Grand Union
Housing Group

Annual report and financial statements for the year ended 31 March 2024

Contents

The Board, Executive Officers and Advisors	**4**
Statement from the Chair	**6**
Statement from the Group Chief Executive	**8-9**
The year at a glance	**10-13**
Strategic Report	**14-55**
Board Report	**56-57**
Independent Auditor's Report	**58-61**
Consolidated Statement of Comprehensive Income	**62**
Association Statement of Comprehensive Income	**63**
Consolidated Statement of Financial Position	**64**
Association Statement of Financial Position	**65**
Consolidated Statement of Changes in Reserves	**66**
Association Statement of Changes in Reserves	**67**
Consolidated Statement of Cash Flows	**68**
Notes to the Financial Statements	**69-106**

Grand Union Housing Group Limited Registered office: K2, Timbold Drive, Kents Hill, Milton Keynes, Bucks MK7 6BZ Grand Union Housing Group Limited is a Charitable Community Benefit Society registered in England & Wales No. 7853, regulated by the Regulator of Social Housing No. 5060, and is a member of the National Housing Federation.

The Board, Executive Officers and Advisors

Chair

Steve Benson (appointed 1 April 2023 - resigned 14 April 2024) (deceased)

Emma Killick (appointed Vice Chair 1 September 2023 – 1 April 2024, appointed Interim Chair 1 April 2024 – 8 July 2024 and Chair from 9 July 2024)

Board members

Gillian Walton Senior Independent Director (Vice Chair from 28 October 2022 – 1 May 2023, resigned 9 September 2023)

John Edwards

Brent O'Halloran

Peter Fielder (appointed interim Chair 24 November 2022 – 1 April 2023, Vice Chair from 1 May 2023, resigned 7 September 2023)

Dave Willis (appointed Senior Independent Director 1 September 2023 and Vice Chair from 1 April 2024)

Craig Thornton

Kalwant Grewal (stepped down 20 October 2023)

Kevin Gould

Nannette Sakyi

Ashleigh Webber

Elaine Barnes (appointed 1 April 2024)

Brendan Whitworth (appointed 1 April 2024)

Company Secretary

Suzanne Maguire

Executive Officers

Aileen Evans, Group Chief Executive

Mona Shah, Executive Director of Finance & Business Services

Phil Hardy, Executive Director of Operations

Registered Office

K2
Timbold Drive
Kents Hill
Milton Keynes
Bucks
MK7 6BZ

Solicitors

EMW Law

Devonshires

Perrin Myddelton

Towers & Hamlins

Wright Hassall

Funders

Barclays Plc

Lloyds Plc

Nationwide

Santander Plc

Bankers

NatWest Bank plc

Auditors

Beever and Struthers (External)

KPMG (Internal)

Valuers

Savills plc

Berrys

Registered under the Co-operative and Community Benefit Societies Act 2014 No. 7853 and with the Regulator of Social Housing No. 5060

Welcome

Statement from the Chair

Back in September 2023, when I was appointed Vice Chair of Grand Union Housing Group, I wasn't expecting to be in a position of Interim Chair just seven months later – and in very sad circumstances.

The untimely death of our former Chair, Steve Benson, devastated everyone at Grand Union.

I will always be grateful that I had the opportunity to get to know Steve and work alongside him. The length of that time may have been short, but the positive impact Steve had on me will be a source of strength and inspiration which will stay with me always.

Grand Union benefitted immensely from Steve's involvement and the Board as individuals and as a group have grown under his leadership.

I have always been proud to be a Grand Union Board member and know well the fantastic work the organisation does and the direct impact it has on customers every day.

We remain in a housing crisis and despite external challenges such as rising materials costs and labour shortages, we continue to create homes for those that need them. And through our extraordinary colleagues who provide additional support services, we're achieving our vision of creating homely places where people can flourish.

There have been difficult decisions to be made though as we continue to face sector-wide challenges such as rising costs, rising customer expectations and our focus is, rightly, ensuring we collectively drive up standards and improve the quality of social housing and the services we deliver.

Despite this, we as a Board have collectively maintained our focus on trying to make a difference for our customers throughout the year.

I wanted to thank all Board and Committee members, both past and present, for their support in the last year in helping us to drive the organisation forward.

Emma Killick,
Chair

Welcome

Statement from the Group Chief Executive

As has been the case for the last few years, once again, this year has been challenging - for our customers, who have continued to struggle with the cost of living, for our colleagues who have had the same pressures and for Grand Union as we navigate increased pressure on our business.

Our context has remained difficult – increases in core operating costs, rising customer expectations and a changing regulatory environment has meant a year of significant change. Despite this, our unchanging focus remains on our customers and improving their experiences. This has seen us redouble our efforts to use our understanding of our customers from our segmentation work to tailor our interventions. There is much more work to do on this but we are beginning to see some really meaningful customer-led work to change what we do and the way we do it.

The past year has seen us navigate through an uncertain political environment, a cost-of-living crisis, and high inflation. Despite these hurdles, we have retained our G1/V1 status following an In-Depth Assessment, secured £60m in new funding, built over 260 new homes and invested nearly £21m on improvements to our existing homes.

Corporately, we have significantly changed our approach to risk management. This has helped to further embed risk in the organisation, aid decision making, and further develop our business continuity approach. Improving our data has been a key priority during the year, and thanks to our continued development of Power BI, we're using more real-time information in decision making.

For our customers, we have continued our proactive approach to damp and mould issues, by installing environmental sensors in a number of our homes. Alongside this, our partnership with Public Health has seen us work to understand how we can better support those living in our homes with asthma or other respiratory conditions, so that we ensure that we can prioritise and enhance our service offer. Elsewhere, our gas servicing contract with Aaron Services has ensured an improvement in our service offer for our customers. Once again, our Financial Wellbeing team has made significant impacts, securing £3.4m in benefits for customers facing hardship.

I'm so proud of what we achieved in the last year as we continue to work towards being a more efficient and customer-focussed business. Our colleagues and Board and Committee members have, once again, risen to the challenges we've set them, and I want to thank them all for their resilience, compassion, skill, and dedication in delivering for our customers and each other this year.

Looking ahead, we're excited to launch our new corporate plan, Good to be home. This plan is the culmination of a year of consultation where we've listened to our stakeholders, colleagues and our customers. From this, and specifically from the feedback we got from customers, we know that home is much more than a roof over someone's head; it's a feeling of security, connectedness and comfort. That's why the plan is tightly focussed around helping our customers feel good to be home. As a result, a key priority in the coming years will be continued investment in our repairs service.

Finally, I want to recognise the valuable contribution made by our late Chair, Steve Benson, who died on 14 April 2024 having lived with cancer for the last year. During his short time in the role he made a huge impact on us and we are devastated at his premature death.

In the last year he didn't miss a beat and continued to work hard to guide Grand Union through some challenging times. Steve always considered other people and the way he put others first whilst battling such a terrible illness was inspirational.

We are all immensely grateful for his time, effort, and energy. Grand Union is better for him being part of us.

Our grateful thanks go to Vice-Chair, Emma Killick, who has stepped in as Interim Chair to lead the Board to ensure continuity and confidence.

Aileen Evans,
Group Chief Executive

The year at a glance

Who we are

We've been in business for 30 years and provide over 13,000 homes for more than 29,000 people across Bedfordshire, Buckinghamshire, Northamptonshire and Hertfordshire. We're a £95 million turnover social housing business with nearly 400 staff.

We create homes for those that need them, provide personal support, and help people to learn, work and be healthy.

We're a financially stable and innovative not-for-profit organisation that believes in partnership and collaboration. We plan to build 900 more new homes over the next three years to play our part in ending the housing crisis.

Key progress against our Further together commitments:

For today and tomorrow

£95m
Turnover

£829m
Total assets

£0.47m
Value for Money savings

£60m
new flexible funding secured

A new **£120m** medium term facility to refinance existing facilities totalling £100m.

In 2023/24 we built 264 new homes

157
for rent (including social rent and affordable rent)

107
shared ownership homes

G1/V1

Confirmed Governance and Financial Viability Standard in July 2023 by the Regulator of Social Housing

A3 (Stable)

Confirmed Moody's credit rating during the year

For our customers

29,831 repairs were carried out, averaging 2.6 per property. **537** voids were also completed. We spent **£42.4m** on home improvements and repairs which included:

586
homes with new windows and doors

166
new kitchens

167
new bathrooms/ wet rooms

475
new boilers installed

179
new/upgraded central heating systems

398
homes received high level works and upgrades

82
homes received new roofs

24
homes were fitted with highly efficient air source heat pumps

80
properties have had solar panels installed

2,052
electrical testing jobs

Year-end compliance levels:

100%
Fire risk assessments

100%
Legionella risk assessments

100%
Asbestos communal re-inspections

98.34%
Asbestos domestic surveys

99.96%
Gas servicing

98.18%
Electrical testing (within five years)

631
Energy performance (EPC) surveys undertaken in the year

104
Homes benefitted from new, higher performing insulation

£3.4m additional benefits secured for our customers through our debt and benefit advice teams, this includes:

£1.11m of assistance with rent such as Housing Benefit, Discretionary Housing payments or the housing costs element of Universal Credit.

£1.14m in disability payments which provide extra money for customers with long-term health problems or disabilities.

124,364 phone calls, web chats and emails answered by our Customer Contact team

We received **6,605** customer responses through Rant & Rave

Rent arrears were just **2.41%** (net of benefit arrears) of the total **£82.3m** annual rent due

570 active customers on Voice, our customer feedback platform. During the year, members took part in:

- **16** surveys with 22% average response rate
- **17** polls
- **8** forums

142 domestic abuse referrals made for customers

372 safeguarding referrals made for customers

63,546 wellbeing checks completed by colleagues

667 personal alarm systems installed

For each other

-1.56% gender pay gap (-1.53% in 2023). This means that on average women are paid 1.56% more than men at Grand Union

-3.48% median pay gap in favour of women

2.57% ethnicity pay gap in favour of white colleagues – reduced from 3.84% in 2023

-1.33% median ethnicity pay gap in favour of People of the Global Majority (PGM) colleagues

25.4% of new recruits from PGM backgrounds

14.8% ethnic diversity, up from 13.7% in 2023

We have **399** members of staff

65 have been here for more than 15 years

K2 Academy

33 courses run

274 course delegates received training

6 Leadership Elevator programmes run

50 programme delegates trained

2,574 training hours delivered

4.5/5 post-learning recommendation score

76 CIH memberships

14 certified practitioners

29 CIH qualified colleagues with three more currently studying

For our partners

£3.3 million secured in grant funding for YMCA MK, which will be used to provide 38 one and two bedroom apartments

£5.6 million in grant funding secured for First Garden Cities Homes for a 100% affordable development of 57 new homes in Letchworth

5 key Local Authority stakeholders interviewed for input on creation of new corporate plan

600 customers through the door at our Healthy Neighbourhoods Hub, delivering health interventions as part of our partnership with local public health teams

7 colleagues from Aaron services, our heating contractor, regularly working alongside our team in our K2 office. This has helped significantly improve the effectiveness of gas servicing and repairs provided to our customers.

58 shared ownership homes sold for Habitare Homes across two sites in Milton Keynes

Strategic Report

The Board presents its Strategic and Board reports on the affairs of Grand Union Housing Group Limited (the "Group") together with the financial statements and auditor's report for the year ended 31 March 2024.

The Group is comprised of

Grand Union Housing Group Limited
Registered

- **Grand Union Homes Limited** – Not registered
- **Grand Union Group Funding PLC** – Not registered
- **GUHG Development Company Limited** – Not registered

Our strategic commitments for now and the future

We entered the final year of our corporate plan, **Further together**, in 2023/24. The plan set out Grand Union's aspirations and goals.

At its heart is the theme of trust – Further together is aimed at deserving and retaining the trust of our customers, our colleagues and our wider stakeholders.

To build this trust, we based Further together on four clear commitments:

For today and tomorrow

We take our responsibilities seriously and our goal is to be a financially strong organisation, delivering on our social purpose and our environmental responsibilities. We build great homes where people can live great lives, and we use our influence for the benefit of our communities.

For our customers

We serve our customers and their communities fairly and with integrity. Our goal is for customers to trust us to provide advice and support when they need it. We want them to know we're on their side.

For each other

We support our people in their service. Our goal is that people choose to come to Grand Union because they know they'll get the support they need to fulfil their potential and we're in it together.

For our partners

We're an honest and constructive partner. Our goal is for different organisations to choose to work with us because they trust us to share our expertise and help them to get things right.

We know that we have the power to change things for good. That's why we build more homes, stronger communities, better lives.

During the year we began working on our new corporate plan. To prepare for it, we listened. We listened to what customers say, to how colleagues feel and to what Board members and external partners think. The result is a three-year plan, which we've called Good to be home, that's tightly focused on our core purpose of creating homes for those that need them. It's driven by the priorities of the communities we serve, and the values we believe in.

Launched in May 2024, the new plan continues our journey together as we look to build homely places where people can flourish.

Our 2024/25 annual report and financial statements will report against the objectives and priorities set out in Good to be home.

Grand Union Housing Group delivery map

We are based in the heart of the long-term growth area covering Milton Keynes, Bedfordshire and Northamptonshire. Here we have made a long-term commitment to building new affordable homes, within our operating area, that enables us to deliver efficient services and support our customers both now and in the future, as shown in the map below.

Financial Resilience

As we continue in a difficult economic environment with ongoing uncertainty, planning for the next three years remains a challenge and it's clear that we'll need to further develop the insight we have on our customers to ensure we are supporting them, and to closely monitor emerging risks through active risk management. In order to maintain our organisational performance and financial strength, we have modelled scenarios derived from our risk register focusing on the combined economic impacts of inflationary increases, materials shortages, property market decline and the cost-of-living crisis.

The stress testing undertaken on the business plan has demonstrated that our plan is robust enough to withstand these additional pressures; these scenarios will be under continuous review. Through our Financial Wellbeing team, we continue to support our customers through assistance with disability and benefits claims.

We operate in an area of planned economic growth, and we have a responsibility to help ensure that everyone in our communities benefits from the opportunities that brings. That means playing our part in tackling the housing crisis by building new homes at scale and at pace and making as many as possible, either through affordable home ownership or rental properties let at genuinely affordable rents. It also means providing additional services to customers who need a little extra help to achieve their aspirations through youth engagement and activities, health and wellbeing initiatives and benefits and money advice, and it also means supporting the people who work for Grand Union.

Our values

Our values guide everything that we do.

Driven

We're driven to do more.

We empower staff to achieve more and help us evolve into a more **efficient**, **flexible** and **ambitious** organisation that has a positive impact on our customers and communities.

Together

We're in it together.

Our **can-do attitude** and **collaborative approach** help us achieve our goals and provide what our customers, colleagues and partners need from us.

Deliver

We deliver on our promises.

We're committed to making a difference to people's lives and by acting with **integrity**, being **open-minded** and **taking ownership**, we can be trusted to do what we say we will.

Strategy update

Further together, is split into four key strategic commitments:

1

For today and tomorrow

We take our responsibilities seriously

2

For our customers

We serve our customers and their communities fairly and with integrity

3

For each other

We support our people in their service

4

For our partners

We're an honest and constructive partner

1 For today and tomorrow

Financial and operational performance analysis

We are financially strong, and any surplus made is reinvested in what we do, delivering more homes and support services for our customers.

Assets	£'000
Housing properties	768,032
Other fixed assets	1,146
Investment properties	31,796
Intangible assets	65
Current assets	29,188
Total	**830,227**

Financed by	£'000
Debt	401,518
Pension liability	501
Reserves brought forward	372,998
Creditors (excluding debt)	47,975
Surplus for the year	7,235
Total	**830,227**

Group financial performance three-year summary	2024 £'000	2023 £'000	2022 £'000
Total turnover	95,271	91,535	85,858
Cost of sales	8,798	14,010	12,031
Operating costs	64,213	53,999	50,994
Surplus on disposal of property, plant and equipment	1,043	3,299	2,397
Operating surplus/(deficit)	23,303	26,825	25,230
Comprehensive income for the year	7,235	28,565	9,109
Fixed assets	801,039	733,729	703,840
Net current assets	8,919	13,813	21,479
Creditors – more than one year	429,224	373,691	365,191
Revenue reserve	203,099	189,236	160,368

Financial Viability

The Board governs the affairs of the Group, which is regulated by the Regulator of Social Housing (RSH). Following an In-Depth Assessment in July 2023, the Group retained its highest-level ratings from the RSH for both Governance and Financial Viability (G1/V1). The Group's credit rating was changed to A3 (Stable) by Moody's during the year, this change being driven by the Group's strong performance.

