

Business Strategy

2026-2029

Providing sustainable homes
for sustainable communities

Hastoe was established over 60 years ago and now manages more than 7,500 rented, shared ownership and leasehold homes, mainly located across the south of England from Devon to Norfolk.

Since 1987 we have focused on being a leading rural housing specialist, helping to sustain rural areas by working in partnership with communities to deliver high-quality, affordable housing developments for local people. However, we still have properties in urban areas that remain important to us.

We have charitable status; any surplus we make is invested in our new and existing homes.

Hastoe has one Business Strategy, which brings all our delivery plans into one place and sits alongside our Financial Plan. This document sets out who Hastoe is, what we are looking to achieve, and how we are planning to deliver results for our customers. It outlines the principal actions we plan to take and how we will measure our progress. The purpose of this is to clearly demonstrate the 'golden thread' that links our purpose and values with our five ambitious strategic objectives.



Welcome

Customers are at the heart of what we do. Listening to them and acting upon their views remains our first priority, reflecting our value of being 'customer-inspired'. We aim to treat all our customers with dignity and respect, provide equitable access to our services, and promote an inclusive culture that values diversity.

This year, we have focussed our Business Strategy on further driving forward our customers' aspirations. Throughout the year we have met, talked to and listened to our customers, which has helped us identify what has worked well and less well. We will continue to do this in the coming year. We know that customers want us to get things right first time, and more quickly. Where we can build on successes, such as contracting more and smaller contractors for repairs, we will continue to do so. However, we are also seeking new and better solutions.

We have ambitious aims to improve our communications, services and support for our shared owners and leaseholders. This has started with further recruitment and strengthening the team, as well as enabling homeowners to have more opportunities to engage with us so we can understand better where we can improve.

We are committed to investing in our customers' homes and providing new homes to help address the acute shortage in rural areas. To help us do this, we are developing a strategy and approach to rationalise our

assets, so that we free up more funds and resources to invest in our existing homes, as well as new ones.

At Hastoe we aim to work as one team in alignment with our values, to deliver safe and healthy homes which our customers can thrive in and enjoy. The Board and all our colleagues at Hastoe will continue to strive to deliver our customers' aspirations.



Lindy Morgan
Chair of Hastoe's Board

Our latest inspection by the Regulator of Social Housing (RSH) confirmed that our governance and financial viability ratings remain strong at G1/V2, with a consumer standard rating of C2. While we were pleased with this, our ambition is to continue pushing to achieve a C1 rating, the highest possible, and we are actively delivering improvements to get there.

Our priorities remain clear: keeping our homes safe; providing consistently good customer service; building new homes; and remaining financially sustainable.

We operate in an environment shaped by both opportunities and challenges. Funding for new homes has increased; rent settlements are supportive and allow for further investment in existing homes; and grant funding for building safety has made a significant impact. Together, these measures strengthen the sector's financial resilience and capacity to invest in new

and existing homes. Regulation continues to increase, and while well intended, it does add complexity and cost. In 2026 we will see more, including the revised Decent Homes Standard, the Competency and Conduct Standard, STAIRS, leasehold reforms, and building safety requirements.

Wider economic uncertainty and global events can rapidly affect us. We are mindful of the need for operational and financial resilience to withstand unexpected events. As part of this, we continue to remain open to potential merger opportunities with other

rural housing associations, where this would help us deliver our purpose more effectively. A growing risk is cyber-attack, so we will continue to strengthen our practices here.

Over the past year, we have continued listening to customers and improving our services. We intend to build on this by delivering better customer experience, investing more in our existing homes, building 300 high-quality rural homes over the next three years, and remaining financially secure.



