



Together we
enrich lives

Annual Report
2021 / 2022

FOREWORD

from Group Chairperson and Group Chief Executive

No one anticipated that the impact of the pandemic would extend through the full year ended 31st March 2022, so the many positive outcomes achieved across the Choice Group in this period are particularly pleasing.

This has been the first year of our strategic plan to 2024, where Choice Group seeks ‘to enrich lives through great homes, services and communities’ and our ambition ultimately is ‘to make a positive and sustainable difference’ for our people, our tenants and society as a whole. The performance metrics included in this annual report bear testimony to the great work of colleagues across the Group in very difficult circumstances.

We are delighted that the Group structure continues to develop and grow to deliver benefits for our tenants. Choice Services now meets c80% of the general response repairs requirements of Choice Housing. This direct service provision is a fundamental component of our value for money strategy, as we strive to maintain affordability of both rents and services in the face of rising household bills.

Maple and May has a very successful private rented sector portfolio, combining excellent homes with customer-centred services. Our Group Board were pleased to approve a number of sector-leading mixed tenure schemes in the year at Kings Hall, Park Avenue and Lewis Square, which will establish new benchmarks in the creation of diverse and thriving communities.

Comhar FM, the special purpose vehicle created to build and manage a number of social homes for counties Dublin, Kildare, Louth and Wicklow has now completed its allocations and tenants appear very pleased with their new homes. Whilst Oaklee Housing is on a journey that should see it separate from Choice, our relationship within Comhar will sustain for many years, delivering benefits for a range of stakeholders.

The year ended 31st March 2022 has again highlighted the tenacity and innovation of the Choice team and the strength of our partner relationships. Our ‘normal’ protocols were once again challenged and tested by the pandemic, but held true to our values. Homes were allocated and reallocated, rent was collected, repairs were delivered and communities were supported, during which our colleagues displayed care, commitment and creativity in abundance.

We continue to invest significantly in both new and existing homes. The level of social housing starts achieved by Choice in 2021/22 was the highest in recent memory, and the pipeline looks very promising. We successfully delivered a substantial planned and cyclical maintenance programme and separately progressed refurbishment of former VHE homes. Never has our in-house sustainability and energy team played a more important role in guiding tenants and colleagues through the ‘fog’ of spiralling energy prices and evolving building standards.

The year was also notable for our continued leadership in shared housing, with allocations in an increasing number of new build schemes purposefully drawn from across communities. Choice is determined to create and sustain diverse, integrated and ultimately more stable and thriving neighbourhoods, grounded in mutual respect. We will continue to mainstream our community development activity with a range of supporting initiatives designed to promote economic resilience and well-being.

Our Group Board were keen to launch a pilot Tenant Support Fund in 2021/22 and we are pleased that this programme will be significantly expanded in the coming year. We are all acutely aware that with increasing uncertainty from a political, social and economic perspective, the year ahead may be even more challenging than the one just finished. However, you should be assured that the Choice Group will continue to place our tenants and communities at the very heart of everything that we do.

In conclusion, on behalf of our Group Board and our Senior Management Team, we pay tribute to our colleagues, partners and communities who have worked tirelessly over the last year to improve the lives of so many people.

Thank you for your great work and we look forward to working together to enrich lives in the year ahead.