Governance

There has been significant change in the composition of the Board during the year 2023/24. Steve Benson was appointed as Chair on 1 April 2023. Peter Fielder and Gillian Walton came to the end of their tenure on the Board in September 2023. They were succeeded as Vice Chair and Senior Independent Director by Emma Killick and Dave Willis respectively. Dave Willis also replaced Gillian as chair of the Governance & Remuneration Committee.

Kalwant Grewal stepped down on 20 October 2023 and Steve Benson resigned as Chair on 14 April 2024, with Emma Killick appointed to Interim Chair on 1 April 2024.

Elaine Barnes and Brendan Whitworth were both appointed as Board members on 1 April 2024. Brendan also joined the boards of Grand Union Homes Limited and GUHG Development Company Limited and will be appointed to Grand Union Group Funding plc at its AGM on 9 July.

Grand Union is fully compliant with the NHF 2020 Code of Governance and the Governance and Financial Viability Standard from the Regulatory Framework for the year 2023/24. In July 2023 the Regulator of Social Housing confirmed a G1/V1 rating once again, but there were some areas identified that can be strengthened further which form part of our ongoing improvement plans.

Environmentally responsible
(as a business and a landlord)

Our Streamlined Energy and Carbon Reporting (SECR) has been enhanced and is now aligned to the Greenhouse Gas Protocol including scope 3 emissions. In addition to this, scope 1 and 2 emissions reporting have been reviewed.

Our baseline year will now be 2022/23. The results show that scope 3 Capital Goods, Downstream Leased Assets and Purchased Goods and Services are our largest carbon emissions. For our scope 2 emissions, we have Renewable Energy Guarantees of Origin (REGO) certificates to demonstrate that we have sourced our own energy from our office sites and landlord supply from renewable sources. Scope 1 emissions reflect the need to decarbonise our fleet. Our full baseline now enables us to utilise this data to develop a pathway to net zero.

We have continued to undertake energy performance certificate (EPC) ratings, delivering 631 surveys this year. These help to plan and scope our retrofit programme. This will see all properties achieve Band C by 2030.

Following the successful award of Social Housing Decarbonisation Funding (SHDF) we have conducted 279 retrofit assessments.

During the year we progressed our disposals strategy. This sets out our plans over the coming 30 years to replace poor performing homes on a 1:1 basis with new, energy efficient homes. We have identified 2,000 homes that we will look to replace as they become available.

A climate change adaptation report has been completed which looked at flood risk, overheating and water vulnerability of properties. We will be looking to embed these findings into the business and develop a climate adaptation action plan.

One hundred colleagues have been trained in carbon literacy. Following the positive feedback received this will be rolled out to all colleagues over the next two years. Further sustainability awareness and engagement with our colleagues has included a quiz for Environment Day, the launch of textiles recycling collections and the increase in recycling collections at our office. We continue to also raise awareness with our customers with regular communications about wider sustainability issues. We have developed a Sustainability Communications Plan which includes the findings of customer research which explored the language that we should use around sustainability and retrofit when we are communicating with our customers.

SECR reporting – energy and carbon

In previous years, we primarily reported on our Scope 1 and 2 emissions. This year, in line with the Greenhouse Gas Protocol, we have calculated our Scope 3 emissions too and we will use the results from 2022/23 as our baseline.

Scope 1:

- Gas used in company buildings
- Fuel from fleet and equipment

Scope 2:

- Electricity / renewable power used in our buildings

Scope 3:

- Purchased goods and services
- Embodied carbon in construction
- Fuel and energy related activities
- Waste
- Business travel and colleague commuting
- Colleagues working from home
- Housing stock
- Energy use from leased buildings

Emission Category (Tonnes CO2e)	**2022/23** (Baseline)	**2023/24**
Scope 1	1,576	1,499
Scope 2 *	0	0
Scope 3 **	65,625	65,230
Total emissions	67,201	66,819
Intensity metric/ tco2e per property managed	-1%	-2%

Using market-based emission factors our scope 2 emissions are reported as 0 reflecting the sourcing of renewable energy. We have saved 874.3 tonnes CO2e tonnes of carbon by sourcing renewable energy in 2023/24.

* Due to incomplete data for electricity and gas consumption in the 2023-24 reporting year, estimations have been employed. 7% of total gas consumption and 30% of total electricity consumption was estimated. These estimated figures account for approximately less than 1% of the total carbon emissions. It is therefore concluded that the actual figures are adequately represented by these estimates in the overall carbon footprint assessment.

** Due to incomplete data about emissions for downstream leased assets, 13% of total emissions have been estimated.

Building more new homes

Once again, we've played our part in building more much needed affordable homes, with 43% of those completed during the year being for affordable rent. Alongside this, a further 16% were for social rent.

Interest in shared ownership homes remains strong. We generated over £11.1m from selling 105 properties and customers continue to reserve homes off plan across our operational area.

During the year, our flagship extra care scheme, Chamomile Gardens, was nominated for a national building award.

The 93-apartment scheme for over 55s was shortlisted at the Local Authority Building Control (LABC) Building Excellence Awards in the category of Best Large Social Housing Development, having already won the regional award for the Central region.

Success story

Jackie, 57, was living in a council flat in a lovely Bedfordshire village, but antisocial behaviour from her neighbours was causing her a great deal of stress.

“I’m back to the old Jackie”

“I’d had my right leg amputated below the knee, after an operation went wrong, then I had a heart attack, so I was desperate for somewhere where I could live in peace.

“Someone at Central Bedfordshire Council asked if I’d heard of Independent Living. They knew of two places that might be suitable; one in Houghton Regis and here, Chamomile Gardens in Biggleswade, a scheme for people over the age of 55.

“I moved in and straight away I knew this was my forever home. It was meant to be. I haven’t felt so good in years.

“Here, everyone’s lovely; we all get on and my social life is great! I don’t feel like I’ve shut up since I got here!

“Every Wednesday afternoon, about 30 to 40 of us get together for a cuppa in the TV area, and bring biscuits or cake.

“Some Saturday evenings, we gather in the cinema room for drinks, nibbles and pizza. Last time the room was full, so we had to de-camp elsewhere.

“We’ve also had impromptu card nights and, the other week, when we went to the pub for dinner, there were 29 of us.

Jackie’s lovingly decorated one-bedroomed apartment has a balcony overlooking the main gardens, and is one of 93 apartments at the Biggleswade Extra Care scheme, which offers independent living with tailored care and support. The scheme has been beautifully furnished with spacious communal areas, and outside there are landscaped gardens for the residents to enjoy.

“Since I’ve been here, my family and friends have all said that I’m back to ‘the old Jackie’.

“It’s definitely a weight off my mum’s mind. She knows if anything happens, there are people here to help me.

“I’m in a good place. I’m really happy, and it’s all thanks to Grand Union.”

Using our voice for good

We recognise that we have a duty to highlight what is important to us and promote the things we stand for.

During the year we took part in 15 consultations and All-Party Parliamentary Group calls for evidence, including the second round of the Government's Decent Homes Standard, consumer regulations and The Housing Ombudsman Service Complaints Handling Code. We also invited customers to provide feedback on the new standards for social housing and then on Awaab's Law in two national consultations. In May 2023 we promoted a scam awareness campaign to our customers which was run by Citizens Advice. We then promoted Plastic Free July, which is a global movement to try and solve global plastic pollution.

We take domestic abuse very seriously and back two national awareness campaigns. The first, in November 2023, was 16 Days of Action, an international campaign to challenge domestic abuse. Then in March 2024 we once again took part in No More Week, a national campaign dedicated to ending domestic abuse and sexual assault.

Throughout the year, our Group Chief Executive, Aileen Evans, has also used her platform as former President of the CIH to highlight and discuss key issues including high housing costs for essential workers, mental health awareness and the lack of affordable homes in the UK. This included backing the National Housing Federation's calls for a long-term plan for housing.

2 For our customers

Giving our customers a voice

The Social Housing Regulation Act received Royal Assent in July 2023. The Act forms a new era of regulation for the social housing sector, aiming to give customers greater powers and improve access to quick and fair solutions to problems. We have continued to work hard to ensure that this is at the core of the work we do.

Our Customer Influence Framework details our strategic approach to bringing the customer voice into the organisation and covers feedback, complaints and engagement.

The framework, which was informed by extensive research, enables our customers to influence our services and really hold us to account.

Through Voice, our fully anonymous customer feedback platform, customers can scrutinise policies and procedures, give feedback on a range of services and they have shaped our new corporate plan by telling us what home means to them.

As of 31 March 2024, we had 570 active users and the membership is representative across our customers. As a result, the feedback we receive provides an accurate representation of our customers' views.

The feedback received on Voice has been essential for us in designing a Damp, Mould and Condensation Policy that is inclusive for all customers, meeting their individual needs and ensuring that it is accessible to all. This feedback has changed the style of all future policies.

During the year we also collected and published our first Tenant Satisfaction Measures data, setting up a dedicated space for the results on our website and in our Customer Annual Report. This survey was delivered through Voice, emails to those not using the platform and some telephone interviews. We have designed a methodology that reflects the needs of our customers, and ensures we get a broad and inclusive response. We know from previous work with customers that we reach a more representative group if we offer digital channel collection.

Shaping the business around the customer experience

Our customers, stakeholders and our organisation are facing significant challenges, and it is more important than ever that we are able to effectively respond to our customers' needs. We recognise that designing our services around our customers is vital - not only to ensure we are meeting our customers' needs but also because we know it drives value, as each unnecessary touchpoint costs money, time and effort.

Thanks to customer feedback and our comprehensive customer segmentation, we know that managing the delivery of our repairs service is a priority for both our customers and the business. We have implemented new technology that enables our expert trades team to book their own materials and follow-on appointments whilst with the customer, owning the experience. Our system enhancements also include an automated message to let customers know we are on the way.

We reviewed our payment support process and are now able to provide bespoke messages and channel delivery, all informed and in consideration of our segmentation and based around our customers' needs. We know that we have a number of customers who struggle to maintain their home, so we have changed our empty homes standard to give customers the best start when moving in. In addition, we can see that the customers most likely to be experiencing difficulties are also likely to have potential protected characteristics which we need to consider. This research has enabled us to evidence the need and difficulties or challenges faced by our customers.

During the year we ran a cost-of-living survey with customers which highlighted the impact of poverty on them as well as the reality of escalating costs. We can see that customers do prioritise their rent, so where they are experiencing difficulty paying us, it is likely they are in debt with others too. We used this information to consider our processes across our Payment Support and Financial Wellbeing teams. It has also informed a merging of two teams – Customer Support and Wellbeing & Support – to enable a consistent support for those most in need.

We receive regular feedback from partners and stakeholders in relation to the work that our Youth team carries out in the communities. This has always been found to be positive and encouraging. In addition to this, we hold regular meetings with our partners working in our refuges and have excellent working relationships with these agencies.

National recognition for segmentation work

In October 2023 we celebrated as our customer segmentation work picked up the winners' trophies in two categories at the Collaboration Network Awards.

The first, the Re-Invention Award, is given to the organisation or individual who has recognised the need for change and has re-invented or innovated to alter business practice to deliver better outcomes for customers or colleagues, or to better meet regulatory requirements.

The second award was the Vulnerability Award. This recognises the organisation that has the best initiative to support customers and/or colleagues with additional needs or vulnerabilities.

As well as these wins, the segmentation work was also shortlisted as a finalist in the Innovator of the Year category at the Affordable Housing Awards.

Our existing homes

The condition of our homes is continually reviewed, with the results determining a long-term repair and component replacement programme.

Key highlights of 2023/24 spend and works:

Component	Cost		Total no.
Central heating	**£3,181,515**	Boiler changes – full systems and upgrades	**475**
Air source heat pumps	**Included in heating**	Full systems	**24**
Roofing	**£2,828,423**	High level works inc. upgrades	**398**
		Number of homes that received new roofs	**82**
Electrical testing and upgrades	**£283,930**	Electrical testing jobs in total	**2,052**
Kitchens	**£1,319,346**	Kitchens	**166**
Bathrooms	**£1,322,025**	Bathrooms and wet rooms	**167**
Windows and doors	**£2,255,855**	Windows and doors jobs	**586**
External works	**£77,164**	Programmed works	**16**

Keeping homes safe

At Grand Union, we have a responsibility to keep more than 29,000 customers safe in their homes.

A key part of this responsibility is the successful management of our health and safety activities.

We deliver a comprehensive property compliance programme comprising the following areas:

- **Fire safety**
- **Legionella management**
- **Asbestos management**
- **Gas safety**
- **Electrical safety**
- **Lift management**

Transparency around our health and safety performance is important for us. That is why we display live compliance figures for each of these areas on our website so that customers and partners can see how we are doing.

Each year, areas of our property compliance activities are subject to independent audit and in 2023/24 gas servicing, including contract management, was completed.

The wellbeing of our colleagues and customers is overseen by the Health & Safety Group, which meets four times a year, with reports going from this group to the Customer Experience Committee. We also report to the Board annually, through the Customer Experience Committee, on all health and safety related activities; the compliance areas are also subject to an independent annual audit.

Support where it's needed

Our customers turn to us when they need support, and we make sure they get the advice or practical support they need.

The challenging economic environment had an impact on many of our customers, which is why we've continued to invest in their financial wellbeing.

It was another successful year for our Financial Wellbeing team who continue to provide customers with welfare benefit and debt advice.

Component	2023/24	2022/23
Welfare Benefits referrals	1,171	1,160
Debt advice referrals	110	162
Benefits gains for customers	£3.4m	£3.2m

We launched our Customer Support Fund mid-way through this year, with £123k spent by year end. This fund co-ordinates assistance for customers in food and/or fuel poverty whilst ensuring they are receiving other appropriate support. The fund also helps customers who cannot afford furnishings, white goods or flooring, as well as clearing rent arrears for vulnerable customers needing to move or who would otherwise face eviction.

An additional £4.8k was awarded in discretionary help for those working with our Financial Wellbeing team from our Financial Wellbeing Support Fund. This was mainly to meet food and/or fuel poverty need.

Stronger, healthier communities

Social housing plays a key role in tackling health inequalities and supporting the work to improve our customers' overall health and fitness. We have a unique opportunity to engage with customers and the advantage of having a good presence within our neighbourhoods.

There is continued partnership work with Public Health to proactively tackle health inequalities through the partnership to improve access to, and engagement with, public health services as well as running health check-ins which have had high levels of engagement within our neighbourhoods. These are coordinated jointly between Grand Union's Health & Housing Co-ordinator and Public Health partners. In addition to this, we have started work on establishing target groups for our Damp and Mould Project along with our Property Services colleagues. We will endeavour, with data provided by Public Health, to focus our efforts in geographical areas of high deprivation, poor health and high concentration of respiratory conditions.

In light of the challenging operating environment we are working in, and in alignment with our focus on health and housing, we decided to discontinue part of our wellbeing service with the removal of the Wellbeing Co-ordinator role, and are proposing to stop our gardening projects on schemes. Nevertheless, we will continue to offer our activity days at our Extra Care schemes, which are funded by Central Bedfordshire Council and are generally well attended.

Success story

“I can’t believe how far I’ve come.”

Carl, 39, is one of our customers who’s in need of some extra support from our Partnerships team.

Carl had been living with his mum, but as she was getting older, it was decided that it would be a good idea for him to live more independently. In 2019, he moved into his own one-bedroom flat in Bedfordshire.

For a year or two Carl was struggling to maintain his flat and was resisting keeping his support times. He was issued with warnings and it looked as though alternative accommodation may be needed for him.

Instead, he was issued with something called a behavioural contract in 2021 by Sheena, one of Grand Union’s Partnerships Coordinators. They work with customers with learning difficulties and/or autism.

This contract meant Sheena would be visiting Carl more often and carrying out health and safety checks each time. In Carl’s own words, it was “the kick up the backside I needed.”

He continued: “When I moved in, I wasn’t a tidy person and I had a lot of problems. I wouldn’t listen to anyone, not even my family.

“At first, I was disappointed that I’d been issued with the contract, but then I listened to Sheena and my support workers and accepted it.

“I suffer with anxiety and depression and have really struggled over the years. I take medication to help, and all the care staff remind me that they’re here if I need help or advice.

“I was unhappy at my mum’s; I couldn’t be me. I love my flat because it gives me the freedom to be who I want to be.

“When I look back at the way I used to be, to how I am now, I can’t believe how far I’ve come.”

Domestic abuse and safeguarding

We are committed to do all we can to tackle domestic abuse and support those in need so they can rebuild their lives.

During the year, our Domestic Abuse & Safeguarding team supported 142 customers with domestic abuse varying from helping them to be safer in their home, to moving across the country or into a refuge. There were also 372 safeguarding referrals made for customers and domestic abuse support provided for four colleagues.

As part of our ongoing work towards Domestic Abuse Housing Alliance (DAHA) accreditation, we continue to deliver mandatory training to all colleagues. The training helps to enhance colleague understanding of domestic abuse and Grand Union's approach.

