

*Corporate Plan  
2020-2025*



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## 1. ABOUT US - The Pioneer Group

The Pioneer Group started as Castle Vale Community Housing Association (CVCHA), which succeeded the Castle Vale Housing Action Trust in 2004. Following the tenants' vote for stock transfer on completion of the regeneration, CVCHA took responsibility for the management of housing and community services in Castle Vale. In 2015, following a strategic review, CVCHA created The Pioneer Group with a revised mission to work in new communities around Castle Vale, building and acquiring homes to meet housing needs whilst continuing to deliver people, housing and community services.

The Group is an independent alliance of people and organisations with the combined goal of empowering people and communities to be the best they can be. This new corporate plan sets out the next important phase in The Pioneer Group's journey from 2020 to 2025.

The diagram below sets out how The Pioneer Group is structured – we have legally constituted organisations and brands:

### The Pioneer Group High Level Legal Structure



**The Pioneer Housing and Community Group Ltd**  
Registered Provider and Group Parent  
Charitable Registered Society



Brand name for Castle Vale based housing management and community services run by the group parent, including CCTV and estate services  
CVCH is not a legal entity



Subsidiary of Pioneer Company Limited by Guarantee with no share capital  
Registered Charity  
Provides a range of support services and community facilities management



Brand name for Stockland Green based housing products and community services run by the group parent  
SGOHT is not a legal entity



Brand name for Market Rent and housing products run by the group parent, across all Pioneer communities with the exception of Stockland Green  
Pioneer Places is not a legal entity



Trading name for all the activities undertaken by Merlin Venture Limited  
Tiggywinkles is not a legal entity



Subsidiary of Pioneer Company Limited by Guarantee with no share capital  
Runs two early years nurseries operating under the Tiggywinkles brand



## 2. BACKGROUND

The Pioneer Group's forerunner, Castle Vale Community Housing Association (CVCHA), produced two corporate plans running from 2005-10 and from 2010-15. These plans focussed on ensuring quality housing services and sustaining the regeneration of Castle Vale delivered by the Housing Action Trust between 1995 and 2004. In preparing for its third corporate plan for 2015-2020 a number of changes affecting the housing and third sectors meant that a different approach was required.



## Drivers of change informing the 2015-20 corporate plan

- > **Changes in national housing policy** – an expectation on housing associations to use their resources to build new homes to contribute to the shortage of housing supply.
- > **Reducing level of investment in public services** – in local government, health and policing meaning that CVCHA, as the main anchor organisation in Castle Vale, needed to consider the impact of this on the sustainability of public services in Castle Vale.
- > **Capacity identified in our 30-year financial plan (as at 2014/15)** – enabling a commitment to building new homes, whilst retaining a commitment to on-going community regeneration in Castle Vale.
- > **Commitment to continuing our investment in community regeneration and local housing management** – which had, over a decade, ensured sustainability of the physical regeneration and made Castle Vale a place people from all over the city desired to live in.
- > **Negative impact on CVCHA's medium term financial position by the annual rent reduction** – mandated by central government reducing revenue budgets by around £5m over a four year period from 2015 to 2020.

## Changes recommended in the 2015 strategic review:

- > **Ensure our continued independence** – Board members were clear that they wanted to be in the best possible position to be the 'masters of their own destiny'. Continued financial capacity was important to ensure we continued to have choices about where and what we invested in against our values.
- > **Developing a small number of new homes in adjoining neighbourhoods** – contributing to meeting housing need in line with national housing policy expectations. Standing still in fact through right to buy sales meant the organisation would risk shrinking.
- > **Creating a new independent group structure and identity under the banner of The Pioneer Group** – was proposed in 2015 and constituted in 2016 for the start of the new corporate plan for 2015-20.
- > **Making cuts to revenue expenditure** – over the period of the corporate plan as a consequence of the government's annual rent reduction, including staffing reductions and overall organisational capacity.



The 2015-20 corporate plan committed to continue delivering housing and people services in Castle Vale and ensuring the long-term sustainability of the estate. This included:

- > **Over £3m investment through the community pledge** – on CCTV, advice, youth, employment, wellbeing, estates team and community facilities.
- > **£5.4m investment in the housing stock through the tenant's promise** – For example, delivering 2,000 kitchen replacements.