Andrew Potter
Chief Executive

The golden thread

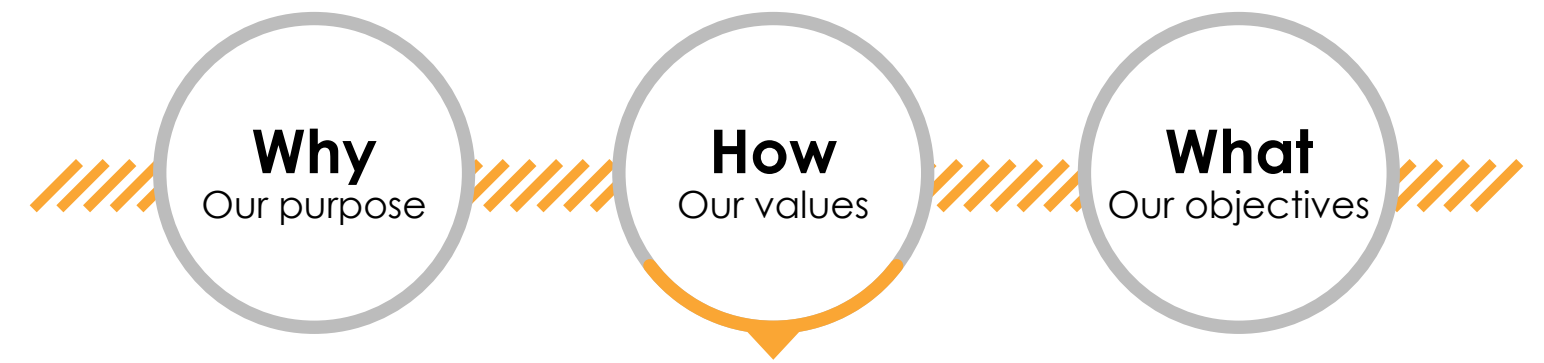
The 'golden thread' at Hastoe is how we link our purpose and values with our five ambitious strategic objectives.

Hastoe's **purpose** is:

“ to provide a level of service that meets our customers' expectations and to build high-quality, affordable homes that support sustainable rural communities.

Our vision is that everyone should have a comfortable and safe home within a sustainable community.

Our five **values** describe the way in which we operate and relate to others. These values form an intrinsic part of our identity and are reflected across the five strategic **objectives** in our Business Strategy.



Customer-inspired

Our customers are at the heart of everything we do; we actively invite residents to provide feedback and ideas, and we listen with empathy and respect to understand and deliver what they need.

Open and transparent

We are committed to listening, learning and improving. We will be clear about what we intend to do, and we want people to be able to trust that we'll do what we say.

Professional

We work as one team with clarity of purpose. We take pride in our performance and work with genuine integrity. We are respectful, and take ownership and responsibility for our actions.

Passionate

We care greatly about what we do and take satisfaction in resolving issues and improving living standards. We are constantly looking to develop our services and will go over and above to seek solutions.

Enterprising

We seek new learning experiences and encourage managed risks when looking for efficiencies and value for money.

Our five strategic objectives are ambitious in scope and have key targets that are measurable across the three-year period of this Business Strategy. Our Board actively monitors Hastoe's performance in delivering these.

Our strategic objectives



Objective one

Deliver good-quality services for our residents that meet their needs

We want to continue improving our housing services, to drive up customer satisfaction.

Customers are clear: they want a responsive service, repairs done on time, well-managed communal areas and investment in their homes. Our Customer Services team continues to answer calls quickly; more repairs are being completed on time; we are employing more caretakers; and we invest in our homes every year.

Building on this success, we are centralising all customer contact via our Customer Services team, as this will improve responsiveness and record-keeping, and help reduce the number of colleagues with whom customers need to have contact. It also means we can increase the number of queries we can deal with at a customer’s first point of contact.

Our approach to customer engagement reflects our wide, diverse geography, with communities in dispersed, rural areas as well as urban locations. We want every resident to feel valued, heard and included. However, we recognise that the engagement opportunities we create do not always translate into increased Tenant Satisfaction Measure scores, as often tenant responses to these questions are based on specific responsive services, and not overall engagement.

We’ve developed a range of different methods to enable all our customers to be involved in strategic decision-making, scrutiny, consultation and feedback. We use a blend of formal and informal approaches,

either at their homes or using online technology, at a time that suits them.

We plan our approach each year to ensure it is relevant, reflecting our customers’ priorities and what is happening in the external environment.

	Overall customer satisfaction (TP01)*	Satisfaction that the landlord listens to tenant views and acts upon them (TP06)*	Agreement that the landlord treats tenants fairly and with respect (TP08)*	Regulatory Rating – Consumer
2025/26 performance	65.8%	53.8%	75.5%	C2
2026/27 target	70%	56%	80%	C1
2027/28 target	75%	58%	82%	C1
2028/29 target	80%	60%	84%	C1

* Tenant Satisfaction Measures Survey

Objective two

Maintain and invest in safe, energy-efficient homes

We want to strengthen our understanding of our homes and continue to invest in them.

