



oaklee
housing

Together
we enrich
lives

Annual Report

2017/2018

oaklee.ie

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Foreword

Together We Enrich Lives

In a changing operating environment, Oaklee Housing is playing a key role in meeting the challenge of Ireland's housing and homelessness crisis. In the last 12 months, we completed another 255 units, providing high quality homes.

We can be proud of our progress, but we cannot afford to be complacent. As demand for homes continues to grow, so too must the efforts to accelerate delivery, breathe new life into empty dwellings and unlock land banks for social housing development.

In the first two years of our Corporate Plan 2016-2019, Oaklee Housing has taken firmly to this task and achieved a rapid rate of growth. Our strong positioning gives us latitude of action and an opportunity to play a central role in the Rebuilding Ireland agenda. In the final year of our plan, it is critical that our momentum is accelerated with a greater focus on innovation and collaboration.

As in all organisations, having the right type of finance available is critical if we are to meet our ambitious plans. In the last year, Oaklee Housing made headlines as we announced a new €50m loan facility with German-based Norddeutsche Landesbank (NORD/LB). This long-dated debt financing agreement, which will support the purchase of 250 units for social housing across Ireland, makes Oaklee the first Approved Housing Body to establish a wholly-owned subsidiary or Special Purpose Vehicle (SPV). The innovative move provides attractive fixed rate borrowing over the term of the loan and also to a short-term working capital facility.

The ambition, creativity and professional capacity to secure this loan demonstrates the very best values of Oaklee Housing and, with others following our lead, has clearly caught the attention of the housing sector.

Some of the funding has already brought new homes under Oaklee Housing and helped bring our housing stock up to 1,000 units in Ireland by September 2018.



Separately, in the last year we were pleased to open a number of exciting and much-needed new developments across the country including schemes in Enniscorthy, Co. Wexford; Thomastown, Co. Kilkenny and Mountrath, Co. Laois - to name just a few.

While our housing stock increases, tenants remain at the heart of everything we do. We are proud of the high quality services we provide and the difference that we are privileged to make to the lives of our tenants.

This time last year, Gerry Carberry in Co. Wexford shared his experience of Oaklee Housing for our annual report. His story caught the eye of the Chartered Institute of Housing (CIH) and was subsequently shortlisted for their Best Housing Story award. We are grateful to John Rogers, who shares his story in this year's edition for highlighting the positive change we can make together.

Behind all our achievements is a great deal of hard work, dedication and enthusiasm and we would like to express our thanks to our staff and management team, Board Members and the residents involved in our participation initiatives for all that they do to ensure our success.

In a challenging environment, Oaklee Housing stands at an exciting point. We are meeting our potential in bold and creative ways, delivering more homes than ever and, together with our tenants and partners, it is clear that we are enriching lives.

John Cullen,
Chairman

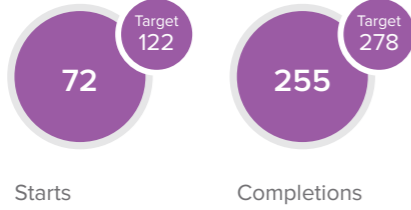
Sharon Cosgrove,
Chief Executive Officer

How We're Performing

REPAIRS



DEVELOPMENT



COMPLIANCE



CUSTOMER ENQUIRIES



Together

Customer Service

At Oaklee Housing, tenants and service users should expect and receive the very best support from our teams. Customer service, efficient repairs and value for money are shared priorities for all of us, and we are proud of the high quality experience our customers receive.

Continual improvement is at the heart of our customer services and, in the last year, we have developed and rolled out a number of strategies aimed at enhancing our Housing Management Service to provide a more responsive service to our tenants.

Engaging and Involving Tenants

The best housing bodies are those that place customers in a position to influence and inform their work. It is vital for us that tenants give us feedback on our work and that they take an active role helping us to develop the policies and services that affect their lives.

