



Business Plan
2007-10 Yr3

**Targets, actions and
financial planning 2009/10**



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Unity Senior Management

Team Profile & Staffing Structure

Mission

To promote
sustainable
neighbourhoods,
quality housing
choice and the
well being of black
and minority ethnic
communities

Objectives

Objective 1

To fulfil a unique role as a BME Housing Association in Leeds

We will be seen as successful and uniquely knowledgeable on BME housing and regeneration issues as well as a beacon of good practice on equality and diversity. We will use our position to deliver services directly and also to influence policies and the delivery of service by others.

Objective 2

To provide high quality, affordable housing and related service

We will deliver a range of flexible, high quality housing and related services which respond to the needs of our current customers and communities. We will take account of emerging needs of new customers and communities and redesign our services accordingly.

Objective 3

To contribute to the regeneration of target neighbourhoods and the development of communities

We will work in partnership with others to help create and sustain neighbourhoods where BME communities want to live. We will develop more new housing and deliver a range of regeneration activities in target neighbourhoods. We will continue to run Unity Enterprise as a profitable business to help us achieve our objectives.

Objective 4

To be a progressive and expanding business with a sound resource base

We will be a strong, effective and forward looking organisation. Our governance and performance management arrangements will be of the highest standard and we will be a place where people want to work.

Our Values

we will...

- be a customer focussed organisation
- be a BME – led, community based organisation
- be open and honest in our working relationships
- value the people who work for and with us

Our Targets 2007 -2010

This section sets out our high level targets for the three year period 2007-2010 which will be the subject of monitoring by the Board. The targets are factored into our financial plan and need to be met in order to ensure business viability and high levels of tenant satisfaction. A number of more detailed targets are set within our Operational Plan which will be the subject of monitoring by the relevant committee.

	2007/08 Target	2007/08 Actual	2008/09 Target	2008/09 Actual	2009/10 Target
Gross Turnover	£4,267k	£4,787k	£4,552k	£4,626k	£4,830k
Surplus for the Year:					
Unity Housing	£56k	£283k	£180k	£409k	£222k
Unity Enterprise	£34k	£55k	£57k	(£4k)	£57k
Interest Cover	147%	157%	155%	150%	136%
Gearing Ratio	36%	35.4%	33%	34%	35%
Tenant Satisfaction	70%	62%	75%	67%	80%
Rent Collected	99.5%	98.59%	99.5%	99.2%	100.1%
Rent Arrears	6.5%	6.5%	6%	5.8%	5.75%
Bad debt provision	£77k	£64k	£67k	£52k	£60k
Voids:	2.5%	0.59%	1.8%	0.6%	1.8%
Re-let times	28 days	15 days	24 days	9 days	22 days
BME lettings, no less than	50%	66%	50%	76%	50%
Repair Performance:					
Emergency	98%	99%	98%	100%	99%
Urgent	97%	97%	98%	99%	98%
Routine	97%	97%	97%	98%	98%
Gas Safety Inspections	100%	100%	100%	100%	100%
Planned/Responsive	60/40	62/38	59/41	59/41	67/33
Number of New Housing Units	2	0	29	7	22

This section sets out our high level actions for the year 2009/10 which will be the subject of monitoring by the Board. More detailed actions are contained in the Operational Plan and Service Improvement Plans and will be the subject of monitoring by the relevant committees. Actions for following years will be agreed on an annual basis in the January of each year.

These following actions have been agreed to help us achieve our targets and to meet our business objectives. Relevant actions are recorded under each of the four business objectives.

