



1946 – 2016

**70**  
CELEBRATING  
— YEARS —

Annual Review 2016

We are pleased and proud to celebrate seven decades of successful investment in local communities.

**Starting out in a shed in the village of Thringstone near Coalville, Leicestershire, to build homes for homeless ex-servicemen returning from WW2 and their families, the organisation has evolved over the last seven decades into emh group and become one of the largest providers of affordable housing and care and support services in the East Midlands.**

# A better tomorrow



Over the last 70 years there have been many landmark achievements, but we are particularly proud of the recognition we have received this year from our peers.

In the last 12 months, emh group has won the UK Housing Award for Outstanding Development Programme of the Year and been named Apprentice Employer of the Year at the Leicester Mercury Business Awards, while the emh green team was named Housing Association of the Year at the National Green Deal & Eco Awards.

The breadth of this recognition highlights our diversification and growth over the years, but it also serves as a reminder that we are still at the vanguard of progress in the sector.

With pioneering health and housing integration and addressing the needs of an ageing population, subscribing to the highest possible eco standards, and creating job and training opportunities for young people, we are continuing to help build a better tomorrow.

**Jeffrey Knight / Chairman**  
**Chan Kataria / Group Chief Executive**

2015 saw a successful first year of working with our new consumer regulation structure. This was marked by a special event to recognise involved residents' outstanding achievements across a number of categories.



# people



## A Housing Hero

emh homes tenant and group board member **Colin Norman** deservedly won the *Tenant Lifetime Contribution* prize at this year's Housing Heroes Awards. Organised by the Chartered Institute of Housing and Inside Housing magazine, the awards highlight the unsung heroes of the UK housing sector.

Colin's award recognises his 15 years' tireless work to promote the interests of local people and communities through the emh group board and his involvement with several resident groups.



Much more than a housing and care provider, we also support apprenticeships, charities and social enterprise to boost people's engagement, qualifications, life skills, employment chances and entrepreneurship.



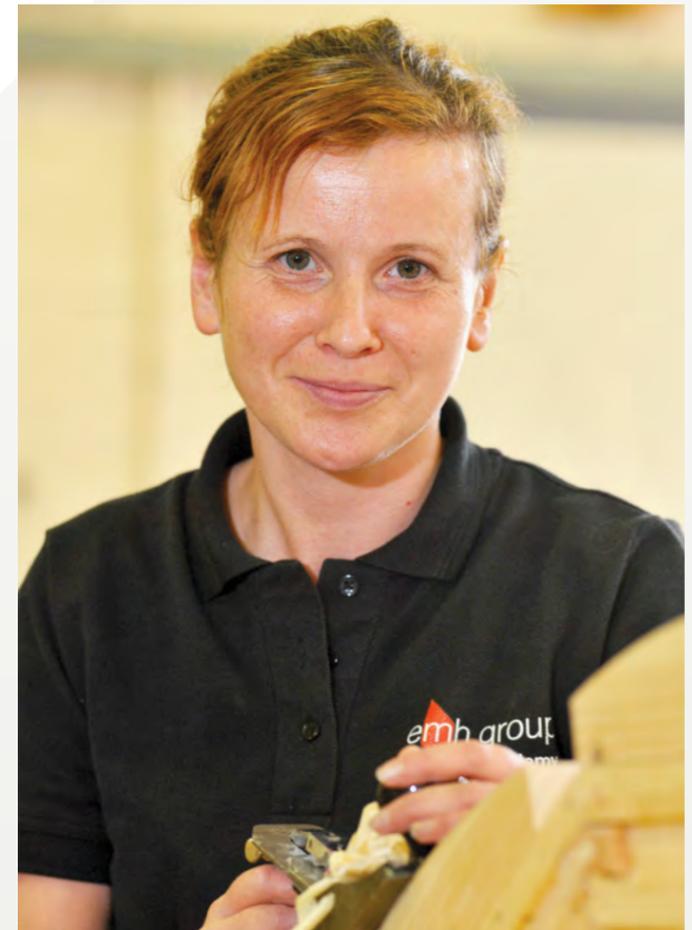
*emh group was named UK Large Employer of the Year at the Leicester Apprenticeship Hub awards in recognition of its long-term commitment to providing training and education opportunities for local young people.*



## Women in construction

As well as attracting a new cohort of apprentices last year, we were delighted that our proactive campaign to redress the gender imbalance across our trades workforce and to better represent the communities in which we operate, we successfully recruited three additional female multi-trade apprentices.