Four colleagues from across the business received more in-depth training and became Domestic Abuse Responders. Their role is to provide support and guidance to colleagues.

3 For each other

A sense of belonging

We continue our work to ensure Grand Union is an employer of choice, attracting diverse colleagues who embrace our values and want to grow, achieve their full potential and stay within the organisation. We want everyone to feel like they belong and believe that we should be representative of the customers and communities that we serve. Our Belonging Strategy continues to ensure that we make a positive impact. This includes taking action to increase the diversity of applicants when recruiting and using the National Housing Federation (NHF) data tool to ensure that we are representative.

We know that diversity makes us stronger and have been working hard to ensure that our workforce is representative of the communities we serve. Using the NHF data tool, we have been able to confirm that our People of Global Majority (PGM) representation is currently higher than in our communities, and we are now representative when it comes to LGBTQ+ colleagues. We're pleased with our efforts as the Belonging Group, but understand there's still more to do, especially around supporting those with conditions or disabilities. We also need to increase the number of younger people we are recruiting. We will continue to work hard to ensure that there is equality and diversity representation across all levels of the organisation including the Board.

We've continued to celebrate religious festivals throughout the year. By providing authentic food and decorations in the office, and blogs and posts on our intranet, we've helped each other learn more about colleagues' religions and faiths. From an idea raised by a colleague, we have introduced religious holiday swaps for those non-Christians who would rather take time off for important festivals than standard bank holidays.

Colleagues have created a sub-group from the Belonging Group for those from PGM backgrounds. This group is called SOUL and has been set up to provide mutual support and also to help guide the Belonging Group on issues they face, and what can be done to improve life at work for them.

We used our colleague Voice platform to obtain feedback on what we had achieved as a diversity group and what colleagues wanted to see in terms of focus and targets for our new corporate plan. 89% were either satisfied or neutral (11% were dissatisfied) that the Belonging Group has raised awareness of diversity and inclusion at Grand Union. Age and disabilities came out as areas that colleagues would like to hear more about.

Following the feedback that 46% of colleagues had a condition that affected them on a daily basis, we are introducing a colleague wellbeing passport which is designed to ensure that they are getting the support they need to thrive at work. The passport will also deal with our responsibilities under health surveillance.

Grand Union fully complies with its obligations on gender pay gap reporting and will be publishing an ethnicity pay gap report for the fourth time in 2024. Both of these can be found on our website.

Staff Engagement Statement

We believe that for many roles, work is what you do, not where you do it. That's why we offer agile working where possible. This means that many previously office-based colleagues now spend at least 80% of their time working from home.

While this level of flexibility has been well received by colleagues, it has meant that we've adapted our communications to ensure everyone is kept up-to-date with key information and has access to it wherever they work.

Staying in touch

Whilst we have used multiple different channels and delivery methods, GUS – our intranet – remains the main source for all information for Grand Union colleagues.

During the year we've seen great levels of engagement on GUS, with an average of 92.8% of colleagues using the intranet each month.

We kept colleagues up-to-date by posting just over 441 news, features and information articles, which collectively were viewed over 80,795 times.

The Executive team continues to provide colleagues with regular business updates in a variety of ways.

We continue to hold quarterly briefings where a member of the Executive team has given business updates. These are held in our office and simultaneously live streamed so that colleagues can watch online. We also record these sessions so colleagues can watch if they were unable to be present on the day. This has proven popular, and we continue to see high levels of engagement at each briefing, both in person and via Teams.

Listening to colleagues

We have an anonymous colleague feedback platform, called Voice, which allows colleagues to share their opinions and make Grand Union better for both them and our customers.

More than half of colleagues have signed up so far.

Voice has been used to get feedback for our new corporate plan – Good to be home, as well as a survey on Belonging and what colleagues want to see in our People Strategy around diversity.

Looking ahead, we plan on seeking colleague views on other key policies and strategies and will use Voice to do this.

We found that some colleagues were not comfortable giving feedback, choosing not to sign up to Voice despite it being completely anonymous. This was also a theme during some of the Investors in People interviews. As a result, we asked colleagues to complete a survey around trust. We are currently working on the outputs from this survey and will use these to improve levels of trust with our colleagues.

Publicising our performance

We believe it's important that customers know how the business is doing, which is why we publish performance updates on our intranet.

We produce a "year at a glance" summary animation based on our annual report and financial statements. This was published on our intranet, while both printed and digital copies of the full document were also made available for colleagues.

We provided a final update on our progress against the targets set out in our 2020/23 corporate plan, Further together. To help with transparency and to allow colleagues to easily see how we are performing, we have ensured that all objectives in our new corporate plan, Good to be home, have relevant KPIs.

We also publish live dashboards where colleagues can see live data and key performance indicators.

Coming together

We understand the benefits agile working can bring, but we also know how important it is for colleagues to connect in person. That's why, where we can, we've looked to get together regularly throughout the year.

Alongside the quarterly briefings, we have looked to hold other events and celebrations in our office to get people together to socialise and connect.

As part of our work on our Belonging strategy, we celebrated diversity during the year. In June we decorated the office to celebrate Pride month and offered colleagues pin badges to show their support for the LGBTQ+ community. We also ran a "wear it with pride" week, where colleagues wore colours from the Pride flag to show their support for the event.

To help us mark Black History Month, we enjoyed some fantastic food and music from African and Caribbean cultures in our office. This was organised by colleagues from our Belonging Group.

To celebrate World Food Day in October, colleagues got together to help break a Guinness World Record.

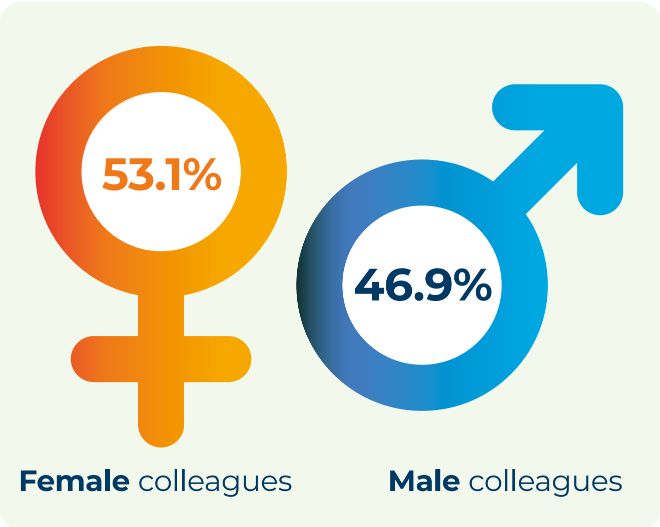
The Milton Keynes Food Bank asked local businesses and organisations if they could help form a 10km line of food cans around Campbell Park in Milton Keynes, to break the previous world record of 3.28km set in Canada in 2014. The line was made up of 102,447 cans, that's around half of the food bank's yearly requirements.

Grand Union colleagues collected over 350 cans of food at our office in Milton Keynes and a group of them then took part in the successful record-breaking effort by setting up the line.

In December we celebrated Christmas in our office with a festive buffet. This was really well attended and saw a Grand Union Christmas choir formed who entertained colleagues during the event.

Overview of our equality and diversity monitoring 2023

Gender



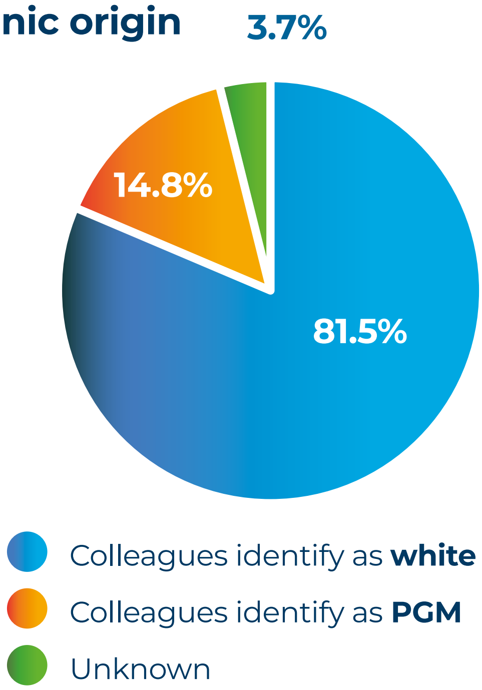
Grand Union's female to male ratio is over **3.4%** higher than the population in the areas in which we operate.

63.6% of our Executive and Leadership team is female

30.0% of our Board is female

We will actively attempt to attract more females onto our Boards in upcoming recruitment.

Ethnic origin



This compares to the population data which reports **8.1%** of those in our operational area are from PGM groups. This suggests that the workforce is fairly representative based on this data.

During the year we continued to take positive action to improve the mix of candidates we sourced and improve the numbers of colleagues recruited with PGM backgrounds. This increased the representation of those recruited with PGM backgrounds to **25.4%** during the year. We are continuing to focus energy on improving this further.

Age

We are increasing the number of apprentices by eight this coming year and this will have a positive impact on the 16-24 age group.

The workforce is also under-represented in the over 65 group, but that is to be expected as most colleagues will have retired by 65. The Board is over-represented from 45 years and above when compared to the population.

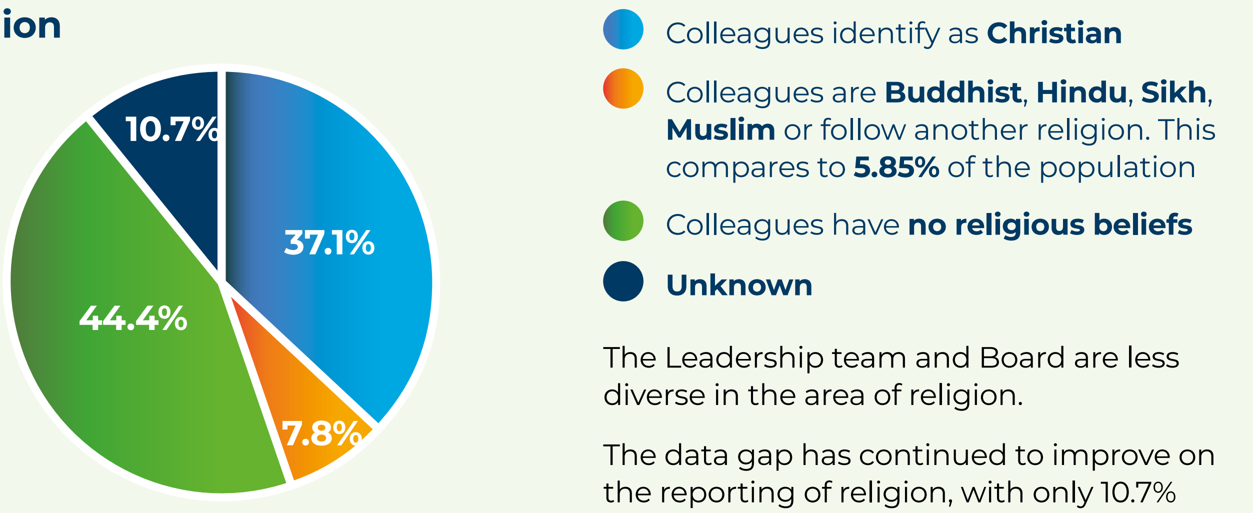
Sexual orientation

- **1.5%** categorised themselves as gay or lesbian. This compares to 1.16% of the population.
- **1.3%** categorised themselves as bisexual. This compares to 1.06% of the population.
- **11%** categorised their sexual orientation as 'unknown' or 'prefer not to say'

No members of the Board or Leadership team have categorised themselves as gay, lesbian or bisexual.

Our representation has improved in this area over the last year.

Religion



The Leadership team and Board are less diverse in the area of religion.

The data gap has continued to improve on the reporting of religion, with only 10.7% unknown.

Disability

3% of the workforce categorise themselves as disabled compared to:

- **0%** of the Leadership team
- **10%** of Board (one member)

This compares to **6.6%** of the population stating they have a disability/long-term physical or mental health condition and **22.6%** of the population saying their day-to-day activities are limited a little, limited a lot or they have a long term physical or mental health condition but day-to-day activities are not limited.

In our colleague segmentation survey, **46%** of colleagues reported having at least one health condition that impacts them on a daily basis. We are creating a wellbeing passport to ensure that all these colleagues are being offered the support they need.

Providing additional support

During the year, the cost-of-living crisis has had an impact on both our colleagues and the cost of doing business. We understand how challenging it's been, which is why we tried to support colleagues in a number of different ways. Our pay pots for the last two years have been 5% and 4.5% respectively, providing some of the highest increases that colleagues have had for many years.

With energy bills rising and colleagues working from home more, we once again paid a £26 per month working from home allowance during the autumn and winter months. We chose to make the closure between Christmas and New Year a permanent benefit, giving colleagues the full week off each year. This has been received really well.

Promoting positive mental health is in our DNA and we continued to do this throughout the year. We piloted reflective supervision for colleagues who deal with our most difficult customer cases. This successful pilot has resulted in making this a permanent feature. Our Mental Health Champions have continued to provide support and guidance to colleagues where needed.

Engaging with colleagues

We know how important it is to properly engage with our colleagues. Throughout the year we've looked to do this in a number of ways.

We have launched a review of our culture; this will include insight from external consultants to help us define the culture we want at Grand Union. This will pick up some of the issues around trust identified in our segmentation survey amongst other things. Forty colleagues were interviewed for this work and we are looking to do workshops with groups of colleagues in the coming months.

We have started to have regular joint meetings between the Executive, Directors, Heads of Service and Managers. Although this is a large group to get together, it was felt important to ensure that communication with managers is improved. The first meeting was held off site and formed part of the consultation for our new corporate plan – Good to be home.

We took the opportunity to review the terms of reference for our colleague consultation group – Colleague Action Team (CAT). They have been engaged on the culture project timelines, reorganisations, pay review, mandatory training and changes to policies as a result of changes in employment law. We will also be consulting them on our diversity targets for our People Strategy, ideas coming from the Leading Change Group and actions that came from our IIP and Voice surveys.

The Trades Consultative Group, our forum for engagement with our Internal Repairs Team, has been the forum for our consultation on trades terms and conditions which has been progressing and we hope to conclude these shortly.

The Leading Change Group was set up in 2023 to champion change at Grand Union. It is a network of colleagues from across the business who get together every month to look at change and transformation projects and ideas that have come from colleagues. As a result of its launch, 21 ideas were put forward and where possible these have been implemented. Some are more complex and will take some time, but the ideas generation has been a real positive with colleagues being recognised for their great ideas.

Investing in our people

Investment in our people is an investment in the communities they serve. We have recruited a new internal trainer in order to support our commitment to keep investing in our colleagues. Our centre of excellence, the K2 Academy, continued to grow during the year, running 33 courses, with over 274 delegates receiving training.

Some of these were part of our Leadership Elevator, a series of development programmes to support team leaders and managers to gain the skills, experience and qualifications to move to the next level of leadership.

In December 2023, our second cohort of colleagues graduated from our Operations Leadership Programme, which helps managers from across the business learn the skills needed to move into more senior leadership roles.

3 For our partners

Understanding what matters

We spend time understanding our partners' priorities and values, so we know how we can help.

Last year we continued our work with Peabody and the shared Public Health team for Bedford Borough, Central Bedfordshire and Milton Keynes City Councils to deliver our Health and Housing Partnership. As part of this, we collaborated with the Chartered Institute of Housing to produce and launch "Building blocks for life – How to develop effective health and housing partnerships" - a paper looking at the role of housing in tackling health inequalities.

During the year the work of our Health & Housing Partnership was shortlisted for Partnership of the Year at the Affordable Housing Awards and Best Collaborative Partnership at the Aico|HomeLINK Community Awards 2024.

In addition to the community-based work in Bilberry Road, Clifton, where our multi agency hub hosted 20 public health services for over 600 visitors, we have now developed a project to respond to the health and housing concerns resulting from asthma, damp and mould. Project Adam is a front foot intervention and seeks to create a single pathway between health and housing explicitly connecting data on asthma (as identified by health professionals) with us as the customers landlord so we can tailor our interventions accordingly.

Grand Union helps unlock £8.9m of funding for 95 homes

During the year we supported Milton Keynes YMCA and First Garden Cities Homes to secure extra funding, as part of a consortium of housing associations formed to support others in their bids to secure funding from Homes England.

The group helped YMCA MK to secure £3.3 million in grant funding, which will be used to provide 38 one and two bedroom apartments, in addition to their supported living campus in the centre of Milton Keynes.

The number of young people facing homelessness in Milton Keynes is increasing, with Milton Keynes having recorded one of the UK's highest rates of homelessness in 2023. These new apartments will help the YMCA to increase the provision for homeless accommodation in Milton Keynes and help young people progress to living independently.

