



# **The Sovini Group**

## **Strategic Plan**

### **2026-2031**

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## Foreword from Chair of Sovini Board and Group Chief Executive Officer

When the pace of change is so fast, it is easy to lose sight of the many amazing things we have achieved over recent times through our unique, mutually beneficial business model and in the face of an extremely challenging operating environment. Firstly, we continue to deliver on our core purpose of creating additional financial capacity for our Registered Providers which is reinvested in our communities through development of much needed new homes, property improvements for exiting housing stock and better services.

Our Commercial entities have continued to grow, securing new business whilst servicing all internal contracts and we have expanded our range of charitable activities to fund investment in projects that enhance social value. The upshot of this is sustained high level performance, more employment / training opportunities for local people, improved profit margins through our commercial activity and effective strategic partnerships.

Our continued success is achieved through our culture of collaborative working / joint approach to problem solving, the efficiencies we drive through shared central services, innovative use of technology and most importantly the passion of our people.

These ingredients combined have allowed us to remain strong as a collective against a backdrop of sustained high inflation and interest rates, material supply shortages that have impacted the wider sector and uncertainty / delays over government backed funding streams such as the Social Affordable Homes Programme. We also know there will be further challenges to overcome over the course of this Strategic Plan from a raft of new legislative requirements, expectations to 'deliver more for less' through measures such as a revised Decent Homes Standard, The Future Homes Standard and net zero carbon commitments.

We are, as ever, confident these challenges will be met and overcome. We are also extremely optimistic as we enter an exciting period with many opportunities for continued success, with long term rent settlements and rent convergence measures bringing financial stability allied to our sound financial and risk management practices. Our partnership initiatives with local authorities such as the 'Sefton 2030' project and community led initiatives such as 'Destination Dingle' are set to deliver growth opportunities for all areas of the Group and we will continue to market our complete end-to-end housing solution to the sector so others can benefit from our assurance of successful delivery.

Colin Marshall – Chair of Sovini Group Board



Roy Williams – Sovini Group Chief Executive Officer



Commented [JC1]: Strategic Plan or Corporate Strategy?

Check throughout cover/plan

## Vision

### **A better Future**

Our vision for 'a better future' applies to everyone that is touched by our business activities. This includes the people that live in our homes and receive our services, the communities we enhance through our business activity, the contributions we make to economic prosperity in our areas of operations and our staff who make it all possible.

## Mission

### **Creating opportunities and changing lives**

The overall purpose of The Sovini Group is to increase financial capacity for its core business activity of providing low-cost homes for rent and sale via the Registered Providers (currently One Vision Housing and Pine Court Housing Association). This is captured by our slogan of 'all roads lead to home', signifying all entities in the Group work towards this purpose.

This is generated through commercial activity, interest paid on inter-company loans, recurring VAT savings from self-delivery, efficiencies through economies of scale / technological innovation and when conditions allow – 'Gift-Aiding' a proportion of profits achieved by Sovini Commercial.

In addition to their own means of revenue generation, the Group model provides the Registered Providers with additional financial capacity to:

- Continue to invest in existing housing stock to improve living conditions for customers and ensure the housing offer is competitive and demand remains strong
- Maintain properties at levels above and beyond the prevailing Decent Homes Standard
- Meet building and fire safety requirements necessitated by existing and forthcoming legislation and all other compliance requirements
- Improve the environmental performance of properties to meet carbon reduction targets and limit, as far as is possible, the energy expenditure for customers
- Expand development programmes for provision of new homes for rent and sale

Through the provision of efficient central services and shared back-office systems, infrastructure and support, including sound risk management procedures, the Sovini model also provides the right environment for the Commercial companies to achieve growth / business diversification and improved financial resilience to external market forces through guaranteed workstreams.

With all Sovini Group entities working in inter-related fields, opportunities exist to maximise the supply chain and offer unique and comprehensive service packages or full end-to-end processes for all property construction, maintenance and management needs.

Central to everything The Sovini Group does and strives to achieve are the twin pillars of excellent customer service / experience and an inclusive / positive working culture for our people to thrive and achieve together.

