

oakus

Oakus Corporate Plan

2009-12

About Oakus

This is the corporate plan for Oakus for the three years from 1st April 2009. This section is a summary of who we are and what we will do during this time.

Oakus is the commercial subsidiary of GreenSquare Group. It was originally set up by Westlea Housing in 2004 to run its commercial operations. Westlea invested £3.3 million to fund the acquisition of market rent properties and deliver a build for sale programme. OCHA have agreed to match Westlea's investment, through funding of individual projects.

As well as dealing with market rent and development for sale, Oakus seek opportunities to provide new commercial services for people's homes and the open spaces around them.

Our aims

Our main aim is to maximise income from commercial operations, in order to reinvest in social housing and services.

Although we are a commercial company, we support the ethos behind the work carried out by Westlea and OCHA. We also have a strong sense of corporate responsibility, and believe that we should work in a way that benefits residents and the local community.

How we are run

We are governed by a board consisting of Westlea, OCHA and GreenSquare board members, plus independent representatives. We do not directly employ anyone, but contract in services from other members of the GreenSquare Group.

Any profits made by Oakus are returned to other members of the Group either through dividends on shares or gift aid payments.

The market

The housing market and economic climate have dramatically changed in the last 12 months. By keeping a close watch on these developments, Oakus has been able to adapt to these changes, weighing up the risks and opportunities in the market. We successfully completed our last development for sale project at Alexander Mews in Malmesbury, Wiltshire. However, we have now phased back development plans to concentrate on projects which will go on sale in 2010/11 when the market has had a chance to recover. We set targets in this plan based on our current evaluation of the market, but actively monitor this so that they can be adapted to the current climate.

Achievements

This section tells you what we planned to do last year, and the progress that we have made with this.

We will review the housing market and identify opportunities to provide housing for the “intermediate housing market” (those working households who cannot afford to buy property even at the lowest end of the market) and for sale on the open market across our area of operation

Difficulties in the market during 2008/09 meant that we needed to review our development and property acquisition programmes to minimise financial risk to the organisation. Prudent and cautious financial and risk management meant that we foresaw the drop in the market and were able to take action to slow our programmes down accordingly.

We currently own 29 market rent properties, and manage a further eight on behalf of Westlea, including three properties at Alexander Mews that we decided not to sell at the present time. We have not acquired any new properties this year due to conditions in the market, but are constantly monitoring the situation so that we can take advantage of any improvement. We plan to use some of the investment that OCHA will make to fund expansion of our portfolio when the time is right.

We will continue to explore new ways to provide maintenance services for people’s homes and the open spaces around them and deliver one new commercial revenue stream in each year of the business plan

We have signed our first 20 year public open space contract to deliver services to the develop consortium at Clackers Brook and will commence on site by April 2010. We are pursuing similar contracts with other developers.

We said we would...	We achieved...
Increase the amount of housing that we provide for the intermediate housing market from 30 to 66 homes by 2010/11, delivering a net yield of 3.5% subject to market conditions	Our market rent properties are delivering a net yield of 3.2%. In the year we took on 1 additional market rent unit and 7 additional units managed on behalf of Westlea.
Expand our build for sale operation to deliver at least 80 homes per year by 2010/11	Due to market uncertainty, we do not anticipate being on site with any new schemes until 2011
Deliver a net profit in each year of operation of our commercial activities, building to at least £1.25 million by 2010/11	We are on target to deliver our budgeted profit in 2008/09

Our objectives

Commercial activity

We will develop our activities to provide more and better services to our residents, partners and communities

How are we going to deliver it?

- We will review the housing market and identify opportunities to provide housing for the 'intermediate housing market' (those working households who cannot afford to buy property even at the lowest end of the market) and for sale on the open market across our area of operation
- We will continue to explore new ways to provide maintenance services for people's homes and the open spaces around them

How will we know when we get there?

(Our current performance is shown in brackets where appropriate)

- We will increase the amount of housing that we provide for the intermediate housing market from 30 to 60 homes by 2010/11, delivering a net yield greater than 3.5%, subject to market conditions
- We will resume and expand our build for sale operation as the housing market recovers
- We will deliver our budgeted profit in each year of operation of our commercial activities
- We will deliver a new commercial revenue stream in each year of the business plan

Links: Group Commercial Strategy

Board and management team

Board

The Oakus Board of Management is made up of ten members:

- Three independent members
- Two members of the Westlea board
- Two members of the OCHA board (currently one vacant role)
- Three executive members

Andrew Smith

Executive board member: Managing Director (OCHA)

Andrew joined OCHA in 2000, with 17 years' experience in housing associations, including Circle 33. He also chaired the Oxfordshire Rural Housing Partnership from 2003 to 2006. Before this he was an architect in private practice.

