



Strategic Business Plan 2016 - 2020



ANDIUM
HOMES

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Forward

As we approached the update of our first Strategic Business Plan, we wanted to review our initial objectives. Reassuringly, a year and a half on, the commitments made in our last plan remain firmly in place, though we have taken the opportunity to make some minor changes.

We also considered the objectives set out by the Housing Minister, within the recently published Housing Strategy. These align well with our current and new business objectives.

Our vision statement is:-

“Changing lives with great homes and services”

and over the next five years we shall be working hard to make this a reality for both our existing and future clients.

This Strategic Business Plan contains numerous and tangible deliverables, but some of the highlights are:-

- ◆ 100% Decent Homes by 2020 – four years earlier than originally planned;
- ◆ Over 1,000 new home completions – on existing and new sites;
- ◆ Greater emphasis on home ownership – over 300 new home owners over the 5 years;
- ◆ Working with the Parishes – to develop new sites and services;
- ◆ I.T. Strategy implementation – modern, mobile, managed systems and services;
- ◆ Development of “Extra Care” provision – assisting people to live independently for longer;
- ◆ Annual return of £27.5 million to the Treasury – maintain in line with the Transfer Agreement;
- ◆ Modern employment practices – motivated employees living the core values in a commercial culture.

Delivering a renowned client experience is very important to us and remains one of our six strategic objectives. We will maintain our commitment to client engagement. We will increase the numerous ways in which we communicate and, importantly, gain feedback from our clients about the services we provide and how we provide them. Our move to Don Street in June last year has enabled us to extend our opening hours, making our services available to clients on Saturday mornings. The office was specifically designed around the needs of our clients and provides an easily accessible and welcoming reception area and private meeting spaces.

2015 saw us deliver monthly community events across our range of homes, and we will continue to deliver these in 2016, working with partner agencies to bring a range of services to our clients doorsteps.

We have launched the Andium Academy. We will be delivering monthly workshops to a group of our clients throughout the year, explaining what we do, why we do it, how it is paid for and, importantly, the difference their input can make to everyday decisions. We will develop “Andium Ambassadors”; knowledgeable clients who can help us to spread this information to wider communities.

We have also embarked on a review of our Tenancy Agreement. Presently, there is a single agreement in place that has a set of prescriptive rules used to manage a minority of clients who disrupt the lives of their neighbours. We are working with our Tenants Forum to establish how our tenancy agreement, or perhaps a range of differing agreements, could be more appropriate and offer greater security of tenure for the majority of tenants.

2016 will also see us concentrating on the implementation of a new integrated Housing Management and Finance system. This will significantly modernise our I.T. systems and introduce new functionality that makes

our services more efficient to deliver. It also allows our clients more ways of accessing those services on line. The ability for our colleagues and contractors to access the system remotely will be a huge step forward, allowing for instant results, in real time.

Providing great homes in safe communities remains a key objective for us. There is still much to do in order to achieve the Decent Homes Standard across our stock of homes and this will continue to be a focus for us as we progress through the year ahead. We have put together a five year planned maintenance programme which sees us achieving 100% Decent Homes by 2020, some four years earlier than initially planned. We have already exceeded the target set for 2015, achieving over 88% compliance. We intend to maintain that momentum.

We will continue with our Estate Standard initiative and ensure that the standard of our outside and communal areas continues to receive investment and improvement. We have also increased our engagement with clients living within those communities. This, along with a commitment to act swiftly and firmly to resolve anti-social behaviour, and the introduction of a new “handyperson” service, will improve the standard of living and quality of life for all.

There have been significant benefits of working more closely with our clients. We are raising standards and building strong and safer communities. We carried out a survey in 2015 which demonstrated a 95% satisfaction rate, with clients being satisfied or very satisfied with the neighbourhood in which they live. We are regularly out of the office working within our communities. We also dedicate at least 4 visits a year to all our estates, not only to ensure that the communal areas are well maintained but also to engage and support the people living there. These visits are highly valued by us all.

Our objective of **supplying more homes and specialised services** also features in the Housing Strategy and is therefore part of our forward planning. We are already on site delivering 200 new homes and we plan to deliver a total of 1,000 new homes over the period of our business plan.

We have reached the final phase of the Le Squez regeneration project. We are now looking forward to starting at Ann Court, as well as pursuing development on the Summerland site. Also, we will continue to work with the Environment Department to progress our plans for much needed new homes at La Collette low-rise.

People in Jersey are living longer and whilst that is good news, it presents the Island with a variety of challenges, not least in regards to the provision of appropriate housing. A new feature in this plan is a commitment to investigate the additional services that Andium Homes could deliver. This is not only in the provision of homes which better meet the needs of the elderly, but also in the delivery of specialised services. These are important in order to assist people to live independently, within a community and for longer. Andium Homes clearly has the potential to help the States, its clients and third sector providers, achieve this aim.

There are a number of client groups whose housing needs are not currently being met within mainstream social housing. In looking at ways to meet the needs of an ageing population, we will also consider the needs of these other groups. This could be specifically designed homes for those with disabilities, or homes located in more appropriate environments. We will also be considering the availability of affordable homes for keyworkers.