## Our Values

Underpinning our purpose the Group has an agreed set of values:

- **Success** – we will be the best
- **Passion** – we love what we do
- **Authenticity** – we do what we say
- **Courage** – we dare to be different
- **Enterprise** – we never stand still

## Our Strategic Aims

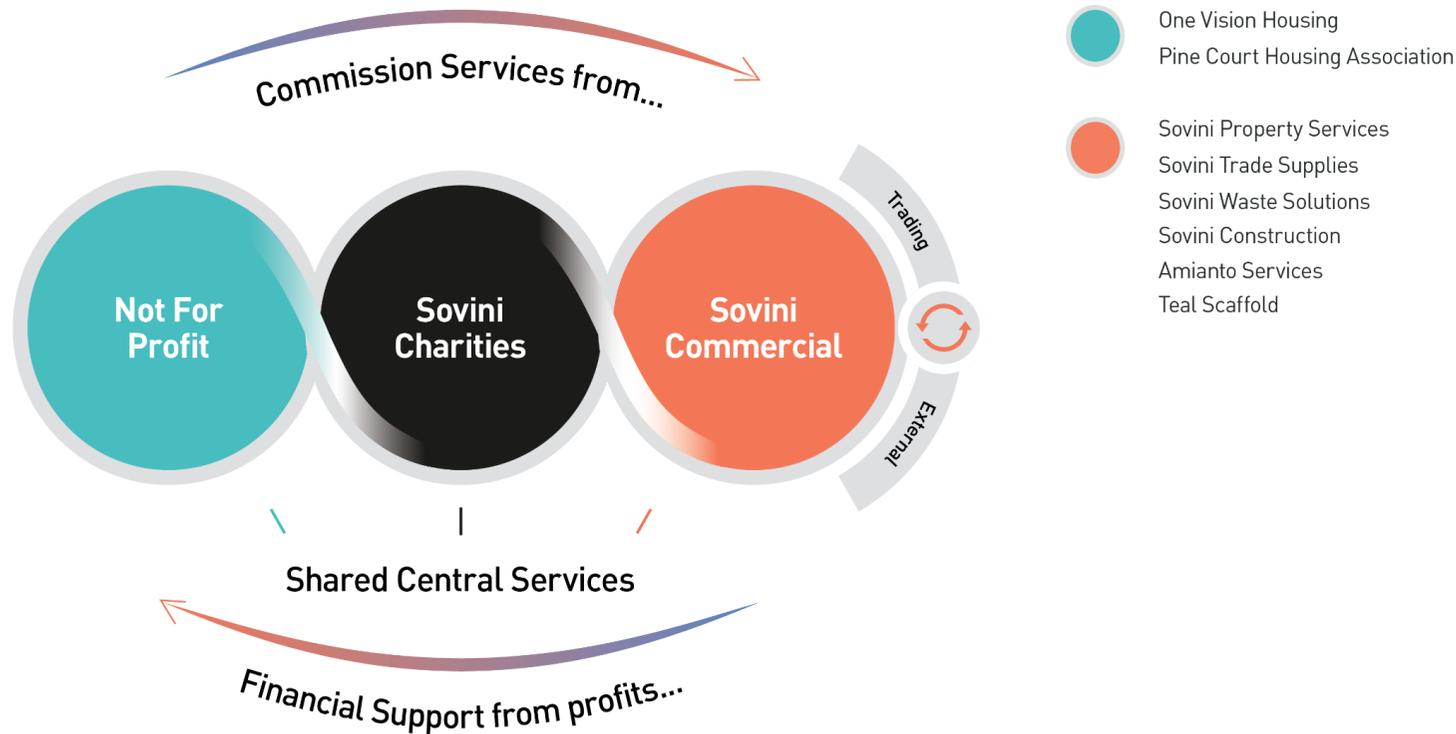
- **To maximise efficiencies and Value for Money** - Achieve efficiency, value for money and business innovation
- **To maximise stakeholder value** – Deliver outstanding services and achieve performance standards that fulfil every expectation of customers and clients, whether they are part of the Group or external partners
- **To ensure compliance and regulatory excellence** – Meet all legislative, regulatory and compliance requirements including an excellent track record for promoting health and safety for all who are impacted by our operations and areas of business activities
- **To maintain our established reputation** – Promote the benefits of working with The Sovini Group and for it to be known for quality and ethical service delivery
- **To promote excellence in people management** - Promote a collaborative, supportive and progressive working environment and culture
- **To maintain profitability and viability** – Ensure expected revenue is maintained to be able to deliver on all Group aims and objectives
- **To achieve growth and build resilience** – Drive sustained revenue and profitability to assist the Group in realising its ambitions, ensuring long-term viability and in surpassing its strategic goals

## Sovini Group Structure and Business Model

The Sovini Group structure brings together clients, contractors and suppliers under the same umbrella benefitting from shared central services, systems and support provided by the parent Company – Sovini Limited.

Sovini Limited (an unregistered, non-charitable Community Benefit Society) provides oversight of all Sovini entities operations and is accountable to the Sovini Board who set and approve strategic direction.

