

The background image shows a residential development with modern houses and a paved path. In the foreground, two elderly men are walking on the left, and a woman is walking a white dog on the right. Another white dog is visible in the middle ground. A tall street lamp stands on the right side of the path. The sky is a deep blue, and a thin orange line curves across the right side of the image.

great
places
HOUSING GROUP

Quarterly Performance Update

Covering performance for the
period ending 31 December 2023

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Our performance updates provide regular, timely information regarding the performance of the Group. They are published quarterly, within six weeks of the quarter end.

The information included is based on unaudited management accounts and other internal performance measures.

1. Financial Performance:

Quarter three results

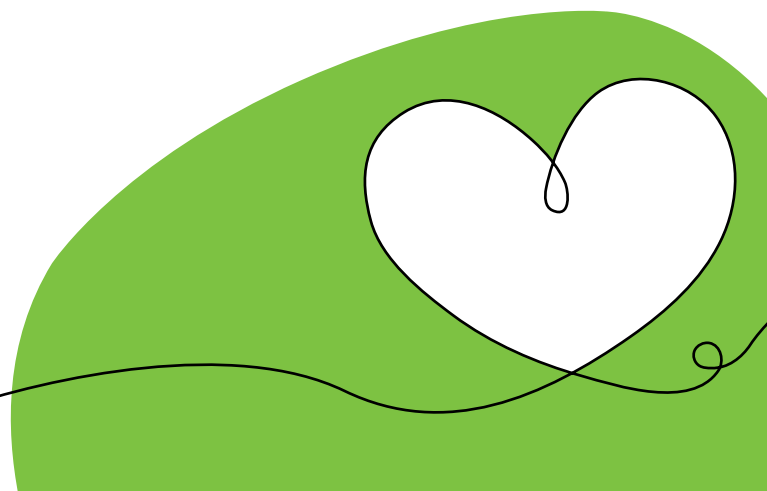
Surplus before tax in the period to the end of December 2023 was £18.5m (£18.8m at quarter 3, 22/23) with the year-end projection being slightly lower than the £28m reported in quarter 2 at £27.5m (2022/23 £21.4m). This is due to a small number of open market sales deferred into early 2024/25. All other income and expenditure elements are expected to be in line with those projected at quarter two.

Drawn debt (excluding bond premium, other non-cash balances and loan fees) was £633.6m (March 2023: £643.7m) with the movement largely due to scheduled loan repayments.

Mark to market exposure was £8.4m (March 2023: £7.9m net) with nil cash collateral posted to meet counterparties' security requirements (March 2023: nil). GBP mid-market interest rates and UK gilt yields had risen during the year peaking in October, so the swap exposure had fallen at the end of quarter two, to £1.1m, but by December both interest rates and swap exposure were back in line with March.

Cash balances (excluding cash held on behalf of leaseholders) were £43m (March 2023: £93m) with undrawn bank facilities immediately available of £141m.

Our internal financial "golden rules" around interest cover, gearing and operating margin were all achieved at the end of this quarter and are all also expected to be achieved with our projected year-end outturn. We note that continued cost pressures in the short term bring us close to our operating margin golden rule, with 26.5% projected for the full year (2022/23 was 23.6%). The latest "Global Accounts of private registered providers" to March 2023 (Regulator of Social Housing, December 2023) reports declining surpluses for RPs in the context of wider economic pressures and some sector-specific issues, and our performance is better than average.



2. Operational Performance

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 eleven CSFs for 2023/24 which include two for the Regulator of Social Housing’s Tenant Satisfaction Measures (TSMs). Six CSFs are achieving target, two are showing an early warning, and three are currently missing target, explained below.

The CSFs achieving target are:

- Arrears 4.6% (target 4.7%) has remained steady during the year.
- 2.9% days lost due to sickness (target 3.2%).
- 84% colleague engagement (target 80%).
- 71.6% overall satisfaction (target 70.0%). Benchmarking shows our performance to be in line with other registered providers.
- Data completeness 87.0%, continues to exceed the target of 83% due to improvements in the housing management system and the status of customer profiling.
- 1,115 households into work, training or volunteering, which has already achieved the year-end target of 950.