Safeguarding children and vulnerable adults remains an important responsibility for us. With robust policies and processes in place, we will be raising awareness and understanding of the shared responsibility we all have for this issue. Our contractors and other partners are particularly important in this regard.

Our Medical Adaptation Scheme is under review to ensure that it continues to enable clients to live safely in their homes for longer.

Promoting affordable home ownership is one of our new objectives, although it is an activity we have been involved in for a number of years. Our existing deferred payment scheme has seen home ownership become a reality for over 150 families and whilst we had planned to continue to sell an average of 15 homes per year, we have increased this to 25. We will dispose of or redevelop homes which are no longer viable as affordable housing and reinvest the proceeds in other parts of the stock. We will continue to sell a proportion of homes using our deferred payment scheme. We will also be working closely with a number of the Connétables in order to deliver affordable homes within their Parish boundaries, helping to maintain those thriving communities.

Increasing opportunities for home ownership will also see a review of the current list of applicants on the Gateway and how we can better market our existing scheme and indeed any new schemes which are developed, as we progress through our plan.

Maintaining financial strength and stability is of course key to running any successful business and vital to our ability to achieve the objectives set out in this plan. We are committed to meeting our repayments and interest requirements on our borrowing and in making our annual return to the States.

We will continue to actively share our plans with the Treasury and the Strategic Housing Unit and, in order to deliver further much needed developments, look to secure new funding mechanisms beyond the existing £250m Bond. Our relationship with our Guarantor is based on trust and confidence and we will ensure that this is maintained.

Being an employer that attracts and retains talent is our sixth objective and although last in the list, it very much shares equal importance with our other objectives. Our colleagues have already been on a journey to incorporation. However, this journey continues as our culture changes from one of public sector, to taking a more commercial approach. We will continue to empower colleagues to take calculated risks, be courageous, proactive and to enjoy “pushing the boundaries”; attributes that are vital to the success of Andium Homes. We will invest in staff training and focus on the well-being of colleagues, promoting opportunities for a healthy work/life balance.

I am therefore delighted to present our revised Strategic Business Plan, which I believe is challenging and suitably ambitious.

Ian K Gallichan
Chief Executive
Andium Homes Limited

Andium Homes' services

Andium Homes provides landlord services for over 10,000 residents in over 4,500 affordable homes. Andium Homes also provides landlord services to a number of "third sector" agencies such as the Shelter Trust and the Women's Refuge, as well as property management services for other landlords.

Client Services

- ✦ **Client services** – Providing an efficient and effective client service, a welcoming point of contact for callers and visitors to Andium Homes;
- ✦ **Client support** – Delivering dedicated services to our older clients, ensuring they receive the support needed to live safely in their homes for longer;
- ✦ **Independent living service** – Providing appropriate accommodation to clients and new applicants who have complex needs, ensuring that support is offered to assist them to maintain independent lives with full access to appropriate services;
- ✦ **Allocations service** – Appropriately allocating properties to applicants who have qualified through the Affordable Housing Gateway;
- ✦ **Client engagement and tenancy management service** - Encouraging the development of resident groups and dealing with issues that disrupt the community, such as anti-social behaviour;
- ✦ **Rent collection and arrears management service** – Proactively managing client accounts to ensure effective prevention and management of rent arrears.

Property and Asset Management Services

- ✦ **Asset management** – A holistic approach to asset management which regularly assesses the make-up of the portfolio and its condition to ensure that investment decisions are made in a timely manner to deliver the right homes at the right time to meet changing housing needs;
- ✦ **Response repair service** – Providing a responsive maintenance service including a 24 hour service for emergency maintenance issues;
- ✦ **Planned maintenance services** – Providing a comprehensive maintenance and facilities management service designed to deliver great homes and provide peace of mind to clients;
- ✦ **Refurbishment projects** – Carrying out major capital refurbishment works, whilst sympathetically dealing with clients affected by the works;
- ✦ **New build projects** – The acquisition of development sites and the planning, procurement and construction of new homes;
- ✦ **Sales** – Selling homes through our deferred payment scheme to those qualifying through the Affordable Housing Gateway, enabling home ownership.

The Andium Homes' vision, key objectives & values

We believe that we are uniquely placed to make a difference to the lives of a significant number of people in Jersey. Safe, secure and affordable accommodation is a basic human requirement and how we provide it is a measure of our society. The majority of our clients are everyday people who simply value the security that one of our homes offers and the landlord services we provide. However, we also support a number of Jersey's more vulnerable residents with additional services or more specialised homes. It is these services which set us apart from other providers.

Our Vision Statement

- ✦ "Changing lives with great homes and services."

Our Key Objectives

- ✦ Delivering a renowned client experience;
- ✦ Providing great homes in safe communities;
- ✦ Supplying more homes & specialised services;
- ✦ Promoting affordable home ownership;
- ✦ Maintaining financial strength & stability; whilst being
- ✦ An employer that attracts and retains talent.

