

Goram Homes

Business plan 2023

Aman Dalvi, Chair

Stephen Baker, Managing Director

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Our objectives



1. Move at pace to increase the supply of new homes built each year across Bristol including high levels of affordable housing provision.



2. Build sustainable homes that have a net positive effect on the environment and increase biodiversity.



3. Build homes and spaces that create inclusive communities where people can thrive.



4. Provide a commercial return to our shareholder and meet the highest standards of social and environmental accountability.

Good governance

- We have a strong board structure in place. Board members bring experience in affordable housing, commercial development, and financial auditing.
- This year we formed an Audit and Risk Assurance Committee, replacing the previous Bristol Holding structure.
- The majority of our projects are delivered via Limited Liability Partnerships (LLP), with a 50% share for Goram Homes.
- The Board of the LLP oversees the performance of the development. I am a member of this Board.
- B Corp certification is progressing well. Certified B Corporations are companies assessed to meet high standards of social and environmental performance, transparency, and accountability.

Highlights

One Lockleaze: homes are coming out of the ground. We'll build 268 homes here, 55% will be council housing – for social rent and shared ownership.

Hengrove Park: broken ground on our first phase of 53 homes, for council housing. We will build 1,435 homes on the wider site, 50% will be affordable – for social rent and shared ownership .

Dovercourt Road and **New Fosseway Road** have outline planning.

We work positively with local communities and invest in the areas we're building in:

- Community led-design on our **Redcliffe Way** project
- Skills Academy launching in March at **One Lockleaze**



The housing market

- The housing market continued to grow through 2022, but market turmoil in the final months of the year led to falls in house prices and activity.
- Inflation is currently 10.5% - one of the highest rates in 40 years (ONS December 2022).
- Cost of materials means build price is still rising over and above inflation and impacting development across the country.
- UK house prices rose 2.8% in the year to December, down 4% from their August peak.
- Cost of living will continue to put pressure on borrowers and interest rate increases could affect housing market activity.
- However, in Bristol new housing supply has bounced back and is above levels recorded prior to the pandemic. **2563 new homes built in the year to April 2022.**



Our performance

Our Business Plan includes key performance indicators across 5 areas for success.

1. **Delivery** of developments and affordable homes across the city

2. **Financial** return for Bristol City Council

3. **Environmental** standards and commitments

4. **Places** where people can thrive

5. **Procurement** practices that prioritise delivery of social value

Our pipeline 2023

We help Bristol City Council make the most of their physical land assets.

At least **3112** new homes across **15** new developments.

1556 affordable homes is our target, 50% of our pipeline - we're currently at **47%**

Low / zero carbon homes: Current homes are designed with EPC rating of A. We've signed up to the RIBA 2030 challenge and our ambition is to deliver low carbon or net zero carbon homes.

Sustainable communities: 'Building for Life' standards mean we create great places to live. One Lockleaze and Hengrove Park have scored 11/12.

Biodiversity net gain: All our schemes improve biodiversity by at least 10%. Baltic Wharf achieves a 33% increase in biodiversity habitats.

A high standard of sustainability

Our homes create communities that are environmentally, socially and economically sustainable.

The climate emergency demands leadership across the construction industry. Therefore, we aim to achieve:

- **RIBA 2030 Climate Challenge targets**
- **Building for Life standards**
- **Building with Nature accreditation**





Affordable homes

- We aim to to exceed planning policy for affordable homes across all our sites.
- Our target is 50% across our pipeline. Currently 47% in 2023 business plan.
- A mixture of social rent and shared ownership.
- **Hengrove Park Bookends (pictured):** 100% council housing – 53 homes for social rent and shared ownership.
- **One Lockleaze:** 55% affordable – 147 homes for social rent and shared ownership.
- **New Fosseway Road:** more than 100 affordable homes - including extra care housing.



Supporting communities

We deliver social value in every community we build in.

One Lockleaze:

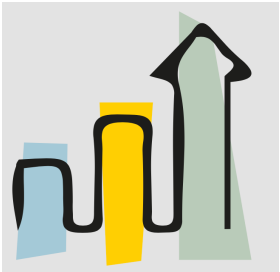
- Our Skills Academy will provide more than 277 weeks of training and 27 weeks of work placements or pre-employment courses for local people
- We fund conservation volunteers who in January alone planted more than 60 trees

Supporting our city

- Our pipeline of 3112 homes will also generate millions of pounds in New Homes Bonus for the council.
- 50% affordable homes could mean 1556 households out of temporary housing and into a stable home.



A prudent approach



Our business plan takes a prudent and cautious approach showing finance needed for, and profit generated by, our four most progressed sites.



We will continue to develop all sites in our pipeline, bringing them into our financial plan once they are further advanced in the planning system.

Key financial headlines

- The 2023 Business Plan is fully funded from previously agreed loan facilities, unchanged from the 2022 business plan.
- Each year we will review the development programme to assess funding requirements to meet any future variations.
- Cumulative retained profits become positive in 2026, as was also forecast in the 2022 Business Plan.

Management of risk

Effective risk management is critical to our success, therefore we have a robust risk management and audit system across the business.

This includes:

- The formation of a discrete Audit & Risk Assurance Committee (ARAC), the Chair of which is also a Board member.
- The operation of a risk register which is reviewed by the ARAC and our Board on a regular basis.

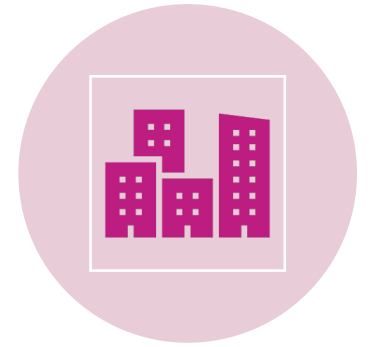
In summary:



Market challenges
mean we will continue
to be prudent in our
approach.



Our mission remains
we work in partnership to build sustainable,
affordable homes that create communities,
respect the environment, and contribute to
the local economy.



Transforming
council-owned land
into much needed
homes for our city.