By the end of 2026, all our homes will have been independently surveyed in the last five years. We will refine our understanding of the works required for our homes to meet the 2030 minimum energy efficiency requirements. We will continue to make use of funded thermal improvement works for all properties with a rating below C, as well as use our planned programme to make improvements to the energy performance of our homes.

We have listened to customer feedback, and, in response, we plan to deliver more property improvements, improve how heating breakdowns are managed, and refine communication. Our data shows that some properties require disproportionately

high levels of repairs and maintenance. We are committed to taking a more proactive approach to understand the reasons behind this and to improve the service our customers receive, reducing unresolved or recurring repairs.

We recognise that some customer issues stem from contractor performance and, while we will continue working with contractors to improve standards, we are also exploring how more services can be delivered by our own colleagues, so we have greater control from start to finish.

	% of homes at EPC 'C' or above	Repairs completed on time (emergency, non-emergency and heating)	High repair outlier addresses subject to property inspection
2025/26 performance	79.6%	88%	37%
2026/27 target	82%	90%	90%
2027/28 target	87%	91%	95%
2028/29 target	92%	92%	100%

Objective three

Right homes, right places, to support our purpose

We actively review our properties to ensure they continue to meet our strategic priorities.

Over several years, we have progressively disposed of selected stock that no longer supports our strategic objectives. Our aim over the next three years is to sell three identified schemes and review the options on four further identified schemes. We will prioritise the schemes for disposal and proceeds from disposals will be reinvested in the delivery of modern, energy-efficient rural housing.

We recognise that regulations, policy, markets and funding change all the time, so we will remain open to a range of options, including existing use transfers, market sales, stock swaps and redevelopment.



Objective four

Develop homes in rural areas to support the sustainability of rural communities

We will deliver approximately 300 homes built to the Hastoe New Build Standard.

Our focus will continue to be the delivery of new homes in rural communities through Rural Exception Sites and Section 106 schemes, alongside selected developments in larger villages and market towns that serve their surrounding areas. All opportunities for development are assessed carefully to ensure they are well aligned with Hastoe's service delivery and offer good access to essential services. Hastoe remains one of the few housing associations continuing to deliver affordable homes in rural England.

Our commitment to quality, sustainability and the long-term resilience of rural communities is reinforced through delivery in line with our Hastoe New Build Standard (HNBS). The HNBS sets clear minimum

requirements, performs strongly against comparable standards, and ensures consistency across our developments. It exceeds building regulations on energy efficiency, meets nationally described space standards, and supports designs that respond sensitively to local character.

Where defects arise, we hold contractors and developers to account, with a particular focus on fire safety-related issues. Where necessary, we will continue to pursue legal action to secure remediation by those responsible. This approach protects Hastoe's financial position, saving millions of pounds and enabling continued investment in our existing homes.

	New homes started on site	Completed new homes
2025/26 performance	36	58
2026/27 target	97	84
2027/28 target	100	67
2028/29 target	100	106

Objective five

Run a professional, efficient organisation and be an excellent employer

We are committed to investing further in our colleagues.

Hastoe has around 130 employees, working across a range of roles and a wide geographic area. We recognise that people perform at their best when they are set clear targets, and feel motivated, equipped and empowered to fulfil their role.

We have high employee satisfaction, but the current employment market remains competitive, and some roles have proved challenging to fill. We will trial the use of an in-house recruiter, to better identify, attract and on-board new talent. Our aim is to attract high-calibre colleagues who are aligned with our values, and thereby reduce the number of employees who leave in their first year at Hastoe.

We will continue to invest in our employees and encourage ongoing training and Continuing Professional Development (CPD), including ensuring that our staff meet the new competency requirements in the Regulatory Standards.

We aim to maintain our business resilience

We have taken a number of steps to further strengthen our cyber-security, including the implementation of a managed detection and response service and achieving Cyber Essentials accreditation. The threat is ever-evolving, so we will aim to further improve our cyber-security, while also ensuring that we are prepared to respond in the event of a cyber-attack.

	New starters that leave within one year	Microsoft security score
2025/26 performance	18.4%	88%
2026/27 target	< 20%	> 80%
2027/28 target	< 18%	> 83%
2028/29 target	< 15%	> 85%

Our delivery plan for 2026/27



Delivering objective one

Deliver good-quality services for our residents that meet their needs

Customer service

We want to keep improving our customer service, ensuring it is consistently high quality. We will answer more enquiries at the first point of contact, to avoid customers needing to contact multiple people. We will move more services into our customer teams, to streamline the customer experience, and continue developing the team's skills and knowledge to enable them to deal with more enquiries in the first instance.

