



## **Report by the Chairman of Elizabeth Finn Homes Limited at the Annual General Meeting on 30 October 2018**

A busy year for the Company - during the year the nine care homes provided personal care to an average of 193 older people and nursing care for a further 240, all in single rooms mostly with en-suite facilities.

### **A continued strong performance**

The combined total of 433 residents represents average occupancy rate of 91% compared to 94% in the prior year. In August 2016 Hampden House was rated as 'Requires Improvement' by the Care Quality Commission and despite this being regraded as 'Good' in this current year (September 2017), it has struggled to regain its occupancy following this; throughout the last year the home has been consistently behind budget by at least eight beds or more.

The Company had a turnover for the year of £27.4m (2017: £27.1m) and generated a surplus of £1.80m (2017: £2.43m) which is to be covenanted before 31 December 2018 to our parent company, Turn2us, which is a registered charity fighting poverty in the UK and Ireland.

The Company's occupancy rate has been achieved against a backdrop of high levels of competition in the homes' respective local markets, particularly in the self-pay arena in which the Company operates. Our income increased by £0.2m (0.8%) over the prior year as the impact of the reduction in occupancy levels noted above, was more than offset by an uplift in average fee compared to the prior year due to the routine annual fee increase. Our operating costs increased by £0.7m compared to the prior year, an increase of 3.2%, primarily reflecting the costs associated with recruiting and retaining high quality staff and in particular the impact of the Living Wage.

### **Investment**

The level of investment in the homes by way of refurbishment expenditure and upgrades remains considerable, and is necessary to ensure that we provide and maintain the highest quality environment in our homes and thereby remain competitive in the market place. During the year an extension to The Lodge, Exeter, funded by Turn2us, was completed on time and on budget and provides an additional 16 beds, all with wet room facilities.

During the year the Trustees of Turn2us gave their backing to the controlled, long term expansion of the EFHL portfolio should suitable opportunities present themselves, either via management contracts, freehold or leasehold acquisition. As part of this expansion plan, in December 2017 the Company signed an agreement to manage a care home in Haslemere, Surrey on behalf of the owner, RMH Wispers (Care) LLP. The home has been undergoing a major refurbishment and reconfiguration at the expense of the owner prior to being re-registered under Elizabeth Finn Homes' management in the autumn of 2018.

## **Quality**

Our relentless focus on the provision of individually tailored premium quality care has continued through the year. This has resulted in all of our homes now being rated as 'good' or above by the Care Quality Commission (CQC). Particularly pleasing was that Rush Court, Wallingford, was awarded an 'outstanding' rating in July 2017, in addition to some other homes rated 'good', with 'outstanding' ratings in a number of sub-categories. By March 2018 four of our homes had achieved the Gold Standard Framework accreditation for end of life care, with two homes, Halliwell, Tunbridge Wells and Grove Court, Woodbridge, having achieved 'Platinum' status, the highest level possible. Three more of our homes are working towards the accreditation.

The on going programme of upgrading the portfolio will continue, ensuring that homes meet resident expectations, remain competitive in their local markets and provide the highest quality environment possible.

## **Staff**

The work of the Company relies on the commitment and hard work of its valued staff. It is managed on a day to day basis by the CEO, who is supported by a staff of ten at its headquarters in Hythe House and a full time equivalent of 627 staff (2017: 628) in its homes. The Company continues to encourage all staff to develop their personal skills and during the year we were pleased to have eight individual finalists in a variety of regional and national care industry awards. One of those finalists, Emily Carey at Grove Court, Woodbridge, was the national winner of 'The Good Nurse Award' at the 2018 Great British Care Awards, which is an impressive and much-deserved achievement in a prestigious category.

As in previous years, our success and our ability to fulfil our future objectives are only possible through the commitment and hard work of our employees, every single one of whom has an impact on the care, wellbeing and happiness of our residents. Led by Richard Hawes, Nyree Kidd and Simon Penfold, the Board remain indebted to them and the broader team.

Richard Midmer  
October 2018