

Agenda

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Shareholder

Date: **Tuesday 23 July 2019**

Time: **6.00 pm**

Place: **The Old Library - Oxford Town Hall**

For any further information please contact the Committee Services Officer:

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Shareholder

Membership

Chair Councillor Susan Brown

Vice-Chair

Councillor Nigel Chapman

Councillor Mary Clarkson

Councillor Tom Hayes

Councillor Alex Hollingsworth

Councillor Mike Rowley

Councillor Linda Smith

Councillor Marie Tidball

Councillor Ed Turner

Councillor Louise Upton

The quorum for this meeting is three members.

Copies of this agenda

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AGENDA

Pages

1 Apologies for absence

2 Declarations of interest

3 Scrutiny recommendations

Any recommendations of the Companies' Scrutiny Panel which meets on 16 July will be published as a supplement.

Items to be considered in private - matters exempt from publication

If the Shareholder wishes to exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda or at any other point in the meeting, it will be necessary for the Shareholder to pass a resolution to that effect.

The Shareholder may maintain the exemption if and so long as, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The agenda text states which items and reports are exempt from publication.

4 Trading Companies

4a Trading Companies - Chairman's Statement (Open)

Verbal update.

4b Trading Companies - 2018/19 Statutory Accounts (Open)

For the Shareholder to note the audited accounts of ODSL and ODSTL. The accounts will be published as a supplement.

4c Trading Companies - 2019/20 Performance and Finance for Q1 (Open)

This report provides a performance summary for the period April to June 2019 and financial data / analysis to May 2019. It

9 - 22

also covers operational activity across all work streams. The financial appendix is exempt.

4d Trading Companies 2019/20 Performance & Finance for Q1 - Appendix 3 (Exempt) 23 - 32

4e Trading Companies - Update on Outline Business Case (Exempt)

A verbal update on the Outline Business Case will be given.

5 Housing Group

5a Housing Group - Progressing the strategic future direction of the Council's Group of Housing Companies and the 2018/19 Annual Review 33 - 182

Summary and recommendations

To update the Shareholder on progress of the strategic review and revised Business Plan for the OCHL group of companies. To receive the 2018/19 Annual report and audited Financial Statements for the year ended 31 March 2019.

Recommendation(s):

That the OCHL Shareholder resolves to:

1. Note the progress of the strategic review and revised Business Plan for the OCHL Group of companies and to seek support for the proposed plan of action.
2. Note the Housing Group Annual Review (Appendix 1);
3. Note the audited Annual Report and Financial Statements for the year ended 31 March 2019 (Appendix 2)
4. Note the Housing Group Delivery Programme (Appendix 4).

6 Minutes of previous meetings 183 - 220

The Shareholder is recommended to **approve** the minutes of the following Shareholder meetings:

07 March 2019 (Trading Companies)

- Public minutes
- Confidential Minutes

30 May 2019 (Oxford City Housing Group)

- Public minutes
- Confidential Minutes

Councillors declaring interests

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

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ODS Performance Report at Q1 (2019/20)

Introduction

- 1) This report provides a performance summary for the period April to June 2019 and financial data / analysis to May 2019. It also covers operational activity across all work streams.

Executive Summary

- The good performance achieved across all services in 18/19 continues into the first quarter 19/20 – over 85% of KPIs met.
- The Finance Director's report as at May 2019 is at appendix 3. In summary:
- At the end of May 2019, ODS income is 1% behind the budget of £10.1 million.
- ODS made a £0.2m loss before interest and tax (reported as EBIT) due to the combined impacts of lower external MT business and transformation costs (that continue to be funded by the business, whilst awaiting the release of funding from the City Council).
- ODS will prepare a reforecast at the end of the quarter that will confirm the full year expectation against the budgeted EBIT of £2.2 million and dividend of £1.6 million.
- The ODS Board expects to fully achieve the MTFP expectation
- Our focus on customer service continues to grow and the report contains more insight into how ODS is running services.
- A People Strategy is underway which will set out plans for the next 3-5 years, including how ODS approach employee wellbeing, diversity and inclusion, management and leadership development, workforce/succession planning and reward
- Construction, Repairs and Maintenance continue to work hard on introducing the new Target Operating Model (October 2019 launch) and growing the construction business. We expect to double the value of projects compared with 2018/19
- Environment & Infrastructure continue to perform well in managing our recycling, waste, car parks, street cleansing and highways & engineering services. There are new initiatives, new business and new opportunities.
- Improving our management of health & safety is a priority and we are driving an action plan for yet further improvements across ODS.
- Pending approval of a new plan, we have rolled forward current Business Plan year one objectives to year two. See Appendix 1 for a summary of the year 2 objectives and an update
- We continue to progress the Outline Business Case for a new Business Plan of investment in ODS which will create significant additional returns to the Shareholder, delivered through efficiency and growth.

Q1 update:

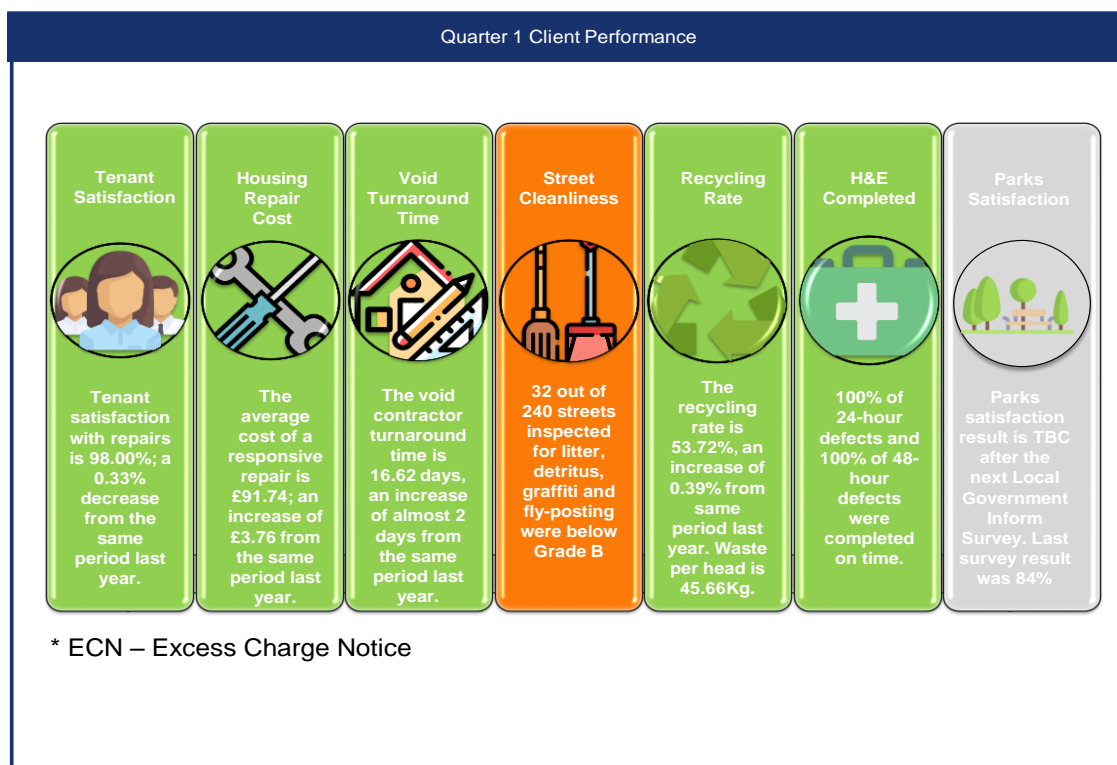
Service Performance

- 2) ODS meet with OCC partners to review the service on a monthly basis. During this meeting we review KPIs, finance and identify any areas requiring particular focus (these include city centre cleaning, establishing a construction pipeline, budget process, etc.).
- 3) ODS monitors many performance indicators, thirty four of which are target driven. In the first quarter 19/20 against these target driven KPIs, ODS has achieved over 85% compliance for Q1. 4 KPIs fell short of the target. The number of kitchens and

bathrooms installed and the street cleansing KPI. Regarding the former this is a profiling issue and the number of installations typically catches up. On the latter, we are developing a more representative measure for customer satisfaction of street cleanliness, rather than the national measure (NI195).

- 4) The Council as Client focuses on eight key areas: Tenant satisfaction, housing repairs, voids, streets, parks, waste & recycling, highways and car parking. Appendix 2 shows the current performance across measured KPIs year to date at Q1. The Client KPI headlines are in table 1 below.

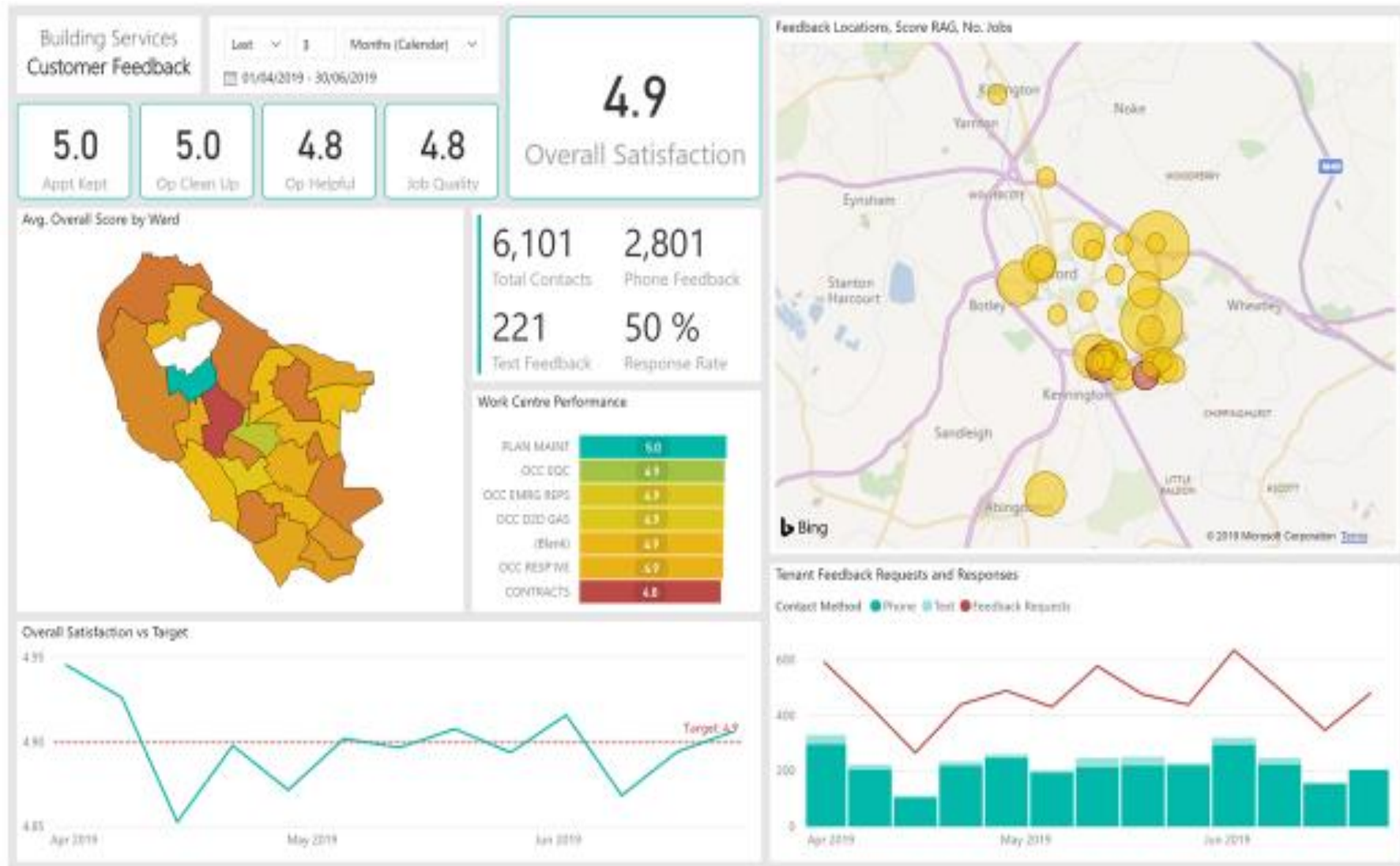
Table 1 – Client KPIs



Customer Services – across the business

- 5) ODS continues to focus on customer satisfaction and has been using both feedback and more in-depth interrogation within the business areas to assist in driving further improvements. Whilst other areas have started to be focused upon the key priority has remained on Building Services and Streetscene in order to address some of the major themes identified.
- 6) **Buildings** – customer feedback has continued to be undertaken post completion of work and this continues to be reported with a high satisfaction rating – see table 2 overleaf for a dashboard of customer feedback, and the line data for ODS KPIs for the last quarter at Appendix 2. During this process we have also identified areas of activity that require more focus to improve the service delivery e.g. door replacements, delays in fencing work and reviewing how we manage service delivery and communication for communal areas. Meetings/discussions have also started to take place with stakeholders (Tenancy Management, Property Services to improve communication channels both internally and externally).

Table 2 – Building Repairs Customer Service Dashboard



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- 7) **Communal Areas** - A report is in the process of being produced which will be made available on the internet to enable both leaseholders and tenants to see what communal work is in progress. Feedback systems will also be implemented in the next quarter to gain customer insight regarding repairs, cleaning and ground maintenance of these areas.
- 8) **Streetscene** – We are in the process of conducting a further survey sample to add to our previous survey undertaken in February. This will then provide a more statistically valid baseline for the satisfaction with our services.
- 9) **City Centre Toilets – static cleaners** have been in post since June in Market Street and Gloucester Green have benefitted from static toilet attendants between 10am and 6pm. Anti-Social Behaviour within these facilities has dropped during this period, however, this may in part be as a result of the improved weather and rough sleeper issues moving out onto the street. To increase customer insight installation of QR codes/links to our survey will be installed in all city centre toilets to assist us in carrying out further benchmarking and this data will be used to work with our client to agree most appropriate action.
- 10) Customer satisfaction and feedback has consistently pointed to the availability and standard of the city centre facilities together with abuse from rough sleepers. The cleaning standards and issues arising from ASB are being addressed through the use of static attendants and additional deep cleaning.
- 11) **Rough Sleeping** - The impact of rough sleepers has a significant impact on the perception of the cleanliness of the city and we are working closely with stakeholders to consider ways in which we can address this problem e.g. Floyds Row, working with Aspire to develop a potential recruitment pathways, etc.
- 12) **Issues relating to other aspects of services provided by ODS** – This has ranged from park/ground maintenance through to pot holes and anti-social behaviour and these are being picked up by the respective teams to investigate/action. Reporting on customer feedback on these areas will also be included in next quarter’s report.
- 13) **Contact Centre** - last quarter figures show the number of calls answered within the contact centre. Whilst the abandonment was within the 95% target for Cowley Marsh services this was not achieved within Pest or Building Services even though the level of calls were at least 10% less than those of the previous year. Turnover of staff was raised as the key factor.