Our analysis of the outcomes delivered through the 2015-20 corporate plan shows that key objectives had been delivered successfully, including:

- > **Achieving a G1/V1 rating (the highest level possible)** – following the Social Housing Regulator's 2019 In Depth Assessment (IDA).
- > **Undertaking investment in existing stock** – over 1350 kitchen installations, 250 new condensing boilers fitted and 1500 properties benefitting from a painting programme.
- > **Social return of investment of £9.44 for every pound invested** – through Compass Support, in Castle Vale and in other communities.
- > **Building new homes** – 67 new homes in Stockland Green and Stechford, and refurbishing another 30 in Castle Vale and Stechford to a high standard.
- > **Agreeing a community asset transfer of Castle Vale football stadium** – sustaining this important community asset and leveraging £1m investment for a new 3G pitch and stadium improvements.









### 3. OUR OPERATING ENVIRONMENT

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The success against the aims of the previous corporate plan is impressive but our analysis of the key performance indicators shows that after the first year of delivery in many core metrics dipped below upper quartile performance and remained below this for the remainder of the plan. This may, in part, be explained by the loss of experienced and skilled staff through the organisational restructure undertaken and the smaller budget base over a four-year period (as a consequence of the annual rent reduction over the period). The impact of austerity and public sector service cuts in Castle Vale, where the identity of The Pioneer Group is sometimes blurred with the local authority, may also have played its part in impacting adversely on customer satisfaction. However, regardless of the cause of the performance dip, our new corporate plan will prioritise improving performance and service quality for our customers.



Housing associations, public services, charities, community organisations and the private sector currently face a challenging and volatile operating environment. For the last seven years public services have been subject to austerity budgeting impacting on local authority, policing, and health budgets with knock on impacts on charities and community organisations with fewer grant and contracting opportunities.

The ongoing challenges mean that the new corporate plan must ensure that The Pioneer Group remains focussed on its core business, ensuring better performance in the areas that matter most to our tenants and communities and to help us to retain financial and organisational resilience. This will ensure that the Group will have the ability to deliver on its vision and mission during the life of the plan and be able to respond and withstand unplanned stresses that the Group may experience.

At the point of finalising the Corporate Plan for launch in March 2020 the whole world was responding to the 'Coronavirus Pandemic'. It was impacting every part of the economy and people's lives were being impacted with lockdowns and social distancing measures being implemented. The Pioneer Group triggered its disaster recovery plan and was rapidly responding to keep its tenants, customers and communities along with its staff safe. The Corporate plan was reviewed by Board and felt that the core direction of travel remained wholly valid but that there was an acceptance that the activities in the early part of the plan would undoubtedly need to reflect the response to the crisis and its impact across the business

## **Political, Economic, Social, Technological and Legal (PESTL)**

A detailed PESTL analysis has been undertaken of the wider operating environment for The Pioneer Group. The analysis has given a balanced picture of the future operating environment for the Group. The work starkly illustrated the depth of challenges, change and uncertainties at a global, national and regional level, impacting on economies and society with the likelihood that these conditions will continue at least in the first two years of the new corporate plan.

Clearly, the potential impact of Brexit hangs over both the housing and third sector and will have a major bearing on government policy and finances together with the wider economy and society. The PESTL has identified policy developments affecting the housing and third sectors. The analysis has also taken into account the Regulator for Social Housing Sector Risk profile published in October 2019.

The PESTL will be updated as part of our annual service planning process and link to our corporate risk and stress testing approach.

The implications of this challenging and uncertain working environment, for the period covered by our new plan, include:

- The need to be able to respond to disproportionate challenges our tenants and communities may face if the economic conditions deteriorate.
- Keeping focussed on delivering the aims and objectives identified in the corporate plan – avoiding distractions to the delivery of core aims.
- Ensuring we remain focussed on having high degree of data integrity and are compliant with GDPR.
- Risk assessing carefully any new opportunities, particularly diversification, that emerge between 2020-25 before committing to them.
- Ensuring that value for money is at the heart of everything we do.
- Continuing to innovate and to be flexible and agile.
- Being focussed on the external environment to enable the organisation to adapt quickly to change.



## Doing what matters most to our tenants and our communities

We know, through our customer satisfaction and insight work, what matters most to our tenants. They continue to value our responsive repairs and compliance services – keeping their homes in good condition and safe. They also value the investment in keeping their homes up to date through planned improvement works. Tenants and residents on Castle Vale also value the environment outside their home – they want to live in a safe, clean and green environment. More recently it has also become evident our tenants want to have their views taken into account more – be listened to more and see that we act on what is important to them. The potential for a growing disconnect between us as landlord and our tenants and residents is not something we have any appetite for – we will be led by our communities and work hard to ensure all the voices are heard.

