



Enabling People To Live Life Well



Housing



Housing
Support



Learning Disability
Support



Mental Health

Business Strategy 2022-27



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Foreword

Southdown was established in 1972 by a small group of dedicated volunteers who recognised and responded to the issues facing people with mental health issues recently resettled in Brighton and Hove from long-stay hospital institutions.

Not only did our founders provide good quality and stable housing (they fundraised to buy our first property in Brighton), but they also acknowledged the importance of ensuring that the individual's social, physical, emotional and economic needs were met through the delivery of tailored support – enabling people to live well in the community.

Five decades later, although we have significantly diversified the types of support delivered and increased the number of people supported (9,967 people in 2022), we remain fully committed and passionate to continue to put our founding principles and mission into practice within the Sussex communities where we work.

As Southdown reaches its 50th anniversary, we celebrate extraordinary achievements and successes, growing to be the leading Sussex based provider of specialist housing, care and support services. We are immensely proud of the exceptional services that we have provided over the past five decades, making significant positive impacts on the lives of individuals and the communities where we work.

We also recognise that following significant growth and diversification, we are now at a tipping point in terms of scale and maturity. We are no longer a small business, and we operate in an increasingly complex and competitive environment. We anticipate that the next five years will bring significant challenges in the economic, political and social inequalities environment.

To continue to do what we do best and play a leading role as a preferred partner across Sussex, as we move forward against a challenging backdrop, we wish to further embed a 'growth mindset' approach across the organisation; believing that we can always further develop and improve how we think and behave, and by being willing and open to new ways of working, better meet the needs and aspirations of our clients, colleagues and partners.

To realise our ambitions and maximise our future potential, we have created a new **five-year Business Strategy 2022-27**, summarised in this document. As well as taking the opportunity to revisit and build upon our core beliefs, mission and values, we have also established six new strategic objectives that describe what we aim to do to fulfill our ambitions, with a clear set of business priorities and activities.

To support delivery of the Business Strategy, we are embarking on a modernisation programme, '**Design for Success**', to create more streamlined ways of working and building an organisational culture focused on integration, collaboration, empowerment, efficiency and outputs. This programme includes key projects to be delivered over coming years, but most importantly aims to continue to place people at the heart of everything we do.

We would like to take the opportunity to thank all our clients, colleagues and partners for their fantastic contribution and commitment throughout our history. Southdown is a community of amazing people, working together to ensure everyone has the right to live their life well.



Pauline Ford, Chair of our Board



Neil Blanchard, Chief Executive

Who we are and what we do

Southdown is a Sussex based not-for-profit specialist provider of care, support and housing services.



WE BELIEVE



Everyone has the right to live their life well.

OUR MISSION



To provide exceptional community support services across Sussex which enable people to live well.



WHAT WE DO



We deliver specialist, person-centred support:

- 24-hour care and support for people with learning disabilities
- Mental and physical wellbeing
- Peer support
- Homelessness prevention
- Learning and employment
- Social landlord



During 2021/22 we supported 9,967 people in the 62 services we ran across Sussex.

OUR INCOME

As a not-for-profit specialist provider of care, support and housing services, nearly all our income is derived from public funds, either through commissioned contracts for the care and support services we deliver or the housing benefit we receive as a social landlord.

OUR INCOME SOURCES



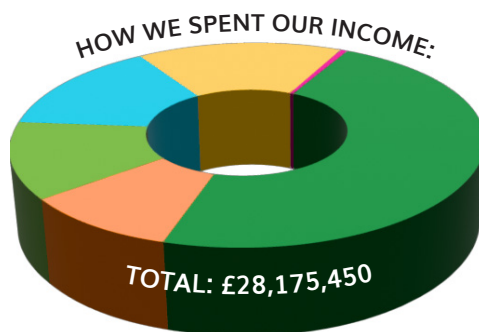
Commissioned contracts



Commissioned packages of support for individual clients



Rent and service charge income



Learning Disability Services: £13,286,796



Housing Support: £4,084,271



Mental Health - Supported Employment £2,720,941



Housing: £4,528,885 *



Mental Health - Recovery / Wellbeing: £3,464,030



Other: £90,527

* Although a registered provider of social housing, you will note that this activity only accounts for 16% of our income. As a not-for-profit organisation, we reinvest any surpluses into service delivery and development.

OUR COMMITMENT TO SUSSEX

Being Sussex-focused and based, we know that it is the personal relationships we develop and maintain over the long-term that can be the most effective way to help shape and influence how our sector operates and protect the interests of our clients.

As one of the largest Sussex-based providers, we are committed to playing an active and leading role in helping shape and support the continued viability and development of the wider supported housing, care and support sectors to enable those most in need in our communities to live well.

OUR ADDED VALUE



- Big enough to be taken seriously, small and local enough to care (approachable and accessible)
- Renowned for consistency, quality, reliability and professionalism
- Unique capability to act as an inclusive VCSE (Voluntary, Community and Social Enterprise) Lead Provider
- Being a psychologically informed organisation
- We influence and innovate
- We believe in and stand up for our people (our clients and colleagues)

We are proud of our reputation to act as an effective strategic partner, where we believe that our expert experience, business acumen and personal candour is recognised and helps the wider system development and transformation. As well as executive and senior leaders engaging as sector representatives in local and national forums and networks, we actively encourage and support other colleagues to take an active interest and participate in activities outside of Southdown.

Through all our wider engagement, we are confident that we have an acute awareness and appreciation of the issues and themes that impact on our business activities. Even though we face multiple and complex challenges, it is this depth of knowledge that enables us to take immediate actions and plan effectively for the future.

OPERATING ENVIRONMENT

As a not-for-profit specialist provider of care, support and housing services, where most of our activities are commissioned and contracted by the public sector and rents covered by welfare benefits, by nature we operate in a complex and often volatile environment, being susceptible to both national and local policy and funding strategy changes.

Our business context is challenging in that it is high risk and low margin. We provide invaluable services to the people most in need within our communities, but with growing demand, increasing complexity of needs, national and global economic and social factors and with acutely stretched public funding, we work in a sector that is required to balance multiple priorities with fixed or reducing resources. As a business, this requires us to adopt effective management and planning of all our activities to ensure continued financial viability, and to protect our social housing assets.

When we set our last five-year plan in 2018, we predicted a period of unprecedented change and challenge, but we would never have imagined the sheer range and scale of issues we have had to face, not least a global pandemic and a European war. Thankfully, due to our robust planning and our ability to flex and adapt to the changing circumstances, we were able to successfully navigate every situation.

Strategic objectives

Working with our Board, Executive, Senior Leadership Team and colleague representatives (Southdown Voice), in our 50th year we have reviewed and refined the Strategic Objectives for Southdown. These describe what we will do to fulfil our mission. They also inform our performance goals which measure our success.



1. PEOPLE (colleagues & clients)

We are imaginative and creative in how we work with people. Psychologically-informed and co-creation are fundamental to how we do things.



2. CULTURE

We will create a performance culture where contribution is rewarded, diversity is embraced, and learning is celebrated. We will actively seek to alleviate 'in work' poverty and make Southdown a community not just an employer – we want our people to 'live well' in Southdown.



3. OPERATIONAL

We will drive operational excellence across services through greater integration, consistency, and quality & assurance.



4. GROWTH

We will grow and develop our business and market share.



5. FINANCE

We will ensure that our costs are competitive and sustainable with proportionate central services.



6. EFFICIENCY

Improve efficiency through simplification and automation of processes.

Forward vision – five-year business strategy 2022-27

We have used our 50th milestone as an opportunity to look to the future, setting an exciting and ambitious bold Five-Year Business Strategy for 2022-2027.

In creating the new Strategy consideration has been given to:

- **Beliefs, Mission and Values** – we have reviewed and refreshed these to set out a clear plan of what we want to achieve, whilst staying committed to our founding mission and principles
- **Organisational culture** – ensuring we create and maintain an environment where people are at the heart of everything we do: empowered and psychologically informed
- **Operating environment** – taking account of the increasingly complex and challenging nature of the care, support and housing sectors, as well as wider economic and social factors
- **Financial sustainability** – ensuring that we obtain adequate funding and make best use of resources to remain viable and protect our housing assets
- **Processes and systems** – reviewing how we currently work, aiming to empower and reduce decision making touchpoints
- **Technology** – investing in digital solutions to help simplify and automate activities
- **Task-job design** – how new ways of working impacts on individual roles
- **Organisational structures** – ensuring we have the right allocation and design to achieve our plans

1. Business Growth – Putting out mission and vision into practice

We wish to pursue sustainable and managed growth. This enables us to achieve our mission by maximising the number of people who, with our support, can live their life to the full.

Based on experience over recent years, we have set an annual target in our five-year strategy to increase income by £500k. This includes the awarding of new commissioned contracts, as well as achieving fee increases for existing services.

As a preferred strategic partner, we play an active role in helping our stakeholders and commissioners respond to meet local needs. We appreciate that funding availability and priorities change, often in line with national strategies, and that we need to be flexible and innovative in how we adapt our models of support. We identify key areas of focus over coming years will include:

- Through continued lobbying and negotiation with local commissioners, achieve increases in learning disability services' hourly rates to eradicate operating deficits, maintain service quality and deliver fair and competitive pay for staff.
- Based on positive experience of coordinating community mental health services in Brighton and Hove (UOK), further build capacity to act as Lead Provider for VCSE partners.
- Supporting delivery of the NHS Long Term Plan and transformation of community mental health services, expand the provision of workers co-located within Primary Care.
- Expansion of Discharge to Assess services, helping ease pressure on NHS mental health clinical services.
- Continue to support local delivery of Housing First and Rough Sleeper Initiatives.

2. Client Services – providing exceptional community support services across Sussex which enable people to live well

Our mission is to deliver exceptional community-based services and over the next five years we have set ambitious plans to further improve client experience and outcomes. To support this, in 2022, we redesigned executive leadership, moving from separate directorates (mental health, learning disability and housing support) to a new single 'client services' structure. We believe that this integrated model will enable us to successfully deliver the follow initiatives:

- Working with commissioners, colleagues and clients, review and refresh our community mental health wellbeing hubs support offer, using learning from Covid-19 and changing client expectations to expand opportunities.
- Embed a psychologically and trauma informed model of how we work with our clients - the Southdown Beacon.
- Develop and embed a new quality assurance framework for all client services.
- Practice development – expand an integrated model to develop and embed best practice in how we support clients.
- Client Voice – implement a new approach to empowering clients in decision-making.
- Design and development of management capabilities to align with new integrated ways of working.

3. People, Culture and Change – to ensure people live well in Southdown

To support delivery of the Business Strategy, we are embarking on a modernisation programme, '**Design for Success**'. This aims to change the way we work and create the conditions necessary to help our people thrive.

Over the next five years, we will create a Southdown fit for the future; Integrated; Collaborative; Empowered; Output-focused; Efficient; Simple – we refer to this as '**One Southdown**'. By working in new ways, we will ensure we can competitively tender, spend more time with our clients and improve financial viability, enabling us to reinvest in staffing, pay and benefits because we want everyone to '**Live Well**' at work with Southdown. Living Well for staff is more than material reward (although we know how important this is). We believe that when we feel at our best, we can be our best; this is good for us and good for our clients.

Key programmes under Design for Success will include:

- Job and reward architecture - creating an enterprise framework for the alignment of jobs based on their requirements, competencies and responsibilities, and, reward principles which support our strategic goal to recognise contribution (specifically values based contribution).
- Review of our benefits and simplification of terms and conditions.
- Simplification and automation of our internal people processes with a shift towards manager and employee self-service.
- Mental Health development work to build capacity, agility and capability to absorb growth.
- The creation and integration of a new bespoke framework to guide how we do things in Southdown called 'The Southdown Way'. This includes new values, leadership behaviours and a bespoke psychologically informed model 'The Southdown Beacon'.

Our commitment to modernisation will be underpinned by:

- A new capability in Organisational Design and Development; helping Southdown arrange its activities to deliver on its purpose and strategy. This will include both running the Design for Success Programme and considering other important interventions such as career development, EDI (Equality, Equity, Diversity, Inclusivity), employee engagement and future skill requirements.
- An increased commitment to hearing the views and perspectives of our people and involving them in the thinking and decision-making of Southdown – 'Southdown Voice'.

4. Housing and Business Services – delivery of critical business support services

Despite our ambitions to increase the supply of supported housing, several external factors have impacted on our ability to deliver this, with a reduction in the number of units leased to us from other landlords and construction cost inflation impacting on capital development plans. Despite this, we retain commitment and financial resources to invest in our property assets and increase our housing supply.

Plans and priorities for our property portfolio over future years include:

- Lobby for acknowledgment and protection of supported housing as a specialist activity in Government decision making on rent settlements and regulation of exempt accommodation.
- Tenant Voice – make further improvements to the transparency of key performance data and expand opportunities for meaningful involvement in decision, including tenant engagement with Board governance.
- Fire safety – respond to recommendations and requirements in the Fire Safety Act and implement a planned phased programme of remedial works.
- Deliver on our Sustainability Strategy – to both improve the energy performance of our existing properties and to ensure they are resilient to a changing climate, with initial focus to achieve Band C EPC by 2030 for the 35% of properties currently below this.
- Maximise and protect the quality of life for our tenants by proactively addressing issues of energy poverty and affordability.

To enable the delivery of the Design for Success modernisation programme and Strategic Objectives, in addition to cultural change, we also need to adapt and improve how we manage projects and the adoption of new automated and digital ways of working. To support this, we will:

- Develop and embed a new approach to Programme and Project Management, with centralised oversight of delivery of outcomes and benefit measures.
- Allocate dedicated resources and task and finish groups to complete process reviews to simplify and automate systems.
- Digital Support – continue implementation of our Digital Strategy (Empower, Connect, Upskill and Modernise), using technology to support and improve ways of working.

5. Finance and Business Performance – oversight of organisational performance

To achieve our desire to be insight led and outcome focused on how we allocate resources, agree priorities and make best decisions, we need to increase our focus on how we use data and financial information. To support this, from 2022 we have expanded our traditional finance function by integrating existing and new business performance resources and capabilities.

Key priorities for this new function over the next five years include:

- Embedding 'business partnering' – improving the link between operational and finance functions, using data and trend analysis to help inform decision-making.
- Contract and performance management – centralise how we coordinate the 183 individual support contracts that we hold, aiming to maximise income and increase efficiency in reporting.
- Value for Money – ensuring that we make best use of available resources, evidenced through external benchmarking.



Measuring & reporting progress

To monitor and report on the achievements we make in pursuit of delivery of our Business Strategy, we have established the following key performance indicators:

OBJECTIVE AND METRIC	TARGET 2022/23
1. People (clients and colleagues)	
1.1 Client overall satisfaction	90%
1.2 Tenant satisfaction with Southdown as landlord	90%
1.3 Colleague overall engagement (stay, say, strive)	78%
2. Culture	
2.1 Colleague turnover annual equivalent %	18.0%
2.2 Colleague sickness YTD %	4.0%
2.3 Management diversity: ethnicity	10.76%
2.4 Management diversity: gender	70%
2.5 Lowest/highest pay differential	1:7
2.6 Margin: lowest grade above national living wage	£0.72
2.7 Margin: lowest grade above real living wage	£0.32
3. Operational	
3.1 CQC 'Good' or above overall rating	100.0%
3.2 Gas safety checks in date (as landlord)	(100.0%)
3.3 All other routine property compliance servicing	99.0%
3.4 All repairs completed in target	90.0%
3.5 Repair satisfaction	95.0%
4. Growth	
4.1 Turnover	£27.5m
4.2 Clients p.a.	12,201
4.3 Homes	438
4.4 Colleague headcount	727
4.5 Colleague FTE	617
4.6 New business p.a.	£500k
5. Finance	
5.1 Organisational margin %	1.2%
5.2 HS margin %	7.1%
5.3 MH margin %	2.3%
5.4 LD margin %	-3.0%
5.5 Housing margin %	9.4%
5.6 Central costs %	12.0%
5.7 Rent collection %	98%
5.8 Property voids %	2.0%
5.9 LD income lost through vacancies %	3.0%
5.10 Cash at bank	£2.5m
6. Efficiency	
6.1 Average time to recruit (days)	57
6.2 Central support FTE	12%

Internally, we report against these monthly to our Executive Team and quarterly to our Board and the Southdown Assembly (representative group of colleagues actively involved in decision making). Externally, we report against the metrics in our Annual Report and Audited Accounts.

Strategic risk framework

As recognised in the Regulator of Social Housing's Annual Sector Risk Profiles, providers operating in supported housing and care and support activities face specific additional risks and challenges. It is a low margin, high risk sector.

When operating at such tight margins, the need for effective and proactive risk planning and management is vital, alongside our Board regularly considering their appetite for risk. Southdown are expert in navigating this challenging operating environment, with a strong track record of being able to be reactive to live issues, but also using market intelligence and insight to plan ahead.

In 2022, recognising the escalating risks facing the organisation and sector, Southdown undertook a comprehensive review of our Strategic Risk Framework.

