

Business Plan Summary 2007-10



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Sanctuary Housing Association is an exempt charity under the Charities Act 1993
Registration details: Housing Corporation L0247 Industrial & Provident Society 19059R



Facing the future with confidence

With 40 years' experience in social housing behind us, Sanctuary can point to consistent growth and continued improvements in services. Through our strong financial management and expertise, we have achieved substantial growth in the last few years.

The principal aim remains the sustainability of the Group so that we can continue to deliver our agreed objectives. We recognise it is important to run an efficient and cost effective organisation so that we can invest in even more homes and more services and make a lasting difference to local communities.

More than ever we are committed to encouraging the active involvement of our tenants in everything we do. We want them to enjoy better homes and better lives.

The next three years offer many more opportunities for Sanctuary and we face the future with confidence.

“Positive practices in a
rapidly changing
environment”



Sanctuary Group:

challenge and change

Established in 1969, Sanctuary Housing Association is an Industrial & Provident Society registered with the Housing Corporation. Ours is a social enterprise with mainly social objectives, investing profits made back into the business or community rather than being driven by the need to increase returns for shareholders and owners.



As at September 2007, Sanctuary Group, with Sanctuary Housing Association as the parent company, comprises the following main subsidiaries delivering housing management, development, care and facilities management services.

- Asra Midlands
- Banbury Homes
- Beth Johnson Housing
- Charter Community Housing
- Hertford Housing
- Kingsmead Homes
- Rochford Housing Association
- Sanctuary Care
- Sanctuary Hereward
- Sanctuary Home Care
- Sanctuary Scotland
- Sanctuary Shaftesbury
- Sanctuary Management Services
- Sanctuary North
- Shiregreen Community Homes
- Spiral Developments

At our heart is a traditional, large social housing association providing accommodation for different types of tenancies. As at September 2007, we own and manage 69,000 properties throughout the United Kingdom. This growth has resulted from recent mergers and acquisitions as well as from further development of activities supporting our main business, such as care homes, student and key worker accommodation.

We undertake a full spectrum of activities, ranging from the provision of social housing and related services, through building and managing accommodation for students and key workers, to providing domiciliary care.

Business Profile

Overview September 2007

	September 2007
Accommodation	
Social housing	58,612
Care home bed spaces	1,791
Student & key worker bed spaces	9,093
Commercial properties	122
Total	69,618
Staff	5,220
Loan capital	£1,035m
Grant	£1,007m
Reserves	£375m
Turnover	£303m

Projected Profile

Overview March 2010

	March 2010
Accommodation	
Social housing	73,000
Care home bed spaces	2,200
Student & key worker bed spaces	10,500
Commercial properties	150
Total	85,850
Staff	6,400
Loan capital	£1,417m
Grant	£1,163m
Reserves	£414m
Turnover	£375m



“a social enterprise
with mainly
social objectives”

What drives us forward?

a fast evolving demand for our services

Our vision

We aspire to be a market leader in terms of quality, innovation and performance. We aim to:

- Provide good quality homes that meet the need of the diverse communities in which we work.
- Shape flexible, cost-effective and appropriate services that are valued equally by all our customers.
- Develop and maintain a culture that recognises the diversity of our workforce and that nurtures the potential of all our employees.



“Meeting the needs of diverse communities”



Our objectives

We have a number of key objectives that support everything we do. We aim to:

- Make sure that our governance structure continues to be appropriate to the needs of the business and is effective in controlling and monitoring our activities.
- Promote and encourage opportunities for tenants to get involved in helping us shape our services, allowing them to take part in our formal structures (if they want to do so).
- Provide excellent services, making sure we understand the needs and ambitions of all our tenants and potential customers.
- Continue to develop risk management and financial modelling techniques making sure that projected outputs on new business opportunities provide a return that matches the degree of risk involved.
- Make sure that we consider all our investment decisions in the context of their effect on the many communities we work in.
- Increase income as far as possible by managing debts and empty properties effectively.
- Work with other agencies to help regenerate run-down areas and to promote social inclusion, including efforts to ensure that people can achieve their full potential in life, despite their circumstances and experience.
- Provide cost-effective central services to support the operational needs of the business.