The CSFs showing early warnings are:

- TSM “satisfaction with safety in home” is 82.4%, a positive increase since quarter two, 81.5% (year-end target 85%). We are continuing to analyse our customer responses further to understand the reasons for this and increase satisfaction rates.
- % digitally active tenants is 38% and has steadily improved through the year against a target of 40%. Our new self-serve repairs capability via the customer portal has gone live during quarter three for two of our four neighbourhood regions with customer satisfaction with this new service being high.

Missing target are:

- Development completions: 303 new homes completed to December 2023 (target for the full year, 786). Site challenges earlier in the year coupled with the very wet weather in November have meant that a number of sites have experienced delays, particularly with drying out apartment blocks. There are 39 live sites in the programme with handovers rolling from an increasing number so the new homes are on their way.
- Voids re-let time to December was 28.1 days (target 25 days). Our performance on average relets has remained relatively stable during the year at 28 days. Customer demand for most properties has remained strong but we have seen delays on average relet times as we balance resources across operational priorities.
- The CSF for Group surplus before tax of £31.7m will not be achieved due to increased repairs and insurance costs included within the financial projection as referred to above.



3. Board Member and Executive Changes

Matt Harrison, Chief Executive, is stepping down at the end of June 2024.

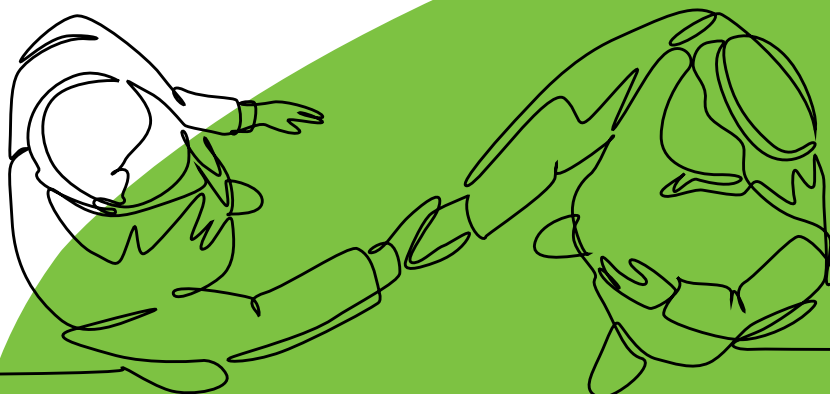
Matt became Chief Executive in 2013 after serving for 20 years as Executive Director of Development. The process to recruit a successor has begun, and the news was announced on the London Stock Exchange on 9th January 2024.

The new Chief Financial Officer Mike Gerrard joined in November 2023 to replace Phil Elvy as previously announced.

Recruitment for the Chief Property Officer recruitment is also progressing well and we expect to appoint during quarter four.

Mervyn Jones became Chair of the board in December, his predecessor Tony Davison having stepped down after his tenure.

The new Customer Committee has been set up with a chair, board member Patrick Ricketts, and seven customers. The new committee will be an important link between the board and customers, being the voice of residents and holding Great Places to account for things that matter to them.



4. Corporate News

These stories illustrate some of our recent activities, particularly in terms of Environmental, Social and Governance.

Environmental

£1 Million Renovation of Clifford Court, Stockport

Councillor Graham Greenhalgh, the Mayor of Stockport, Councillor Colin McAllister, Cabinet Member for Housing, and local Ward Councillor, Helen Hibbert joined Great Places for festive celebrations to mark the completion of a £1 million improvement works project at our Clifford Court development in Heavily, a scheme of 87 flats across 10 blocks that provides both sheltered and rented accommodation. The group was met by our Chief Executive, Matthew Harrison, and members of the project team and given a tour of the recently renovated scheme. Built originally in 1971, our Clifford Court scheme has undergone significant improvement works as part of the year-long project including major internal and external communal refurbishments: highlights include new heating and staircases, external doors, new communal space, fencing, patio and boundary walls.