CIARAN McAREAVEY,
Group Chairperson

MICHAEL McDONNELL,
Group Chief Executive

DRUMMELLAN
PARK
Craigavon



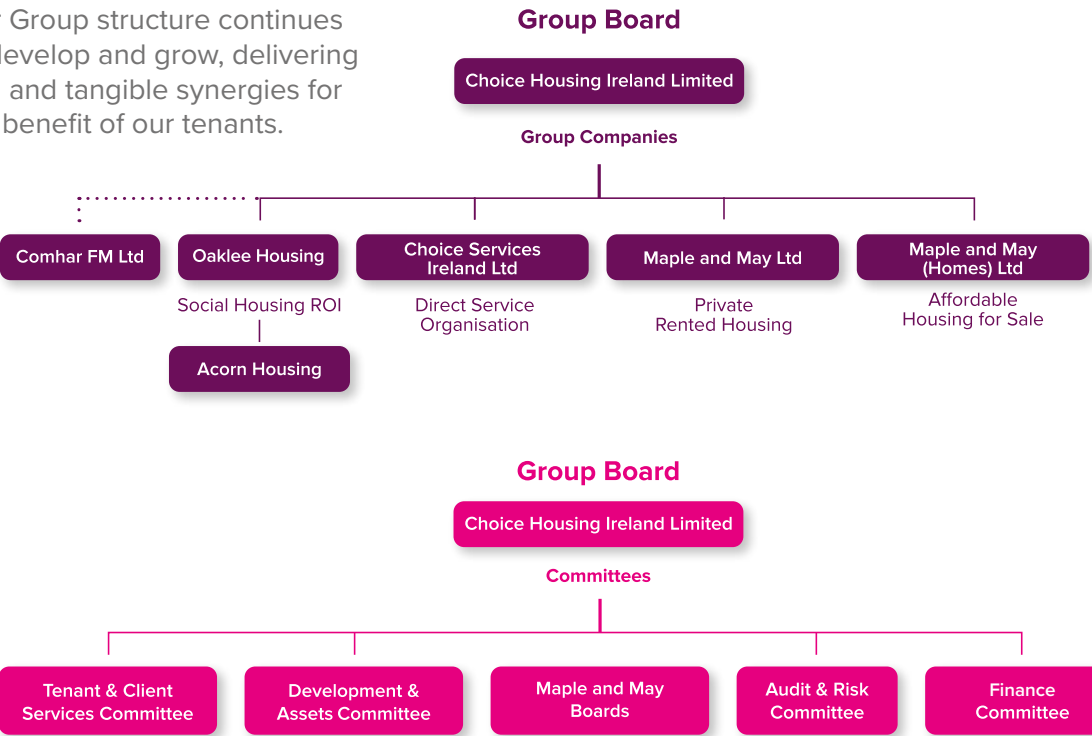
CIARAN
McAREAVEY
Group
Chairperson



MICHAEL
McDONNELL
Group Chief
Executive

ENRICHING LIVES THROUGH GROUP COMPANIES

Our Group structure continues to develop and grow, delivering real and tangible synergies for the benefit of our tenants.



MAPLE AND MAY

Maple and May continue to grow its portfolio across Northern Ireland, with 253 private rented sector properties under management. This reporting year has also seen a significant focus on supporting the group with its wider mixed tenure ambitions to integrate social, private, and affordable housing in new schemes through Maple and May (Homes).

Key Developments progressed this year:

East Belfast – Park Avenue

- Mixed Tenure Development
- 90 units in total
- 63 used for social housing
- 27 private rented properties (M&M)

East Belfast – Lewis Square

- £10m housing development
- 44 new general needs and older people
- Accommodating 129 people
- 15 private rented homes
- 12 private affordable homes for sale

South Belfast - Kings Hall

- £14m investment
- 36 private rented properties
- 45 social homes
- Part of a health & wellbeing regeneration plan

Waterside - Derry ~ Londonderry

- Mixed tenure development
- 200 new social homes
- Further 20 private rented / 42 private affordable homes

Starts (NI)
Maple and May

TARGET
100

ACHIEVED
YEAR END
104



OAKLEE HOUSING

It has been a very busy year for the Oaklee Housing team. On the development front, two Oaklee-led schemes started on site in Co. Offaly with both making good progress and will be ready to hand over in the coming months. Throughout the year, Oaklee Housing were delighted to welcome tenants to their new homes across the country, including 14 individuals and families in Moate, Co. Westmeath and 19 in Liseggerton, Co. Monaghan. We are also pleased to be able to prepare 26 homes in Droughill, Co. Laois as well as the ten Housing Agency Acquisitions homes for hand over to the Housing Services team.

With the cost of living high on everyone's agenda, keeping rent arrears under control is a specific target for the Oaklee Housing Management team with rent arrears down to 5.3% with further reductions expected in the coming year. This improvement is as a direct result of pro-active engagement with tenants. As Oaklee Housing continues to work through a rolling programme of stock conditions surveys, of which 30% were completed in the year, we remain committed to the on-going investment in improving our homes, with a planned maintenance investment of €2m.

CHOICE SERVICES

Choice Services has continued to grow as a maintenance and repairs provider maintaining over 4,700 homes across Northern Ireland and Ireland. In 2020/21 over 18,000 repairs were delivered by Choice Services. The organisation expanded to support Oaklee Housing (Choice subsidiary) with the first social housing Public Private Partnership (PPP) in Ireland.

Approval for a planned expansion of Choice Services for 2022/23 will provide maintenance and repairs services to an additional 4,400 Choice homes, resulting in an additional 30 jobs and responsibility for 80% of our general response repairs needs ensuring value for money for tenants.

COMHAR FM

Over the last 24 months the Comhar consortium (McQuarrie, Sisk, WSP, Choice Services, Oaklee Housing and Choice Housing) working collaboratively with the NDFA, Dublin City Council and four other Local authorities (Kildare, Louth, Wicklow & South Dublin) developed six new integrated communities and delivered 534 new affordable rented homes from one-bedroom flats to family homes.

The successful consortium brought together a range of knowledge and skills, demonstrating the innovative SHB1 Public Private Partnership model for new social housing delivering a quality project with a people centred approach.



STARTS
60
ACHIEVED
YEAR END

COMPLETIONS
67
ACHIEVED
YEAR END



AWARD WINNING SERVICE

All Ireland Housing Awards 2021
Winner - Excellence in customer service (Choice Services Repairs)

Following a successful in-house transfer of the response repair services, Choice Services now delivers 80% of general response repairs needs, ensuring value for money for tenants.

KEY OUTCOMES

534 new homes delivered for first time in the Republic of Ireland through a PPP model of funding

96% resident satisfaction with their new home and repair services

PPP now a key route to future funding of social housing in the Island of Ireland

First homes handed over in June 2020

All 6 sites occupied by September 2021

Creation of 13 new jobs



ENRICHING LIVES THROUGH GREAT HOMES

As one of the leading housing associations in Northern Ireland there is an emphasis on Choice to deliver quality homes across the region that not only provide safe and efficient living for a range of diverse needs but that contribute to the communities we build in.

With the effects of the pandemic still very much being felt across the sector, alongside the continued increase in cost of living and inflation, it has been another challenging year for our housing delivery programme. The wider operating environment also remains challenging with perennial issues around limited availability of land, inconsistency in our planning system and NI Water capacity.

Choice has continued to work with partners to ensure delivery and progress on a range of schemes across Northern Ireland and this will continue into 2022/23.