That's why Oaklee has implemented a new range of involvement methods that assist our tenants to become involved with us on a level that best suits their busy lifestyles. This 'Menu of Involvement' sets out the various ways that tenants can contribute to our shared goals from being an active member of the Tenants' Forum through to sharing views on new strategies via email.

Estate Walkabouts are an easy and popular way for people to get involved. These events give tenants a chance to meet with our Housing and Property Services staff and highlight areas of environmental or social concern and help shape an action plan for their area.

Tenants' Forum

With more than 20 members, the Tenants' Forum represents a range of customer voices from across Ireland.

All members have access to Tenant Participation Induction and Governance training, hosted by the Chartered Institute of Housing, which equips them with the skills to be effective in their role.

The Forum is a vibrant and dynamic part of Oaklee Housing and has led in the development and publication of Oaklee News our tenant magazine, issued quarterly, which covers issues of interest and advice to our tenants.



The Next Chapter

All good adventures begin with small steps and, for John Rogers, the 12th May 2017 started like many other days at his residential service in Drumcar, County Louth.

A familiar excursion to the day service in Dundalk brought a fun surprise as his sister and niece joined him for afternoon tea and fancy buns. Little did he know that this pleasant treat was just the start of an exciting and life-changing day.

Ordinarily, trips to the day service would conclude with brief goodbyes before a short return drive to Drumcar, but John soon noticed further deviations from normal activities. Being non-verbal, John offers his thoughts here via his sister Carmel Daly.

“Before my taxi arrived, my sister and niece offered me a lift. There was a lot of tears and hugs with the staff when I was leaving. That never happened before. The journey was a bit longer than usual and I arrived at a strange new place, but everyone there seemed to know my name and were very friendly.”

John's journey had brought him to Hyland View in Monaghan. Operated in partnership with St John of God Community Services Company, this modern Oaklee supported living scheme assists people who need different levels of assistance or who have an intellectual disability.

John quickly spotted familiar items at Hyland View and it was then that the day's unusual events all made sense. “I was brought to a lovely big bedroom and I recognised a lot of my stuff, I was wondering where things were gradually going as my bedroom in the unit was looking a bit bare this past day or so. There was my family photos, my chair and my hats. I looked directly at my sister and the penny dropped for both of us: for me that I was to stay here and for her that I knew!”

That day opened a new chapter for John and brought levels of independence, comfort and support that work for him. “My days here are very different to my previous days. The great thing about here is that everyone else seems to be the same as me, and everyone seems to understand. Life is very confusing at times, yet other days I'm grand. I can do what I want to do, which sometimes is nothing, which is fine also, other days I love to go out on the bus, to feed the ducks.”

Moving to Hyland Views has helped John see more of his family and, poignantly, make the most of limited time. “My late dad visited me a couple of weeks after I moved in. He never saw my bedroom in the last place, although I had lived there for 12 years. He visited for his 93rd birthday and, little did we know, it would be his last visit to me. He seemed content and honestly, I felt more at ease seeing him, in this big spacious room surrounded by my stuff with a place to sit and be comfortable with my family photos all around. I know he was delighted to see the St. Bridget's cross he made for me in a gold frame. That June day he seemed content and happy leaving me. He knew I was happy.”

“Other family members feel that are visiting me in MY home for the first time. I fit in at Hyland View and on the days I don't, Hyland View adapts to fit me! What more could a man ask for?”