We have benefitted from a very active engaged community from the very start of our organisation's birth but we recognise the need to grow a new cohort of engaged tenants. We know this will involve us shaping the opportunities for engagement in new and innovative ways and greater focus on using customer insight to ensure we have the most rounded picture of what matters to our tenants and communities.

Our approach to people and community focussed housing services will secure a lifeline for customers challenged by their personal circumstances, such as the difficulties posed by Universal Credit, low pay, family and child poverty, mental health and health issues. The Grenfell tower block tragedy has rightly placed resident safety centre-stage and provided an urgent call for action across the housing sector. Tenant and customer safety will be the starting point for how we organise service delivery across everything we do.

The commitments signalled in the Housing Green Paper, in 2018, to de-stigmatising perceptions of social housing tenants have been widely welcomed in the housing sector. As an organisation steeped in the values of community housing, The Pioneer Group is passionate about taking this agenda forward.



## Voice of sustained regeneration

We also carry proudly the history and ongoing legacy of regeneration – of place and people. We have an international, national and regional profile for our ability to sustain the investment in regeneration and protecting the public purse investment in Castle Vale. Whilst we know and recognise this work never ends, there is more to do, we also have a continued desire to share our knowledge and skills and lobby for creation of more 'Great Places'. Alongside this responsibility comes a recognition that this allows us to punch above our weight in the region and has the potential to deliver some income that can be used to further our mission.

The Pioneer Group is also committed to sustaining and developing the practice of community housing supporting and empowering residents to lead and shape housing development and the ongoing management of their homes. We have signed up as one of the founder members of West Midlands Urban Community Homes, which will support interested groups to take forward their own community housing projects across Birmingham and the West Midlands.





## Anchor Organisation

The Pioneer Group is now operating in three core communities – Castle Vale where 97% of our stock is, Stockland Green and on Falcon Lodge in Sutton Coldfield. We play an anchor role in each community but clearly that role is and needs to be proportionate to the commitments and capacity we hold to fulfil the mission.

We will continue to take an approach to our role that follows some key principles:

- > **Understand the community** – recognise the need to gather and hold data to understand the challenges.
- > **Use data and voices of the community (lived experiences)** – to shape our activities and co-create solutions.
- > **Take an asset based approach** – what are the strengths in the community that we can build on.
- > **Take a planned approach** – develop with the communities, neighbourhood and community plans that have SMART targets and objectives with clear milestones.
- > **Recognise we cannot deliver on our own** – we have an approach to partnership working that says we can lead, partner or get out of the way in order to get the best outcomes for people and communities.
- > **Attract inward investment** – ensuring our activities can be sustained.

## The Environment

It is clear that there is a need to tackle global climate change and this plan is an opportunity to take another important step forward on ensuring an environmentally conscious and sustainable approach to the work we do. This is an area we have worked on over the last five years, for example achieving silver status on the 'Sustainable Homes Index For Tomorrow' accreditation, but this is an area we will develop further.

Whilst we recognise the need to explore physical interventions on the journey to reducing negative impact on the environment, we will also take a prudent view of new technology – considering when the technology is tried and tested, rather than being at the cutting edge and the associated increased risks that come with that approach. We will remain focussed on what this means for our tenants and communities, exploring people led interventions and commit to working with tenants on fuel poverty and financial inclusion issues that will not always require a technological solution.

## Our financial strength

The Pioneer Group's thirty-year business plan incorporates all resource requirements over a thirty-year cycle. This includes:

- > income generated from sales and rental of assets, interest from investment, grants, traded services.
- > using our financial strength to borrow money for long term investment.
- > expenditure on staffing, premises, IT services, investment in new and existing assets.

**This business plan shows that The Pioneer Group is able to meet all the expenditure commitments in the new corporate plan including service delivery, community pledge, asset management and new development.** The thirty-year plan is updated annually and submitted to the Regulator for Social Housing.

The business plan provides for a robust asset management programme that maintains good stock condition and delivers the promises made to the community. It includes the development of 250 homes between 2020-25, delivering our housing growth strategy of 350 homes between 2015 and 2025. Ensuring our interest cover is at an acceptable level of between 135% and 154% will be a key constraint with the tightest level being in 2022/23.

