



choice 

Together we enrich lives

Together we enrich lives

Annual Report

19/20

choice-housing.org



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Foreword

from Chair and Group Chief Executive

We believe that significant progress has been made in 2019/20 on a number of commitments highlighted in the Choice Strategy, with the ultimate goal of providing high quality, affordable homes and support services. Since the publication of our last annual report, there have been fundamental changes to the operating environment and society as a whole has been dealing with a pandemic that has impacted every individual and sector in this region and globally.

We have been humbled by the response of our colleagues to Covid-19, with staff across Choice adopting a flexible and innovative approach to an unprecedented health crisis. The focus has clearly been on continuing service delivery for those tenants and communities most in need. We have all looked for alternative ways of engaging with tenants, providing support as best we can through an extremely difficult time for everyone.

Whilst there are signs that neighbourhoods across the country are slowly returning to normal, the legacy of Covid-19 will remain with us all for some time to come. Housing Associations are increasingly leading initiatives around regeneration, financial inclusion, employability and integration. Such support from Choice and our peers will be even more essential in the months ahead as we collectively seek to rebuild community confidence and prosperity.

In the midst of lockdown, many new build projects were suspended and as a consequence we fell well short of our social housing starts target for 2019/20. But meeting housing need remains an absolute priority for Choice and we are determined to recover the ground lost in the year ahead. We would encourage the NI Executive to prioritise social housing development as a means of underpinning local economic recovery. For our part, we will prioritise value for money and seek to make best use of our resources through enhanced digitisation and smarter working practices.

As an organisation we have engaged extensively and constructively with local Ministers and Government Departments. We are extremely grateful for the ongoing public support which our sector receives, both financial and otherwise. Choice will continue to champion the value of partnership, particularly in the areas of sheltered and supported housing because we can always achieve more positive outcomes for individuals and for society as a whole by working together.

Despite the many challenges, there has been plenty of positive progress for the Choice Group over the last 12 months. Choice Services and the Maple & May subsidiaries continue to develop and grow. Our colleagues in Oaklee Housing remain focused on addressing housing supply challenges in ROI. Ultimately, each of these organisations demonstrates the commitment of Choice to using our significant resources and expertise to deliver more and better homes and services for all.

On behalf of the Group Board and Senior Management Team, we would like to thank colleagues across Choice together with our tenants and partners for their encouragement, dedication and support in what has been an incredibly challenging time. We remain focused on enriching lives through great homes and services in the year ahead.



Hazel Bell, Chair
Michael McDonnell, Group Chief Executive

Foreword

from Chair of Tenants' Forum



With ongoing uncertainties around the future of welfare mitigations in NI, the new NI Executive only in its infancy, Brexit and Covid-19, it is hard to see a sector or industry not impacted by these challenges and the social housing sector is no different.

The contribution of Choice to addressing the growing housing need and developing thriving communities over the last twelve months has been vital at a time when our most vulnerable in society need support and guidance.

We have seen many successes in that time period with a number of existing schemes having been refurbished in partnership with existing tenants.

Choice has continued to invest in their housing stock across the region; spending £300k in an upgrade project for Benmore Court and £500k in the refurbishment of Kimberly House.

A testament to the success of the organisation and commitment to their tenants can be highlighted through the momentous anniversaries we've celebrated in the past year, such as Rothesay Court and Clonard House, which celebrated their 40th and 20th anniversary respectively.

Perhaps, the most notable achievement for the forum has been the response to the Covid-19 pandemic. Isolation and loneliness were exacerbated for tenants who lost the opportunity to engage with other tenants and support staff face to face. Whilst I understand many people suffered in a similar way, this was particularly difficult for many tenants who rely on this engagement and one to one contact, particularly for their mental health and well-being.

For many tenants, the Thursday evening 'Clap for Carers' was the only opportunity our residents had to see other people.

We hope to pick up on a range of initiatives that have been put on hold as a result of Covid-19 as we start to see the easing of the lockdown and, with it, our tenants will start to feel more confident in getting involved in these activities again.

We worked hard during this period to keep engaged with tenants, to keep them informed of the ever changing environment and how that impacted their daily lives. As part of this we embraced the technology available. This didn't come without its challenges; many residents were apprehensive of using new technology such as video calls. Our Tenant Involvement Champion was fantastic throughout, working with us through the process until it became part of our daily lives. As we move into recovery stages of the pandemic, we're keen to get our services back on track. Looking ahead, we recognise the need for more training and resources to help support tenants in what will be the new normal for the foreseeable future.

In the face of such crises, the partnership working between Choice and the Tenants' Forum encompasses the essence of social housing. Choice is not your typical landlord, they are always listening, they care about what their tenants have to say, it's very much a two-way process.

I would like to offer my thanks to Choice for their support. It makes me extremely proud to work with an association where residents are represented, and change is welcomed and encouraged. I hope to continue to advocate for our tenants on issues that affect their lives.

Rita Murray, Chair of the Tenants' Forum

How we're performing *

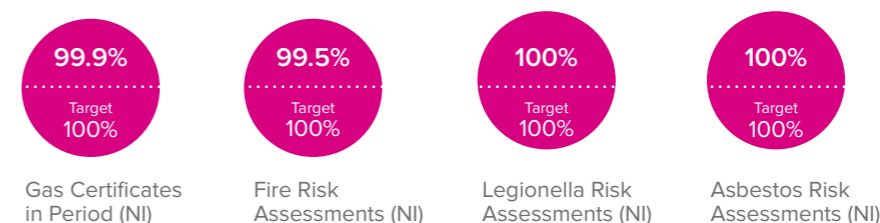
Repairs



New Builds



Compliance



Customer Enquiries



* Performance in the final quarter of the year was adversely affected by Covid-19.