Objective 1

To fulfil a unique role as a BME Housing Association in Leeds

Action	Board Update 09/10	Lead
Develop service and financing options to encourage independent living of BME older people taking account of: <ul style="list-style-type: none"> • age, gender and family make up • infirmity and special care needs • ethnicity and cultural sensitivities • support re 'move on' to specialist accommodation 	Sept	PS
Provide an option appraisal on the development of an extra care housing scheme for BME older people, taking account of: <ul style="list-style-type: none"> • service and demand needs • appropriate sites and development appraisals • integrated care services and care governance • costs and funding support arrangements 	Jan	PS
Lead on the development of specific actions to be incorporated in the city's Housing Strategy aimed at meeting the needs of BME communities <ul style="list-style-type: none"> • agreement of actions • review progress against agreed actions 	May Dec	AA AA
Implement refugee community housing and employment project in partnership with HACT <ul style="list-style-type: none"> • employ first work experience trainee • review progress 	Apr Oct	PS PS

Resource implications

Funding exists within the budget for existing staff and consultancy support to work on the independent living and extra care housing proposals.

The Council, together with contributions from Leeds based RSLs, are jointly funding a project officer to work on the BME housing issues.

External funding support has been provided for the HACT scheme.

Objective 2

To provide high quality, affordable housing and related services to fulfil an unique role as a BME Housing Association in Leeds

Action	Board Update 09/10	Lead
Produce an updated self assessment form which identifies current performance against targets, benchmarks and the KLOEs, and sets out a programme of continuous service improvement actions (NB, This action supports our aim to continually review and improve the services we offer and will ensure readiness for any new inspection regime introduced by the Audit Commission)	July	PS
Produce a continuous improvement programme of tenant Involvement (NB, TSA implications)	July	PS
Develop an environmental programme for 2009/10 and 2010/11 (include proposals to ensure the sustainability of the improvements introduced)	July	PS
Review progress with the 5 year planned maintenance programme and progress regarding outstanding decency issues	Oct	PS
Review progress with affordable warmth programmes	Sept	PS
Review the ground maintenance service and produce options for delivery of the service and service improvements	July	PS

NB New “programmes” produced for consideration by the Board, as set out above, will identify Board/Committee review mechanisms and dates

Resource implications

A new five year budget has been agreed for the planned maintenance programme and environmental improvements.

External grants are being maximized to support the affordable warmth programme.

All other tasks are being carried out as part of the day to day activities of existing Unity staff.

Objective 3

To contribute to the regeneration of target neighbourhoods and the development of BME communities

Action	Board Update 09/10	Lead
Develop and implement a review programme for Unity Enterprise <ul style="list-style-type: none"> • agree review programme • review progress 	Jun Nov	PS PS
Develop and implement a new housing development programme <ul style="list-style-type: none"> • agree a new development programme • review progress 	May Dec	PB PB
Carry out an option appraisal for the improvement and future management of older housing stock in Chapeltown owned by East/North East Homes, on behalf of E/NE Homes and Leeds City Council	Aug	PB
Carry out a disposal/conversion/improvement option appraisal on properties taken out of charge in line with the asset management strategy	Sept	PB
Develop and implement a programme of regeneration activities <ul style="list-style-type: none"> • agree a regeneration programme • review progress 	May Jan	PB PB

Resource implications

The new housing development programme will be subject to risk assessment and bids for grant.

The option appraisal of the properties currently taken out of charge will identify a range of funding options, prior to decisions being taken.

The opportunity for Unity to be involved in the transfer of stock from East, North East Homes will be one of a number of options considered. A full financial appraisal will be carried out as part of that process taking account of Unitys existing reserves and loan capacity.

All other tasks are being carried out as part of the day to day activities of existing Unity staff and, in respect of possible regeneration programmes, will be subject to external funding.

Objective 4

To be a progressive and expanding business with a sound resource base

Action	Board Update 09/10	Lead
Review development client role	May	AA
Undertake a review of Firebird JVC and an option appraisal of the support/delivery of future new development	Sept	AA
Review financial capacity and secure funding for the new housing development programme	Jun	AA
Introduce a new treasury management strategy and policies	Jun	AA
Procure a new repairs and maintenance contractor <ul style="list-style-type: none">• agree a procurement programme• introduce a new contractor	May Mar	PS PS
Achieve Investors in People accreditation	Sept	PS
Develop and implement improved governance arrangements <ul style="list-style-type: none">• agree improvement programme• review progress	May Sept	AA AA

Resource implications

Funding has been set aside to provide external consultancy support for the review of financial capacity, the treasury management arrangements and the procurement process.