The diagram below demonstrates the Sovini business model in action. In essence everything the Group does and strives to achieve is for the ultimate benefit of the Registered Providers of social housing:



## Where are we now?

### Context

All Sovini entities are impacted by factors in the macro-operating environment e.g. the economy or government policy, whilst the interconnected nature of the Group means factors that are 'sector specific' will also apply universally. The operating context for the 2026-31 review of this Strategic Plan shows several opportunities and potential challenges, as follows:

### **Opportunities:**

- Confirmation of an index linked longer term rent settlement (annual rent increases for the Group Registered Providers of CPI +1%) for the period 2026–31 provides a degree of financial stability. However, this arrangement could change if there is a shift in government following parliamentary elections or if broader economic disruptions occur
- Confirmation of rent convergence measures in January 2026, allowing additional rent increases for properties not yet at formula rent (£1 per week from April 2027 and £2 per week from April 2028 until target rent is achieved), increasing longer term financial capacity (subject to the same risk factors as above)
- The ten-year Social Affordable Homes Programme (SAHP) will provide £39bn in grants for new homes, with bidding starting in February 2026 and 60% allocated to social rent
- Warm Homes: Social Housing Fund Wave Three (grant funding to improve energy efficiency / retrofit measures in existing properties) — £1.29bn confirmed for the period 2025–28
- Confirmation of a government-backed low interest loan scheme amounting to £2.5 billion for the period 2026-31
- Our local strategic partnership initiatives, which continue to unlock further development and collaborative growth opportunities across the region

### **Challenges:**

- Areas of increased expenditure required to meet legal requirements, including building safety, net zero carbon commitments, the revised Decent Homes Standard, Minimum Energy Efficiency Standards (MEES) and the phased introduction of Awaab's Law
- The national economy is not performing in line with government and Bank of England targets, characterised by slow growth, higher-than-expected inflation and sustained elevated interest rates

- Market conditions for sales from shared ownership, rent-to-buy products and ‘up-staircasing’ remain challenging, impacting potential and predicted revenue. Forecasts for house price growth have been revised downwards, transaction volumes have weakened and mortgage affordability remains constrained
- Net build costs per unit have increased and margins for new build properties have reduced due to higher specification requirements (e.g. Part L of Building Regulations and Future Homes Standard). The construction sector continues to face significant cost pressures, with the Building Cost Information Service (BCIS) projecting a 19% rise in labour costs and a 15% increase in material costs over the next five years, set against a backdrop of wider inflation and interest rate pressures

Current performance / position statements	
<b>Group-wide</b>	<ul style="list-style-type: none"> <li>• Competitive pay allied to extensive health and well-being programmes / professional development opportunities contribute to a positive working culture</li> <li>• Unique Group model built on strong collaborative working practices that is mutually beneficial for all partners</li> <li>• All Group-wide accreditations and externally verified quality marks (relevant to business area) retained including ISO45001, ISO9001, ISO14001, ISO27001, ISO27701, Investors in People (Platinum Standard) for ‘people’ and ‘wellbeing’, Customer Contact Association (Global Standard), Disability Confident Employer, Mindful Employer, LGBTQ+ Housing Pledge, Navajo Merseyside &amp; Cheshire LGBT Charter Mark, ROSPA Gold Standard</li> </ul>
<b>Sovini Registered Providers</b>	<ul style="list-style-type: none"> <li>• A data driven Sustainability Index is in place, driven by Power BI reporting (externally verified) to inform future investment decisions and options appraisals coupled with comprehensive Stock Condition information. Utilising internal skills and resources instead of ‘off-the shelf’ solutions has delivered considerable VFM savings</li> <li>• Use of Reduced Standard Assessment Procedure (RdSAP) methodology coupled with net zero Carbon Management System / Carbon Accounting Software has led to a better understanding energy of performance of properties, determining investment requirements and assisting in preparation of funding bids for Warm Homes: Social Housing Fund (replacement for the Social Housing Decarbonisation Fund) and introduction of MEES for social housing</li> <li>• The Registered Providers have maintained top quartile performance across a range of KPI’s when benchmarked against comparable providers and have delivered positive performance in annual Tenant Satisfaction Measures reporting</li> <li>• The Registered Providers have a strong track record of maintaining all compliance requirements and ensuring customer / staff health and safety and have taken proactive steps in dealing with issues of damp, mould and other property hazards (in line with Housing Health and Safety Rating System / Awaabs Law requirements)</li> </ul>

- The rent settlement for 2026-36 (CPI +1%) and confirmation of Rent Convergence mechanism from 2027 onwards brings improved financial stability and ability to forward plan (application of all rent increases will be accompanied by affordability assessments and by ensuring there are appropriate support mechanisms in place for customers who experience financial hardship)
- **One Vision Housing (OVH)** – Board approved Business Plan commitment for future development pipeline of £247m up to 2030 to deliver circa 1,700 new homes – allied to track record of securing Social Affordable Homes Programme (SAHP) funding via Continuous Market Flex Opportunities, Section106 opportunities and land-based deals in conjunction with Sovini Land Acquisitions and Sovini Construction
- In December 2024 OVH retained G1 (Governance) and V1 (Viability) status following a Stability Check from the Regulator of Social Housing (RSH) and is optimistic of a positive inspection result (outcome expected March/ April 2026). The Stability Check showed OVH has sufficient financial capacity to deal with a wide range of adverse scenarios
- **Pine Court Housing Association (PCHA)** – will use strong financial performance to continue – to seek appropriate development opportunities in its area of operations and will look to build on the proud tradition of supporting vulnerable BME groups e.g. through its partnership with Liverpool City Council’s Afghan resettlement scheme

Commented [JC2]: Should this be 2024?

