



Keelman Homes

Business Plan 2017-21

Foreword - Chair of the Board

I am very proud to launch the first Keelman Homes Business Plan and share the successes we have achieved to date. This is an exciting step in cementing the company's ambitions and aspirations for the future.

There are obviously a lot of uncertainties at the moment within the national and global economies which may well impact on our ability to achieve significant development in the near future. However, when all of the implications of 'Brexit' and economic downturn are better understood we intend to be fully prepared to be able to react to new opportunities. This plan therefore takes account of the external political environment at national and local level, which directly impacts on our organisation and our ultimate aim of providing affordable housing for rent and sets out how we intend to develop new homes over the next five years and continue to grow the company to improve services for residents.

In addition, the changes brought about within the Housing and Planning Act 2016, Welfare Reform, end of lifetime tenancies, and Pay to Stay all bring new challenges for us and for our residents. We need to carefully consider the impact of these and review how we operate.

Overall the housing sector is facing challenging times but this also brings with it exciting opportunities to be responsive, innovative and flexible. We have an experienced and committed Board and staff team who are determined to help create strong, vibrant and sustainable communities. Responding to the challenges and opportunities of the future, we will strive to offer great services for all. I am confident that the objectives we have set ourselves and the means by which they will be achieved will strengthen and sustain the company for the years ahead.

I look forward to continuing work with our dedicated employees, board trustees and partner organisations to bring about Keelman Homes' vision by tackling these challenging times head on with courage and creativity, to make a lasting, positive difference in our communities.



Brian Kelly

Chair of the Board

Who we are



Keelman Homes Limited is a not-for-profit Registered Provider based in the borough of Gateshead, in the North East of England. Our work focuses on the build of new homes and the subsequent management of these homes once they have been let.

The company was initially set up as a wholly owned charitable subsidiary of The Gateshead Housing Company (TGHC) in 2009 to develop nearly 150 new homes for rent, sale and shared ownership in Kibblesworth, South Gateshead. This was completed in partnership with Gateshead Council (GC), The Homes and Communities Agency (HCA) and Keepmoat Homes.

The company ownership was changed in 2014 with the current Trustees becoming Members of Keelman Homes (in effect owning the company), and having ultimate responsibility for the success of the company. Since then Keelman Homes has successfully attracted grant funding and other development finance to deliver new quality affordable housing throughout Gateshead.

The company prides itself on collaborative working with others; in particular continuing the strategic partnership with GC, TGHC and the HCA has been integral to the success of Keelman Homes' housing developments, along with partnerships with house builders and other stakeholders.

In order to effectively manage its housing stock, Keelman Homes procures housing management services from TGHC; this successful partnership arrangement of many years was extended at the end of 2015. In this mutually beneficial arrangement, key objectives are consistently met and the partnership between Keelman Homes and TGHC demonstrates innovation, value for money and productive close-working relationships at their very best.

The company's own dedicated staff team co-locates with TGHC and GC in their central Gateshead offices.

The Board

Our Trustees are a group of committed and experienced professionals, including an independent Chair and local Councillors, and are appointed in line with the company's Articles of Association. The Trustees consist of at least four and not more than seven individuals, comprising one individual nominated by TGHC in accordance with article 4.3.2, two individuals nominated by the Council in accordance with article 4.3.3 and four individuals appointed or elected in accordance with article 4.3.4 (known as Ordinary Trustees).

Our core business focuses on the build of new homes and the subsequent management of these homes once they have been let. To ensure appropriate governance of this activity, a mix of Trustees with appropriate skill sets makes up Keelman Homes' Board.

The Council and TGHC Trustees have skills in relation to the management of social housing and performance management; we have also ensured that the Ordinary Trustees have a good mix of skills in relation to housing management, communications and tenant involvement. Targeted recruitment of members is considered when vacancies arise, to ensure the appropriate skills, knowledge and commitment continues to be captured on the Board.

The Managing Director of TGHC is also the Company Secretary for Keelman Homes, and leads on the overall strategic direction and governance arrangements of Keelman Homes.

The Board meets bi-monthly; meeting dates, papers and minutes can be found on the Keelman Homes Limited website.





Brian Kelly –

Board Chair of Keelman Homes

Brian was Head of Housing Services at Gateshead Council until retirement in 2004. He has since served on a number of Housing Association Boards and is now Vice-chair of Governors at a Primary School in Ryton, having been Chair for ten years.



Linda Hitman –

Board member

Has worked with local authorities and government bodies, including urban regeneration. Linda is a member of the Women's Advisory Board (NECC) and the Lord and Lady Taverners Council.



Joanne Carr –

Board member

A former Director of Business Development at National Energy Action. She has extensive knowledge of energy-efficiency matters and has been a member of The Gateshead Housing Company's Board since 2010.



