



Strategic Business Plan

2017 - 2021



ANDIUM
— HOMES —

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Forward

It does not feel like twelve months since we last reviewed our Strategic Business Plan. Activity has been significant and we have progressed well with the commitments made in the last plan. However, a review was needed as we have no intention of resting on our laurels. We continue to be energetic and motivated to accomplish what was expected of us, to forge ahead with new projects and plans for ongoing improvements to the services we deliver, all helping to make our vision a reality.

Our vision:-

“Changing lives with great homes and services”

and over the coming five years we shall be making this a reality for both our existing and future clients.

This Strategic Business Plan contains many exciting and new deliverables, but some of the highlights are:-

- ◆ 100% Decent Homes by 2020 – delivering this four years earlier than originally planned;
- ◆ 2,000 new homes by 2025 – in addition to those promised in our last plan, a further 1,000 new homes;
- ◆ Making home ownership a reality – over 1,000 homes for purchase by 2025;
- ◆ A Strategic Portfolio review – of every site and estate owned to evaluate their long term future;
- ◆ Delivering a long term solution for Keyworker accommodation – to support the Future Hospital project and ongoing demands for the health service;
- ◆ Transforming how and when services are delivered – improving our clients’ experience through easy to access services available when needed;
- ◆ Implementing new services for the elderly – assisting people to live independently for longer;
- ◆ Annual return of £28 million to Treasury – maintained in line with the Transfer Agreement.

Delivering a renowned client experience is one of our six strategic objectives and aligns with one of our core values of being “client obsessed”.

We are proud of what we have achieved in the area of “client engagement”; we are more accessible to our clients than ever before and visible when out visiting our varied communities. Many of the new initiatives delivered over the last few years, such as the Estates Standard Initiative and Andium Academy have been hugely successful in helping us to build honest and trusting relationships with people, building capacity and confidence amongst our client representative groups, enabling them to become more independent and able to challenge us more effectively when needed.

It is important that we move with the times and we acknowledge the opportunities that our new IT system will bring. We will be reviewing how we deliver our services by making greater efforts to understand our clients’ needs. The services we deliver may be excellent but are they what people want? Are they delivered in a way our clients want them to be and when they want them? We will be answering these questions throughout the coming year.

Providing great homes in safe communities will always be an important strategic objective for us. It carries the greater pertinence when realising our vision. Our progress to achieve the Decent Homes Standard has been positive and we remain ahead of schedule to meet that target. Great homes are important, but equally so are the communities that live in them.

We have developed new Tenancy Agreements, which provide a more consistent approach but are generally less restricting and intrusive for clients, less focused on preventing people from doing reasonable things. They offer us the ability to better support those clients who need it, but also allow us to deal more swiftly and firmly with people who continue to act in a manner that has a detrimental effect on neighbours. Importantly, the new agreements offer greater security of tenure for the majority of tenants.

Our colleagues will continue to be visible in our neighbourhoods, whether that is in delivering services directly, or supporting resident groups and associations with community events.

Our last plan committed us to delivering 1,000 new homes by 2020, but we think we can do better than that and the Housing Needs Survey has suggested there will be demand beyond that number. **Supplying more homes & specialised services** is therefore a continuing theme for us; we aim to double that initial target and deliver an additional 1,000 homes. Site acquisition and construction of many of these additional homes will start during the lifetime of this plan, but will be delivered in later years. This will of course require more sites to be identified, either from the private sector or in States ownership. We will continue to champion the release of such sites for affordable housing.

Supplying more good quality homes, which people want to rent or buy, will have a positive effect on housing costs and the quality of homes available. As we have been raising the standard in the social rented sector, we have seen improvements start to occur in the private rental sector too. We know this will also bring numerous other benefits to the health and wellbeing of Islanders.

Additional homes will also enable us to find solutions for the challenges faced by other sectors, which we have previously been unable to assist. We will play a vital role in unlocking suitable, long-term homes for keyworkers. This will initially enable the Future Hospital project to progress, but in longer term a strategy to meet the demands of our health service will be developed.

Last year we developed a strategy for Andium Extra, looking at what additional services we could provide to meet the needs of our older clients. We will now concentrate on implementing those services, in particular a new Wellbeing Service to assist older people with basic support to continue to live independently. This will also help to tackle instances of isolation, together with some practical assistance in the form of a new Handyperson Service.

Our ambitious plan to deliver these additional homes will also provide greater opportunities for us to **promote affordable home ownership**. It is important that Islanders have more options when considering their housing requirements. There must be more products available to help them buy their first, or perhaps their last home.