Our Values

- ✦ **Client obsessed** – we deliver an excellent experience to our clients every time;
- ✦ **Results driven** – we work hard to make a real, tangible and sustainable difference to our clients;
- ✦ **Passionate** – we are dynamic, proud of what we do and how we do it;
- ✦ **Resilient** – we are positive and self-motivated in a fast, ever changing area of work;
- ✦ **Courageous** – we do not wait for things to happen but are pro-active and enjoy "pushing the boundaries" to make things better; and we will
- ✦ **Act with integrity** – we are honest and act without favour so that we can be trusted as the landlord of choice.

Objective 1 – Delivering a renowned client experience

Engaging with our clients in a truly meaningful way and fostering a new relationship with them, based on mutual trust and respect, remains an on-going activity. Numerous community events have been held and the Andium Academy launched. There have been improvements in a variety of communication channels, including extensive use of social media. This now means that clients are better informed about issues that affect them and importantly, can have input into the decision making process.

Andium Homes now operates from its office building in the centre of St Helier. This has been designed with our clients at heart, with a modern and welcoming reception area, accessible by all. Private meeting spaces are available for clients to discuss often sensitive issues. Office opening hours have been extended to include Saturday mornings, so that appointments can be made to suit our clients. We also offer an out of hours' emergency maintenance service, with a duty officer always on call.

Modernising our I.T. systems has been a priority since our formation, given the impact that this can have on services offered to clients. An I.T. strategy has been approved by our Board and the procurement of replacement systems has been undertaken with implementation starting in 2016. A wide range of improvements will now follow, making it more convenient for clients to access services, whilst also making them more efficient to deliver.

Deliverables

- ❖ Maximise client engagement and associated opportunities by:-
 - ❖ Increased partnership working with organisations that provide services to our clients, working together to build strong relationships and develop mutual trust and respect.
 - ❖ Delivering a programme of varied and valued community events that showcases the new relationship that exists with our clients.
 - ❖ Developing a Digital Inclusion strategy which will enable greater numbers of clients to engage with us online.
 - ❖ Delivering the Andium Academy to improve client understanding of our business and the services we offer and obtain their valuable feedback to better inform the development of those services.
- ❖ Modernise our information technology platform to make services more convenient to access by:-
 - ❖ Implementing our approved I.T. strategy to deliver the identified efficiencies and improvement in the client experience.
 - ❖ Developing on-line services, social media and our website to aid interaction with our clients and as a primary source of communication.
 - ❖ Promoting mobile working to allow colleagues to access our systems and data securely wherever and whenever they need to.
 - ❖ Integrating our systems with those of our key partners, for example our contractors, to avoid unnecessary administration and improve services to clients.
- ❖ Review the standard Tenancy Agreement with our Tenants' Forum to ensure that it is appropriate, easy to understand and is clear on respective responsibilities.

Objective 2 – Providing great homes in safe communities

When the States transferred its residential portfolio of 4,500 homes to Andium Homes, only 75% of these homes met the minimum “Decent Homes” standard, following many years of underinvestment. If this underinvestment had continued, non-compliance rates would have dropped to 50% by 2018. Andium Homes was charged by the States with the significant challenge to bring all these homes up to the “Decent Homes” standard within ten years, by 2024. At the end of 2015, those homes meeting the standard had increased to 88% and a five year plan is now in place to achieve 100% compliance by the end of 2020, some four years early. The financial implications of that plan are built into the figures set out within this business plan.

A major procurement exercise of retendering the Response Repair and Void Refurbishment contracts was completed in 2015, on a fixed price per property / void basis. This represents a completely different approach to past activity which is more modern and administratively efficient. The procurement process involved significant contractor engagement with events held at different stages to explain the process. It also benefited from clients’ input to ensure that the revised contracts correctly met their expectations from this vital service.

During 2015 the refurbishment programme has continued to evolve, with the project at De Quetteville Court High Rise being completed and works at Nicolle Close, Hampshire Gardens and Caesarea Court progressing. Plans for all of the other refurbishment projects identified are now being progressed.

Deliverables

- ✦ Invest in our homes and complete the five year maintenance plan to ensure they all meet the Decent Homes Standard by 2020.
- ✦ Invest in our external open spaces and internal communal areas to achieve the “Andium Homes Standard” across the stock.
- ✦ Continue to enhance maintenance services and contracts through:-
 - ✦ Launching the “Handyperson” service to assist vulnerable clients.
 - ✦ Extending the use of existing maintenance contracts and services to other affordable housing providers (e.g. the Parishes).
 - ✦ Retendering all other maintenance contracts on a similar basis to the Response Repairs contract engaging both contractors and clients throughout the process.
 - ✦ Implementing improvement panels with clients, to ensure services are provided in line with client expectations.
 - ✦ Partnering with contractors so that efficiencies are identified and savings shared.

- ✦ Complete the refurbishment programme in line with agreed targets.