Angie Clapp

Westlea resident board member

Angela comes from Malmesbury and moved to Chippenham in 1984. She married Roy in 1972 and they spent several years in the hotel and catering industry. After leaving the licensed trade, she attended Chippenham College where she gained a qualification in Business & Finance and a Diploma in IT. Angela has been involved in Tenant Participation since it began, and used to be Secretary of the Chippenham Area and District Panels. She used to be the Chair and a board member of the national Tenant Participation Advisory Service. Angela was elected to Westlea's Board of Management in September 2000.

Bill Fishlock

Chair of Oakus and GreenSquare independent board member

Bill had been a partner in a firm of Chartered Accountants for 31 years, and retired at the end of 1995. He still does some consultancy work for his old firm, and is a Director of a house building company in Newbury. For six years he was Chair of the Prospect Foundation (which runs a specialist palliative care service from a hospice in Swindon). He is a Trustee of "The Green Hut" (a drop-in centre in the middle of Swindon) and Director of Taurus Ltd. (a company that endeavours to help young people with learning difficulties to obtain qualifications and employment). During the last three years Bill has become a member of both the Wiltshire Police Authority and the Wiltshire Probation Board and a non-executive board member of the Swindon Primary Care Trust

Bob Marshall

Chair of Westlea board

Bob is a qualified accountant now working as a Management Consultant. He was previously Chief Executive of North Wiltshire District Council, a post he held for 10 years. He lives in Yatton Keynall, just outside Chippenham. He has

also worked in the private sector with CAPITA. Bob is married with three grown up sons. His interests include travel and keep fit

David Ward

Oakus independent board member

Having changed career in 1995 from the Commercial Sector, David has worked in both Thames Valley and Hanover Housing Associations, retiring from Hanover in 2008 as Business Development Director. He is currently a Member of York University Centre for Useable Home Technology Advanced Telecare Working Group, Member of Department of Health Telecare Advisory Network and Secretary to the Trustees of HRH The Duke of Edinburghs' Commonwealth Study Conference.

Derek Rogers

Oakus independent board member

Derek retired in 2000 having spent 15 years on the board of an American owned financial services group, specialising in both compliance and sales and marketing. Since retiring, he has served as Managing Director of a health insurance company and as a non-executive Director of a renewable energy group. He joined the Oakus Board as an Independent Director just over a year ago.

James Williamson

Chair of GreenSquare Board (previously OCHA board member)

James has been Chair of OCHA's Board since February 2006 and prior to that was Chair of Audit Committee. He has been a Board member since 2003. James worked 23 years for Black and Decker in various positions including Director of Business Services, and European Finance and Commercial Operations Director. He is now the Group Finance Director of a local manufacturing company and Finance and Operations Director for a company in the leisure sector. James is a chartered accountant.

Tim Jackson BSc (Hons)

Group Director of Finance and IT, GreenSquare

Tim joined Westlea in November 2002 and is a chartered accountant, who qualified with KPMG in London in 1989. He has since been Financial Controller for Tarmac Properties, Finance Director for Central and Cecil Housing Trust, and spent nearly nine years at the Housing Corporation where he was Assistant Director for Regulation in the London region, and Assistant Director for Financial Regulation at the Corporation's headquarters. He is currently a member of the Wiltshire Pension Fund Committee.

Vic O'Brien BSc (Hons)

Group Development Director, GreenSquare

Vic has 23 years experience of working for registered social landlords; of which 16 have been spent managing development teams with large development programmes both in London and the South West. Vic joined Westlea in November 2004, and is a member of the Chartered Institute of Housing.

The day to day activities of Oakus are managed by:

Tom Pritchard – Head of Oakus

Tom joined Westlea in Spring 2007 following eighteen years of commercial experience in the oil and food industries. He heads up the commercial activities of the group, and is responsible for managing existing revenue streams and exploring and developing new opportunities in this area.