Commented [KB3R2]: Yes well spotted

#### Sovini Commercial Entities

- **Sovini Commercial (SComm)** – All entities have faced continued upward pressure on the cost base including employee costs through minimum wage and National Insurance, fleet lease costs, insurance premiums and waste disposal increases. Added to this the continued low volume new build housing starts both internally and externally has seen a slowdown in top line turnover. To mitigate these impacts there has been a focus on gross margin and operating costs. This has been achieved by a collaborative approach to reduce spend outside the Group with self-delivery, material spend and subcontractor supply chains. All external trade has been reviewed to ensure ongoing profitability supported by improved material buying margins
- **Sovini Property Services (SPS)** – SPS are inline to achieve £34m of Turnover in 2025/26 with 5% of this from external contracts, the majority of this is from Halton Gas/Voids works of £1.5m. Through the second half of the year SPS have driven Estates Services as an external offering and have won work with Cobalt and Liverpool City Region (LCR). SPS have also been successful in a tender for the grounds maintenance for Merseytravel which will give them access to other LCR infrastructure works e.g. Merseyrail. Due to the reliance on internal turnover, focus has been on efficiencies and cost control, this has been led by a restructure of the Commercial Team and an increased emphasis on gross margin performance to drive EBITDA
- **Sovini Trade Supplies (STS)** - – STS are expected to achieve £25m turnover for 2025/26 which is slightly behind the previous year. Internal sales now contribute only 25% of total sales with traditional merchant sales now 50% of total turnover. The lack of growth both internally and externally has been due to the ongoing downturn of new build housing starts which continue to be at their lowest since 2012. Over 2025/26 the first part of the systems upgrade was introduced in STS with Bistrack 202X going live in Q3, which over time will improve day to day operational processes and business intelligence overview to focus sales growth. The membership of the National Buying Group (NBG) continues to drive gross margins through market leading deals and £1.6m of rebates is expected over 2026/27
- **Sovini Construction** - Despite the challenging operating environment for construction, the focus over 2025/26 has been on completing the three live OVH schemes, with 185 homes due to be handed over before April 2026. As at February 2026 there are several schemes at the design and planning stages and there is an anticipated pipeline being developed by Sovini in partnership with Sefton Metropolitan Borough Council. By 2026/27 it is anticipated that there will be at least 3 Projects breaking ground

- **Teal Scaffold** – In 2025/26 Teal have focused on internal delivery, moving away from the high-complexity, low-margin external jobs. They have developed a working at height offer with the key SPS workstreams and focused on the end-to-end process to drive overall efficiencies. This has included moving to cost saving PASMA scaffolding where appropriate and working with the operational teams to reduce time on site
- **Amianto Services** – 2025/26 has been a strong year for Amianto, they have successfully renewed their Asbestos removal license for 3 years with no conditions, reinforcing the quality of work delivered in that area. They have also continued to grow their FIRAS workstreams by winning external works and continue to deliver Damp, Mould and Condensation (DMC) works for the Group. Turnover is expected to be £3.6m with a third of this from External contracts
- **Sovini Waste Solutions** – SWS has seen turnover flat versus the previous year but with a shift towards external volume, this has been due to the downturn of SPS and SCL budgeted works and the continuing growth of the external trade driven from the link with STS direct selling. SWS have experienced considerable waste disposal cost increases and repairs to aging machinery over the last year which has impacted operating margins, but a review of pricing and profitable operating regions has mitigated this impact
- **Sovini Land Acquisition** – Have identified several strategic sites (as at February 2026) that are under consideration and the necessary searches and due diligence are progressing

#### **Sovini Charities**

- Improved processes are in place to maximise the charitable contributions of external companies in The Sovini Group supply chain and for centralised control over Sovini sponsored charitable events / fund-raising activities via Sponsorship Steering Group

## Where do we want to be?

In its simplest terms ‘where we want to be’ is working towards our strategic aims (as set out above on page five). Listed below are number of high-level priorities we want to achieve over the course of this Strategic Plan as a collective Group. The section below ‘How are we going to get there’, contains more detailed actions for different entities within the Group including our continued push for digital transformation.