Work starts on Heat Network and Energy Efficiency Improvement Projects

Improving the energy efficiency in our existing homes is also still a key focus for Great Places. Work is progressing on our £3 million improvement works to our heat network that serves 299 of our customers in the Richmond Park area of Sheffield. Initial works have already been completed on the project, in part funded by the Government's Heat Network Efficiency Scheme (HNES), and we're working with our contractors Fairheat on preparing for the next part of the programme to update heating equipment in customers' homes due to start in Spring. Additional HNES Funding has also been secured to conduct feasibility studies at Hutton Lodge in Manchester. We will also be conducting our own study to look at potential improvements that can be made to our heat networks at three of our extra care schemes. In addition, we are starting to roll out our programme of energy efficiency improvements to around 400 of our homes in Greater Manchester and Sheffield. Part-funded by the Social Housing Decarbonisation Fund the work will deliver a range of improvements to keep the heat in and make the homes more energy efficient.



Social

198 new homes in Royle Works in Castleton, Rochdale

Great Places and Countryside Partnerships welcomed Rochdale Borough Council to Calico Grove to see the development that has transformed the site of the former Royle Works in Castleton, Rochdale. The site was once home to the world's largest cotton mill, which was largely demolished by 1979 and has since been a brownfield site. It is now being turned into a community of 168 homes, 3 and 4 bedroom family houses, and 30 2 bedroom affordable properties. 102 homes will be affordable and managed by Great Places, while the remaining 96 will be available on the open market. As part of the development, Countryside is also investing over £500,000 into local primary education. Cllr Peter Williams, the council's assistant cabinet member for regeneration and housing, and Mark Robinson, Rochdale Borough Council's director of economy, joined the partners for a tour of the site and the recently opened show homes, and met with some residents who had recently moved into a Great Places affordable rented property.

£3m scheme completed, Craven Court in Lancaster

Cllr Caroline Jackson, Deputy Leader of Lancaster City Council and Cabinet Member for Housing and Homelessness at Lancaster City Council, and three local councillors joined Helen Spencer, Great Places Executive Director of Growth and Paul Mayo, Senior Construction Manager at Terra Nova Developments on a visit to our recently completed affordable development at Craven Court in Lancaster and to speak with some of our new residents. The new development is 12 x three-bed houses and 2 x two-bed bungalows for shared ownership. This was one of the first developments to be delivered by Terra Nova, our in-house construction company, and was marketed by Great Places' shared ownership specialists, Plumlife Homes.

67 affordable homes at its £9.6million Heathfields development in Darwen

Helen Spencer, Executive Director for Growth at Great Places Housing Group, was joined by Councillor Phil Riley, Leader of Blackburn with Darwen Council, Councillor Quesir Mahmood, Deputy Leader- of the Council and Executive Member for Growth and Development, and ward councillors as well as representatives from McDermott's to celebrate the development being officially opened. The mix of 22 shared ownership and 55 affordable rented properties is part of a much larger, new neighbourhood of 353 homes being developed by East Lancashire-based McDermott Homes. The Miner's Gate site, formerly the Ellison Fold Colliery, was made accessible by the new £3million East Darwen Link Road, ensuring the homes are well connected to the town centre and local amenities as well as the M65 and other key routes. Darwen is set to benefit from £100m of new investment through the Town Deal, including significant funding for the town centre, new jobs and improved sporting facilities.

Hive Homes launches Rochdale development

Hive Homes, a joint venture of which Great Places is a member, launched its latest development, the 102-home Weavers Fold off Nixon Street in Castleton, Rochdale. The scheme turns the eight-acre former Carcraft car supermarket site, which had laid dormant for eight years, into a neighbourhood with 85 three-bedroom and 17 four-bedroom homes, a mix of semi-detached and detached properties, as well as a large, public open space. Ed Milner, Hive Homes' Managing Director, was joined by Rochdale Borough Council's assistant cabinet member for regeneration and housing, Councillor Peter Williams, and others to cut the ribbon to officially open the development for sales.