All other tasks are being carried out as part of the day to day activities of existing Unity staff.

To fulfil a unique role as a BME Housing Association in Leeds

Objective 1

Financial Plan

The financial business plan covers a 30 year period of which it publishes a 5 year summary. The main assumptions included in the plan are set out below:

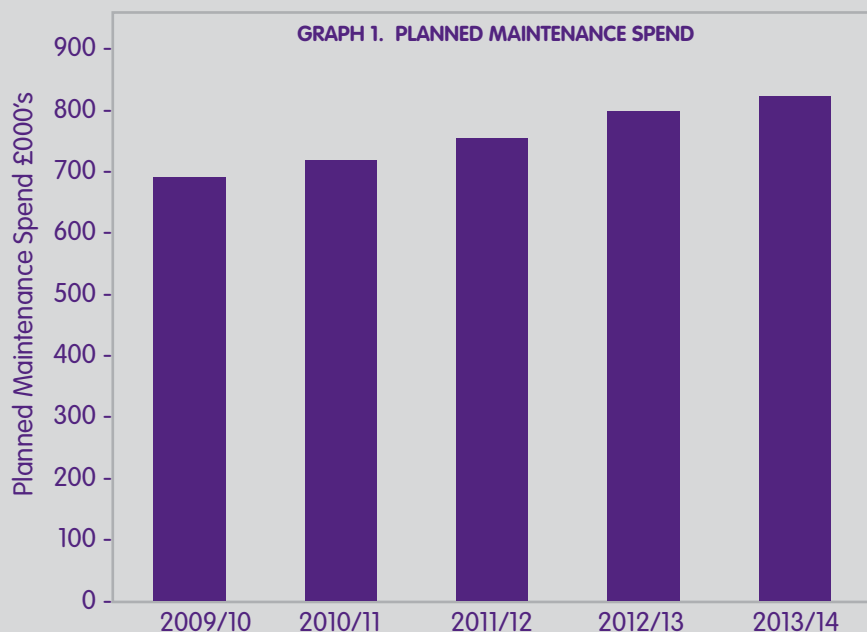
Inflation is assumed at 2.5% from 2010/11. However for most costs, except salaries, increases above inflation have been set at 0.5%. Building inflation has been set at 3% from 2010/11.

Rental Income is based on the average rents from the rent plan, which is set in line with government guidelines.

Treasury Costs are included as per the fixed loan agreement rates with variable rates at an average of 3.5% excluding margins, rising to 6.5% in 2015. Capital repayments are based on agreed profiles.

Voids and Bad Debt For financial forecast voids are set at 1%. Bad debt at 1.8%.

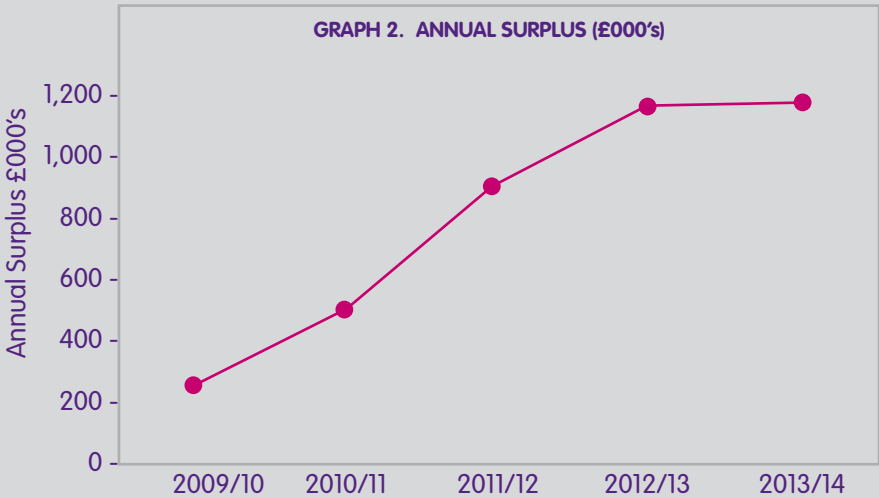
Repairs and Maintenance spend has been set in line with our revised Stock Condition Survey and Asset Management Strategy. The planned maintenance spend is set out in Graph 1.