### **Sovini Group Priorities 2026-31**

- Review our business accommodation options in line with our growth aspirations and targets, reducing expenditure on leasing arrangements and facilitating our agile working methods
- Ensuring Sovini Construction maximises opportunities through the strategic partnerships we have established including the Sefton 2030 project and using this model as a template for working with other local authorities to be a prime delivery vehicle for development and regeneration in these areas

- Continuing our successful development programme and ensuring a future pipeline with targets to build circa 300 new homes a year over the course of this strategy
- Leverage of high performance and ESG reporting to secure favourable refinancing deals
- Build on the successful and unique partnership with the Florrie Community Land Trust and explore replication options of this trailblazing venture
- Develop working relationships with local authority partners and demonstrate how our integrated supply chain / delivery model can deliver efficiency / cost savings in areas such as asset management
- Continuously review our supply chain to maximise opportunities for self-delivery
- Explore possibilities and strategic partnerships for increased use of Modern Methods of Construction in development programme

### How are we going to get there?

This Strategic Plan for The Sovini Group (2026-31) is the key Strategic document for the Group and is supported by a number of organisational Strategic Plans, that when viewed collectively make-up the Sovini Strategic Planning Framework.

The Strategic Plans dovetail together across different parts of the business and at different levels e.g. The Sovini Commercial Strategic Plan (incorporating all Sovini Commercial entities), individual entity-level plans for the Group’s Registered Providers and cross-cutting Strategic Plans that are relevant to all entities such as our IT and People Strategies.

Our Strategic Planning is subject to an annual refresh and approvals process, to ensure plans remain fit for purpose and will contain an appropriate level of detail (with a much greater level of detail contained in Service Delivery Plans monitored / managed through the Group-wide Performance Management System).

As this Strategic Plan sets the overall tone and direction for the Group, listed below are the ‘high level’ actions we will undertake to achieve our growth and business / digital transformation ambitions over the period 2026-31.

Sovini Group Registered Providers	
Growth Opportunities	High Level Actions
<ul style="list-style-type: none"> <li>• Increased stock numbers and geographical spread of property portfolio through development</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Registered Providers</b> will through Continuous Market Engagement seek to access Social Affordable Housing Programme Funding (£39bn available nationally between 2026-36) to support the development programme. Delivery targets will take account of longer payback</li> </ul>

<p>programmes and other providers joining the Group in a federated structure, merger or acquisition</p> <ul style="list-style-type: none"> <li>• Secure external funding opportunities</li> <li>• Diversification of housing offer and tenure types and continue to meet sales targets from home-ownership products (subject to grant conditions)</li> </ul>	<p>periods on social/ affordable rent products as opposed to low-cost home ownership products and higher build costs through higher specification requirements (e.g. Future Homes Standard) A pragmatic approach will also be taken to 'windfall' Section 106 deals within reasonable drive times of core delivery areas and internal supply chains. A close watching brief will be maintained on any opportunities that arise through the Ministry of Housing, Communities and Local Government reinvigoration measures for Section 106, announced in January 2026 and proposed changes to the National Planning Policy Framework</p> <ul style="list-style-type: none"> <li>• Longer term, Sovini Registered Providers will look to utilise improved financial position / stability (longer term rent settlement / Gift Aid from within the Group / refinancing options and headroom within Business Plan) to increase development capacity, where possible maximising the end to-end intra-Group process from land purchase, material supply, construction through to maintenance / management</li> <li>• Registered Providers will look to maximise close partnership working with Liverpool City Region Combined Authority for potential access to funding via the Integrated Settlement for developments / land acquisition and retrofit measures to improve property energy efficiency through Warm Homes: Social Housing Fund Wave Three</li> <li>• One Vision Housing will look to replicate the partnership arrangements with Sefton 2030 project and Destination Dingle using these initiatives as a template for working in other areas / projects</li> <li>• <b>Sovini Land Acquisition</b> to bring forward fully permissioned development opportunities across Northwest region (in synchronicity with the wider <b>Sovini Group</b> operations e.g. within easy transport reach of <b>STS</b> distribution centres to facilitate build by <b>Sovini Construction</b> and delivery of future maintenance contracts by <b>SPS</b>)</li> <li>• <b>Sovini Ltd</b> will also welcome approaches from external Registered Providers on options for Group membership (with all proposals subject to thorough due diligence, right cultural fit, mutual business benefits and appropriate Board approvals)</li> <li>• Through central support services provided by the Asset Management Team, explore resources required to lead bidding process for external grant funding for carbon reduction / buildings safety measures (identifying appropriate projects / schemes and making applications)</li> </ul>
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Sovini Group Commercial Companies (SComm)	
Growth Opportunities	High Level Actions
<ul style="list-style-type: none"> <li>• <b>SComm</b> will continue to focus on the '3-Ps' - Profit, Perform and Protect detailed in the SComm strategic Plan and align with the groups aims, and values. This focuses on how the companies will work collaboratively to achieve collective goals underpinned by specific objectives. The four key areas of focus are:</li> <li>• <b>Internal Performance</b> – Maximising the potential of the internal supply chain and scrutinising any spend outside the Group for opportunities. The service, pricing and delivery internally demonstrate value for money throughout the supply chain</li> <li>• <b>Customer Engagement</b> – Continue to develop our understanding of our collective customer profiles. Develop a marketing and media strategy that promotes the unique solutions the Group has to offer across a wide customer base</li> <li>• <b>Commercial Performance</b> – Drive bottom line growth through operational efficiencies and cost</li> </ul>	<ul style="list-style-type: none"> <li>• <b>SComm</b></li> <li>• Progress accommodation strategy to create capacity to facilitate additional growth and improve operational processes to reduce overhead costs</li> <li>• Develop a collective marketing strategy that highlights the variety of solutions <b>SComm</b> has to offer and the benefits of working with the Group</li> <li>• Centralising the commercial teams across <b>SComm</b> to take a holistic approach to prioritisation and delivery of <b>SComm</b> financial objectives maximising return on investment</li> <li>• Investigate expansion opportunities in the <b>SComm</b> offer which will not only strengthen our internal supply chain but create additional external opportunities</li> <li>• Work with central services to define and review performance, including distribution of Service Level Agreement across <b>SComm</b></li> <li>• <b>STS</b></li> <li>• Implement a bottom-up review of internal service working to drive collective efficiencies and define excellence to promote externally</li> <li>• Continue with the rollout of the Bistrack system upgrade with Warehouse Management and E-Commerce phases of the project</li> <li>• <b>SPS</b></li> <li>• Develop functional reporting that allows commercial review and root cause analysis to be undertaken on performance</li> <li>• Define the external offer in key areas (grounds maintenance and compliance) and target opportunities of growth</li> <li>• <b>Sovini Construction</b></li> <li>• Strengthen the delivery model in readiness for the pipeline being developed through the Local Strategic Partnership with Sefton MBC</li> <li>• Review supply chain partners, prioritising cost and quality</li> <li>• Develop 'Social Value Reporting' for every completed scheme</li> <li>• Maximise utilisation of the Sovini internal supply chain and key strategic partnerships</li> <li>• Develop the capacity to deliver 100% construction of the Registered Providers' development program by 2027</li> <li>• <b>Amianto / Sovini Waste Solutions / Teal Scaffold</b></li> </ul>