The implications for the new corporate plan are:

- > Ensuring that the organisation does not incur additional expenditure over and beyond planned expenditure, placing a premium on our annual business planning on delivering value for money and efficiencies and in generating social value to support community projects. Value for money in everything we do as an organisation, therefore, becomes key.
- > There is scope in the first two years in 2020/21 and 2021/22 to deliver spend-to-save initiatives creating efficiencies in the remaining three years of the plan.
- > Income will provide one of the main risks and our stress testing illustrates that the impact of welfare reform on the financial plan could be significant. This means that securing and maintaining core income will provide an overarching focus for the annual business planning process over the next five years.
- > Interest rates are also a key variable and wider market conditions and volatility will determine these. Within the period of the forthcoming corporate plan refinancing will be a key objective to secure adequate liquidity and manage interest rate risk in the long term.



## Golden rules and risk management approach

Our business operates to defined golden rules agreed by our Board and these provide red lines, which underpin our planning, financial, and risk management approach. Our golden rules focus on two areas:

- > **Covenants** – includes interest cover not less than 120 per cent in a given year, provisions on loan gearing and asset cover. Our target is between 135 per cent and 154 per cent.
- > **Liquidity** – includes unutilised loan facility to cover unforeseen issues and arranging new loan facilities at least 18 months in advance of need.

Annually during the period of the plan, we will consider our plan forecast against our corporate plan objectives and the value for money metrics set by the Regulator of Social Housing). This will ensure that a strategic approach to value for money is embedded in the 2020-25 corporate plan.

The new corporate plan will take account of The Pioneer Group's risk management policy, which recognises that the delivery of our aims and objectives is surrounded by uncertainty and sets out a clear methodology and process for assessing and addressing risks, providing risk assurance and a clear approach to risk appetite. Our annual planning process and project initiation of new initiatives incorporates a risk appraisal process, utilising a risk register and risk map with executive and board oversight.

Stress testing was introduced in the aftermath of the financial crisis in 2008 when credit between banks and consumers dried up. Initially, stress testing started as a methodology to assist businesses to protect themselves from the potential of dramatic shocks to the economy, principally to the banking sector; but this has subsequently spread across business including the housing sector. The Pioneer Group conducts stress testing annually as it updates its 30-year business plan looking at a range of financial scenarios, how these could impact on the business plan assumptions and critically what mitigations can be developed to limit the adverse effects of different scenarios.



## Consultation on the way forward

We have a proud history of being community led and the development of this plan has followed a nine month period of consultation with our tenants, communities and stakeholders. This work has happened in three phases. We have spent time reflecting and analysing on the success or otherwise of the current plan, understanding the operating environment and best practice. We also spent time taking on board views about the shape of policies affecting the housing and third sector and likely challenges we may face over the next five years.

We have used the intelligence and data gathered to develop a draft plan which we have used a range of consultation tools including face to face meetings, surveys, workshops and conferences to gather the feedback which ultimately helped refine and shape the plan.



Phase 1 Engage, Scope & Review	Phase 2 Develop & Consult	Phase 3 Refine, Finalise & Agree
Review 2015-20 Plan, including Performance	Develop & articulate our strategic appetite – how much change?	Refine and amend plan framework
Political, Economic, Societal, Technological (PESTL) Analysis	Develop strategic frame – vision, mission, aims, objectives & projects	Board approval of direction and revisions
Board & Staff Engagement	Publish Draft Plan Framework	Populate detail
Best Sector Practice	Consult	Detailed planning – annual 2020/21
Sector Policy Analysis		Final Board approval
		Design & Print









## 4. CORPORATE PLAN 2020-25

### Our **WHY**

The new Corporate Plan builds on the new direction set out back in 2015. We will remain focussed on housing, people and communities. Our fundamental **WHY** has not changed – we will continue to ensure regeneration is sustained and that we continue to be led by the needs and voices in all our core communities – Castle Vale, Stockland Green and Falcon Lodge. We will continue to work through our partnerships of people and organisations to make people's lives better and ensure our communities are places where people can thrive.