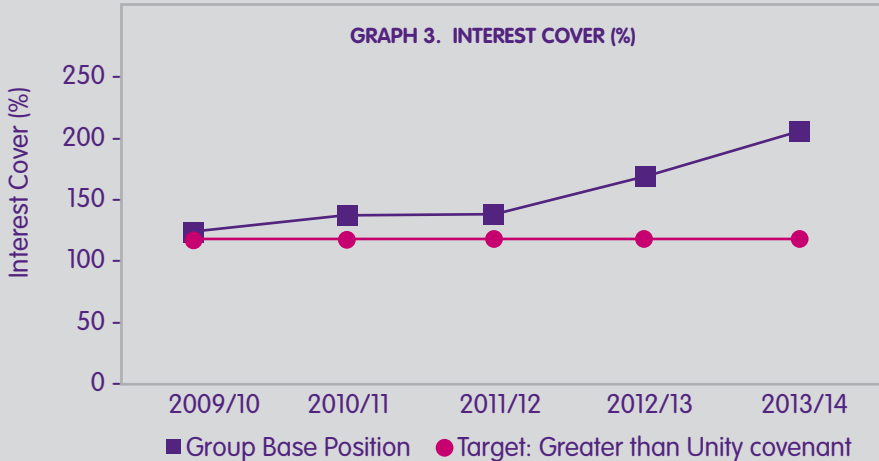
Proposed Developments are based upon properties with an average rent of £83 per week with a build cost ranging from £90k to £140k and an average grant rate for rented properties of 60%. An allowance has been made for a development programme of 234 units over the next 3 years. The additional loan interest, insurance and maintenance costs of the new units are covered by the additional rent. Overheads are not increased as the property base expands. The programme requires approximately £10.5m of new loans over years 2-5. Loans outstanding increase from £13.3m at the start of the plan

period to £22.8m at the end of year 3. Unity will ensure that new funding facilities are in place well in advance of requirements. We estimate that there are unencumbered assets which could fund approximately 300 units of new developments.

The Surplus Profile is set out in graph 2



Loan Interest Cover covenants are met throughout the period. The interest cover is shown in graph 3.



Peak Debt during the first 5 years of the plan would occur in year 3. After year 3 the loan debt would decrease year on year and would be repaid by 2029.

Five year financial forecasts are set out in tables 1, 2 and 3 comprising the Income and Expenditure Account, the Balance Sheet and the Cash Flow Statement.

Table 1 - Income and Expenditure	2009-10	2010-11	2011-12	2012-13	2013-14
	000's	000's	000's	000's	000's
Net Rental Income	4,127	4,329	5,244	5,943	6,167
Other Income	703	715	734	752	773
Turnover	4,830	5,044	5,978	6,695	6,940
UHA operating costs	3,252	3,250	3,528	3,752	3,869
Unity Enterprise operating costs	653	670	690	711	732
Operating Costs	3,905	3,920	4,218	4,463	4,601
Operating Surplus/-Deficit	925	1,124	1,706	2,232	2,339
Interest receivable and other income	25	25	25	25	25
Interest payable	679	675	943	1,133	1,233
Surplus/-Deficit for the Period	271	474	842	1,124	1,131
Transfer from Reserves	7	7	7	7	7
Surplus/-Deficit for the Period after Transfer	278	481	849	1,131	1,138