John Rogers
Drumcar Resident



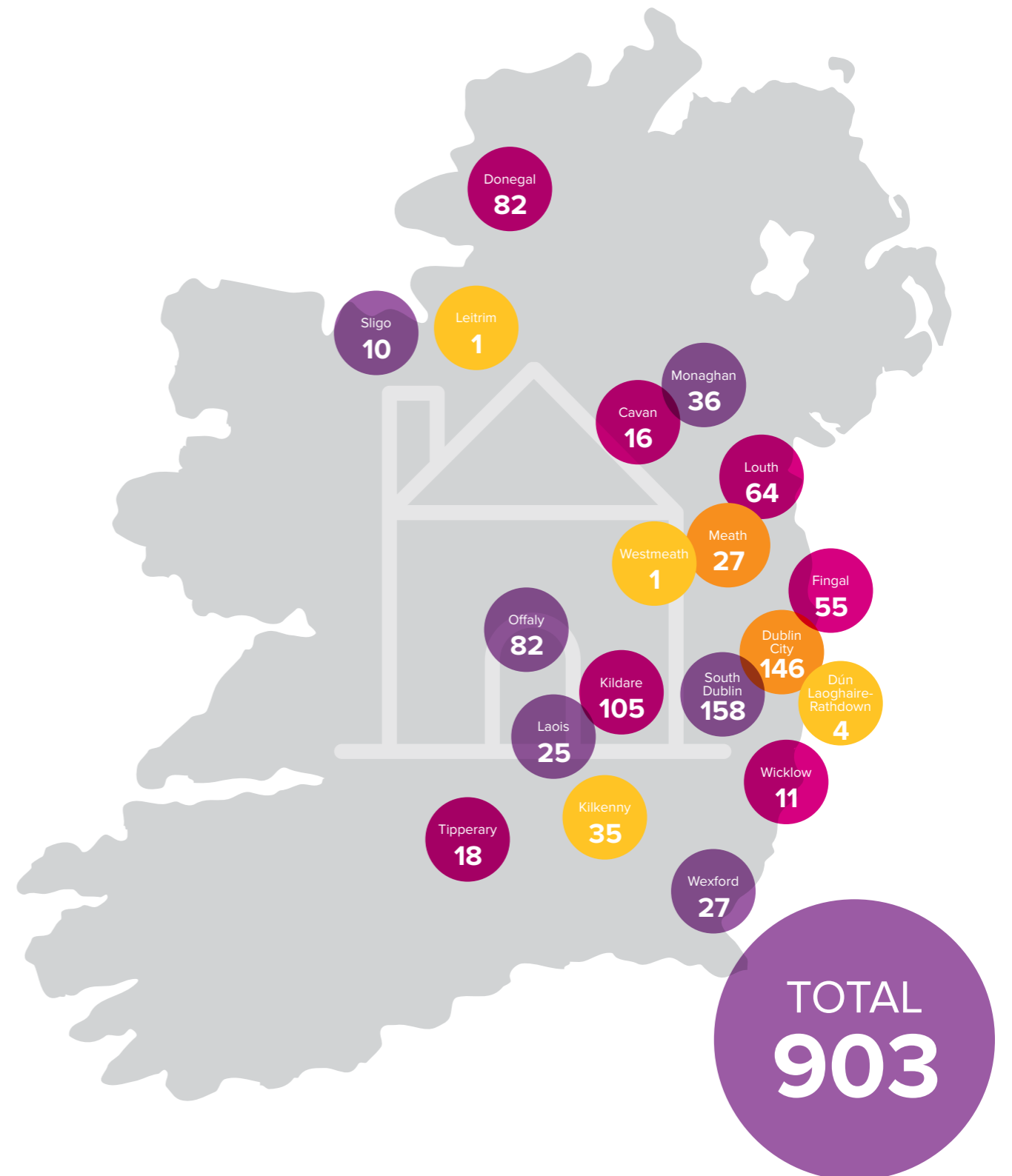


Meadowlands

Momentum

Where we Work

Oaklee Housing works collaboratively with partners in the statutory, voluntary and community sectors to provide high quality, affordable homes and a professional and responsive service to our customers.



Choice Housing



Oaklee Housing is a part of the Choice Group, which includes one of Northern Ireland's largest housing associations, Choice Housing Ireland Limited (Choice).

A landlord for more than 10,000 units of accommodation, Choice's development programme completed more than 72 new homes in the last year and started work on a further 255.

Like Oaklee Housing, Choice is about much more than bricks and mortar. It has forged a network of important relationships with partners and local communities to help advance its long-term plans and aspirations.