This risk management framework is built upon the following fundamental principles:

- Overall responsibility for risk management lies with the Board who delegate operational responsibility to the Executive Team.
- The management of risk is a continuous process involving regular monitoring and reviewing.
- The management of risk should be subject to external scrutiny on a periodic basis. Southdown's internal audit programme provides a useful and objective tool to assess if we have appropriate controls, governance and risk management systems in place and to highlight any areas for improvement.

This new system, cross referenced against issues identified in the Sector Risk Profile, provides a 'dynamic' register of the most significant live risks that are impacting the ability of Southdown to achieve its Strategic Objectives. We also retain a comprehensive 'business as usual' risk register overseen by our cross-organisational Risk Review Group.

Each of the current live risks has specific detailed mitigation and controls in place, receiving increased scrutiny by the Executive Team every month, with quarterly reports presented to the Board, with risk 'deep dives' undertaken by our Audit and Risk Committee.

As at Summer 2022, the key live strategic risks identified by Southdown are:

- Inability to recruit and retain staff.
- Financial viability of Learning Disability services.
- High inflation rates (alongside additional cost risks for utilities, insurance, pay and rents).
- Reduction of leased homes in management.
- Loss of supported housing designation for housing units.
- High property voids.
- Losing existing support contracts that are worth more than 5% (£1.4m) of turnover.

Financial strategy

To support delivery of our Strategic Plan and Objectives 2022-27, our Board have approved a Financial Strategy to ensure our continued long-term financial strength and viability.

Principles underlying the Financial Strategy are:

- Be financially sustainable, enabling us to invest in staffing, pay and benefits because we want all our clients and colleagues to 'live well' as part of the Southdown community
- Be competitive (as a contracted delivery partner and employer) through operating efficient and simple processes which enable us to have proportionate central cost overheads
- Pursue sustainable and managed growth, with an annual target of £500k (new business contracts and fee inflation for existing services)
- Achieve and evidence effective value for money benchmarking
- Make best use of our property assets through implementation of recommendations in an annually approved Housing and Asset Management Strategy
- Re-invest surplus funds into service delivery improvements for clients and staff, and capital investment opportunities to increase homes in management
- Review our treasury management and investment strategy to maximise returns on cash within acceptable levels of risk

Financial planning

Southdown undertakes several different business activities, each subject to external and internal factors that impact on the annual financial performance for that area. The diversity of activities does increase complexity, but also provides a level of financial robustness, with some capacity to balance out short-term financial and operational risks for a particular activity across the organisation.

To aid long-term financial planning, Southdown agrees a financial Five-Year Plan, subject to annual Board review and approval, alongside the annual budget setting process. In this plan, based on key financial assumptions (e.g., growth, CPI inflation, pay awards, rents, voids, capital investments), we project the five-year performance for the organisation.

The five-year plan sets financial performance targets for each business area, that contribute to the organisational margin. We also set longer term targets to be worked towards, aiming to be achieved through the successful implementation of the Business Strategy 2022-27.

Business Functional Area	Short Term 5YP Target Margin 2022-27	Longer Term 5YP Target Margin By 2027
Social Housing	9.2%	12.0%
Learning Disability	-1.2%	2.0%
Housing Support	2.1%	3.0%
Mental Health	2.6%	3.0%
Total	1.8%	2.6%

Based on the five-year plan set in 2022, Southdown projects that it's income will increase from £27.5m to £31.5m.



Appreciation of partners

We would like to record our appreciation for the ongoing support of our commissioning partners: the local authorities and NHS organisations who procure our services. We firmly believe that developing credible and long-lasting relationships with these partners, enables us to work collaboratively for the benefit of our clients. Our main commissioning partners, who we work with include:

- East Sussex County Council
- West Sussex County Council
- Brighton & Hove City Council
- Sussex Health and Care Integrated Care System
- NHS Sussex (previously Clinical Commissioning Groups)
- Primary Care Networks across Sussex
- Sussex Partnership NHS Foundation Trust
- NHS England

www.southdown.org



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twitter.com/southdownha



youtube.com/channel/UCaGwj1baNHwxNdWHqaus6EA

Southdown is an exempt charity registered with the Regulator of Social Housing (L1829) and committed to the National Housing Federation's code of governance. Southdown is also a registered society under the Co-operative and Community Benefits Societies Act 2014 (20755R).