Our data suggests there is too much unnecessary customer contact that may in fact be detrimental to the customer experience. We plan to evaluate this with the aim of improving our approach to customer communication, so we only provide communication that is necessary, timely and relevant.

Resident engagement

We aim to treat all our customers with dignity and respect, provide equitable access to services, and promote an inclusive culture that values diversity. Knowing about our residents is crucial to providing effective delivery of services for people with different needs. We will continue with our programme of Tenancy Audits in the coming year, to better understand who our residents are and help us uncover issues and refer residents to relevant support agencies as required. Some 40% of our residents (figures from 2025/26 TSM survey) have indicated to us that they have a disability or long-term health condition, and we want to improve accessibility and our services for those customers, to ensure they have a better experience.

Our approach to customer engagement starts at the top and continues at all levels in the organisation. We appoint a resident to our Board to ensure there is always a customer perspective when discussions and decisions are made at Board level. Our Executive team and Board members will continue to regularly attend engagement events to hear first-hand from customers. Directors will also continue to deal with Stage 2 customer complaints, ensuring they directly understand the themes and issues arising to drive service improvements and focus on our strategic priorities.

Each year we set out our customer engagement plan and evaluate the previous year's outcomes. This is to ensure that how we engage is relevant, up to date and informed. We have a range of different methods for customers to be engaged, so

everyone has an opportunity to influence how our services are delivered. This ranges from liaising with our estate teams, to drop-in days, consultations, formal meetings and Executive phone days, amongst others.

We take our responsibility to our customers very seriously and will continue to communicate our learnings and improvements via our [bi-monthly tenant and homeowner newsletters](#), on our [website](#) and in our [Annual Report for Tenants](#).



Estate services

We will consult on employing more directly employed caretaking colleagues, as we know this is preferred by residents. We will recruit an additional Estate Services Manager to enable improved contract management and focus on value for money. We will also implement GIS mapping software to improve management of boundaries and trees, and further down the line we intend to introduce flood mapping and drainage data. This will enable many routine boundary and estate services enquiries to be dealt with at the first point of contact by the Customer Services team, providing an overall faster service for residents.

Homeowners

Previous engagement and feedback have shown we need to place more focus on the specific needs of homeowners (shared owners and leaseholders). Following feedback, we have introduced a homeownership newsletter, recruited a specialist Homeownership team, and held our first online engagement session with homeowners. We will hold scheme-specific meetings for leaseholders facing larger bills for required major works, as we understand that these bills can be unsettling and the process can be confusing. We will focus on the changes we need to make to our services in line with legislative changes and ensure we keep our homeowners informed.

Aim	Action	Outcome
Improve customer satisfaction	Review customer communications to ensure they are relevant, planned and targeted, and update the Board on our progress.	Reduce unnecessary contact, to free up staff and customers' time to focus elsewhere.
	Recruit a specialist Complaints Officer for housing, estates and homeownership.	Improve quality, responsiveness and where possible, the resolution.
Improve resident engagement	Deliver the Customer Engagement plan for 2026/27, with a focus on driving up engagement through the opportunities offered and offering more engagement for our homeownership customers.	Develop a better understanding of our customers and their needs; demonstrate an active interest in our residents, to increase their confidence in engaging with us.
	Offer all our leaseholders who receive large service charge increases a meeting to explain the increase in detail, listen to feedback and offer support where we can.	Improve the service, satisfaction, and transparency for leaseholder service charge bills.
Improve our housing services	Review our tenancy agreement for new tenants, to ensure that our tenancy reflects good practice and is effective for both tenants and Hastoe.	Create an up-to-date tenancy agreement that is effective for both tenants and Hastoe.

Aim	Action	Outcome
	Achieve Domestic Abuse Housing Alliance (DAHA) accreditation, in recognition that housing providers are often the first point of contact for individuals experiencing domestic abuse.	Assurance we are providing a good service to our residents who may be experiencing domestic abuse.
Improve our estate services	<p>Increase transparency of service charges to comply with the Leasehold and Freehold Reform Act:</p> <ul style="list-style-type: none"> • Introduction of standard service charge demand • Introduction of an annual report/ statement of account • Provision of information and documentation on request • Publication of administration charge schedule • Proactive disclosure of specified building and insurance information. 	Improved services for all residents, but specifically for homeowners who pay for more services via their service charge.
	<p>In consultation with residents, increase the number of directly employed caretakers, so we have a greater presence on our schemes.</p> <p>Appoint an additional Estate Services Manager.</p> <p>Consult with customers and begin recruitment of additional caretakers.</p>	Provide a more visible, accessible service to residents and improve customer satisfaction.