Inspiring futures with Manor Park Primary School

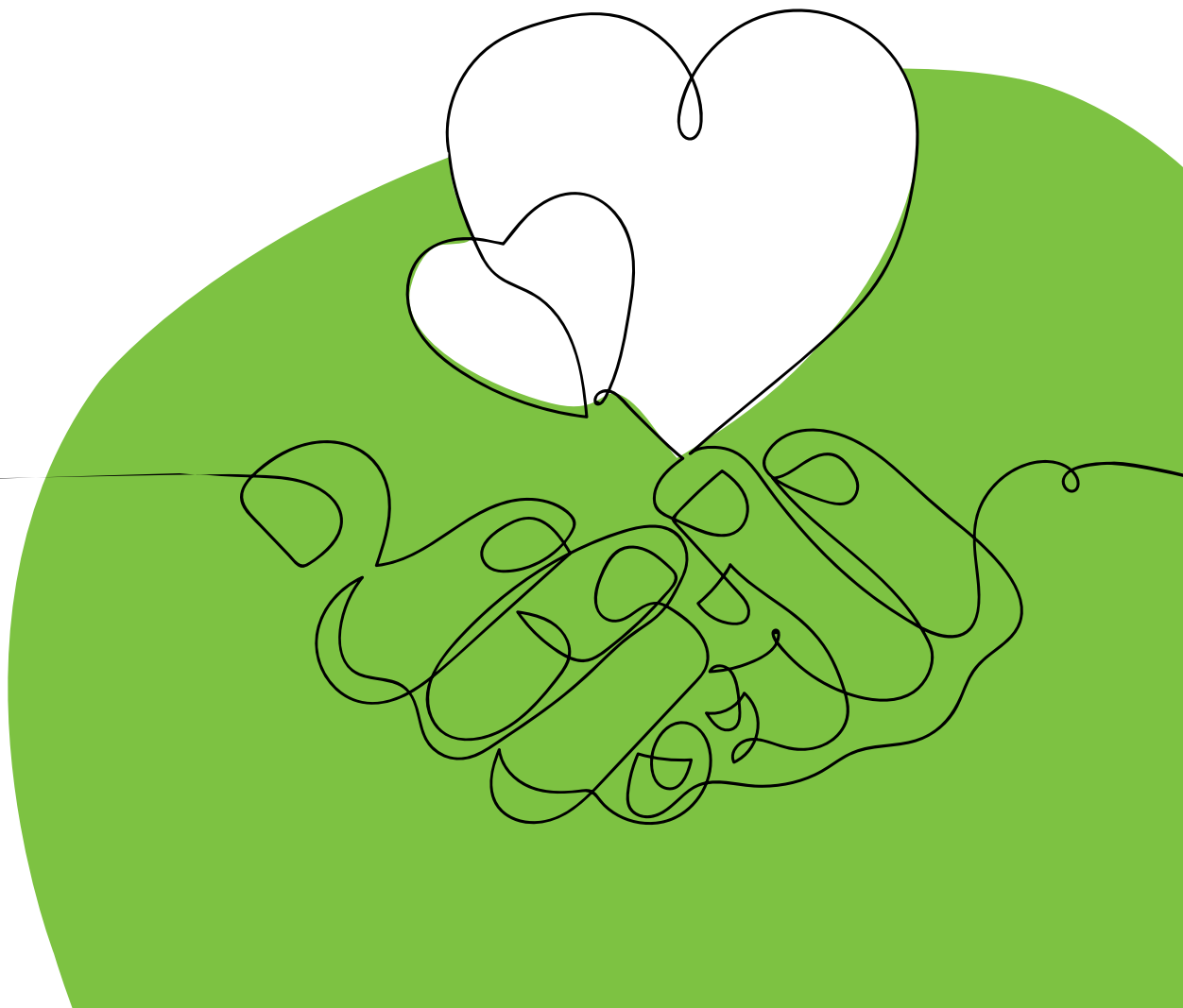
Great Places is excited to announce the continuation of Raising Aspirations Project, its partnership with Manor Park Primary School in the Longridge and Shaw Heath neighbourhood. We hosted an event in January, in collaboration with Sure Maintenance and Bowker Sadler, to introduce children to a range of skills and job opportunities in housing through practical sessions. This initiative is designed to inspire and encourage young students while introducing them to various career paths, promoting financial resilience and a sense of community.