We are committed to selling an average of 25 homes a year from our existing stock; our deferred payment scheme is now supported by more lenders and remains popular with those on the Gateway looking to purchase. We need to develop other products though and will be working on this, as well as looking for more sites where new homes can be built for affordable purchase.

We look forward to progressing plans with the Parish of St Peter to deliver their affordable homes, and will continue to discuss opportunities with the other Parishes.

With house prices currently outstripping earnings, it is important that supply is increased and more affordable schemes are in place to assist Island residents. To this end, we plan to deliver a total of 1,000 homes for sale by 2025.

Maintaining financial strength and stability remains a vital objective for us and one which enables us to achieve all the other commitments within our plan. The rental income received from our clients and the proceeds we receive from selling homes pays for all the services that are provided. It also pays for all loan interest and repayments and, in addition provides a £28 million annual return to the States Treasury.

Optimising our rental income and ensuring we collect all rents due is a continued focus. We prioritise keeping rent losses to a minimum through re-letting properties as quickly as possible as well as minimising rent arrears and bad debts.

One of the new priorities in this plan is a strategic review of our property portfolio to ensure we understand the long term future of each of our homes. This will encompass a complete review of every one of our homes, estates and sites to ensure that long term asset management decisions are based on sound and complete information.

The way we procure and deliver our services has changed. The investment we have made in new technology is already seeing us work more efficiently and this will improve further as our new IT system is fully rolled out. New long term contracts have been developed and awarded to contractors who deliver services on our behalf. We will extend this to other service providers this year.

Being **an employer which attracts and retains talent** is vital if we are to deliver on all our objectives. Having the right people, with the right skills to deliver our services is critical. We regularly review the structure of the company and individual teams in order to ensure that we are flexible enough to deploy those skills where required to meet business needs. As Andium Homes grows and develops new services, we will ensure that we continue to develop our staff, improving our performance and unlocking potential.

Our employment terms and conditions have been modernised. We have developed a suite of new policies and have implemented new employment contracts for all staff. It is often forgotten that Andium Homes employs only 50 people which means that every individual is vital to the success of the company. The new modern and flexible contracts will enhance the future prospects of all at Andium Homes.

I am delighted to present our revised Strategic Business Plan, which I believe demonstrates our ongoing energy and commitment to changing lives with great homes and services.

Ian K Gallichan
Chief Executive

Andium Homes' services

Andium Homes provides landlord services for over 10,000 people in over 4,500 affordable homes. We deliver gold standard services and seek to be the landlord of choice for Islanders. We provide many unique services to vulnerable clients and work closely with other organisations. We provide landlord services to a number of "third sector" agencies such as the Shelter Trust and the Women's Refuge and are extending our services to other organisations. Increasingly, Andium Homes is becoming the major developer of affordable homes for purchase and rental within Jersey.

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 existing 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** – Supporting 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 six day per week 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 residents;
- ◆ **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

Andium Homes strives to offer our clients excellent service levels every time they contact us. How these services are delivered will vary according to the individual's personal preferences. We are working to develop a range of ways for people to contact us to request services. With the advent of new technologies, our clients want to communicate with us in many ways and it is incumbent upon us to facilitate this wherever possible. Key to achieving this is to ensure we understand our clients' preferences and have their contact information easily to hand. The collection of this data, with all the necessary consents and controls, will be a focus for us, so we can fully utilise the new technologies we have introduced.

We will continue to support the many resident associations, client groups and also the initiatives that have been established such as the Andium Academy and Estates Standards. We will be asking these groups about the services we provide and this will shape how these are delivered in future.

We have progressed well with the implementation of our I.T. Strategy and now have a strong and modern platform to base the next stage of our I.T. roll-out. Future developments will focus on providing an array of on-line services for people to use as well as integrating our systems with key partners in order to improve services and increase efficiency.

Deliverables

- ◆ Continue to support client representative groups by maximising client engagement opportunities.
- ◆ Undertake a comprehensive collection of client contact information.
- ◆ Engage with clients to validate whether we are:-
 - ◆ Providing the services that they want.
 - ◆ Delivering these services how they want.
 - ◆ Supplying these services when they want them.
- ◆ Make use of our modern information technology platform by:-
 - ◆ Developing on-line services, social media and our website to aid interaction with our clients.
 - ◆ Integrating our systems with those of our key partners, for example our contractors, to avoid unnecessary administration and improve services.
 - ◆ Promoting mobile working to maximise efficiency and create real-time tracking of the services being provided.
 - ◆ Monitoring services by the collection of real-time data to ensure services are provided in line with expected performance levels.

