

Homes Strategy 2025-2030



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Introduction



At the heart of everything we do lies Stonewater's Vision - for everyone to have the opportunity to have a place that they can call home.

Recognising our diverse customer base and external challenges such as the cost-of-living crisis, global warming and regulatory changes in the sector, this strategy supports the pursuit of that Vision – that the assets we own and manage are homes which must be warm, safe and secure and provide a place where our customers can thrive.

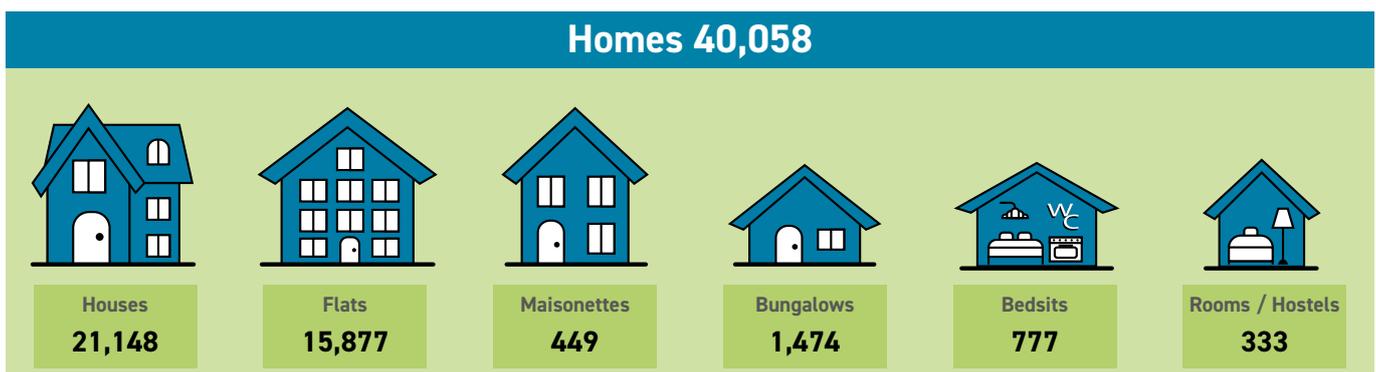
Our [Strategic Plan 2022-2030](#) sets a clear goal to expand our portfolio of homes from 40,000 in 2024 to 50,000 by 2030. Through this strategy, we aim to maximise the value we deliver to our customers by leveraging data and insights to guide our decisions and reduce waste. By investing in the right homes at the right time, we will achieve the best possible outcomes for our customers while ensuring the efficient use of our financial resources. This approach will underpin a resilient business plan and enable us to meet our growth targets. We will do this through five workstreams that will deliver Stonewater's Vision over the life of the strategy:

- Ensuring all our customers and colleagues remain safe, targeting 100% compliance with all our landlord and employer health and safety requirements. Investing significant funding to meet the requirements of the Building Safety Act.
- Developing customer-centred and effective approaches to delivering our repairs and investment services in line with new regulatory requirements.
- Leading the sector on the deployment of new technologies and enhancing our data to deliver a proactive approach to investment.
- Appraising our stock and investments to support a strong business plan and the viability of our homes while meeting customer needs.
- Aligning our investments with our Environmental Strategy to keep homes warm and affordable, and to achieve our climate goals.

For the next six years, this strategy will support our work to move on from the success and challenges of previous Homes directorate and Portfolio Options strategies and, in parallel with the [Environmental Strategy 2021-2025](#), build the foundations for the future success of our customers and their homes. It will remain a living document that we will evolve to reflect our ever-changing environment.

Patrick Chauvin
Chief Officer Safety, Assets and Sustainability

By investing in the right homes at the right time, we will achieve the best possible outcomes for our customers.



1. Keeping our customers and colleagues safe

Stonewater must navigate an increasingly complex landscape, proactively ensuring compliance with stringent safety regulations while addressing customers' growing concerns.

In recent years, the housing sector has faced significant scrutiny regarding landlord compliance, particularly in light of high-profile incidents and evolving regulatory standards. Events such as the Grenfell Tower tragedy and subsequent reviews have reshaped industry expectations, making compliance a key part of our asset management and investment plans.