Great Places continues partnership with Oldham Athletic Community Trust, to support youth engagement within Oldham

We're pleased to be working in partnership with Oldham Athletic Community Trust to deliver youth engagement opportunities on a weekly basis to young people aged 8 to 18 on a free-of-charge basis. Activities include gaming, table tennis and football, as we have a commitment to help improve the lives of the people who live in our homes and communities.

Deputy Leader for Manchester City Council visits Olivia Lodge

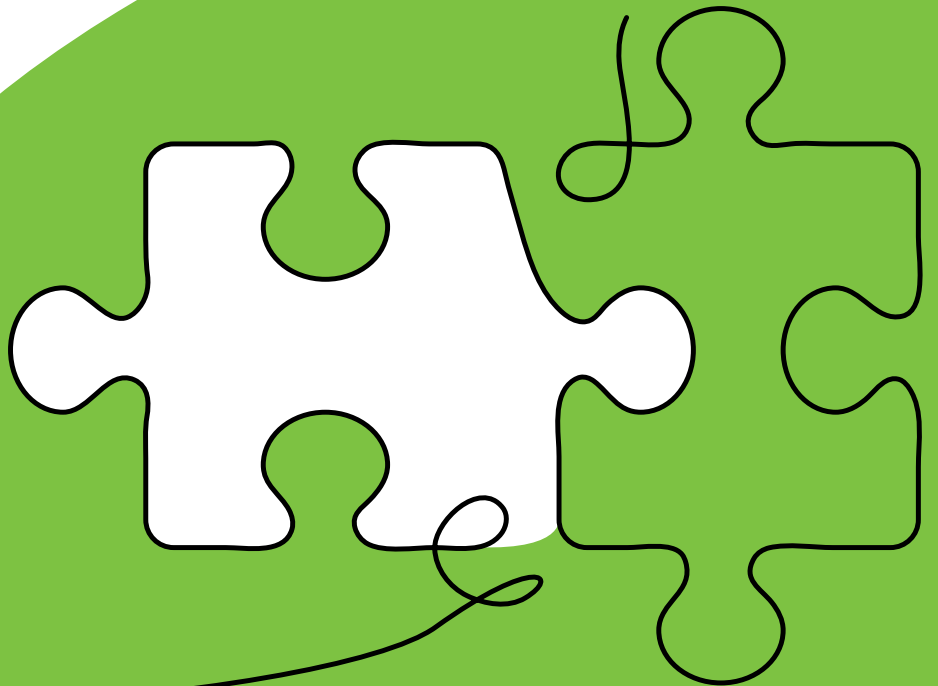
Councillor Joanna Midgley visited Olivia Lodge in Clayton, Greater Manchester, to see first-hand the difference this scheme makes to the young women who live there. Olivia Lodge provides accommodation and support for homeless young women aged between 16-25, who are either pregnant or have children aged five and under. The scheme is a purpose-built accommodation containing 12 self-contained, fully furnished flats, a communal lounge, a playroom and a training kitchen.



Governance

Corporate plan 2024 consultations

This year we will be creating our new corporate plan that will outline our priorities and ambitions for the next three years. During quarter three and into January we have consulted with our boards and committees, senior management, colleagues and customers. Chair of the board Mervyn Jones encouraged our customers to get involved, “It is really important that we take the views of our customers into account when we are planning for the future. We want to make sure that we are providing the best possible services for our customers and so I would encourage all to get involved and take part in our current consultation.” Colleagues had their annual away days, which included discussions and consultation on the new corporate plan, gathering feedback on what colleagues are proud of and what are ‘pain points’ for them, which will help shape priorities in the medium and longer term.



Feedback

We welcome feedback on our performance update.
Please contact Mike Gerrard, Chief Financial Officer,
at communications@greatplaces.org.uk

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