Through the new **vision – ‘Making Lives and Communities Better’** giving direction our activities around all our core neighbourhoods, and focus on improving performance in delivering the new **mission – ‘As an anchor organisation use our Group strength to provide great homes and help build resilient communities where people can thrive.’**



## Our VALUES

We believe in helping people and communities to be the best they can be. We have a privilege of being an anchor organisation in our communities and through the provision of a safe place to call home and support we provide the strongest foundations from which many people can thrive. This fundamentally makes us a people business so our values absolutely need to reflect this. Our Pioneer values demonstrate our principles and guide our actions. In communicating with each other, our tenants, residents, communities and stakeholders.

We want our values to come to life through people's experience of each other and The Pioneer Group as whole - ultimately helping create a culture that ensures our commitment to achieving our vision and mission.

### #COMMUNITY



- > Consistently do our best for our tenants and residents
- > Listen to what matters most to our tenants and communities and act on what we hear
- > Be ambitious for ourselves and for the people in our communities

### #RESPECT



- > Take organisational and personal responsibility
- > Be helpful and kind
- > Embrace and celebrate diversity

### #EMPOWER



- > Invest in colleagues and people to be the best they can be
- > Build trust by being humble and honest
- > Create confidence and capacity in our communities

### #BETTERTOGETHER



- > Find the best most inclusive way to make things better
- > Make the most of our resources to make positive impact and think carefully about every penny we spend
- > Work smart/hard and enjoy what we do

## The HOW

Three strategic aims have been developed to organise our activities and focus the business over the next five years. This is how we will ensure we deliver our vision and mission. Our aims represent the main themes around which we will organise our activities, ensuring that we stay focussed. These aims anchor us in place and recognise the need to perform well in order to achieve the best possible outcomes for our tenants and communities.

### Strategic Aims





## The WHAT

Underpinning each of the strategic aims are a series of objectives and set alongside each objective a measure of success and key activity that will ensure we deliver.



### AIM 1: GREAT SAFE HOMES

By 2025 we will...

#### Great Landlord



Deliver excellent landlord and asset management services evidenced by being upper quartile for resident satisfaction.

##### Measures of Success

- > We will be in the best 25% of landlords for tenants' overall satisfaction with services by 2025, as assessed by the STAR survey

##### Delivery Projects

- > Satisfaction Project DMAIC
- > Customer voice consultation
- > New contracts delivery model

#### Great Homes



Continue to significantly invest in our existing homes.

##### Measures of Success

- > 100% of programme delivered to plan
- > We will be replacing 1500 Bathrooms, 500 Kitchens and 700 properties to receive new windows.

##### Delivery Projects

- > Asset Management Planned Maintenance Programme

#### More Homes



Build 250 homes by 2025.

##### Measures of Success

- > 250 homes completed by 2025

##### Delivery Projects

- > Development programme

#### Warmer Homes



Support economic and financial resilience in our communities, including through driving down the number of customers trapped by fuel poverty, by delivering more efficient and affordable energy solutions across our stock.

##### Measures of Success

- > Improve average SAP rating of properties by two points to 73

##### Delivery Projects

- > Financial inclusion strategy
- > Fuel poverty strategy
- > Capital works programme

#### Safe Homes



Ensure we embed a culture of Health and Safety across our activities to continue to ensure that our assets and wider environment remain safe and secure for all.

##### Measures of Success

- > Full legal compliance and no actions outstanding across key compliance risk areas

##### Delivery Projects

- > Implementing actions through Health and Safety Steering Group, building a H&S Culture



## AIM 2: STRONG VIBRANT COMMUNITIES

By 2025 we will...

### Clean and Green



Support creation of vibrant, clean and green spaces in the places we work.

#### Measures of Success

- > 85% respondents satisfied with the overall appearance of neighbourhood

#### Delivery Projects

- > Castle Vale neighbourhood action plans
- > Estate education and enforcement

### Support People



Deliver a service offer to support young people, adults, families and communities to improve the quality of life and well-being for more service-users, increasing engagement by 15%.

#### Measures of Success

- > 90% aggregate positive outcomes for service users

#### Delivery Projects

- > Social value strategy
- > Compass Support Strategy
- > Delivery of targeted provision to support Neighbourhood and community plans
- > Ensuring the Stadium and Tiggywinkles are successful
- > Financial inclusion strategy

### Community Pledge



Retain our current level of investment with the Castle Vale Pledge, having invested at least £2.5m over five years.

Maximise social value activities to benefit our core neighbourhoods

#### Measures of Success

- > Invest a minimum of £2.5m in Castle Vale, maximise social value

#### Delivery Projects

- > Develop and implement social value strategy

### Partnerships



Continue to enable and support effective partnership working to support community regeneration.

