

1. Introduction and Background

- 1.1 This Operations Plan sets out the operational direction and priorities for Sanctuary Scotland Housing Association Ltd (Sanctuary Scotland) for the financial year 2023-2024. Sanctuary Scotland owns more than 8,000 homes across 12 local authority areas with concentrations in Glasgow, Dundee, Renfrewshire, Cumbernauld, Aberdeen, and Aberdeenshire. It also provides factoring services to over 2,600 properties in Cumbernauld, Aberdeen, and Glasgow. It has a significant development and regeneration programme making it of systemic importance to the Scottish Housing Regulator. Sanctuary Scotland has a Board of Management comprising of nine members focusing on the strategic success of the organisation and supported by two area committees with delegated responsibility for operational performance. A staff team comprising 74 full time equivalent roles deliver the day-to-day housing operations service.
- 1.2 Sanctuary Group's Corporate Strategy sets out a mission to **build affordable homes and sustainable communities where people choose to live**. The Group recognises the diversity of its business in affordable housing, student accommodation, care and supported living, commercial and development services. The Group manages more than 100,000 homes and employs more than 14,000 people across England and Scotland.
- 1.3 The Board of Management in Scotland and the senior officers are responsible for setting out how the Operations Plan is implemented and monitored, including the agreement of measurable targets which comply with Group expectations and requirements.
- 1.4 The Group values of sustainability, quality, ambition, inclusion, and integrity continue to form the foundation of the organisation, the way that services are delivered and the conduct of staff.
- 1.5 Sanctuary Scotland recognises the significant benefit to the organisation for staff, and customers in being part of a financially stable, strong, and flexible organisation that is committed to growth and increased efficiency. The wide range of expertise and knowledge provided by the Group directly to Sanctuary Scotland in key areas such as finance, treasury, development, human resources, payroll, technology, and legal and governance services is also recognised by Sanctuary Scotland.

2. Relationship to Group Corporate Strategy 2023-2026

- 2.1 The Group Corporate Strategy for 2023-2026 is attached at **Appendix 1**.
- 2.2 Sanctuary Scotland shares the Group's vision of aspiring to be market leaders in terms of quality, innovation, and performance. The Sanctuary Affordable Housing Operations Plan sets out a North Star vision which is that 'We have a **local** relationship with our customers, providing a place to live that is good **quality**, affordable, safe and secure. In **collaboration** with our customers we create **sustainable** homes within **thriving** communities.'



- 2.3 Key enablers to achieve our mission and vision are:
- Putting our customers first;
 - Investing in our assets;
 - Growing our services;
 - Investing in our people;
 - Simplifying our process; and
 - Maximising the potential of our systems and data.

3. External Environment

- 3.1 Key areas, risks and themes are reflected in the Risk Map attached at **Appendix 4**. The risk map has been developed through analysis of the external context, which considers Political, Economic, Social and Technology issues and looks to anticipate changes in the business environment that can create opportunities or cause significant threats to the business.
- 3.2 Political
- 3.2.1 In 2022, rent control was introduced for social housing and private rented sectors by the Cost of Living (Tenant Protection) Act. Private rented sector rents were capped at 3%, impacting on our mid-market rent operation. Following an initial freeze, no rent cap was imposed on social rented housing following significant lobbying from the sector. The Cost of Living (Tenant Protection) Act also saw the prevention of enforcement of evictions except in specified circumstances.
- 3.2.2 The Scottish Government published its first long-term housing strategy 'Housing to 2040' in March 2021, and followed this up with 'A New Deal for Tenants' which sets out the strategy for the rented sector, and a housing bill around this is expected soon. A bill is also expected on the Prevention of Homeless Duties, with landlords likely to have new duties to prevent homelessness, particularly by asking and acting on a risk of homelessness.

3.2.3 Housing to 2040 sets out a pathway to decarbonisation of heating and zero emissions in housing by 2040. A review of the Energy Efficiency Standard for Social Housing (EESH2) is expected in 2023.

3.3 Economic

3.3.1 The rising cost of living, particularly food and fuel is impacting on our customers and on their ability to pay rent and service charges and factoring bills. Many of our customers are in receipt of benefits and particularly housing benefit or universal credit. Low levels of income along with increased food, retail and utilities costs and other bills, have created economically challenging situations for our residents.

3.3.3 Inflationary pressures have had a significant impact on the costs of delivering our services. Rising costs, including costs of materials, utilities and fuel have had and will continue to constrain a range of programmes including responsive repairs, reinvestment and development.

3.3.4 Current labour market pressures are impacting on our recruitment and retention of in-house employees and on the ability of our contractors to deliver. There is also likely to continue to be disruption to supply chains and shortages of construction materials that may impact on service delivery.

3.3.5 Local authority budgets continue to be squeezed, which represents a risk that services for our customers are reduced and that increased resources are required to compensate for this.

3.6 Social

3.6.1 Our tenants continue to be among the most marginalised and economically disadvantaged in society. The support provided for vulnerable customers through our housing teams remains an invaluable service. We will continue to adopt a trauma informed approach and maximise the role of Housing and Community Connectors.

3.6.2 In response to the cost-of-living crisis, we have successfully applied for funding to provide direct support for our customers through energy vouchers and cash payments. We will continue to seek opportunities for funding to offer this type of direct support.

3.6.3 We continue to work in partnership with local authorities to provide accommodation for homeless people, including through Housing First for people with complex and multiple needs, and through refugee resettlement programmes.

3.7 Technological

3.7.1 Delivering improved customer self-service and mobile working offers are significant drivers for improving customer satisfaction and delivering more efficient services. We will continue to work with Group partners to deliver on this.

3.7.2 Customer expectations are higher than ever, and communication is possible through an increasing number of channels. We will continue to review and improve our communication with our customers as we implement our Tone of Voice Strategy.

4. Delivery of Key Priorities for 2023-2024

4.1 To contribute to the achievement of these objectives, Scottish operations will focus on the following operational themes for 2023-2024:

- delivering consistently excellent services which meet the needs of the diverse communities which we serve and help our residents sustain their tenancies;
- improving on performance in all key indicators, in line with targets set out in **Appendix 3**;
- building on our commitment to create sustainable communities by working with a wide range of agencies and projects to improve the quality of life in the areas and estates where they are active;
- focusing on strong effective governance;
- maximising operational efficiency, maintaining tight control on operating costs and securing budgetary efficiencies;
- continuing to provide tenants with opportunities to be involved in helping to shape our services;
- changing the operating model for factoring services to be delivered via the Sanctuary Scotland subsidiary, Sanctuary Homes (Scotland) Limited; and
- maintaining, managing and investing in our assets; and
- creating pathways to meet the requirements of the Housing to 2040 strategy.

4.2 Our delivery plan for 2023-2024 in **Appendix 2** shows specific outcomes to be achieved under the key themes to enable our mission and vision.

4.3 This delivery plan demonstrates the golden thread from the Corporate Strategy and North Star vision through to the Sanctuary Scotland Operations Plan. Our delivery plan is supported by individual team plans and feeds down to individual objectives.