We were also excited to welcome a number of BBC digital trainees onto our programme to enhance their digital skills and help to deliver innovative ideas to support our digital vision.



Our leadership development programme has gone from strength to strength. The last year saw the executive team members go through the challenge of the programme to deliver inspirational leadership for the future.



***“We provide housing and care to improve opportunities for people.”***



## **Lifelong learning**

Working with the Midlands-based Performance Through People organisation, emh group took part in a pilot programme called Skills for Success. Twenty-five staff members were each given the chance to gain nationally-recognised qualifications - including NVQs and BTECs - in Business, Customer Services, and Management.

All staff members achieved success through this programme with Rebecca Price, from the Customer Experience Team, being nominated for her 'exceptional ability as a leader', winning the Management Award for *Outstanding Achievement*.

To play a meaningful part in tackling the UK's chronic shortage of affordable housing, we are committed to growth – through further building, acquisition, and creative alliances with existing and new partners.



# growth

Assets worth  
**£682m**

*"We are thrilled to have won this award. It shows that the types of homes we deliver across the East Midlands are just what are needed to meet the diverse needs of our communities."*

Chan Kataria / emh group Chief Executive



## Award-winning development

Earlier this year, emh group won the UK Housing Award for *Outstanding Development Programme*.

This recognises our success in building the right homes in the right places for the right people through long-term, effective partnerships with funders, developers, and local authorities.

Our diverse, multi-tenure development programme includes homes for local people in rural communities, urban regeneration

projects and pioneering extra-care schemes to integrate health and housing for people who need support.



## Open for business

We are keen to talk and work with other housing providers, businesses and individuals who share our passion for investing in East Midlands' communities. We have adopted the National Housing Federation's merger code and pledge to consult with our customers about any significant proposal to expand or change the shape, size or membership of our group.



367  
new homes built



£200m

bond finance to  
support new building



## Homes for lives



Responding to the Government's focus on creating greater opportunities for home ownership, our 350-homes per year development programme includes 30 new properties for outright sale and 145 for low-cost shared ownership. We also provide starter homes for first-time buyers.

Our sales and marketing division hello homes offers a complete marketing and personal sales service to match the best available in the commercial sector.

And our mission to provide homes for rent at below-market rates continues with 175 new houses and flats (half our total programme) for affordable rent completed in 2015/16.

To enable some existing tenants to purchase their homes, we have signed up to the Voluntary Right to Buy. We expect to complete the first sales in 2017, and are also committed to offering portable discounts.

With around 30% of the Midlands population living in rural areas, homes and support for the countryside remains a key priority for emh group.

*"Downsizing meant having to move away from the village where we raised our five children. So it is wonderful to be back in a new home where everyone knows us and where we feel we belong."*

**John and Barbara Proctor  
Sharnford, Leicestershire**



# rural housing



## A unique rural housing model

Through Midlands Rural Housing we offer a unique, one-stop approach that delivers bespoke rural developments local people are proud to call home. By providing services to four independent rural housing associations, we create sustainable, affordable homes to help diverse town and village communities thrive.

We conduct surveys and engage with local people, landowners, developers and councils to gauge needs and feasibility. We also influence policy at a

national level to ensure that the needs and issues of rural areas are understood and met.



We are pleased to announce the launch of our new name from Enable to emh care & support. This move signals the greater integration of care and support within emh group and strengthens its place as an expanding area of the business.



# Care

*"I am so impressed by Oak Court. All the things people need to live healthy, happy lives, and stay fit and active for longer are available here."*

Angela Rippon OBE



## Partnership in action

Broadcaster and author Angela Rippon OBE recently opened our Oak Court extra-care scheme in Blaby, Leicestershire. The £8 million development provides 50 state-of-the-art, rented apartments for older people, made possible by joint working with the County and District Councils and Clinical Commissioning Group, who all contributed to the design.

The design promotes independent living and social interaction with facilities including a library, music room, cinema, crafts room, hairdresser, shop and a sensory garden. These amenities are open to the local community so that Oak Court acts as an open and welcoming social hub.

The scheme also recently piloted a re-ablement service to help people returning from hospital to be assessed for extra help and make a full recovery to independent living. This delivered excellent results.

We go beyond providing traditional care and support. A key focus of our work continues to be on promoting the rights of and creating opportunities for people with disabilities and disadvantaged and vulnerable adults.

We are proud that some of the initiatives to provide access to the same services that non-disabled people enjoy has achieved much success over the past year.

Enable's Care Quality Commission inspections of Meadowview and Fisher Close nursing homes, Cherry Tree House and Cornerways resulted in a **'Good'** rating.