#### Measures of Success

- > 95% of activities successfully undertaken in relation to delivery of community plans

#### Delivery Projects

- > CLES anchor organisations local economic recovery initiative
- > Planning Strategy
- > SGOHT business plan
- > Castle Vale neighbourhood plan
- > Stockland Green and Falcon Lodge community plans

### Community Voice



Strengthen the tenant and community 'voice' in the places we work.

#### Measures of Success

- > 90% aggregate positive outcomes for service users

#### Delivery Projects

- > Resident engagement strategy
- > Customer voice consultation





## AIM 3: BUSINESS EXCELLENCE

By 2025 we will...

### People



Be an employer of choice.

#### Measures of Success

- > 90% staff satisfaction

#### Delivery Projects

- > Wellbeing strategy
- > POD strategy
- > Pay & benefits review implementation
- > Internal communications strategy
- > Equalities plan

### Money



Remain financially strong.

#### Measures of Success

- > Invest a minimum of £2.5m in Castle Vale, maximise social value.

#### Delivery Projects

- > Treasury strategy and loan funding

### Governance



Maintain an effective governance structure, complying with all regulatory standards and retain our G1 rating.

#### Measures of Success

- > Robust governance that enables retention of G1 rating

#### Delivery Projects

- > Governance review & development plan
- > Board succession strategy
- > Consumer standards
- > Data quality and GDPR compliance

### Processes



Have great processes, better enabled technology to deliver great services.

#### Measures of Success

This is an enabler that will allow:

- > Improved service delivery
- > Better resource utilisation
- > Income maximisation and improve KPI performance

#### Delivery Projects

- > New Orchard modules for implementation

### Sector Leadership



Ensure a high profile for the work of The Pioneer Group across the sector, city, region and country.

#### Measures of Success

- > Recognised as an exemplar of community regeneration and place making
- > Presentation of The Pioneer Group story and relevant professional best practice at conferences, workshops and seminars
- > Visits to Pioneer Group neighbourhoods to study best practice

#### Delivery Projects

- > Marketing & communications plan
- > Delivery of Compass / CVCH / Partnership work stream in our core neighbourhoods
- > Community consultancy



## 5. FINANCIAL BUSINESS PLAN AND VALUE FOR MONEY

Delivery of the Corporate Plan will be underpinned by our financial strength, and remaining financially strong is a key component of our business excellence aim in this plan.

The Pioneer Group aims to deliver the planned financial results set out in the summary of our financial business plan.

The group will judge the overall value for money provided by The Pioneer Group over the next five years by considering achievement against:

- Our three corporate aims, the delivery projects and measures of success
- Our financial performance and our lone covenants targets/rules
- The nine metrics set out by the Regulator of Social Housing

Achieving these strategic objectives will represent optimal value for money from the resources available.



## Financial performance £'000

	2021	2022	2023	2024	2025
Turnover	15,115	15,559	16,178	16,891	17,345
Operating cost	-11,458	-11,748	-12,505	-12,474	-12,880
<b>Operating surplus</b>	<b>3,657</b>	<b>3,811</b>	<b>3,673</b>	<b>4,417</b>	<b>4,465</b>
Net interest	-1,688	-1,972	-2,425	-2,624	-2,705
Property disposals and revaluations	575	615	629	643	658
Tax	-50				
<b>Surplus</b>	<b>2,494</b>	<b>2,454</b>	<b>1,877</b>	<b>2,436</b>	<b>2,418</b>

## Santander loan covenants

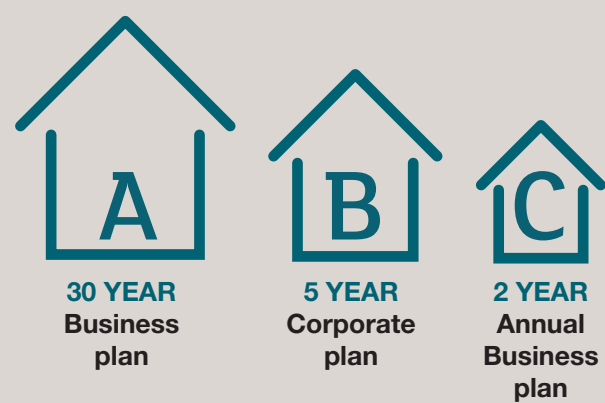
	2021	2022	2023	2024	2025
Interest cover (covenant: minimum 110%)	155%	150%	136%	139%	145%
Gearing (covenant: maximum 50%)	32%	34%	36%	36%	35%