Refurbishment projects

	Units refurbished	Status	Start on Site	Practical Completion
Nicolle Close	20	Construction	2015	2016
Hampshire Gardens	39	Complete	2015	2015
Caesarea Court	52	Construction	2015	2017
Convent Court	73	Detailed Design	2016	2018
Hue Court High Rise	90	Feasibility	2018	2020
163-170 Clos Des Sables	8	Feasibility	2016	2017
	282			

- ✦ Continue to assess the viability of all homes to establish which properties are no longer appropriate as affordable homes and dispose or redevelop these accordingly.
- ✦ Enhance communities in and around Andium Homes' properties through:-
 - ✦ Offering targeted community grants to resident groups.
 - ✦ Taking a proactive approach to prevent and resolve issues of anti-social behaviour, swiftly and firmly.
 - ✦ Following reinstatement of parking enforcement powers, ensuring that parking on estates is administered effectively to allow clients to enjoy the facilities provided.
 - ✦ Undertaking regular visits to our communities by a named colleague, acting as a point of contact and reference for clients to raise issues which may be effecting them.
- ✦ Undertake regular occupancy surveys to ensure that homes are appropriate for the families that occupy them.
- ✦ Develop Health & Safety initiatives through revised maintenance contracts and colleague training to ensure safer communities.

Objective 3 – Supplying more homes & specialised services

Even with restricted criteria for acceptance onto the Affordable Housing Gateway, there are 1,100 households waiting for a rental home and nearly 400 further households seeking to purchase a property. The requirement for new homes is clearly set out in the Housing Minister's Strategy and Andium Homes is well placed to deliver a significant number of affordable homes in the coming years. We are already on site delivering 200 new homes at Le Squez and Lesquende. In addition, we have firm plans to provide more than 500 new homes on a number of sites including La Collette Flats and Ann Court. We are also active in the market to acquire new sites for the provision of several hundred more affordable homes for rental and purchase.

Andium Homes works closely with other agencies to ensure that its homes are suitably adapted to make them safer and more appropriate for those with poor mobility and disability. We also have a dedicated Independent Living Team that works with a number of other agencies to ensure that proper safeguarding procedures are in place and appropriate referrals are made to reduce instances of abuse and neglect. This unique service is vitally important. We have seen the significant benefits of early intervention, principally for the clients involved but also other agencies who are less likely to have to deal with more serious cases as a result. During 2015, a revised safeguarding policy was approved and this is now fully operational. We acknowledge the good and valuable service provided by many charitable organisations who meet the short term housing needs of those dealing with other issues in their lives. This includes the Shelter Trust, Causeway, the Women's Refuge, Les Amis and Stepping Stones. Andium Homes provides the buildings and landlord services. We work closely with these organisations to ensure that properties remain fit for purpose and continue to provide the right environment to support their clients.

The provision of additional specialised services adds significant value and is clearly linked to our vision of providing affordable homes. Already we are providing property landlord services to tenants of the Parish of St Saviour and this can easily be extended to provide these cost effective services to others. We believe that we are well placed to provide practical support to the overall strategic policy of independent living and care in the community. There have already been some discussions about extra care services delivered by affordable housing providers in other jurisdictions and how these initiatives could help us. We will be undertaking a scoping study in 2016 to look at what services we could provide within the context of Jersey's health and community services.

Deliverables

- ◆ Deliver more affordable homes through:-
 - ◆ Redeveloping existing sites to provide more than 600 new homes.
 - ◆ Working with Jersey Property Holdings to unlock surplus States owned sites to deliver more than 150 new homes.
 - ◆ Working in cooperation with the Parishes to develop more affordable homes for purchase.
 - ◆ Acquiring new sites to develop nearly 300 affordable homes.

New home completions

	2016	2017	2018	2019	2020	Total
Existing sites	44	54	51	212	258	619
States owned sites	-	-	40	87	40	167
New sites	-	-	104	125	50	279
Total	44	54	195	424	348	1,065

**Gross of demolition

- ✦ Pursue opportunities to offer property management services to other affordable housing providers including Parishes.
- ✦ Put forward a proposal to Jersey Property Holdings to take over the ownership and management of the remaining residential States' owned housing stock.
- ✦ Encourage the Strategic Housing Unit to review the criteria for inclusion onto the Affordable Housing Gateway. This, with a view to opening up the list to others not currently eligible, including all lifelong renters on low incomes, particularly those without children and key workers.
- ✦ With the Strategic Housing Unit, review the processes used in the Affordable Housing Gateway, to ensure that they are flexible, efficient and assist the client in finding the right home.
- ✦ Explore with other agencies, the joint provision of other services which will benefit our clients, for example the Community Savings Bank.
- ✦ Conduct a scoping study for "extra care" and the provision of facilities and services in and around the home which would ensure that support is targeted at those that need it, within appropriately designed accommodation.
- ✦ Tailor our homes and services to the individual's needs, including medical adaptations, to enable our clients to live as independently as possible.
- ✦ Raise awareness amongst key partners of our safeguarding policy and procedures, ensuring that an appropriately robust approach is taken to safeguarding children and vulnerable adults.
- ✦ Develop more efficient processes to support the successful rehabilitation of offenders.

Objective 4 – Promoting affordable home ownership

Increasing the supply of affordable homes for purchase is a key objective in the Housing Strategy recently published by the Housing Minister. Andium Homes is in a unique place to support and deliver upon that objective. Indeed, we already have in place an affordable purchase scheme which helps new home owners onto the first rung on the property ladder. Andium Homes has, as part of its business plan, sold fifteen properties per year. In total to date, this has allowed over 150 buyers qualifying through the Affordable Housing Gateway to become homeowners by deferring up to 25% of the initial purchase price. Our new target is to provide over 300 homes during the period of this plan, as set out below.