Key Performance Indicator	2025/26 performance	2026/27 target
Customer service		
Overall customer satisfaction (TP01)*	65.8%	70%
Satisfaction that the landlord listens to tenant views and acts upon them (TP06)*	53.8%	56%
Satisfaction that the landlord keeps tenants informed about things that matter to them (TP07)*	67.5%	70%
Agreement that the landlord treats tenants fairly and with respect (TP08)*	75.5%	80%
Satisfaction with the landlord's approach to handling complaints (TP09)*	27.4%	35%
Satisfaction that the landlord keeps communal areas clean and well maintained (TP10)*	63.1%	68%

Key Performance Indicator	2025/26 performance	2026/27 target
Satisfaction that the landlord makes a positive contribution to the neighbourhood (TP11)*	50.8%	52%
Average call waiting time into Customer Services 0300 123 2250	2 minutes 52 seconds	< 3 minutes
Stage 1 complaints responded to within Complaint Handling Code timescales	93.9%	100%
Stage 2 complaints responded to within Complaint Handling Code timescales	100%	100%
Social and affordable arrears	2.3%	2.6%
No. of findings of Severe Maladministration by the Housing Ombudsman	0	0

* Tenant Satisfaction Measures Survey

Delivering objective two

Maintain and invest in safe, energy-efficient homes

Knowing our homes

We maintain accurate, up-to-date records on property conditions, EPC ratings and any hazards under the Housing Health and Safety Rating System (HHSRS). We will combine this data alongside repairs history, compliance assessments and analysis of customer feedback, to help us identify emerging issues, monitor contractor performance and ensure value for money. We will complete the current five-year cycle of independent stock condition surveys by the end of 2026, and use this data to begin preparing for the implementation of the new Decent Homes Standard that will apply from 2035.

Our repairs data shows that 12% of our homes generate over 70% of repair orders and account for 25% of the repairs budget, with these properties averaging eight repairs

a year compared with three across all our other homes. We routinely analyse these properties to support a programme of targeted inspections. This insight also enables us to challenge contractor performance more effectively and track repairs not completed satisfactorily on the first visit, helping us reduce repeat call-outs and improve value for money.

Responsive repairs

We have strengthened our repairs service by using our data more effectively and investing in staff training. Better contract management has helped us control costs, improve on-time repairs, and challenge inaccurate contractor reporting. In 2025/26 we introduced new reporting to improve oversight of repair orders and contractor-requested variations; however,

12%

of our homes generate over 70% of our repair orders

we still raised more than 12,000 electrical, carpentry and plumbing orders. In 2026/27 we will review how these repairs are delivered to ensure first-time completion at the right cost, including assessing the benefits of employing electricians for testing and remedial works. We will also begin scoping a directly employed electrical team to undertake compliance testing and associated works, considering health and safety requirements, resources, supply chains and HR implications.

Building safety

We have continued to make progress on building safety and secured government funding through the Cladding Safety Scheme, and we will carry out the required works over the next three years. We remain committed to meeting all our statutory duties, ensuring our homes are safe and compliant. We operate a robust fire risk assessment process to ensure ongoing compliance with all fire safety and building safety regulations. We also completed the move to a five-year electrical testing cycle. We are looking further at the costs associated with electrical testing and will do more analysis to understand the drivers behind this and ensure we continue to provide a safe, value-for-money service.

We will continue to ensure effective oversight of landlord compliance through

our internal controls process, audits and reporting arrangements to the Board.

Energy efficiency

Hastoe has a long record of building energy-efficient homes, with around 80% of our stock already achieving EPC C or above, and all new homes built to our Hastoe New Build Standard achieving EPC B. We will carry out detailed reviews of all homes below EPC C, including physical retrofit assessments, to understand what practical measures could realistically be installed to improve the energy performance. This will give us an accurate picture of what is required to meet the 2030 target and will directly inform future investment decisions.

We are also preparing for the long-term transition to net zero carbon, recognising the changing technologies, skills and costs

involved. Our financial plan already stress tests for the increased investment likely to be required. In the meantime, we will continue to take a fabric-first approach by improving insulation, upgrading energy-efficient heating systems and building new homes to high efficiency standards.

