

Merger Statement

May 2023

SHAL's Board has adopted the National Housing Federation's Code of Governance 2020. The Code's guidance states that all organisations should have a discussion periodically about their future and whether they could deliver their mission better in collaboration with another organisation. The Board must take a clear and informed position on this. SHAL's Board considered this matter at their Board meeting on 24 May 2023 and this statement is the outcome.

SHAL's Board acknowledge the very difficult operating environment in which we are working to deliver our purpose to provide safe, warm, affordable homes for households who have been homeless or in housing need. Our strategic objectives have been set for the next 5 years as:

- To invest well in our homes
- To support people who are struggling financially
- To ensure that SHAL is a finally robust business

The priorities identified by our tenants have been a driver in establishing these objectives. The Board is determined to ensure the delivery of these priorities and acknowledges the risks associated with rising costs, increasing standards, the need to decarbonise and increase energy efficiency, and the need to invest in our people and our services to combat the impact of the cost-of-living crisis and stretched health and social care service.

The Board is not complacent about our ability to continue to provide quality homes and services within this context. The difficult financial decisions we have made over recent years aimed at ensuring the continued delivery of our purpose and our priorities mean that we have been able to increase our workforce, invest in learning and development and 'grow our own'. We have looked to maximise national and local government grant at the same time as we have sought increased value for money and redesigned systems to improve efficiency. The result is an empowered and confident team of professionals able to build relationships with our tenants and partners and deliver good quality homes and services.

We have co-created with our tenants and employees a set of commitments which underpin everything we do at SHAL:

1. Create a strong community
2. Build strong relationships

3. Provide quality homes and services
4. Include, listen and understand
5. Be transparent and accountable

The sense of relationship and community coupled with financial responsibility and risk awareness gives our business the strength and capacity to respond effectively to an operating environment of higher than inflation costs, increased standards, increased regulation, climate emergency and stretched public service support from partners. As a small community housing association, we aim to know our tenants, our employees, our suppliers and our partners well and to include them in the decisions we must take by listening to their concerns and understanding how we can respond effectively with them to our changing world.

We know that our strength is based on our relationships with the people we work for, the people who work for us directly and indirectly and the partnerships we have forged locally, regionally and nationally.

As a Board we welcome any opportunity to work with others who share our purpose and our values. It is of the highest importance to us that we do not undermine the sense of transparency, accountability and inclusivity we are building but rather that we grow our capacity to understand and respond to the communities we serve and to improve the quality of the homes and services we provide year on year.

SHAL's Board welcomes partnerships which can:

- Enable us to provide safe, warm, quality carbon neutral homes by 2050
- Increase the support we can give to people facing poverty
- Make SHAL a better, more inclusive employer
- Invest in the infrastructure of our business to improve governance, risk management and digital services which support the delivery of good quality homes and services

There are red lines for partnership working which reflect the values and the priorities we co-created with our tenants. We will not give up:

- Community – being part of the ecosystem of the communities we serve
- Relationship – our ability to deliver services in a way which puts relationship first
- The ability and opportunity to include, listen and understand
- Our transparency and accountability to our tenants and their communities
- Our ability to provide homes which are safe, warm and affordable
- Our people, who go the extra mile for our tenants and for each other every day