At the beginning of the year, Choice extended the Lewis Square scheme in East Belfast with a further 15 homes catering for over 55s. This is in addition to the 29 General Needs homes already on site. A further 15 private rented properties and 12 for (affordable) sale are also part of this scheme, marking a significant investment in the East Belfast area.



GREAT
GEORGE'S
STREET
Warrenpoint

Twelve new homes were also started (and completed in year) in Warrenpoint town centre, George Street.

49 homes at Old Eglis Road in Dungannon commenced work with an expected completion date for phase 1 of winter 2022. Working in collaboration with the Department for Communities (DfC), the new development will accommodate 199 people in 49 new homes.

Despite the challenges faced in delivering construction projects during the pandemic Choice successfully 'handed over' 178 completed units including 19 apartment units at Willowfield in East Belfast which received recognition for its design and 17 general needs units at our shared housing project at Moira Road in Lisburn.

Work continued throughout the year on our 'on site' projects including at Kilwee, Belvedere and Hannahstown in West Belfast.

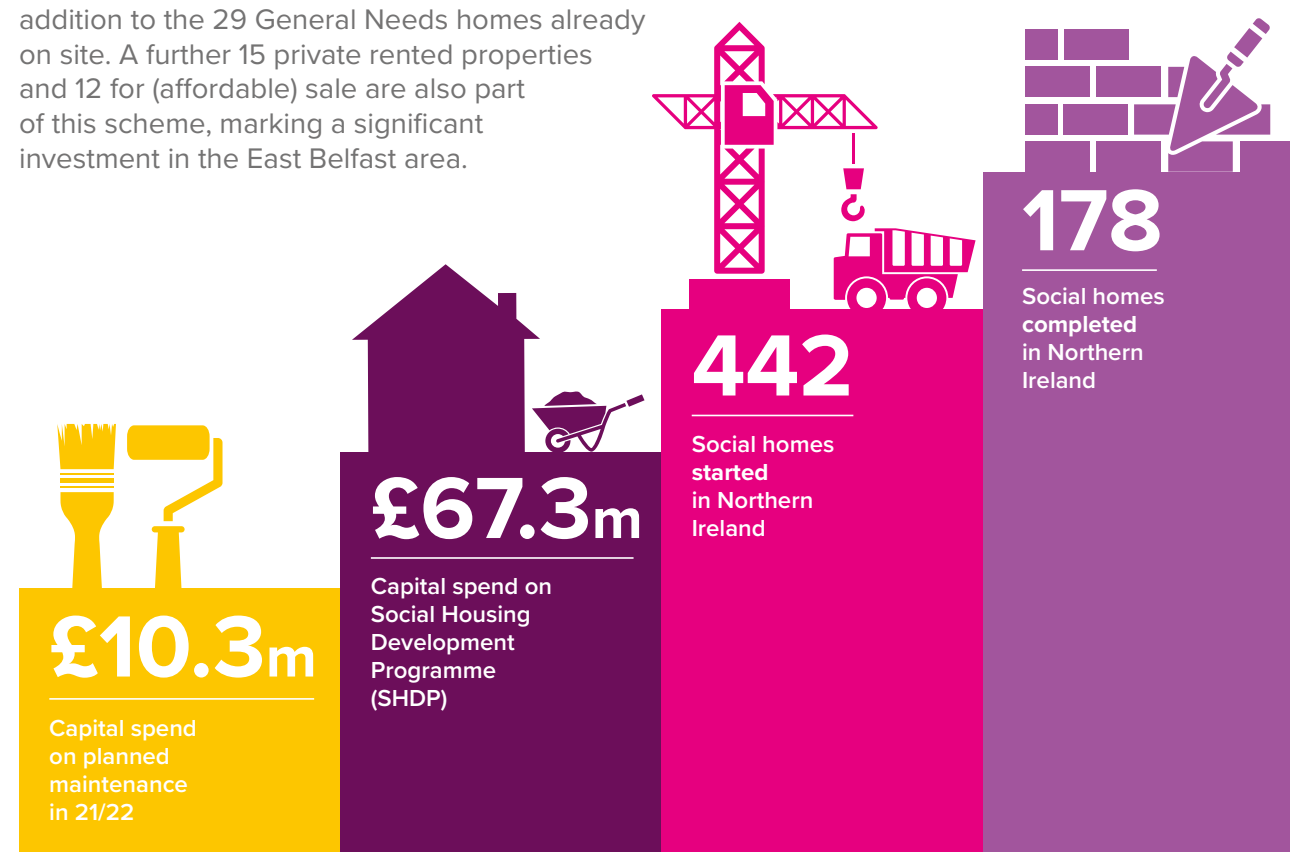


KILWEE
Belfast

In 2021/22 Choice acquired the lands and committed to a significant new-build scheme on the Waterside (Gransha) area of Derry ~ Londonderry. Over the next 10 years this will secure around 900 much needed new homes for the area.

Other Significant Developments underway:

- **£1.7m investment Fincairn, Drumahoe**
8 houses started (with 12 completed in phase 1)
- **£2m investment Belfast Road, Antrim**
14 units in progress
- **£2.5m investment Fountainhill (Stiles Way) Antrim**
18 units in progress
- **£5.5 m investment The Pines (Somerset Road) Coleraine**
39 units in progress
- **Carrickfergus (Minorca Drive)**
146 social houses announced
- **Dromara**
14 new homes



Victoria Housing Estates (VHE)

Our VHE refurbishment project has made significant progress and remains on target for completion by summer 2024. With a mix of houses and apartments, the programme was divided into nine phases across several areas and included bespoke upgrades to meet the needs of tenants.