Damp and mould

We have strengthened our damp and mould procedures to ensure compliance with Awaab's Law, including updating governance reporting so the Board has clear oversight of our statutory responsibilities. We continue to take timely action to address damp and mould in line with regulatory expectations, while providing customers with ongoing support and guidance to help prevent issues arising. As poor ventilation is a key contributor to condensation and

mould, we are reviewing our approach to ventilation repairs.

Our analysis shows some newer, highly energy-efficient homes have experienced damp and mould. As part of the works undertaken to address and remove hazards within these homes, we are working to understand why this is occurring. We are gathering more evidence each year through humidity monitoring, specialist investigations and resident engagement. Fewer than 1% of homes experience recurring issues, and for these properties we introduced remote monitoring devices to track internal conditions, such as temperature and humidity, so we can act proactively and meet our obligations to prevent health-related hazards. Alongside this, we will continue to advise customers on heating and ventilation to minimise the risk of damp and mould.



Aim	Action	Outcome
To have a more comprehensive understanding of our stock and continue to invest in our properties	Complete stock surveys of all remaining rented properties over 5 years old.	Reliable data to allow better planning, prioritising, and communication of future works. Maintain compliance with the Decent Homes Standard and assist in the preparation of the future standard.
	Complete an internal audit of our stock condition data to give assurance.	
	Undertake a review of stock data to outline works required to comply with the 2035 Decent Homes Standard. Present outcome of review to the Board in November 2026.	
	Improve our targeted approach to proactive inspections on properties with a high number of repairs, including MOT-style inspections where necessary.	Identify causes and remedies to reduce costs and improve customer satisfaction through the TSM indicators.
	Carry out detailed reviews of all homes below EPC C, including physical retrofit assessments to understand what practical measures could be installed to improve the energy performance. This will give us an accurate picture of what is required to meet the future Decent Homes and MEES targets and will directly inform future investment decisions. Present outcome of assessments and proposed works to the Board in November 2026.	Complete necessary health and safety works to ensure our homes remain safe and compliant. Understand the works required to comply with future Decent Homes Standards (including MEES) and ensure our resources are aligned.

Aim	Action	Outcome
To minimise impact on customers where contractors fail to deliver and continue to drive value for money	Evaluate employing more directly employed trades staff to work alongside contracting arrangements. Present proposal to Board in November 2026.	Increase our control over repairs and testing, fix our costs more, reduce administration, obtain better value for money by doing other things while at a property, reduce variations, and improve customer satisfaction.
	Review outcome of the renewable heating replacement pilot, including analysis of cost and customer feedback. Present outcome to Board in November 2026, setting out ongoing proposal for system replacements.	
	Undertake a review of our use of the National Housing Federation (NHF) schedule of rates and bring up to date.	
		Better value for money and customer experience. We will measure this by reducing complaints, lowering costs, and having more heating repairs/ replacements completed in time.
		Ensure our responsive contracts continue to be fit for purpose and that we are achieving best value for money with the NHF rates.

Key Performance Indicator	2025/26 performance	2026/27 target
Compliance		
Residential buildings meeting Decent Homes Standard (DHS)	99%	100%
% of homes over 5 years old subject to DHS surveyed in the last 5 years	75%	99%
Residential buildings with valid gas certificates	99%	100%
Residential blocks with valid fire risk assessment	100%	100%
Residential blocks with valid asbestos management survey	99%	100%
Properties with communal water facilities with valid risk assessment	77%	100%
Residential buildings with current electrical certificate	99.7%	100%
Communal passenger lifts with valid LOLER inspection	72%	100%

Key Performance Indicator	2025/26 performance	2026/27 target
No. of category 1 hazards under Housing, Health & Safety Rating System	12	0
% of damp and mould cases inspected within required timescales	95% (provisional)	100%
Repairs and maintenance		
Energy efficiency EPC 'C' rating or above	79.6%	82%
Re-let time (excl. major works)	20 days	20 days
High repair outlier addresses subject to property inspection	37%	90%
Repairs completed on time	90.4%	90%
Repairs completed on time (heating)	86.8%	90%
Number of repairs overdue by > 30 days	188	< 100
Reduce duplicate callers to Existing Repairs Line (% of callers who phoned on more than one occasion - property data only)	73%	10% reduction

Delivering objective three

Right homes, right places, to support our purpose

Non-aligned assets

We will progress the disposal of non-aligned assets, including three supported housing properties and a Traveller site that no longer supports our rural purpose. These disposals will be progressed with a focus on securing suitable long-term owners whose objectives align with the future use and management of the assets, while ensuring appropriate governance and value for money.