The grant is from a government funding programme called the Single Homelessness Accommodation Programme (SHAP), which will invest £2 billion over the next three years to help tackle homelessness and rough sleeping. The group supported YMCA MK by providing support in submitting the bid and ensuring the bid met the terms of the grant.

As part of the consortium, Grand Union has also supported First Garden Cities Homes to secure £5.6 million in grant funding for a 100% affordable development of 57 new homes in Letchworth, the world's first Garden City.

The funding will be used to build homes for social rent, helping reduce pressure on housing waiting lists, and homes for shared ownership, helping more people in Letchworth to buy their first home.

Sharing our knowledge and expertise

Different organisations choose to work with us because they trust us to share our expertise and help them to get things right.

Our experience in providing affordable homes was one of the reasons we were approached to help a partner build a genuinely sustainable community in Milton Keynes.

Our long-term deal with Habitare Homes, part of Man Global Private Markets, initially saw us manage 79 homes for key workers.

In the last year this partnership has extended with Man Group investing even more money into Milton Keynes across a range of affordable products including shared ownership homes that we are managing for them.

We continued to deliver our comprehensive customer segmentation research for other housing associations during the year. This work is highlighting what motivates and challenges our customers and will bring their voice into our organisations.

This is more important than ever, as we all seek to ensure our services are informed by evidence and that we hear a representative customer voice.

Transparent and accountable

We share information to ensure transparency of our performance because we understand that being held to account makes us better.

We fully comply with the Housing Service Ombudsman Code and our self-assessment has been published on our website.

During the year we updated our website to include live performance data so customers and partners could see how we're doing, including information on the new Tenant Satisfaction Measures. The information, which is updated daily from our systems, includes customer satisfaction scores across a number of topics, repairs and empty homes performance and safety compliance scores.

Value for Money (VfM)

VfM is a key element of our Further together strategy. By being more efficient we can build homely places where people can flourish and where we also provide an excellent service to our customers. Our aims are that:

- **We'll get the balance right between current and future customers.**
- **We'll optimise social value by working efficiently and, from customer insight and analytics, consider different approaches to delivery to support a proactive customer-first approach.**
- **We'll consult with our customers to provide a transparent service where we are held to account for our performance and to ensure that the customer voice determines where we invest, balancing costs and quality, homes and services.**

Highlights in 2023/24

Our focus continues to be on transformation, systems, reporting and investing in our people. The key achievements for the year are highlighted in the following pages.

Efficiency and effectiveness

Structure changes

During the year, in alignment with our focus on health in housing, we decided to discontinue part of our wellbeing service, with the removal of the Wellbeing Co-ordinator role. Additionally, the inconsistent geographical provision of our in-house Occupational Therapist (OT) service, led us to remove both OT positions. We now instead rely on local community OTs, like our peers. These changes provide capacity to reallocate resource to other areas of the business where needed.

A Senior Procurement Manager and Procurement Business Partner have been recruited using existing establishment posts to enhance the capacity of our procurement team and drive forward a customer centric service to the business. This has increased the volume of procurement carried out over the last financial year and driven higher levels of engagement with procurement from teams across the business, ensuring better VfM and compliance.

Economy

The current environment makes it a challenging time to achieve cost savings. The high inflation environment has increased cost pressures across all areas, and combined with the reduced income from the capped rent, has proved very constraining for economic value for money savings. Despite this, we have saved just under £0.1m by bringing Financial Management Account reporting in house, retendering our corporate publications, publishing our own job adverts and VAT savings via the GUHG Development Company.

Procurement

In a year that has provided multiple challenges for supply chains, our procurement partnerships have helped us mitigate the significant risks we have faced.

The Internal Modernisation Contract, which aggregates repairs, void and some planned maintenance works, has now been awarded to FSG, dispensing with the services of six additional contractors for these workstreams and providing a commensurate reduction in admin.

Updates to the Procurement Control thresholds in the Delegations Framework, reflecting recent inflationary pressures, have simplified procurement for lower value contracts and purchases, creating a faster route to market and reflecting a desire for a more agile approach.

The transition from PH Jones to Aaron Services for our Heating Maintenance Contract, although more costly, has resulted in substantial savings in contract administration and driven down heating related complaints to almost zero.

Service improvement

The process for ordering materials for our Internal Repairs team has been significantly overhauled, resulting in:

- **35%** reduction in the number of steps required to order materials
- **71%** reduction in cycle time (the number of touch points in the process)
- **36%** reduction in lead time (total time the customer waits for a repair)
- **85%** reduction in the overall time taken to order materials
- **2.1** FTE capacity creation.

Grand Union's wave plan is now fully bedded in and forms the core of our strategic approach to Procurement. Our contracts and suppliers have been arranged by spend category and opportunities for contract aggregation/economies of scale identified. This work has resulted in a significant shift to a proactive approach to procurement, with tenders now typically planned well in advance - forthcoming tenders are being prepared up to 12 months ahead.

Tenders for contracts have initially been prioritised according to value and expiration date with the first three, which have a combined annual value of £11m, tendered and awarded. Tenders for six further contracts, which have a combined annual value of £3.7m, are currently underway and expected to award during 2024/25.

Learning and Development

Our centre of excellence, the K2 Academy, has been open for over three years and its main aim is to offer tailored training to colleagues through a planned annual offer. We commit to deliver learning interventions to colleagues, through a range of blended learning solutions that are wide-reaching and that offer value for money. This year we delivered 33 courses, for 274 delegates. These including mental toughness, mentoring, problem-solving, conflict and communication, personal branding and mental health awareness. There was also a continued strong focus on developing our management and leadership capacity.

Systems development

The past year has seen us make some valuable steps forward to drive process efficiency. We have:

- trialled new ways of working with our electrical team, achieving first time fix rates that never fell below 83% and at times, were above 90%, with higher team engagement and customer satisfaction
- started to use robotic process automation to "automate" processes with the launch of our Universal Credit BOT to do background work to verify UC claims – this saved over 170 hours of working time in its first week.

We've also saved circa £20,000 in rationalising some of our software licences and carrying out server upgrades in house.

One of the key recommendations from our systems architecture review was to implement a Customer Relationship Management (CRM) system. During the past year, we started our new CRM project, View 360, with a focus on our Resolutions team as the first delivery phase.

We completed the definition of our high-level Performance Management framework and KPIs and we'll continue to develop this during the next year.

The key objectives from our new corporate Plan will define our ongoing roadmap. Short term, we'll stabilise our technology to provide a platform to support our longer-term goal of digital enablement for all and, where possible, cloud based technology.

Funding the growth

We completed new funding issues in the year totalling £175m which included £160m from new funders (£120m Nationwide & £40m Lloyds) and £15m additional funding with existing funder Santander. The Nationwide facility was used to refinance all legacy facilities held with Natwest.

This new funding demonstrates VfM in a number of ways:

- the refinancing has enabled the simplification of the loan portfolio by removing a considerable number of legacy fixed rates, a number of which were at margins above current market rates
- it has enabled the removal of some restrictive covenants from the portfolio (including EBITDA MRI interest cover based covenants) which has ensured a greater risk buffer and additional borrowing headroom
- the new facilities offer sustainability linked discounts to rates based on specific environmental, social or governance related metrics
- the continued commitment to develop additional new build affordable homes.

The metrics below reflect the challenges of the environment we are operating in. Despite these challenges, we are continuing to invest in transforming our customer services and in maintaining our homes.

Metric	2023/24	2022/23	*Peer group average 2022/23	Sector average 2022/23	2024/25 Targets
Reinvestment	8.84%	6.29%	8.6%	7.9%	9.89%
New supply delivered – social housing	2.09%	2.13%	1.9%	1.5%	2.88%
New supply delivered – non-social housing	0.00%	0.06%	0.00%	0.20%	0.02%
Gearing	50.46%	48.15%	53.9%	45.8%	52%
EBITDA MRI interest cover	113.34%	147.43%	110.7%	111.4%	120%
Headline social housing cost per unit £	£4,885	£4,069	£4,631	£5,037	£5,337
Operating margin – social housing lettings only	23.14%	26.81%	25.1%	21.0%	25.77%
Operating margin – overall	23.36%	25.70%	24.5%	19.1%	25.57%
Return on capital employed (ROCE)	2.88%	3.59%	3.2%	3.0%	3.57%

* Our peer group consists of, BPHA, Futures Housing Group, Settle, Stonewater, PA Housing, Longhurst Group, East Midlands Group, Greatwell Homes, Paradigm Housing and Nottingham Community Housing Association

Reinvestment has increased during the year at 8.72% and includes both new supply and investment in existing stock. The main driver for the increase is a delay from previous years supply completed in the year.

The provision of new supply of social stock was broadly in line with last year. This level of growth is expected to continue into the next financial year with a target of 365 new homes, and then for further growth as the development programme reaches 1,570 units in the next five years of the business plan. We continue to look at growth opportunities including strategic partnerships. There will also be future growth in the delivery of non-social housing as new tenure streams are developed, including market sale homes to complement the market rent portfolio already managed by the Group.

Our gearing ratio has increased marginally over the past 12 months from the growth in the development pipeline and increases in general operating costs from inflationary pressures driven from the external economic environment. Inflationary cost pressures are being felt most in the construction sector due to a number of factors including supply chains not recovering since the pandemic, increases in fuel and energy costs, a shortage of labour and the war in Ukraine; this is driving up both materials and salary costs and, as a result, impacting the cost of our repairs service and new build development. The competitive pressures around S106 have reduced in recent months resulting in opportunities to secure larger multi-year affordable tenure schemes.

EBITDA MRI interest cover has been impacted by higher operating costs and higher interest costs due to the interest rate increase, which is being mitigated as much as possible by maintaining circa 87% of our loans on fixed rates. The next few years will continue to be challenging due to the external environment pressures, but we expect our EBITDA MRI to remain stable if not improve. We have renegotiated some major maintenance contracts and expect to see reductions in our average cost of repairs.

We have financial golden rules which help safeguard the Group against external risk. These have been assessed and included as part of the Resilience plan, which is included as part of the Risk Management Framework. Included within these golden rules are covenant specific metrics (including gearing and interest cover) which are also considered as part of the annual Treasury Management Policy review and wider Treasury Strategy. These are reviewed annually and we have made changes based on the increased risk of the external environment.

The Headline Social Housing cost per unit has increased by £771 (19%); this increase can be broken down as:

- **£267** increase in responsive repairs and £259 increase in major repairs,
- **£157** increase for management costs due to increases in salary and overhead costs,
- **£67** increase in service charges due to increases in utility costs and furniture and equipment (F&E) purchases in a number of our supported schemes,
- **£21** increase in other social housing costs due to lower pension service costs and component replacement write-offs.

Although the Group is committed to reducing our overall cost per unit over the coming years, the environment we are in is extremely challenging and it will be difficult. We have seen a significant increase in the demand for repairs. We need to continue to invest in our IT systems through the systems architecture review. Our commitment is to improve the service we offer to our customers and this will be achieved through our ongoing customer insight work. By having a greater understanding of our customers, we can tailor our services around their needs to ensure that they are effective, efficient and represent real value for money to every customer group. We have already made some changes, for example, a recent survey showing that the security around their home and feeling safe is key for our customers so next year's budget includes spend on external fencing. We have engaged customers in updating all customer facing policies. The continued development of the K2 Academy will ensure the ongoing investment and development in our staff team.

The operating margin has been negatively affected for both social housing lettings and overall, as a result of the increased operating costs mainly from routine and planned maintenance costs resulting from additional demand, material and labour costs, component replacement write-outs and overall management costs.

Sector scorecard

Metric	2023/24	2022/23
Customer satisfaction *	4.4	4.0
Investment in communities	£1.0m	£1.0m
Occupancy	99.73%	99.18%
Ratio of responsive to planned maintenance spend	0.71	0.70
Rent collected	99.47%	99.85%
Overheads as a % of adjusted turnover	12.18%	12.37%

*Grand Union now monitors customer satisfaction through the Rant & Rave platform. The score is out of a possible 5.

Customer satisfaction has remained relatively stable throughout the year, ending with a slightly higher average score. Service managers have responsibility for reviewing feedback from Rant & Rave to identify opportunities for service improvement and make sure service improvements are prioritised and acted on.

Our biggest customer touchpoint is the repairs service and this is the service area that attracted the most negative feedback during the year. We continue to closely monitor and review the performance of the repairs service by both internal and external contractors, and to tackle recurring service issues, strip out unnecessary waste and ensure our processes are aligned and enhance the customer experience. Learning from complaints and Rant & Rave is a key part of the review. A prime focus continues to be on improving our right first time rates as this is the cause of many complaints and adverse customer feedback.

Our plans for further improvement

As for many in the sector, the main concern is how the current economic situation will play out over the next year or two. The high inflation environment experienced over the last couple of years has created a cost-of-living crisis which is likely to not only have a significant impact on our customers' finances, but also on the organisation's ability to control costs, grow, develop systems and enhance services, whilst ensuring rents remain affordable over the next year. We have some key projects planned for next year which support our value for money strategy, some of which are detailed below.

- To complete the Performance Framework project and embed the reporting through the business.
- Ensuring that we drive value and improvement through effective sector benchmarking, working as members of Housemark enables us to compare performance with peers.
- Further understand our margin at tenure level.
- In accordance with our Homes Strategy, continue our stock disposal programme to maximise the social value of our retained portfolio and release funds for replacement modern homes/retrofit investment for our older stock.
- Progress our work on the Customer Segmentation project to redesign our services to meet the expectations and

requirements of our customers in an efficient and cost-effective way.

- Continue our retrofit programme in line with our Green Strategy to ensure our stock meets EPC C by 2030 and an average of Band B (SAP 86) by 2050.
- Continue to deliver the updated Procurement wave plan to maximise our economies of scale.

Over the lifespan of our new Corporate Plan, we expect that new technologies will drive even greater and faster change. Artificial intelligence, and advanced automation promise huge gains, with the potential to transform people's quality of life. But they also present unfamiliar risks, for which we have to prepare and be ready to adapt.

To prepare ourselves for this future, over the next year our systems development will be focusing on ensuring:

- our system architecture is stable, allowing us to build a roadmap for our transition to digital and cloud based enabling technology,
- our data structure is understood and trusted to allow us to start to drive increased self-service performance reporting, insight and cost benefit analysis for colleagues,
- we continue the rollout of our View 360 project to support the transition of end-to-end processes from our legacy systems and providing a 360 degree view of customer information for colleagues.

Group Board

The members of the Board are shown on page 4. Board members, who are all non-executive members, are drawn from a wide background, bringing together professional, commercial and local experience. At 31 March 2024 the Group had issued nine £1 shares. Grand Union Housing Group operates a closed shareholding of which only Board members are shareholders.

In the year 2023/24 the Grand Union Housing Group Board met formally seven times in accordance with its terms of reference. Throughout the year, members also participated in various strategy sessions including two strategy days and a stress testing and risk appetite workshop. Board members also attended training sessions on carbon literacy, ESG, assets and liability register, Building Safety Act, and risk management amongst others. In addition, the Board was supported during the year by the Group-wide committees.

Subsidiary Boards

Grand Union Homes Ltd

This subsidiary was established in 2015 to build quality homes and create sustainable places catered to local markets across Bedfordshire, Northamptonshire and Buckinghamshire. It prides itself on creating vibrant communities in great locations, which offer a range of housing choices for every stage of life. By reinvesting all profits into affordable housing, Grand Union Homes is able to help realise Grand Union's purpose of creating homes for those that need them.

Grand Union Group Funding PLC

This subsidiary was formed in late 2013 and the principal activity of the Company is to act as the funding vehicle for Grand Union Housing Group. As the Company's activities are limited to the raising and management of private finance for Grand Union Housing Group Limited, it employs no staff and all administration functions are carried out by Grand Union's Finance team.

GUHG Development Company Limited

This subsidiary began trading on 1 April 2022. The company's principal activities are limited to providing design and build services for members of the Group. It employs no staff directly, with recharges made by Grand Union Housing Group for staff resources provided.

Committees

Audit & Risk Committee

The Group's Board has delegated the monitoring of the risk management framework and internal controls to the Audit & Risk Committee. The Committee met five times during 2023/24 and reports to the Board on its activity throughout the year. The Committee is responsible for recommending the appointment of both internal and external auditors and considers the scope of their work each year. It also receives regular reports from both sets of auditors. The Committee reviews in detail the annual report and financial statements and recommends them to the Board.

Governance & Remuneration Committee

The Group's Governance & Remuneration Committee met five times during the year. The Committee has responsibility for remuneration policies and reviews Chief Executive performance and pay and that of the other executive directors, recommending to Board as appropriate. The Committee oversees Board, Committee and Executive recruitment and facilitates the annual Board appraisal and effectiveness reviews. In addition, the Committee has delegated responsibility for governance best practice and works with the Governance team on matters such as Board and Committee appraisal, training and improvement initiatives.