Area	Calls Ans April	% Abandonment Rate	Calls Answered May	% Abandonment Rate	Calls Answered June	% Abandonment Rate
Pest	317	6.21	322	8.26	297	6.01
Repairs	3034	8.67	2999	6.05	2601	7.44
Cowley Marsh	1967	6.15	2120	4.29	2121	3.85

14) 3C’s Feedback

Last quarters figures show low levels of justified complaints (considering the high volume services we offer) and we are working closely with the contact centre to improve recording/call handling of these. Work is in progress to implement a new recording system using Aareon QL This will have the benefit of providing more accurate data and more streamlined management:

	Comments Apr-June	Compliments Apr - June	Complaints Apr - June
Buildings	8	23	55
Car Parks	12	1	15
H&E	5	24	3
MT	0	0	0
Parks	0	0	5
Recycling & Waste	27	10	94
Streetscene	4	10	11

Human Resources & Organisational Development

- 15) ODS aspires to be regarded by existing and potential staff as an employer of choice; a place where diversity is valued as essential in providing better services and a better experience in work for all, career development is encouraged and people feel their performance is rewarded and recognised.
- 16) Achieving this ambition will ensure that we are able to recruit and retain a workforce able to deliver the business plan in a way which is consistent with our values, focussed on our customers and optimises social value.
- 17) The development of a new People Strategy is underway, outlining detailed plans to deliver this aspiration over the next 3-5 years. Key elements of this strategy will include our approach to wellbeing, diversity and inclusion, management and leadership development, workforce/succession planning and reward. Fundamentally the strategy will encompass our values and our desire to optimise social value through our employment practice. Including partnering with local charities, schools and other organisations to provide and promote opportunities for disadvantaged groups and expanding our apprenticeship programme.
- 18) Underpinned by a robust set of policies and practice reflecting best practice HRM, using Management Information to support planning and embedding values and behaviours into every element of our people management practice, this approach will drive the change in culture to a more commercial approach where efficiency is pursued in order to optimise social value return and create community opportunities.

Priorities for HR/OD in the first quarter of this year have included:

- Supporting the Building Services Transformation: delivering a new structure, roles and support to staff to facilitate the implementation of the new software and ways of working
- Recruiting to our Leadership Team: completing appointments to our Executive and Leadership team to ensure ODS has the leadership capacity and capability to deliver the business plan
- Developing and deploying plans to improve wellbeing and reduce absence across the business
- Working to develop local charity partnerships to increase numbers and diversify our approach to recruiting apprentices, supporting our objective to have 10% of the workforce in apprenticeships

Priorities for HR/OD in the second quarter include:

- Supporting recruitment and redeployment in Building Services, planning and supporting transitional resource to ensure service delivery standards are protecting during implementation
- Completing the development of our new People Strategy
- Designing, commissioning and commencing a programme of development for our leadership team
- Deploying our strategy to improve wellbeing and reduce absence, aiming to reduce absence levels by 25% in the short to medium term
- Developing our approach to equality, diversity and inclusion, including planning events for national inclusion week in September 2019
- Working with OCC to agree our approach to pay and reward, including the next round of pay negotiations

Building Services

19) There are two aspects to this business; repairs & maintenance, and construction

Repairs & Maintenance

20) This service is going through a substantial change programme which will transform the way we undertake the work. In consultation with the Council (as principle Client, but also staff, trade unions and what we have learned from e ranging best practice) we will launch a new service in October 2019 with a new IT system (the Council's Aareon QL project) and supporting processes which will make the service more efficient and effective. From a customer perspective, we expect them to benefit from a significant improvement in first time fix, a reduction in waiting times and a service more typical of the modern offering.

21) Meanwhile the work continues to repair & maintain the Council's stock, with excellent performance achieved in gas servicing (99.7% compliance in routine maintenance, and results in the high 90s for satisfaction with repairs & quality of maintenance).

Construction

22) In 2018/19 over £4m in projects were delivered as part of planned or capital works programmes. In 19/20 we expect to more than double this, with a number of projects underway. These include Floyds Row and the Museum of Oxford. Also, in line with previous programmes, there are significant orders placed by the Client for pre-paint joinery, Disabled Adaptations work is increasing and we hope to secure our first new build project with 8 bungalows from the Council's Housing Company. We have a good supply chain in place with one or two more key hires required to make sure we can deliver the expanded programme successfully.

Environment & Infrastructure

23) **Car parks** - Year to date car park income is marginally better than budget expectation, with the surplus being generated across the suburban and Park and P&R locations. City centre car parks have seen a decline in usage, which can be attributed to Westgate Car Park.

24) We are progressing the Section 101 agreement with County Council regarding operations at Water Eaton and Thornhill Park and rides including TUPE implications.

- 25) **Highways & engineering** - have commenced the annual road surfacing programme including surface dressing at various locations across the City.
- 26) **Recycling & Waste** - We are also progressing negotiations regarding disposal costs with a view to extending the current arrangement for two years from 1 October 2019. In addition we have successfully negotiated a two year extension regarding the disposal of dry mixed recyclate (DMR). The negotiations do however continue to highlight the budgetary challenges associated with disposal costs.
- 27) Due to the global challenges associated with recycling outlets there is more intense scrutiny regarding the quality and level of contamination associated with DMR. As a result we have had a number of loads rejected that creates a cost burden and impacts on recycling figures. We are taking a zero tolerance approach regarding contamination with customers and residents with action plans in place and the approach being communicated via public and social media.
- 28) **Streetscene** - With the new hot jet wash now operational the street paving washing is more effective with reduced levels of staining (with customers concerned about this / chewing gum). The team are also coping well with multiple events including the daily "Trashings" in Merton Street, Cowley Road Carvinal, etc. In fact close working between Streets & Waste teams enabled ODS to deliver a comprehensive waste management service for the event – with 5 Aspire colleagues gaining valuable experience which should help them with future job opportunities.
- 29) The graffiti programme is working well with monthly updates provided to local Councillors.
- 30) We have introduced full time attendants and both Market Street and Gloucester Green public toilet facilities between 10am and 6pm in order to reduce the level of anti-social behaviour and improve cleanliness standards. The impact is yet to be determined but we will review the change in service to ensure it is effective.
- 31) **Motor Transport** - We've looked at how motor transport is run, with logistics experts Unipart. There are several opportunities for revised practice and quick wins so we can further improve and enhance the service offered. Central to this is our growing expertise in electric vehicle maintenance and the contribution we can make in installing a network of EV chargers.

Health & Safety

- 32) ODS continues to improve on its safety performance against previous years and builds on the impetus gained in 18/19. The Board receives a quarterly report on Health & Safety looking at leading and lagging indicators, compliance issues and any initiatives programmed in.
- 33) The new working year saw a refresh of the Organisation's Health and Safety Policy which incorporated revisions on the emphasis on the health and wellbeing aspects of safety, more focus on near miss reporting and the value this activity can have and more detailed responsibilities and accountabilities related to each level of management within the business.
- 34) We successfully retained our health and safety accreditations with both Safe Contractor and Constructionline and a recent initiative by the HSE on construction safety resulted in one of our departments being paid a visit on site. This delivered a positive result in our operational

management with the Inspector finding no issues with our approach to risk management and congratulating our Operatives on their level of risk awareness and control.

- 35) In terms of incidents resulting in injury and lost time this first quarter has seen a dip in our otherwise positive performance with 48 injury related incidents being reported. 11 of these incidents resulted in 98.5 days lost with 5 reports being submitted under RIDDOR for over 7 day absences.
- 36) Our trend analysis and focus remains on reducing injuries relating to manual handling, slip trip incidents and being struck by or coming into contact with substances or objects. These have lost 11, 48 and 10 days respectively in this quarter.
- 37) A recent external audit conducted by BDO into the Health and Safety management within the business resulted in us being rated as substantial in both the design and operational effectiveness of the system. This is a great result and recognises the hard work and level of awareness throughout the business.
- 38) Positive activity continues on the findings from the safety climate survey conducted in the last quarter of the previous period with substantial and sustained efforts going into changing perceptions about our level of commitment to Health and Safety excellence. Beliefs and behaviours are being challenged in this regard across the business and the green shoots of change are beginning to show in both attitudes and awareness.

2018 /19 – 2021/22 Business Plan Update

Four objectives were agreed as set out at Appendix 1:

- **Deliver the Council's MTFP requirement for ODS** – ODS delivered the 18/19 MTFP requirement. 19/20 sees an additional £150k increase and the ODS Executive Team have identified the sources of this increase, predominantly through increasing targets in construction and highways & engineering
- **Drive efficiency in Building Services** – the programme is advancing rapidly and in accordance with the plan. Whilst it is a whole system change in the back office, the front line and customer service will benefit from more efficient programming, increase in first time fix, more effective diagnostics, quicker response times, etc. The customer will benefit, the operatives more empowered to deliver the service and the changes will release capacity to deliver other work
- **Maximise the work for ODS from Oxford City Council** – ODS have recruited the necessary experience to direct delivery of a pipeline of capital schemes and new build housing. Council colleagues are working with ODS to put together a suitable programme for the next 4 years.
- **Build an organization fit to deliver the Council's ambition** – ODS now has a leadership team in place which can run services but now also has the skills and experience to work more strategically on cross-cutting initiatives. This team will drive the delivery of the new Business Plan which identifies how ODS will significantly increase returns to the Council as well as create a more modern & mobile workforce – benefiting from the associated improvements in efficiency and customer service which will be achieved through that.

Appendix 1 - Year 2 Business Plan Objectives – Progress

Objectives	Core services	Revenue Growth	Efficiency in Building Services	Maximise work from OCC	Build ODS
Culture Evolution – embed Mission, Aims & Values					
Challenges	Balancing commercial / public service work Maintaining and improving customer service Managing the public relations	Need to ensure year 2 MTFP is delivered How to deliver sustainable growth Robust financial & management information	Changing traditional R&M function into modern & mobile service operation	Stakeholders views of ODS capacity / capability Commissioning of works fragmented	Lack of commercial processes / resources / experience Sub-optimal IT systems & infrastructure Finance, HR & ICT leadership lacking Depot portfolio not future proofed & inefficient
Solutions	Implement service / support contracts / SLAs / Client functions Gain a better understanding of customer service	Develop a plan for the future Ensure clear financial targets with regular reviews / adjustments Revise ODS procurement strategy Revise/develop the MI suite to drive better decision making and cascade across business B2B – clear sales / resourcing plan in place	Introduce Building services major change programme	Identify and secure key resources / partnerships with construction industry experience Agree/implement a shared & smoothed building works programme Contribute to revising the works commissioning process Get visibility of all potential works to ODS from concept stage	Fully establish the commercial arm Establish and resource change programme / business support Depot rationalisation project commissioned
Highlights this period	April / May financial and service performance in line with expectations Began shaping 3 year service review Client function review & budget process planned Head of Customer Engagement interviews	Business Plan refresh agreed in principle – basis is 70% efficiency 30% growth. OBC funding agreement decision June 19 Financial & MI work in progress	TOM complete, staff consultation kicked off and now live, AQL go live October 2019. Small number of posts at risk Supply chain tender constructed following market / service appraisal Gearing up comms. TUs on side. Transition plan?	Business Plan contingent on a £71m programme across 4 years –some of which is HRA pass through Pipeline review at ODS LT planned for June. Risk of Council not being able to resource a smooth pipeline of works for ODS. Mitigation through other opportunities e.g. new homes	'Heads of' roles all appointed to bar one. PMO resourcing still an issue. EV Strategy resourcing in place Focus is on business plan refresh and the business case supporting it. Current BP rolled on Support Services review under development. Line of sight re culture change emerging following OD / HR Director appointment

Appendix 2 – ODS Q1 performance data

PI	Owner	Latest Data		Comments
		Target	Result	
Parks and Open Spaces				
Satisfaction with Parks and Open Spaces (LG inform)	Stuart Fitzsimmons	84.00%	84.00%	
Number of Parks with Green Flag Status	Stuart Fitzsimmons	5 Parks	6 Parks	
% of sites passing LAMS	Stuart Fitzsimmons			
Streetscene				
Percentage of streets with dog fouling that fall below Grade B (YTD)	Bruce Thompson	5.00%	0.56%	Year to date 1 out of 177 streets inspected were below grade B. In June none of the 38 streets were below grade B.
NI 195a Percentage of streets with litter levels that fall below Grade B (YTD)	Bruce Thompson	1.75%	3.95%	Year to date 7 out of 177 streets inspected were below grade B. In June 1 of the 38 streets were below grade B.
NI 195b Percentage of streets with detritus levels falling below Grade B (YTD)	Bruce Thompson	3.00%	12.99%	Year to date 23 out of 177 streets inspected were below grade B. In June 4 of the 38 streets were below grade B.
NI 195c Percentage of streets with Graffiti levels falling below Grade B (YTD)	Bruce Thompson	1.00%	0.56%	Year to date 1 out of 177 streets inspected were below grade B. In June 1 of the 38 streets were below grade B.
NI 195d Percentage of streets with fly posting levels falling below Grade B (YTD)	Bruce Thompson	1.00%	0.56%	Year to date 1 out of 177 streets inspected was below grade B. In June none of the 38 streets were below grade B.
Waste and Recycling				
Kg of household waste per head			69 kgs	
NI191 - Residual waste per household (YTD)		108.00 kgs	82.30 kgs	
NI192 % Household waste recycled and composted (YTD)		50.00%	53.99%	
Highways and Engineering				
% Customer Satisfaction with larger assessed maintenance schemes	Shaun Hatton	85.00%	100.00%	
% satisfaction with line painting	Shaun Hatton	85.00%		
% category 1 works completed in time / % of 24 hour defects completed on time	Shaun Hatton	98.00%	100.00%	
% category 2 works completed in time / % of 48 hour defects completed on time	Shaun Hatton	80.00%	100.00%	
% category 3 works completed in time	Shaun Hatton		100.00%	
Finance				
ECN notices cancelled as error should not exceed 2% of all issues YTD	Jason Munro	2.00%	0.22%	3608 issues with 8 cancelled as issue error = 0.22%
Car park monitoring and utilisation	Jason Munro	100 On Target	100 On Target	
Resource, supply and deploy the optimal number of enforcement officers to optimise compliance	Jason Munro	99.00%	100.00%	

Sickness				
Cost of working time lost due to sickness	Human Resources		£110,671.98	
Proportion of sickness that is long term	Human Resources		50.70%	
Proportion of sickness that is short term	Human Resources		49.30%	
Staff turnover	Human Resources		5.00%	
Voids				
Average cost per void	Steve Carter	£3,200.00		
Void Contractor Turnaround time (HouseMark definition)	Steve Carter	17 Days	15.87 Days	14 Standard voids completed in June + 13 Standard voids requiring major works. 27 in total
Voids key to key re-let time	Ian Henwood			
Planned Operations				
Number of bathrooms installed for in house team YTD	Steve Carter	51 Bathrooms	57 Bathrooms	20 bathrooms completed this period against a target of 17 which means YTD we are slightly over (+6) the 1st Quarter target of 51 bathrooms completed.
Decent Homes Kitchens completed by contract operations team YTD	Steve Carter	60 Kitchens	51 Kitchens	13 Kitchens completed this month against a target of 21. At 51 kitchens completed YTD we are slightly below (-9) the original profile of 60 kitchens completed in the first Quarter.
Responsive Repairs				
Tenant Satisfaction with repairs services	Ian Henwood	95.00%	98.00%	Total Contacted 1957, Phone Feedback 878, Text Feedback 50, Response Rate 47%
Percentage appointments kept	Ian Henwood	99.00%	99.60%	1267 appointment kept of the 1279 appointments made. 12 missed.
Percentage post-inspection quality feedback	Ian Henwood	5.00%	5.70%	40 inspections from the 690 routine repairs completed.
Percentage repairs appointments made (D2D)	Ian Henwood	95.00%	95.66%	1279 appointments made from the 1337 eligible jobs.
% Emergency Responsive Repairs completed on time (Category E) YTD	Ian Henwood	99.60%	99.84%	1282 emergency repairs completed in date of the 1284 completed. 2 missed YTD.
% Urgent Responsive Repairs completed on time (Category A) YTD	Ian Henwood	99.00%	99.39%	1143 urgent repairs completed in date of the 1150 completed. 7 late YTD.
% Routine Responsive Repairs completed on time YTD	Ian Henwood	96.50%	96.93%	2278 Routine repairs completed in date, 2350 repairs completed. 72 late YTD.
Number of repairs jobs completed	Ian Henwood		1648 Jobs	
% post inspections passing inspection	Ian Henwood		100.00%	40 inspections completed all v good
Responsive Repairs - Average job cost	Ian Henwood		£94.91	
Gas Team				
Percentage gas servicing completed YTD	Ian Henwood	27.84%	25.80%	662 services completed in June
Percentage of gas services in date	Ian Henwood	99.00%	99.70%	
% Emergency gas repairs completed on time (Category E) YTD	Ian Henwood	99.50%	100.00%	22 emergency repairs completed on time
% Urgent gas repairs completed on time (Category A) YTD	Ian Henwood	99.00%	99.50%	199 Urgent repairs completed on time, 1 late
% Routine gas repairs completed on time YTD	Ian Henwood	98.30%	100.00%	224 Routine repairs completed on time
Gas installations - Number of full upgrades	Ian Henwood	28 Upgrades	24 Upgrades	