<p>reduction. Prioritisation of collective issues and intercompany processes to maximise return on investment</p> <ul style="list-style-type: none"> <li>• <b>External sales and growth</b> – Define the areas of our offer which are both competitive in the external market, operationally achievable and commercially viable. Identify key customer demographics to target with a focus on opportunities that develop multi-company delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Maximise the benefits of any Group accommodation actions by reducing lease, using capacity for growth and cost reduction. Refocusing on internal delivery and creating better value for Sovini Group partners e.g. reducing the need for external contractors on Sovini workstreams</li> <li>• <b>Amianto</b> – Targeting external growth across all areas now the offer with a defined and controlled service offer. Continued infrastructure investment in plant and equipment</li> <li>• <b>Sovini Waste Solutions</b> – Review pricing and service areas as a result of increased waste costs and explore investment required to reduce these costs</li> <li>• <b>Teal Scaffold</b>- Define offer to demonstrate value in the market and understand what future external growth is achievable</li> <li>• <b>Sovini Land Acquisition</b> <ul style="list-style-type: none"> <li>• Grow a network of landowners and land sales agents across the Northwest</li> <li>• Secure appropriate development sites for the Group's Registered Providers</li> <li>• Develop relationships with strategic housing partners (local authorities in target areas) to increase our chances of gaining full planning permission on purchased sites and reduce abortive costs</li> </ul> </li> </ul>
Sovini Group Charities	
Growth Opportunities	High Level Actions
<ul style="list-style-type: none"> <li>• Maximise charitable contributions from supply chain and fundraising events</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to maximise our charitable income through events such as the Sovini Winter Gala, partnerships and through sponsorship from our supply chain partners for local charitable courses as well as our principal beneficiaries</li> </ul>

The table below identifies the high-level business / digital transformation activities that will impact on all aspects of the Group, although it should be noted each individual Sovini entity will have much more detailed and business specific transformation actions which will be captured elsewhere in the wider Strategic Framework or Service Delivery Plans.