Customer Experience Committee

This Committee met four times during the year. The Committee has responsibility to report to the Group Board on all areas of the business which have an impact on the quality and efficiency of the services we provide and evidenced by the monitoring of feedback from our customers.

Regulator of Social Housing Regulatory Framework

The Board reviews annually its compliance with the Regulatory Framework and confirms that it complies fully with its requirements at year end. We take a transparent approach to self-reporting to the Regulator but have had no need to self-refer during 2023/24. However, one referral was made to the Regulator by a customer in relation to antisocial behaviour and adaptations. We provided the Regulator with the context for this case, which was complex. The Regulator was assured by the resource we put in to support this customer, the learning we have taken from this case and changes we have made to provide extra support to customers with additional needs.

The Regulator concluded that we had not breached the standards and that it was taking no further action.

National Housing Federation Code of Governance 2020

In April 2021, the Board adopted the National Housing Federation's Code of Governance 2020. The Board reviews compliance against the Code annually and confirms compliance for the year 2023/24.

Executive Directors

Grand Union's Executive Officers have no interest in the Group's share capital, and although they do not have the legal status of Directors, they act as an Executive within the authority delegated by the Board and are termed Director. The Board has delegated the day-to-day management and the implementation of its strategy and policies to the Group Chief Executive and other senior officers. The Executive Management team meets regularly, and its members attend Boards, Committees and the Groups outside of the governance structure, which are Investment & Development Group, Health & Safety Group and Funding Group.

Directors' and Officers' Liability Insurance

The Group has purchased Directors' and Officers' Liability Insurance for the Board, Executive Officers and employees of Grand Union.

Employees

The ability of the Group to meet its objectives and commitments to customers in an efficient and effective manner depends on the contribution, commitment and quality of its colleagues. Grand Union provides training programmes focusing on quality and customer service requirements, and the Group's objectives and progress are discussed at regular management and departmental meetings. Managers throughout Grand Union attend training to improve their leadership and management skills.

Grand Union is committed to equal opportunities, to promote an inclusive culture and ensure a diverse workforce through its Belonging strategy. We have effective employment policies in place, which are reviewed on a regular basis. All existing colleagues have been provided with diversity and inclusion training, whilst new members of staff are trained during the induction process.

The Board is aware of and kept up-to-date with its responsibilities on matters relating to health and safety. The Health & Safety Group hold quarterly meetings and review in detail key aspects of health and safety regarding employees. This is reported to Customer Experience Committee and a summary goes to the Board at each of its meetings.

The Governance and Viability Standard

Following an In-Depth Assessment, the Regulator of Social Housing reconfirmed the status of the Group as G1/V1 in July 2023, indicating that the highest standards of governance and financial viability are being met. The Board confirms compliance with the Governance and Viability Standard for the year 2023/24.

Risk management & internal controls

At Grand Union we recognise that some managed risk-taking is essential if we are to meet our objectives. Therefore, we are committed to a 'risk aware' culture and we acknowledge that risk cannot always be eliminated from the activities we undertake. We ensure that we have a robust approach to risk management with enough resources allocated to ensure risk is managed effectively and reported regularly.

The Regulator of Social Housing requires that we have an effective risk management and internal controls assurance framework. Our framework includes our strategic approach to risk, our methodology for the assessment of risks, reporting mechanisms, timing, and specific risk management responsibilities.

Risk Management Framework

At Grand Union we continue to be committed to providing high quality customer-centric services in the most efficient and cost-effective way. The approach to the management of risk is a core element of our corporate governance. This ensures we prioritise the safety and needs of our customers through the delivery of our day-to-day services, with adherence to all industry regulations and standards.

Effective risk management enhances our:

- ability to deliver our objectives
- reputation and trust with customers and partners
- ability to innovate and evolve as an organisation
- financial sustainability
- planning and decision-making
- leadership, management and corporate governance.

The approach we take in the management of risk ensures that our activities are:

- proportionate to the level of acceptable risk-taking
- aligned with our objectives
- embedded throughout the business
- dynamic and responsive to emerging and changing risks.

Roles and responsibilities

By defining clear roles, Grand Union promotes a co-ordinated, accountable approach to risk management, improving the capacity to navigate challenges and deliver quality solutions for our customers.

The diagram below details some of the key responsibilities in our approach to risk management at Grand Union:

Figure 1

Group Board	Sets strategic direction and risk appetite, reviews the Risk Management Framework, aligns risk decisions with goals and overseas high-level risk reports
Audit & Risk Committee	Oversees the detailed management of the framework, evaluates risk processes and compliance, monitors risk strategies and reports to the Board
Executive & Senior Management	Implements risk practices, resources risk strategies, reviews reports, addresses risks and takes corrective actions
Governance & Risk Team	Supports the above in their functions. Acts as a conduit and fulfills the coordination role. Is the check and challenge for the management system
Operational Teams & Risk Champions	Identifies, assesses and manages the risk, participates in risk mitigation, monitoring and reports on deviations
Customer Engagement	Customers provide feedback, enhancing risk understanding and strategy

During 2023/24 we have continued to build on the implementation of the Grand Union Risk Universe (see figure 2), the introduction of risk appetites and the establishment of principal risks (see figure 3) to mature our management practices.

There has been a comprehensive review of the risk register to ensure the risks being managed remain pertinent to the business and are understood appropriately. The understanding of risk interdependencies and their linkage to the stated principal risks has now been established. Risks are identified collaboratively, involving all levels within the business. Risks are now assessed for likelihood and impact, allowing prioritisation based on potential consequences. Key Risk Indicators, vital for horizon scanning and pre-emptive decision-making, have been established for all risks as has a comprehensive control suite.

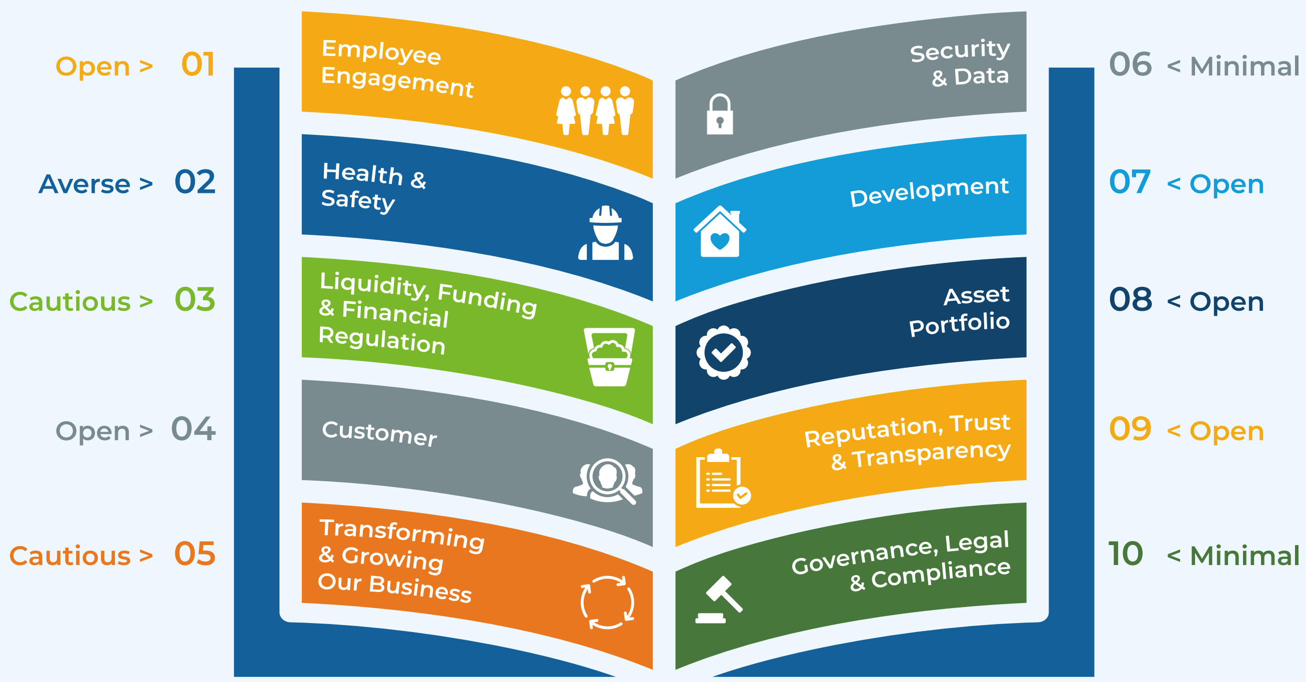
Enhanced mitigation strategies have been established through the use of a new risk management platform, enabling improved monitoring and reporting which offer transparency and support informed decision making. This ensures the alignment of risk management practices with organisational goals and provides strategic oversight.

Risk culture has also been strengthened through the implementation of mandated risk training for all colleagues, which has enhanced employee understanding of risk management and encouraged active participation in risk identification whilst making risk awareness part of everyday operations.

Risk resource has been increased providing additional support to the organisation for risk management activities.

Risk Universe

Figure 2



Risk appetite as defined by the Board, remains a critical component of our Risk Management Framework. As per figure 2 above, each risk segment of our risk universe has a risk appetite assigned to it. This provides the Board with assurance that our decision-making and subsequent risk-taking is always carried out with the appetite for risk being a central tenet. An agreed risk appetite supports our ability to make better decisions, assisting managers to manage risks to achieve the following business benefits:

- **achieve Grand Union's priority of putting customers first**
- **ensure robust financial management**
- **protect staff and residents**
- **protect our assets; and**
- **maintain and promote Grand Union's reputation.**

Our risk universe and risk appetite are used to devise our suite of principal risks which are monitored continuously taking into account the internal and external environment in which we operate.

Figure 3

Principal Risks

Health & Safety (Building Safety)

Having a comprehensive Health & Safety (Building Safety) programme is vital for social housing providers. To ensure the safety and wellbeing of our residents, the implementation of a robust Health & Safety (Building Safety) programme demonstrates Grand Union's commitment to providing quality housing and a secure living environment for its residents.

Health & Safety (Operating Environment)

Ensuring the health and safety of our residents and employees is a primary responsibility of Grand Union and one that we take very seriously. Managing operational risks helps us to proactively prevent accidents, injuries, and illnesses, promoting safe and healthy living and working environments.

Information Security

Considering information security risks is important for Grand Union to enable us to protect resident data, comply with regulations, prevent cyberattacks and ensure operational continuity. Proactively addressing these risks enables us to create a secure environment and maintain the integrity for the data that we hold.

Data Quality

Identifying data quality risks is important for Grand Union to enable us to support informed decision-making, enhance resident satisfaction, ensure regulatory compliance, promote data integration, protect data security and privacy, and improve operational efficiency. Prioritising our data quality assists us to enhance our overall performance and deliver better services to residents.

Development

Identifying development risks is a crucial element to support our strategic planning, financial sustainability, timely project delivery, quality assurance, stakeholder engagement, compliance, and portfolio management. Addressing these risks ensures the successful development of our affordable housing projects, providing safe and suitable housing to those in need.

Government Policy (External Environment)

Government policies play a significant role in the social housing sector, and compliance with these policies is crucial. Identifying government policy risks helps us to stay informed about changes in regulations, funding requirements, and compliance obligations, and allows us to proactively adapt our operations and ensure compliance.

Asset Management

Identifying asset management risks is crucial in the current challenging operating environment to ensure financial sustainability, prioritise maintenance and repairs, enhance resident satisfaction, comply with regulations, preserve asset value, improve operational efficiency, and support portfolio management and growth.

Sustainability, Net Zero & Carbon Retrofitting

Identifying sustainability risks is crucial for Grand Union to fulfil our environmental responsibilities, achieve cost savings, ensure regulatory compliance, meet the needs of our residents, enhance resilience, demonstrate social responsibility, and foster innovation. Proactively managing sustainability risks enables us to contribute to a more sustainable future, deliver long-term value, and address the evolving needs of our residents and communities.

People, Culture & Execution Capability

Managing people culture risks enables us to enhance employee engagement and satisfaction, improve service quality and resident satisfaction, attract, and retain talent, foster organisational resilience, ensure ethical conduct and compliance, and strengthen our leadership and governance. Proactively managing our people culture enables us to create a supportive work environment, deliver high-quality services, and navigate challenges with resilience and effectiveness.

Financial Shock & Organisational Resilience

Recognising and understanding financial risk is even more crucial in the current challenging operating environment. This ensures our financial sustainability, enabling us to optimise resource allocation, secure funding sources, improve budgeting and financial planning, mitigate risks, maintain stakeholder trust, and comply with financial regulations. Proactively managing financial risks means we can navigate financial challenges, maintain our mission of providing affordable housing, and deliver sustainable services.

There are several aims for the 2024/25 period to further improve and embed the management of risk across Grand Union including:

- **Risk assurance review:** We continue to work with an external consultant to implement an assurance framework to support risk management and to further enhance our risk maturity position.
- **Risk workshops and horizon scanning:** The Governance & Risk team will continue to promote risk management and horizon scanning through ongoing workshops and regular risk review meetings so that service areas are confident in identifying risks. Information, trends, and intelligence from a range of global and national risk sources will be communicated to teams so that this can be fed back into service delivery.
- **Risk culture:** We will continue to embed the importance of risk management at every level of Grand Union and encourage colleagues not to view risk management in silos, but to understand how a risk in their service area may affect other areas and the achievement of our overall aims, objectives, priorities, and vision.
- **Risk owner empowerment:** Those responsible for managing risk within the business will be provided the necessary support and expertise to empower them to make risk based informed decisions.

Disclosure of information to the auditor

The Board members at the date of approval of this report have confirmed that:

- as far as the Board members are aware, there is no relevant audit information of which the Group's auditor is unaware.
- the Board members have taken all the steps that they ought to have taken as Board members in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Going concern

The Group's activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to credit, liquidity and cash flow risk are described above and in the Board Report.

The Group has considerable financial resources and, as a consequence, the Board believes that, despite the considerable external economic uncertainty, the Group is well placed to manage its business risks successfully even in these challenging times.

After making enquiries, the Board expects that the Group and all of its subsidiaries has adequate resources (group support where necessary) to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the financial statements.

Approved by the Board and signed on its behalf by:

Emma Killick
Chair

9 July 2024

Board Report

Details of Grand Union Housing Group Limited's principal activities, its financial performance, VfM and factors likely to affect its future are given in the Strategic Report, which preceded this report.

Statement of Board members' responsibilities

The Board has overall responsibility for establishing and maintaining the whole system of internal control and for reviewing its effectiveness within Grand Union.

The Board recognises that no system of internal control can provide absolute assurance or eliminate all risk. The system of internal control is designed to manage risk and to provide reasonable assurance that key business objectives and expected outcomes will be achieved. It can also give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of Grand Union's assets and interests.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which is embedded within normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the Group is exposed.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes:

- **Identification and evaluation of key risks –** management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of Grand Union's activities. The Executive Management team regularly considers reports on significant risks facing Grand Union and is responsible for reporting to the Board any significant changes affecting key risks.

- **Monitoring and corrective action –** a controlled self-assessment and regular management reporting on controls issues provides hierarchical assurance to successive levels of management and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those with a material impact on the financial statements.

- **Control environment and control procedures –** the Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues including treasury strategy and new investment projects. The Board has adopted the NHF Code of Governance 2020 from 1 April 2021. In addition, Grand Union has policies with regard to the quality, integrity and ethics of its employees and these are supported by a framework of policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.
- **Information and financial reporting systems –** financial reporting procedures include detailed budgets for the year ahead and forecasts for subsequent years. These are reviewed and approved by the Board. The Board also regularly reviews key performance indicators to assess progress towards the achievements of key business objectives, targets and outcomes.
- **Fraud –** Grand Union has in place policies in respect of preventing, detecting and investigating fraud and the Board is satisfied that these effectively manage the risk of fraud. Grand Union has a Whistleblowing policy that covers Board members, employees and customers.

The internal control framework and the risk management process are subject to regular review by Internal Audit who are responsible for providing independent assurance to the Board via its Audit & Risk Committee.

The Board has received the Group Chief Executive's annual report, has conducted its annual review of the effectiveness of the system of internal control and has taken account of any changes needed to maintain the effectiveness of the risk management and control process. No successful frauds were carried out against the Group in 2023/24 resulting in financial losses.

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks faced by the Group. This process has been in place throughout the year under review, up to the date of the annual report, and is regularly reviewed by the Board.

Auditor

KPMG were re-appointed following a formal tender exercise as Internal Auditors in February 2023, and Beever and Struthers were appointed as External Auditors in January 2020.

Statement of Compliance

The Board has followed the principles set out in the Statement of Recommended Practice (SORP) for Registered Social Providers 2018. The Group has fully complied with the Accounting Direction for Private Registered Providers of Social Housing 2022.