Gas installations - number of part upgrades	Ian Henwood	135 Upgrades	154 Upgrades	
Electrical Quality Control				
Number of electrical surveys carried out YTD	Ian Henwood	528 Surveys	504 Surveys	
Number of rewires YTD	Ian Henwood	28 Rewires	29 Rewires	
Estate officers				
Percentage communal areas passing internal checks (10% check)	Bruce Thompson	96.00%		

Appendix 3 – Financial Performance Q1 – Commercial in Confidence – Part 2 Paper
Private and confidential

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To: Oxford City Housing Ltd Shareholder Meeting
Date: Shareholder 23 July 2019
Report of: Richard Connolly Interim MD Company Director and Board Chair
Title of Report: Progressing the strategic future direction of the Council's Group of Housing Companies and the 2018/19 Annual Review

Summary and recommendations	
Purpose of report:	To update the Shareholder on progress of the strategic review and revised Business Plan for the OCHL group of companies. To receive the 2018/19 Annual report and audited Financial Statements for the year ended 31 March 2019.
Recommendation(s): That the OCHL Shareholder resolves to:	
<ol style="list-style-type: none"> 1. Note the progress of the strategic review and revised Business Plan for the OCHL Group of companies and to seek support for the proposed plan of action. 2. Note the Housing Group Annual Review (Appendix 1); 3. Note the audited Annual Report and Financial Statements for the year ended 31 March 2019 (Appendix 2) 4. Note the Housing Group Delivery Programme (Appendix 4). 	

Appendices	
Appendix 1	Housing Group Annual Review 2018/19
Appendix 2	Annual Report and Financial Statements for the year ended 31 March 2019.
Appendix 3	Confidential information.
Appendix 4	Housing Group Delivery Programme.

Introduction and background

1. The Council's City Executive Board on the 17 March 2016 agreed to set up a group of housing companies (OCHL) now being OCHL (Group) the parent, OCHL (Investment) and OCHL (Development) to be wholly owned by the Council with the primary aim of building and owning social housing. This was in response to changes in Government policy namely the introduction of four years of rent reductions and a high value asset levy, which taken together severely restricted the Council's ability to

continue with its ambitious council house building programme funded from the Housing Revenue Account (HRA) The OCHL Shareholder has previously approved a development and acquisition programme and business plan to deliver 572 new homes over the period 2018 to 2026. This includes the purchase from the Council by OCHL of the social rented homes being developed at Barton Park by Barton Oxford LLP (BOLLP).

2. Recent government policy changes have removed restrictions on the Council's ability to borrow within the HRA. This necessitated an initial review of the approach previously adopted by the Council and OCHL with respect to affordable housing delivery and subsequent on-going management.
3. The objectives of the initial review by the Council have been to:
 - Maintain the existing social housing new build programme
 - Maximise the potential to expand and accelerate the programme using the new borrowing flexibilities
 - Protect the assumed position in the Medium Term Loan Plan (MTPF) and explore the potential for an increased contribution from OCHL, if financially prudent and affordable for the company
 - Provide a more efficient and coherent model for the management of the Council's stock.
4. In May 2019 the OCHL Board, Council's Cabinet and Shareholder approved a significant change in Housing Company Group policy and the updated Business Plan to reflect this change. In summary, that OCHL continues with the current development programme of:
 - 207 mixed tenure properties including external sales. Together with a funded trickle transfer of 5 voids each year for the first 5 years, on a case by case basis, to create larger units and/or new units, where land footprint allowed. However the Council will purchase the affordable housing (Section 106) and additional homes, where agreed, with HRA borrowing and available Grant funding. This is instead of the affordable housing being retained by the Company. This activity is conducted by OCHL (Development) Ltd
 - Acquisition of the 354 social rented units at Barton Park (Ph. 1 is nearing completion and to date 35 of the 95 homes are completed). No change to policy is planned for this project which will deliver homes over many years to come. This activity is by OCHL (Investment) Ltd.
5. However, the current Business Plan for OCHL (Development) Ltd is heavily focussed on the first few years. Therefore a review of the Group's activities is underway to assess its potential as a going concern, the future direction and capacity in terms of a sound financial position, growth potential and governance.
6. The Council and OCHL is continuing to review how OCHL can accelerate delivery of affordable housing, explore the development of alternative tenures to meet housing need and support economic growth, as well as meeting MTFP commitments. OCHL has appointed an Interim MD to lead a 6 month review feeding into the 2020/21 budget setting, with the agreed following objectives:

- Examine the resources and expertise currently available to OCHL and how it is organised and make recommendation on what is needed to improve the pace of programme delivery
- Develop a delivery programme for the next batch of Council sites that have been identified as having potential to be delivered by OCHL
- Develop a viable proposition for alternative tenure offer in addition to social rent, including an affordable Private Rented Sector offer
- Given the finite number of Council owned development sites appraise opportunities for the expansion of OCHL’s activity, including the potential purchase of land for development, commission the required work to identify potential sites and develop costed proposals for these sites
- Explore delivery vehicle options to make recommendations for appropriate partnership arrangements and subject to agreement, take forward the development of the partnership(s)
- Develop proposals and make recommendations for appropriate governance of OCHL, including additional Board Directors and clarity about the relationships with stakeholders
- Develop an agreed planned approach to support the Council’s ambition of achieving net zero carbon by 2030, make recommendations on specification, and cost modelling and financial viability.

Review of the Business Plan

7. The intended outcome of the 6 months review will result in a new 10 year Business Plan for OCHL. The following work strands are now being progressed with the timelines for completion as shown in the table:

Work strand	May	Jun	Jul	Aug	Sep	Oct	Comments
Examine existing resources and expertise to accelerate delivery	✓						<ul style="list-style-type: none"> • Review of immediate requirements now completed. • Internally recruiting 18 month secondment for Strategic Finance Manager to lead on Finance for the Housing Group • Recruiting two permanent Development Managers to lead on land purchases and new projects. • Facilitates capacity, build team, skills set and volume.
Develop a delivery programme of the next batch of council sites potentially for OCHL		✓					<ul style="list-style-type: none"> • Programme identified and coordinated with Planning Service • See next table for detail.
Alternative tenure offer			●				<ul style="list-style-type: none"> • Currently scoping the

						<p>development of 'Oxford Living Rent' an Affordable Rent to buy model with Grant funding -for local working families unable to access traditional social housing or low cost home ownership.</p> <ul style="list-style-type: none"> • Intermediate rent on a form of Tenancy with the planned intention to purchase their home after 5+ years. • Affordability criteria. • Trowers Solicitors are advising on tenancies & RtB.
Develop an expanded pipeline not limited to council-owned development sites				●		<ul style="list-style-type: none"> • Early progression of a formal programme and Heads of Terms with One Public Estate-Health & County: re-provision and release of sites for housing e.g. East Oxford. • Identified priority Draft LP sites with Planning Service. Approaching vendors/agents/developers to scope potential and viability. Also use these to model 'template' schemes for later years. • Initiating exploratory discussions and then later timely promotion of OCHL as a housing delivery partner for strategic /key sites e.g. potentially Diamond Place, OXWED/future sites and Grenoble Rd (S.Ox). • Meetings in progress with West Oxon and planned for Cherwell, Vale WH & S Oxon to scope opportunities for joint working and priorities for Oxford.
Explore JV models and procurement of partnerships				●		<ul style="list-style-type: none"> • Seeking external specialist advice on scoping of model(s) and subsequent soft market testing- procurement underway • Meetings planned with key

							Developers/ HAs to understand their cross –sector partnership models across England.
Develop and recommend Governance arrangements and board membership				●			<ul style="list-style-type: none"> • Reviewing board membership in similar comparable organisations. • Reviewing board skills and requirements. • Consider recruitment routes. • Make recommendations to Board, Cabinet and Shareholder.
Develop an agreed planned approach to achieve the Council’s ambition of net zero carbon housing				●			<ul style="list-style-type: none"> • Minimum target of 40% carbon reduction and 50% carbon reduction ahead of 2026 currently set, in line with draft Local Plan on existing planning applications/consented/or uncontracted new schemes • Currently researching different approaches to achieve lower and net-zero carbon homes e.g. MMC/ Fabric-first PV/Passiv. • Specialist advice commissioned to ensure CML mortgage availability, supply chain, cost and replication. • Then agreeing specification requirements and costing for scheme viability/deliverable S106 provision and financial impact on BP. Reviewing by tenure and procurement approaches.
Business Plan review for 10 year development activity					●	●	<ul style="list-style-type: none"> • Complete Business Plan review by mid-September for Council 20/21 budget process, reporting during September & October, for planned cycle of approvals in November 19 – Feb’20.

Current programme

8. The table below summarises progress with the development sites. In addition, so far 35 of the 95 social rented units in the first phase of Barton Park have been handed over. Phase 3 (Redrow) is currently moving ahead, with potentially 83 social rent homes. Completion of initial homes are anticipated from Summer 2020.

Scheme	Number of homes- Total	Market sale	Market units being sold to HRA for 'additional' Affordable Housing (split Rent/SO)	S`106 Affordable Housing split : Social Rent SR. Affordable Rent AR. Shared Ownership SO.	Comments	Estimated Completion
Rose Hill	43 (all affordable)	0	0	18 SR 25 SO	Planning permission obtained – build contract signed with Feltham	Nov 2020
Warren Crescent	10 (all affordable)	0	0	4 SR 6 AR	Planning permission obtained – build contract signed with Leighfield	July 2020
Elsfield Hall and Cumberlege Close	35 (18 affordable)	17	0	15 SR 3 SO	Planning permission obtained. Procurement of contractor underway	Dec 2020
Between Towns Road	38 (19 affordable)	19	TBC-see comments box	16 SR 2 AR 1 SO	Planning permission obtained. Procurement of contractor underway. <i>Potential sale of 19 OM homes to HRA to be considered as part of</i>	Dec 2020

					<i>Revised Business Plan in September 19</i>	
Harts Close	2 (both affordable)	0	0	1 SR 1 SO	Planning permission obtained – price being negotiated with contractor	June 2020
Lucy Faithfull House	36 (18 affordable)	18	0	15 SR 3 AR	Pre planning application underway	Nov 2021
Underhill Circus	36 (18 affordable)	18	TBC –see comments box	16 SR 2 AR	Pre planning application underway. <i>Potential sale of 19 OM homes to HRA to be considered as part of revised Business Plan in September '19.</i>	Oct 2021
Edgecombe Drive	7 (all affordable)	0	0	3 SR 4 SO	Pre planning application underway	Jan 2021
Bracegirdle, Mortimer, Broad Oak	8 (7 affordable)	1	0	7 SR	Planning permission obtained, tenders received and being assessed	Sep 2020

Developing a delivery programme of the next batch of council sites potentially for OCHL

9. A detailed review of the potential pipeline of Council sites has been undertaken by the Development, Housing and Planning teams co-ordinated through project groups, as part of the wider review of deliverable sites across the City. Due to the

commercially sensitive nature of this information, this has been reported separately at Appendix 3 as a confidential item.

Annual Review and Annual Report and Accounts

10. The Annual Review for 2018/19 is attached at Appendix 1.

11. The Annual Report and Financial Statements for the year ended 31 March 2019 are attached at Appendix 2.

Revised business plan

12. The revised ambitious business plan is being developed as part of the strategic review along the same timeline as the Council's 2020/21 budget process.

Housing Group Delivery Plan

13. The current programme, as detailed earlier in this report, is explained in greater detail at Appendix 4 for further information.

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ANNUAL REPORT 2018/19

2018/19

OXFORD CITY HOUSING LIMITED

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Chairman's Letter

“During a year in which we have witnessed significant changes in Government policy and strategic direction for the social housing new build agenda within the public sector, OCHL has continued to demonstrate its increasing role to Oxford City Council and its residents in both delivering what our community needs and contributing to the long term financial position of our shareholder.”



Dear Shareholder

It's been a challenging and ultimately positive 12 months: Board member changes, a delivery vehicle for the Oxfordshire Growth Deal, scoping an OCHL application for significant Government policy changes and finally managing local planning policy compliance issues to progress the current delivery programme. Last but not least, meeting our financial performance obligations to our shareholder and the Council's Medium Term Financial Plan.

Through all this increased activity we have continued to ensure we review our plans and performance requirements so that we continually meet expectations with growing confidence and pace. Whilst it's fair to say all these challenges and national government interventions impacted on the immediate planned progress, I'm nonetheless pleased to say OCHL is still very much at the front and centre of influencing, enabling, delivering and forward planning key housing projects and programmes that Oxford City residents desperately need and this is a role we cherish, respect and strive to grow and to build upon.

Strengthening Organisational Capability and Development

As we draw a line under 2018-19 we embark into the new financial year with OCHL's place as a critical delivery vehicle for new housing in Oxford and beyond. Firmly established with the act of making our first executive appointment, namely Richard

Connolly as Interim Managing Director, together with £9.5m of development contracts being signed off just before the end of the financial year and a continued confirmation of delivering financial returns for our shareholder.

Clear Purpose

Finally, I think it is important for OCHL's success that we have a clear purpose – one that is strongly linked to the city's needs. Our clear purpose is to deliver housing in Oxford to ultimately improve people's lives. Our city more than ever before needs significant numbers of new affordable housing for the growth of the region to meet expectations over the next 5 to 10 years and beyond. To help meet these challenges we have to be financially strong and make sure we continue to be an attractive investment and deliver on our performance obligations. I look forward to working with Richard and the existing team as we advance the housing provision in the city, delivering through our strategy and emerging further growth plans, guided by our values and inspired by our purpose. I also look forward to hearing from our shareholder, understanding and delivering on your aspirations and continuing to reward your trust and confidence in OCHL.

Stephen Clarke
Chairman
April 2019

A Volatile Year

Government Policy

Whilst it's fair to say the Government may have had to prioritise its activities over the past 12 months, this has not prevented significant swings in previous Government held thinking with regards to the social housing agenda. One has to say most have been in the positive namely, eventual removal of the Housing Revenue Account (HRA) debt cap from firstly encouraging additional borrowing bids, additional SHG nationally for new initiatives, the Oxfordshire Growth Deal finally being signed off with resources for new additional social housing dwellings being released, consultation of greater flexibilities in the use of capital receipts (although outcome of revised proposals not as yet published) and certainty with rents, at least for the next 5 years at CPI + 1%.