PROGRAMME HIGHLIGHTS

- | | |
|-------------------------|--|
| Phase 1: | Void properties across all locations - works due for completion later this year. |
| Phase 2: | Cherryhill - Building Contract in procurement. |
| Phase 3 & 4: | Harmin Building Contract awarded and works commenced in November 2021. |
| Phases 5: | Hollywood Rd - Design Development Stage. |
| Phases 6, 7, 8: | Riverdale - Design Development Stage. |
| Phase 9: | Worcester Avenue - Design Development Stage. |

ENRICHING LIVES THROUGH GREAT SERVICE

Looking across the breadth of our strategic imperatives, the year ended 31st March 2022 has highlighted the tenacity and innovation of the Choice team and the strength of our partner relationships.

Our partner organisations have worked incredibly hard to safeguard the homes and services which enable our service users to remain within a community setting. Our Partner Forums, which were established in 2018 continue to provide a supportive group setting through which our partners can share, learn, and advocate.

A number of successful projects were delivered through partner collaboration:

- **Croft Communities** - Merger between two partners; Cedar Foundation and The Croft Community will ensure the continued delivery of supported living services for learning disability clients.
- **242 Antrim Road** - working alongside the Simon Community we unveiled a newly refurbished scheme which delivered fully upgraded accommodation for young people aged between 16 and 21 leaving care.
- **The Bank, Belfast** - Following the successful, short-term use of the property since March 2020 with Maple and May this service was purchased by Choice to provide accommodation for up to eight individuals with severe and enduring mental health difficulties. It meets a previously unmet need for specialist accommodation in the East Belfast area and is a welcome asset for Choice, the Belfast Health & Social Care Trust and the wider community.



Official opening
of 252 Antrim
Road Belfast

Choice works with
over 40 partners
to help deliver the
appropriate support
and care to tenants
within our supported
accommodation

Our People

VALUES

Our people are a very important cog in the wheel and without them we wouldn't be able to deliver for our tenants or the most vulnerable people in society. Choice continually invests in our staff so that our tenants can always receive quality services and support. We also routinely invest in the functions that allows staff to spend more time 'on the ground' – in local communities, understanding what our customer's priorities are and how we can help make them a reality.



Senior Development Programme

During 2021-22
employees completed
155 different virtually
led courses with the
overall number of
courses delivered
totalling **261**

LEADERSHIP PROGRAMMES

Commencing in June 2021, the Choice Leadership Group embarked on a programme of workshops to help develop their skills in managing their respective teams. This included learning how to empower, motivate to high performance and manage remote teams.

In March 2022, the Choice Heads of Departments commenced an immersive senior development programme to promote high calibre leadership delivered by Queens University. The main theme of the programme which ran to June 2022 was Leading Self, Leading Others, Leading the Organisation.

STAFF RECOGNITION

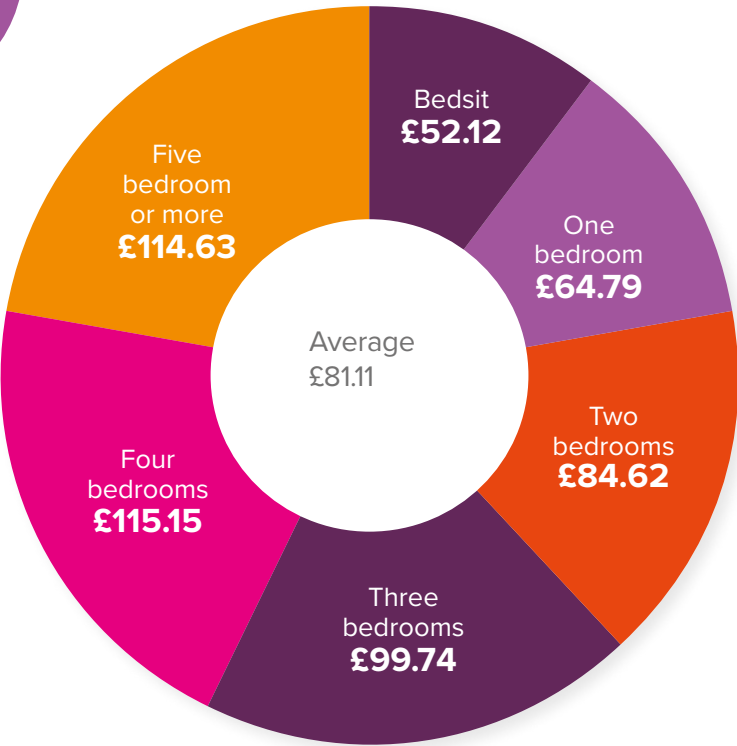
We held our annual staff awards in 2021 which provides an opportunity for the organisation to recognise staff and teams across the group for their outstanding achievements.

During the awards we recognised individuals who went above and beyond in their role to provide an unrivalled service to tenants and communities. We also recognised a number of our teams who deserved special recognition for their dedication and commitment.

ENRICHING LIVES THROUGH GREAT PERFORMANCE

Choice is one of the largest independent housing associations in Northern Ireland. Our focus is on delivering high quality homes, better services, and stronger inclusive communities. Our core values commit us to shaping new standards of excellence that redefine our sector to provide more great housing and support at reasonable cost.

