led service scrutiny

This year we received a high number of applications to join our Scrutiny Coordination Group, with 43 residents registering their interest to share their voice and expertise. We successfully recruited two additional panel members.

The SCG looked at the following aspects of our work

Repairs scrutiny

This major piece of scrutiny work took nine months from April 2022 and involved reviewing and scrutinising customer satisfaction with repairs.

- 6 scrutineers recruited
- 75 hours of time volunteered
- 4 focus groups formed
- 2 surveys to inform and shape the review
- 9 recommendations

Overall, customers who gave us their feedback had a more positive experience than a negative one, but all the recommendations are now being reviewed as part of an end-to-end repairs transformation project.

We have seen customer satisfaction with our repairs service increase this year to 89%.

Customer journey mapping

210 customers also looked at the customer journeys for our mutual exchange and planned maintenance services. This resulted in 32 recommendations in how the journey could be enhanced.

Engagement review

We undertook a comprehensive review of our engagement approaches between September and December, which led to a total of 11 recommendations that we are now reviewing to make positive changes that reflect the views of our customers.



Residents' Conference

Our RBP hosted another successful Residents' Conference in July 2022 at Sovereign House, Basingstoke, with 32 residents attending from these groups, alongside members of our Executive Board and colleagues across the business.

Residents enjoyed a day of networking, a series of workshops (including a chance to quiz some of our Customer Centre and Scheduling teams and see the systems they use), addresses from senior leaders and an open question and answer session.

Our Youth Panel

Our Youth Panel members provide a voice for young people living in our homes. Made up of four 21 to 26-year-olds, the group originally worked with our charity partner Creative Youth Network to highlight housing and community issues and discuss ways we can make changes. It also offered the young people involved an opportunity to grow their skills in the areas of policy and campaigning.

This year, three of our Youth Panel members helped us score 24 applications for the second round of the Sovereign #iwill Fund. Our judges scored against set criteria and the result was that we awarded over £86k to ten amazing local groups.

Getting in touch



Our Customer Service team are usually the first people customers speak to when they get in touch with us.

This year, the team received an overall score of 94% for quality of call handling (target 85%) and they excelled in reducing wait times, providing a more efficient service for our customers.

Beating our response time targets

- Average call wait time: 1 minute 45 seconds vs 2 minutes target
- Average response to an email: 18 hours 9 minutes vs 48 hour target
- Average response to social media: 46 minutes vs 1 hour target

We've invested in training to give advisors new skills, (including new emotional intelligence training to improve how we respond to complaints) and we will continue to develop this in the year ahead.

In spring 2023 we made major changes so that customers get an answer at the first point of contact as often as possible.

Advisors are now supported by two layers of housing and property specialists, helping to answer complex repair and other queries more quickly.

Having these experts embedded in the team and sharing their knowledge is already working - 80% of queries are now resolved first time and 76% of customers tell us they would use this service again.

Better digital access to services

We tested and launched webchat as a new channel for customers to self-serve, saving them time and providing more customer choice.

We're making increasing use of email and SMS messaging to contact customers quickly and easily.

And we offer video for an early visual assessment of any damp and mould problems. Video calls also work well to try and resolve minor gas boiler issues without the need for customers to wait for an engineer's visit.

MySovereign

By the end of March 2023, we had over 27,000 homes registered on MySovereign, our customer portal.

This year we have worked hard to improve the registration process, to make it as easy as possible. We're also working on improving speed and accessibility, plus adding the ability to view documents and progress updates for customer complaints.

How to contact us:

We want to make it easy for customers to speak to us, so we have lots of different ways you can contact us, including:

By email: contact@sovereign.org.uk

By phone: 0300 5000 926

Webchat and virtual assistant: www.sovereign.org.uk

MySovereign: https://my.sovereign.org.uk/

Investing and maintaining our existing homes



Repairs satisfaction **89%** (target 95%)



91.3% repairs 'right first time'



Almost **275,000** repairs were raised during the year



75% satisfaction with overall quality of home



We received over 20,000 more repair requests this year but satisfaction has continued to improve. 89% of customers said they were satisfied with our service and satisfaction with overall quality of home is also up from last year. We've also had positive feedback as we've started to move our grounds maintenance service in-house. Most customers in Berkshire, Basingstoke, Oxfordshire and the Isle of Wight now have Sovereign grounds maintenance teams, giving us more control and helping us address issues more quickly.