Table 2 - Balance Sheet	2009-10	2010-11	2011-12	2012-13	2013-14
	000's	000's	000's	000's	000's
Tangible Fixed Assets					
Net Housing Assets after Depreciation	20,412	27,611	32,415	30,922	30,622
Other Fixed Assets	985	1,005	1,025	1,045	1,064
	21,397	28,616	33,440	31,967	31,686
Cash at Bank/In hand	1,440	250	250	250	250
Other Current Assets and Liabilities	-1,300	-1,300	-1,300	-1,300	-1,300
Net Current Assets	140	-1,050	-1,050	-1,050	-1,050
Total Assets Less Current Liabilities	21,537	27,566	32,390	30,917	30,636
Financed By:					
Long Term Creditors					
Housing Loans due after more than 1yr	13,330	18,854	22,836	20,239	18,826
RCGF	0	0	0	0	0
	13,330	18,854	22,836	20,239	18,826
Capital And Reserves					
General	6,027	6,509	7,357	8,488	9,627
Other	2,210	2,203	2,197	2,190	2,183
	8,237	8,712	9,554	10,678	11,810
	21,537	27,566	32,390	30,917	30,636

Table 3 - Cashflow	2009-10	2010-11	2011-12	2012-13	2013-14
	000's	000's	000's	000's	000's
Net Cash Inflow from Operating Activities	1,343	1,514	2,242	2,781	2,895
Net servicing of Finance costs	-654	-800	-1,061	-1,139	-1,208
Net Cash inflow/(outflow) from above activities	689	714	1,181	1,642	1,687
Net Cash inflow/(outflow) from investing activities	-1,222	-7,459	-5,164	956	-274
Net Cash inflow/(outflow) before financing	-533	-6,745	-3,983	2,598	-1,413
Net Cash inflow/(outflow) from financing	-423	5,555	3,983	-2,598	-1,413
Increase/(Decrease) in Cash	-956	-1,190	0	0	0
Opening Balance - Cash	2,396	1,440	250	250	250
Closing Balance - Cash	1,440	250	250	250	250

Turnover
2009/10
£4,830k

2010/11
£5,044k

2011/12
£5,978k

2012/13
£6,695k

20013/14
£6,940k



Appendix 1



Naheed Arshed-Mather MBE
Chair

Unity Board Structure

The Board

Naheed Arshed-Mather
Chair

Karen Morley
Chair of Audit Committee

Michelle Anderson
Chair of Operations Committee

Peter Dickeson
Chair of Unity Enterprise Board

St Clair Brown

Terence Holness
(Tenant Board Member)

Jagdeep Passan

Robert Pitt

Alex Sobel

Tim Yeardley
(Co-optee)

Audit Committee

Karen Morley
St Clair Brown
Tim Yeardley

Operations Committee

Michelle Anderson
St Clair Brown
Terence Holness
Jagdeep Passan
Robert Pitt

Unity Enterprise Board

Peter Dickeson
Ali Akbor
Gurdev Dahale
Chris Hill
Robert Pitt
Alex Sobel

Chief Executive**Operations Director & Deputy Chief Executive**Enterprise Manager
Enterprise Team (8.5)Corporate Services Manager
Corporate Services Team (4.5)Housing Services Manager
Housing Team (4)Maintenance Manager
Maintenance Team (3)Neighbourhood &
Tenant Involvement Officer

IT Officer

Performance Monitoring
Officer

Regeneration Manager

Firebird JVC

Finance Manager
Finance Team (2)**Unity Senior Management Team Profile & Staffing Structure****Chief Executive****Ali Akbor MSc CPFA**

Ali was appointed in January 1999. Before joining Unity he was with the City of Salford as Head of Finance for the Community and Social Services Directorate. He has extensive organisational and financial experience, and has worked with Housing Associations for many years, having been a Board Member for two other Housing Associations. He is also a member of the Chartered Institute of Public Finance and Accountancy (CIPFA).