Approved by the Board and signed on its behalf by:

Emma Killick
Chair

9 July 2024

Independent auditor's report to the members of Grand Union Housing Group Limited

Opinion

We have audited the financial statements of Grand Union Housing Group Limited (the 'Association') and its subsidiaries (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated and Association Statement of Comprehensive Income, Consolidated and Association Statement of Financial Position, Consolidated and Association Statement of Changes in Reserves, Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in notes 1 and 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2024 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Strategic Report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- the Association has not maintained a satisfactory system of control over transactions; or
- the Association has not kept proper accounting records; or
- the Association's financial statements are not in agreement with books of account; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board Members' Responsibilities set out on pages 56-57, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Group's and the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Co-operative and Community Benefit Societies Act 2014, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.

- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the members of the Association, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers
Statutory Auditor
Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Date: 7 August 2024

Consolidated Statement of Comprehensive Income

As at 31 March 2024

	Note	2024 £'000	2023 £'000
Turnover	**3a**	**95,271**	**91,535**
Cost of sales	3a	(8,798)	(14,010)
Operating expenditure	3a	(64,213)	(53,999)
Gain on disposal of housing properties, plant and equipment	4	1,043	3,299
Operating surplus		**23,303**	**26,825**
Interest receivable	5	407	292
Interest and financing costs	6	(16,145)	(15,055)
Movement in fair value of investment properties	13	(287)	-
Surplus before tax		**7,278**	**12,062**
Taxation	10	(152)	-
Surplus for the year		**7,126**	**12,062**
Other comprehensive income			
Actuarial surplus in respect of defined benefit pension schemes	19	5,714	24,455
Restriction of pension asset	19	(5,605)	(7,952)
Total comprehensive income for the year		**7,235**	**28,565**

The financial statements on pages 62 to 106 were approved and authorised for issue by the Board on 9 July 2024 and were signed on its behalf by:

Emma Killick
Chair

Dave Willis
Vice Chair

Suzanne Maguire
Company Secretary

Date: 9 July 2024

The notes on pages 69-106 form an integral part of these financial statements.

Association Statement of Comprehensive Income

For the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Turnover	**3a**	**95,222**	**88,617**
Cost of sales	3a	(8,517)	(11,305)
Operating expenditure	3a	(64,921)	(53,997)
Gain on disposal of housing properties, plant and equipment	4	1,043	3,299
Operating surplus		**22,827**	**26,614**
Interest receivable	5	508	417
Interest and financing costs	6	(16,145)	(15,055)
Movement in fair value of investment properties	13	(287)	-
Surplus before tax		**6,903**	**11,976**
Taxation	10	(152)	-
Surplus for the year		**6,751**	**11,976**
Other comprehensive income			
Actuarial surplus in respect of defined benefit pension schemes	19	5,714	24,455
Restriction of pension asset	19	(5,605)	(7,952)
Total comprehensive income for the year		**6,860**	**28,479**

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Consolidated Statement of Financial Position

As at 31 March 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Housing properties	11	768,032	700,217
Other property, plant and equipment	12a	1,146	1,346
Investment properties	13	31,796	31,996
Intangible assets	12b	65	170
		801,039	**733,729**
Current assets			
Stock	15	14,208	13,161
Debtors	16	7,546	7,740
Cash and cash equivalents	21	7,434	9,439
		29,188	**30,340**
Creditors: Amounts falling due within one year	17	(20,269)	(16,527)
Net current assets		**8,919**	**13,813**
Total assets less current liabilities		**809,958**	**747,542**
Creditors: Amounts falling due after more than one year	18	(429,224)	(373,691)
Defined benefit pension liability	19	(501)	(853)
Net assets		**380,233**	**372,998**
Capital and reserves			
Share capital	20		-
Revenue reserve		203,099	189,236
Revaluation reserve		177,134	183,762
Total reserves		**380,233**	**372,998**

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Association Statement of Financial Position

As at 31 March 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Housing properties	11	768,032	700,217
Other property, plant and equipment	12a	1,146	1,346
Investment properties	13	31,796	31,996
Fixed asset investments	14	50	50
Intangible assets	12b	65	170
		801,089	**733,779**
Current assets			
Stock	15	12,903	11,768
Debtors	16	8,827	9,468
Cash and cash equivalents	21	7,388	9,403
		29,118	**30,639**
Creditors: Amounts falling due within one year	17	(20,311)	(16,563)
Net current assets		**8,807**	**14,076**
Total assets less current liabilities		**809,896**	**747,855**
Creditors: Amounts falling due after more than one year	18	(429,224)	(373,691)
Defined benefit pension liability	19	(501)	(853)
Net assets		**380,171**	**373,311**
Capital and reserves			
Share capital	20	-	-
Revenue reserve		203,037	189,549
Revaluation reserve		177,134	183,762
Total reserves		**380,171**	**373,311**

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Date: 9 July 2024

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Consolidated Statement of Changes in Reserves

For the year ended 31 March 2024

	Revenue reserve £'000	Revaluation reserve £'000	Total reserves £'000
At 1 April 2023	189,236	183,762	372,998
Surplus for the year	7,126	-	7,126
Other comprehensive income:			
Actuarial surplus in respect of defined benefit pension schemes	5,714	-	5,714
Restriction of pension asset	(5,605)	-	(5,605)
Total comprehensive income	7,235	-	7,235
Reserve transfers	6,628	(6,628)	-
At 31 March 2024	**203,099**	**177,134**	**380,233**
At 1 April 2022	160,368	184,065	344,433
Surplus for the year	12,062	-	12,062
Other comprehensive income:			
Actuarial surplus in respect of defined benefit pension schemes	24,455	-	24,455
Restriction of pension asset	(7,952)	-	(7,952)
Total comprehensive income	28,565	-	28,565
Reserve transfers	303	(303)	-
At 31 March 2023	**189,236**	**183,762**	**372,998**

Reserves

Revenue reserve
The revenue reserve represents cumulative surpluses and deficits of the Group.

Revaluation reserve
The revaluation reserve relates to cumulative historic valuation uplifts arising before 1 April 2014

The notes on **pages 69-106** form an integral part of these financial statements.

Association Statement of Changes in Reserves

For the year ended 31 March 2024

	Revenue reserve £'000	Revaluation reserve £'000	Total reserves £'000
At 1 April 2023	189,549	183,762	373,311
Surplus for the year	6,751	-	6,751
Other comprehensive income:			
Actuarial surplus in respect of defined benefit pension schemes	5,714	-	5,714
Restriction of pension asset	(5,605)	-	(5,605)
Total comprehensive income	6,860	-	6,860
Reserve transfers	6,628	(6,628)	-
At 31 March 2024	**203,037**	**177,134**	**380,171**
At 1 April 2022	160,767	184,065	344,832
Surplus for the year	11,976	-	11,976
Other comprehensive income:			
Actuarial surplus in respect of defined benefit pension schemes	24,455	-	24,455
Restriction of pension asset	(7,952)	-	(7,952)
Total comprehensive income	28,479	-	28,479
Reserve transfers	303	(303)	-
At 31 March 2023	**189,549**	**183,762**	**373,311**

Reserves

Revenue reserve
The revenue reserve represents cumulative surpluses and deficits of the Group.

Revaluation reserve
The revaluation reserve relates to cumulative historic valuation uplifts arising before 1 April 2014

The notes on pages 69-106 form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Net cash generated from operating activities	21	32,826	39,079
Cash flows from investing activities			
Purchase of property, plant and equipment		(82,070)	(44,141)
Purchase of investment property		(87)	(54)
Proceeds from sale of property, plant and equipment		4,023	6,374
Grants received		7,437	1,569
Taxation		(152)	-
Interest received		407	292
Net cash flows from investing activities		**(70,442)**	**(35,960)**
Cash flows from financing activities			
Interest paid		(16,145)	(15,055)
Net loan movement		51,755	9,510
Net cash flows from financing activities		**35,610**	**(5,545)**
Net increase/(decrease) in cash and cash equivalents		**(2,006)**	**(2,426)**
Cash and cash equivalents at beginning of year		9,439	11,865
Cash and cash equivalents at end of year		**7,433**	**9,439**

The notes on pages 69-106 form an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

Grand Union Housing Group Limited (the ‘Association’) is a private limited company incorporated and domiciled in England. The address of the registered office is K2, Timbold Drive, Kents Hill, Milton Keynes, Bucks, MK7 6BZ. The registered number is 7853.

The main activities of the Group are the provision of affordable homes for people in housing need. The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (FRS 102) and comply with the Statement of Recommended Practice for Registered Social Housing Providers 2018 (SORP), the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The Group is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed ‘PBE’ in FRS 102.

Grand Union Housing Group meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside these consolidated financial statements. Exemptions have been taken in relation to the following:

- A Statement of Cash Flows has not been presented for the Association.

FRS 102 allows a qualifying entity certain disclosure exemption, subject to certain conditions, which has been complied with. In preparing the Association’s individual financial statements, the Association has taken advantage of the exemption not to provide certain disclosures as required by Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instrument Issues” and “Related Party Transactions” on the basis that equivalent disclosures are given in the consolidated financial statements.

Property, plant and equipment - housing properties at cost

Housing properties are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the cost of acquiring land and buildings, directly attributable development costs and borrowing costs directly attributable to the construction of new housing properties during the development calculated at the weighted average cost of capital during 2023/24. Capitalisation ceases when substantially all the activities that are necessary to prepare the asset for use are complete.

Property, plant and equipment - housing properties at deemed cost

Where housing properties were measured at fair value at the date of transition to FRS 102 and this valuation was used as deemed cost, taking advantage of the exemption available on transition to FRS 102 from previous UK GAAP, this was considered to be a valuation and a revaluation reserve established to account for the movement.

A release of the revaluation reserve is calculated to reflect the additional depreciation that has been charged on the uplift to the structure cost upon moving to deemed cost.

Depreciation is charged so as to write down the net book value of housing properties to their estimated residual value, on a straight-line basis, over their useful economic lives. Freehold land is not depreciated.

Major components

Major components of housing properties, which have significantly different patterns of consumption of economic benefits, are treated as separate assets and depreciated over their expected useful economic lives at the following annual rates:

Structure	
Standard	100 years
- Properties built by pre-reinforced concrete method with certificate	50 years
- Properties built by pre-reinforced concrete method without certificate	10 years
Roofs	50 years
Heating systems	40 years
Doors, windows, bathrooms, lifts, wiring, insulation and high-level works	30 years
Solar panels	25 years
Kitchens and heat pumps	20 years
Heating boilers	15 years

If the component is replaced before the end of its economic life, the resulting charge will be reflected in the overall depreciation charge rather than a loss on its replacement.

Properties held on long leases are depreciated over their estimated useful economic lives or the lease duration if shorter.

Improvements

Where there are improvements to housing properties that are expected to provide incremental future benefits, these are capitalised and added to the carrying amount of the property. Any works to housing properties which do not replace a component or result in an incremental future benefit are charged as expenditure in surplus or deficit in the Statement of Comprehensive Income.

Sales of Housing Property

Sales of housing property are taken into account on completion of contracts. The surplus or deficit arising from the sale is shown net after deducting the carrying value of the property and any sale related expense.

Non-housing property, plant and equipment

Non-housing property, plant and equipment are stated at historic cost less accumulated depreciation and any provision for impairment. Depreciation is provided on all non-housing property, plant and equipment, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life.

Expected useful lives are as follows:

Office improvements	25 years
Leasehold improvements	10 years
Office fixtures	10 years
Office heating and mechanical	5 years
Furniture and fittings	5 years
Vehicles	4 years
Computer equipment	3 years

Intangible assets

Intangible assets are stated at historic cost, less accumulated amortisation. Amortisation is provided on all intangible assets at rates calculated to write-off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computer software	3 years

Investment properties

The classification of properties as investment property or property, plant and equipment is based upon the intended use of the property. Properties held to earn commercial rentals or for capital appreciation or both are classified as investment properties. Properties that are used for administrative purposes or that are held for the provision of social housing are treated as property, plant and equipment. Mixed use property is separated between investment property and property, plant and equipment.

Land is accounted for based on its intended use. Where land is acquired speculatively with the intention of generating a capital gain and/or a commercial rental return it is accounted for as investment property. Where land is acquired for use in the provision of social housing or for a social benefit it is accounted for as property, plant and equipment.

Investment properties are measured at fair value annually with any change recognised in surplus or deficit in the Statement of Comprehensive Income.

Impairment of social housing properties

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential. The Group has identified a cash generating unit for impairment assessment purposes at a property scheme level.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and is included in surplus or deficit in the Statement of Comprehensive Income.

As part of the end of year review an impairment was identified on one development scheme, this was scheme specific and not a general indication of impairment.

Social Housing Grant and other government grants

Grants received in relation to assets that have been treated as deemed cost at the date of transition to FRS 102 have been accounted for using the performance model. In applying this model such grant has been presented as if it were originally recognised as income within the statement of comprehensive income in the year it was receivable and is therefore included within brought-forward general reserves.

Grants received since transition in relation to newly acquired or existing housing properties are accounted for using the accrual model. Grant is carried as deferred income in the balance sheet and is amortised on a systematic basis over the useful life of the housing property structure, even if the fair value of the grant exceeds the carrying value of the structure in line with SORP 2018.

When a housing property is sold which was partly funded by social housing grant (SHG) the grant becomes repayable and is transferred to a Recycled Capital Grant (RCGF) fund until it is either reinvested in a replacement property or repaid to the Regulator of Social Housing.

Leased assets

At inception the Group assesses agreements that transfer the right to use assets.

The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to surplus or deficit in the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Interest payable

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are calculated using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined on the basis of the carrying amount of the financial liability at initial recognition.

Under the effective interest method, the amortised cost of a financial liability is the present value of future cash payments discounted at the effective interest rate and the interest expense in a period equals the carrying amount of the financial liability at the beginning of a period multiplied by the effective interest rate for the period.

Taxation

The majority of the Group's activities are charitable and are conducted through the Registered Provider which has charitable status. No taxation is payable on activities relating to charitable purposes. Any charge for taxation is based on the surplus/deficit for the year and recognises deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax on a full provision basis.

Value Added Tax (VAT)

The Group is registered for VAT but a large proportion of its income, including rents, is exempt for VAT purposes. The majority of the Group's expenditure is subject to VAT which cannot be reclaimed, and expenditure is therefore shown inclusive of VAT where appropriate. For those areas where VAT is recoverable, a group partial exemption formula has been agreed with HM Revenue and Customs (HMRC). The recoverable amount is credited against the relevant expenditure.

Pensions

Local Government Pension Scheme

The group participates in a local government pension scheme which is a multi-employer scheme where it is possible for individual employers as admitted bodies to identify their share of the assets and liabilities of the pension scheme. For this scheme the amounts charged to operating surplus are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on pension movement during the year is charged to revenue and included within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit position) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each reporting date. This scheme was closed to new members from 1 April 2013.

The Group recognises a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Multi-employer defined benefit pension scheme – Social Housing Pension Scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK. The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The Scheme is classified as a 'last man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

Defined contribution scheme

The Group participates in a defined contribution scheme where the amount charged to surplus or deficit in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Investments

Investments are measured at cost less impairment.

Turnover

Turnover represents rental and service charge income, fees and revenue-based grants receivable from local authorities and from Homes England, the proceeds of first tranche sales of shared ownership properties and open market property sales, housing management services, feed-in tariff income and assistive technology services income.

Revenue for the main income streams is recognised as follows:

Rent	Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for the services rendered net of empty properties.
Service charge income	Fixed service charge income is recognised in the year to which it relates. Variable service charge income is recognised in the year the related cost is recognised.
First tranche shared ownership property sales and properties developed for outright sale	Property sales income is recognised when the risks and rewards of ownership have passed to the buyer upon legal completion of the sales, except in circumstances where specific legal contractual terms dictate that risks and rewards of ownership pass at different times.
Revenue grants	Revenue grants are recognised when the performance-related conditions are met or when the grant proceeds are received or become receivable if no conditions are imposed.
Amortisation of government grant	Grants provided to construct social housing assets are recognised on a systematic basis over the useful economic life of the asset for which the grant is intended to compensate.
Interest receivable	Interest income is recognised on a receivable basis.
Gift Aid	Gift Aid is recognised on a received or receivable basis.
Other income	Other income relates to housing management services, feed-in tariff income and assistive technology services which are recognised on a receivable basis.

Supported housing and other managing agents

Where the Group has ownership of a supported housing or other scheme but also has an agreement with a third party to manage the scheme (including Supporting People funded schemes or services), where there has been a substantial transfer of the risks and benefits attached to the scheme to the third party, any scheme revenue and expenditure is excluded from these financial statements.