Objective 2 – Providing great homes in safe communities

Completing the plan to bring all our homes up to the Decent Homes Standard by 2020 remains a firm priority. We are delighted to report that progress against the target set last year has already been exceeded with 93% of homes now meeting the standard. By investing £12m to £13m per annum in maintenance, in addition to our extensive capital programme, we are confident that all our homes will meet and indeed exceed this standard by the end of 2020.

We are delighted with the progress of our refurbishment programme and resultant transformation of buildings that has occurred at, for example, Windsor Court and Clos des Sables. As with any property portfolio, buildings continue to age and we have now identified the next estates that will need our attention in future years with a longer term planning horizon for these works. Good asset management requires long-term planning and we will be undertaking a full review of every site within our portfolio to achieve this.

Nearly all of our maintenance contracts have been retendered over the past two years and these are now on sustainable long and modern contract terms. This procurement programme will be completed over the next year and we will then be able to monitor the delivery of the services against expected performance levels.

Providing good quality homes to live in is only one aspect of living in a confident community. It is also vital that we ensure that any anti-social behaviour is dealt with promptly, parking is administered effectively and there are individuals that residents can speak to if there are any issues which are concerning them. We have a dedicated team that ensure that these activities are co-ordinated effectively.

Deliverables

- Invest in our homes and complete our maintenance plans to ensure they all meet the Decent Homes Standard by the end of 2020.
- Invest in our external open spaces and internal communal areas to achieve the “Andium Homes Standard” across the stock.
- Complete the retendering of all maintenance contracts on a similar basis to the Response Repair contracts, engaging both contractors and clients throughout the process.
- Complete the refurbishment programme in line with agreed targets.

Refurbishment projects

	Units refurbished	Status	Practical Completion
De Quetteville Court	32	Complete	2015
Hampshire Gardens	39	Complete	2015
Nicolle Close	20	Complete	2016
Windsor Court high rise	52	Complete	2016/2017
Convent Court high rise	73	Construction	2018
163-170 Clos des Sables	8	Complete	2017
Hue Court high rises	90	Feasibility	2019/2020
Le Marais high rises	224	Feasibility	2019-2022
Les Cinq Chenes	137	Feasibility	2021-2024
	<u>675</u>		

- ◆ Undertake a strategic review of our property portfolio, reviewing and determining the future use of every site in the company's ownership.
- ◆ 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.
 - ◆ Ensure parking on estates is administered effectively to allow clients to enjoy the facilities provided.
 - ◆ Undertaking regular visits to our communities by colleagues, acting as a point of contact and reference for clients to raise issues which may be affecting them.
 - ◆ Public realm improvements when undertaking major redevelopments.
- ◆ 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

Our last plan contained a commitment to deliver 1,000 new homes by 2020 and we remain on course to achieve this, despite a number of delays resulting from the changes to the planning process. Whilst we are fully committed to abiding by all planning rules and regulations, there is no doubt the revised process can take longer to navigate. We have now built this into our timelines and have reset our programme accordingly.

We have reviewed the data contained within the Housing Needs Survey and the overwhelming feedback we have received from our open days. We have concluded that there is such demand for homes to rent and purchase that we have decided to double our commitment and provide 2,000 new homes by 2025. This is a substantial increase in activity, which will require a number of significant land acquisitions, but given our status and expertise, we feel we are well placed to undertake this task. Already we have seen the acquisition of the Robin Hood corner site, but a number of other sites are being pursued at present, which should lead to many more homes being delivered. Many of these sites will require mixed tenures to be provided to make more sites financially viable, enabling us to deliver more affordable homes overall.

Many of these new homes will be delivered, as per the Island Plan, in St Helier and we will be working closely with the Parish of St Helier and the Future St Helier Group to ensure that regeneration is advanced and appropriate community and open spaces are delivered alongside the much needed homes. Providing homes for keyworkers is also something that we have been asked to do and we will be working with the Future Hospital project team to deliver these homes, so that the programme for the new hospital can be maintained.

Deliverables

- ◆ Deliver more affordable homes through:-
 - ◆ Redeveloping existing sites to provide nearly 700 new homes.
 - ◆ Working with Jersey Property Holdings to unlock surplus States owned sites to deliver nearly 500 new homes.
 - ◆ Acquiring new sites to develop over 800 new homes.