We continue to invest in making homes more energy efficient. During the year we:

- Replaced windows in 570 homes
- Replaced 1,800 gas boilers with modern efficient models
- Installed 400 modern Quantum heating systems
- Replaced 1,700 front/back doors, improving safety
 and security too
- Replaced 600 kitchens and 450 bathrooms
- Fitted new roofs to 300 homes.

And our 'right first time' repairs have jumped to 91.3%.

Keeping you safe

Keeping you safe in your home and neighbourhood is a top priority for us. We want to prevent safety issues in your home, and protect the lives of you and your loved ones.

Tackling damp and mould

In November 2022, the coroner's verdict on the tragic death of two-year old Awaab Ishak brought to national attention the impact of damp and mould.

Like every social landlord, we have a massive challenge in addressing damp and mould in our homes, both in the immediate term and as we improve our homes over the next thirty years. We've already been working on this for over three years, investing in better processes and new technology to reduce the incidence of damp and mould and to put it right.

This year we proactively managed over 14,000 cases. We have upskilled our customer-facing team and all of our property teams to identify signs and symptoms of damp and mould and the underlying causes.

As well as training our people, we have improved our processes so that we can fix things as quickly as possible. Our teams attend reports within 10 working days and when they do so they carry out an assessment of the whole home, looking at vents and extractor fans and completing a mould wash if needed. We give our customers information on preventing damp and mould and we follow up within three months. When we can't establish a cause, we will bring in independent experts. Alongside our responsive approach, we have developed a proactive service, using real data, that helps identify where damp and mould is more likely.

This considers a home's age, design, heating, and repairs history and what we know about who is living in the home. We are evaluating the rollout of smart technology, such as humidity sensors, that will help predict damp and mould before it happens. And we are using video calls with customers, so we get an instant picture of a problem in a home.

Safety and compliance

We now have a dedicated Building Safety and Compliance team to oversee our compliance safety check requirements. They ensure all properties have been assessed as to what safety checks need to be done to keep customers safe. There's also been lots of development on our systems to contain this key information and ensure compliance data is easily retrievable.

There is a requirement for us to register our high rise, in-scope buildings by October 2023, which we have done. We're also working with other landlords and management companies involved with our homes to ensure that they are adhering to these too. We'll continue to follow upcoming requirements, adding key updates to our website and sharing safety tips on social media.

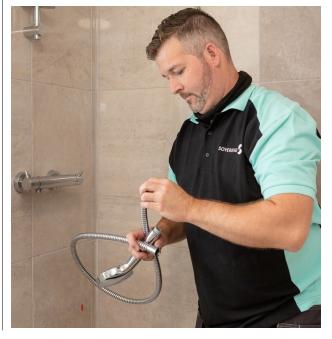
Supporting our neighbourhoods

As a landlord we have a responsibility for our customers and their neighbours. In 2022-23 we managed over 12,000 neighbourhood cases, including:

- Completing 9,912 neighbourhood inspections, with 63% of our neighbourhoods assessed as good or very good
- Dealing with 1,160 cases of anti-social behaviour (ASB)
- Supporting 112 domestic abuse cases and 456 safeguarding cases
- Investigating 1,400 compliance safety check cases about non-access, including injunctions
- Reviewing 289 personal evacuation plans and 645 actions from Fire Risk Assessments.

Our Tenancy Success support model is working – of over 210 cases, only one has failed. Customer response times on tenancy issues are down too, from 14 days to two days.

We have also taken steps to improve the experience of customers who have to temporarily move out of their homes, with 229 households affected this year. "You don't realise how much you have helped just by calling me. I've spoken to the National Centre for Domestic Violence and sent back the forms and I'll be in touch when I've spoken to the police. Thank you again for all your help."



Supporting our communities

We know good homes, rooted in thriving communities, enable our customers to make the most of their opportunities.

That's why, in addition to the £3.5m Sovereign invested into communities, we secured £2.6m in external funding from a range of funders to enable us to do more in communities.

Community investment and employment programmes

We successfully delivered various externally funded programmes, including our <u>Skills 4 Work</u> programme on the Isle of Wight to support people into work. This year we've also successfully delivered the first year of our <u>#iWill fund</u>, a two year programme co-funded by a £225,500 grant from the National Lottery Community Fund and the Department for Digital, Culture, Media and Sport.

The fund, which provides high quality opportunities to give young people a voice in their community and their future, awarded grants to 24 grassroots youth social action organisations, supporting 354 young people in year one alone.

In addition, we capacity-built 94 organisations with training and networking opportunities through the Sovereign #iwill Youth Network in partnership with Creative Youth Network.