Business Awards

CIH NI Awards

- Winner – Excellence in Housing Innovation – The Mews
- Finalist – Best Development – Lawnfield Close
- Finalist – Working In Partnership – Destitute Asylum Seekers Project
- Finalist – Housing Team of the Year – Financial Inclusion Team

UK Housing Awards

- Finalist - Sustainability Project of the Year – Killynure Green

Employers for Childcare Family Friendly Employer Awards

- Highly Commended - Family Friendly Policies and Focus on Health & Wellbeing

Legal Island Equality & Diversity

- Finalist – Best LGBT Initiative

Great Homes

1

New Starts, Completions, Regeneration

During the reporting year Choice has completed 332 dwellings in Northern Ireland catering for both general needs and supported housing need.

Choice has continued to make significant contribution to addressing the urgent housing need across the region, with the completion of General Need's schemes in Belfast, Portadown, Newtownabbey, Newcastle, Ballymena, Derry~Londonderry and the Square in Ballyclare. The purchase of 12 "Off the Shelf" ESP units also helped to ease the high social housing demand.

Kilpatrick House in Ballymena is a town centre scheme which provided 40 new homes for the area. There has been significant investment in the Ballymena area with four schemes now completed and another three in the pipeline. The Association also completed a "flagship" Category 1 Active Elderly Scheme located at The Square Ballyclare providing 39 self-contained apartment accommodation with three wheelchair units.

Nelson Drive (Phase 3) in Derry~Londonderry was completed in January 2020, providing 51 family homes. A Northern Ireland Housing Executive transfer site, this phase also provides much needed housing for Category 1 (Active Elderly) General Needs.

Kimberly House, a supported scheme located in Newtownards was the subject of a re-modelling contract which provided 7 units of accommodation for those with specific mental health requirements.

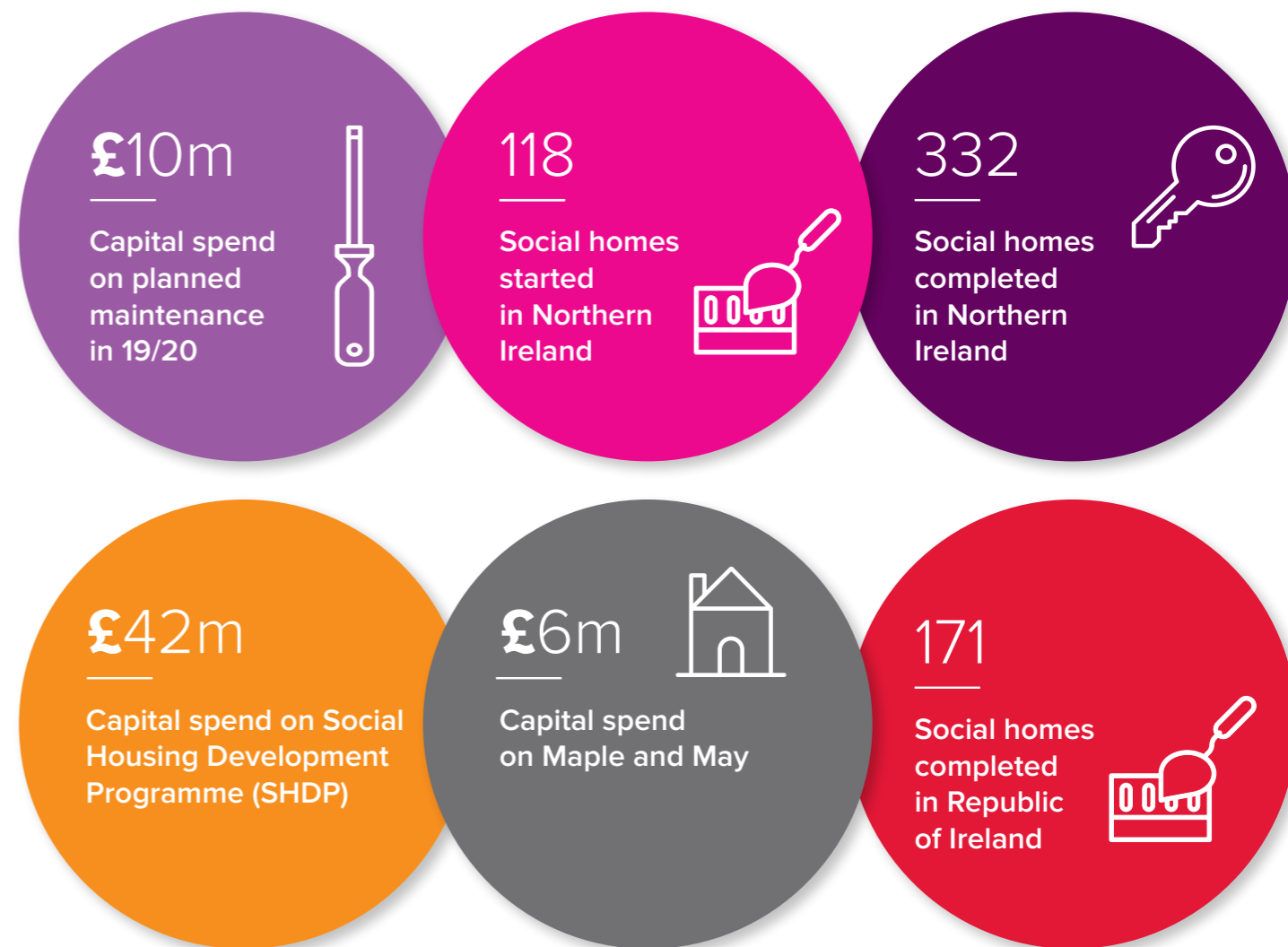


In October 2019, construction commenced on a new build scheme in Kilwee Upper Dunmurray Lane Belfast, consisting of 90 homes which will further address the much needed housing in West Belfast.