SUM OF AVERAGE RENT (£)



Allocations

Choice is committed to having one of the lowest average rents across the sector and delivering affordability and value for money for tenants. In 2021-22, the average rent paid by Choice tenants was £81.11 rent per week.

TOTAL ALLOCATIONS



771 relets
161 new lettings

Total Allocations
2021/22 = **932**

ALLOCATIONS BREAKDOWN

608 General Needs
252 Sheltered
72 Supported

A 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.



Throughout the year the Board and SMT monitor 34 strategic and operational key performance indicators across all areas of the organisation. The results are used to manage performance and set strategies for continuous improvement.

Strategic KPIs monitored by the Board 13
Operational KPIs monitored by SMT 21

Key Highlights

REPAIRS



96%
% Repairs Completed
v Choice Housing
target (90%)

46,136
Number of Works
Orders Completed (NI)

99%
% Repairs Completed
v Oaklee Housing
target (92%)

14,157
Number of Works Orders
Choice Services (NI)

COMPLIANCE



99.99%
Gas Certificates
in Period (NI)
v target 100%

99.8%
Fire Risk
Assessments (NI)
v target 100%

100%
Legionella Risk
Assessments (NI)
v target 100%

98%
Asbestos Risk
Assessments (NI)
v target 90%

AWARD WINNING SERVICE



During the year we were delighted to achieve European Foundation for Quality Management (EFQM)



4-star rating by the EFQM and accredited as an 'Outstanding Organisation'

CUSTOMER ENQUIRIES



75%
Calls Resolved
on First Contact (NI)
v target 100%

98%
Call Advisor
Call Quality (NI)
v target 95%

86%
Choice Services Centre
Overall Satisfaction (NI)
v target 88%

ENRICHING LIVES THROUGH GREAT COMMUNITIES

As a social purpose organisation, Choice has a key role to play not only in providing homes, but in creating vibrant and resilient communities. Our 'Community Investment' is an essential commitment, and we deliver this through a range of support services.

Utilising the UK Social Value Bank ('UKSVB'), developed by HACT and Simetrica we are able to measure the impact of our community investment activity.

- £9,459,550 on seven initiatives generating £19,419,842 of additional Social value
- Estimate Gross Value Added to the NI economy through Choice's business activity is GVA £64,162,399
- Sustaining an estimated 1,182 jobs throughout the supply chain

BUILDING FUTURES

In 2021-22 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.

Choice continued to work with Queen's University and Ulster University to provide financial support to students facing financial, social, or logistical barriers to furthering their education through its scholarship programme.

PROMOTING INTEGRATION

Throughout 2021/22 Choice continued to deliver on its commitment to bringing communities together through projects such as 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.

YOUNG ENTREPRENEURS

Four groups of young people aged 13-18 were supported by Choice to take part in the Access Enterprise programme organised by Young Enterprise. This programme is an activity-based, community education project that supports the development of enterprising and employability skills.

TACKLING HOMELESSNESS

Choice supported Street Soccer NI bringing a men's and women's team to compete in the Home Nations Tournament in Edinburgh.



TENANT SUPPORT

At a particularly difficult time with rising costs in energy prices and general cost of living, Choice has partnered with a range of organisations to support tenants financially. Working with Trussell Trust, we supplied much needed food parcels to families in need across Northern Ireland.

In a similar partnership with local charity Homeless Connect we worked together to provide people moving from homelessness into a new tenancy with much needed support as they begin their tenancy journey.



GOOD CAUSES

Choice staff continue to support a range of good causes who rely heavily on public donations to continue their vital work.

2021-22

£14,880

support to Action Cancer and Alzheimer's Society



Our new Charity Partners for 202-23 are Cancer Fund for Children and Air Ambulance.



ENRICHING LIVES THROUGH

GREAT GOVERNANCE

Group Board

Our Group Board is responsible for overseeing the activity of the Group, ensuring it is managed efficiently and 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.

Ken Slattery and Valerie Watts stepped down from the Board during this reporting year. We would like to thank them for their service and wish them well in the future. We were pleased to welcome Jennie Donald and Caroline Young as new Board members in April 2021.

During the year eight Board meetings were held. Details of attendance at Board meetings and Board Members who served during 2021/22 are provided below:

Name	Board Meetings Held	Board Meetings Attended
Mr L Dempsey	8	7/8
Dr J Donald	8	4/8
Mrs M Donnelly	8	5/8
Mrs C Gibson	8	6/8
Mrs H Harrison	8	8/8
Mr J Higgins	8	6/8
Ms J Hunter	8	4/8
Mr P Leonard	8	7/8
Mr C McAreavey	8	7/8
Mrs C Scales	8	5/8
Mr K Slattery	8	4/4
Mr D Toner	8	6/8
Mrs V Watt	8	0
Mrs C Young	8	6/8
Total Ave		74%

Group Committees

AUDIT & RISK COMMITTEE

Key Progress in reporting year

- Embedding new Risk Policy and Procedures
- Internal audit programme for the year
- Procurement of new external auditors

FINANCE COMMITTEE

Key Progress in reporting year

- Implementing the funding strategy securing £50m bLEND finance and new £30m RCF
- Long term financial planning
- LIBOR/SONIA transition

DEVELOPMENT & ASSETS COMMITTEE

Key Progress in reporting year

- Delivery of Social Housing Programme 2020/21
- Choice Policy on strategic site acquisitions
- Re-organisation of the Asset Services Directorate
- Agreement of a new Asset Management Strategy for the next 3 years
- Approval of circa £10m Planned Maintenance spend in the year 2021/22
- Monitoring of the performance of property compliance matters

TENANT & CLIENT SERVICES COMMITTEE

Key Progress in reporting year

- Coronavirus & Service Provision
- Financial Inclusion Strategy & Tenant Financial Support Fund
- Implementation of City Centre Security Service
- Estate Management, Housing KPI's, Anti-Social Behaviour, Fraud
- Supported Housing and the work of our Joint Management Partners
- Choice Service Centre Operation

GROUP SENIOR
MANAGEMENT TEAM

At Choice we pride ourselves in our ability to retain top talent across our organisation.
We have a strong and diverse team working together to make a difference in people’s lives.