That said not all was good news for instance the proposed move for local authority rents to be governed by the Social Housing Regulator (SHR). This has removed indefinitely the possibility of local authorities raising social rents to acceptable and Government approved higher levels, even for those on HB or UC. For Oxford City Council this has limited their HRA's long term future financial strength that in turn could have financed additional borrowing for properties provided by OCHL.

Local Housing Review

Such were the changes happening nationally that it was only fair Oxford City Council reviewed its requirement generally for local housing companies per se. As such the Council commissioned an external assessment of its housing agenda that extended to reviewing planning performance, local land availability, partnership working and the regional economy and growth expectations. I'm pleased to say the conclusions identified a critical and continuing role for OCHL in meeting the expectations of the Council and its wider partnerships both now and for many years to come.

A new strategy, progressing a more dynamic BP and significant on-site progress continues, as well as aspirations to strengthen and widen the experience, knowledge and capabilities of the company's Board and Executive.

Our Strategy

OCHL STRATEGY

OCHL's strategy as per initial Business Plan March 2017

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NEW BUILD PROGRAMME
Undertake mixed tenure development of new build housing across various sites in Oxford, demonstrating a bias for social rented accommodation.

Taking advantage of current legal powers that would allow the transfer of up to 5 properties per year from Oxford City Council's HRA to OCHL.

HRA TRANSFERS



BARTON ACQUISITIONS

Be the sole purchaser of all the 395 social rented dwellings to be built as part of the Barton Development programme.

If suitable sites could be found, together with the required funding to ultimately embark on regenerating housing estates within Oxford.

REGENERATION

Strategic Review

The regeneration aspirations had been put on hold until suitable sites and schemes were identified and this continues to be the case. Barton acquisitions began towards the end of the 2018-19 financial year and the HRA transfer initiative has seen 10 units move across to OCHL during the first 3 years.

The new borrowing powers afforded to Council's under the reviews by Government over the past 12 months has resulted in the prospect of further transfers from the Council diminishing in future years, although potentially not completely as opportunities will still exist but confirmed on a scheme by scheme basis.

Going forward, by far the biggest change has been the movement away from managing the sub-market rented accommodation from the series of development schemes planned over the forthcoming years. Previously the company had planned to manage and maintain long term all the social rented, shared ownership and affordable rented properties from its development programme along with those acquired from Barton and the Council's HRA. However, only those already transferred as at the end of 2018-19 from the Council and the 354 Barton acquisitions will be managed by OCHL. All other properties will be sold either via private sales or to the Council's HRA, that is to say all social rented, affordable rented and shared ownership dwellings built by the company will now be bought by the Council's HRA for them to be able to secure government grant, assist in the Oxfordshire Growth Deal, be managed as part of their normal housing stock and let at sub-market rents. The removal of the HRA debt cap allows this to now take place.

Thus, OCHL will continue to have a large amount of activity being undertaken in our Development company subsidiary with only previously transferred HRA and all current and future Barton dwellings to be managed within our Investment company subsidiary.

The above changes in strategic outlook are now reflected in all subsequent scheme performance reports and in the long term BP projections. In the following table, all properties are shown as Open sale (OS) to reflect the strategic direction from the company's perspective. These homes are either (i) market housing to be sold on the open market or to the Council (as additionality) and (ii) the Section 106 Affordable housing to be sold to the Council.

Property Mix

Activity	Original (Feb 2017) BP Property Mix					Revised (Feb 2019) BP Property Mix					Movement in BP Property Mix				
	SR	AR	SO	OS	Total	SR	AR	SO	OS	Total	SR	AR	SO	OS	Total
<u>Barton</u>															
Phase 1	95	-	-	-	95	95	-	-	-	95	-	-	-	-	-
Phase 2	259	-	-	-	259	259	-	-	-	259	-	-	-	-	-
<i>Sub-Total</i>	354	-	-	-	354	354	-	-	-	354	-	-	-	-	-
<u>Development</u>															
Cumberlege	5	6	-	-	11	Cumberlege merged with Elsefield									
Elsefield	7	4	-	6	17	-	-	-	35	35	(12)	(10)	-	29	7
Harts Close	-	-	2	-	2	-	-	-	2	2	-	-	(2)	2	-
Rose Hill	16	17	9	-	42	-	-	-	43	43	(16)	(17)	(9)	43	1
Between Towns Road	16	5	4	15	40	-	-	-	38	38	(16)	(5)	(4)	23	(2)
Underhill Circus	16	4	-	21	41	-	-	-	37	37	(16)	(4)	-	16	(4)
Warren Crescent	-	10	-	-	10	-	-	-	10	10	-	(10)	-	10	-
Lucy Faithful House	n/a	n/a	n/a	n/a	n/a	-	-	-	36	36	-	-	-	36	36
Edgecombe Drive	n/a	n/a	n/a	n/a	n/a	-	-	-	7	7	-	-	-	7	7
Bracegirdle, Mortimer, Broad Oak	n/a	n/a	n/a	n/a	n/a	-	-	-	8	8	-	-	-	8	8
<i>Sub-Total</i>	60	46	15	42	163	-	-	-	216	216	(60)	(46)	(15)	174	53
<u>HRA Acquisitions</u>															
Combined Schemes	200	-	-	-	200	10	-	-	-	10	(190)	-	-	-	(190)
<i>Sub-Total</i>	200	-	-	-	200	10	-	-	-	10	(190)	-	-	-	(190)
TOTAL	614	46	15	42	717	364	-	-	216	580	(250)	(46)	(15)	174	(137)
TOTAL (%)	85.6	6.4	2.1	5.9	100	62.8	0.0	40.0	37.2	100					

Measuring Our Progress

Key Performance Indicators (KPI's)

The adopted KPI's provide a balanced set of metrics that give emphasis to both financial and non-financial measures. These help the Board and Executive MD assess performance against our strategic priorities and business plans, with non-financial metrics playing a useful role as leading indicators of future performance. OCHL's Board and management will use these measures to evaluate operating performance and make financial, strategic and operating decisions.

Ethical and Social Responsibility Policy

OCHL is committed to adopting and aligning our activities in line with Oxford City Council's key priority objective of a cleaner and greener Oxford.

Our construction activities will have reference to incorporating where we can and in the realms of affordability, the concept of *sustainability* at its core and OCHL believes we can certainly contribute to the low carbon commitments OCC have identified with the introduction of solar panels on our new build schemes where the opportunity exists.

Furthermore, OCHL will request that appropriate focus on waste and recycling activities undertaken by our construction partners is evidenced as well as prioritising opportunities in our construction design for our tenants and new build customers to engage fully with the green agenda.

Development and Financial Performance

Financial Modelling

To better understand the process that has been adopted by OCHL to assess the viability and long term profitability of its development activity two financial exercises, using the Abovo financial modelling software, are undertaken.

Firstly, a “Development” model is assessed for each *individual* scheme using a number of estimated key assumptions relating to:

- Unit Mix
- Rents and Service Charges
- Capital Costs
- Grant Income
- Subsidy
- Key Dates
- Unit Handover and Sales
- Cashflow Timings
- Discount Rates
- Interest Rates
- Inflationary Rates
- Management Costs

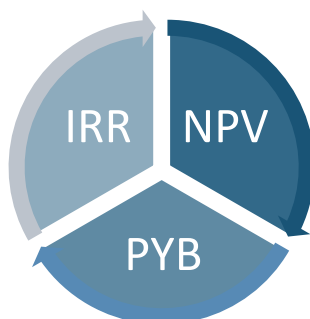
From the above analysis three key measurements for each scheme are compared against the agreed company thresholds for each calculation. These are:

Internal Rate of Return (IRR)

Internal rate of return (IRR) is a metric used in capital budgeting to estimate the profitability of potential investments. Internal rate of return is a discount rate that makes the net present value (NPV) of all cash flows from a particular project equal to zero. OCHL have stated that all its development schemes must reach as a minimum an IRR of 4.00%.

Net Present Value (NPV)

Net present value (NPV) is the difference between the present value of the present inflows over a period of time and the present value of the present outflows over a period of time. NPV is used in



value (NPV) is the difference between the cash inflows and value of cash period of time. NPV is used in capital budgeting

and investment planning to analyse the profitability of a projected investment or project. OCHL have initially just set an NPV threshold of being positive i.e. some additional value is created for OCHL as a result of the scheme progressing.

Payback (PYB)

The payback period is the number of years it takes to break even from undertaking the initial expenditure. Future cash flows are reviewed and compared to the initial capital outlay. OCHL have initially indicated a payback threshold of 40 years, although schemes falling just outside this timeframe will not initially be refused.

Dashboard

Armed with the above agreed company development thresholds each individual scheme can now be assessed and outputs provided on a dashboard report.

The Dashboard analysis charts several outcomes for each individual scheme, namely:

Development Dashboard Outcomes

Outputs	<ul style="list-style-type: none">• Scheme IRR• Scheme NPV• Scheme PYB
Capital Income and Costs	<ul style="list-style-type: none">• Cost of land, build costs, oncosts, interest• Income from sales, grants, etc.
Scheme Repayment	<ul style="list-style-type: none">• A timeline profile of scheme borrowing and subsequent debt redemption strategy
Scheme Details	<ul style="list-style-type: none">• Headline information relating to the scheme e.g. number of units etc.
Key Dates	<ul style="list-style-type: none">• Estimated timeline for beginning of Cashflow, Start on site, Last Handover etc.
Unit Mix	<ul style="list-style-type: none">• Type and number of different unit tenures provided by scheme
Tenure Types	<ul style="list-style-type: none">• Total NPV of each different tenure type• Total IRR of each different tenure type

Financial Performance

The *second* financial undertaking is taking each of the approved development models for all the schemes and extensions programme and inputting them into the Business Plan model to produce a set of combined financial statements over the next 40 years to ascertain the profitability and financial position (strength) of OCHL and to gauge as to whether it is a good going concern and long term investment.

Other matters that are considered in this analysis include:

- **Assumptions;**
 - Stock - Future Disposals and Other Income
 - Management Costs - especially those that are non-development related e.g. consultancy, SLA's etc.
 - Repairs and Maintenance
 - Economic - e.g. Funding, Covenant, Taxation etc.
 - Accounting - namely depreciation policy, revaluations, inter-company transactions etc.

- **Workings;**
 - Stock - Target Rent Letting rates, RTB numbers
 - Rents – Void Rates, Bad Debts, Uplifts, Arrears etc.
 - Management Costs – drivers, factors, fixed, variable etc.
 - Repairs and Maintenance – drivers, revenue, capital, cyclical etc.
 - Economic – loan types, repayments, accelerated debt redemption, interest paid, covenant parameters etc.
 - Accounting – depreciation rates, componentisation, trial balance adjustments etc.

- **Outputs;**
 - Cashflows
 - Financial Statements
 - Dashboard
 - Covenants
 - Scenario Planning

Stress Testing

Scenario Planning

In order to demonstrate robustness in the development and financial performance modelling, pushing the boundaries of possible scenarios quickly identifies the associated strengths and weaknesses of OCHL's proposed plans.

The key in managing this is to firstly be able to identify the limiting factors and key elements and then to be able to measure them before finally being able to understand and compare the overall impact against current expectations.

Again the Abovo products procured by OCHL allows much of the stress testing and scenario planning to take place and produced in a format that can be presented to the Board for consideration and feedback.

Where needed, alternative strategies are explored for their viability and impact.

It must be stated that as a young and ambitious company with all our financing emanating from borrowing the company will initially be highly geared. Our original BP indicated the Board's desire to adopt a strategy of accelerating debt redemption where financially possible and affordable. Thus, all surplus resources are focussed in adopting this principle of paying down existing debt.

The consequences of being a 100% debt funded entity are that, certainly in the early years of our BP, the ability to meet reasonable loan covenant thresholds is difficult. We have as such agreed with the Council (our funder) that they can provide a certain degree of flexibility and latitude.

Managing Risk

Risk Categories

RISK CATEGORIES

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Business Risk – The impact and likelihood of operational activities straying from our acceptance tolerance levels are continually monitored. This covers policies, internal controls, personnel, reputation, planning, procurement etc.



Financial Risk – These are both internal and external in nature and cover activities such as going concern, borrowing, tax, liabilities detection, liquidity, overtrading, credit, interest charges and loan covenants.



Compliance Risk – ensuring our actions are in line with statutory requirements, regulatory guidelines, health and safety and Government policy.

OCHL manages, monitors and reports on the principal risks and uncertainties that can impact our ability to deliver our strategy.

Our present processes and system of internal control that governs how we conduct the business of OCHL may be in its infancy given the limited activity undertaken to date but we feel it is still fit for purpose and will inevitably grow and become more refined and focussed as the OCHL's activities become greater in number and more complex in nature.

The current risk management system adopted is designed to be a consistent and clear framework for managing and reporting risks from the group's operations to the Board. The system seeks to avoid incidents and maximize business outcomes by allowing us to:

- Understand the risk environment, identify the specific risks and assess the potential exposure for OCHL.
- Determine how best to deal with these risks to manage overall potential exposure.
- Manage the identified risks in appropriate ways.
- Monitor and seek assurance of the effectiveness of the management of these risks and intervene for improvement where necessary.
- Report on how significant risks are being managed, monitored, assured and the improvements needed are being made.

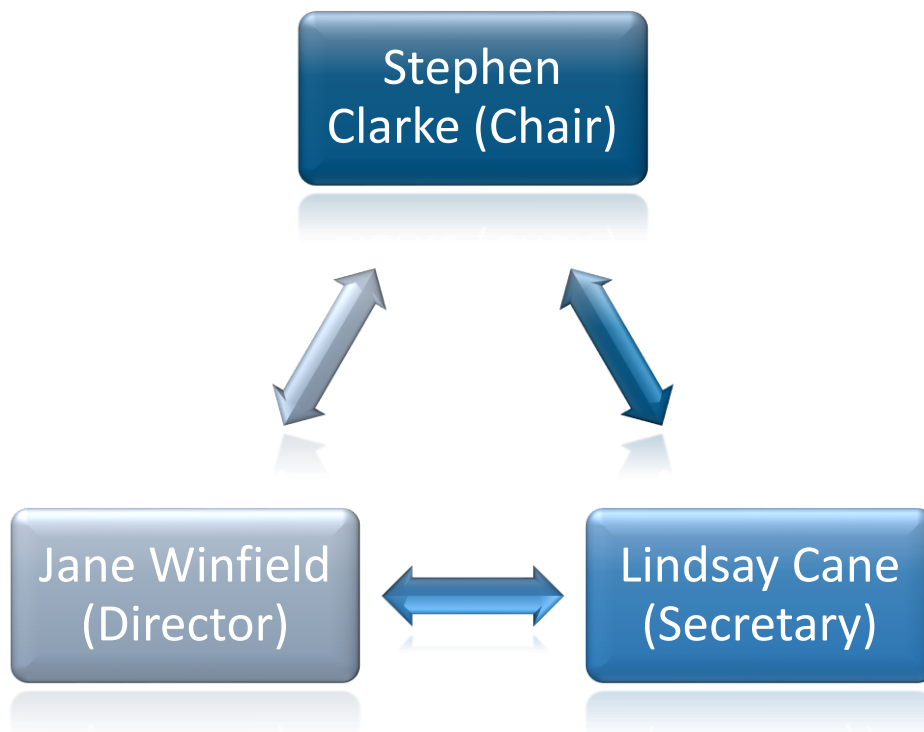
Risk Process

We aim for a consistent basis of measuring risk to:

- Establish a common understanding of risks on a like-for-like basis, taking into account potential impact and likelihood.
- Report risks to the current Board.
- Inform the ranking of specific risk management activities to the Board to enable key decisions to be risk informed.