## Walking for health

Working with Walking for Health co-ordinators in Derbyshire regions, we promoted and ran learning disability accessible walks in the High Peak and Derbyshire Dales, and are hoping to encourage people to set up their own walking groups. We also ran a pilot fishing event which over 30 people attended. The event was such a success that we are now looking to hold it regularly.



emh green team

Saving Energy. Saving Money.

Ninety-one year old resident Betty Newton was so impressed with her new heating system, doors and windows that she wrote to her local MP to compliment emh homes.



# sustainable

# 143

renewable-source heating systems installed



## Low-carbon, high impact

After being named *Housing Association of the Year* at the 2016 National Green Deal & Eco Awards, our Green Team offers its services to other housing providers, and recently secured the contract to carry out Domestic Energy Assessments for North West Leicestershire District Council. The team runs local energy-saving clinics and carries out assessments for residents to help them identify ways to make their homes cheaper to run and more comfortable to live in.

The team offers impartial advice, recommends approved companies to carry out energy-saving improvements, and acts as our in-house expert on building in sustainability to new homes through the best design, smartest materials and latest technologies.



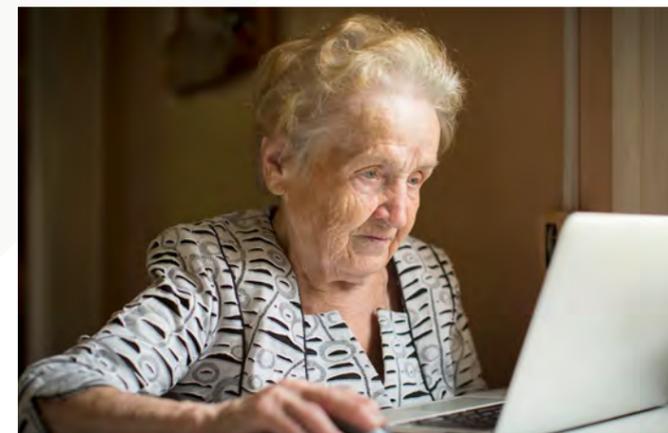
We are completing 68 affordable Passivhaus eco homes at Saffron Lane in Leicester – one of the largest developments of its type in Europe.

The £7 million scheme includes an extended permaculture farm to support the local Saffron Acres Project, which gives students with learning disabilities the chance to make and sell their own preserves, making use of surplus fruit and veg from the farm.



Our 70th year sees us making a concerted effort to encourage and help customers to make greater use of automated, online services.

7,571  
contacts through  
the My Home Online  
self-service portal



# digital

*"It's so easy to use. I diagnosed my repair myself and can track what work has already been completed."* My Home Online customer



## Easier, quicker and cheaper online

Taken for granted in many other industries, this sort of technology has been slower to impact on the social housing sphere where lack of digital skills and access to the internet are at their highest.

Enabling more people to use self-service options increases the resources available for those who can benefit from extra attention and support.

Our channel shift strategy provides free IT training and equipment for residents, plus enhanced 24/7,

secure, self-service web services for repairs, rents and other enquiries. And we are making ever-greater use of social media through our Twitter feed and Academy Facebook page.

Digital services also help us meet the diverse needs of customers through translation, text readers and other accessibility tools. Online information helps us keep residents in touch with ongoing welfare benefits changes and offer financial inclusion support to avoid hardship and debt.

The UK's current political and policy direction has challenged the whole idea and role of social housing and put a greater than ever focus on the value that organisations like ours deliver.

**£2.8m**  
social return on  
investment generated

Independent auditors RSM assessed the social return on investment from five key community-based projects:

value

PROJECT	SOCIAL RETURN ON INVESTMENT
emh green team	£553,849
emh group Academy	£416,841
emh sharpes	£642,432
Enable PEPE social work student placements	£946,525
Re-ablement places	£287,115
<b>TOTAL</b>	<b>£2,846,762</b>



## The future is in our hands



Our 70 years of success will count for little if we allow the gains in access to affordable housing and support for local people and communities to slip away. So we are proud to support the National Housing Federation's Owning Our Future campaign to raise public awareness and understanding of what housing associations are, what we do and why it really matters. The campaign has taken on even greater significance following the EU referendum result and its expected economic impact.

While our regulator, the Homes and Communities Agency, has rightly sharpened its attention on value for money (doing things right), we also believe in achieving social value (doing the right things). This commitment to playing a wider community role is at the heart of our membership of and involvement in the PlaceShapers national network of local housing associations. Together, we believe that putting residents first and investing wisely in health, education, skills and social enterprise pay back over and over again.