Across Northern Ireland, Choice works with more than 45 different organisations and local health trusts to maximise the value and impact of its work. Strength through collaboration means Choice can make a greater difference in the lives of thousands of customers; get more homes underway and help reduce acute housing need.

Building strong and resilient communities is just as important to Choice as providing high quality homes. Across Northern Ireland, Choice is supporting individuals and groups to enhance their environments, skills and prospects for long-term prosperity.

Choice is also stepping up to a range of housing challenges with new initiatives that promote social inclusion, reduce isolation and addressing inequalities.

Building strong and resilient communities is a collective goal for our sector and Choice is committed to broadening its partnership network in the months and years ahead.

Oaklee Housing, as a member of the Choice Housing Group avails of many services from the Group including the Customer Services Centre, some management services and financial services.

We have a very positive working relationship between the team in Dublin and our colleagues based in Northern Ireland. Likewise, the Tenants' Forum in Oaklee Housing works closely with the Tenants' Forum in Choice on a number of topics.



Responding to Housing Need



There is acute housing need with approximately 100,000 people on social housing waiting lists and homelessness a growing issue that now affects almost 10,000 people, adults and children. Mortgage defaults, increases in private sector rents and a limited supply of housing have added to an already acute demand for social homes.

Oaklee Housing is responding to the challenge of delivering more high quality homes and is aligning its efforts towards the targets identified in Rebuilding Ireland. In the last year, our development activities and completions helped move people off the social housing waiting lists, with the delivery of an additional 255 high quality well managed, affordable new properties in the year.

The Mortgage-to-Rent scheme is a government initiative to help homeowners who are at risk of losing their homes. In the year, we completed the purchase of a further 23 units; this brings our total Mortgage-to-Rent properties up to 72. We have seen first-hand the stress that families experience when faced with the prospect of losing their home and the difference our involvement is making.

As part of our own construction programme we began work on 2 unfinished developments in Mountrath, Co Laois and Clones, Monaghan. These required significant repair and structural works to meet our required standards.

Whilst completing these types of projects that have been lying dormant for a number of years can present challenges, these schemes deliver much needed homes as well as regenerating local communities.

During 2017/2018 significant progress was achieved on our construction projects in Walkin Street, Kilkenny and Poplar Row Dublin. We received Planning Consent from An Bord Pleanála for 27 apartments in Walkin Street in April 2017, and secured ownership of the Poplar Row site from Dublin City Council in December 2017. Both developments are under construction and scheduled for completion in 2019/20.

As development activity within the private market has increased over the last 2 years, the acquisition of off the shelf - turnkey units has become an integral part of our development programme. In 2017/18 we reached a number of key milestones in the development programme. We entered into contracts on 2 schemes (84 units) in the Greater Dublin Area and construction is well underway and on track for delivery in 2018. In Enniscorthy, Co Wexford we entered into a turnkey contract for a further 45 units, as well as an 11 unit development in Moneenroe, Co. Kilkenny.

Project Acorn and the Housing Agency's VHPI

2017/2018 was an exciting time for Oaklee Housing with the development of Project Acorn. Project Acorn has a number of elements to it which involve an innovative finance structure to fund the acquisition of units from the Housing Agency.

Under the Action Plan for Housing and Homelessness, the Housing Agency received funding to acquire suitable properties for social housing directly from financial institutions and investors, known as the Vacant Housing Purchase Initiative (VHPI). The investment of €70 million has created a rotating fund which is intended to allow the Agency to acquire 1,600 vacant properties over four years, 2016 – 2020. The Housing Agency selects AHBs to refurbish vacant homes and to make them available to help address the homeless crisis. Once the properties have been refurbished and tenanted they are acquired by the AHB.

In 2017/18 we submitted bids for a number of portfolios of vacant units from the Housing Agency. We were awarded 148 units in 4 portfolios. During the year, the units came into Oaklee management under Caretaker Agreements and we began repair works and as they were completed, the homes were allocated to many homeless families nominated by the local authorities.