Shared ownership property sales

Shared ownership properties, including those under construction, are split between non-current assets and current assets. The split is determined by the percentage of the property to be sold under the first tranche disposal which is shown on initial recognition as a current asset, with the remainder classified as a non-current asset within property, plant and equipment. Where this would result in a surplus on the disposal of the current asset that would exceed the anticipated overall surplus, the surplus on disposal of the first tranche is limited to the overall surplus by adjusting the costs allocated to current or non-current assets.

Proceeds from first tranche disposals are accounted for as turnover in the Statement of Comprehensive Income of the period in which the disposal occurs and the cost of sale is transferred from current assets to operating costs. Proceeds from subsequent tranche sales are treated as disposals of fixed assets.

Inventories/WIP

Inventories and work in progress (WIP) relate to the percentage of shared ownership properties to be sold under the first tranche disposal which is shown on initial recognition as a current asset under Inventories/WIP. These properties held for sale are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes materials, direct labour and an attributable proportion of overheads based on normal levels of activity.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at transaction value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest-bearing loans and borrowings.

A financial liability is initially recognised at transaction value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Loan issue costs relating to the housing loans and bond issue are amortised to the Statement of Comprehensive Income over the repayment period of the loans. Interest payable on the loans and bond is charged to the Statement of Comprehensive Income in the year it is due.

On long-term lending, the interest rate to be charged is calculated by reference to the interest rates, margins and banking charges within the loan agreements, with the funders, on the day the loan is made.

Public benefit entity concessionary loans

Where loans are made or received between a public benefit entity within the Group, or an entity within the public benefit entity group and other party at below the prevailing market rate of interest that are not repayable on demand and are for the purposes to further the objectives of the public benefit entity or public benefit entity parent, these loans are treated as concessionary loans and are recognised in the Statement of Financial Position at the amount paid or received and the carrying amount adjusted to reflect any accrued interest payable or receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, and on demand deposits, together with other short term, highly liquid investments (with original maturities of three months or less) that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2. Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the Group that have the most significant effect on the amounts recognised in the financial statements.

Impairment of social housing properties

The Housing SORP 2018 requires the Group to assess if there are any triggers for impairment. Management have considered the triggers and confirmed no further impairment is required.

Categorisation of investment properties

Property assets are classified as investment property or property, plant and equipment depending on the intended use of the property. In determining the intended use of each property, management considers various factors in making this judgement such as whether the asset is held for social benefit at below a market rent for the wider benefit of the community and whether the properties are subsidised and operated at a loss in order to continue providing a service. The accounting treatment will be different depending upon the categorisation.

Loan issue costs

Where loan issues costs are deemed to be immaterial, they will be amortised on an accruals basis instead of applying an effective rate of interest basis.

Classification of financial instruments between basic and other

Financial instruments are classified as either basic or other, with differing accounting treatments depending on the classification. Section 11 of FRS 102, ‘Basic Financial Instruments’, sets out the requirements for the recognition, measurement and de-recognition of basic financial instruments and the conditions that must be satisfied in order to classify a financial instrument as basic and therefore account for it in accordance with Section 11.

Modification of financial liabilities

Where the Group has modified a loan agreement, an assessment is carried out as to whether the modification results in substantially different terms. If it does, the loan is de-recognised, and a new financial liability recognised. If the new terms are not considered substantially different, there is a re-measurement of the financial liability using the original effective interest rate. In making this assessment, judgement is applied in considering a combination of quantitative and qualitative factors.

Capitalisation of property development costs

The Group capitalises development expenditure in accordance with the accounting policy on housing properties. Judgement is exercised over the likelihood that projects will continue.

Mixed tenure developments

Where the Group develops mixed tenure development schemes including more than one element, the costs incurred in acquiring and developing the land are attributed to each element of the scheme depending on the intended usage to reflect the different tenure types.

Estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Fair value measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

Provisions

Provisions are only recognised where the Group has an obligation to incur future expenditure as a result of a past event. Provisions are recognised as a liability in the Statement of Financial Position.

Valuation of investment properties

The Group carries its investment property at fair value and engages independent valuers to determine fair value using a valuation technique based on a discounted cash flow model. The calculated fair value of the investment property therefore uses assumptions, of which the most sensitive relate to the estimated yield and the long-term vacancy rate.

The future economic environment is uncertain and although the full impact and long-term implications are yet to be fully understood, the Group has confidence in the values disclosed in the financial statements. The Group has undertaken internal reviews of the most recent investment property valuations and assessed the financial performance of the portfolio and are confident that when taking into consideration the financial strength of the Group, any potential downturn in the value or financial returns from its investment properties would not have an impact on the Group's long term financial viability.

Defined benefit pension scheme

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Statement of Financial Position. The assumptions reflect historical experience and current trends. Variations in these assumptions could significantly impact the liability.

The cost of the LGPS and SHPS defined benefit pension plans are primarily determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, the scheme employers consider the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector.

The future salary increases provided by the actuaries ranged between 3.25% and 3.45%.

The future CPI assumptions (basis for pension increases) provided by the actuaries ranged between 2.75% and 2.95% and discount rates ranged between 4.85% and 4.90%.

As the assumptions for the Social Housing Pension scheme differed to the LGPS actuary assumptions we have applied the following:

Salary increases	3.45% (actuary 3.79%)
CPI inflation assumption	2.95% (actuary 2.79%)
Discount rate	4.90% (actuary 4.91%)

The net impact of the changes to the applied standard actuary assumptions detailed above is to increase the pension liability by £21k, from £295k to £316k and thereby reducing the actuarial gain for the year. The Northamptonshire scheme was in an asset position last financial year and was restricted to comply with FRS 102 section 28. This year both the Northamptonshire and Bedfordshire schemes are in an asset position and have both been restricted under FRS 102 Section 28 which states:

An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

There are no refunds from the plan and the reduced contributions in the future were not considered to be sufficient to fully meet the criteria. The asset was therefore not recognised. Further details are given in note 19.

Inventory

Inventory includes properties for sale under market sale and shared ownership programmes. In addition, the Group holds work in progress on schemes where properties are being developed for sale. The value of each asset is assessed for impairment by review against its selling price less costs to complete and sell and each scheme in progress against expected proceeds less costs to be incurred.

Whilst the long-term economic environment is uncertain due to inflationary pressures, the Group's immediate exposure to a downturn in the property market is fairly limited as its market sales and shared ownership programmes over the next 12 months are on a relatively small scale. In a situation where there was a significant shock to the market, the Group would consider short term conversion to rented products for which there is a strong demand in the areas the Group operates in.

The Group effectively monitors sales risk by monitoring the market and stress testing the business plan including scenarios of a 31% reduction in house prices, delays in sales and completions of up to five years and an increase in build costs over and above current inflation forecasts. The Group is able to withstand all these scenarios and can ensure that suitable mitigation strategies are in place to protect its long-term financial viability.

Components of housing properties and useful lives

Major components of housing properties have significantly different patterns of consumption of economic benefits and estimates are made to allocate the initial cost of the property to its major components and to depreciate each component separately over its useful economic life. The Group considers whether there are any indications that the useful lives require revision at each reporting date to ensure that they remain appropriate.

3a. Particulars of turnover, cost of sales, operating costs and operating surplus - Group and Association

2024	Turnover £'000	Cost of sales £'000	Operating costs £'000	Operating surplus* £'000
Social housing lettings (note 3b)	77,619	-	(59,656)	17,963
Other social housing activities				
First tranche property sales	11,127	(8,517)	-	2,610
Leasehold properties	122	-	(122)	-
Community investment	-	-	(1,032)	(1,032)
Alarm services	847	-	(933)	(86)
Non-social housing activities				
Garages	1,187	-	(197)	990
Market rent accommodation	1,583	-	(325)	1,258
Solar panel feed-in tariff	716	-	(342)	374
Other	291	-	-	291
Management services	252	-	(142)	110
Alarm services third parties	452	-	(452)	-
Leasehold management services	1,026	-	(868)	158
Provision against group loans	-	-	(708)	(708)
Development - abortive costs	-	-	(144)	(144)
Total Association	**95,222**	**(8,517)**	**(64,921)**	**21,784**
Open market property sales	-	(236)	-	(236)
Design and build services	49	(45)	-	4
Elimination of provision against group loans	-	-	708	708
Total Group	**95,271**	**(8,798)**	**(64,213)**	**22,260**

* operating surplus excluding gain/loss on disposal of housing properties, plant and equipment

3a. Particulars of turnover, cost of sales, operating costs and operating surplus - Group and Association continued

2023	Turnover £'000	Cost of sales £'000	Operating costs £'000	Operating surplus* £'000
Social housing lettings (note 3b)	69,422	-	(50,810)	18,612
Other social housing activities				
First tranche property sales	13,749	(10,458)	-	3,291
Leasehold properties	86	-	(86)	-
Community investment	-	-	(1,000)	(1,000)
Alarm services	775	-	(919)	(144)
Non-social housing activities				
Garages	1,130	-	(230)	900
Market rent accommodation	1,488	-	(300)	1,188
Solar panel feed-in tariff	628	-	(291)	337
Other	776	-	-	776
Management services	178	-	(122)	56
Alarm services third parties	248	-	(248)	-
Leasehold management services	137	-	(167)	(30)
Impairment	-	(847)	-	(847)
Development – abortive costs	-	-	176	176
Total Association	**88,617**	**(11,305)**	**(53,997)**	**23,315**
Open market property sales	2,900	(2,689)	(1)	210
Design and build services	18	(16)	(1)	1
Total Group	**91,535**	**(14,010)**	**(53,999)**	**23,526**

3b. Particulars of income and expenditure from social housing lettings

Group and Association Year ended 31 March 2024	Rented social housing £'000	Shared ownership £'000	Supported housing £'000	Total £'000	2023 £'000
Income					
Rents receivable	56,093	4,342	12,211	72,646	66,062
Supporting People	-	-	352	352	325
Service charge income	242	331	3,302	3,875	2,382
Other income	321	-	-	321	296
Amortised government grant	201	141	83	425	357
Turnover from social housing lettings	**56,857**	**4,814**	**15,948**	**77,619**	**69,422**
Expenditure					
Management	(8,151)	(1,120)	(2,948)	(12,219)	(9,935)
Service charge costs	(114)	(281)	(3,195)	(3,590)	(2,663)
Routine maintenance	(14,446)	(14)	(2,855)	(17,315)	(13,839)
Planned maintenance	(2,901)	(23)	(1,186)	(4,110)	(3,587)
Major repairs expenditure	(5,532)	-	(2,766)	(8,298)	(7,327)
Write out components	(1,410)	-	(576)	(1,986)	(1,218)
Bad debts	(287)	-	(104)	(391)	(388)
Depreciation of housing properties	(8,398)	(676)	(1,831)	(10,905)	(10,408)
Depreciation - other	(206)	(28)	(75)	(309)	(406)
Amortised intangible assets	(89)	(12)	(32)	(133)	(211)
Lease cost	(67)	-	(431)	(498)	(477)
Pension	65	9	24	98	(351)
Operating costs	(41,536)	(2,145)	(15,975)	(59,656)	(50,810)
Operating surplus/(deficit) from social housing lettings	**15,321**	**2,669**	**(27)**	**17,963**	**18,612**
Void losses	934	2	86	1,022	886

4. Surplus on disposal of property, plant and equipment

Group and Association	2024 £'000	2023 £'000
Sale of property	2,567	6,304
Sales proceeds from the sale of land	50	62
Costs of sale	(1,574)	(3,091)
Loss from other fixed asset disposals	-	24
Surplus on disposal	**1,043**	**3,299**

5. Finance income

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Bank interest receivable	407	292	407	292
Interest receivable from a group member	-	-	101	125
	407	**292**	**508**	**417**

6. Interest and financing costs

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Interest payable on loans and overdrafts	(18,817)	(15,937)	(12,843)	(9,956)
Interest payable to group member	-	-	(5,974)	(5,981)
Net interest on defined benefit liability (note 19)	145	(1,310)	145	(1,310)
Borrowing costs capitalised	2,527	2,192	2,527	2,192
	(16,145)	**(15,055)**	**(16,145)**	**(15,055)**

Borrowing costs on properties during construction have been capitalised based on a capitalisation rate of 5.0% (2023: 4.5%).

7. Surplus on ordinary activities before taxation

Surplus on ordinary activities before taxation is stated after charging:

	Group		Association	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Depreciation of housing properties	11,139	10,615	11,139	10,615
Depreciation of other property, plant & equipment	309	405	309	405
Amortised government grants	(425)	(306)	(425)	(306)
Amortised intangible assets	133	210	133	210
Auditor fees – statutory (excluding VAT)	67	62	40	45
Auditor fees – other services (excluding VAT)	21	17	21	17
Operating lease rentals - hire of motor vehicles	640	607	640	607
(Surplus) on disposal of fixed assets	(1,043)	(3,299)	(1,043)	(3,299)

8. Staff costs

	Group		Association	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Wages and salaries	15,331	14,029	15,331	14,029
Social security costs	1,553	1,477	1,553	1,477
Other pension costs (see note 19)	1,714	1,964	1,714	1,964
	18,598	**17,470**	**18,598**	**17,470**

8. Staff costs continued

The full-time equivalent number of staff who received emoluments, excluding pension contribution and net of any salary sacrifice, in excess of £60,000 are as shown below.

	Group		Association	
Salary Band £	**2024**	**2023**	**2024**	**2023**
60,000 - 69,999	9	7	9	7
70,000 - 79,999	4	1	4	1
80,000 - 89,999	2	4	2	4
90,000 - 99,000	3	3	3	3
100,000 - 109,000	1	-	1	-
110,000 - 119,000	1	-	1	-
140,000 - 149,999	3	2	3	2
220,000 - 229,999	1	1	1	1

The average full-time equivalent number of employees was:

Group		Association	
2024	**2023**	**2024**	**2023**
381	367	381	367

The basis of the calculation of the full-time equivalents was the total number of working hours per week from all employees at the reporting date, divided by a standard working week.

9. Board and Executive Directors’ remuneration

Directors are defined as Board Members and the Executive Management Team, who are key management personnel. Board members are remunerated at different levels dependent upon their role. Board members are also reimbursed for travel expenses totalling £5k (2023: £3k).

Non-Executive Board Member/ Committee Member	£'000	Grand Union Housing Group	Investment & Development Group	Governance & Remuneration	Audit & Risk	Grand Union Group Funding PLC	Grand Union Homes Ltd	GUHG Development Company Ltd	Customer Experience
Steve Benson (Appointed 1 April 2023) (Resigned 14 April 2024)	15.0	✓		✓		✓			
David Willis	9.7	✓		✓			✓	✓	
Emma Killick	9.0	✓							✓
John Edwards	8.5	✓	✓			✓	✓	✓	
Kevin Gould	8.5	✓			✓				
Peter Fielder (resigned 07 September 2023)	7.5	✓		✓		✓			✓
Gillian Walton (resigned 09 September 2023)	6.0	✓		✓					
Brent O’Halloran	6.0	✓							✓
Tom Paul	6.0				✓				
Craig Thornton	6.0	✓			✓				
Nannette Sakyi	6.0	✓	✓				✓	✓	
Ashleigh Webber	6.0	✓							✓
Kalwant Grewal (stepped down 20 October 2023	3.5	✓			✓				
Shawna Barnes	3.5								✓

The Executive Management team are ordinary members of either the defined benefits or defined contribution pension schemes and have no enhancements or special terms. No further contributions are made to an individual pension arrangement for the Directors.

	Group		Association	
Total Executive Directors' remuneration	**2024 £'000**	**2023 £'000**	**2024 £'000**	**2023 £'000**
Wages and salaries	535	503	535	503
Social security costs	66	65	66	65
Pension payments	31	37	31	37
	632	**605**	**632**	**605**

	Group		Association	
Remuneration of the highest paid director (excluding pension contributions)	**2024 £'000**	**2023 £'000**	**2024 £'000**	**2023 £'000**
Group Chief Executive	**220**	**202**	**220**	**202**

The Chief Executive is a preserved member of the local authority pension schemes run by Bedfordshire County Council (BCC). No special or enhanced terms apply to her membership of the scheme. During the year the company paid pension contributions of £nil which reduced from £6,970 in 22/23 on behalf of the highest paid director who received a compensatory adjustment to their salary.

10. Tax on Surplus on ordinary activities

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Current Tax				
UK corporation tax on surplus for the year	152	-	152	-
Adjustments in respect of prior years	-	-	-	-
Total Current tax charge	152	-	152	-
Deferred Tax				
Origination and reversal of timing differences	-	-	-	-
Total deferred tax charge	-	-	-	-
Total charge for the year	152	-	152	-

The tax assessed in the year is lower than the standard rate of corporation tax in the United Kingdom at 25% (2023: 19%). The differences are explained as follows:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Total tax reconciliation				
Surplus on ordinary activities before tax	7,278	12,062	6,903	11,976
Theoretical tax at UK corporation tax rate 25% (2023: 19%)	1,820	2,292	1,726	2,275
Increase / (decrease) in tax losses	84	(80)	-	(64)
Non-taxable surpluses	(1,752)	(2,212)	(1,574)	(2,211)
	152	-	152	-

Most of the Association's surpluses are exempt from corporation tax by virtue of the exemptions applicable to charities.