Board of Directors

Board Members (2018/19)



In addition there are number of regular Board advisors, namely Alan Wyld (Development), David Watt (Finance) and Catherine Phythian (Secretariat).

Board Activity 2018-19

Name	Appointed	Resigned
Jaqueline Yates	03 June 2016	19 June 2018
Stephen Clarke	03 June 2016	-
Jane Winfield	01 February 2018	-
Lindsay Cane	18 January 2017	-

Group Financial Statements 2018-19

Independent Auditor's Report

The company's external auditors, Mazar's, were formally appointed at the 20th March 2018 Shareholder meeting, on an initial 5 year contract.

They have completed their audit for the 2018/19 financial year and have again provided an unqualified audit opinion.

The following pages, in keeping with the layout as presented previously when reporting new Business Plan updates, attempts to display the consolidated financial position and performance of the OCHL group for 2018/19.

On behalf of the Board we would like to thank Mazar's for their continued support and work they undertake as our independent auditors and the commentary and guidance they have provided in this role. We value their extensive housing company experience and seek to build on the positive relationship established to date. Their clean bill of health for the 2018/19 year is extremely re-assuring and welcome.

Group Statement of Financial Position

For the year ended 31 March

	2018/19	2017/18	Note
Assets	£	£	
Non-Current Assets			
Operational Property	4,900,355	1,033,000	1
Assets Under Construction	1,395,719	0	
Total Non-Current Assets	6,296,074	1,033,000	
Current Assets			
Trade and Other Receivables	295,135	119,020	2
Cash and Cash Equivalents	379,270	11	
Total Current Assets	674,405	119,031	
Current Liabilities			
Trade and Other Payables	(2,589,481)	(702,166)	3
Total Current Liabilities	(2,589,481)	(702,166)	
Net Current Assets	(1,915,076)	(583,135)	
Net Assets Less Current Liabilities	4,380,998	449,865	
Non-Current Liabilities			
Long Term Loans : Amounts Falling Due After More Than One Year	(4,326,670)	(1,053,606)	4
Total Non-Current Liabilities	(4,326,670)	(1,053,606)	
Provisions and Reserves			
Share Capital	(100)	(100)	9
Retained (Earnings)/Losses	(54,228)	603,841	
Total Provisions and Reserves	(54,328)	603,741	
Total Financing and Reserves	(4,380,998)	(449,865)	

Group Statement of Profit and Loss and Comprehensive Income

For the year ending 31 March

	2018/19	2017/18	Note
	£	£	
Rent Receivables	97,488	52,796	5
Gross Profit	97,488	52,796	
Other Income	0	0	
Administrative Expenses	(443,120)	(570,565)	6
Operating Surplus/(Loss)	(345,632)	(517,769)	
Interest Payable And Similar Charges	(114,612)	(29,860)	7
Surplus/(Loss) Before Tax	(460,244)	(547,629)	
Corporation Tax	0	0	8
Surplus/(Def) After Tax	(460,244)	(547,629)	
Unrealised Surplus/(Loss) On Revaluations	1,118,313	0	1
Total Comprehensive Income For The Year	658,069	(547,629)	
Comprehensive Income Brought Forward	(603,741)	(56,112)	
Comprehensive Income Carried Forward	54,328	(603,741)	

Group Statement of Changes in Net Equity

For the year ending 31 March 2019

	Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance at 01 April 2018	100	(603,841)	(603,741)
Total Comprehensive Profit/(Loss) for the year	0	658,069	658,069
Issue of Share Capital	0	0	0
Balance at 31 March 2019	100	54,228	54,328

Group Statement of Cash Flows

For the year ending 31 March

	2018/19	2017/18	Note
	£	£	
Operating Activities			
Loss Before Tax	(460,244)	(547,629)	
<i>Adjustments for:</i>			
Depreciation	7,645	0	
Interest Payable and Similar Charges	114,612	565	
Impairment Loss	113,158	0	9
(Increase)/Decrease in Trade Receivables	(176,115)	(106,515)	
Increase/(Decrease) in Trade Payables	(251,485)	633,449	
Net Cash From Operating Activities	(652,429)	(20,130)	
Investing Activities			
Sale/(Purchase) of Operational Property	(2,869,845)	(305,000)	
Development Activities	(1,395,719)	0	
Net Cash From Investing Activities	(4,265,564)	(305,000)	
Financing Activities			
New Long-Term Borrowing	3,273,064	311,000	
New Short-Term Borrowing	2,138,800	0	
Issue of Share Capital	0	0	
Interest Payable and Similar Charges	(114,612)	(565)	
Reduction in Borrowing	0	0	
Net Cash From Financing Activities	5,297,252	310,435	
Net Cashflows	379,259	(14,695)	

Notes to the Group Financial Statements 2018-19

1. Operational Property

	2018/19	2017/18
	£	£
Opening Operational Property 01 April	1,033,000	728,000
Purchase of Operational Property In Year	2,869,845	305,000
Revaluations	1,118,313	0
Impairment	(113,158)	0
Disposals	0	0
Closing Operational Property 31 March	4,908,000	1,033,000

2. Trade and Other Receivables

	2018/19	2017/18
	£	£
Prepayments and Accrued Income	221,901	113,020
Other Receivables	73,234	6,000
Trade and Other Receivables	295,135	119,020

3. Trade and Other Payables

	2018/19	2017/18
	£	£
Trade Creditors and Accrued Expenditure	447,940	666,306
Other Payables	2,141,542	35,860
Trade and Other Payables	2,589,482	702,166

4. Non-Current Liabilities

	2018/19	2017/18
	£	£
Long Term Loans	4,326,670	1,053,606
Non-Current Liabilities	4,326,670	1,053,606

5. Rent Receivables

	2018/19	2017/18
	£	£
Rental Income	97,488	52,796
Rent Receivables	97,488	52,796

6. Administration Expenses

	2018/19	2017/18
	£	£
Legal Fees/Services	101,106	14,217
Consultancy Fees	66,115	161,366
Financial Services (SLA)	125,708	92,115
External Audit Fee	10,000	10,000
Tax Advice	0	10,641
Property Repairs	0	3,750
Development Fees	0	278,351
Depreciation	7,645	0
Impairment	113,158	0
Procurement Advice	6,000	0
Insurance	6,192	0
IT (SLA)	5,666	0
Sundry	1,530	125
Administration Expenses	443,120	570,565

7. Interest Payable and Similar Charges

	2018/19	2017/18
	£	£
Long Term Borrowing – Capital Value	56,739	1,900
Long Term Borrowing – Cost of Purchase	0	34
Interest and Commission	57,873	27,926
Interest Payable and Similar Charges	114,612	29,860

8. Corporation Tax

No corporation tax or deferred tax liability has been posted to the financial statements during this period due to losses incurred. The company has not provided for the deferred tax asset, estimated to be £87,446 (2018 £101,074), as the company does not yet have an established record of profitability.

9. Called Up Share Capital

	2018/19 Number	2018/19 £
Ordinary Shares @ £1 each - Authorised	100	100
Ordinary Shares @ £1 each – Issues and Fully Paid	100	100

10. Related Party Transactions

The company is wholly owned by Oxford City Council. The Council has made long term loans totalling £4,326,670 and short terms loans of £2,138,800 to the Group. Interest of £143,327 (2018 £29,860) has been charged on the loans. At the Statement of Financial Position date the amounts due to the Council were:

	2018/19	2017/18
	£	£
Long Term Loans	4,326,670	1,053,606
Short Term Loans	2,138,800	0
Interest	143,327	29,860
Amounts owed to the Council	131,098	494,448
Rental Income owed by the Council	(221,901)	(53,953)
Related Party Transactions	6,517,994	1,523,961

11. Audit Fee

	2018/19	2017/18
	£	£
Audit Fee – Audit of Accounts	10,000	10,000
Audit Fee	10,000	10,000

12. Financial Instruments

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and credit risk. The directors regularly review and agree policies for managing each of these risks which are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates is limited because its debt obligations are at fixed rates of interest, established at a time when prevailing rates are low. All such borrowings are denominated in Sterling. The rates of interest are 3.86% and 3.76%. The amount outstanding is shown in note 18 to the financial statements. There is no difference between the values shown above and the fair values of the arrangements.

Credit risk

Credit risk is managed on a company basis. Credit risk arises principally from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers including committed transactions and outstanding receivables. The Group reviews its banking arrangements carefully to minimise such risks and has put in place credit control procedures to mitigate against risks arising from customers.

Liquidity risk

Management monitors monthly forecasts of the Group's expected cash flows to ensure that a sufficiently liquid position is maintained. The rental income stream and cost base is predictable and the Group has sought support from its parent undertaking during the initial set up period.

13. Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to achieve the Group's objectives. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

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Mazars LLP
45 Church Street
Birmingham
B3 2RT

10 July 2019

Dear Sirs

Oxford City Housing Group - audit for year ended 31 March 2019

This representation letter is provided in connection with your audit of the financial statements of Oxford City Housing Group for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the Companies Act 2006 and relevant legislation and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you.

Our responsibility for the financial statements and accounting information

We believe that we have fulfilled our responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Companies Act 2006 and relevant legislation and International Financial Reporting Standards as adopted by the European Union.

Our responsibility to provide and disclose relevant information

We have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the company you determined it was necessary to contact in order to obtain audit evidence.

We confirm as directors that we have taken all the necessary steps to make us aware, as directors, of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as we are aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

We confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all management and shareholders' meetings, have been made available to you.

Accounting policies

We confirm that we have reviewed the accounting policies applied during the year in accordance with International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the company's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

We confirm that any significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the company have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Companies Act 2006 and relevant legislation and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Laws and regulations

We confirm that we have disclosed to you all those events of which we are aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

We have complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Fraud and error

We acknowledge our responsibility as directors of the company, for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

We have disclosed to you:

- all the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the entity involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Transactions with directors

We confirm that the company has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities including loans, quasi-loans, credit transactions, mutually beneficial arrangements, or guarantees or security for the foregoing or assumed or assigned any such rights or liabilities for any directors, shadow directors, alternate directors, or their connected persons, or non-director officers except as permitted by the Companies Act 2006 and as disclosed in the financial statements.

No director or their connected persons had a direct or indirect material interest in any other transaction or arrangement with the company other than those disclosed in accordance with section 413 of the Companies Act 2006 or exempted from disclosure by the Act.

Related party transactions

We confirm that all related party relationships, transactions and balances, (including sales, purchases, loans, transfers, leasing arrangements and guarantees) have been appropriately accounted for and disclosed in accordance with the requirements of the Companies Act 2006 and relevant legislation and International Financial Reporting Standards.

We have disclosed to you the identity of the company's related parties and all related party relationships and transactions of which we are aware.

Impairment review

To the best of our knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the fixed assets and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

Charges on assets

All the company's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

We have no plans, intentions or commitments that may materially affect the carrying

value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

We confirm all events subsequent to the date of the financial statements and for which the Companies Act 2006 and International Financial Reporting Standards require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

Going concern

To the best of our knowledge there is nothing to indicate that the company will not continue as a going concern in the foreseeable future. The period to which we have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

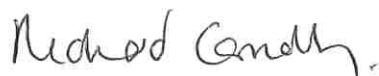
Unadjusted misstatements

We confirm that the effects of the uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter as an Appendix.

Ultimate parent company

The ultimate parent company for Oxford City Housing Group is Oxford City Council.

Yours faithfully



Richard Connolly

Director

Company Registration number: Registered no: 10212716

Oxford City Housing Limited

Annual Report and Consolidated Financial Statements
for the year ended 31st March 2019

Report of the Directors

The Directors report and financial statements for the period ended 31 March 2019 are included within the following pages.

Principal Activities

The principal activity of the company is the construction, acquisition and landlord management of housing development in and around the city of Oxford with a bias to providing affordable housing options for local residents. Specifically, the objectives underpinning the Company's Business Plan are:

- The purchase and management of the affordable rented homes at Barton Park;
- To develop new affordable housing across various sites in Oxford with a range of tenures;
- The purchase and management of properties from the Council up to the number allowed for without Secretary of States approval; and
- To undertake estate regeneration schemes
- To make a financial return

Business and Financial Review

The company's landlord activities during the period were restricted to primarily managing the dwellings acquired from Oxford City Council as the handover of the Phase 1 Barton Park properties didn't start to occur until towards the end of the accounting year. The company's focus as part of the wider group continues to be providing truly affordable housing for Oxford residents and helping meet the acute housing need of the City.

Gross profit for the year, derived from rental income totalled £360,417 (2017/18 £163,811) and the value of assets held by the company at the end of the accounting period was £815,347 (2017/18 £169,142).

The company continues to source its funding from Oxford City Council through the provision of state aid compliant loans. This is expected to continue at least for the initial development activity.

Principal Risks and uncertainties

Oxford City Housing Limited has its own Board of Directors who independently manage and control the activities of the company. The Board have undertaken the task of identifying, ranking and monitoring financial, business and compliance risks appertaining to the successful completion of the company's group identified goals and objectives. This is achieved via the review and management of a company risk register at group level.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law (the Companies Act 2006) requires the Directors to prepare financial statements for each accounting period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Similarly the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, the financial performance and cash flows of the company for that accounting period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether in preparation of the financial statements the company has complied with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board's view on the impact of Brexit

Given the operating context of the Company and its close ties to Oxford City Council, the Board does not believe that Brexit will have a significant impact on the operations of the company.

Disclosure of information to the auditor

Each of the Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant information which has not been disclosed to the auditor; and
- all necessary steps have been taken in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Auditor

The company's auditor, Mazars LLP, was appointed by the company Shareholder on 20 March 2018 in accordance with section 485 of the Companies Act 2006 and as such replace Kingston Smith LLP.

This report was approved by the Board and signed on its behalf.