Operations Director & Deputy Chief Executive**Parveen Sidhu BSc(Hons)**

Parveen joined Unity in February 2005 and successfully project managed Unity's Audit Commission inspection in 2007/08. She has a proven track record in social housing with previous roles including that of; Area Manager (2001 and 2003) for a Local Authority and subsequently as Head of Operations. Then in 2004, as Head of Intouch Services, she led on rewards and loyalty, website development and marketing, for a large LSVT.



**To promote sustainable neighbourhoods,
quality housing choice and the well being of
black and minority ethnic communities**



Our Mission

To promote sustainable neighbourhoods, quality housing choice and the well being of Black and Minority Ethnic communities

Our Objectives

To fulfil a unique role as a BME housing association in Leeds

To provide high quality, affordable housing and related services to fulfil an unique role as a BME Housing Association in Leeds

To contribute to the regeneration of target neighbourhoods and the development of BME communities

To be a progressive and expanding business with a sound resource base

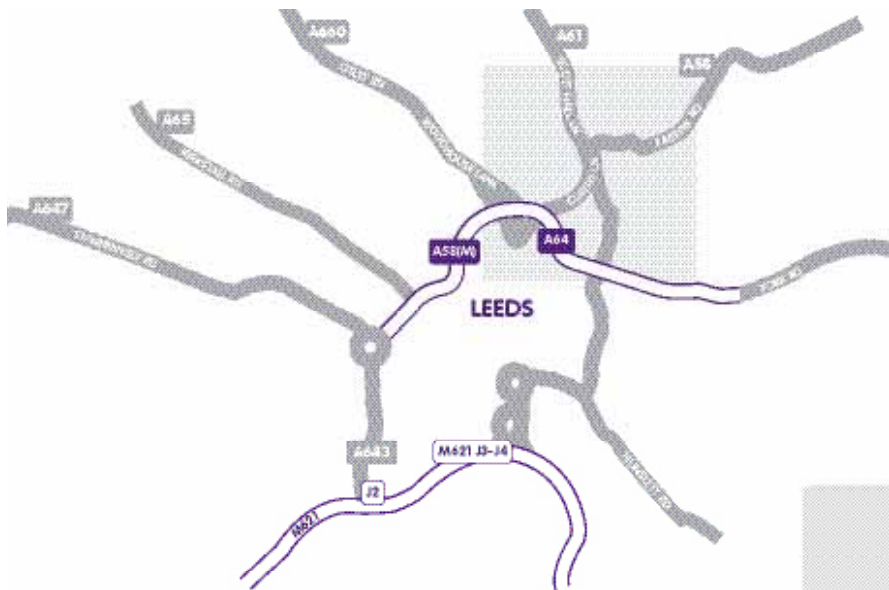
Our Values

Be a customer focused organisation

Be a BME-led community based organisation

Be open and honest in our working relationships

Value the people who work for and with us



Map Key

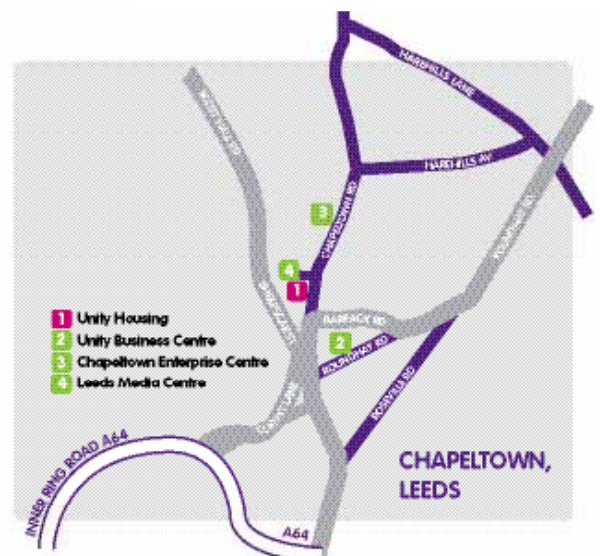
	Motorway
	A Road
	Other Road



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business for neighbourhoods