New Homes Completions

	2016	2017	2018	2019	2020	2021	Total to 2021	2022-2025	Total to 2025
Existing sites	44	-	10	58	254	-	366	74	440
Sites transferred from the States	-	-	-	126	113	-	239	-	239
States owned sites	-	-	-	-	-	231	231	235	466
Sites acquired from the market	-	-	65	183	225	60	533	327	860
Total	44	-	75	367	592	291	1,369	636	2,005

- ◆ Implement new services for the elderly to assist people to live independently for longer.
- ◆ Deliver a long term solution for Keyworker accommodation to support the Future Hospital project and ongoing demands for the health service.
- ◆ 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.

Objective 4 – Promoting affordable home ownership

In April 2017, Andium Homes hosted a two day “drop-in” event at St Paul’s Gate for first-time buyers to learn about the Andium HomeBuy Scheme. The event was extremely successful with over 600 people attending over the two days to talk to us, as well as banks and legal firms. What was very noticeable was that many of those who attended were already in a position to purchase through our Scheme. Applicants registered on the Affordable Housing Gateway can become homeowners for the first time by deferring up to 25% of the initial purchase price.

Clearly, the problem and the challenge arising from those days is to increase the supply of affordable homes to purchase. With the support of the Housing Minister, we have been very active in pursuing sites that could yield these homes. Already, we have agreements in place to provide 40 first-time buyer homes at Samares Nurseries, as well as proposals for 65 homes at Field 632 in St Peter. Both of these sites are dependent upon obtaining Planning approval, but we are confident that this will be forthcoming once the schemes are considered in the context of the overwhelming demand from buyers. Indeed, there is a danger that without prompt action to develop these homes in sufficient numbers, a generation of young Jersey families will never have the opportunity to own their own home.

In addition, we are pursuing a number of other sites that will yield a significant number of homes for purchase as well as continuing to sell a number of units from our existing stock. Indeed, in the coming three years, we will sell 40 homes each year from our existing stock whilst new sites are developed. A total of 200 homes from our existing stock are planned to be sold over the next five years, with another 400 being developed on new sites. This creates homeowner opportunities for those who would otherwise be required to rent, as they cannot afford to purchase in the open market.

Deliverables

- ◆ Continue to promote the Affordable Housing Gateway to encourage potential buyers to register and to establish the true demand for such units.
- ◆ Provide over 1,000 opportunities for home ownership in the period 2017 to 2025 in line with the targets below through:-
 - ◆ Sale of 200 properties from our existing stock in the next five years.
 - ◆ Sale of a further 100 properties from our existing stock over for the period 2022 to 2025.
 - ◆ Acquisition and development of new sites, including sites where some open market sales will allow affordable homes to be subsidised.
 - ◆ Sale of 400 new properties over the next five years.
 - ◆ Sale of a further 300 new properties over for the period 2022 to 2025.
- ◆ Implementation of an affordable purchase scheme in perpetuity on new sites.

Sales per Annum

	2017	2018	2019	2020	2021	Total to 2021	2022-2025	Total to 2025
Sales of existing properties	25	40	40	40	55	200	100	300
Sales of new properties	-	-	91	118	200	409	320	729
Total	25	40	131	158	255	609	420	1,029

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 is vital to the success of Andium Homes and the achievement of its objectives.

We continue to achieve significantly better financial results than forecast as can be seen in our Annual Report for 2016, through a combination of prudent financial management and commercial agility. We have met all our commitments in terms of interest and repayments on borrowing, as well as making the £28 million Annual Return due to the Treasury in line with the Transfer Agreement. Our expanded programme of site acquisitions and capital projects will fully utilise the £250 million Bond taken out by the States and indeed require significant private borrowing to deliver the programme. We have already held very positive discussions with private lenders and are confident that sufficient borrowing will be obtained at very favourable rates when needed.

Continuous improvement is vital in all organisations and we intend to undertake two significant reviews to ensure this occurs in the coming years. Firstly, a review of every site within the company's ownership will take place to ensure that we have a plan for its future use, whether that be redevelopment, intensification, disposal, refurbishment or maintenance in its current use. This is simply good asset management, but vital for the long term. Secondly, we will undertake an efficiency review of all services. Whilst efficiency is embedded in our culture, a larger, more formal review may help look at things in different ways.

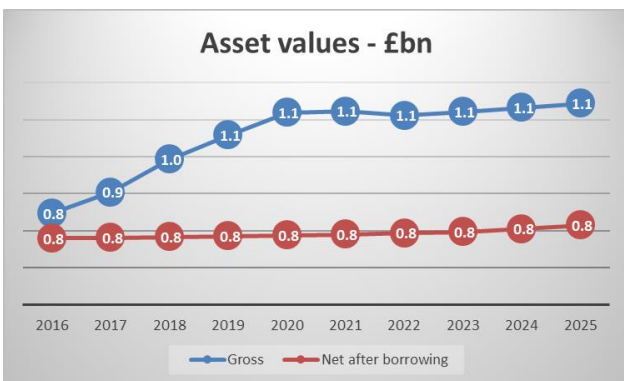
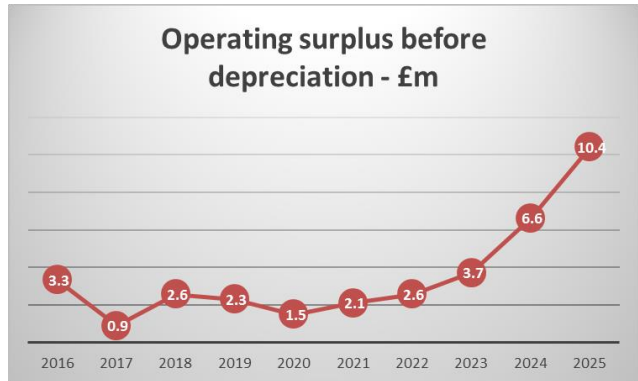
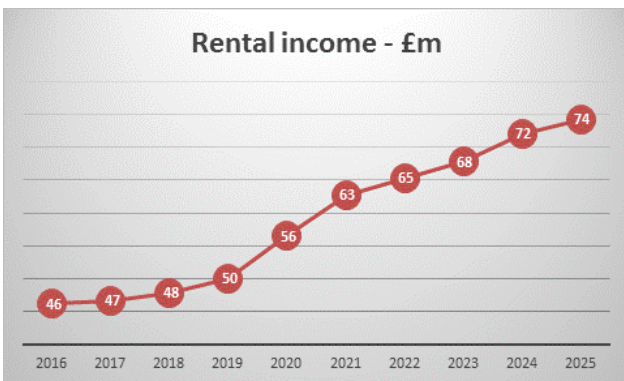
Our Board of Directors, the majority of whom are independent non-executive directors continues to focus on risk management and seeks to minimise risk wherever possible. In particular, a series of reviews will be undertaken in the areas of cyber security and data protection to ensure compliance with best practice and new legislation.

Deliverables

- ◆ Deliver annually an updated robust strategic business plan.
- ◆ Provide the agreed financial return on a quarterly basis to the States of Jersey.
- ◆ Meet interest and capital repayments as set out in the various loan agreements with the States of Jersey.
- ◆ Undertake an efficiency review of all services to drive value for money.
- ◆ 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.
- ◆ Undertake a strategic review of our property portfolio, reviewing and determining the future use of every site in the company's ownership.
- ◆ 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.
- ◆ Continue to focus on risk management and undertake regular compliance reviews, particularly in the areas of cyber security and data protection.
- ◆ Work with the Treasury Minister and private lenders to secure additional private borrowing to deliver the homes identified in the Housing Minister's strategy.
- ◆ Continue to monitor the effects of our building works on the local construction industry to ensure that there is capacity to deliver the programme.

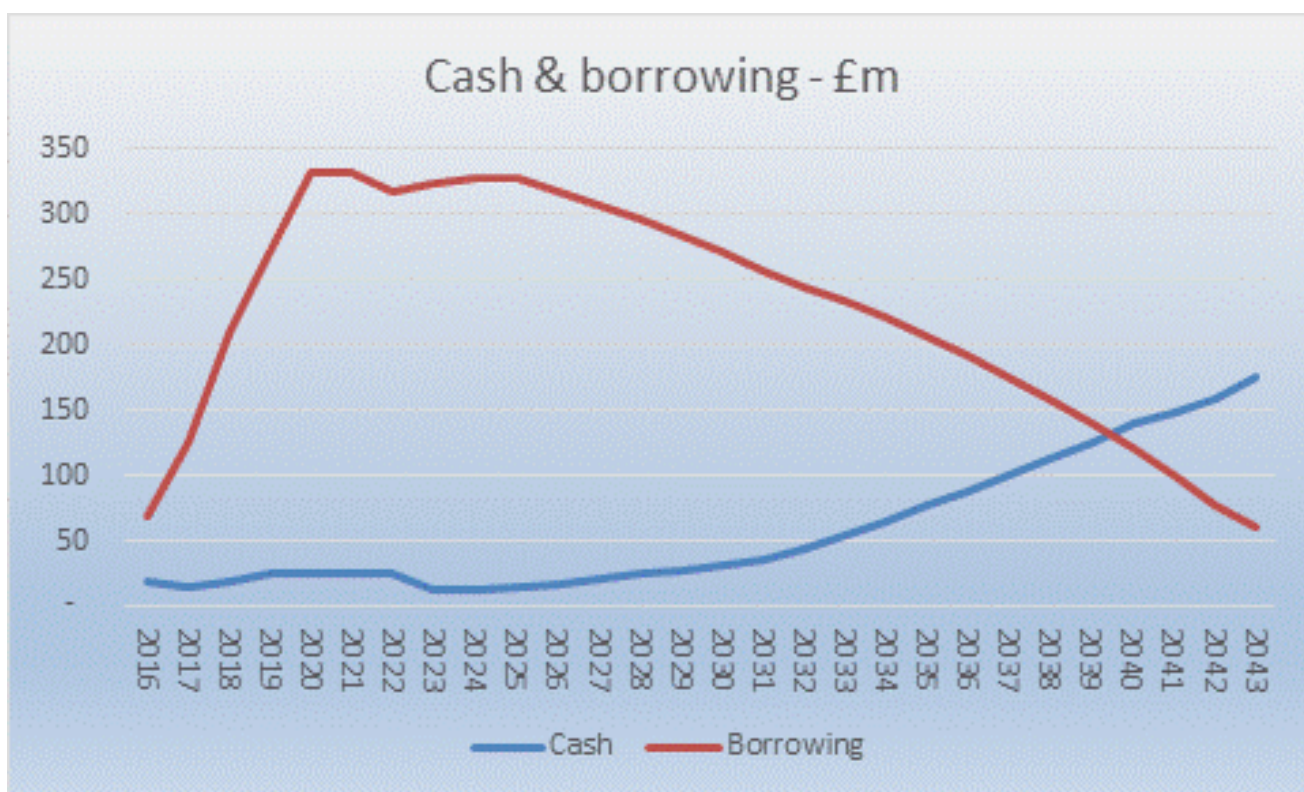
Income Statement

	2017	2018	2019	2020	2021
	£000s	£000s	£000s	£000s	£000s
Rental income	46,631	47,762	49,917	56,430	62,760
Other income	2,138	2,427	2,463	2,301	2,138
Maintenance costs	(12,570)	(12,879)	(12,890)	(13,791)	(13,688)
Maintenance costs capitalised	3,669	4,774	4,513	4,285	4,285
Staff costs	(3,585)	(3,598)	(3,733)	(3,800)	(3,869)
Other expenses	(4,186)	(4,152)	(4,280)	(4,696)	(5,164)
Finance costs	(3,022)	(3,107)	(4,582)	(9,596)	(14,188)
Return to States of Jersey	(28,164)	(28,650)	(29,102)	(29,625)	(30,159)
Operating surplus	911	2,577	2,306	1,508	2,115
Depreciation and impairment	(18,770)	(19,652)	(22,353)	(21,203)	(20,724)
Accounting surplus/(deficit)	(17,859)	(17,075)	(20,047)	(19,695)	(18,609)
Fair value adjustments:					
Stock revaluation	18,770	19,652	22,353	21,203	20,724
Property bond revaluation	234	251	278	306	333
Net movement in reserves	1,145	2,828	2,584	1,814	2,448



Balance sheet

	2017	2018	2019	2020	2021
	£000s	£000s	£000s	£000s	£000s
Property assets:					
Brought forward	812,038	872,285	953,356	1,011,053	1,071,274
New build costs	55,171	73,746	76,322	91,707	61,014
Refurbishment costs	6,669	6,630	8,145	6,151	4,791
Maintenance costs capitalised	3,669	4,774	4,513	4,285	4,285
Finance costs	2,166	6,779	9,674	8,377	4,554
Disposal of existing properties	(7,650)	(11,120)	(11,120)	(11,120)	(16,550)
Disposal of new builds	-	-	(30,099)	(39,441)	(56,900)
Depreciation and impairment	(18,548)	(19,390)	(22,091)	(20,941)	(20,462)
Fair value adjustment	18,770	19,652	22,353	21,203	20,724
Property assets	872,285	953,356	1,011,053	1,071,274	1,072,730
Housing bonds	20,503	22,748	24,996	27,246	28,664
Andium Homes' office	2,995	2,813	2,631	2,449	2,267
IT upgrade	742	662	582	502	422
Infrastructure assets	3,204	3,204	3,204	3,204	3,204
Debtors	2,152	2,152	2,152	2,152	2,152
Cash	14,236	19,456	25,179	24,400	24,852
Creditors	(12,082)	(12,189)	(12,320)	(12,452)	(12,587)
Borrowing	(123,462)	(208,801)	(271,491)	(330,977)	(331,457)
Net assets	780,573	783,401	785,986	787,798	790,247