## Regulator of Social Housing Value for Money metrics

	2021	2022	2023	2024	2025
Reinvestment	10.8%	10.4%	9.1%	5.9%	4.3%
New supply delivered (social housing units)	2.5%	2.6%	1.6%	0.6%	2.4%
New supply delivered (non-social housing units)	0.7%	0.0%	0.0%	0.0%	0.0%
Gearing	43.9%	46.2%	48.9%	49.3%	47.9%
EBITDA MRI interest cover	206%	171%	155%	157%	161%
Headline social housing cost per unit	3,324	3,367	3,325	3,359	3,265
Operating margin (social housing lettings)	39.1%	38.6%	36.1%	39.8%	39.2%
Operating Margin (overall)	23.0%	24.5%	22.7%	26.1%	25.7%
Return on capital employed	3.8%	3.4%	3.0%	3.6%	3.5%

## 6. ENSURING WE DELIVER

The Pioneer Group has an approach to planning our business, which takes place over different time frames, as well as performing different functions but all linking together to create a single coordinated framework that enables us to deliver our vision and mission effectively and efficiently.







The **five-year corporate plan** sets out a medium term set of objectives that steers the delivery of the investment priorities set out in the thirty-year business plan. It ensures that the business stays on track and delivers the outputs defined over a five-year period. The new five-year plan will go live in April 2020 after Board approval in March 2020.

The **two-year annual business plans** provide short term planning to deliver the requirements of both the thirty-year business plan and five-year corporate plan. They include detailed work plans for service departments and their respective business units as well as a link to individual staff annual work plans. The business planning process commences in October, annually, alongside the annual budget development ready to go live in April each year.

This framework ensures that we stay focussed on delivering what we have agreed and remain responsive to changes in operating environment.

## 7. APPROACH TO MANAGING PERFORMANCE

The ambition in this plan is to ensure we set SMART targets through the life of the plan and avoid activities that might derail our central aim of improving core performance. At the same time

- We have been bold in our decision to set tangible, measurable objectives, allowing greater stakeholder scrutiny and accountability.
- The measurable objectives are supported by our Corporate Assurance Framework. This details the full suite of qualitative and quantitative measures of success, which include outcome and output based key performance indicators (KPIs).
- As part of the corporate planning process, we have identified and mapped the activities we need to undertake to achieve our measurable objectives by 2025.
- We understand that these activities will affect performance in different ways, so we will set clear KPI targets which are not disconnected from these activities.

Ultimately, success here will determine whether our ambition of making lives and communities better has been realised. We recognise that we are on a 5-year journey to improving performance, so while improvement may be linear in some areas we also know that for example customer satisfaction has multiple influencing factors that may take more time to address.

We recognise the need to set SMART KPI targets, so while setting annual performance targets in some areas is an absolutely imperative, the ability to adapt to changing circumstances throughout the year is crucial. To enhance our performance management culture we will review our Performance Management Framework.

This will identify leading and lagging KPIs, including external indicators. The KPIs will be rationalised to enhance our focus, and the introduction of automated performance reporting with integrated dashboard functionality will provide real-time data and enhance proactive performance management.



# THE SANCTUARY

## Evaluating our success

There are no league table or methodologies for measuring our success in making lives and communities better. There is a ranking for housing performance in the sector and achieving upper quartile performance will be a core target for the plan, as well as retaining our G1-V1 assessment by the regulator.

It is more difficult to measure performance on the 'softer indicators' such as community investment, social capital, community cohesion, health and wellbeing and employment but we are currently finalising our methodology for measuring social value against these across the organisation. This will be in place to evaluate these indicators over the lifetime of the plan.

Equally, measuring our reputation at a national, regional and local level for both the housing and third sectors is difficult, however there is a range of literature that would suggest that our reputation is strong, for example the National Housing Federation's recent Great Places report identifies Castle Vale 'as a good example of the value of long-term commitment to holistic regeneration'. We will continue to measure our reputation through housing and third sector platforms, both online and offline.



**The Pioneer Group**

*Making lives and communities better*

11 High Street, Castle Vale  
Birmingham B35 7PR

0121 748 8100

[contactus@pioneergroup.org.uk](mailto:contactus@pioneergroup.org.uk)