Options appraisals

We will undertake options appraisals on identified schemes to assess the most effective long-term outcomes for residents and asset performance. This will include consideration of investment, redevelopment, disposal, or alternative management approaches, informed by financial viability, resident impact, and strategic fit. In addition, we will review the wider asset base, including garage sites and land holdings, to identify other opportunities for disposal or redevelopment. Decisions will be guided by strategic alignment, geographical context, development potential and financial performance.

Stock swap and rural acquisition opportunities

We will explore stock swap and rural acquisition opportunities with other landlords where these would strengthen rural provision, improve stock mix, or enhance long-term sustainability. Opportunities will be assessed on a case-by-case basis to ensure they deliver clear strategic and operational benefits.





Trickle sales

We will continue with a small, targeted programme of property disposals, focused on assets with limited strategic fit, in order to release capital for reinvestment into core rural priorities while minimising operational risk and resident disruption.

Aim	Action	Outcome
Dispose of selected non-strategically aligned assets	Undertake a wider appraisal of our remaining urban stock and garage sites to identify opportunities. Recruit a Strategic Asset Investment Officer to co-ordinate, identify and progress investment opportunities. Undertake options appraisals at Chichester House. Dispose of hostels and Travellers' site. Update our reporting on progress through the Development & Sales Board report.	Dispose of the properties and where possible maximise the value to re-invest in line with our purpose.

Delivering objective four

Develop homes in rural areas to support the sustainability of rural communities

Strategic approach to rural housing delivery and sector leadership

Over the next three years, we aim to deliver approximately 300 new homes. This ambition will require close collaboration with landowners, local authorities, Community Land Trusts, Homes England and other sector partners.

300
new rural homes
aimed for delivery
over the next
three years

High development standards

In parallel, we will ensure that our development standards remain robust, future-proofed and aligned with emerging national policy. Following the introduction of the Future Homes Standard, we will undertake a comprehensive review of the Hastoe New Build Standard (HNBS), with particular emphasis on the role of renewable technologies. This review will balance upfront capital costs with resident comfort, energy efficiency, and long-term maintenance considerations, ensuring that our homes remain affordable to live in, resilient to regulatory change, and straightforward to manage over their lifecycle.

Building the case for rural housing

We will continue to play an active role in supporting and influencing the wider rural housing sector. During 2026/27, this will include the development of targeted case studies that clearly articulate the social, economic and community benefits of Rural Exception Site delivery. These case studies will be used to strengthen engagement with local authorities, funders and policymakers, alongside hosting a number of events to reinforce our role as a credible and experienced rural delivery partner.



Latent defects

Hastoe will continue to take a proactive and systematic approach to the identification and resolution of latent defects across our housing stock, with a clear strategic focus on fire safety-related risks. We will continue this programme of work as a significant operational and strategic priority, requiring careful programme management and the effective deployment of internal expertise, alongside meaningful engagement with our residents to ensure safety, transparency and confidence throughout the remediation process.

Aim	Action	Outcome
To support influencing work relating to the need for more RES developments	Complete case studies on North Molton (S106) and Hatfield Heath.	Case studies used to generate future development opportunities.
	Start case studies on Ellesborough and Parracombe.	
	Hold scheme openings at our Rural Exception Site developments at Curdridge and Hatfield Heath, alongside a start on site ceremony at Parracombe.	Host events to demonstrate the importance of rural housing at a wider sector level.

Key Performance Indicator	2026/27	2027/28	2028/29
Starts on site (rented/shared ownership)	97 (72/25)	100 (67/33)	100 (73/27)
Completed new homes	84	67	106

Delivering objective five

Run a professional, efficient organisation and be an excellent employer

Recruitment and retention

We have continued to have high employee satisfaction and we retained our IIP Gold status in 2022. This year we will be trialling Great Place to Work accreditation. However, the current employment market remains competitive, and some roles are more challenging to fill. We will continue to invest in our employees and encourage ongoing training, and we will trial the use of an in-house recruiter to help reduce staff turnover and increase the expertise of our existing Housing team, as well as attract a high calibre of candidate to these roles.