SENIOR MANAGEMENT TEAM L-R

Jon Anderson
Group Director
of Development

Carol Ervine
Group Director
of Tenant & Client
Services

Lawrence Jackson
Group Director
of Corporate Services

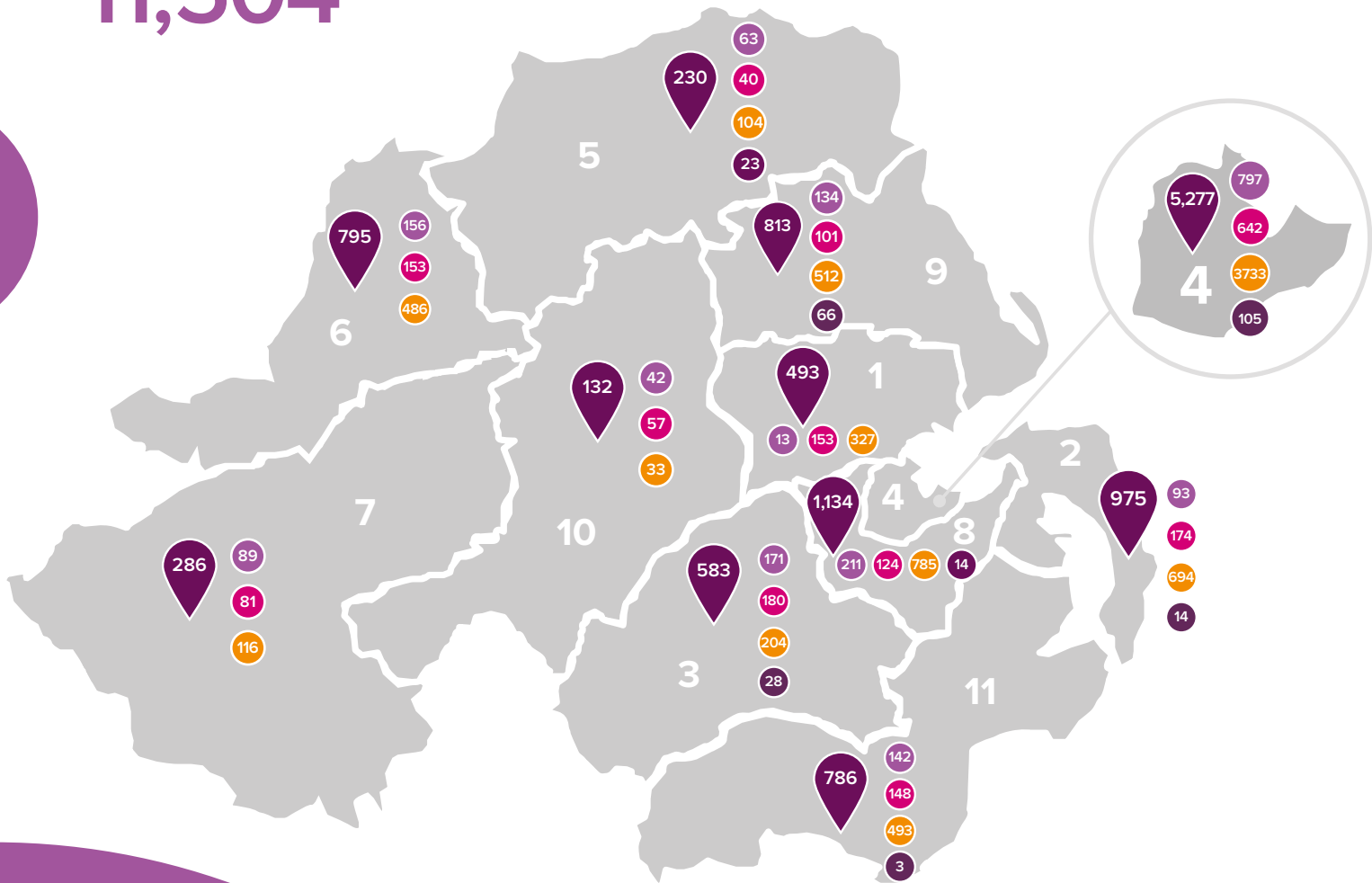
Sharon Cosgrove
Chief Executive
Officer of Oaklee
Housing

