



Octavia's plan 2018-2021



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Our mission

Octavia believes that good homes make for better lives.

We aim to provide good-quality, affordable, well-planned and managed homes in London, and to develop a wider role that makes us a force for good in the lives of local people, the areas they live in and London as a whole.

Inspired by our founder, the social reformer Octavia Hill, we are a not-for-profit organisation providing thousands of people with affordable homes and broader opportunities. Like her, we aim to make a difference:

- A difference to the people who live in our homes, many of whom would otherwise be priced out of London.
- A difference to the vitality of local areas and the access people have to extra care and support when they need it.
- And a difference to London as a whole, playing our part in sustaining the capital's rich diversity and social mix – something that benefits our entire society.

We aim to build happier lives and resilient communities by focusing on people as individuals, providing them with a range of services and the opportunity to support themselves. We reinvest all surplus income – whether from our houses or our social enterprises – on investing in our homes and building for the future.

Our approach - for people, not for profit

We have been providing homes in London for over 150 years. Investing for the long term, maintaining homes to a good standard and contributing to the quality of life for residents and the wider local community.

This Plan is a summary of our priorities for the next 3 years. It is a period in which we plan to embrace innovation while remaining true to our fundamental purpose and values.

External context

The social housing sector is changing. Government acknowledge that the current housing market is not working well for many people and are focussed on increasing housing supply. In addition, London has specific issues and with Brexit we potentially face other economic and human resources problems in both house-building and care.

The regulatory environment is evolving. The lessons being learnt from Grenfell have significant cost and resourcing implications and our sector is under greater scrutiny not only in terms of safety but also in being able to demonstrate that we listen to residents with effective results. This is likely to be reflected in the anticipated Housing Green Paper and new regulatory consumer standards.

We are also acutely aware of the effect that wider social policy changes continue to have on our residents and local communities. Universal Credit roll-outs are happening in the boroughs where we have high numbers of residents and funding to other care, youth and community offerings continues to reduce. Our research shows that social isolation, fuel poverty, and limited choice with care and support services for an aging population are increasingly problematic issues.

Our mission of *good homes, better lives* means that we will continue to provide a range of services and projects alongside housing, aimed at helping local people in other areas of their lives as part of a wider social agenda.

Our focus for the years ahead - summary

The outcomes we are looking to achieve are simply to:-

1. To **build more homes**, adding to the portfolio of traditional rented accommodation and the growing portfolio of intermediate and shared ownership homes.
2. To **support more community working**. We aim to expand substantially the work we are already do with volunteering, befriending, outreach and activities.
3. **Achieve operating performance that match those of the best**. We already have very high performance in many key areas but we want to continue to improve.

How will we achieve this?

1. Build more homes

- We plan to increase our development programme so that we are building around 200 new homes a year. Equal to a 4% growth rate this expansion will depend on working in close partnership with developers, Local Authorities and the GLA.
- Our focus remains within our core area of inner London - where there are growing numbers of families and individuals being squeezed out. Our programme is a mix of social rent homes, intermediate housing and shared ownership. In the next few years we anticipate an increasing proportion of new development will come from the intermediate and shared ownership sectors.
- We aim to be the first choice for Local Authorities and developers seeking social housing partners for new homes in our local areas through our in-depth understanding of local priorities and concerns.
- We know that the effective management of our homes is important to residents and politicians. It is also important to the development partners that we work with on inner city mixed use schemes. Looking after the portfolio of properties is central to our approach.

2. Extend our reach

3. Each year our community working supports thousands of local people through routes that include employment projects, befriending, work with young people and grants to local groups. Over the next five years we aim to extend this work significantly and have started in 2018 by investing in the growth of services for older people using the bases that we have at existing extra care schemes.
4. We will focus on helping tackle issues that threaten basic quality of life (social inclusion, a good quality home, energy efficiency, care for older adults, access to employment, and more).
5. We will join up initiatives and expertise across the Octavia Group to have a bigger impact utilising resources from our commercial properties, the charity shops and the support of local people.
6. In the next few years we will develop our partnerships and expand our networks particular with those responsible for health and social care.

3. Great performance

- We will continue to invest in information and technology to better understand where we can improve and develop ways in which we can add more value.
- We aim to reach CQC excellence in our care schemes (which are all currently rated 'Good') and continue to see top quartile satisfaction results through listening to residents and following our philosophy of care.

- We will build on our status as Sustainable Housing Provider of the Year and achieve high SAP scores (energy rating) across the portfolio by integrating energy efficiency into our mainstream maintenance programme and grouping works together to minimise disruption for residents and costs.
- We aim to be an excellent employer providing tools, opportunities and inspiration for people to support each other to be the best that they can be.

Particular projects

Particular projects that we are focusing on in the immediate future include:

- **A Group approach:** In April 2018 we implemented a new Governance structure designed to focus all our activities on the delivery of our objectives. We have put in place closer links between our development team that build homes and our asset management team and estates teams that maintain them for the long term and between our housing, care and community teams. We are simplifying the legal structure of the Group and have established a unitary Board that oversees all of the work of the Group including Ducane Housing, The Octavia Foundation and other subsidiaries.
- **Expanding community and outreach:** our ambition to expand our reach will focus on working more with the community and building on our successful outreach work. By using our resources and assets wisely and by building links with other socially minded organisations we can offer space, expertise and support to help more local people. We aim to build on the success of our charity shops to help support this work.
- **Operational performance:** We have made substantial investments in new technology over the last few years but this is an area where there is more that needs to be done. The increased requirements of GDPR legislation, rising expectations amongst residents for online services, and the constant flow of technological possibilities for improving how we do things means that we are investing significantly to ensure we make best use of what we can.
- **Asset management contractor procurement:** Our repairs service is the single most important service to residents. Our current contract is at the end of its ten year life and we will ensure that the new one (which will start from April 2019) advances the service with cost, flexibility and alignment to our values as key elements in our decision making.

- **Leaseholder satisfaction:** Nationally, leaseholder satisfaction is lower than that of social housing residents. This remains a priority. We want to work with leaseholders to establish a better understanding of this markets expectations and the realistic ways we can improve the service we provide. We want to raise the satisfaction level of this group to top quartile rates.
- **Care management and quality:** Our care philosophy is to ensure choice lies with each individual. We invest in staff training and have plans to introduce more technology improve the efficiency of record keeping and care plans so that staff time is freed up to deliver a more personal service. We have an excellent reputation in this field but our aspirations are to reach CQC “Outstanding” in all our extra care schemes. This is no small task.
- **Property portfolio growth:** Our approach to development requires all of our projects to make a financially viable return. We aim to maintain a rolling programme that mixes different types of project (rent, sale, care) in both inner and outer London. Given that development requires some form of subsidy – whether in the form of planning gain through S106 homes, grant subsidy or free land we are subject to the constraints of the market at any one time. We have close relationships with a significant number of the inner London developers which has enabled us to add homes to our portfolio in the last few years at a number of prestigious inner London sites.

In the last few years we have undertaken a number of outright sale projects through Octavia Living with the objective of generating surpluses to cross subsidise social rent projects. Those projects have all been driven by particular opportunities and although we have no immediate plans for further development of this type we will continue to pursue this approach when suitable small scale opportunities arise and when projected returns justify the sale risks.

During 2018 we will explore the option of refinancing the Group to put in place the finances for the next stages of our development. In 2017 / 18 we refixed the interest rate on a number of loans.

Summary

We are planning for the future, ambitious to make the most of our assets – the buildings, the finances, and the local community resources in pursuit of our mission.

Good homes, Better Lives