S. Clarke

S Clarke

Director and Chair of the Board

Date: *10/7/17*

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORD CITY HOUSING LIMITED

Opinion

We have audited the financial statements of Oxford City Housing Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated and the parent company's Statements of Comprehensive Income, the Consolidated and the parent company's Statements of Financial Position, the Consolidated and the parent company's Statements of Cash Flows, the Consolidated and the parent company's Statements of Changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's and the parent company's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our audit

The Board's view on the impact of Brexit is disclosed on page 3.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Vincent Marke

Vincent Marke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor 45 Church Street
Birmingham
B3 2RT

Date 10 July 2015

Statement of Financial Position as at 31 March 2019

	2018/19 £	2017/18 £	Note
Assets			
Non-current assets			
Operational Property		-	
Investments in subsidiaries	200	200	2
Current assets			
Operational Property to be transferred	-	-	
Trade and other receivables	682,801	168,365	3
Cash and cash equivalents	132,346	577	
Total assets	815,347	169,142	
Equity and liabilities			
Equity			
Share capital	100	100	4
Retained earnings / (losses)	(244,374)	(204,980)	
Revaluation reserve		-	
	(244,274)	(204,880)	
Liabilities			
<u>Non-current liabilities</u>			
Long term borrowings	-	-	
<u>Current liabilities</u>			
Trade and other payables	1,059,621	374,022	5
Total liabilities	1,059,621	374,022	
Total equity and liabilities	815,347	169,142	

The financial statements on pages 9 to 12 were approved by the board of directors and authorised for issue on 10 July 2019 and are signed on its behalf by

Stefan Chm

Director
Oxford City Housing Limited

Statement of comprehensive income

	2018/19 £	2017/18 £	Note
Rental Income	-	49,144	
Other income	360,417	114,667	
Sale of properties	-	728,000	
Costs of sale	-	(728,000)	
Gross profit	<u>360,417</u>	<u>163,811</u>	
Other income	-	-	
Administrative expenses	(389,747)	(285,331)	6
Operating Loss	<u>(29,330)</u>	<u>(121,520)</u>	
Finance costs	(10,064)	(27,248)	7
Loss Before Tax	<u>(39,394)</u>	<u>(148,768)</u>	
Tax on ordinary profit	-	-	8
Tax expense	<u>-</u>	<u>-</u>	
Profit / (Loss) For the Year	<u>(39,394)</u>	<u>(148,768)</u>	
Other comprehensive income for the period, net of tax	-	-	
Total comprehensive profit / (loss) for the period	<u><u>(39,394)</u></u>	<u><u>(148,768)</u></u>	
Profit / (Loss) attributable to: Owners of the company	(39,394)	(148,768)	
Profit / (Loss) for the year	<u><u>(39,394)</u></u>	<u><u>(148,768)</u></u>	
Total comprehensive income (loss) attributable to: Owners of the company	(39,394)	(148,768)	
Total comprehensive Income / (loss) for the period	<u><u>(39,394)</u></u>	<u><u>(148,768)</u></u>	

Statement of changes in equity

	Share Capital £	Retained Earnings £	Total Equity £
Balance at 01 April 2018	100	(204,980)	(204,880)
Total comprehensive profit / (loss) for the period	-	(39,394)	(39,394)
Issue of share capital	-	-	-
Balance at 31 March 2019	<u>100</u>	<u>(244,374)</u>	<u>(244,274)</u>

Statement of cash flows

	2018/19	2017/18 £	Note
Operating activities			
Loss before tax	(39,394)	(148,768)	
Adjustments for:			
Interest expense	10,064	-	
(Increase) in trade receivables	(514,436)	(155,860)	3
Increase in trade payables	(32,541)	290,499	5
Net cash from operating activities	<u>(576,307)</u>	<u>13,119</u>	
Investing activities			
Sale / (Purchase) of operational property	-	728,000	
Investment in subsidiaries	-	(200)	2
Net cash used in investing activities	<u>-</u>	<u>727,800</u>	
Financing activities			
New long-term borrowing	-	-	
New short-term borrowing	718,140	14,806	
Issue of shares	-	-	
Interest paid	(10,064)	-	9
Reduction in long term borrowing	-	(742,606)	
Net cash from / (used in) financing activities	<u>708,076</u>	<u>(755,048)</u>	
Net change in cash and cash equivalents	131,769	(14,129)	
Cash and cash equivalents at beginning of year	577	14,706	
Cash and cash equivalents at end of year	<u>132,346</u>	<u>577</u>	

Notes to the Financial Statements for the period ended 31 March 2019

1 Accounting policies

Basis of preparation of financial statements

Oxford City Housing Limited is a private limited company, limited by shares, domiciled and incorporated in the United Kingdom under the Companies Act.

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 as applicable to companies reporting under IFRS. These accounts have been prepared under the historical cost convention.

These accounts summarise the Company's financial transactions for the 2018/19 financial year and its position at 31 March 2019.

Going Concern

Having regard to the Company's existing working capital position and its ability to raise financing, if required with the support of Oxford City Council, the Directors are of the opinion that the Company has adequate resources to enable it to undertake its planned activities over the next twelve months from the date of sign off of these financial statements.

Revenue

Revenue is recognised according to accounting standards and is provided in line with the principle activities reported in the Directors report.

Lessor activities

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

Taxation

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary

difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Financial Assets

Financial assets are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets are classified as FVTPL when the financial asset is held for trading. The Company does not hold any assets at FVTPL.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

Derecognition of Financial Assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or when the financial asset and substantially all the risks and rewards of ownership have been transferred to another entity.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other Financial Liabilities

Other financial liabilities, including trade payables, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are derecognised only when the Company's obligations are discharged, cancelled, or they expire.

Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Property, Plant and Equipment

The company adopts a de-minimus value of £5,000 for recognising property plant and equipment as non-current assets. Assets of less than £5,000 in value are expense in the year of purchase.

Value

Assets under construction are recognised at cost. Operational property is initially recognised at cost. Subsequent measurement follows the revaluation model. Properties are assessed annually and where appropriate revalued. All properties are assessed over a 5 year period.

Depreciation

Depreciation is charged over the life of the asset using the straight line method.

Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of any tangible and intangible assets it holds to determine whether there is any indication that those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their

present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but so that the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Fair value measurement

IFRS13 establishes a single source of guidance for all fair value measurements. IFRS13 does not change when an entity is required to use fair value but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call and bank overdrafts.

2 Investment in subsidiaries

	2018/19 £	2017/18 £
Oxford City Housing (Investment) Limited	100	100
Oxford City Housing (Development) Limited	100	100
	200	200

3 Trade and other receivables

	2018/19 £	2017/18 £
Other receivables	3,334	-
Amounts due from Oxford City Council	215,901	50,301
VAT	-	3,397
Intercompany balance	463,566	114,667
	682,801	168,365

4 Called up Share capital

	2018/19	2018/19
	Number	£
Ordinary Shares of £1 each	100	100
	100	100

5 Trade and other payables

	2018/18	2017/18
	£	£
Trade creditors	13,623	-
Amounts due to Oxford City Council	948,430	-
Other payables	55,825	359,216
Intercompany balance	41,743	14,806
	1,059,621	374,022

6 Administrative costs

	2018/18	2017/18
	£	£
Legal Fees	69,019	14,217
Conveyancing	-	2,434
Company Secretary	4,043	11,823
Accounting Costs	118,148	92,116
Audit fee	10,000	10,000
Property repairs	-	3,750
Business Plan Analysis	-	6,783
Tax advice	-	10,641
Regeneration and Major Projects SLA	-	89,854
ICT and Business Improvement SLA	-	43,614
Consultancy	187,990	-
Sundry	546	99
	389,746	285,331

7 Finance costs

	2018/19 £	2017/18 £
Interest on -		
Long term borrowings - Capital Value	-	26,407
Long term borrowings - Cost of Purchase	-	530
Short term borrowing	10,002	
Interest and Commission	62	311
	10,064	27,248

8 Taxation

	2018/19 £	2017/18 £
Potential Deferred Taxation	7,485	34,433
	7,485	34,433

9 Related Party Transactions

During the current period Oxford City Housing Limited was owned and controlled by Oxford City Council. Oxford City Housing Limited owned and controlled Oxford City (Investment) Limited and Oxford City (Development) Limited throughout the period under review.

At the year end the Company had the following balances with related parties:

	2018/19 £	2017/18 £
Oxford City Council		
Short term loans from the Council	718,140	-
Interest owed to the Council	10,002	27,565
Amounts owed to the Council	220,288	331,651
Amounts owed to the Company	(215,901)	(50,301)
	732,529	308,915

9 Continued

	2018/19 £	2017/18 £
Oxford City Housing (Investment) Limited		
Amounts owed to OCH(I)L	41,643	14,706
Amounts owed to the Company	(131,061)	(5,333)
	<u>(89,418)</u>	<u>9,373</u>

	2018/19 £	2017/18 £
Oxford City Housing (Development) Limited		
Amounts owed to OCH(D)L	100	100
Amounts owed to the Company	(332,505)	(109,333)
	<u>(332,405)</u>	<u>(109,233)</u>

10 Audit fee

	2018/19 £	2017/18 £
Audit Fee		
Audit of Accounts	5,000	3,334
	<u>5,000</u>	<u>3,334</u>

Audit fees stated above for Financial Statement reporting periods are recognized in the accounts in the following financial year

Group financial statements and accompanying notes

Consolidated statement of Financial Position as at 31 March 2019

	2018/19 £	2017/18 £	Note
Assets			
Non-current assets			
Operational Property	4,900,355	1,033,000	11
Assets under construction	1,395,719	-	
Current assets			
Trade and other receivables	295,135	119,020	12
Cash and cash equivalents	379,270	11	
	<hr/>		
Total assets	6,970,479	1,152,031	
Equity and liabilities			
Equity			
Share capital	100	100	13
Retained earnings / (losses)	(1,064,085)	(603,841)	
Revaluation reserve	1,118,313	-	
	<hr/>		
	54,328	(603,741)	
Liabilities			
<u>Non-current liabilities</u>			
Long term borrowings	4,326,670	1,053,606	14
<u>Current liabilities</u>			
Trade and other payables	2,589,481	702,166	15
	<hr/>		
Total liabilities	6,916,151	1,755,772	
	<hr/>		
Total equity and liabilities	6,970,479	1,152,031	

The financial statements on pages 22 to 27 were approved by the board of directors and authorised for issue on ...10 July..... 2019 and are signed on its behalf by



Director
Oxford City Housing Limited

**Consolidated statement of Comprehensive Income
for the year ended 31 March 2019**

	2018/19	2017/18	Note
	£	£	
Rental Income	97,488	52,796	16
Sale of properties	-	-	
Costs of sale	-	-	
Gross profit	<u>97,488</u>	<u>52,796</u>	
Other income	-	-	
Impairment losses	(113,158)	-	
Administrative expenses	(329,962)	(570,565)	17
Operating Loss	<u>(345,632)</u>	<u>(517,769)</u>	
Finance costs	(114,612)	(29,860)	18
Loss Before Tax	<u>(460,244)</u>	<u>(547,629)</u>	
Tax on ordinary profit	-	-	19
Tax expense	<u>-</u>	<u>-</u>	
Profit / (Loss) For the Year	<u>(460,244)</u>	<u>(547,629)</u>	
Other comprehensive income for the period, net of tax	-	-	
Revaluation movement	1,118,313		
Total comprehensive profit / (loss) for the period	<u><u>658,069</u></u>	<u><u>(547,629)</u></u>	
Total comprehensive income (loss) attributable to: Owners of the company	658,069	(547,629)	
Total comprehensive Income / (loss) for the period	<u><u>658,069</u></u>	<u><u>(547,629)</u></u>	

All amounts derive from continuing operations. There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents.

The group has no recognised gains or losses other than those included within the profit and loss account and accordingly, no separate statement of total recognised gains and losses has been presented.

**Consolidated statement of Changes in Equity
for the period ended 31 March 2019**

	Share Capital	Retained Earnings	Property revaluation reserve	Total Equity
	£	£	£	£
Balance at 01 April 2018	100	(603,841)	-	(603,741)
Total comprehensive profit / (loss) for the period	-	(460,244)	1,118,313	658,069
Balance at 31 March 2019	<u>100</u>	<u>(1,064,085)</u>	<u>1,118,313</u>	<u>54,328</u>

**Consolidated statement of Cash Flows
for the period ended 31 March 2019**

	2018/19	2017/18	Note
		£	
Operating activities			
Loss before tax	(460,244)	(547,629)	
Adjustments for:			
Depreciation	7,645	-	
Interest expense	114,612	565	
Impairment loss	113,158	-	
(Increase) in trade receivables	(176,115)	(106,515)	12
Increase in trade payables	(251,485)	633,449	15
Net cash from operating activities	<u>(652,429)</u>	<u>(20,130)</u>	
Investing activities			
Sale / (Purchase) of operational property	(2,869,845)	(305,000)	11
Development activities	(1,395,719)	-	
Net cash used in investing activities	<u>(4,265,564)</u>	<u>(305,000)</u>	
Financing activities			
New long-term borrowing	3,273,064	311,000	14
New short-term borrowing	2,138,800	-	20
Issue of shares	-	-	
Interest paid	(114,612)	(565)	18
Reduction in long term borrowing	-	-	
Net cash from / (used in) financing activities	<u>5,297,252</u>	<u>310,435</u>	
Net change in cash and cash equivalents	379,258	(14,695)	
Cash and cash equivalents at beginning of year	11	14,706	
Cash and cash equivalents at end of year	<u><u>379,269</u></u>	<u><u>11</u></u>	

Notes to the Consolidated Financial Statements for the period ended 31 March 2019

11 Operational Property

	2018/19	2017/18
	£	£
Operational property	4,900,355	1,033,000
Assets under construction	1,395,719	-
	<u>6,296,074</u>	<u>1,033,000</u>

12 Trade and Other Receivables

	2018/19	2017/18
	£	£
Amounts owed from Oxford City Council	221,901	53,953
Other receivables	3,026	6,000
VAT	70,208	59,067
	<u>295,135</u>	<u>119,020</u>

13 Called-up Share Capital

		2018/19	2018/19
		Number	£
Ordinary Shares of £1 each	Authorised	100	100
	Issued and Fully Paid	100	100

14 Borrowing

	Interest Rate	2018/19 £	2017/18 £
Long term borrowings		4,326,670	1,053,606
		<u>4,326,670</u>	<u>1,053,606</u>

The lender holds security over the loan on the assets of the Company.

15 Trade and Other Payables

	2018/19 £	2017/18 £
Amounts owed to Oxford City Council	2,500,188	524,308
Trade creditors	86,550	177,858
Other payables	2,743	-
	<u>2,589,481</u>	<u>702,166</u>

16 Income

	2018/18 £	2017/18 £
Rental income	97,488	52,796

The Company has seven operating leases relating to its operational property. All of the leases may be terminated by giving three months' notice. An additional 25 properties were acquired during the year and these are rented out at social rents.

17 Administrative Costs

	2018/19	2017/18
	£	£
Legal Fees / services	101,106	14,217
Consultancy	66,115	161,366
Financial services	125,708	92,115
Audit fee	10,000	10,000
Tax advice	-	10,641
Property repairs	-	3,750
Development fees	-	278,351
Depreciation	7,645	-
Procurement	6,000	-
Insurance	6,192	-
IT	5,666	-
Sundry	1,530	125
	329,962	570,565

18 Finance Costs

	2018/19	2017/18
	£	£
Interest on -		
Long term borrowings - Capital Value	56,739	1,900
Long term borrowings - Cost of Purchase	-	34
Interest and Commission	57,873	27,926
	114,612	29,860

19 Taxation

No corporation tax or deferred tax liability has been posted to the financial statements during this period due to losses incurred. The company has not provided for the deferred tax asset, estimated to be £87,446 (2018 £101,074), as the company does not yet have an established record of profitability.

20 Related party transactions

The company is wholly owned by Oxford City Council. The Council has made long term loans totalling £4,326,255 and short terms loans of £2,138,800 to the Group. Interest of £143,327 (2018 £29,860) has been charged on the loans. At the Statement of Financial Position date the amounts due to the Council were:

	2018/19 £	2017/18 £
Oxford City Council		
Long terms loans from the Council	4,326,255	1,053,606
Short term loans from the Council	2,138,800	-
Interest owed to the Council	143,327	29,860
Amounts owed to the Council	361,388	494,448
Rental Income owed by the Council	(221,901)	(53,953)
	<u>6,747,869</u>	<u>1,523,961</u>

21 Audit Fee

	2018/19 £	2017/18 £
Audit Fee		
Audit of Accounts	15,000	10,000
	<u>15,000</u>	<u>10,000</u>

Audit fees stated above for Financial Statement reporting periods are recognized in the accounts in the following financial year

22 Contingent assets and liabilities

The Group has no contingent assets or liabilities as at 31 March 2019.