At the same time we were working closely with financial and legal advisors to secure finance to buy the units, and in December 2017 we reached financial close on a €50M debt facility with German-based Norddeutsche Landesbank (NORD/LB). The debt facility is based on a project financing structure through Acorn Housing, a wholly owned subsidiary and charity, or Special Purpose Vehicle (SPV), of Oaklee. Oaklee is the first AHB to establish a financing structure of this type, and to secure an attractive fixed rate of borrowing over the term of the loan.

The Special Purpose Vehicle (SPV) loan structure provides Oaklee with access to committed, non-recourse, long-term fixed rate debt from a private funder utilising the existing Capital Advance Leasing Facility ("CALF") and Payment and Availability ("P&A") funding support structures available to AHBs from the Department of Housing, Planning and Local Government through local authorities.

Through Project Acorn we plan to acquire up to 8 tranches of VHPI properties over a 2 year period, delivering 250 homes for households who are homeless or who are on the social housing waiting list. As at the end of March 2018 we have been selected to deliver 148 properties by the Housing Agency.

By March 2018 we had signed Caretaker Agreements for 126 properties, 62 units had been tenanted, 10 were available for occupation, and work was underway on a further 33 units.

In March 2018, Acorn Housing acquired its first tranche of 33 properties from the Housing Agency through the Vacant Housing Purchase initiative (VHPI).



Progressive

Broadfield
Grove

Financial Performance

Oaklee Housing reported a satisfactory financial performance for this 2017/18 financial year with a surplus of €1,073k (2017 €720k).

This surplus will be set aside to be reinvested in projects such as our planned maintenance programmes in later years. Our annual turnover increased to €7.3m (2017 €5.7m).

The value of housing assets stands at €106m. The number of units in management at the balance sheet date increased to 903 (2017 678 units). The amount outstanding in respect of local authority financial assistance increased to €55m.

Long term funding provided by Choice Housing Ireland Limited as a result of group borrowings is €3m.

Oaklee Housing continues to work in partnership with HFA and local authorities which provide funding for new developments. HFA/CALF borrowings increased to €45m (2017 €29m),

Oaklee Housing continues to grow its balance sheet and at the year-end reserves stood at €5.5m.

INCOME AND EXPENDITURE ACCOUNT & OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2018

OAKLEE HOUSING

	2018 €	2017 €
TURNOVER	7,256,486	5,703,510
Cost of Sales	<u>(4,936,176)</u>	<u>(3,995,113)</u>
Operating Surplus	2,320,310	1,708,397
Interest receivable and similar income	9,226	25
Interest payable and similar charges	(1,256,613)	(988,306)
Surplus on ordinary activities before taxation	1,072,923	720,116
Tax on surplus on ordinary activities	-	-
Surplus for the financial year	<u>1,072,923</u>	<u>720,116</u>
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,072,923</u>	<u>720,116</u>

BALANCE SHEET

for the year ended 31 March 2018

OAKLEE HOUSING

	2018	2017
	€	€
FIXED ASSETS		
Tangible assets	105,314,083	88,625,913
Financial Assets	100	-
CURRENT ASSETS		
Debtors	4,082,270	919,713
Cash and cash equivalents	1,413,599	1,833,977
	5,495,869	2,753,690
CREDITORS – amounts falling due within one year	(7,136,931)	(5,057,845)
DEFERRED INCOME – amounts falling due within one year	1,072,923	720,116
	(1,777,497)	(1,641,059)
NET CURRENT LIABILITIES	(3,418,559)	(3,945,214)
TOTAL ASSETS LESS CURRENT LIABILITIES	101,895,624	84,680,699
CREDITORS – amounts falling due after one year	(43,317,758)	(28,739,892)
DEFERRED INCOME – amounts falling due after one year	(52,943,954)	(51,379,818)
NET ASSETS	5,633,912	4,560,989
CAPITAL AND RESERVES		
Called up share capital	-	-
Income and expenditure account	5,633,912	4,560,989
	5,633,912	4,560,989

SIXTEEN

Governance & Committees

The Board confirms that it continues to comply with the 'Charter of Commitments' under the Voluntary Registration Code and has submitted an annual return to the Housing Regulation Office. The Board of Management met on 10 occasions between April 2017 and March 2018.