Recently and in response to the Housing Strategy, Andium Homes has met the Comité des Connétables to discuss the possibility of building some affordable homes for purchase in cooperation with the Parishes. We have now followed this up by meeting with individual Connétables to discuss the particular circumstances in each Parish. We are hopeful that these discussions will lead to the provision of additional homes and a better understanding of how Andium Homes can assist in meeting the housing needs of their parishioners.

Over the past year, we have also been actively pursuing additional sites that may yield affordable homes for purchase as well as sites in current ownership where redevelopment and / or intensification can provide additional opportunities.

Deliverables

- ✦ Actively review and promote the Affordable Housing Gateway to encourage potential buyers to register and to establish the true demand for such units.
- ✦ Provide more opportunities for home ownership in line with the targets below through:-
 - ✦ Sale of twenty-five properties per annum from the existing stock.
 - ✦ Intensification or redevelopment of existing sites.
 - ✦ Acquisition and development of new sites, including sites where some open market sales will allow affordable purchase homes to be subsidised.
 - ✦ Development of affordable homes in cooperation with the Parishes.
- ✦ Investigation and implementation of an affordable purchase scheme in perpetuity on new sites.

Sales per annum

	2016	2017	2018	2019	2020	Total
Sales of existing properties	20	25	25	25	25	120
New sites and intensification	-	3	55	116	40	214
Total	20	28	80	141	65	334

Objective 5 – Maintaining financial strength & stability

The provision of affordable housing is an endeavour which requires long term planning, both in terms of the development of new homes and the management and maintenance of the portfolio. Financial strength and stability is a key component essential for this to occur and so is vital to the success of Andium Homes and the achievement of its objectives.

Over the past eighteen months since its inception, a combination of prudent financial management and commercial agility has resulted in significantly better financial results than forecast in our previous business plan, as will be seen in our annual report for 2015, when it is published shortly. All commitments in terms of the interest and repayments on borrowing have been met, as has the significant payment of £27.5 million per annum due to the Treasury as per the Transfer Agreement. We have continued to progress capital projects and draw down funds for these from the States Bond issue, whilst maintaining sufficient reserves to meet our Treasury policy.

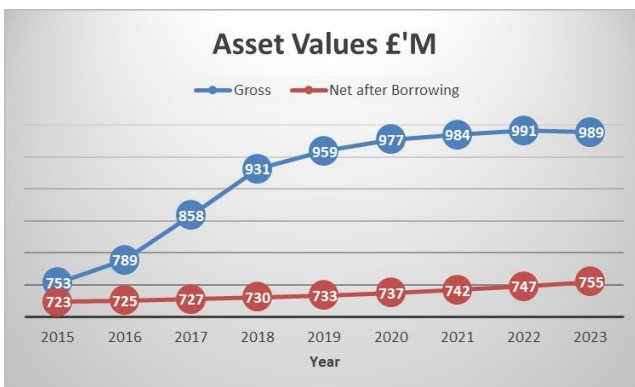
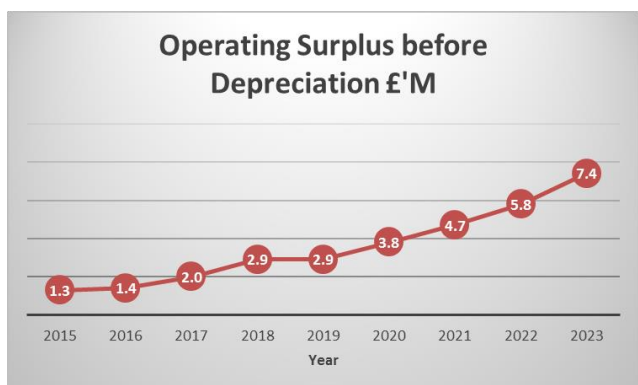
Best practice governance is delivered by our Board of Directors, the majority of whom are independent non-executive directors. A key focus continues to be the management of risk, which has been minimised wherever possible. An on-going concern for Andium Homes is having access to sufficient borrowing to satisfy the future need for affordable homes as identified in the Housing Minister's strategy. Following discussions with the Treasury Minister, we are now exploring exciting opportunities for raising finance privately for additional developments.

Deliverables

- ✚ Deliver annually an updated robust business plan.
- ✚ Provide the agreed financial return on a quarterly basis.
- ✚ Meet interest and capital repayments as set out in the various loan agreements with the States of Jersey.
- ✚ Maximise income through the implementation of the agreed States rent policy, whilst minimising the time taken to re-let properties and lost income through rent arrears.
- ✚ Deliver value for money through efficient procurement, effective budget management and investment in new technologies.
- ✚ Maintain the trust and confidence of the Guarantor by operating a “no surprises” approach to the communication of key business decisions, in accordance with the Memorandum of Understanding.
- ✚ Enhance the governance of the Company by its Board of Directors through a defined programme of internal compliance reviews, whilst maintaining an on-going focus on risk management.
- ✚ Work with the Treasury Minister and private lenders to secure additional private borrowing to deliver the homes identified in the Housing Minister's strategy.