Ronny Harris -

Board member

Has 35 years' experience with local authorities and housing associations. Before her retirement in 2015 Ronny was Assistant Chief Executive at Coast & Country association, where she was responsible for developing new homes.



Anne Connolly –

Board member

Started her housing career at Gateshead Council and has over 30 years' experience in housing management, regeneration and strategy. She currently works for a local ALMO and has been on Keelman's Board since 2009.



Liz Twist -

Board Member

Gateshead's Cabinet Member for Housing and member of Keelman Homes Board since 2016.



Paul Foy –

Board member

Board Chair of The Gateshead Housing Company and a town and local councillor in Birtley since 1992. He works as an Office Manager for a local MP and also has 15 years' previous experience as a housing professional.



Jon Mallen-Beadle -

Company Secretary

Jon has worked for The Gateshead Housing Company since October 2006, joining the company from Tristar Homes. He has been Managing Director of The Gateshead Housing Company since December 2012.

Staff Team

The Development and Investment Manager has overall responsibility for the day-to-day running of the organisation, managing operational and strategic risks, the formulation and implementation of its business plan and ensuring strategic objectives are met. This role is supported by the New Build Manager and the Finance Manager. These three roles are filled by TGHC employees who are seconded to and funded by Keelman Homes. Recruitment of the team has focused on securing employees with the appropriate approach, skills, experience and knowledge to contribute to Keelman Homes' aims and objectives, and to continue to grow the organisation.

Management Team meetings are held monthly and include representation from TGHC's Corporate Management Team, as the managing agent for Keelman Homes' housing stock and an integral service provider to the company.

Amanda Gallagher – Development and Investment Manager

With over 15 years of experience in the housing development and regeneration field, Amanda has strong project-management skills and significant experience working in a construction and technical environment, with qualifications including MSc Urban Policy and Regeneration, MA Town and Country Planning, and Level 3 Award in Leadership and Management. Beginning her housing career in local government, she has been instrumental in the successful delivery of many major housing-led regeneration sites including award-winning projects and smaller housing developments throughout Teesside, working with a range of private house builders and Housing Associations before joining the company in June 2015.

Jim Charlton – New Build Manager

Jim started his career with Gateshead Council in 1982 as a craft apprentice and has subsequently gained over 30 years of experience in the construction industry. He has held several key management roles both with Gateshead Council and The Gateshead Housing Company including Senior Building Surveyor, Procurement Manager, and Contract Administrator. Jim has been integral to the successful delivery of quality housing provision and other housing investment within Gateshead, including the award-winning Kibblesworth Village housing regeneration scheme and several other developments throughout his career, in partnership with private house builders and other delivery partners. Jim also holds qualifications including BSc (Hons) Construction Management, Professional Chartered Membership of the CIOB, and a Diploma in Home Inspection.

Kelly Davis – Finance Manager

Joining Keelman Homes in March 2015, Kelly brings with her eight years of finance experience in housing, both public and private sector. Kelly qualified as an accountant in April 2012 and is fully CIMA qualified. With a focus on value for money Kelly provides effective financial monitoring and control, and has successfully delivered process efficiencies and financial savings throughout her career, working effectively with a broad range of operational and management teams.

Our **Achievements**

This section showcases the company's successes and achievements up to December 2016.

Kibblesworth regeneration

During 2013 Keelman Homes completed the redevelopment of the Kibblesworth estate in partnership with Gateshead Council, The Gateshead Housing Company, the Homes and Communities Agency (HCA) and Keepmoat Homes, successfully creating 150 new homes for sale, shared ownership and rent. Out of these Keelman Homes offered 81 homes for rent and 13 homes for shared ownership. The final shared ownership sales were completed in November 2014 and the development also included art and play schemes across the estate.

Since then, Keelman Homes has continued to develop new properties across Gateshead, delivering a further 43 new affordable homes for rent plus six homes for open-market sale.

These include:

Nugent Row, Felling

The former Felling Library site in the heart of Felling, Gateshead was redeveloped to provide six modern three-bedroom family houses.

The development was delivered in partnership with Esh Property Services and their secured developer grant of £120,000 through HCA's Affordable Homes Programme 2011-15. Additional grant was secured from the Tyne and Wear Fire and Rescue Service, who fully funded the installation of sprinklers in all the properties. Homes were completed and let in December 2014 at an affordable rent set at 80% below market rent value.



The scheme has been named after the former Mayor and local Councillor Steve Nugent who represented the Felling Ward from 1974 to 1992.

Strathmore Road, Carr Hill

In 2002 two structurally defective properties were demolished and the site stood empty for a number of years, becoming subject to anti-social behaviour. Keelman Homes worked with Esh Property Services to improve the area and build two new four-bedroom properties on this former cleared site.

This was achieved through secured developer grant of £40,000 through HCA Affordable Homes Programme 2011-15, and additional grant was also

secured from the Tyne and Wear Fire and Rescue Service, who fully funded the installation of sprinklers in all the properties. The new homes were completed and let in December 2014 at an affordable rent set at 80% below market rent value.



Dunn Court, Pelaw

The site of former council-owned garages, this development was completed in 2015 and provides six affordable rent properties. The development was constructed by Esh Property Services and consists of a mix of one- and two-bedroomed apartments. This was achieved through developer grant of £120,000 through HCA Affordable Homes Programme 2011-15, and additional grant was also secured from the Tyne and Wear Fire and Rescue Service, who fully funded the installation of sprinklers in all the properties.



The development was named in honour of Corporal Steven Dunn, a fallen soldier from Gateshead, and a tribute ceremony was held involving his family members and the local community to erect a plaque in his name.

The Lonnen, Ryton

The scheme was developed on the site of a former sheltered scheme. Keelman Homes worked in partnership with Galliford Try to develop 14 properties for affordable rent and six properties for open-market sale. The development is a mix of two-, three- and four-bedroomed family homes and is ideally located for local schools and commuting.

Galliford Try allocated surplus grant monies secured from the HCA's Affordable Homes Programme 2011-15 to support the development. The build was successfully completed in summer 2015.



Runhead Estate and Heddon Close, Ryton

These two sites were redeveloped in partnership with Esh Property Services and were built out as one contract due to their close proximity. Works commenced on site in August 2015 and the handover of all the affordable rent properties was successfully achieved in July 2016. At Runhead nine modern family homes were delivered, a mixture of two-, three- and four-bedroomed houses. Heddon View provides six two-bedroomed apartments and houses.



To support delivery, Keelman Homes successfully secured £345,000 from the HCA Affordable Homes Programme 2015-18 grant monies and additional match-funding for the installation of sprinkler systems from Tyne and Wear Fire and Rescue Service.



Keelman Homes new-build developments provided an overall total of **137 completions** in Gateshead up to December 2016.

Empty Homes Programmes

In addition to building new homes, Keelman Homes has delivered two Empty Homes Programmes that have brought 19 residential properties back into use up to December 2016. These programmes have been supported by grant funding from the Homes and Communities Agency, and we have achieved an excellent track record in delivery.

As part of the HCA's 2015-18 Empty Homes Purchase & Repair Programme, we have exceeded targets and subsequently doubled our original programme with the securing of additional grant funding. It is anticipated that the entire programme will be delivered on schedule and to budget. All properties successfully acquired and refurbished as part of the programme are let at affordable rent.

Working alongside Gateshead Metropolitan Borough Council to deliver its Empty Homes Lease & Repair Programme, we have worked with private property owners to bring into use more than 30 homes that have been empty for more than six months. These properties are leased from the owners for a minimum period of five years, and let on fixed-term tenancies at affordable rents. We manage over 30 of these properties across Gateshead and we are actively looking to identify further empty properties with Gateshead Council to bring back into use and manage.

We also provide housing management services to other landlords with properties in Gateshead and are currently managing over 100 new-build properties on behalf of Tees Valley Housing Group.



Our Vision, Aims and Values

As a charitable organisation our overall vision supports what we were set up to do, and reflects our Articles of Association.

Our four **aims** represent our four main areas of business and where we want to continue growing. All of our work can be traced back to one of these four aims. These are our strategic priorities.

Set out by the Keelman Homes Board, the company's **values** are its guiding principles which underpin how our work is carried out, and how we undertake our aims and achieve our aspirational vision for the future.



Reflecting our ambitions and culture of the company, these basic beliefs about what really matters guide how we do things.

Our Vision

Keelman Homes is a housing provider of choice within the Gateshead borough, making a positive difference in our communities through the provision of quality housing opportunities.

Our Aims

- 1 Building for the future
- 2 Buying properties and managing assets
- 3 Providing quality housing management services
- 4 Improving lives

Our Values

- **Customers:** passionate about our social purpose, we place people and communities at the heart of all we do
- **Growing:** remaining financially viable, we are ambitious, dynamic and wholly committed to delivering solutions in challenging times that provide opportunities to expand and strengthen the company
- **Quality:** we strive for excellence through reflection and continuous improvement, ensuring professionalism and accountability are culturally embedded within our organisation
- **Collaboration:** we are committed to a culture of openness, teamwork and the spirit of partnership working, both as an organisation and in our work with external partners
- **Flexibility:** we remain fluid in our approach, encouraging creativity and innovation in our responses to changing external environments and business pressures

Our Environment, Risks and Priorities

Our first Business Plan has been developed taking into account the achievements we have made to date and the challenges faced by the sector today. Drawing upon our strengths and collaborative spirit and remaining realistic are key considerations in ensuring our plan remains deliverable and our vision is achievable. To support this, our plan will be approved by Board on an annual basis to ensure our approach continues to remain appropriate for our business needs.

