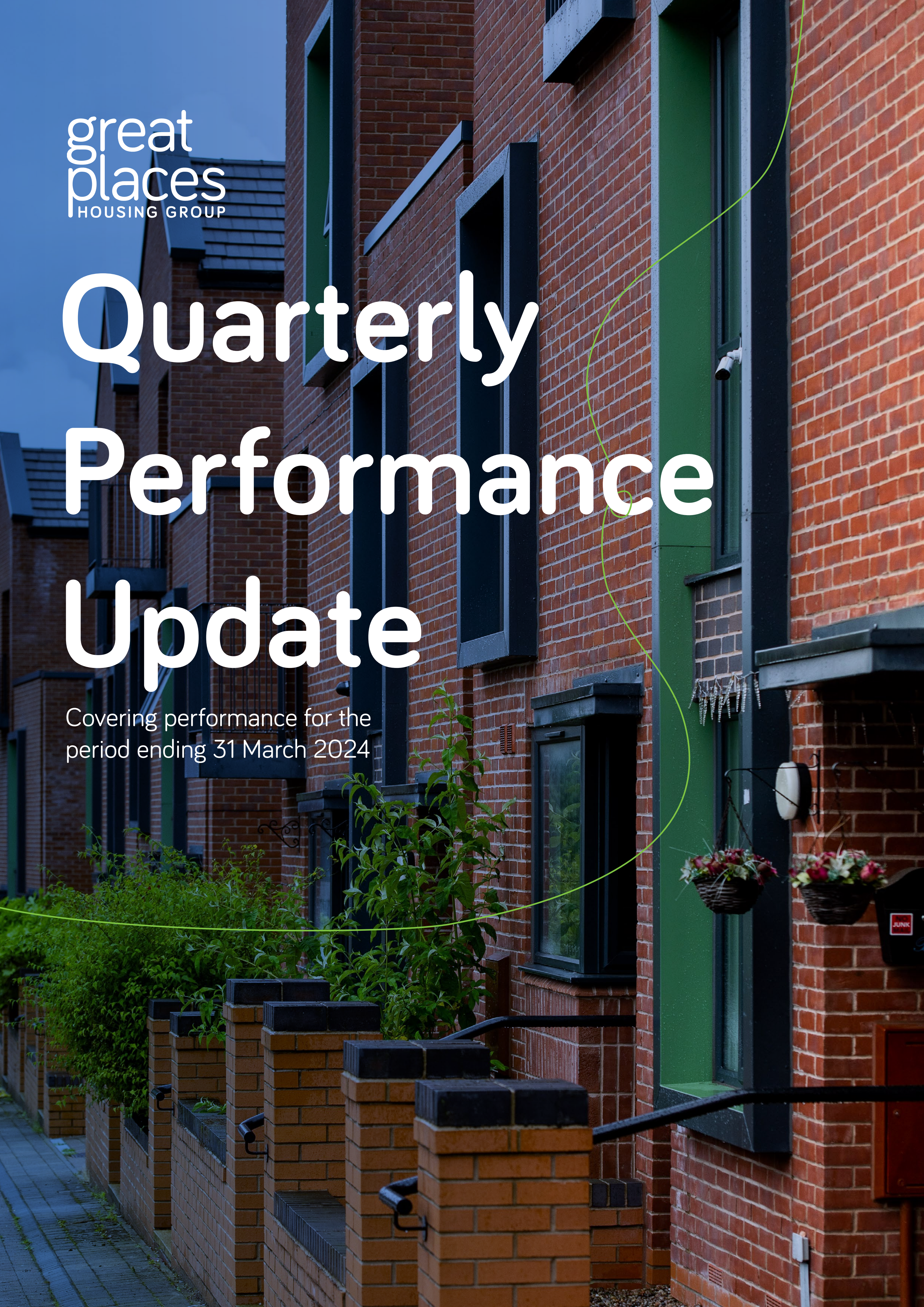
great places
HOUSING GROUP

Quarterly Performance Update

Covering performance for the period ending 31 March 2024



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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.

These results are published in advance of the statutory accounts for the year ended 31 March 2024 which will be issued following the AGM in September. The information included is based on unaudited management accounts and other internal performance measures and is subject to concluding the routine annual accounting adjustments as well as any adjustments that arise as a result of the external audit process. The final year-end figures which will be used in the financial statements will include adjustments for tax, pensions and other fair value adjustments

1. Financial Performance: Quarter four results

Surplus before tax in the year to the end of March 2024 was £23.6m (22/23: £21.4m). This draft result is £3.9m lower than the projection mainly due to delays with development, increased repairs costs and depreciation.

We achieved all of our internal financial "golden rules" around interest cover, gearing and operating margin at the end of this financial year. We note that continued cost pressures in the short term brought us close to our operating margin golden rule of 25%. 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.

Drawn debt (excluding bond/loan premium and loan fees) was £633m, reducing £11m in the year mainly due to scheduled loan repayments.

Cash held (excluding cash held on behalf of others) was £35m with undrawn bank (revolving credit) facilities of £425m, including £284m from a funding exercise that was completed in quarter four.