Similar construction started in October 2019 at Beresford Avenue in Coleraine. A Design & Build Contract, this scheme will deliver 14 homes for social housing applicants in this area.

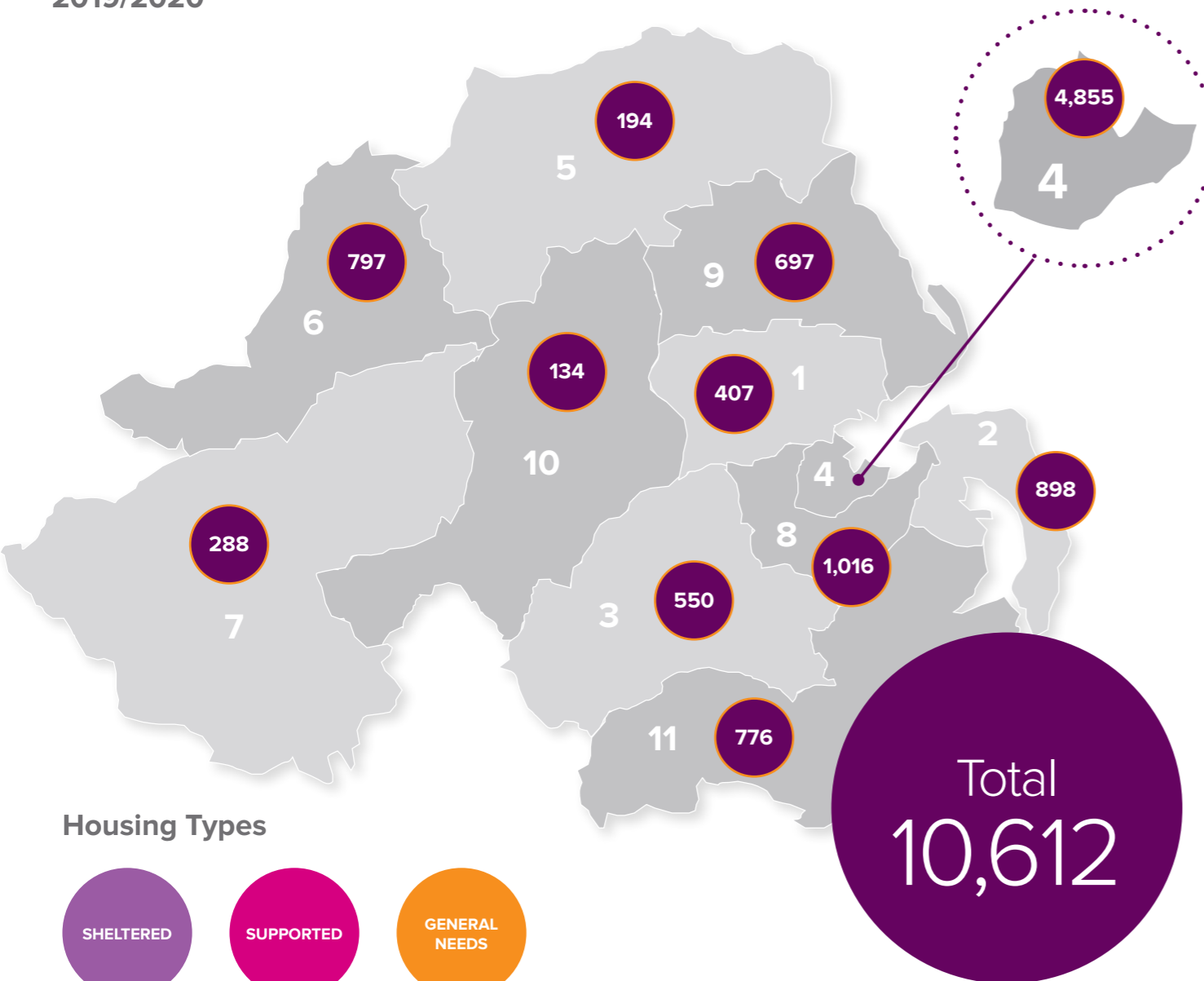
The Development Team also delivered 12 existing satisfactory purchases which assisted in the provision of social housing in various locations across Northern Ireland.

Meeting Housing Need



Our Homes

2019/2020



Housing Types



Local Councils

1 - Antrim and Newtownabbey
13 155 239

2 - Ards and North Down
93 175 630

3 - Armagh, Banbridge and Craigavon
171 171 208

4 - Belfast City Council
797 631 3,427

5 - Causeway Coast and Glens
63 41 90

6 - Derry and Strabane
156 153 488

7 - Fermanagh and Omagh
89 82 117

8 - Lisburn and Castlereagh
210 129 677

9 - Mid and East Antrim
134 103 460

10 - Mid Ulster
42 58 34

11 - Newry Mourne and Down
142 151 483

Case Study

New Standards, New Opportunities

Choice is committed to providing tenants with much more than bricks and mortar. Schemes are designed to provide, not just a safe and secure environment, but one that allows residents to develop personally and enhance their health and wellbeing.

Lawnfield Close, based in Newcastle at the base of Slieve Donard provides the perfect balance between supported living and surroundings that support mental health and wellbeing.

