



Performance Update

For the period ending
30 September 2018

Great homes. Great communities. Great people.

great
places
HOUSING GROUP

This update covers performance for the period ending 30 September 2018.

Our Performance Updates are aimed at ensuring our investors and other stakeholders receive regular, timely information regarding the performance of the Group. We will publish these reports on a quarterly basis and will produce them within six weeks of the relevant quarter end.

The information included is based on unaudited management accounts and other internal performance measures, as well as the external audit process.

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Financial performance

The management accounts of Great Places Housing Group (“the Group”) show surplus for the first half of the year of £7.6m, £0.9m better than budget (£6.7m). Surplus on the sale of fixed assets was the most significant positive variance, being 1st tranche sales and staircasings which are together £0.8m higher than budget. Turnover was £46.0m and operating surplus £16.7m, both broadly in line with budget.

Drawn debt as at 30 September 2018 was £541.6m (Q1: £541.8m), a decrease of £0.2m due to regular repayments.

Mark to Market exposure on the Group’s free standing derivatives was £39.3m, down from £43.6m at 31 March 2018 due mainly to the rising 15-25 swap rates. There was £17.2m cash collateral posted to meet counterparties’ security requirements, down from £18.4m at 31 March 2018.

Liquidity is strong with closing cash balances of £73.4m. Undrawn facilities immediately available are £120.3m of which £116.0m is fully secured. This does not include our £70m retained bond. Our internal financial “Golden Rules” around interest cover, gearing, operating surplus and operating cash flows funding our investment works were all met at the end of quarter two.

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Operational performance

Our performance management centres around our Critical Success Factors (CSFs) designed to focus us on the delivery of our new Corporate Plan, and particularly our vision of Great Homes, Great Communities and Great People.

The percentage of inbound customer contacts which were digital increased to 82.5% at quarter two from 77.5% at year end. This increase in digital contact has driven a corresponding decrease in the number of phone contacts logged and since April 2018 almost 800 new customers have signed up to the resident portal within our website.

Our first time fix CSF is a broad measure of our repairs service-delivery model focused on the success of our distribution centre in ensuring that operatives have the right tools and materials to do their job and that they are sufficiently multi-skilled to carry out a broader range of jobs on their first visit. During September 2018, our rate of first time fix has continued to improve with 88.0% reported against a target of 86.5%. In addition our customer satisfaction with the repairs service is at over 94% and we have increased productivity with our repairs operatives now averaging five completed jobs each day.

For the remainder of our CSFs, at the end of quarter two, we have continued to show solid progress in achieving the challenging targets set for each. A number of them are significantly out-performing their targets at the end of quarter two: average re-let times are at 17 days, considerably better than the stretch target of 22 days; customer satisfaction as measured using the Institute of Customer Services methodology at 7.76 against a target of 7.70; and Building Greatness (our approach to improving efficiency and effectiveness) is currently projected to achieve savings of £5.8 million in this financial year against a target of £4.9 million. The only CSF which is currently behind is around staff sickness: we are monitoring the situation closely and implementing measures to focus our leaders on employee engagement, which should help to turn this indicator back around.

Corporate news

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2018 Annual Report

It's been another excellent year for Great Places, full of success and achievement for the business during a challenging and changing time. We are committed to delivering our vision: maximising our investment in sustainable homes, building successful vibrant communities and providing outstanding customer service and support. Great homes. Great communities. Great people. [2018 Great Places Annual Report](#)

New Board Members

As part of our Board succession planning we have appointed three new Board members: two for Great Places and one for Cube.

Christine Amyes

Christine is a senior manager with a wide range of executive and non-executive experience, most recently as Deputy Chief Executive for New Charter Group. Christine's early career was in the Civil Service where she specialised in Training and Development with Department of Work and Pensions. Christine is currently working as an Independent OD Consultant and Executive Coach.

Michael Hanson

Michael is a Chartered Accountant and has a degree in Economics. He has spent the last 30 years working for a successful mutual Building Society based in Stockport, most recently as Chief Executive. Michael volunteers at Stockport's Citizens Advice Bureau, where he is shortly to be assuming the position of Chair.

Emma Prichard-Selby

Emma has been appointed as a Non-Executive Director on the Cube Board. Emma graduated with first class honours in Urban Land Economics from Sheffield Hallam University and is well versed in design, planning, procurement and legal governance. She brings with her a wealth of construction experience, having been Head of (Pre Construction) Development at Berkeley Homes (North East London) and Residential Development Director for Residential, Westfield.

Response to the Social Housing Green Paper

We recently held a number of 'Meet the Chief Executive' events, where Matthew Harrison, CEO, went out on the road to meet with customers and gather their views on a variety of topics. The sessions included consultation on the Social Housing Green Paper, which helped us create Great Places' response to the Government.

Greater Manchester Joint Venture

Great Places is one of ten housing associations in Greater Manchester that have joined with the Greater Manchester Combined Authority to invest a total of £30m in a new joint venture designed to deliver additional homes in the North West region. Read more about it [here](#).

Cyber Essentials Standard: Security levels Endorsement

Great Places have been successful in achieving a re-accreditation of the Cyber Essentials Standard for the second year in a row. This is an endorsement given by the National Cyber Security Centre, a part of Government Communications Headquarters, who tested the security of our IT servers and infrastructure.

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Feedback

We welcome feedback on our performance update.

Please contact Kal Kay, Director of Finance on 0161 447 5029 or at kal.kay@greatplaces.org.uk.

The information included within this report is for information purposes only. The financial results quoted are unaudited. The report may contain forward-looking statements and actual outcomes may differ materially. No statement in the report is intended to be a profit estimate or forecast. We do not undertake to revise such statements if our expectations change in response to events. This report does not constitute legal, tax, accounting or investment advice.