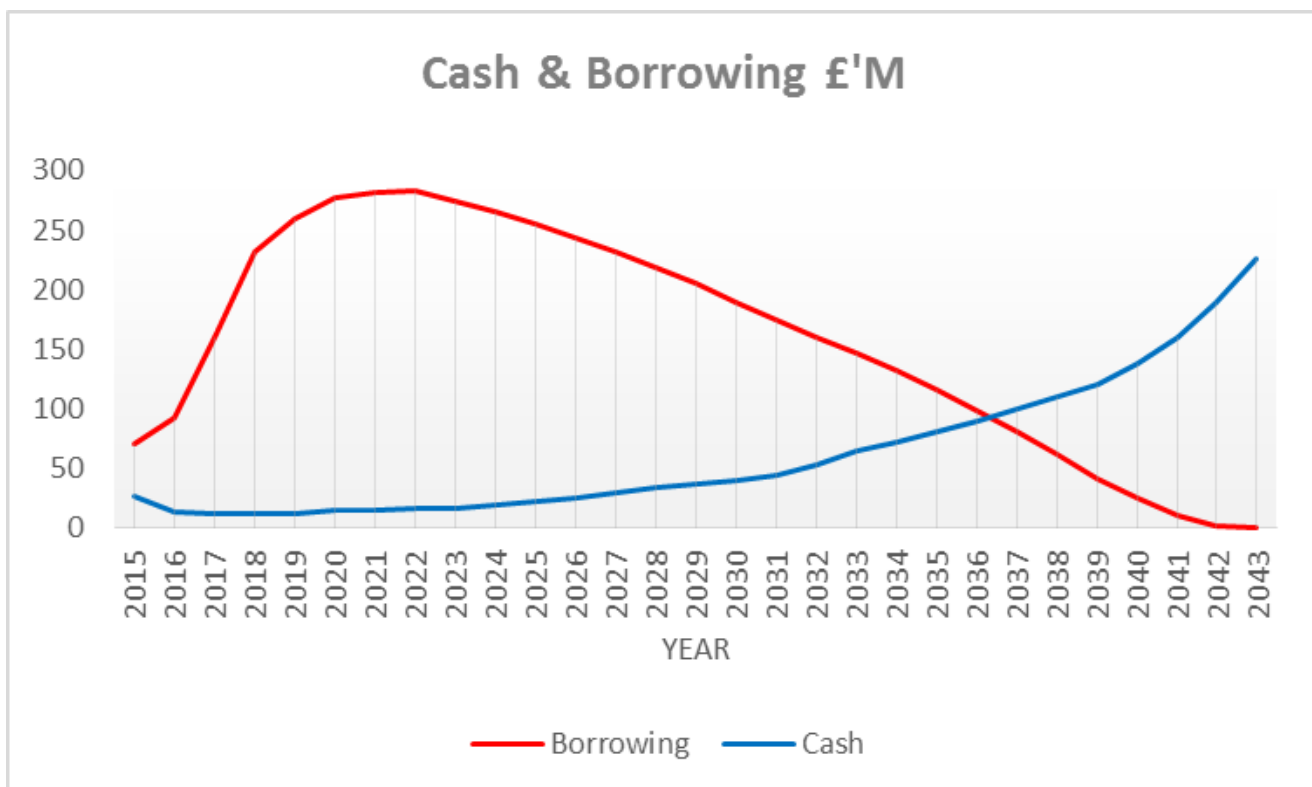
Income Statement

	2016	2017	2018	2019	2020
	£000	£000	£000	£000	£000
Rental income	45,376	46,035	48,472	53,616	58,572
Other income	2,148	2,077	2,018	2,055	2,093
Maintenance costs	-11,950	-12,413	-12,728	-13,093	-13,399
Maintenance costs capitalised	3,538	4,659	4,807	4,580	4,571
Staff costs	-3,520	-3,545	-3,636	-3,729	-3,824
Other expenses	-3,998	-4,043	-4,116	-4,191	-4,267
Finance costs	-2,517	-2,945	-3,713	-7,666	-10,744
Return to States of Jersey	-27,652	-27,832	-28,187	-28,695	-29,211
Operating surplus/deficit	1,425	1,993	2,917	2,877	3,791
Depreciation	-18,642	-18,770	-19,830	-17,403	-18,440
Accounting surplus/deficit	-17,217	-16,777	-16,913	-14,526	-14,649
Fair value adjustments:					
Stock revaluation	18,642	18,770	19,830	17,403	18,440
Property bond revaluation	188	399	-	-	-
Net movement in reserves	1,613	2,392	2,917	2,877	3,791