The wider natural environment of the area was carefully considered during the design process to ensure tenants had unspoilt views of the Mourne Mountains. The contemporary finish of the buildings provides a stark contrast to the existing architecture in the local area, and this distinction creates a visually pleasing townscape for the local community.

The scheme aims to embrace the environment around the building. With large windows, wrapping around corners, natural light pours into tenant's homes.

Current tenant at Lawnfield Close, Diane Daly suffers with PTSD and has a physical disability and, as such, needed a home that catered for both her mental and physical needs.

“Since I moved to Lawnfield Close last year my mental wellbeing has improved significantly. The setting of the scheme is so peaceful and tranquil. It’s much easier to unwind when you can look out at such natural beauty.”

Talking about her neighbours, Diane continues; **“We’re all still in the process of getting to know each other but we’re all at a similar stage of life. We’ve had our families, watched them grow up, now we’re looking to hit the brakes and live a quieter life. During the Covid-19 pandemic, we all looked out for each other. Checking in, whether it be through text or phone call. Of course, Choice was always there for us too. Regularly ringing all tenants to ensure we could access groceries and prescriptions if required.”**

“Choice plays a big part in building resilient communities. The details in the design of schemes like this one helps support tenants like me. It’s evident walking through the scheme this is the beginning of a thriving community.”



Diane Daly
Tenant

Maple and May

During the year, Maple and May continued to add to its portfolio in the Private Rented Sector increasing to around 200 units. Highlights include a new development of 12 family homes at Phoenix Fields in Ballymena which were completed in January 2020. A total of 9 newly constructed apartments at The Bank on Belfast's Woodstock Road were also completed.

These high quality 1 and 2 bed apartments were let to Belfast Trust amidst the outbreak of the Covid-19 pandemic. Initially a short term arrangement aimed at freeing up beds for those affected by the virus, it has proven successful and the Trust now wish to stay on longer term. Work also started on a new development in Dunmurry which will provide 8 turn-key apartments for the private rented sector later in 2020.

With these developments, Maple and May continues its mission to raise standards in the private rented sector, providing good quality accommodation and a customer focussed approach.

Maple and May also progressed its first Affordable Housing project at Park Avenue in East Belfast. Having got off to a good start with the first 5 houses all sold to first time buyers, the scheme suffered an unfortunate setback as our contractor entered Administration.

After a short delay, we are now back building again with a further 6 apartments due to be completed shortly.



Oaklee Housing

Throughout the year Oaklee Housing's mantra has been to deliver homes, create communities and change lives. In 2019/20 Oaklee Housing delivered 171 quality new homes and started a further 119 homes. Delivery is through a mix of Oaklee led construction projects, new turnkey developments and acquisition of pre-owned properties. This brings the total number of homes in Oaklee management to almost 1,300. Project Acorn, continued to fund the delivery of homes with a further 54 units acquired in two tranches.

Oaklee Housing is a member of Comhar Housing, a consortium comprising Macquarie Capital, John Sisk & Son Ltd. and Choice Housing Ireland. This €120 million project encompasses the financing, design, construction and maintenance of six social housing development sites located in and around Dublin – creating over 530 new homes and apartments.

One of the many priorities for 2019 has been the focus on creating communities. Listening to what tenants have to say has informed Oaklee's investment and improvement plan which centres around communities and creating

spaces that tenants are both proud and happy to live in. This renewed focus on creating communities was a key theme emerging from the stakeholder consultation in 2019, which informed the development of Oaklee's new Strategic Plan 2020 - 2023.

For the individuals and families that have moved into these 171 new homes, many from emergency and temporary accommodation, their lives have changed for the better.

“We continue to be able to change lives because we, as a team, work hard to build strong relationships with our key stakeholders. As the number of homeless individuals exceeded 10,500 for the first time in October 2019, of which almost 4,000 were children, the role of AHB's cannot be underestimated. We are proud of our ability to think outside the box and will, along with our Housing Alliance partners, continue to innovate and drive positive change in the sector for the benefit of our tenants and stakeholders alike.”

CEO of Oaklee Housing, Sharon Cosgrove



Choice Services

As the in-house Maintenance and Repairs Service provider, Choice Services has continued to grow to meet the challenge of maintaining over 4,200 Choice dwellings across Northern Ireland. In the reporting period, a 24 hour, 7 days a week service was provided with over 14,000 repairs carried out on Choice properties.

This year also included expansion to support Oaklee activities and the mobilisation of the first social housing Public Private Partnership

(PPP) in Ireland. With a team of more than 50 staff, Choice Services are ensuring the highest of standards in their service provision, which serves to ensure greater efficiency throughout the organisation. Since its launch in May 2017, the organisation focuses on expanding and delivering services to more tenants in areas across the island of Ireland.