Sovini Group-Wide Business / Digital Transformation Activities	
What We Are Doing	What We Want To Achieve
<p><b>People</b></p> <ul style="list-style-type: none"> <li>• We will work with middle managers, creating personalised development plans to maximise opportunity for carer progression and to support succession planning</li> </ul>	<ul style="list-style-type: none"> <li>• Highly capable and motivated workforce able to meet all business requirements and adapt to a constantly changing business environment (internal and external to the Group)</li> <li>• Inclusive, happy and healthy workforce that is proud to work for The Sovini Group and act as its greatest ambassadors</li> </ul>

<ul style="list-style-type: none"> <li>• We will review our recruitment practices for managers to ensure we are assessing for people management skills alongside technical ability / knowledge</li> <li>• We will review workforce planning to optimise use of agency staff and to control costs</li> <li>• We will review our Employee Value Proposition to determine which elements of our comprehensive benefits package are valued most and we will ensure this information is included in job adverts to maintain a strong demand for job vacancies</li> <li>• We will ensure we meet new requirements of the Employment Rights Act as they are enacted</li> </ul>	<ul style="list-style-type: none"> <li>• Promotion / continuance of a unique working culture where everyone understands the contribution they make to achieving our overall vision of a 'better future' and purpose of 'creating opportunities and changing lives'</li> <li>• Staff retention, succession planning and career development opportunities</li> </ul>
<p><b>Infrastructure and process</b></p> <ul style="list-style-type: none"> <li>• We will continue to accelerate our transition to a digitally enabled organisation, embedding technology and data-driven decision-making at the heart of our operations. We will provide monthly progress reports to the Executive management Team to ensure all digital projects stay on track</li> <li>• We will use an evidence-based approach to ensure all digital projects achieve value for money and return on investment (through cost savings, improved service delivery, or enhanced customer and employee experiences)</li> <li>• The IT and People and Learning Team will work in tandem to ensure staff are conversant in using new systems and achieve maximum benefit from new technologies (including cloud platforms, data analytics, and AI capabilities)</li> <li>• We will maintain a 'digital roadmap' delivering bespoke digital projects specific to each service area or entity's business needs</li> </ul>	<ul style="list-style-type: none"> <li>• A service provision that is fit for modern business world, which is flexible and adaptable to fast paced change, new opportunity and is resilient to external shocks and uncertainty</li> <li>• Achieve operational business transformation whilst maintaining all customer and client expectations for service delivery and standards of performance (not losing site of the core purpose or the 'day job')</li> <li>• A Group business model that adds value through surety of supply, continuity of service and better control of expenditure e.g. delivering internal services at base costs (Teal and Sovini Waste Solutions), where possible, to maximise internal benefits</li> <li>• Shared systems that increase efficiency / reduce the need for manual input and potential for human error, offer greater visualisation of current position, intelligent data analytics to enable accurate forecasting and ability to react to real time situations</li> <li>• Scalability of systems to be able to accommodate business growth and easy integration with external client's systems</li> <li>• Integrated business planning, resource allocation and budgeting</li> <li>• Transparency of transactions (internal and external) and fast processing of invoices</li> <li>• Less reliance on the extraction and manipulation of data outside of the system via spreadsheet with inherent risks</li> <li>• Improved environmental performance through use of SAVA intelligent energy and carbon management / accounting software to</li> </ul>

	<p>determine investment priorities for pathway to net zero carbon emissions and to assist grant funding applications</p> <ul style="list-style-type: none"> <li>Enhanced customer safety through automation of Fire Risk Assessment checking regimes that will be available through the BIM system e.g. customers being able to access buildings safety information through the system and request updates to Personal Emergency Evacuation Plans (PEEPs) – where these are required</li> </ul>
<p><b>Marketing</b></p> <ul style="list-style-type: none"> <li>Over the course of this Strategic Plan the central Marketing and Communications Team will continue to offer an ‘account manager’ approach for each Sovini entity to ensure they reach their target markets for growth</li> <li>High level marketing actions for the 2026/27 period will include: <ul style="list-style-type: none"> <li>Delivering a detailed and segmented marketing plan bespoke to each part of the business against high level strategic aims, detailing target audiences, routes to market, key themes and specific projects</li> <li>Timely stakeholder publications to inform audiences on matters important to them</li> <li>Measurement of brand awareness and equity across the Northwest housing sector</li> <li>Quarterly audits to ensure regulatory compliance and customer experience</li> <li>Develop a crisis communication and public relations plan</li> <li>Monitoring, reporting and delivering on tender opportunities across the Group</li> <li>Gaining competitive advantage through marketing the Group’s modern methods of construction solution and end-to-end housing solution through integrated supply chain</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Promoting the benefits of working with the Sovini Group to external markets and ensure business growth opportunities are secured</li> <li>The account management approach will allow The <b>Sovini Group</b> entities to develop bespoke marketing materials and campaigns specific to their target markets or for joint marketing opportunities that may arise with external clients</li> <li>Protection and enhancement of the Sovini brand reputation</li> </ul>

## Risk management

The Sovini Group model is designed specifically to protect all Group entities and mitigate risk. As well as the overarching approach and assurance that is provided through group membership such as guaranteed workstreams and surety of supply, there are a number of detailed processes that are in operation to identify, manage and mitigate risk at The Group and individual entity level. This risk management framework includes:

- A comprehensive set of Risk Registers that are maintained within The Group-wide integrated performance management system
- Individual 'Risk Owners' who are assigned responsibility for managing and reporting on specific risks from the Registers and for instigating any remedial actions, where required
- Deployment of the 'Three Lines of Defence' model that includes Risk Identification / Internal Controls / Sources of Assurance for all existing and emerging risks (applicable to Sovini RP's)
- Verification of the effectiveness of risk management via a programme of Internal Audits (that will review all identified risks on a cyclical basis - applicable to the Sovini Registered Providers and Sovini Ltd)
- A review of risk management at each meeting of the Group-wide Executive Management Team
- A report on risk management at every Board meeting

The table below outlines the Sovini Group Strategic Aims and the associated Group Risks:

Sovini Group Strategic Aim	Associated Risks
To maximise efficiencies and Value for Money	<ul style="list-style-type: none"> <li>• Inadequate Financial Covenant Monitoring System</li> <li>• Inability of IT infrastructure to meet the business needs</li> <li>• Failure to comply, implement Procurement and Supply Strategy</li> <li>• Inability to demonstrate VFM</li> </ul>
To maximise stakeholder value	<ul style="list-style-type: none"> <li>• Ineffective Strategic Planning</li> </ul>
To ensure compliance and regulatory excellence	<ul style="list-style-type: none"> <li>• Failure to receive appropriate VAT and Tax advice</li> <li>• Failure to ensure the relevant entities within the Group comply with RSH regulatory requirements</li> <li>• Failure to mitigate an Information Security Breach</li> </ul>

	<ul style="list-style-type: none"> <li>• Failure to adapt and respond to ESG monitoring and reporting obligations (including a breach of Environmental Legislation)</li> <li>• Inappropriate Access levels to Systems and / or Information Management Failure</li> <li>• Inadequate Insurance Coverage</li> <li>• Non-Compliance or a Breach of Health and Safety (Employees and Customers)</li> <li>• Failure to prevent the impact of a significantly disruptive cyber-attack which adversely impacts operational processes and/or service delivery</li> <li>• Human Rights, Equality &amp; Diversity Breaches</li> </ul>
<b>To maintain our established reputation</b>	<ul style="list-style-type: none"> <li>• Fraud Corruption and Malicious Intent including Money Laundering and Failing to Prevent the Facilitation of Tax Evasion</li> <li>• Inability to limit liability and or risk to one entity</li> </ul>
<b>To promote excellence in people management</b>	<ul style="list-style-type: none"> <li>• Lack of people to deliver growth and quality services</li> <li>• Ineffective Management Structure</li> </ul>
<b>To achieve growth and build resilience</b>	<ul style="list-style-type: none"> <li>• Inadequate or Incorrect Business Intelligence</li> </ul>

### How are we going to measure it?

The strategic planning framework across The Sovini Group is underpinned by detailed Service Delivery Plans within a comprehensive performance management system where the success of the aims / actions of this Strategic Plan will be monitored via a range of key performance indicators. Where appropriate and where there are suitable comparables, performance metrics will be benchmarked against peer organisations with stretching targets in place to deliver top quartile performance.

High level success will also be assessed by retaining all externally verified standards and charter marks, through regulatory gradings (applicable to One Vision Housing), Tenant Satisfaction Measures (applicable to both Sovini Registered Providers), EBITDA for commercial entities and annual staff satisfaction measurements.

## Growth Aspirations

The table below outlines the key growth aspirations for the Group's Registered Providers over the period of this Strategic Plan. At the time of writing (February 2026) the Sovini Commercial Business Plan had not been finalised and will be presented to the Sovini Commercial Board in April 2026. When this information is available and approved, this table will be updated accordingly:

<b>Registered Providers (RP's) – (Figures in Millions)</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>2030/31</b>
Increase the number of properties within the Group  The opportunities for other RPs to join The Group will be considered and progressed where appropriate. Increasing the number of properties will provide opportunity for other Group members such as SPS			20,000		
<b>Positive Financial Performance – OVH (retained surplus after interest and tax)</b>  OVH will continue to achieve / outperform its financial forecasts, ensuring the long term viability of the organisation. [surplus/(deficit)]	5.23	10.87	7.20	6.56	3.36
<b>Positive Financial Performance – PCHA (retained surplus after interest and tax)</b>  PCHA will continue to achieve / outperform its financial forecasts, ensuring the long term viability of the organisation. [surplus/(deficit)]	0.20	0.36	0.55	0.35	0.50
<b>Develop new services within The Group / extend the Sovini offer</b>  Opportunities for developing new services will be explored. With a continued focus on the supply chain	√	√	√	√	√