Cost of living crisis

We have scaled up our resources by creating a £1.5m Customer Support Fund. The fund provided a range of additional services and support for thousands of customers, including grants for essential items, debt advice, in-work job coaching, providing more support around fuel poverty and money coaching.

More projects have needed funding as a result of the cost of living crisis, leading to more applications to our grants programmes, which have benefited over 55,000 people.

How we've made a difference

In total, we've supported 435 local grassroots charities and organisations to deliver community investment programmes and engaged 5,484 customers in our services.

- We established a £100,000 grant to improve communities' access to employment and training.
- We awarded £359,548 to 81 Crowdfunder projects, which also received £1,028,960 in match-funding. These projects included community kitchens, cost of living support for older people and warm spaces.
- Our Your Community Your Choice programme used £69,732 to improve open areas and outside spaces for 587 homes.
- Through The Good Exchange, we gave £30,000 to 16 grassroots community organisations, which attracted an additional £318,445 in match-funding.

" I can't thank you enough for all you have done. I can now pay my bills and do a food shop and things are looking up"



Employment and training

- We helped 302 customers get better paid work or a new job
- Through £11,160 of digital grants, we've helped 622 customers get online
- We've referred 214 customers to our independent money expert and debt advice partners, helping them save £382,440
- We've helped 3,121 people in fuel poverty and provided vouchers for customers affected by an adverse change in circumstances.

We are expanding our partnerships and programmes, delivering an Age Friendly Communities programme in partnership with HACT in Christchurch and a Green Skills programme in the same area.

We are also working with Business in the Community to support charities and community groups and this year will launch new work on supporting intergenerational activity in our neighbourhoods.

This includes supporting young people on the Isle of Wight to prevent homelessness and launching a large project around social action and wellbeing for our younger residents.

Adding more through social value

We generated over £68m of social value through our charitable and social purpose activity as a housing association. We're always looking at how we can maximise the opportunities for our customers and communities with our supply chain. Since redesigning the way we seek social value through our purchasing decisions, we've made £3,430 in contributions to the Social Value Levy towards our grants programmes. We've also supported 14 apprenticeships and our suppliers have refurbished a community centre. " Sovereign has really given our family a boost both by supporting me to expand my business, and by talking to my partner, who's training to be a carpenter"

Letting homes and collecting rent



Giving people a place to call 'home' is at the heart of what we do. Our Lettings team worked hard to move customers into homes as quickly as possible, meeting our targets for this work.

Steps to tenancy success

We teamed up with social enterprise Your Own Place (YOP) to offer our free '<u>Steps to</u> <u>tenancy success</u>' programme to people who weren't successful in securing a Sovereign home.

YOP will work with each person on a 1-2-1 basis and in small groups, personalising the programme to meet their needs. Our Employments and Skills team is also on hand to give expert advice.

The aim is to help people overcome the barriers that made them unsuccessful in applying for a home, so they will have more opportunity to secure a place to live in the future.

New approach for Horlicks homes

We trialled a new way of marketing homes for rent at the historic Horlicks Quarter in Slough.

Unlike any other development we've had, we were able to advertise and let some of the properties ourselves – not through the local authority. Applicants didn't need to be on the housing register, just meet a list of criteria.

We successfully let all 127 apartments and generated a waiting list for future phases of the development.

Rehousing support

It's important that the homes and places we provide are fit for the future – that's why we review our properties against our Homes and Place standard.

If we can't make the changes to them that we'd like for customers in the longer-term, we sometimes make the decision to sell the property on the open market or hand back the building's lease to the freeholder.

When this happens, our Rehousing Support team works very closely with those customers who then need to move out of the property.

They support each household to find a new home that meets their needs, staying in contact and consulting with them regularly. Depending on the circumstance, customers will be given a Statutory Home Loss Payment and a Disturbance Allowance Payment to help with moving costs.

This year, our Rehousing Support team helped 90 customers move home.

Lettings

- We let 3,140 homes this year 179 more than last year.
- 2,076 were re-lets and 1,064 new lets.
- We met our target to relet our homes in an average of 25 days and new lets were done in less than 4 days on average.
- 790 mutual exchange requests resulted in a move, 154 were refused and 383 customers withdrew their application.

" To even just have a roof over my head... was great. But I've got my own bathroom, I've got my own kitchen. It's helped me regain my independence and just have a bit of a brighter future really"

Mutual exchanges

We received nearly 1,500 mutual exchange requests this year from customers wanting to 'swap' homes.

We're always looking for ways to improve the service for customers, so over the next year we're reviewing how we can streamline the process and reduce how long it takes for electrical inspections.

Specialist Housing

We have now reached 40 Housing First lets, aimed at providing housing for the long-term homeless.

Lyra House, our new temporary accommodation scheme in Shaftesbury, Dorset, was shortlisted for the UK Housing Homelessness Project of the Year Award, showcasing our partnership approach with Dorset County Council.

Collecting rent

The cost of living crisis was at the forefront of our minds when collecting rent this year.

We worked closely with customers who were struggling, to ensure they could access the support they needed and knew which benefits they were entitled to.

This included using our new <u>better-off</u> <u>calculator</u>, which helps customers understand what benefits they are entitled to and how that might change if their circumstances change.

We also launched a new <u>cost of living</u> <u>webpage</u>, giving customers information on support from government, energy companies and from us. This included tips on how to keep their homes warm and to save money on essentials.

And we secured £40,000 of funding from Basingstoke and Deane Council to support local customers struggling with the cost of living.



Universal Credit bot

We're always trying to be more innovative and efficient in our work, so that we can help as many customers as possible.

When we change rents, the Department for Work and Pensions (DWP) asks us to confirm that the new rent values are correct. This required a lot of manual work – last year it took 1,500 hours to verify 17,000 rents.

But this year, we started using our automated bot to verify Universal Credit claims, with 7,798 out of 20,783 being verified by the bot, freeing up hundreds of hours for our teams to focus on different tasks.

We expect this number to increase as we continue to develop and improve the bot's capabilities.

Collecting rent

- Overall arrears of 2.53% at end of year (far lower than our target of 4.3%).
- Informal arrangements to address arrears increased from 3,273 in 2021/22 to 5,150 in 2022/23.
- We saw 39 evictions but we wouldn't evict someone if they were actively working with us.
- We have seen imore customers working with our Income Advisor service, with engagement at 83.01%.
- There were 20,000 Universal Credit claims at year-end.

Building for the future



Alongside the 62,000 homes we already have, we're committed to building more affordable homes to meet housing need. Surplus we make from selling some of these new homes goes back into upgrading our existing homes.

This year, we built 1,672 homes for rent and shared ownership, with shared owners buying, on average, a 49% share of their new home.

We're continuing to use our Homes and Place standard, which sets out our commitment to build and maintain good quality homes and better places to live. We apply this standard to all our homes, so we can decide what we need to do to design and create homes that work for the long term.

Our new developments are now consistently high quality, with our average Homes and Place score for new homes up from 59% last year to 64% this year. We have a further 8,326 new homes in our development pipeline.

Where we have existing homes we feel we can't make changes, we will sell them on the open market. This year we sold 117 of these empty homes, generating £19.5m we can reinvest, and creating savings of £2m.

Decarbonising our homes

Our Homes and Place standard also includes our intention for all our homes to be carbon neutral by 2050 - the sustainability scores for our new homes have gone up from an average of 45% to 53%.

For our existing homes, we were successful in bidding for government funding through the Social Housing Decarbonisation Fund (SHDF). We were awarded over £9m towards our £22.5m improvement strategy. We will use this funding to retrofit a thousand homes.

Engaging with our customers on this journey to decarbonisation is crucial. Our Resident Liaison Officers and retrofit teams will work closely with our customers to explain every step of the journey, what the outcomes will be, how this will benefit them and how newly installed smart-home technology will help reduce their energy bills. Home improvement retrofit measures are individually-assessed and tailored for each home and follow a fabric-first approach which includes wall insulation, heat pumps, battery storage, photovoltaic ("solar") panels, and 'smart' home controls. Together, these measures will deliver homes which are more energy efficient and more affordable to run, with bills potentially falling by as much as half after the retrofit works.

The project is supported by a data-driven approach, and we intend to roll that out across all our homes. Once surveyed, each home will have a "passport" that records all the retrofit measures needed to achieve net zero. This "passport" approach will also link to ongoing monitoring within each home to evaluate their operation, demonstrating net zero delivery and allowing us to quickly identify faults or poor environmental conditions within homes.



Want to know more?

These documents give you more detailed information on our services, financial statements and other key aspects of what we do.

Annual Report 2023

ESG Report 2023

Value for Money report

<u>Corporate Plan</u>

Homes & Place Standard

Sovereign Housing Association Ltd

Sovereign House Basing View Basingstoke RG21 4FA

Phone: 0300 5000 926

Sovereign Housing Association Limited is charitable. CORP-32231 Sept23inh