Michael Rafferty
Group Director
of Finance &
Resources

Wilton Farrelly
Group Director
of Asset Services

Michael McDonnell
Group Chief Executive

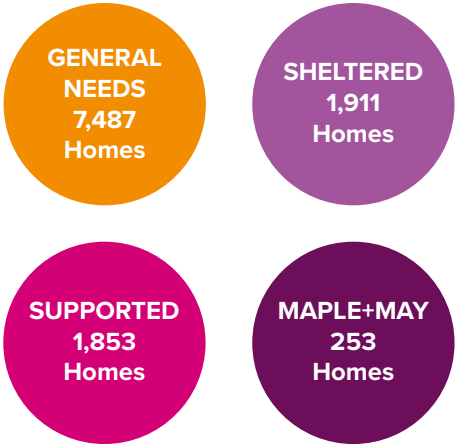
TOTAL
11,504



Local Councils

- 1 Antrim and Newtownabbey
- 2 Ards and North Down
- 3 Armagh, Banbridge and Craigavon
- 4 Belfast City Council
- 5 Causeway Coast and Glens
- 6 Derry and Strabane
- 7 Fermanagh and Omagh
- 8 Lisburn and Castlereagh
- 9 Mid and East Antrim
- 10 Mid Ulster
- 11 Newry, Mourne and Down

HOUSING TYPES



Group Financial Performance

The financial statements reflect the financial performance and financial position of the Choice Group for the year ended 31 March 2022 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 and May Limited, Maple and May (Homes) Limited and Choice Services (Ireland) Limited.

The Group reported a strong financial performance for the 2021/22 financial year with a surplus of £12.7m (2021: £12.8m). 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 £86.5m in 2021/22 compared to £81.6m last year. Rental income increased in Choice by £2.0m, in Oaklee Housing /Acorn Housing by £2.0m, and in Maple and May / Maple and May (Homes) by £0.5m.

The Group invested an additional £95m in housing assets, bringing their total gross value to £1,323m. The number of units in management at the balance sheet date within the Group was 13,566 (2021: 13,110). This increase reflects our development activity in Choice, Oaklee Housing /Acorn Housing and Maple and May.

Long-term borrowing is an essential element in financing our projects. During the year our borrowings increased by £45m to £460m. In addition, shortly after the year end, we completed the negotiation of a £30m Revolving Credit Facility which together with the European Investment Bank (EIB) funding 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 £159m. During the year events outside our control continue to pose financial challenges and opportunities.

- These include:
- Impact of the global pandemic;
 - Political uncertainty;
 - 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 2022/23 and beyond and are already looking forward to another successful year ahead.

Group Income & Expenditure Account
for the year ended 31 March 2022

Choice Housing Ireland

	GROUP		PARENT	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Turnover	86,551	81,676	67,416	64,492
Operating costs	(63,567)	(58,994)	(51,453)	(48,867)
Operating surplus	22,984	22,682	15,963	15,625
Gain on disposal of tangible fixed assets	2,085	1,007	2,085	1,007
Interest receivable and similar income	25	108	315	542
Interest payable and similar charges	(11,283)	(10,833)	(6,846)	(6,806)
Net finance charges relating to pension scheme	(33)	(61)	(33)	(61)
Fair value change in investment properties	691	682	-	(28)
Impairment of financial assets	-	-	-	-
Transfer to disposal proceeds fund	(1,999)	(812)	(1,999)	(812)
Movement in fair value of financial instruments	259	67	72	(89)
Surplus before tax	12,729	12,840	9,557	9,378
Taxation	(367)	(285)	-	-
Surplus for the year	12,362	12,555	9,557	9,378

Group Balance Sheet
as at 31 March 2022

Choice Housing Ireland

	GROUP		PARENT	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fixed assets				
Tangible fixed assets- Housing Properties	1,114,922	1,044,191	888,191	825,810
Other tangible fixed assets	5,110	5,006	5,100	5,003
Investment properties	28,584	28,947	324	324
Financial assets	-	-	13,200	13,200
	1,148,616	1,078,144	906,815	844,337
Current assets				
Stock	846	272	15	15
Trade and other debtors	42,965	14,463	51,152	23,155
Cash investments	2,827	2,980	2,827	2,980
Cash and cash equivalents	13,871	24,463	2,509	16,530
	60,509	42,178	56,503	42,680
Creditors: amounts falling due within one year	(77,187)	(58,495)	(66,548)	(45,933)
Net current (liabilities)/assets	(16,678)	(16,317)	(10,045)	(3,253)
Total assets less current liabilities	1,131,938	1,061,827	896,770	841,084
Creditors:				
amounts falling due after more than one year	(973,132)	(922,075)	(753,144)	(709,497)
Provisions for liabilities				
Defined benefit pension liability	-	(1,646)	-	(1,646)
Net assets	158,806	138,106	143,626	129,941
Capital and reserves				
Share capital	-	-	-	-
Foreign exchange translation reserve	253	209	-	-
Cash-flow hedge reserve	(3,155)	(9,986)	(5,064)	(7,729)
Revenue reserve	161,708	147,883	148,690	137,670
Total reserves	158,806	138,106	143,626	129,941

VALUE FOR MONEY (VFM) STATEMENT

Our Strategic Approach to VFM

At Choice we believe 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. We have embedded this concept into the organisation through our Strategic Plan which states through Value for Money we will

- 1. Maintain the affordability of our housing provision;
- 2. Increase the return on investment, economic and social;
- 3. Improve the core efficiencies relative to others, particularly in relation to repairs and maintenance; *and*
- 4. Reduce the differential between private and social housing new build development costs.