23 Capital commitments

The Group has no capital commitments as at 31 March 2019.

24 Financial Instruments

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and credit risk. The directors regularly review and agree policies for managing each of these risks which are summarised below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates is limited because its debt obligations are at fixed rates of interest, established at a time when prevailing rates are low. All such borrowings are denominated in Sterling.

The rates of interest are 3.86% and 3.76%. The amount outstanding is shown in note 18 to the financial statements. There is no difference between the values shown above and the fair values of the arrangements.

Credit risk

Credit risk is managed on a company basis. Credit risk arises principally from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers including committed transactions and outstanding receivables. The Group reviews its banking arrangements carefully to minimise such risks and has put in place credit control procedures to mitigate against risks arising from customers.

Liquidity risk

Management monitors monthly forecasts of the Group's expected cash flows to ensure that a sufficiently liquid position is maintained. The rental income stream and cost base is predictable and the Group has sought support from its parent undertaking during the initial set up period.

25 Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to achieve the Group's objectives.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.



Oxford City Housing (Development) Limited

Company Registration number: Registered no: 10370647

Oxford City Housing (Development) Limited

Annual Report and Financial Statements
for the year ended 31st March 2019

Company Information

Company Registration number: 10370647

Company Secretary

Mr L Cane

Directors

Mr S. Clarke
Mrs J Winfield

Registered Office

St. Aldates Chambers
109 - 113 St. Aldates
Oxford
Oxfordshire
OX1 1DS

Annual report for the year ended 31 March 2019

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Report of the Directors

The Directors report and financial statements for the period ended 31 March 2019 are included within the following pages.

Principal Activities

The company is a wholly owned subsidiary of Oxford City Housing Limited (OCHL). The principal activity of Oxford City Housing (Development) Limited OCHL (D) is the acquisition, construction and development of social housing dwellings in and around the city of Oxford, to be subsequently managed by other companies within the OCHL group structure.

Business and Financial Review

The company's development activities during the period were again primarily restricted to pre-construction expenditure associated with the work being undertaken by the company's development programme consultants. This is constantly changing and is being reviewed regularly so as to deliver the best optimum outcome for the company and its objectives.

The company continues to source its funding from Oxford City Council through the provision of state aid compliant loans. This is expected to continue at least for the initial development activity.

Principal Risks and uncertainties

Oxford City Housing (Development) Limited has its own Board of Directors who independently manage and control the activities of the company. The Board have undertaken the task of identifying, ranking and monitoring financial, business and compliance risks appertaining to the successful completion of the company's group identified goals and objectives. This is achieved via the review and management of a company risk register at group level.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law (the Companies Act 2006) requires the Directors to prepare financial statements for each accounting period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Similarly the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, the financial performance and cash flows of the company for that accounting period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;

- State whether in preparation of the financial statements the company has complied with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board's view on the impact of Brexit

Given the operating context of the Company and its close ties to Oxford City Council, the Board does not believe that Brexit will have a significant impact on the operations of the company.

Disclosure of Information to the auditor

Each of the Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant information which has not been disclosed to the auditor; and

All necessary steps have been taken in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The company's auditor, Mazars LLP, was appointed by the company Shareholder on 20 March 2018 in accordance with section 485 of the Companies Act 2006 and as such replace Kingston Smith LLP.

This report was approved by the Board and signed on its behalf.

..... *S Clark*

S Clarke

Director and Chair of the Board

Date: *16/7/18*

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORD CITY HOUSING (DEVELOPMENT) LIMITED

Opinion

We have audited the financial statements of Oxford City Housing (Development) Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our audit

The Board's view on the impact of Brexit is disclosed on page 3.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance. However, no audit should be

expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

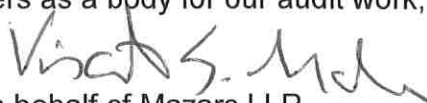
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date 10 July 2019

Statement of Financial Position as at 31 March 2019

	2018/19 £	2017/18 £	Note
Assets			
Non-current assets			
Assets under construction	1,395,720	-	2
Current assets			
Trade and other receivables	105,245	55,770	3
Cash and cash equivalents	21,939	-	
	<hr/>		
Total assets	1,522,904	55,770	
Equity and liabilities			
Equity			
Share capital	100	100	4
Retained earnings / (losses)	(574,700)	(387,954)	
	<hr/>		
	(574,600)	(387,854)	
Liabilities			
Non-current liabilities			
Long term borrowings	323,911	-	5
Current liabilities			
Trade and other payables	1,773,593	443,624	6
	<hr/>		
Total liabilities	2,097,504	443,624	
	<hr/>		
Total equity and liabilities	1,522,904	55,770	

The financial statements on pages 8 to 12 were approved by the board of directors and authorised for issue on 10 July 2019 and are signed on its behalf by

Stephen Clark

Director
Oxford City Housing (Development) Limited

Statement of Comprehensive Income

for the period ended 31 March 2019

	2018/19 £	2017/18 £	Note
Turnover	-	-	
Gross profit	-	-	
Administrative expenses	(138,633)	(387,697)	7
Operating Loss	(138,633)	(387,697)	
Finance costs	(48,113)	(257)	8
Loss Before Tax	(186,746)	(387,954)	
Tax on ordinary profit	-	-	9
Tax expense	-	-	
Profit / (Loss) For the Year	(186,746)	(387,954)	
Other comprehensive income for the period, net of tax			
Total comprehensive profit / (loss) for the period	(186,746)	(387,954)	
Profit / (Loss) attributable to: Owners of the company	(186,746)	(387,954)	
Profit / (Loss) for the year	(187,746)	(387,954)	
Total comprehensive income (loss) attributable to: Owners of the company	(186,746)	(387,954)	
Total comprehensive Income / (loss) for the period	(186,746)	(387,954)	

All amounts derive from continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents.

The company has no recognised gains or losses other than those included within the profit and loss account and accordingly, no separate statement of total recognised gains and losses has been presented.

**Statement of Changes in Equity
for the period ended 31 March 2019**

	Share Capital	Retained Earnings	Total Equity
	£	£	£
Balance at 01 April 2018	100	(387,954)	(387,854)
Total comprehensive profit / (loss) for the period		(186,746)	(186,746)
Balance at 31 March 2019	<u>100</u>	<u>(574,700)</u>	<u>(574,600)</u>

Statement of Cash Flows
for the period ended 31 March 2019

	2018/19	2017/18 £	Note
Operating activities			
Loss before tax	(186,746)	(387,954)	
Interest expense	48,113	256	9
(Increase) in trade receivables	(49,475)	(55,670)	3
Increase in trade payables	9,618	443,368	6
Net cash from operating activities	<u>(178,490)</u>	-	
Investing activities			
Development activities	(1,395,720)	-	
Net cash used in investing activities	<u>(1,395,720)</u>	-	
Financing activities			
New long-term borrowing	323,911	-	
New short-term borrowing	1,320,607	-	
Interest paid	(48,113)	(256)	9
Net cash from / (used in) financing activities	<u>1,596,405</u>	(256)	
Net change in cash and cash equivalents	22,195	(256)	
Cash and cash equivalents at beginning of year	(256)	-	
Cash and cash equivalents at end of year	<u><u>21,939</u></u>	<u>(256)</u>	

Notes to the Financial Statements for the period ended 31 March 2019

1 Accounting policies

Basis of preparation of financial statements

Oxford City Housing (Investment) Limited is a private limited company, limited by shares, domiciled and incorporated in the United Kingdom under the Companies Act.

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 as applicable to companies reporting under IFRS. These accounts have been prepared under the historical cost convention.

These accounts summarise the Company's financial transactions for the 2018/19 financial year and its position at 31 March 2019. The financial statements provide comparative information in respect of the previous period and are presented in GBP which is the Company's functional currency. All amounts have been rounded to the nearest £.

Revenue

Revenue is recognised according to accounting standards and as provided in line with the principle activities reported in the Directors report.

Going Concern

Having regard to the Company's existing working capital position and its ability to raise financing, if required with the support of Oxford City Council, the Directors are of the opinion that the Company has adequate resources to enable it to undertake its planned activities over the next twelve months from the date of sign off of these financial statements.

Taxation

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Financial Assets

Financial assets are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets are classified as FVTPL when the financial asset is held for trading. The Company does not hold any assets at FVTPL.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

Derecognition of Financial Assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or when the financial asset and substantially all the risks and rewards of ownership have been transferred to another entity.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other Financial Liabilities

Other financial liabilities, including trade payables, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are derecognised only when the Company's obligations are discharged, cancelled, or they expire.

Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Property, Plant and Equipment

The company adopts a de-minimus value of £5,000 for recognising property plant and equipment as non-current assets. Assets of less than £5,000 in value are expense in the year of purchase.

Value

Assets under construction are recognised at cost. Operational property is initially recognised at cost. Subsequent measurement follows the revaluation model. Properties are assessed annually and where appropriate revalued. All properties are assessed over a 5 year period.

Depreciation

Depreciation is charged over the life of the asset using the straight line method.

Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of any tangible and intangible assets it holds to determine whether there is any indication that those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but so that the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an

impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Fair value measurement

IFRS13 establishes a single source of guidance for all fair value measurements. IFRS13 does not change when an entity is required to use fair value but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call and bank overdrafts.

2 Non current assets

	2018/19	2017/18
	£	£
Operational property		
Brought forward at 01.04.18	-	-
Additions in year	1,395,720	-
Carried forward at 31.03.19	<u>1,395,720</u>	<u>-</u>

3 Trade and other receivables

	2018/19	2017/18
	£	£
Other receivables	105,145	55,670
Intercompany balance	100	100
	<u>105,245</u>	<u>55,770</u>

4 Called-up Share capital

		2018/19 Number	2018/19 £
Ordinary Shares of £1 each	Authorised	100	100
	Issued	100	100

5 Non- current liabilities

During the year the Company entered into a new loan agreement in which the lender holds security over the loan on the assets of the Company. Interest on the loan is charged at 3.6% and is held at amortised cost. At the year end the Company owed the following:

	2018/19 £	2017/18 £
Long term borrowing	323,911	-
	<u>323,911</u>	<u>-</u>

6 Trade and other payables

	2018/19	2017/18
	£	£
Trade creditors	71,221	-
Amounts owed to Oxford City Council	1,369,867	334,034
Intercompany creditor	332,505	109,333
Bank	-	257
	<u>1,773,593</u>	<u>443,624</u>

7 Administrative Costs

	2018/19	2017/18
	£	£
Financial services	50,953	30,000
Audit fee	3,333	3,333
Development fees	-	354,351
Legal fees	23,310	-
Consultancy	25,367	-
Insurance	6,192	-
Valuation fees	7,000	-
Planning fees	10,660	-
IT costs	5,666	-
Procurement	6,000	-
Sundry	152	13
	<u>138,633</u>	<u>387,697</u>

8 Finance Costs

	2018/19	2017/18
	£	£
Interest on -		
Long term borrowings - Capital Value	47,602	-
Long term borrowings - Cost of Purchase	-	-
Interest and commission	511	257
	<u>48,113</u>	<u>257</u>

9 Taxation

No corporation tax or deferred tax liability has been posted to the financial statements during this period due to losses incurred. The company has not provided for the deferred tax asset as the company does not yet have an established record of profitability.

10 Related Party Transactions

Throughout the current period Oxford City Housing (Development) Limited was a wholly owned subsidiary of Oxford City Housing Limited, a company incorporated in England & Wales. The ultimate controlling party is Oxford City Council.

At the year end the Company had the following balances with related parties:

	2018/19	2017/18
	£	£
Oxford City Council		
Loans from the Council	323,496	-
Short term loans from the Council	1,320,351	
Interest owed to the Council	48,017	-
Amounts owed to the Council	49,516	334,034
	<u>1,741,380</u>	<u>334,034</u>

10 continued

	2018/19 £	2017/18 £
Oxford City Housing Limited		
Amounts owed to OCHL	332,505	109,333
Amounts owed to the Company	(100)	(100)
	<u>332,405</u>	<u>109,233</u>

11 Audit Fee

	2018/19 £	2017/18 £
Audit fee	5,000	3,333
	<u>5,000</u>	<u>3,333</u>

Audit fees stated above for Financial Statement reporting periods are recognized in the accounts in the following financial year.

13 Contingent assets and liabilities

The Company has no contingent assets or liabilities as at 31 March 2019.

14 Capital commitments

The Company has no capital commitments as at 31 March 2019.

15 Financial Instruments

The main risks arising from the company's financial instruments are liquidity risk and credit risk. The directors regularly review and agree policies for managing each of these risks which are summarised below.

Credit risk

Credit risk is managed on a company basis. Credit risk arises principally from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers including committed transactions and outstanding receivables. The company reviews its banking arrangements carefully to minimise such risks and has put in place credit control procedures to mitigate against risks arising from customers.

Liquidity risk

Management monitors monthly forecasts of the company's expected cash flows to ensure that a sufficiently liquid position is maintained. The rental income stream and cost base is predictable and the company has sought support from its parent undertaking during the initial set up period.

16 Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to achieve the company's objectives. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.



Oxford City Housing (Investment) Limited

Company Registration number: Registered no: 10370637

Oxford City Housing (Investment) Limited

Annual Report and Financial Statements
for the year ended 31st March 2019

Company Information

Company Registration number: 10370637

Company Secretary

Mr L Cane

Directors

Mr S. Clarke
Mrs J Winfield

Registered Office

St. Aldates Chambers
109 - 113 St. Aldates
Oxford
Oxfordshire
OX1 1DS

Annual report for the year ended 31 March 2019

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Report of the Directors

The Directors report and financial statements for the period ended 31 March 2019 are included within the following pages.

Principal Activities

The company is a wholly owned subsidiary of Oxford City Housing Limited (OCHL). The principal activity of Oxford City Housing (Investment) Limited OCHL (I) is the long-term management of social housing dwellings in and around the city of Oxford. The dwellings managed by OCHL (I) will mainly be those constructed or acquired by other companies within its current group structure.

Business and Financial Review

The company's landlord activities during the period were mainly restricted to managing the dwellings acquired from Oxford City Council. The handover of the Phase 1 Barton Park properties didn't actually start to take place until the end of the accounting period. The company's focus as part of the wider group structure continues to be a delivery vehicle providing truly affordable housing for Oxford's residents and helping meet the acute housing need of the City.

Gross profit for the year, derived from rental income was £97,487 (2017/18 £3,652) and the value of operational property held by the company at the end of the accounting period was £4.9m (2017/18 £1.0m).

The company continues to source its funding from Oxford City Council through the provision of state aid compliant loans.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, the financial performance and cash flows of the company for that accounting period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether in preparation of the financial statements the company has complied with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board's view on the impact of Brexit

Given the operating context of the Company and its close ties to Oxford City Council, the Board does not believe that Brexit will have a significant impact on the operations of the company.

Disclosure of information to the auditor

Each of the Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant information which has not been disclosed to the auditor; and
- all necessary steps have been taken in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The company's auditor, Mazars LLP, was appointed by the company Shareholder on 20 March 2018 in accordance with section 485 of the Companies Act 2006 and as such replace Kingston Smith LLP.

This report was approved by the Board and signed on its behalf.

.....
S. Clarke

S Clarke

Director and Chair of the Board

Date: 10 July 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OXFORD CITY HOUSING (INVESTMENT) LIMITED

Opinion

We have audited the financial statements of Oxford City Housing (Investment) Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our audit

The Board's view on the impact of Brexit is disclosed on page 3.

