



# Performance Update

For the period ending  
31 December 2019

Great homes. Great communities. Great people.



**This update covers performance for the period ending 31 December 2019.**

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.

# Contents

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- 1** Financial performance
- .....
- 2** Operational performance
- .....
- 3** Corporate news
- .....
- 4** Feedback
- .....

*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.*

# Financial performance

1

## QUARTER THREE FINANCIAL RESULTS

For quarter three the management accounts of the Group show year to date surplus of £12.7m, £2.5m better than budget. Property sales, including first tranche shared ownership properties and open market sales, and the sale of fixed assets such as staircasing shared ownership properties, exceeded budget by £2.2m. Net interest costs, repair costs and bad debt expense were all better than budget. Turnover year to date was £83.6m and operating surplus £28.9m.

Drawn debt (excluding bond premium and including finance leases) as at 31 December 2019 was £528.2m (March 2019: £535.7m).

Mark to Market exposure on the Group's free standing derivatives was £48.4m, up from £44.9m at 31 March 2019, due mainly to reductions in 15-25 year swap rates. There was £25.0m cash collateral posted to meet counterparties' security requirements, up from £19.3m at 31 March 2019.



We are fair, open and accountable

Liquidity is strong with closing cash balances (excluding cash held on behalf of leaseholders) of £35.1m. Undrawn facilities immediately available are £117.3m of which £112.4m is fully secured, with £79.3m being revolving credit facilities. This does not include our £70m retained bond, which we can sell at any time. 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 the quarter.

# Operational Performance

2

Our performance management centres around our Critical Success Factors ("CSFs") which are designed to focus us on the delivery of our Corporate Plan, and particularly our vision of "Great Homes, Great Communities, Great People". We have ten CSFs for 2019/20, as well as three-year targets and ten-year ambitions within our Corporate Plan. The CSFs give immediate oversight on progress against our vision and key objectives.

As the end of quarter three, we are on target or better with five of our ten CSFs. Two of the remainder are annual targets, which we aim to achieve by March 2020: Group Surplus and Development Completions. For each of these, we are where we would expect to be at this point in the year.

We exceeded our stretch target on colleague engagement, which is one of our new CSFs, with our quarter two engagement result being 84%, above our stretch target of 80%.

Sickness days per colleague has improved significantly over the past twelve consecutive months, reducing to 8.8 days, against a target of 8.0 days.

Overall customer satisfaction has increased since quarter two, being 7.41/10, against a very ambitious target of 7.85/10, however it should be noted that performance remains above the housing association average of 7.04/10 using the Institute of Customer Service (ICS) benchmarking. We achieved a high score 8.01/10 in December 2019, showing the continued improvements in this area.

Our % digital contacts CSF is better than the previous year, up from 53.2% to 60.4%. Our target is 65.0% for 2019/20 and we will continue to focus our efforts on achieving this.

We remain better than target for arrears, re-let times and helping households into work, training and volunteering. We exceeded our annual target for Trusted Stock Condition Data by the end of quarter three.



We appreciate the effort of everyone who works with us



## Environmental

### PV SOLAR PANELS INSTALLED AT HEAD OFFICE

Great Places was one of the first organisations in the North West to implement a large scale solar panel programme in our homes and our environmental team works with customers to make sure they understand how to gain the greatest benefit from this generated electricity.

We are pleased to announce that this quarter we have installed PV solar panels at our Head Office. In just the first few weeks, in mid winter Manchester, the panels generated enough electricity to power an electric car from Manchester to Montreal!

### GREAT PLACES ON TRACK TO BECOMING A PLATINUM CARBON LITERATE ORGANISATION

Great Places has made continued progress in its commitment to ensuring the carbon literacy of our colleagues. We have ensured that 80% of colleagues have completed the in-house Carbon Literacy Training and are on course to become a Carbon Literacy Project Platinum organisation by the end of the financial year.

Our Carbon Literacy training is comprehensive, it focuses on climate change and the impact it is having on work and home life. Great Places are now a leading provider of this training to external businesses too, providing bespoke training to a range of organisations like Cheshire West and Chester Council, Salford Council and Transport for Greater Manchester. We're also helping Electricity North West become the first Carbon Literate energy network operator in the world.

We also offer a Community Carbon Literacy course which can be held almost anywhere. This meets the needs of local residents and volunteers, assisting with skills support and ensuring participants are more engaged in environmental issues.



## Social

### DEVELOPMENT OF SPECIALIST ACCOMMODATION FOR INDEPENDENT LIVING

Manchester City Council took handover in December 2019 of a new development from Great Places Housing Group, offering specialist accommodation for people with learning disabilities.

Great Places has delivered the 20-apartment scheme on Northfield Road in New Moston, which strikes a balance between the ability to provide bespoke care support for each resident, whilst promoting independent living.

Each apartment has its own bedroom and living room in addition to adaptable kitchen and wet room facilities, which provides flexible living arrangements for its residents. The building's infrastructure facilitates the use of 'plug and play' technology, which allows a wide range of assistive technologies to be wirelessly installed and connected in order to support residents.