We endorse the Department’s decision to include VFM within the new regulatory framework. Our 2020 regulatory report states: **“Choice HA has articulated and delivered a comprehensive and strategic approach to achieving value for money in meeting their organisation’s objectives.”**

Our VFM strategy has the following aims:

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

Our strategy set outs a number of VFM-related targets, encompassing:

- Improvements across our key performance indicators;
- Achieving upper quartile benchmarks over the life of the plan;
- Seeking to deliver cash savings; *and*
- Focusing on the benefits derived from our assets.

We aimed to achieve these targets while maintaining average rents at affordable levels

Progress Made to Date

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:

VFM Area	Progress
Improving tenant satisfaction levels	Tenant satisfaction levels reduced from 87% last year to 86% at March 2022. We will review the reasons for this trend, although given the disruption to services caused by the ongoing pandemic, maintenance of these high satisfaction levels is pleasing.
Improving core operating metrics	Most operating metrics (voids, repairs performance, staff absence) remained steady or showed improvements during the year and this was despite the impact of the pandemic in the early months of the year.
Achieving 100% compliance on health and safety	We achieved 99% compliance through most of the year, across a range of property compliance metrics.
Enhancing our delivery on new build	Our social housing starts in the year was 442 units, compared to 225 in the previous year. We completed 201 new social units in 2021/22, as compared to 208 in the previous year.
Improving returns from our assets	Our return on assets was 1.98%, and improvement generated by higher contribution from house sales.

VFM initiatives

1. The coronavirus pandemic continued to pose challenges during the year, and we were forced to continue with alternative ways of working in response to new safety protocols. Our response to these challenges (eg. the move to working-from-home for most office staff) has generated short term savings (for example lower travel costs) and we are currently examining ways in which these efficiencies can be embedded into our processes in the longer term.
2. Choice Services as our in-house maintenance contractor continued to grow its business and generated profits of £640k.
3. Maple & May, our PRS brand grew turnover and generated a profit of £1.1m.
4. We continue to operate our new rent policy which will improve fairness, affordability, sustainability and transparency in our rents. We applied an inflation-based rent increase in April 2021.
5. We continued to roll out our funding strategy and securing an additional £50m in long term fixed rate debt from THFC on very competitive terms.
6. We participated in the Sector Scorecard benchmarking.
7. We have continued to seek to improve the efficiency and effectiveness of our Procurement function.
8. We ran a number of competitive design & build procurement projects with the largest value project value in 2021/22 being Ballyoan at £TBA.
9. We implemented our first large scale mixed tenure housing project.
10. 89 procurement exercises have taken place in 2022 to date across different sourcing routes and there were a total of 112 during 2021.
11. Scoring social value requirements have been rolled out effective from June 2022 and are being deployed within tender documentation for any pipeline activities. The first competition to be issued with social value themes and indicators will be window cleaning.
12. Evaluation training has been rolled out for colleagues who assist on tender evaluations.
13. Procurement have supported Learning and Development on the introduction Modern Slavery Training for colleagues involved in supply chains.
14. Procurement continue to monitor the financial position of key vendors via the Creditsafe tool
15. Procurement assisted with the deployment of the new Responsive Maintenance provider i.e. Equans effective June 2022
16. Tender exercises carried out in 2022 to date have included waste and skip hire, general building, plumbing and electrical suppliers for Choice Services, Riverdale Phases 5- 8, window cleaning
17. Contracts appointed via national frameworks include Managed IT Services (Novosco), response maintenance.
18. eTendersNI continues to be the preferred method to run our online competitive tendering processes and gives full visibility to prospective tenderers to bid for opportunities to supply goods and services and complies with PPP.
19. We engage with organisations such as Crown Commercial Services, Procurement for Housing, NHS Shared Business Services and Pagabo to understand frameworks that may be available for Choice to participate in key commodities and services that may present value for money and minimise commercial risk.

Energy Efficiency

We have taken the following actions to improve energy efficiency:

1. Maintain an Energy Management System – Audit successful in January 2022.
2. Improve education and support for staff – Examples include intranet, Energy Week training, staff induction training and an annual training initiative.
3. During the year the Association tendered for landlord electricity across our schemes which, while we cannot put an exact figure on it, we know that we have been able to achieve savings by securing prices in October 2021 given that domestic electricity prices have increased by considerable margins twice since then. The Association also entered the second year of their two year preferred electricity supplier contract, with an estimate that our customers could save around £18,000 over a year, if 400 homes were included annually.
4. The Association commenced a project with Girona to install PV systems and battery storage in four properties with data being collected over a period of two years to 2023.
5. Upgraded lighting at 5 schemes to LED lighting.

Delivery of The Strategy

Our corporate strategy for the period 2021-2024 has as one of its key strategic goals to “demonstrate value for money and good stewardship of our assets and resources”.

To support the delivery of these objectives our Group SMT provides oversight of VFM initiatives across the organisation. During the year ended March 2022 we substantially completed the work programme for the year. Our plan for the year ended March 2023 focuses on a number of key initiatives across all directorates with the aim of further enhancing value.

Conclusions

We re-confirm the importance of VFM to Choice, and believe we have made good progress this year.

We aspire towards continuous improvement and we will continue to place considerable emphasis on improving VFM. We will routinely review our policies, processes, systems and measures to ensure that these underpin our VFM strategy and priorities. In particular, our KPI metrics have been updated to ensure that the management of Choice have the information to assess our VFM performance against the objectives outlined above.

We will also ensure that relevant VFM actions and outcomes are communicated regularly with our customers and stakeholders to demonstrate progress against our plans.

Board & SMT of Choice
24th August 2022



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