Maple and May

Choice Services

Oaklee Housing

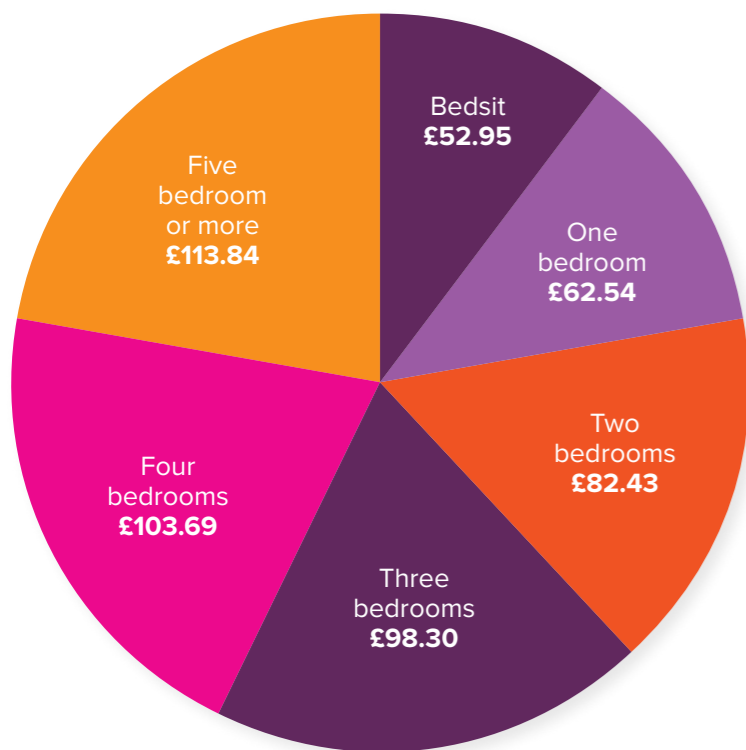
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Great Services

Allocations

Choice continues to work hard to ensure that we have one of the lowest average rents across the sector, which reflects our commitment to delivering affordability and value for money for our tenants.

Sum of Average Rent (£)



£78.62

Average rent paid by a Choice Tenant

Local area based Housing and Property Services Officers work together to ensure properties are ready and tenanted as soon as possible. A specialist Allocations Team ensures new developments are let at time of handover. The specialist team also have a dedicated focus on difficult to let voids, ensuring every effort is made to find tenants for properties which have been vacant for a longer period of time.

Total Allocations

- 307** - 1st letting of new and remodelled general needs and supported schemes
- 744** - Relets completed by area housing teams

Total Allocations 2019/20 = **1,051**

Allocations Breakdown



- 739** General Needs
- 243** Sheltered
- 69** Care and Support

Care and Support Services and Partners

Working in Partnership

Choice continue to work with 40+ partners on the delivery of quality supported housing and recognise that, without this collaboration, meeting the growing housing need in NI would not be possible. The Joint Management Partner (JMP) Forum, which was established last year is growing from strength to strength, sharing best practice and innovative approaches between partners aimed at bettering the end product for tenants.

Choice continue to work with a strong pool of sector leaders in highlighting the importance of the Supporting People Programme which underpins vital supported housing services for around 20,000 vulnerable people across the region.

The current funding of Supporting People and continued enforcement of the 5% cut threatens the wellbeing of many vulnerable people. To maximise quality of life, prevent more serious social problems and make significant preventative public finance savings, Choice continues to advocate for the protection of these vital services.

Key Project

Supported living ensures many vulnerable people within society are able to live independently, safe in the knowledge that support is there when they need it. An example of an innovative approach in the design and implementation of such supported housing provision can be found in The Mews, Belfast. The Mews, Belfast, is a new model of supported living, providing 12 homes, the scheme was commissioned to resettle adults with serious learning disabilities and mental health issues from Muckamore Abbey Hospital, some of whom had been institutionalised for over 30 years.

Due to the complex needs of the client group, it was established that a bespoke supported living scheme was required to enable the

transition from long term hospital stay to living in a community environment. Residents at The Mews were the last remaining residential patients in the Muckamore Abbey hospital.

The Mews showcases innovative design features not seen in social housing anywhere in NI, including electronic assistive technology, secured terrace space for access to outdoors, accommodation designed to provide a safe and secure living environment for residents, and access to intensive support from dedicated personnel.

Choice worked in partnership with a number of key stakeholders to bring this scheme to fruition, including Cedar Foundation, Belfast Health & Social Care Trust, NIHE and Supporting People. The scheme was designed by JNP architects and constructed at a total cost of £1,631,985.

The Mews has marked a significant step forward in the support of adults with learning disability whose needs challenge traditional services. These individuals now live within their community outside of a hospital setting. It has demonstrated that an innovative approach to the model of support combined with a sensitive bespoke design can transform lives.



The Mews

Community Investment

As a social purpose organisation, Choice has a key role to play not only in providing homes, but also in creating vibrant and resilient communities, and supporting individuals and families through the provision of great services.

We have a history of providing a variety of services for our tenants that can broadly be understood as ‘Community Investment’. This is a key way that we, as a housing association, differentiate ourselves from other landlords, and is central to how we demonstrate our social purpose.

In order to bring greater focus to our work in this area we have identified 4 priority objectives for our Community Investment actions:

- Increasing financial capability of tenants;
- Creating safer neighbourhoods;
- Developing stronger, connected communities;
- Driving greater value through the supply chain.

We are at the start of our journey to establish robust process and measurement tools, utilising the UK Social Value Bank (UKSVB), developed by HACT and Simetrica to measure the impact of our Community Investment activity.

The UKSVB is the largest methodologically consistent bank of values that exists, is Treasury and Green Book compliant, and is trusted within the sector.

In 2019 there were 8 initiatives for which we could clearly identify the costs of delivery, the impacted tenants and the appropriate impact measures. In the reporting year Choice spent £761,000 on the 8 initiatives generating £13,899,010 of additional Social value.

Circa £14m of additional social value generated

The estimate Gross Value Added to the Northern Ireland economy through Choice’s business activity is GVA £93,424,063, sustaining an estimated 1827 jobs throughout the supply chain.

Examples of the initiatives include our investment in Promoting Integration and Building Futures.

Promoting Integration

Throughout 2019/20 Choice continued to work with the ‘Housing Associations’ Integration Project’ Peace IV and Together: Building United Communities (Housing For All) projects. These unique partnerships consisting of Northern Ireland Federation of Housing Associations (NIFHA), social housing providers, NIHE, and Department for Communities (DfC) aim to improve good relations, promote community integration and shared housing.