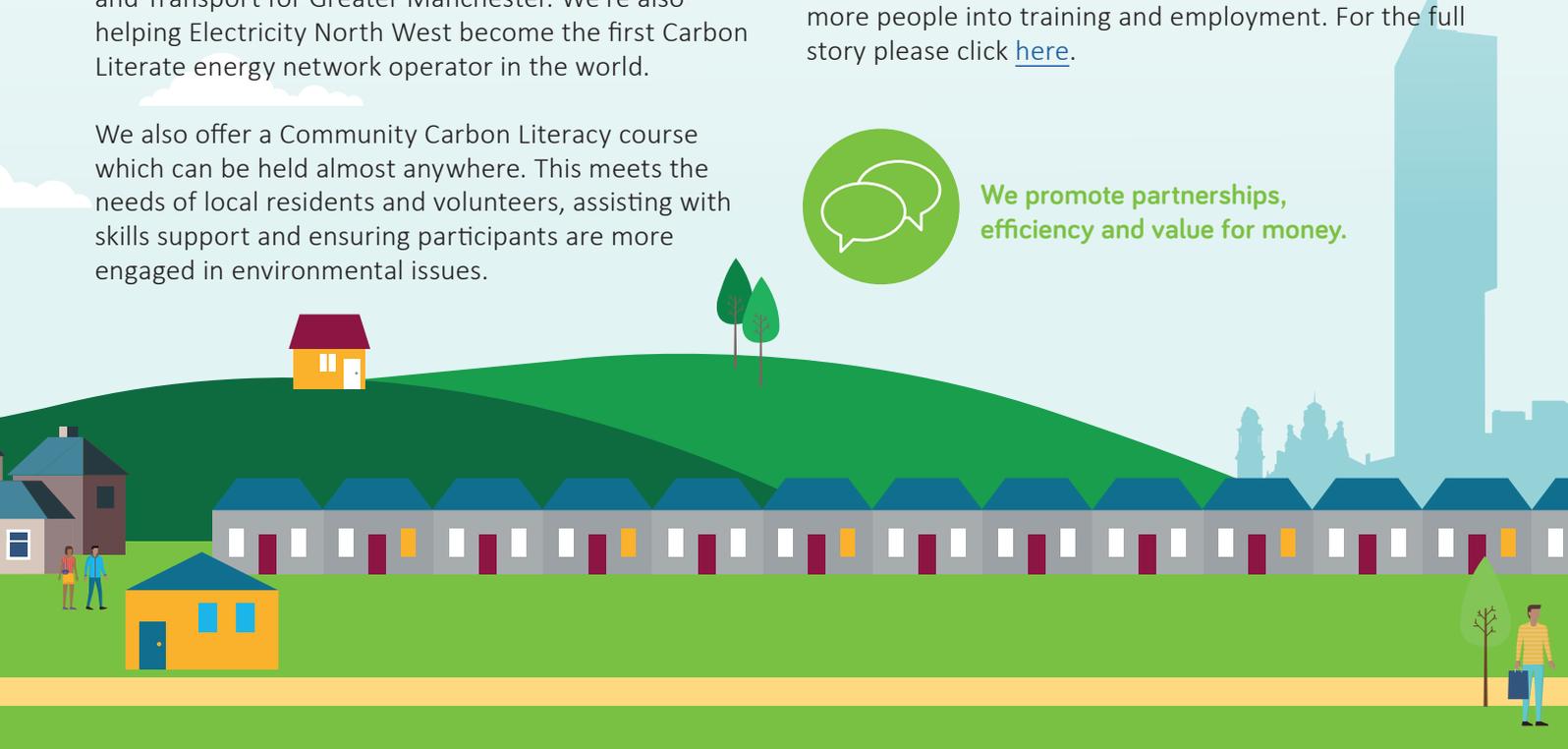
### GREAT PLACES PARTNERS WITH BURNLEY FC TO SUPPORT LOCAL COMMUNITY

Great Places is teaming up with Burnley FC in the Community to help get more people into training and employment.

As Patrons of Burnley FC in the Community's Employability programmes, Great Places will invest funds into the programmes as well as staff time, expertise and a dedicated referral process to help get more people into training and employment. For the full story please click [here](#).



We promote partnerships, efficiency and value for money.





## Governance

### LAUNCH OF OUR £750M INNOVATION CHAIN NORTH FRAMEWORK

In November 2019 Great Places launched the new Innovation Chain North (previously Innovation Chain North West) construction framework. The framework is open to anyone who wishes to supply goods or services to Registered Social Housing Providers or Local Authorities. Once accepted onto the framework, suppliers can be called on by Innovation Chain North clients for a period of four years (2020-24). More information can be found on our website, [click here](#).

### GREAT PLACES PARTNERS WITH LEGAL AND GENERAL TO MANAGE THEIR AFFORDABLE HOMES

Great Places has been selected as one of 14 established housing associations and providers to partner with Legal & General Affordable Homes. The partners will form a panel, which will lead its housing operations across the UK. Creating a nationwide network of management partners, the panel will bring local expertise and the established infrastructure to support Legal & General in delivering its pipeline of 3,500 affordable homes. For the full story click [here](#).

### GREAT PLACES MAINTAINS G1/V1 STATUS WITH HOUSING REGULATOR

In December 2019 the Regulator of Social Housing confirmed that Great Places has been awarded the top G1/V1 status for the fifth consecutive year.

### PARTNERSHIP WITH EQUITY HOUSING GROUP

Our partnership with Equity Housing Group continues to progress positively and we remain on target for Great Places Housing Association to accept a transfer of engagements of Equity Housing Group on 1st April 2020. Shareholder, funder and regulatory consents and the required Board approvals are all on track.



## 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](mailto:kal.kay@greatplaces.org.uk)

4