The housing sector has also seen increased focus on employee health and safety, driven by evolving regulations and heightened awareness of workplace risks. With more than 900 colleagues, Stonewater will continue to ensure the safety and wellbeing of all who work here. Our approach to health and safety integrates these concerns, prioritising safe working environments while meeting regulatory requirements.

Our approach to landlord compliance and health and safety is centred on our Compliance Management System that incorporates:

- 1** Capable resources - ensuring that we have access to the appropriate people, skills, and levels of competence to meet our obligations and requirements.
- 2** A suite of landlord compliance policies covering the 'Big 6' compliance and other risk areas which are maintained and regularly reviewed to ensure that statutory, legislative, and regulatory requirements continue to be met.
- 3** Procedures and processes within management plans which outline how Stonewater will deliver the relevant policy.
- 4** Data and management control protocols, providing 'one version of the truth' on our compliance and health and safety performance
- 5** Performance management through regular and robust open reporting.
- 6** Quality assurance, including appropriate independent external and internal audit to assess and challenge the quality of our compliance and health and safety outputs.



Affordable housing in East Sussex.

We continue to keep our customers and colleagues safe by:

- Maintaining an effective compliance management system to plan and deliver our approach to compliance and health and safety and to minimise risk to our customers, colleagues, contractors and third parties in premises owned or managed by Stonewater.
- Ensuring absolute compliance with the statutory, legislative and regulatory responsibilities of Stonewater as a landlord and employer and for which Stonewater's Board is the 'Duty Holder'.
- Providing complete assurance to both officers, board members, customers, and all relevant stakeholders that this is the case.



2. Delivering compliant, responsive and customer-focused repairs, estate and investment services

Stonewater recognises the significant financial and resource challenges posed by increased demand and new regulatory requirements and we are committed to being early adopters of these changes and fully implementing Awaab's Law and other regulatory reforms.

Repairs demand and costs across the sector and within Stonewater have increased exponentially. We also recognise that our broad geographical spread provides challenges to the way we deliver customer-centred repairs and estate services. Building on insights from existing services, our DLO pilot (direct labour organisation, an in-house maintenance and repairs service) and customer journey mapping, we will evaluate and refine processes, to customise our repairs and estate services. This will provide the best possible outcomes for our customers and communities, while maintaining financial sustainability.

Our focus will be on enhancing the quality and responsiveness of our systems and services, reducing inefficiencies, improving communication, and boosting customer satisfaction. By actively listening to and learning from our customers, we will better understand their needs and vulnerabilities, allowing us to develop more flexible, customised services. This, in turn, will help us make the most of our financial resources and support the creation of a robust business plan alongside effective long-term procurement strategies.



We will do this by:

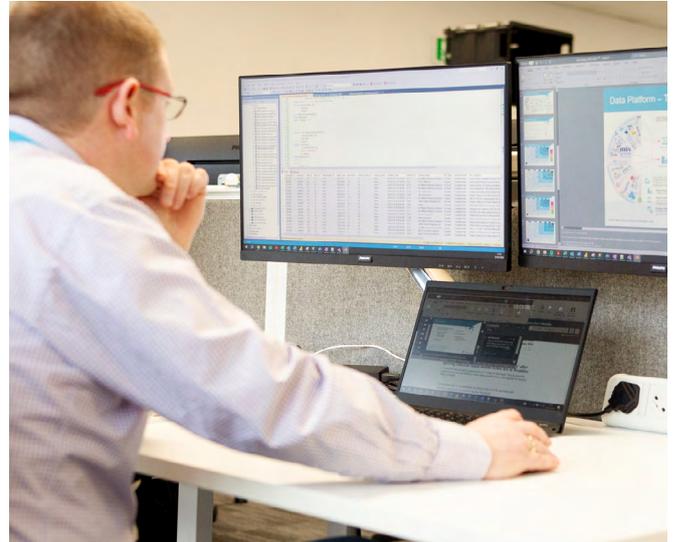
- Enhancing the quality of our existing housing stock by making the right investments at the right time, delivering £221m in capital investment over the life of the strategy.
- Achieving 100% decency throughout the lifetime of this strategy.
- Ensuring full compliance with the new Consumer Standards, Tenant Satisfaction Measures, and Awaab's Law.
- Designing and implementing new service delivery models and systems that respond to increasing repairs costs and demands, the unique challenges of our geography and the needs of each customer we serve.
- New, bespoke procurement plan to support us to deliver sustainable, intelligent procurement with customers and social value at its centre.
- Working with our customers and partners to develop and launch a new Stonewater Homes Standard in line with Decent Homes 2.
- Delivering annual communication plans to communicate our investment proposals and provide customer access to stock data, supporting customers to scrutinise and challenge our planned improvements.
- Deploying a new stock survey model and formal multi-layered, cross-business approach to identifying property risks based on the concept of 'Every Visit Counts'.