*"The main appeal of an apprenticeship over a university place was that as well as gaining on-the-job experience I would also be getting paid to learn rather than having to pay to learn. Being part of the emh group Academy was much more than just four days of work and one day at college. We also took part in many wider learning projects designed around teamwork and leadership, skills to help us every step of the way in our careers. I was often pushed outside my comfort zone, but it was all worthwhile. All of the wider learning combined with my Level 4 AAT qualification led me to gaining a full time position as a Management Accounts Officer. The last four years have really flown by, which shows I am really enjoying what I do."*

**Matt Calvert, emh group Academy class of 2012**

For the second year running emh group has been named one of the City & Guilds Top 100 Apprenticeship Employers in the country.

**14**  
new apprenticeships



## Ploughing back profits

Our grounds maintenance social enterprise, emh sharpes Garden Services, reinvests all its trading profits back into emh group. This income helps to fund our Academy, which provides apprenticeships, training and job opportunities for young people.

We were delighted to have this vital part of our business recognised by the *Apprentice Employer of the Year* award at the fourth annual Leicester Mercury Business Awards. Sponsored by Leicester College, the award praised the emh group Academy's success in

broadening its offer to include pre-apprenticeship traineeships and an undergraduate scheme.

We are part of the National Apprenticeship Ambassadors Network and the European Apprenticeship Alliance.



The financial landscape for housing associations has changed almost beyond recognition in the last five years. Thanks to our prudence, innovation and efficiency, emh group is resilient and well-placed to continue growing.

# V1 / G1

Top regulatory ratings viability and governance

# strength

## Strong plans

We have built the Government requirement for housing associations to cut rents by 1% each year until 2020 into our latest business plan. We have applied a number of measures to mitigate the impact of the £11m shortfall in our income. This includes £4m in annual efficiency savings by transforming how we deliver our services to customers, improving mobile and online systems, deleting senior posts and limiting future pension liabilities.

These are challenging times but we are confident that the reductions in our cost base will protect our potential for growth and quality of services into the future.

While we welcome the temporary reprieve from Housing Benefit / Local Housing Allowance changes for new claimants living in supported housing, this is a real, longer-term risk to the viability of some support schemes and services. So our business plan remains under constant review.

Following the EU referendum, the group's credit rating (along with most registered providers) has changed to A+. This reflects the reduced ratings for the UK as a whole.

Annual turnover  
**£98.7m**



We are working hard to build a performance culture with a sensible appetite for risk, a strong social heart and an ambitious commercial edge.



## Profit for purpose

Our financial accounts for 2015/16 have been prepared in line with the required new FRS102 accounting standards.

### These show:

- ▶ Turnover **increased by £2 million** on 2014/15
- ▶ A strong operating margin of **29%**
- ▶ **£45 million invested** in new homes, plus £8.5 million in existing property assets
- ▶ 3.1% year-end position on current rent arrears - the group's **best ever performance**
- ▶ **£50 million** additional capital funding
- ▶ **£1.1 million** raised through asset appraisals and stock disposals

## Summary accounts

### Profit and loss and other comprehensive income

(formerly income and expenditure statement)

	2015-16	2014-15
	£m	£m
Turnover	98.7	96.8
Operating costs	(71.3)	(67.0)
Profit on asset sales	1.1	1.2
<b>Operating surplus</b>	<b>28.5</b>	<b>31.0</b>
Net interest paid	(20.7)	(20.3)
<b>Profit on ordinary activities</b>	<b>7.8</b>	<b>10.7</b>
Pension remeasurement	1.5	(2.9)
<b>Total comprehensive income</b>	<b>9.3</b>	<b>7.8</b>

### Statement of financial position

(formerly balance sheet)

Housing properties	691.6	658.4
Other fixed assets	19.0	19.8
Cash and investment	59.5	49.0
Other current assets	8.7	7.7
<b>Total assets</b>	<b>778.8</b>	<b>734.9</b>

Loans	(403.0)	(371.0)
<b>Government grants</b>	<b>(207.9)</b>	<b>(204.5)</b>
Other creditors	(16.4)	(15.9)
<b>Pension liabilities</b>	<b>(11.2)</b>	<b>(12.5)</b>
<b>Reserves</b>	<b>(140.3)</b>	<b>(131.0)</b>
<b>Total creditors and reserves</b>	<b>(778.8)</b>	<b>(734.9)</b>

Summary of financial performance from annual accounts