Balance Sheet

	2016	2017	2018	2019	2020
	£000	£000	£000	£000	£000
Property and infrastructure assets:					
Brought forward	753,225	788,503	858,155	931,126	958,830
New build costs	28,889	62,833	73,274	61,908	25,435
Refurbishment costs	7,237	6,806	6,822	3,300	3,921
Maintenance costs capitalised	3,538	4,659	4,807	4,580	4,571
Finance costs	1,506	3,948	6,430	4,464	2,300
Disposals of existing properties	-5,999	-7,649	-7,649	-17,134	-7,649
Disposal of new builds	-	-1,080	-10,850	-29,550	-10,400
Depreciation	-18,535	-18,634	-19,694	-17,267	-18,303
FV adjustment	18,642	18,770	19,830	17,403	18,440
Property and infrastructure assets	788,503	858,156	931,125	958,830	977,145
Housing bonds	19,947	21,657	22,955	26,118	27,371
Andium Homes office	3,336	3,229	3,122	3,014	2,907
IT upgrade	782	753	724	695	666
Debtors	2,525	2,524	2,524	2,523	2,521
Cash	13,200	11,562	12,277	12,602	15,058
Creditors	-12,133	-12,209	-12,336	-12,464	-12,595
Borrowing	-91,358	-158,478	-230,280	-258,330	-276,294
Net assets	724,802	727,194	730,111	732,988	736,779



Cash Flow Statement

	2016	2017	2018	2019	2020
	£000	£000	£000	£000	£000
Operating cash flows	31,594	32,770	34,817	39,238	43,746
Return to the States of Jersey	-27,618	-27,756	-28,061	-28,566	-29,080
Net cash flow after Return to the States of Jersey	3,976	5,014	6,756	10,672	14,666
New build and refurbishment costs	-36,126	-69,639	-80,096	-65,208	-29,356
Maintenance costs capitalised	-3,538	-4,659	-4,807	-4,580	-4,571
IT upgrade	-751	-	-	-	-
Proceeds from sale of existing properties	4,800	6,119	6,119	13,707	6,119
Proceeds from sale of newly built properties	-	1,080	10,850	29,550	10,400
Other cash flows	148	219	233	265	276
	-31,491	-61,866	-60,945	-15,594	-2,466
Finance costs	-3,939	-6,850	-10,101	-12,088	-13,001
Net cash flow before borrowing	-35,430	-68,716	-71,046	-27,682	-15,467
Borrowing drawn/(repaid)	22,526	67,078	71,761	28,007	17,923
Net cash flow before borrowing	-12,904	-1,638	715	325	2,456
Cash brought forward	26,104	13,200	11,562	12,277	12,602
Cash carried forward	13,200	11,562	12,277	12,602	15,058

Impact on construction industry

	2016	2017	2018	2019	2020
	£000	£000	£000	£000	£000
Maintenance costs	11,950	12,413	12,728	13,093	13,399
Refurbishment projects	7,237	6,806	6,822	3,300	3,921
New build projects	20,489	56,270	69,365	61,721	21,405
	39,676	75,489	88,915	78,114	38,725

Objective 6 – An employer which attracts and retains talent

The staff at Andium Homes are a key factor in the successful delivery of results since its inception. They have individually and collectively accepted the challenges and the opportunities raised by incorporation. Nevertheless the cultural transformation from a public sector organisation to a more commercially focused company will take time to be established. The commitment of colleagues is demonstrated by their embracing of change, their productivity and their high morale. This has all been achieved by the relatively few people working at Andium Homes, 51 at the start of 2016, when compared to similar sized affordable housing providers in the U.K.

Andium Homes has extended its services to its clients in 2015 and this has been achieved without any increase in resources. We have been able to extend our opening hours to the public from our offices in Don Street, to include Saturday mornings, which has been welcomed by our clients. We have attracted more technically qualified people during the year. This, coupled with a substantial training programme and the potential released in our existing colleagues, will allow us to meet our future challenges with confidence.