Building Futures

Choice continued its partnership with Bryson Future Skills to deliver WorkChoice, a programme aimed at upskilling people to help them secure long-term employment. WorkChoice equips participants with practical training alongside OCN accreditations whilst enabling participants to earn a salary. The latest programme commenced in January 2020 with five participants currently working in a range of disciplines across the organisation.

Choice believes that academic achievement should be open to all regardless of background and circumstances and is working with Queens University and their Widening Participation Unit, to support and motivate students from a range of backgrounds to achieve academic excellence and to complete their studies.

During the reporting year Choice also launched a new scholarship scheme, in partnership with Ulster University, aimed at supporting up to 15 students, over the next five years, who face barriers to participating in higher education.

“As part of our commitment to local communities, we are investing and developing thriving communities, using housing as a foundation for transforming people’s lives.”

Digital Transformation

A key strategic goal for Choice is to develop a comprehensive, accessible digital platform for tenants and staff using innovative technology.

Covid-19 provided significant challenges to the progress of this objective, with many strategic projects delayed due to the ongoing lockdown. The pandemic also offered an opportunity for the organisation to push ahead with the development of creative solutions to deal with this unprecedented challenge.

A recent estimate shows that approximately 18 months of planned business transformation was delivered in six weeks, in particular the significant increase in remote working capabilities for customer facing staff.



Promoting Channel Shift

This will enable tenants to embrace online engagement with Choice, providing them with a smoother more user-friendly service. The new self-service web portal provides tenants with the ability to update information and register any requests on a 24x7 basis. Tenants can manage their own information, report their own repairs and make payments.

The Tenant Portal pilot project went live in May 2020 with a view to extending functionality following evaluation.



Agile Working -

This provides customer facing staff with the tools available to help tenants in their own home in real time. Property Services Officers can now assign tasks directly to Maintenance Assistants whilst mobile.

Enhanced functionality allows property inspections and new tenancy visits to be completed and we are piloting an app which will enable staff to register repair requests whilst visiting schemes.



Business Transformation -

Ongoing improvements in IT systems and data have the potential to unlock greater efficiency and reduce costs. The vast majority of Choice staff are now “digitally enabled” to work in remote locations. The Services Centre team have been migrated to a cloud based telephony platform to allow the fielding of tenant queries from home.



Strengthen Cyber Security -

The security of core systems and tenant data is paramount. As Choice works to give greater control to tenants, it is vital to ensure all necessary steps are taken to guard against malicious threats.

In November 2019 the Senior Management Team undertook a cyber-security “red test” to review preparedness for a Ransomware attack and mandatory Cyber Security training has been rolled out to all employees.

3

Great People

Our Team and Staff Recognition

It has been another busy year for Learning and Development in Choice with training delivered by external trainers and in-house providers. As a responsible employer and Housing Association, Choice invests continually in its team so that customers can continue to receive quality services and support.

A total of 296 employees completed 154 different courses during the reporting period. The courses included group training sessions and attendance by individual staff members on external courses. Seven staff members were provided with financial support to undertake external qualifications. Overall, Choice invested £153,000 in learning and development activities over the last year.

Choice is committed to recruiting and retaining talent across the organisation. It is Choice employees who contribute significantly to the growth and success of the organisation. Each quarter the senior management team recognise those staff who epitomise the organisations core values. Congratulations to this year's winners and nominees.

Employees also have the opportunity to vote annually for colleagues they feel best represent and, through their work, demonstrated the organisation's key values. The annual staff recognition awards for 2019/20 were presented to the following:

- Customer Centred Staff Member of the Year **Declan Monaghan, Services Centre Advisor**
- Trustworthy Staff Member of the Year **Julie Fleming, HR Manager and Jamie Morrison, Property Services Officer**
- Dynamic Staff Member of the Year **Sam Magee, Painter**
- Overall Staff Member of the Year **Michael Kane, ICT Support Officer**
- Team of the Year **Treasury Team**



Fundraising Committee

Choice is committed to raising much needed funds for good causes in the local communities in which it operates. Choice employees are central to the engagement and decision making process when identifying causes to support - a very important element of this part of the organisation.

The Volunteer Fundraising Committee manages all fundraising activities, recent examples include raffles, coffee mornings, pub quiz, Christmas jumper day and dress down Friday.

Thanks to the generosity of staff, not only with their money but their time and effort, Choice raised over £11,000 for its two nominated charities: The Northern Ireland Children's Hospice and PIPS.

A group of staff also took part in the Action Cancer store takeover day in October. None of these initiatives would be a success without the support of all Choice staff, including Senior Management and at Board level.



Over
£11,000
Raised

Group Board

The Group Board is responsible for directing the activity of the Association, ensuring it is well run and for delivering tangible benefits for all. Responsibilities of the Board include setting the strategic direction of the Choice Group as well as, managing any associated risks and ensuring that there are effective systems of governance and internal control to maximise our performance. During the year 10 Board meetings were held. Details of attendance at Board meetings and length of service of Board Members who served during 2019/20 are provided below:

Name	Length of Service as at 31/03/2020	Board Meetings Held	Board Meetings Attended
Mrs H Bell	4 years 3 months	10	10
Mr J Cullen	5 years 7 months	10	5/6 Retired Sept 2019
Ms J Donald	8 months	10	2/8
Mrs M Donnelly	2 year 11 months	10	7
Mrs H Harrison	2 year 11 months	10	6
Mrs C Gibson	1 year 10 months	10	4
Mr J Higgins	3 years 11 months	10	7
Ms J Hunter	1 year 7 months	10	9
Mr P Leonard	1 year 11 months	10	7
Mr A Logan	2 year 11 months	10	2/8
Mr C McAreavey	3 years 11 months	10	6
Mr K Slattery	3 years 11 months	10	6
Ms N Taggart	2 year 11 months	10	9
Mrs V Watt	8 months	10	0/8

A Tribute to Our Good Friend Andrew Logan

Unfortunately our good friend Andrew Logan passed away shortly after his retirement from Group Board and Committee. Andrew contributed so much to the organisation with his experience, expertise and sound values. He will be sorely missed by everyone at Choice.