“We strive to train and retain the best staff”

Social housing:

meeting important needs

Ours is a leading social housing organisation meeting a wide range of housing needs for families, single people and couples without children, older people and those who need extra support to continue to live independently. We manage around 60,000 properties in over 200 local authority areas throughout England and Scotland. Social housing remains our core business with associated activities being at the heart of our work.



“working together,
we will
re-invest profits
in our social enterprise”

We place considerable value on retaining and improving our standing. Which is why, during the period of this Business Plan, we will continue to deliver good quality services to residents and, as ever, actively invite their feedback and involvement. At the same time, we will seek to have our performance verified and assessed by external agencies.

We will seek to improve efficiency, cost-effectiveness and the value of our housing stock - and we will play our part in the Government's 'neighbourhoods and communities' and Respect agendas, through further investment in local initiatives.

Across a broad front, we will continue to build on our reputation for purposeful collaboration, strengthening our commitment to work with diverse communities to deliver large scale urban regeneration projects.

Business Profile

Social Housing

	March 2003	March 2007	March 2008	March 2010
Turnover	£111.9m	£142.0m	£222.0m	£282.2m
Staff	1,100	1,500	2,220	2,900
Units	30,026	42,242	58,808	73,000
Operating Surplus before Interest	£34.5m	£50.2m	£73.0m	£92.0m

Portfolio Summary:

Social Housing as at September 2007

Scheme Type	Asra Midlands	Beth Johnson	Sanctuary Hereward	Sanctuary North	Sanctuary Shaftesbury	Sanctuary Scotland	Charter Community Housing	Total
General Needs Housing	1,074	6,544	14,398	6,563	7,303	1,890	2,809	40,581
Leasehold Housing Older People	56	189	321	59	198			823
Managed Home Ownership		796	219	67	562			1,687
Private Retirement Scheme			530	19				549
Right to Buy		236	533	31	18			1,023
Shared Ownership	3	621	558	292	283			1,757
Sheltered Housing (inc category 1)	335	1,787	3,205	1,192	1,725	69		9,070
Sheltered/Supported Housing - Staff/Office	6	33	82	27	34			182
Supported Housing			434			38	757	614
Supported Region	72	347	1,380	270	365			2,326
Total	1,546	10,553	21,660	8,520	10,488	1,997	3,566	58,612

Care and supported housing: an accelerating demand

Sanctuary's care operations incorporate the running of registered homes, extra care schemes, domiciliary care services, and supported housing. We are committed to providing high quality services and increasing our portfolio where doing so will add value to our own and acquired operations.

Specifically, we will pursue opportunities for growth, both through acquisition and new build - and we will seek to improve customer satisfaction by bringing catering in-house where appropriate.

Business Profile Care and Supported Housing

	March 2003	March 2007	March 2008	March 2010
Turnover	£9.7m	£51.5m	£55.4m	£65.8m
Staff	494	2,400	2,625	3,200
Units	435	1,656	1,791	2,200
Operating Surplus before Interest	£0.9m	£2.9m	£4.4m	£5.6m



“both in acquisition and new build, our committed staff have what it takes to get results”

Student and key worker accommodation: a dynamic, growing market

Sanctuary provides a range of hard and soft facilities management services to universities and the NHS, including tenancy management, cleaning and security services, reactive and planned maintenance, and vacation services. These activities are carried out through Sanctuary Management Services, a separate subsidiary, with development and asset management support provided by the Group. Complementing our core social housing operation, the management of student and key worker accommodation is a commercial profit-driven activity with returns re-invested in Group activities.

As at September 2007, Sanctuary was the UK's fifth largest commercial operator and largest registered social landlord operator in the management of UK student residences, having grown by 40% since 2004 during a time of substantial market transition.



Business Profile Student and key worker

	March 2003	March 2007	March 2008	March 2010
Turnover	£5.3m	£15.0m	£25.7m	£27.0m
Staff	112	260	275	300
Units	3,598	6,476	9,093	10,500
Operating Surplus before Interest	£3.0m	£4.9m	£8.8m	£9.2m