Business Challenges

A number of challenges for the sector as a whole have arisen from the Summer Budget 2015, from the four-year 1% rent reduction and Welfare Reform, to the voluntary Right to Buy. A grant-funding programme preferring home ownership may make it more difficult to provide new affordable homes. All this together with the uncertainty created by the 'Brexit' outcome mean that there is no better time to evaluate our environment, and put our first business plan into place to guide us over the next five years.

Risks

Risks to the company are identified and managed through Strategic and Operational Risk Registers, which are periodically reviewed and updated if necessary.

Our main risk areas are:

Financial viability - as a relatively new developing registered provider, our main challenge is ensuring financial viability underpins all we do. We have an established set of development principles to underpin the delivery of new-build and other housing investment projects. We understand our size and market position means we cannot always bring to the table what larger providers may be able to; however, we recognise that at our current stage of growth we are fluid and able to respond to change quickly.

Land availability - we have an outstanding track record of development delivery, but as a fledgling developer with limited land we need to ensure we can continue momentum, while remaining realistic about what we can deliver.

Approach - developing new ways of working is an area of focus as part of the company's growth strategy, in order to mitigate risk and in response to challenges brought about by the Housing and Planning Bill 2016. We will seek out opportunities to partner with others to achieve the aims within our plan.

Development sales - with limited experience in market sales to date, we need to ensure we build upon this and hone our intelligence. We recognise sales are location sensitive and will remain careful in our choices of schemes.

Managing risk

In response to the rapidly changing political and policy environment our Strategic and Operational Risk Registers are being reviewed ahead of the annual review period to ensure they remain robust.

To supplement our risk management approach we have recently developed and introduced a new formal project management framework, which has been approved by Board and is based on 'plan, manage, monitor, learn' principles.

Strategic Aims

Aim 1: Building for the future

New housing for rent

Working in partnership with Gateshead Council, our latest new affordable rent development is under way at West Park, Dunston. This scheme will see a disused older persons' care home and a garage site demolished, to re-provide 17 new, modern three-bedroom family homes. It is expected the properties will be complete and available to let by autumn 2017. All our affordable-rent homes are advertised for rent via Tyne and Wear Homes (Choice Based Lettings). Options for developing our site at Malton Green are also being explored.

Sales

Continuing our development of new housing over the next five years is key to our business. While we remain committed to providing social and affordable rents to our customers, we are

also exploring opportunities to deliver market sale and shared ownership products as a way to continue delivering our social aims in the future. Market products could be a significant source of income to the company but we understand this is also an area of high risk. Careful consideration will be given to where we choose to build, and robust sales and marketing strategies will be put in place on each of our sites. We will grow our sales intelligence and expertise in this area, and ensure appropriate sales risk is built into all our market development appraisals.

Development finance / models

We will seek additional funding and development finance opportunities to supplement our current borrowing arrangements and we will look to enter into productive partnerships with others as a way of sharing risk and profit where appropriate.

Aim 2: Buying properties and managing assets

Buying existing properties

We will source opportunities to increase assets and strengthen the company by buying existing properties. Investment needs and demand for lettings will be carefully considered when assessing properties for acquisition to ensure long-term viability.

Bringing empty homes back into use

Keelman Homes remains committed to continuing to bring empty properties back into use and

building upon our two successful empty homes programmes. We will be creative and actively seek out opportunities to achieve the continuation of our empty homes programmes.

Asset management

To ensure we remain effective in the management of our assets, we are reviewing ways to improve our asset information collation and management systems, to better link with our managing agent's system and house builder/contractor partners.

Aim 3: Providing quality housing-management services

New business

We will continue to seek new opportunities to provide cost-effective housing management solutions to other landlords with stock located in the Gateshead area to expand this area of our business and increase income.

Service delivery

Using our experience in this area we will assess our performance, costs and client expectations to ensure a quality value-for-money service is always delivered.

Aim 4: Improving lives

Listening and learning

We will listen and learn from what our customers tell us through our satisfaction surveys and other communications.

Community projects

We will seek opportunities and source funding to develop community projects which support the wellbeing of our customers and the wider neighbourhoods in which we work.



Appreciation

Our successes to date would not have been possible without the collaborative commitment of all our partners. We would like to take this opportunity to thank all of our partners and wish continued success for the future.



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Building a better Gateshead