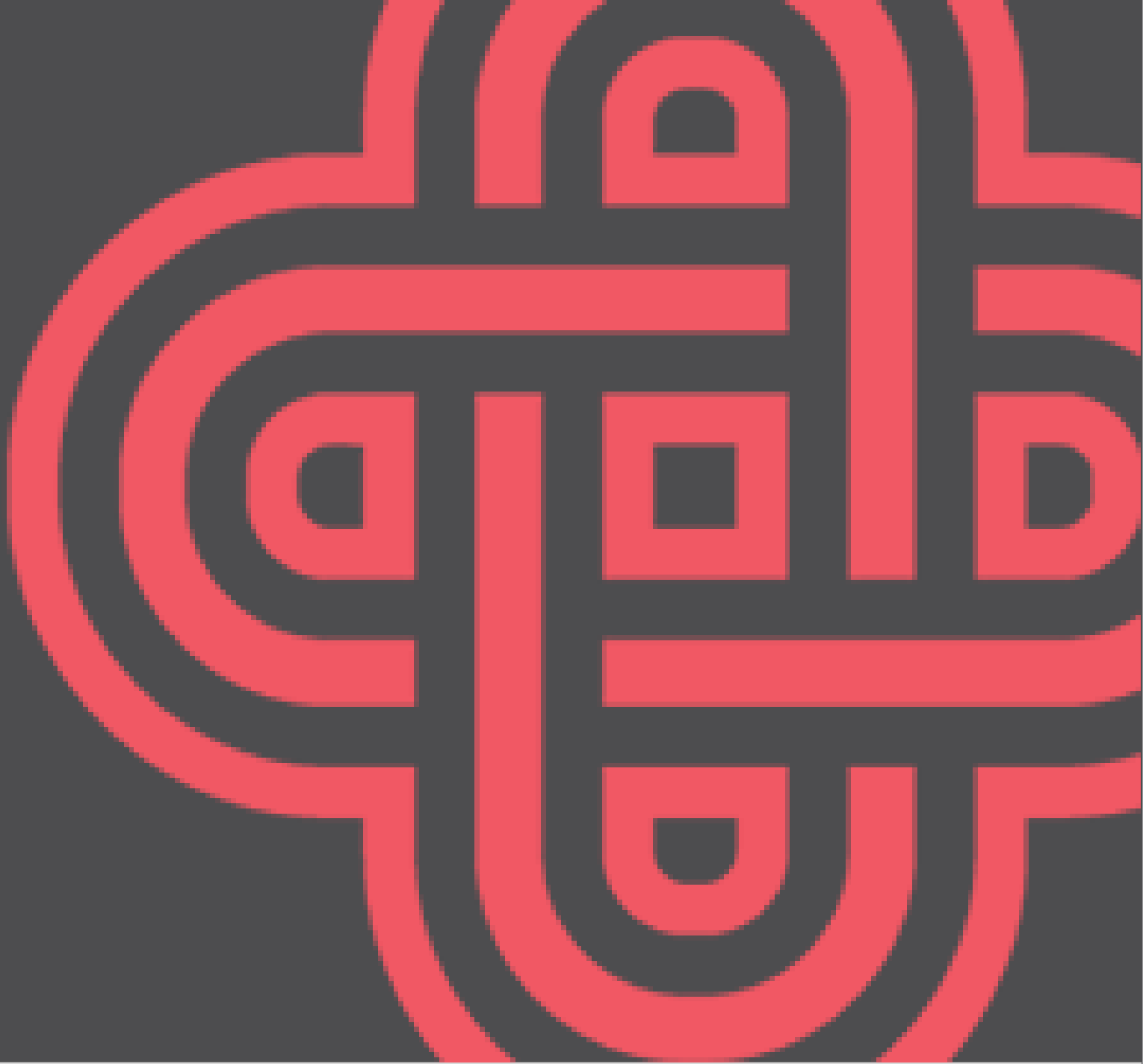
Modernising our employment terms and conditions and related policies will be key to delivering our future objectives. It will also enhance the future prospects of everyone that works at Andium Homes. Much of the preparatory work has already been completed, but now requires implementation, which will of course require extensive communication and engagement.

Deliverables

- ✦ Promote the cultural changes amongst colleagues to embed more commercially based behaviours whilst also keeping a focus on the core values of Andium Homes.
- ✦ Unlock performance and potential through regular review and appraisal, supported by a comprehensive training programme to develop both personal and business skills.
- ✦ Put in place appropriate talent, succession and retention plans.
- ✦ Focus on the well-being of colleagues by promoting opportunities for healthy working and also helping achieve a tailored work / life balance.
- ✦ Carefully plan and deploy the staff resources necessary for the I.T. implementation, supplementing and supporting existing colleagues, to ensure a successful outcome.
- ✦ Ensure that colleagues embrace mobile working, particularly with the opportunities afforded by new technology, so that colleagues are visible in the community and engender a reputation of mutual trust, respect and integrity with clients.
- ✦ Implement modernised employment terms and conditions and related policies in full consultation with our colleagues.
- ✦ Promote our bursary scheme to attract graduates to the sector and Andium Homes.

Key performance indicators

	2016	2017	2018	2019	2020
Delivering a renowned client experience					
Community events delivered	12	12	12	12	12
Number of clients progressing through the Andium Academy	12	14	16	18	20
Overall client satisfaction	80%	85%	90%	90%	90%
Providing great homes in safe communities					
% of homes meeting Decent Homes Standard	90.9%	93.2%	95.5%	97.7%	100%
Completed properties undergoing major refurbishment	12	60	73	45	45
Client satisfaction with their neighbourhood	95%	95%	95%	95%	95%
Number of visits per site per quarter	3	3	3	3	3
Supplying more homes & specialised services					
Gross new home completions	44	54	195	424	348
Multi agency safeguarding responses	200	200	200	200	200
Number of medical adaptations carried out	200	200	180	180	170
Promoting affordable home ownership					
Number of properties sold	20	28	80	141	65
Net proceeds from property sales	£4.8M	£7.2M	£17.0M	£43.3M	£16.5M
Maintaining financial strength & stability					
Rent charged as a % of overall market rent	76%	77%	78%	80%	81%
Rent arrears as a % rental income and charges	1%	1%	1%	1%	1%
Number of unlet properties per week	30	30	30	30	30
Agreed financial return delivered to the States of Jersey	£27.7M	£27.8M	£28.2M	£28.7M	£29.2M
An employer that attracts and retains talent					
Maximum colleagues sickness days per annum	5	5	5	5	5



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