Remuneration of Board Members

None of the members of the Board are remunerated and all give their time voluntarily. Total aggregate expenses (in single pounds) reimbursed to the Board Members and not chargeable to income tax was £4,628.

Committees

Audit & Risk Committee

The Audit & Risk Committee supports group board by ensuring that effective control systems and good governance is maintained across Choice.

During 2019/20, a number of key issues were significantly progressed, including:

- Internal audit assurance reports
- Compliance / gas servicing
- Finance Transformation Plan
- External audit strategy
- Review of risk management
- Tenant health and safety framework
- Fraud reporting

Development & Growth Committee

The Development & Growth Committee oversees the delivery of the Social Housing Development Programme (SHDP), strategic asset management and energy management. It monitors value for money in all of its property development and reconstruction activities and the achievement of the financial targets set by the Board. It assists in the identification of key financial and property risks and the controls necessary to monitor that the appropriate responsibilities are planned, managed and discharged.

During 2019/20, a number of key issues were significantly progressed, including:

- Delivery of Social Housing Development Programme 2019/20
- Choice Policy on strategic site acquisitions
- Approved scheme design reports and site/property purchases
- Commissioned an external review of fire safety management
- Reviewed composition of the Association's annual development programme
- Asset Management Strategy (2019/20 – 2020/21)
- Delivery of Energy & Sustainable Development Strategy – Annual Action Plan 2019/20

Finance Committee

The Finance Committee oversees the financial management and treasury matters of the organisation.

During 2019/20, a number of key issues were significantly progressed, including:

- Approved policy changes on financial viability, financial planning and budgeting, accruals, treasury management
- Review of VFM Strategy
- Review of financial projections
- Review of Treasury Management
- External Audit

Tenant & Client Services Committee

The Tenant & Client Services Committee is the major interface between the Association and its tenants. The Committee oversee the formulation and implementation of strategies and policies, the delivery of Business Plans and monitoring output against targets.

During 2019/20, a number of key issues were significantly progressed, including:

- Ensuring full health & safety compliance and a review of security protocols for 'difficult to manage' schemes (from design stage through to occupancy).
- Implementation of outstanding actions from Supported Housing review.
- Welfare Reform – Phase 3 of Welfare Reform Project complete including lobbying to retain mitigations. Completion of Year 1 actions under our 3 Year Financial Inclusion Action Plan.
- ASB Strategy – Significant progress made in the creation of a City Centre Security Plan.
- Void Management – Improvement in re-let times from 2018/19.
- Implementation of the Proactive Arrears Management System.

Senior Management Team

Back row L-R

Michael Rafferty
Group Director
of Finance
& Resources

Niall Sheridan
Group Director
of Development
& Assets

Middle row L-R

Wilton Farrelly
Managing Director
of Choice Services

Carol Ervine
Group Director
of Tenant
& Client Services

Jon Anderson
Group Director
of Growth

Front row L-R

Lawrence Jackson
Group Director
of Corporate Services

Sharon Cosgrove
Chief Executive Officer
of Oaklee Housing

Michael McDonnell
Group Chief Executive



Value for Money (VFM)

Choice believes that a focus on Value for Money (“VFM”) leads to improved outcomes for our customers and our stakeholders, and that it generates savings on resources which can either be taken as short-term gains or recycled back into the organisation as additional longer-term investment.

Our VFM strategy has the following aims:

- Setting VFM targets which become the focus for enhancing delivery;
- Establishing management systems and structures aimed at promoting VFM; and
- Establishing a VFM culture at all levels of the organisation.

The overall VFM process is continuous and we recognise that the quest to improve is never complete. However, areas where we have focused our efforts are:

- Improving tenant satisfaction levels;
- Improving core operating metrics;
- Achieving 100% compliance on health and safety;
- Enhancing our delivery on new build; and
- Improving returns from our assets.

We aimed to achieve these targets while maintaining average rents at affordable levels. We are making progress in all of these areas as follows:

VFM Area	Progress
Improving tenant satisfaction levels	Tenant satisfaction levels improved from 87.8% last year to 90.9% at March 2020.
Improving core operating metrics	Most operating metrics (voids, repairs performance, staff absence) showed improvements during the year. However the Coronavirus pandemic had a material impact on operations from March 2020 onwards resulting in a significant deterioration in voids, repairs and arrears performance from the end of March into the new financial year.
Achieving 100% compliance on health and safety	We achieved 100% compliance through most of the year, although the Coronavirus pandemic impacted on performance in late March.
Enhancing our delivery on new build	We completed 332 new social units in 2019/20, as compared to 301 in the previous year. As a consequence of the Coronavirus pandemic our social units started reduced from 399 to 118. We have implemented a number of initiatives to further enhance performance.
Improving returns from our assets	Our return on assets (at 1.92%) has improved because of stronger operating surplus performance.