3. Embracing new technology and data structures to drive investment activities

Our asset data has always been at the heart of our investment plans, supporting us to target our investment and ensure our homes remain warm, safe and secure. We now have access to more detailed and extensive customer feedback and service data than ever.

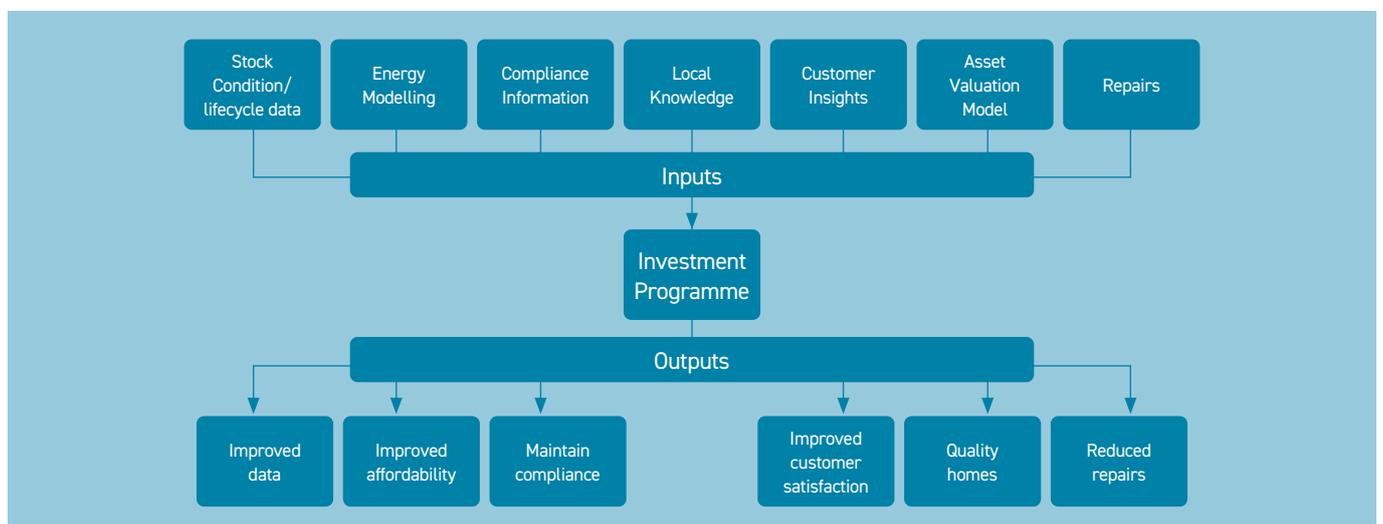
Our goal is to leverage this information fully, identifying new and valuable insights to drive improvements and enhance outcomes for our customers. Aligning **Customer Voice**, satisfaction results, property performance and other qualitative data with asset data will help us to adjust investment plans and service delivery models to identify preventative actions and broader improvements for our customers' homes. To support this, we will need to implement new data models, structures and technologies that allow us to capture, store and analyse our data to inform relevant and affordable investment activities.

Our **Strategic Plan 2022-2030** acknowledges the potential of technology to enhance customer experiences and shift data collection and service delivery to adopt a more innovative and proactive approach. This strategy fully aligns with Stonewater's Internet of Things Strategy as we aim to lead the sector, harnessing technological advancements to transform the way we collect data, manage homes and target investment activities. We recognise that technology, alongside data, has a greater role to play in the delivery of customer-focused and efficient services and we will continue to champion investment in new systems.