Mark to market exposure was £5.4m with nil cash collateral posted to meet counterparties' security requirements (March 2023: nil).

2. Operational Performance

Our critical success factors (CSFs) are designed to monitor 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). Five CSFs achieved target and six missed target, explained below.

The CSFs that achieved target are:

- Arrears 4.4% (target 4.7%) and it has remained steady during the year.
- 1,295 households into work, training or volunteering (target 950).
- 84% colleague engagement (target 80%).
- 71.5% overall satisfaction (target 70.0%). Benchmarking shows our performance to be in line with other registered providers, and we implemented a range of methods to collect satisfaction in response to our diverse customer base.
- Data completeness 85.4% (target 83%) reflects project work.

The CSFs that missed target are:

- Voids re-let time was 26.3 days (target 25 days). This is an improvement from 28.9 days in March 2023. Customer demand for most properties has remained strong and we have worked hard to increase our repairs resources.
- Development completions: 490 new homes completed in the year (target 786). However, affordable homes delivery is at its highest volume to date with over 2,000 homes on site. Half of the deferred handovers by March 2024 were across five apartment blocks, now forecast to complete this year.
- Tenant satisfaction measure "satisfaction with safety in home" is 82.3% (target 85%). Despite being below our CSF target, Greater Manchester Housing Partnership benchmarking on Q3 data shows that a score of 82% is upper quartile.
- 3.3% days lost due to sickness (target 3.2%), just missing our target but broadly in line with the UK average, as reported by the Chartered Institute of Personnel and Development.
- 37% of tenants are digitally active (target 40%). This has steadily improved through the year, since 34.7% in March 2023. The figure in large part reflects digital interactions with the repairs self-serve process, which we expect will further improve this CSF.
- The CSF for group surplus before tax reflected the budget and was not achieved, as reported above.

3. Board Member and Executive Officer Changes

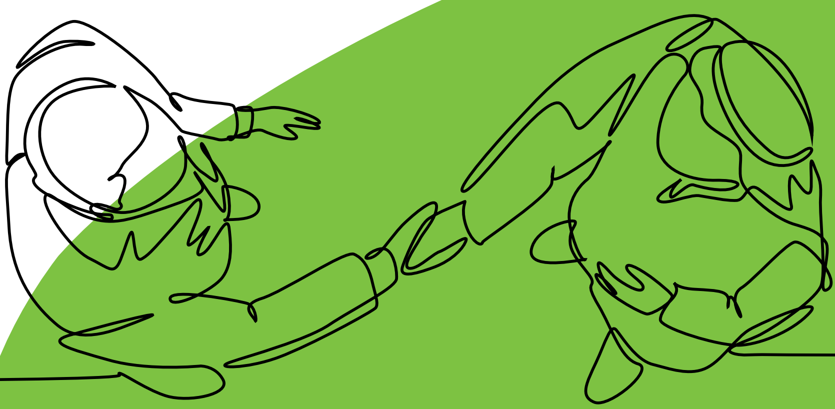
Great Places has appointed current Deputy Chief Executive Alison Dean as its new Chief Executive Officer following a robust recruitment process. The decision was ratified by the Board at a meeting on 2 May 2024.

Current CEO Matt Harrison who has led the group for over 10 years, and been with the organisation for over 30 years, will step down on 28 June 2024 and Alison will take over on 1 July 2024. Alison joined Great Places as a graduate in 1997 working in customer involvement, moving into regeneration and several housing management roles. Since then, Alison has driven cultural change through continuous improvement of services and became Deputy Chief Executive in 2022.

Chief Property Officer Steve Mather starts in May 2024; he was previously executive director of homes at First Choice Homes Oldham.

New board members appointed in the quarter are published on our website.
New Great Places group board members are:

- Nicki Clegg, member of the customer committee
- Matthew Hemmings, member of audit and assurance committee
- Simran Soin, member of audit and assurance committee
- Keith Ward, member of audit and assurance committee



4. Corporate News

These stories illustrate some of our recent activities.

Great Places agrees new funding with three lenders worth £284m
Funding of £109m and £100m has been agreed with existing lenders Santander and NatWest Bank, respectively. New partner ABN AMRO has lent Great Places £75m. All three revolving credit facilities (RCFs) contain sustainability-linked performance measures which see a reduced interest rate in the event that Great Places meets agreed energy efficiency targets on new and existing homes.
Great Places will use the funds to continue to deliver its commitments to customers to invest in existing and new homes in communities across the North West, Yorkshire and Derbyshire.

£20 million scheme starts on Laystall Street, Manchester city centre
The new nine-storey residential development is part-funded by Homes England and Greater Manchester Combined Authority's Brownfield Housing Fund and will provide 89 one and two-bed apartments available for rent to buy and social rent.

iPads for primary school in Sheffield
Great Places provided Athelstan primary school in Richmond Park, Sheffield, with £4,000 as part of our Community Resilience Fund. It has been used to purchase ipads for pupils who do not have the same access to online learning platforms as their peers. Great Places' Community Resilience Fund is allocated across our regions, giving to organisations that provide social value. This is part of our Greater Together Foundation which is set to receive further funding from the sustainability-linked performance measures in the new loan facilities.

Feedback

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

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