Group Financial Performance

The financial statements reflect the financial performance and financial position of the Choice Group for the year ended 31 March 2020 and has been prepared in accordance with FRS102 and Housing SORP 2018. The figures for ‘Group’ include the Parent and our subsidiaries: Oaklee Housing, Acorn Housing, Maple & May Limited, Maple & May (Homes) Limited and Choice Services (Ireland) Limited.

The Group reported a strong financial performance for the 2019/2020 financial year with a surplus of £11.7m (2019: £8.5m). These surpluses will be set aside to cover our debt repayments and invested into projects such as our planned and cyclical maintenance programme in later years.

Our annual turnover was £75.2m in 2019/20 compared to £68.8m last year. Rental income increased in Choice by £2.9m, in Oaklee/Acorn by £1.2m, and in Maple & May/ Maple & May (Homes) by £1m.

The Group invested an additional £95m in housing assets, bringing their total gross value to £1,151m. The number of units in management at the balance sheet date within the Group was 12,123 (2018: 11,604). This increase reflects our development activity in Choice, Oaklee/Acorn and Maple & May.

Long-term borrowing is an essential element in financing our projects. During the year our borrowings increased by £104m to £380m. We completed the drawdowns from our £150m finance contract with the European Investment Bank (EIB) which will provide us with the private finance we need for our social housing development programme in Northern Ireland into the medium term. Oaklee and its subsidiary continued to fund its development programme in the Republic of Ireland through borrowings from Nord, HFA, Bank of Ireland and local authorities.

The Group continues to grow from strength to strength each year and this is clearly reflected in our consolidated balance sheet, where we now have total reserves of £123m million.

During the year events outside our control continue to pose financial challenges and opportunities. These include:

- Impact of the global pandemic;
- Political uncertainty and Welfare Reform;
- Reclassification of the sector;
- Constraints on public sector funding;
- Changes in the local property market; and
- Economic uncertainty.

We believe we are well placed to meet these challenges. We have set out our financial plans for 2020/2021 and beyond and are already looking forward to another successful year ahead.

Group Income & Expenditure Account for the year ended 31 March 2020

Choice Housing Ireland

	2020 £'000	2019 £'000
Turnover	75,288	68,800
Operating costs	(55,142)	(52,318)
Operating surplus	20,146	16,482
Gain on disposal of tangible fixed assets	1,310	514
Interest receivable and similar income	365	187
Interest payable and similar charges	(9,025)	(8,441)
Net finance charges relating to pension scheme	(161)	(105)
Fair value uplift in investment properties	437	634
Reversal of impairment of financial assets	98	-
Transfer to disposal proceeds fund	(1,226)	(485)
Movement in fair value of financial instruments	(205)	(171)
Surplus before tax	11,739	8,615
Taxation	(217)	(97)
Surplus for the year	11,522	8,518

Group Balance Sheet as at 31 March 2020

Choice Housing Ireland

	2020 £'000	2019 £'000
Fixed assets		
Tangible fixed assets- Housing Properties	972,555	893,124
Other tangible fixed assets	4,583	3,112
Investment properties	18,584	12,357
Financial assets	-	-
	995,722	908,593
Current assets		
Stock	935	1,130
Trade and other debtors	13,761	16,344
Cash investments	17,131	1,793
Cash and cash equivalents	37,843	16,067
	69,670	35,334
Creditors: amounts falling due within one year	(55,284)	(68,253)
Net current assets/(liabilities)	14,386	(32,919)
Total assets less current liabilities	1,010,108	875,674
Creditors: amounts falling due after more than one year	(884,816)	(758,596)
Provisions for liabilities		
Defined benefit pension liability	(2,751)	(6,869)
Net assets	122,541	110,209
Capital and reserves		
Share capital	-	-
Foreign exchange translation reserve	423	260
Cash-flow hedge reserve	(12,543)	(9,349)
Revenue reserve	134,661	119,298
Total reserves	122,541	110,209

Parent Income and Expenditure Account for the year ended 31 March 2020

Choice Housing Ireland

	2020 £'000	2019 £'000
Turnover	62,736	59,813
Operating costs	(47,465)	(46,510)
Operating surplus	15,271	13,303
Gain on disposal of tangible fixed assets	1,310	514
Interest receivable and similar income	721	411
Interest payable and similar charges	(6,441)	(6,519)
Net finance charges relating to pension scheme	(161)	(105)
Fair value uplift in investment properties	-	141
Reversal of impairment of financial assets	98	617
Transfer to disposal proceeds fund	(1,226)	(485)
Movement in fair value of financial instruments	(86)	14
Surplus before tax	9,486	7,891
Taxation	-	-
Surplus for the year	9,486	7,891

Parent Balance Sheet as at 31 March 2020

Choice Housing Ireland

	2020 £'000	2019 £'000
Fixed Assets		
Tangible fixed assets- Housing Properties	790,465	753,955
Other tangible fixed assets	4,574	3,092
Investment properties	352	352
Financial assets	2,700	2,700
	798,091	760,099
Current assets		
Stock	15	17
Trade and other debtors	27,166	27,692
Cash investments	17,131	1,793
Cash and cash equivalents	32,526	13,200
	76,838	42,702
Creditors: amounts falling due within one year	(45,698)	(55,353)
Net current assets/(liabilities)	31,140	(12,651)
Total assets less current liabilities	829,231	747,448
Creditors: amounts falling due after more than one year	(708,446)	(634,392)
Provisions for liabilities		
Defined benefit pension liability	(2,751)	(6,869)
Net assets	118,034	106,187
Capital and reserves		
Share capital	-	-
Foreign exchange translation reserve	-	-
Cash-flow hedge reserve	(9,591)	(8,111)
Revenue reserve	127,625	114,298
Total reserves	118,034	106,187

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