We will do this by:

- Implementing the Internet of Things Strategy and investigating investment in other technologies to improve insight, expand customer self-service options, improve communication and enable remote diagnostics.
- Taking ownership of all asset data within the Homes directorate team and implementing a new data structure and approach to managing data.
- Integrating Customer Voice with voids, repairs, asset, customer and AI data to identify proactive investment opportunities and shape investment decisions.
- Publishing comprehensive and fully costed short, medium and long-term investment plans.



4. Stock appraisal: Improving the viability of our homes and strength of our business plan

Over the past five years Stonewater, through its Portfolio Options team, has supported our growth and business plan targets, selling 472 properties generating £43m gross sales proceeds and contributed to our inorganic growth plans through the acquisition of 1,223 units.

Throughout this strategy period, we will continue to appraise and evaluate our stock to ensure our investment activities support our business plan and achieve our growth targets.

To support this, Stonewater has developed sector-leading tools to allow us to evaluate investment proposals and model different investment options. Our investment tools provide a baseline of all asset values and identify schemes that fail to meet Stonewater's criteria and require improvement, investment, conversion or disposal. They also help us identify where investments deliver the best value for money.

When considering the future of a property or scheme, the potential to support future growth must be balanced with Stonewater's social responsibility and desire to achieve our Vision – that everyone has the opportunity to have a place that they can call home.

Our appraisal approach will also continue to support individual projects across our stock including investing in our retirement schemes and improvements to address overcrowding.

To achieve this we will:

- Carry out regular analysis and options appraisals to maximise the financial performance of our homes, increasing the value (EUV) of our stock and seeking alternative options where investments are unviable.
- Achieve our ambition for inorganic growth to acquire assets to contribute to the expansion and enhancement of Stonewater's portfolio whilst supporting improvement in service delivery and added value to our customer offer.
- Facilitate the sale of arising voids to meet our social mission and annual targets, utilising proceeds to build new energy-efficient homes.
- Continue to invest in our retirement living and overcrowding projects.

5. Aligning with our Environmental Strategy 2021-2025

In response to the global climate emergency, Stonewater is dedicated to supporting the UK Government's target of net zero carbon emissions by 2050. Central to this commitment is ensuring that our homes remain comfortable, affordable, and secure for our customers, while addressing climate concerns.

Our Homes strategy will align with the [Environmental Strategy 2021-2025](#) to reduce energy consumption in our homes and enhance community living by improving open spaces, increasing biodiversity, promoting green transport, and fostering community cohesion.

Stonewater first launched an environmental strategy in 2019 and published a new strategy in 2021. These created a solid foundation for progress, achieving notable improvements and sector recognition.

Key milestones include attaining a Gold SHIFT rating, reducing business mileage by 80% and office carbon emissions by 50%, and installing heat pumps in more than 1,000 homes.

Additionally, the strategies have supported environmental efforts such as tree planting initiatives, phasing out fossil fuel heating on development sites, and adopting sustainability reporting standards. Securing a £250m sustainability bond further underscores Stonewater's commitment to environmental goals.

Future plans focus on enhancing energy and water efficiency in existing homes, developing net zero standards for new construction, and understanding customer energy use to better meet their needs. Stonewater will also address the environmental impact of constructing and maintaining homes, and strengthen its environmental, social, and governance (ESG) credentials.

To achieve this we will:

- Align our capital investment and sustainability programmes to reduce waste and minimise customer disruption.
- Publish comprehensive and fully costed investment plans to include environmental investment requirements to 2050 to underpin the business plan and support growth.
- Embed sustainability in all activities linked to this Strategy, minimising the environmental impact of our work.
- Support the delivery of the [Environmental Strategy 2021-2025](#) and beyond.



Distribution of EPC ratings across existing homes			
EPC Band	2023/24	2022/23	Change %
% Band A	0.6%	0.3%	100.0%
% Band B	19.7%	12.2%	61.4%
% Band C	57.5%	63.7%	-9.73%
% Band D	19.7%	22.7%	-13.2%
% Band E	1.7%	0.7%	142.8%
% Band F	0.6%	0.2%	200.0%
% Band G	0.0%	0.0%	-
Unknown	0.2%	0.2%	0.0%

Average SAP of existing homes:

73.6



Homes EPC Band C and above:

77.8%

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