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Company's trade, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Company's future prospects and performance. However, no audit should be

expected to predict the unknowable factors or all possible implications for the Company and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

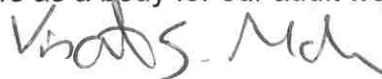
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

Date 10 July 2019

Statement of Financial Position as at 31 March 2019

	2018/19 £	2017/18 £	Note
Assets			
Non-current assets			
Operational Property	4,900,355	1,033,000	2
Current assets			
Operational Property to be transferred			
Trade and other receivables	50,668	24,358	3
Cash and cash equivalents	224,986	-	
	<hr/>		
Total assets	<u>5,176,009</u>	<u>1,057,358</u>	
Equity and liabilities			
Equity			
Share capital	100	100	4
Retained earnings / (losses)	(265,898)	(10,907)	
Revaluation reserve	1,118,313	-	
	<hr/>		
	852,515	(10,807)	
Liabilities			
<u>Non-current liabilities</u>			
Long term borrowings	4,002,759	1,053,606	5
<u>Current liabilities</u>			
Trade and other payables	320,735	14,559	6
	<hr/>		
Total liabilities	4,323,494	1,068,165	
	<hr/>		
Total equity and liabilities	<u>5,176,009</u>	<u>1,057,358</u>	

The financial statements on pages 5 to 9 were approved by the board of directors and authorised for issue on 10 July 2019 and are signed on its behalf by

Director *Sybil Clark*

Oxford City Housing (Investment) Limited
Statement of Comprehensive Income

for the period ended 31 March 2019

	2018/19 £	2017/18 £	Note
Rental Income	97,487	3,652	7
Gross profit	<u>97,487</u>	<u>3,652</u>	
Impairment loss	(113,158)	-	
Administrative expenses	(182,886)	(12,204)	8
Operating Loss	<u>(198,557)</u>	<u>(8,552)</u>	
Finance costs	(56,434)	(2,355)	9
Loss Before Tax	<u>(254,991)</u>	<u>(10,907)</u>	
Tax on ordinary profit			10
Tax expense	<u>-</u>	<u>-</u>	
Profit / (Loss) For the Year	<u>(254,991)</u>	<u>(10,907)</u>	
Other comprehensive income for the period, net of tax			
Revaluation movements	1,118,313	-	
Total comprehensive profit / (loss) for the period	<u><u>863,322</u></u>	<u><u>(10,907)</u></u>	
Profit / (Loss) attributable to: Owners of the company	<u>863,322</u>	<u>(10,907)</u>	
Profit / (Loss) for the year	<u><u>863,322</u></u>	<u><u>(10,907)</u></u>	
Total comprehensive income (loss) attributable to: Owners of the company	<u>863,322</u>	<u>(10,907)</u>	
Total comprehensive Income / (loss) for the period	<u><u>863,322</u></u>	<u><u>(10,907)</u></u>	

All amounts derive from continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents.

The company has no recognised gains or losses other than those included within the profit and loss account and accordingly, no separate statement of total recognised gains and losses has been presented.

**Statement of Changes in Equity
for the period ended 31 March 2019**

	Share Capital	Retained Earnings	Properties revaluation reserve	Total Equity
	£	£	£	£
Balance at 01 April 2018	100	(10,907)	-	(10,807)
Total comprehensive profit / (loss) for the period		(254,991)	1,118,313	863,322
Balance at 31 March 2019	<u>100</u>	<u>265,898</u>	<u>1,118,313</u>	<u>852,515</u>

Statement of Cash Flows
for the period ended 31 March 2019

	2018/19	2017/18 £	Note
Operating activities			
Loss before tax	(254,991)	(10,907)	
Adjustments for:			
Depreciation	7,645	-	
Interest expense	56,434	309	9
Impairment loss	113,158	-	
(Increase) in trade receivables	(26,310)	(24,258)	3
Increase in trade payables	206,176	14,250	6
Net cash from operating activities	<u>102,112</u>	<u>(20,606)</u>	
Investing activities			
Sale / (Purchase) of operational property	(2,869,845)	(1,033,000)	
Net cash used in investing activities	<u>(2,869,845)</u>	<u>(1,033,000)</u>	
Financing activities			
New long-term borrowing	2,949,153	1,053,606	
New short-term borrowing	100,309	-	
Issue of shares			
Interest paid	(56,434)	(309)	9
Net cash from financing activities	<u>2,993,028</u>	<u>1,053,297</u>	
Net change in cash and cash equivalents	225,295	(309)	
Cash and cash equivalents at beginning of year	(309)	-	
Cash and cash equivalents at end of year	<u><u>224,986</u></u>	<u><u>(309)</u></u>	

Notes to the Financial Statements for the period ended 31 March 2019

1 Accounting policies

Basis of preparation of financial statements

Oxford City Housing (Investment) Limited is a private limited company, limited by shares, domiciled and incorporated in the United Kingdom under the Companies Act.

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 as applicable to companies reporting under IFRS. These accounts have been prepared under the historical cost convention.

These accounts summarise the Company's financial transactions for the 2018/19 financial year and its position at 31 March 2019. The financial statements provide comparative information in respect of the previous period and are presented in GBP which is the Company's functional currency. All amounts have been rounded to the nearest £.

Revenue

Revenue is recognised according to accounting standards and as provided in line with the principle activities reported in the Directors report.

Going Concern

Having regard to the Company's existing working capital position and its ability to raise financing, if required with the support of Oxford City Council, the Directors are of the opinion that the Company has adequate resources to enable it to undertake its planned activities over the next twelve months from the date of sign off of these financial statements.

Taxation

The charge for current tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

Financial Assets

Financial assets are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets are classified as FVTPL when the financial asset is held for trading. The Company does not hold any assets at FVTPL.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

Derecognition of Financial Assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or when the financial asset and substantially all the risks and rewards of ownership have been transferred to another entity.

Financial Liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other Financial Liabilities

Other financial liabilities, including trade payables, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

Financial liabilities are derecognised only when the Company's obligations are discharged, cancelled, or they expire.

Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Property, Plant and Equipment

The company adopts a de-minimus value of £5,000 for recognising property plant and equipment as non-current assets. Assets of less than £5,000 in value are expense in the year of purchase.

Value

Operational property is initially recognised at cost. Subsequent measurement follows the revaluation model. Properties are assessed annually and where appropriate revalued. All properties are assessed over a 5 year period.

Depreciation

Depreciation is charged over the life of the asset using the straight line method.

Impairment of tangible and intangible assets

At each reporting end date, the Company reviews the carrying amounts of any tangible and intangible assets it holds to determine whether there is any indication that those assets have suffered and impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but so that the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset

is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Fair value measurement

IFRS13 establishes a single source of guidance for all fair value measurements. IFRS13 does not change when an entity is required to use fair value but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call and bank overdrafts.

2 Non-current assets

	2018/19	2017/18
	£	£
Operational property	4,900,355	1,033,000
	4,900,355	1,033,000

3 Trade and other receivables

	2018/19	2017/18
	£	£
Amounts owed from Oxford City Council	6,000	3,652
Other receivables	3,025	6,000
Intercompany balance	41,643	14,706
	50,668	24,358

4 Called-up Share capital

		2018/19	2018/19
		Number	£
Ordinary Shares of £1 each	Authorised	100	100
	Issued	100	100

5 Non-current liabilities

	2018/19	2017/18
	£	£
Long term borrowing	4,002,759	1,053,606
	<u>4,002,759</u>	<u>1,053,606</u>

6 Trade and other payables

	2018/19 £	2017/18 £
Amounts owed to Oxford City Council	181,891	2,917
Other payables	7,783	-
Accruals	-	6,000
Intercompany balance	131,061	5,333
Bank	-	309
	<u>320,735</u>	<u>14,559</u>

7 Rental Income

	2018/19 £	2017/18 £
Rental income	97,487	3,652
	<u>97,487</u>	<u>3,652</u>

8 Administrative Costs

	2018/19 £	2017/18 £
Financial services	66,211	2,000
Audit fee	4,000	3,334
Legal fees	35,692	6,857
Depreciation	7,645	-
Consultancy	69,338	-
Sundry	-	13
	<u>182,886</u>	<u>12,204</u>

9 Finance Costs

	2018/19	2017/18
	£	£
Interest on -		
Long term borrowings - Capital Value	56,324	2,006
Long term borrowings - Cost of Purchase	-	- 40
Interest and commission	110	309
	56,434	2,355

10 Taxation

No corporation tax or deferred tax liability has been posted to the financial statements during this period due to losses incurred. The company has not provided for the deferred tax asset as the company does not yet have an established record of profitability.

11 Related Party Transactions

Throughout the current period Oxford City Housing (Investment) Limited was a wholly owned subsidiary of Oxford City Housing Limited, a company incorporated in England & Wales. The ultimate controlling party is Oxford City Council.

At the year end the Company had the following balances with related parties:

	2018/19	2017/18
	£	£
Oxford City Council		
Loans from the Council	3,917,452	1,053,606
Short term loans from the Council	100,309	-
Interest owed to the Council	85,308	2,046
Sundry amounts owed to the Council	-	870
Rental Income owed by the Council	-	(3,652)
Amounts owed to the Council	81,582	-
Amounts owed to the Company	(6,000)	-
	4,178,651	1,052,871

	2018/19 £	2017/18 £
Oxford City Housing Limited		
Amounts owed to OCHL	131,061	5,333
Amounts owed to the Company	(41,643)	(14,706)
	<u>89,418</u>	<u>(9,373)</u>

12 Audit Fee

	2018/19 £	2017/18 £
Audit fee	5,000	3,333
	<u>5,000</u>	<u>3,333</u>

Audit fees stated above for Financial Statement reporting periods are recognized in the accounts in the following financial year

13 Contingent assets and liabilities

The Company has no contingent assets or liabilities as at 31 March 2019.

14 Capital commitments

The Company has no capital commitments as at 31 March 2019.

15 Financial Instruments

The main risks arising from the company's financial instruments are liquidity risk and credit risk. The directors regularly review and agree policies for managing each of these risks which are summarised below.

Credit risk

Credit risk is managed on a company basis. Credit risk arises principally from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers including committed transactions and outstanding receivables. The company reviews its banking arrangements carefully to minimise such risks and has put in place credit control procedures to mitigate against risks arising from customers.

Liquidity risk

Management monitors monthly forecasts of the company's expected cash flows to ensure that a sufficiently liquid position is maintained. The rental income stream and cost base is predictable and the company has sought support from its parent undertaking during the initial set up period.

16 Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to achieve the company's objectives. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

Minutes of a meeting of the SHAREHOLDER MEETING on Thursday 7 March 2019



Committee members:

Councillor Brown	Councillor Chapman
Councillor Clarkson	Councillor Hayes
Councillor Hollingsworth	Councillor Rowley
Councillor Linda Smith	Councillor Turner
Councillor Upton	

Officers:

Tim Sadler, Executive Director Sustainable City
Simon Howick, Managing Director, Trading Companies
Aled Bath, Finance Director
Lindsay Cane, Legal Services Manager / Company Secretary
Anita Bradley, Monitoring Officer
John Mitchell, Committee and Member Services Officer
Nigel Kennedy, Head of Financial Services

Apologies:

Apologies were received from Councillor Tidball

16. Declarations of interest

None.

17. Minutes of the previous meeting

The Shareholder resolved to approve the minutes of the meeting held on 15 November 2018 as a true and accurate record.

18. Scrutiny recommendations

The Companies Scrutiny Panel had met on 28 February 2019 but not made any specific recommendations to the Shareholder. The Scrutiny Officer however gave the Shareholder a brief verbal account of the meeting. The Panel had noted that delivery against key performance indicators remained good and satisfaction with public toilets could improve, possibly through the use of full-time attendants.

19. ODSL Managing Director's performance report Q3 2018/19

The Managing Director gave a brief introduction to his report. At the end of quarter 3 performance was good and ODS remained on track to deliver the MTFP target of £1.3m profit after tax. Good progress was being made against the first year's objectives.

ODS was seeking to maximise the opportunities of work from the Council. In expanding and improving ODS's offer, additional personnel with relevant expertise were being recruited as necessary. There had been a considerable focus on customer satisfaction, seeking a deeper understanding of customer views and refining the offer accordingly. A bespoke survey of 4 key areas of Streetscene was being used to establish a benchmark from which to work; street cleanliness was recognised to be an area of continued focus.

The monitoring and management of Health and Safety continued to be a priority with good engagement by ODS staff. Understanding and reporting of near misses had been identified as an area in need of improvement.

The Managing Director said he would find out if the indicator for satisfaction with public toilets was based on cleanliness, availability or both.

It was suggested that the good relationship between ODS and OCC staff (those supporting rough sleepers for example) should be brought to the fore in future reports. The report implied, in the section headed Rough Sleeping, that the issue of drug paraphernalia was necessarily associated with rough sleeping, which it was not; future reports should be more carefully worded.

20. Exempt Matters

The Shareholder resolved that, in accordance with the provisions of Paragraph 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and the public be excluded from the meeting on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule I2A of the Local Government Act 1972.

21. ODSL Managing Director's performance report Q3 2018/19 - Appendix 3

This item was considered in confidential session.

22. ODSL and ODSTL Business Plan

This item was considered in confidential session.

23. Declaration of Interim Dividend

This item was considered in confidential session.

24. Date of next meeting

The next *already scheduled* meeting of the Shareholder is on 04 July 2019.

The meeting started at 6.00 pm and ended at 7.10 pm

Chair

Date: Thursday 30 May 2019

Minutes of a meeting of the SHAREHOLDER on Thursday 30 May 2019

Committee members:

Councillor Brown (Chair)	Councillor Chapman
Councillor Clarkson	Councillor Hayes
Councillor Hollingsworth	Councillor Rowley

Officers:

Nigel Kennedy, Head of Financial Services
Richard Connolly, Housing Group
Stephen Clarke, Housing Group
Lindsay Cane, Company Secretary
Alan Wylde, Housing Group
David Watt, Housing Group
Catherine Phythian, Committee Services Officer
Alison Daly, Lawyer

Apologies:

Councillor(s) Linda Smith, Tidball, Turner and Upton sent apologies.

25. Declarations of interest

There were no declarations of interest.

26. Minutes of the previous meeting

The Housing Group Shareholder resolved to approve the minutes of the previous meeting held on 22 January 2019.

27. Appointment of a Director to the Boards of the Housing Group of companies

The Company Secretary presented the report. Councillor Rowley commended the appointment of Richard Connolly to the Shareholder.

The Housing Group Shareholder resolved to:

1. Appoint Richard Connolly as a Director of Oxford City Housing Limited, Oxford City Housing (Development) Limited and Oxford City Housing (Investment) Limited with immediate effect.

In discussion the Shareholder requested that the Monitoring Officer and Company Secretary provide a briefing paper on the selection process for Company Directors and specifically on the role of the Shareholder in the selection process.

0. Items to be considered in private - matters exempt from publication

The Shareholder resolved to:

exclude the press and the public from the meeting during consideration of any of the items on the exempt from publication part of the agenda, in accordance with the provisions of Paragraph 4(2)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012 on the grounds that their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Schedule 12A of the Local Government Act 1972.

28. Recommendations from the Companies' Scrutiny Panel

Discussed in private session.

29. The future strategic direction of the Council's Group of Housing Companies

Discussed in private session.

30. Confidential minutes of the previous meeting

The Housing Group Shareholder resolved to approve the confidential minutes of the previous meeting held on 22 January 2019.

The meeting started at 6.00 pm and ended at 7.00 pm

Chair

Date: