

# Value for Money Statement 2023



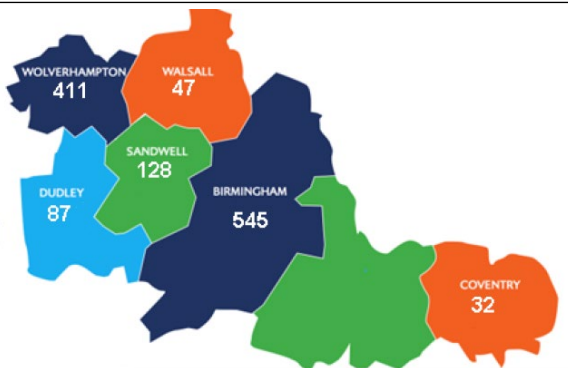
# 2022-2023 Highlights

**Nehemiah Housing** is a business for social purpose. First and foremost, we are a social landlord, and our charitable aim is to provide home to the very many people unable to obtain affordable housing in the private housing sector.

We are committed to responding effectively to upcoming opportunities and challenges on behalf of our customers. Always striving to provide value for money and continuous improvement. This means looking for new strategies to increase efficiency and minimise waste to maximise our contribution to bringing about change in the communities we operate in.

We do not distribute profits, so every penny we earn is re-invested in the business to deliver our charitable aims.

Published for transparency this statement provides a golden thread of the Association's activities and plans to provide an effective, efficient, culturally sensitive service to our customers and communities.



## £0.86M (in 250 Homes)

Invested to improve the condition of our housing properties over the course of the year and plans for additional homes

## £0.7M

Surplus for reinvestment in homes and communities.

## 93%

Repairs satisfaction.

## 21 New Homes £4.1m



## £1.9M

In the repair and maintenance of tenants homes



## I.T. Review & New Website



Implementation of new systems 2023/24

# Our Principles & Objectives

**Achieving Value for Money** is fundamental to the attainment of Nehemiah Housing's mission and vision. Our approach and culture of achieving value for money (VFM) is to ensure our money is spent well and we optimise the use of our resources. We have two main aims:

- To deliver value for customers; and
- To deliver value for money to stakeholders.

This is underpinned by careful financial management and good governance. It builds on a strong culture of performance management and continuous improvement. It is supported by creative thinking that promotes innovation, including investment in technology that adds value and improves the customer experience. We are committed to delivering efficiencies and making sure we get the most out of our resources.

This allows us to provide as many new homes as backed by high quality services.



## Delivering Our Core Values

**Passionate** - we are passionate about empowering people to build communities.

**Diversity** – we believe diversity is a strength in every aspect of our work and communities around us.

**Integrity** - we act with integrity in all that we do even when it is not the easy option.

**Sustainable** – we believe our actions and their impact must always be sustainable.

The organisation is committed to growth by developing new housing properties and seeking other opportunities to enrich the communities it serves by exploring partnerships with Local Authorities, other housing providers, community groups and agencies. Nehemiah Housing is committed to the continued provision of such programmes which go beyond its main social housing delivery.

## Effective and Grow

This year the Association made an operating surplus of **£1.75M** (net surplus of **£0.7M**) on a turnover of **£7.7M** generating an operating margin of **23%** margins This is lower than 2021/22 due to the cost-of-living crisis and disruption in the global economy.

**97%** of our Turnover was from Social Housing lettings. The **£0.7M** surplus 2022/23 will be re-invested in our stock and communities in the coming years.

To aid transparency the Association has published details of its performance against similar sized providers over a range of measures.

- a) Reinvestment
- b) New Supply (Social Housing)
- c) New Supply (Non- Social Housing)
- d) Gearing
- e) Interest cover
- f) Cost per unit
- g) Operating surplus margin
- h) Return on capital employed.

**Pages 29-38** of our report and financial statements 2022-23 provides details of our performance over the last financial year together with supporting commentary.

[Financial Statements 2022/23](#)

# Deliver Excellent Services

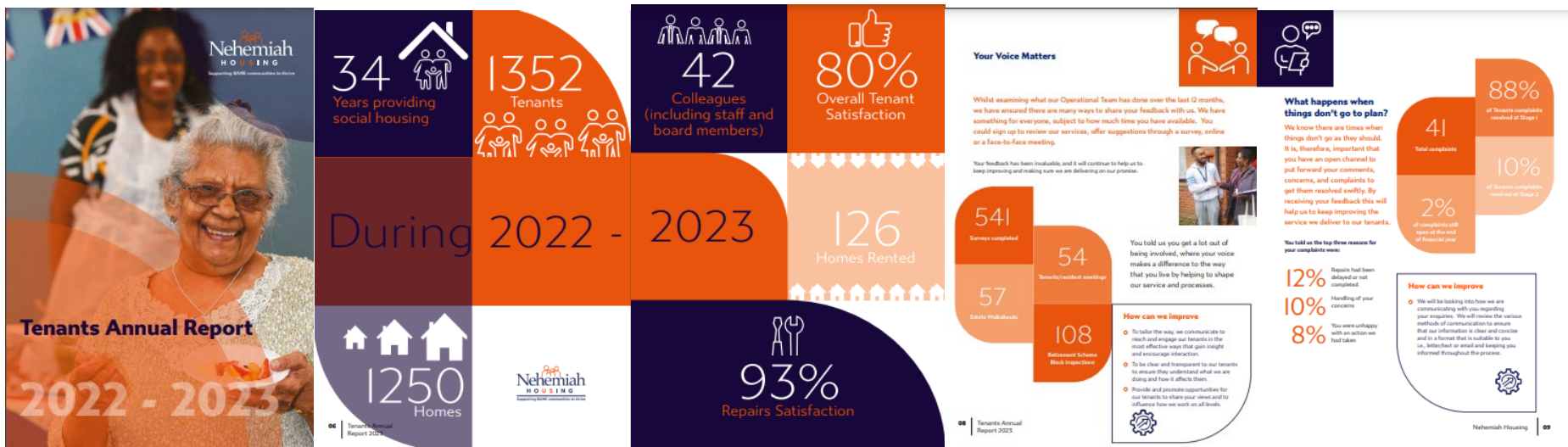
We continually invest in our housing stock and work in partnership with our authorised contractors, ensuring all our properties are in a good condition across General Needs, Supported and Housing for Older People Accommodation. The Association continues to work hard to ensure that tenants continue to feel safe and comfortable in their homes. Notable headlines

- 100%** Of our homes meet the Decent Homes Standard.
- 80%** Overall Tenant Satisfaction
- 100%** Statutory inspections completed on time.
- 93%** Overall satisfaction with the repair service.
- 541** Surveys completed in year.
- 88%** Complaints resolved at the first stage.

**Tenant's comment:**  
*"You were brilliant at handling the situation over the phone. You went (ABOVE & BEYOND) and I don't know what I would have done if I didn't have your assistance. You are an (AWESOME PERSON) and I wish you all the best in life as you deserve it.*  
*Once again thank you, I really appreciate everything you did, words cannot explain."*

The Tenants Annual Report provides a comprehensive view of the services and performance that have been delivered over 2022-23

[Tenant Annual Report 2022/23](#)



# Investing in Our Homes

**£311k Bathrooms**



**£145k Boilers**



**£92k Heating Systems**



**£99k Kitchens**

**£211k Windows / Doors**

**Improvements in 250 homes 20% of our stock**

## Energy Efficiency

**£130k** grant received for high efficiency heating systems in homes. We will be bidding for further rounds of Social Housing grant funding to improve tenants homes.

## Tackling Damp, Mould and Condensation Issues

There are lots of reasons why you might get damp and mould in your home, and it can sometimes be difficult to identify and remove the root cause. We know how upsetting this can be, so we're always looking for ways to improve our damp and mould process.

Last year, we created a new Damp and Mould Policy where we will be able to:

- Ensure that tenants are treated in a fair and consistent way.
- Comply with statutory requirements and good practice.
- Focus on working in partnership with tenants ensuring that a safe and healthy internal environment is provided.
- Undertake effective investigations and implement all reasonable remedial repair solutions and improvements to eradicate damp & mould including, managing, and controlling condensation.
- Ensure that tenants have access to and/or are provided with comprehensive advice and guidance on managing and controlling damp and condensation.
- Maximize the available budgets and ensure that they are used effectively and efficiently to deal with damp, mould, and condensation problems.
- Ensure that the fabric of our property is protected from deterioration and damage resulting from any damp issues.



## New Developments

21 New units delivered in August 2022 at Vine Street in Dudley.  
Acquisition of 12 existing homes April 2023 by stock transfer. A further

# Strong Governance, Finance and Risk Management

*"Our vision is to be the leading independent BAME housing provider in the UK delivering a range of services which are unsurpassed in the community".*

The Corporate Strategy 'Growing Stronger Together' 2020 - 2023, which has been extended to 2025, has seen the Association make steady progress despite operating in what has been a very challenging period.

We have seen inflation rising to over 11% during the year and more recently in March 2023 fell marginally to 10.1%. This reduction in inflation has been less than expected and, as a result, we have seen interest rates increase dramatically as the Bank of England battles to dampen it to target levels. We are also experiencing increased fuel costs which is affecting our tenants and their ability to pay their rent and service charges. Taking all the above into consideration, the Corporate Strategy has been extended to 2025. This gives us the best opportunity to achieve our stated objectives and serve our stakeholders better.

## Governance Leadership

During the year the Association has worked to ensure that governance still delivers the accountability needed to ensure assets are protected and return on capital is maximised. Key tasks during the year have been.

- Preparation for Tenant satisfaction measures encompassing Safety and quality, Transparency, Influence and Accountability, Neighbourhood and Community, and Tenancy.
- Following stability checks from the Regulator, Nehemiah retained its G1/V2 status.
- Review of our pension strategy.
- New appointments to the Board.
- Review of core IT systems.
- Adoption of new IT Strategy.

Unqualified audit opinion on financial statements and internal controls.

## Finance

- Healthy surplus of £0.7M in difficult trading environment.
- Overall operating margin 22% in line with sector median of 21.5%.
- Gearing ratio 36.0% compared to sector average of 44.7% and funders maximum of 60%
- Interest cover 133% against a funder's minimum requirement of 110%.
- Robust financial plan, prepared with a view to the inflationary pressures resulting from global economic disruption caused by the aftermath of the pandemic that has been rigorously stress tested with the Association able to remain viable in all but an unlikely sustained period of rent cuts from the Government.
- £31.6M assets are not being used for security purposes.
- Refinancing of £9m variable rate loan to favourable fixed rate to hedge against rising interest rates.

## Risk Management

The Association has taken implemented wide-ranging controls and actions to mitigate against our main risks:

- New damp and mould policy and review our most vulnerable properties, include damp and mould on tenant's meeting agenda. Investigations highlighted only 6 properties at risk and remedial action has been taken.
- Improved split of loans at fixed rate to hedge against rising interest rates.
- Revised financial plans stress tested to ensure viability in all areas except prolonged periods of rent reduction.
- Cyber essentials accreditation.

# People Development & Well-being

People Development & Well-being Strategy has been developed and adopted to:

- Secure the recruitment of high calibre candidates so we can deliver the best service to you.
- Embed performance management and reward systems.
- Support Employee relations and engagement.
- Ensure workplace well-being.
- Support equality and Corporate Social Responsibility

## Leadership Development

Nehemiah has begun to develop a Leadership Development Programme which will be supported by the 'Nehemiah University', to enhance the development of the capabilities and competences for its Executive Team and future leadership potential for the sustainability of the organisation, to support our Executive Succession Plan.

## Headlines in the year:

- Review of Rewards and Recognition.
- Board skills review.
- Provide staff access to professional qualifications.

We continue to look for opportunities to meet our corporate social responsibility to give back the community to not only provide homes but to have a positive impact on the communities within which it works.

we want to raise levels of achievement and motivation and help people access the career and education opportunities they might not have believed were available to them. Working in partnership with community organisations and educational establishments such as universities, colleges, and schools

Nehemiah recognises that the contribution of all staff is fundamental to the achievement of its business objectives and long-term sustainability.

The Corporate Services function is committed to developing and implementing policies and processes that not only support delivery of the corporate strategy but also optimise the ability to recruit, develop, retain, and reward our staff, linked to the Nehemiah brand and values of Passionate, Diversity, Integrity and Sustainable.

The development of a People Development & Well-being Strategy has the clear objective of firstly providing support to the staff team but also supporting Nehemiah and its wider strategic objectives. This approach reflects innovation, dedication and leadership embodied within this vision.

The Strategy is organised into eight main themes: Recruitment and Retention, Performance and Reward, Organisational Development, Employee Relations and Engagement, Operational Excellence, Workplace Wellbeing, Equality, Diversity & Inclusion as well as Corporate Social Responsibility.

# Focus on our Tenants.

“We are committed to providing great customer service and being responsive to our customers’ needs.”

As a result of what residents asked for at Nehemiah Tenants Panel (NTP) meetings and in other conversations, we have invested in the following:

The Association is committed to continued on-going engagement with social housing customers to better understand the nature of any dissatisfaction and feed this back to housing staff and maintenance contractors to improve service delivery to residents and their homes. Meaningful engagement with customers and repairs contractors helps to reduce costs, improve efficiency (by reducing waste), and raise effectiveness (by doing the right things).

## Delivering value for tenants

- Worked in collaboration with “**Everyone Prospers**” to successfully connect with tenants previously considered as hard-to-reach.
- Used research from MEL Research to prioritise services (i.e., walkabouts at the least satisfied schemes).
- I.T courses provided for older people.
- Engaged with 1,266 customers to give feedback on services.
- 105 customer events.
- £835k spent to improve homes.
- £1.756m on repairs and maintenance.
- New user-friendly website launched.

Read about our Customer Engagement in **Under One Roof** our Customer Newsletter ([click on the pictures](#))





# Delivery Plan for the period to 31 March 2024

Actions	Outcomes	Comments
Maintain compliance with Regulatory Standards.	Timely submission of all submissions	Self-assessment of the economic and the Consumer standard completed and reported to Audit and Risk Committee & Board May 2023 & June 2023 respectively. Sign off 30-year financial forecast. Sign of quarter financial stability submissions
Have a robust business plan that is appropriately financed and regularly stress tested.	30-year financial plan produced in conjunction with the board and reviewed by external treasury partners.	Plan approved by board (June 2023) and submitted to Regulator of Social Housing (June 2023)
Perform well against the Regulator's value for money metrics.	Refer to pages 29 – 38 Financial statements.	Targets for the 2023/24 compare well to performance for similar sized organisations.
Deliver relevant Corporate Plan Key deliverables	<ul style="list-style-type: none"> <li>• Acquire 12 properties at Hockley Close.</li> <li>• Review Rewards and Recognition.</li> <li>• Preparation Tenant Satisfaction Measures due April 2024.</li> <li>• New Contractor Responsive Repairs.</li> <li>• Migration of core I.T. systems to new integrated solution by March 2024.</li> <li>• Board Skills Audit.</li> <li>• Investors in People Review.</li> <li>• Board &amp; Executive Succession.</li> <li>• Development &amp; Growth Strategy.</li> <li>• Review Corporate Plan.</li> <li>• Housing Health &amp; Safety Rating Scheme - Inhouse Training.</li> <li>• Asset Management Strategy.</li> <li>• Social Housing retrofit energy efficiency project.</li> </ul>	<p>Homemaster chosen as new integrated solution, stage 1 of migration completed and signed off.</p> <p>12 Properties Hockley close acquired April 2023.</p> <p>TSM Wave 1 surveys completed Jul-23</p> <p>RSH Fire Remediation Survey &amp; DLUHC Survey Returns sign-off.</p> <p>New contractors and arrangements for responsive repairs Sept 2024.</p>

# Outlook For the Future

Our financial position remains strong, despite the current economic disruption. We have moved to new arrangement for responsive repairs with targets to improve tenant satisfaction with our services. We have increased housing stock by 21 units, but we remain committed to deliver on our plans for new homes as set out in our corporate strategy “**Growing Stronger Together**”. There are aspirations for a further 21 homes by 2025.

Key to the realisation of the stated objectives will be the successful delivery of the VFM strategy. This will involve increasing staff awareness of VFM, finding cost efficiencies, tenant engagement on VFM considerations, and continued improved reporting to Board of performance against our objectives and targets.

Due to the effects of the pandemic and global economic disruption the corporate strategy has been extended to 2025.

## **Targets Over the Life of the extended strategy include:**

- Digital Transformation Strategy to improve tenant customer experience and organisational effectiveness.
- Tenant App.
- Migrate I.T. Estate to cloud based platforms.
- Increase customer engagement and customer satisfaction.
- Make tenant satisfaction surveys easier to complete and, therefore, more “real time”.
- Environmental Strategy.
- Circa 21 properties by 2025.
- Ensure ongoing compliance to our legal obligations.

This is not an exhaustive list, but it serves to illustrate the central position that value for money occupies in the Association’s priorities.

The continuing careful stewardship of the organisation’s resources will enable us to fulfil our aim to provide high quality homes for people in housing need and improve the lives of our customers and their communities.