Cyber-security and technology

We have taken several steps to further strengthen our cyber-security, including the implementation of a managed detection and response service and achieving Cyber Essentials accreditation. In the coming year, we plan to run a comprehensive programme of tests to assess our preparedness for a cyber-attack. We will continue to invest in technology and, in the coming year, we will also look to develop our approach to the opportunities and risks presented by AI.

Financial planning and Treasury

Our aim of increasing our financial resilience will be assessed via our financial plan and comprehensive suite of stress tests, based upon the Board's review of prevailing sector and idiosyncratic risks. We plan to raise £15 million via the Affordable Homes Guarantee Scheme to maintain sufficient liquidity to fund our development programme.

Effective governance

We will ensure ongoing compliance with our Code of Governance and hold an independent review of governance. These are normally conducted on a three-year cycle and our last review was in 2023.



Aim	Action	Outcome
Improve recruitment and retention	Trial the post of in-house recruiter to directly search for candidates, particularly for roles that are hard to fill. The post will help provide a smoother, more professional onboarding experience for candidates.	Overall staff turnover under 20%. Fewer than 20% of new starters to leave within one year.
	Implement an applicant tracking system to supplement the new HR system.	Streamline the recruitment process for the candidate, recruiting manager and HR.
	Achieve Great Places to Work accreditation.	Make Hasstoe more appealing to prospective employees, focusing on our culture, values, training and career progression.
Maintain robust and effective governance	Ensure compliance with the revised elements of the UK Corporate Governance Code 2024.	Maintain compliance with the UK Corporate Code of Governance. Retain G1 governance regulatory rating.
	Review Board skills required to deliver Business Strategy.	
	Monitor succession plan and recruit new Board members, as required, to fill any identified skills gaps.	
	Hold an independent review of governance.	

Aim	Action	Outcome
	Prepare for and implement requirements of STAIRS.	Rebuild website to meet STAIRS compliance requirements – October 2026. Be prepared to provide ad-hoc STAIRS responses – April 2027.
	Ensure that relevant staff gain qualifications to comply with the new competency requirements of the Regulatory Standards and update the Hasstoe Code of Conduct accordingly.	Ensure compliance with the Regulatory Standards.
Continue to improve and develop cyber-resilience and business systems	Run a comprehensive series of business continuity exercises in response to a variety of theoretical cyber-attacks.	Improve Hasstoe's ability to continue to provide its key services in the event of a cyber-attack.
	Complete move of ActiveH (Hasstoe's housing management system) to the Cloud.	Improved resilience/performance of ActiveH.
	Replace Citrix to provide a faster, more stable way to deploy key systems, in particular ActiveH.	Increase speed and reduce downtime of key systems.
	Implement GIS mapping, initially for boundaries and tree management.	Improved procurement of estate services.

Key Performance Indicator	2025/26 performance	2026/27 target
Employee satisfaction	93%	90%
Employees that believe they receive appropriate recognition	83%	85%
Employee turnover (rolling year)	20.3%	< 20%
New starters that leave within one year	18.4%	< 20%
Microsoft security score	88%	> 80%
Microsoft exposure score	30%	< 29%
Critical vulnerabilities patch not applied within 14 days	2	0
Phishing test failure rate	5%	< 5%



Value for money

The Board is committed to delivering Hastoe's strategic objectives in a way that represents value for money.

This is driven by an awareness of the responsibility to use our assets and resources wisely, to protect our long-term future and to build and manage high-quality, energy-efficient homes that meet the needs of the varied communities in which we operate.

Hastoe uses the 3 E's model – aiming to increase economy, efficiency and effectiveness – to achieve value for money. The targets listed under each of the five objectives in this Business Strategy focus on the effectiveness in delivering Hastoe's ambitions. The table opposite sets out the Board's other targets for increasing Hastoe's economy, efficiency and effectiveness.

	2027	2028	2029
EBITDA MRI cover	157%	130%	133%
Social housing interest cover	144%	141%	141%
Operating margin (excluding fixed asset sales)	40%	40%	38%
Operating margin on social housing lettings	43%	42%	42%
Net margin (excluding fixed asset sales)	14%	14%	14%
Gearing (debt / cost properties)	49%	49%	47%
Gearing (debt / revenue)	5.2	5.3	5.0
New supply delivered (social housing)	1.6%	1.8%	1.8%
New supply delivered (non-social housing)	0.0%	0.0%	0.0%
Reinvestment	6.2%	8.8%	7.6%
Return on Capital Employed	4.4%	4.2%	4.2%

For more information, visit

hastoe.com