There are three Committees of the Board of Oaklee Housing. The Audit & Risk Committee provides oversight and assurance for the work of Oaklee Housing and advises the Board on risk management, as well as internal and external audit. It met on four occasions between April 2017 and March 2018.

The Development and Finance Committee advises the Board on the overall control, monitoring and financing of Oaklee

Housing's development programme, treasury management and lending arrangements. The Committee met on four occasions between April 2017 and March 2018.

The Officer Committee has delegated powers to make key decisions that involve authorising capital expenditure, matters of a strategic or sensitive nature to support the work of the Board, including use of the seal between meetings. The Officer Committee met on five occasions between April 2017 and March 2018.

Acorn Housing, a subsidiary of Oaklee Housing was established in June 2017.

Since its establishment, the Acorn Board has met on three occasions.

BOARD MEMBERS ATTENDANCE AT BOARD MEETINGS OF OAKLEE HOUSING

APRIL 2017 TO MARCH 2018

Name	Attendance
John Cullen, Chairman	10
Diana Jamieson, Vice-Chair	9
Hazel Bell	9
Edward Breen	6
John Buckley	9
Molly Buckley	9
William Cusack	5
Frank Feely	10
Robert Moore	1
Leslie Morrell	10
Vincent Sheridan	6
Ken Slattery	10
Alan Whelan	8

SEVENTEEN

Committees

BOARD MEMBERS ATTENDANCE AT ACORN HOUSING BOARD MEETINGS OF OAKLEE HOUSING

APRIL 2017 TO MARCH 2018

Name	Attendance
John Cullen, Chair	3
Vincent Sheridan	3
Timothy K. Slattery	3

BOARD MEMBERS ATTENDANCE AT DEVELOPMENT & FINANCE COMMITTEE MEETINGS OF OAKLEE HOUSING

APRIL 2017 TO MARCH 2018

Name	Attendance
Diana Jamieson, Chair	3
John Cullen	2
Edward Breen	1
Frank Feely	4
Ken Slattery	4
Alan Whelan	4

BOARD MEMBERS ATTENDANCE AT OFFICER COMMITTEE MEETINGS OF OAKLEE HOUSING

APRIL 2017 TO MARCH 2018

Name	Attendance
John Cullen, Chair	5
Diana Jamieson, Vice-Chair	3
Frank Feely	5
Ken Slattery	5

BOARD MEMBERS ATTENDANCE AT THE AUDIT & RISK COMMITTEE MEETINGS OF OAKLEE HOUSING

APRIL 2017 TO MARCH 2018

Name	Attendance
K. Slattery, Chair	4
M. Buckley	1
F. Feely	4
R. Headon	4
K. Tuohy*	1

* joined the Committee November 2017

Governance

OAKLEE HOUSING REGISTERED OFFICE

132 James's Street, Dublin D08 PK25

Company Number 337270
Charity Number CHY13922

BANKERS

AIB Plc
64 Grafton Street, Dublin 2, Ireland

EXTERNAL AUDITORS

KPMG
17 - 25 College Square East, Belfast BT1 6DH

SOLICITORS

O'Connor Solicitors
8 Clare Street, Dublin 2, Ireland

ACORN HOUSING REGISTERED OFFICE

132 James's Street, Dublin D08 PK25

Company Number 605532
Charity Number CHY22054

BANKERS

NORD/LB
Norddeutsche Landesbank (London Branch),
One Wood Street, London EC2V 7WT

SOLICITORS

ByrneWallace
88 Harcourt Street, Dublin 2, D02 DK18,
DX18 Dublin

GET
IN
TOUCH

Oaklee Housing

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Dublin D08 PK25

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housing