Cash flow

	2017	2018	2019	2020	2021
	£000s	£000s	£000s	£000s	£000s
Operating cash flows	32,097	34,334	35,990	40,729	46,462
Return to States of Jersey	(28,038)	(28,543)	(28,971)	(29,493)	(30,023)
Net cash flow after Return to SoJ	4,059	5,791	7,019	11,236	16,439
New build and refurbishment costs	(61,840)	(80,376)	(84,467)	(97,858)	(65,805)
Maintenance costs capitalised	(3,669)	(4,774)	(4,513)	(4,285)	(4,285)
IT upgrade	(457)	-	-	-	-
Sale of existing properties	6,120	8,896	8,896	8,896	15,160
Sale of newly built properties	-	-	30,099	39,441	56,900
Other cash flows	211	230	256	276	305
	(55,576)	(70,233)	(42,710)	(42,294)	18,714
Finance costs	(5,093)	(9,791)	(14,161)	(17,877)	(18,647)
Net cash flow before borrowing	(60,669)	(80,024)	(56,871)	(60,171)	67
Borrowing drawn/(repaid)	55,880	85,244	62,594	59,392	385
Net cash flow after borrowing	(4,789)	5,220	5,723	(779)	452
Cash brought forward	19,025	14,236	19,456	25,179	24,400
Cash carried forward	14,236	19,456	25,179	24,400	24,852

Impact on construction industry

	2017	2018	2019	2020	2021
	£000s	£000s	£000s	£000s	£000s
Maintenance costs	12,570	12,879	12,890	13,791	13,688
Refurbishment costs	6,669	6,630	8,145	6,151	4,791
New build costs excluding land	16,446	73,246	76,322	87,707	61,014
	35,685	92,755	97,357	107,649	79,493

Objective 6 – An employer which attracts and retains talent

Given the scope of our plans and the success of our achievements to date, it is very easy to forget that Andium Homes only employs fifty individuals. Indeed, we have only been able to deliver continued success through regular reviews of the structure of teams within the company. This ensures that we are able to deploy the skills necessary to meet business needs and avoid simply increasing headcount.

We have now fully implemented new modernised employment terms and conditions for all staff, alongside a new comprehensive suite of employment policies. The new contracts are modern, flexible and support new ways of working within Andium Homes. Already, we have Saturday working, a 24 hour emergency on-call service, attending numerous evening and weekend events, all without the payment of any overtime. Indeed, 2017 will see for the first time, a year without any payments of overtime, despite all of the achievements above and the implementation of a new I.T. system.

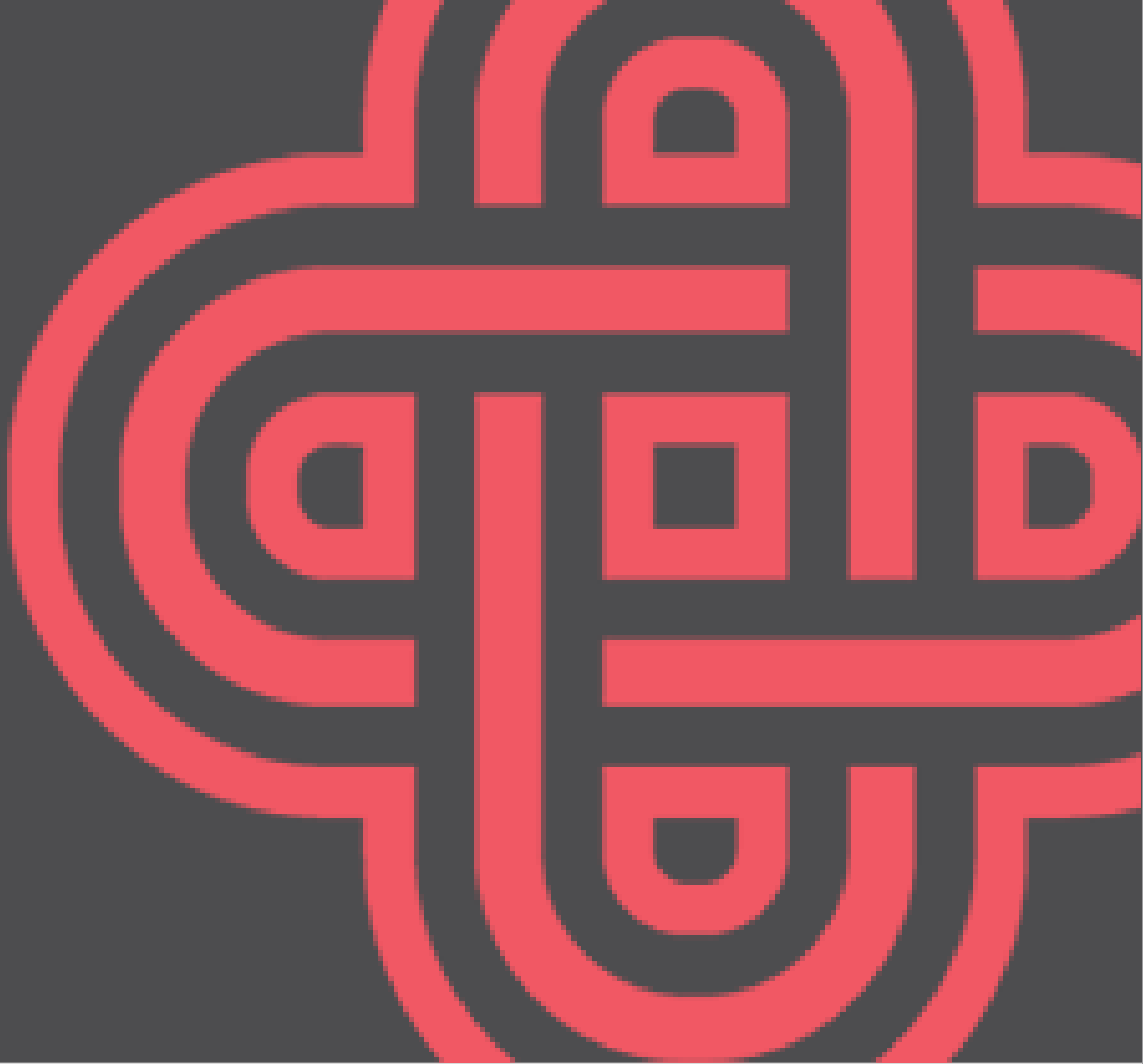
The culture embedded within Andium Homes is important to us and something we value and protect, as it defines who we are. We aspire to treat everyone fairly and with respect, but we are also commercially focussed and aim to increase productivity and efficiency through an extensive and targeted training programme. We recognise the importance of excellence in recruitment but equally so the need for robust performance management.

Deliverables

- ◆ Promote 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.
- ◆ 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 a new payroll system as part of the I.T. Strategy.
- ◆ Promote our bursary scheme to attract graduates to the sector and Andium Homes.

Key performance indicators

	2017	2018	2019	2020	2021
Delivering a renowned client service					
Overall client satisfaction	85%	90%	90%	90%	90%
Provided great homes and services					
% of homes meeting Decent Homes standard	93.2%	95.5%	97.7%	100.0%	100.0%
Completed property refurbishments	60	73	101	101	86
Supplying more homes & specialised services					
Gross new homes - commenced on site	663	306	130	454	334
Gross new homes - completed	-	75	367	592	291
Promoting affordable home ownership					
Number of existing properties sold	25	40	40	40	55
Net proceeds from existing properties sold - £m	£6.1	£8.9	£8.9	£8.9	£15.2
Number of new properties sold	-	-	91	118	200
Net proceeds from new properties sold - £m	-	-	£30.1	£39.4	£56.9
Maintaining financial strength and stability					
Operating surplus before deprcn and impairment - £k	£911	£2,577	£2,306	£1,508	£2,115
Cash held - £m	£14.2	£19.5	£25.2	£24.4	£24.9
Agreed financial return to the States of Jersey - £m	£28.2	£28.7	£29.1	£29.6	£30.2
Rent charged as a % of overall market rent	77%	78%	79%	80%	81%
Rent arrears as a % of rental income and charges	<1%	<1%	<1%	<1%	<1%
Number of unlet properties per week	<30	<30	<30	<30	<30
An employer that attracts and retains talent					
Maximum colleagues sickness days per annum	5	5	5	5	5



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