The Association was able to set brought forward tax losses against its taxable income in the year ended 31 March 2023. However, the Association's tax losses were, in effect, extinguished as at 31 March 2023 as a result of Finance (No. 2) Act 2023.

The Group has tax losses of £649,000 as at 31 March 2024 (2023: £313,000). The deferred tax asset has not been recognised due to uncertainties as to the extent and timing of its future recovery. The Association's subsidiary companies expect to eliminate future taxable profits by making qualifying charitable donations to the Association.

11. Tangible fixed assets – Housing Properties

Group and Association	Housing properties £'000	Land and housing properties under construction £'000	Leasehold properties £'000	Shared ownership £'000	Shared ownership under construction £'000	Total £'000
Cost						
At 1 April 2023	684,624	21,496	5,632	87,291	14,437	813,480
Additions	-	38,835	-	-	16,362	55,197
Purchased properties	9,392	-	-	4,687	-	14,079
Schemes completed	30,143	(30,143)	-	14,979	(14,979)	-
Improvements	12,659	-	-	-	-	12,659
Disposals	(239)	-	-	(834)	-	(1,073)
Write out component	(1,987)	-	-	-	-	(1,987)
At 31 March 2024	**734,592**	**30,188**	**5,632**	**106,123**	**15,820**	**892,355**
Depreciation						
At 1 April 2023	(108,770)	-	(1,068)	(3,425)	-	(113,263)
Charge for the year	(10,334)	-	(129)	(676)	-	(11,139)
Disposals	41	-	-	38	-	79
At 31 March 2024	**(119,063)**	**-**	**(1,197)**	**(4,063)**	**-**	**(124,323)**
Net book value						
At 31 March 2024	**615,529**	**30,188**	**4,435**	**102,060**	**15,820**	**768,032**
At 31 March 2023	575,854	21,496	4,564	83,866	14,437	700,217

Completed properties with a combined net book value of £288 million (2023: £384 million) have been pledged to secure borrowings of the Group. The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Analysis of works to existing properties	2024 £'000	2023 £'000
Capitalised: replacement of components	9,261	5,373
Capitalised: improvements	3,398	3,892
Charged to Statement of Comprehensive Income	8,298	7,327

12a. Property, plant and equipment – Other

Group and Association	Leasehold improvements £'000	Fixtures and fittings £'000	Vehicles £'000	Computer equipment £'000	Assistive tech £'000	Total £'000
Cost						
At 31 March 2023	1,720	195	23	1,134	122	3,194
Additions	-	23	-	86	-	109
Disposals	-	-	(5)	(71)	-	(76)
At 31 March 2024	**1,720**	**218**	**18**	**1,149**	**122**	**3,227**
Depreciation						
At 31 March 2023	(598)	(137)	(23)	(1,029)	(61)	(1,848)
Charge during year	(172)	(42)	-	(73)	(22)	(309)
Disposals	-	-	5	71	-	76
At 31 March 2024	**(770)**	**(179)**	**(18)**	**(1,031)**	**(83)**	**(2,081)**
Net book value						
At 31 March 2024	**950**	**39**	**-**	**118**	**39**	**1,146**
At 31 March 2023	1,122	58	-	105	61	1,346

12b. Intangible Assets

Group and Association	IT Software £'000
Cost	
At 31 March 2023	2,414
Additions	27
Disposals	-
At 31 March 2024	**2,441**
Amortisation	
At 31 March 2023	(2,244)
Charge for the year	(132)
Disposals	-
At 31 March 2024	**(2,376)**
Net book value	
At 31 March 2024	**65**
At 31 March 2023	170

13. Investment properties

Group and Association	2024 £'000	2023 £'000
Valuation		
At 1 April	31,996	31,942
Transfer to housing properties	-	-
Additions	87	54
Fair value surplus	(287)	-
Carrying value at 31 March	**31,796**	**31,996**

Investment properties consist of a market rent portfolio of 146 properties and development land. The market rent properties were valued by Savills and the development land by Kirkby Diamond as at 31 March 2024. These are both independent valuers with recent experience in the location and class of the investment land and property being valued. The method of determining fair value was in accordance with the RICS Valuation – Global Standards (effective from 31 January 2022) and significant assumptions were as follows:

a) that the properties are in a good condition and well managed and maintained to institutionally acceptable standards

b) that the properties comply with legal or statutory consents. There are no restrictions on the realisation of investment property

c) that the valuation was based on the accommodation being tenanted

d) the land was valued on the basis of market value.

14. Fixed asset investments

Association	2024 £'000	2023 £'000
At 1 April	50	50
At 31 March	**50**	**50**

Grand Union Housing Group is incorporated in England under the Co-operative and Community Benefit Society Act 2014 and is required by statute to prepare Group financial statements.

All shares held as investments are held as ordinary shares. Grand Union Housing Group Limited is the ultimate controlling party of:

Subsidiary Undertakings	Principal activity	Holding %
Grand Union Group Funding Plc	Access funding	100
Grand Union Homes Limited	Market sales of properties	100
GUHG Development Company Limited	Design and build activities	100

15. Stock

	Group		Association	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Properties in construction	8,492	8,271	7,187	6,878
Completed properties	4,829	4,035	4,829	4,035
Consumable stock	887	855	887	855
	14,208	**13,161**	**12,903**	**11,768**

An amount of interest of £1,565k (2023: £1,677k) is included in work in progress and the number of inventories recognised as an expense in the year was £5,449k (2023: £4,743k).

16. Debtors

	Group		Association	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Amounts falling due within one year				
Rent arrears	3,358	3,158	3,358	3,158
Provision for bad debts	(2,327)	(2,168)	(2,327)	(2,168)
Cash due from collecting agencies	380	234	380	234
	1,411	**1,224**	**1,411**	**1,224**
Other debtors	744	1,245	744	1,083
Amounts owed by Group undertakings	-	-	-	-
Prepayments and accrued income	1,503	1,259	1,503	1,259
	3,658	**3,728**	**3,658**	**3,566**
Amounts falling due after more than one year				
Bedford Citizens Housing Association	3,888	4,012	3,888	4,012
Amounts owed by Group undertakings	-	-	1,281	1,890
	3,888	**4,012**	**5,169**	**5,902**
Total debtors	**7,546**	**7,740**	**8,827**	**9,468**

No disclosure has been made of the net present value of rental arrears subject to repayment plans as the amount is considered to be insignificant.

The Group has a long-term loan owing from Bedford Citizens Housing Association for the provision of an older persons' scheme to support the delivery of housing for vulnerable residents in the Bedford area.

The amounts owed by the group members are secured by floating charges and interest is charged based on the Group's weighted average cost of borrowing and is reviewing annually. The final repayment date on these loans is 31 March 2030. At the year-end a write down provision of £708k was made by Grand Union Housing Group in respect of the intercompany loan facility with Grand Union Homes Limited.

17. Creditors – amounts falling due within one year

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Rents received in advance	2,888	2,607	2,888	2,607
Housing loans	4,558	1,929	4,558	1,929
Amounts owed to group members	-	-	2,071	2,071
Other creditors	2,293	2,189	2,293	2,189
Corporation Tax	152	-	152	-
Government grants - received in advance	373	306	373	306
Recycled capital grant fund	51	104	51	104
Accruals and deferred income	9,954	9,392	7,925	7,357
	20,269	**16,527**	**20,311**	**16,563**

Where not covered by a specific funding agreement the amounts owed to group members are unsecured, interest free, have no fixed date of repayments and are repayable on demand.

18. Creditors – amounts falling due after more than one year

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Housing loans	204,410	155,651	204,410	155,651
Bond	186,000	186,000	186,000	186,000
Bond premium	3,106	3,323	3,106	3,323
Government grants	35,644	28,647	35,644	28,647
Recycled capital grant fund	64	70	64	70
	429,224	**373,691**	**429,224**	**373,691**

Housing loans

At 31 March 2024, £398.4 million (of the total facility of £515.9 million) had been drawn down, of which £345.9 million was fixed at interest rates (including funder margins) between 2.71% and 7.48% and £52.5 million was at variable rates. These housing loans are secured by a fixed charge on a proportion of the assets of the Group.

Housing loans due after more than one year are stated above net of loan issue costs of £3,001k (2023: £2,860k).

Housing loans are repayable as follows:

Bank loans	2024 £'000	2023 £'000
Between one and two years	64,286	25,786
Between two and five years	1,648	43,849
After five years	141,477	88,876
On demand or within one year	**5,000**	**1,929**
	212,411	**160,440**

Bond

On 4 December 2013, Grand Union Group Funding Plc successfully issued a £115m bond at a coupon of 4.625% with repayment after 30 years in 2043. The bond was issued at a discount of 0.578% so that funds of £114.3m were received.

The cost of issuing the bond was £1.4m leaving a net balance of £112.9m. This was on-lent to Grand Union Housing Group Limited to enable the repayment of some of its existing loans and to fund future development. The effective interest rate and actual interest rate associated with the listed bond and on-lent funds is 4.715% and 4.625% respectively. The underlying assets of the issuance belong to Grand Union Housing Group Limited through a security trust arrangement with the Prudential Trustee Company Ltd.

On 15 December 2020, Grand Union Group Funding Plc successfully tapped the 2043 Bond for a further £56m, which included a retained element of £35m. The Bonds were issued at a premium of 44.22%, so funds received totaled £30.3m, this was on-lent to Grand Union Housing Group Limited to fund future development. The effective interest rate, and actual interest rate, associated with the 2020 bond tap and on-lent funds is 2.182% and 4.625% respectively.

Any bond discount/premium and costs of issue are amortised over the term of the bond, 30 years, with Grand Union Housing Group Limited being liable to Grand Union Group Funding Plc for both.

Government grants - deferred income	**2024 £'000**	**2023 £'000**
Original capital grant value		
At 1 April	30,337	28,768
Grants receivable	7,437	1,569
At 31 March	**37,774**	**30,337**
Amortisation		
At 1 April	(1,384)	(1,078)
Amortisation to Statement of Comprehensive Income	(373)	(306)
To recycled capital grant	-	-
At 31 March	**(1,757)**	**(1,384)**
At 31 March	**36,017**	**28,953**
Due within one year (note 17)	373	306
Due after one year (note 18)	35,644	28,647

Capital grants received are recorded as deferred income and amortised to turnover within the Statement of Comprehensive Income. The period of amortisation is the remaining years of useful economic life for the building structure from its date of construction, or at the time of its acquisition, if this is later.

Recycled capital grant	**2024 £'000**	**2023 £'000**
Opening balance	174	384
Grant recycled	45	(228)
Interest accrued	-	-
New build (grant utilised)	(104)	18
Carried forward	**115**	**174**
Grants to be recycled less than one year (note 17)	(51)	(104)
At end of the year	**64**	**70**

19. Retirement benefit schemes

Since April 2013, Grand Union Housing Group has offered to all new employees a defined contribution pension scheme, the Grand Union Housing Aviva Pension Plan. During 2023/24 the Group paid £853,062 (2023: £757,752) on behalf of employees who have joined the scheme. £118,159 (2023: £107,804) was outstanding as at 31 March 2024.

The Group participates in two pension schemes as an "Admitted Body", the local authority pension schemes run by Bedfordshire (BCC) and Northamptonshire (NCC) County Councils. These schemes provide benefits based on final pensionable pay for employees of all participating organisations. Both pension schemes are multi-employer defined benefit schemes and are funded and contracted out of the state scheme. Contributions are determined by qualified actuaries (Hymans Robertson & Barnett Waddingham) on the basis of triennial valuations using the "projected unit credit" method.

The latest available valuations were as at 31 March 2022 and these showed the overall actuarial value of the scheme's assets at that date of £59,148k (market value). The actuarial value was sufficient to cover 76% of the benefits that had accrued to members and past members of the pension schemes.

	Northamptonshire scheme valuation at		Bedfordshire scheme valuation at	
	2024	**2023**	**2024**	**2023**
Key assumptions used:				
Discount rate	4.85	4.75	4.90	4.80
Future pension increases	2.75	2.95	2.95	2.90
Salary increases	3.25	3.45	3.45	3.40

Mortality assumptions

Investigations have been carried out within the past three years into the mortality experience of the Group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	Northamptonshire scheme valuation at		Bedfordshire scheme valuation at	
	2024	**2023**	**2024**	**2023**
Retiring today:				
Men	21.3	21.5	21.1	21.4
Women	24.2	24.4	23.9	24.2
Retiring in 20 years:				
Men	22.7	22.8	22.2	22.4
Women	25.4	25.6	25.5	25.8

19. Retirement benefit schemes continued

Amounts recognised in the Statement of Comprehensive Income in respect of these defined benefit schemes are as follows:

	2024 £'000	2023 £'000
Current service cost	768	1,527
Net interest cost	14	407
Recognised in other comprehensive income	(10,185)	(23,622)
Total cost relating to defined benefit scheme	**(9,403)**	**(21,688)**

The amount included in the Statement of Financial Position arising from the Group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2024 £'000	2023 £'000
Present value of defined benefit obligations	50,758	50,640
Fair value of scheme assets	(64,130)	(58,040)
Restriction of pension asset*	13,557	7,952
Net (asset)/liability recognised in the Statement of Financial Position	**185**	**552**

Movements in the present value of defined benefit obligations were as follows:

	2024 £'000	2023 £'000
At 1 April	50,640	74,175
Service cost	722	1,499
Interest cost	2,384	1,991
Actuarial gains and losses	(1,083)	(25,763)
Contributions from scheme participants	256	253
Benefits paid	(2,145)	(1,500)
Past service costs	-	-
Unfunded benefits paid	(16)	(15)
At 31 March	**50,758**	**50,640**

Movements in the fair value of scheme assets were as follows:

	2024 £'000	2023 £'000
At 1 April	50,088	58,783
Actuarial gains and losses	4,537	(2,141)
Return on plan assets (excluding amounts included in net interest cost)	2,748	1,584
Contributions from the employer	756	1,104
Administration expenses	(46)	(28)
Contributions from scheme participants	256	253
Benefits paid	(2,161)	(1,515)
Restriction of pension asset*	(5,605)	(7,952)
At 31 March	**50,573**	**50,088**

The analysis of the scheme assets at the Statement of Financial Position date was as follows:

	Fair value of assets	
	2024 £'000	2023 £'000
Equity instruments	37,745	37,825
Debt instruments	14,061	10,801
Property	9,090	7,545
Cash	3,234	1,869
	64,130	**58,040**

The Pension Schemes have not invested in any of the Group's own financial instruments or assets.

* In both the Bedfordshire and Northamptonshire schemes assets have been restricted to comply with FRS 102 section 28: An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. There are no refunds from the plan and the reduced contributions in the future were not considered to be sufficient to fully meet the criteria. The asset was therefore not recognised.

19. Retirement benefit schemes continued

Social Housing Pension Scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme.

Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive.

The latest accounting valuation was carried out with an effective date of 30 September 2023. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2024 to 28 February 2025 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

	2024	2023
Key assumptions used:		
Discount rate	4.90	4.80
Future pension increases	2.95	2.90
Salary increases	3.45	3.40

Mortality assumptions

Investigations have been carried out within the past three years into the mortality experience of the Group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement at age 65 are:

	2024	2023
Retiring today:		
Men	20.5	21.4
Women	23.0	23.8
Retiring in 20 years:		
Men	21.8	22.6
Women	24.4	25.4

Amounts recognised in the Statement of Comprehensive Income in respect of these defined benefit schemes are as follows:

	2024 £'000	2023 £'000
Current service cost	28	38
Net interest cost	12	7
Recognised in other comprehensive income	(34)	(780)
Total cost relating to defined benefit scheme	**6**	**(735)**

The amount included in the Statement of Financial Position arising from the Group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2024 £'000	2023 £'000
Present value of defined benefit obligations	1,528	1,518
Fair value of scheme assets	(1,212)	(1,217)
Net liability recognised in the Statement of Financial Position	**316**	**301**

19. Retirement benefit schemes continued

Movements in the present value of defined benefit obligations were as follows:

	2024 £'000	2023 £'000
At 1 April	1,518	2,240
Service cost	28	38
Interest cost	72	60
Actuarial gains and losses	(34)	(780)
Contributions from scheme participants	-	-
Benefits paid	(56)	(40)
Unfunded benefits paid	-	-
At 31 March	**1,528**	**1,518**

Movements in the fair value of scheme assets were as follows:

	2024 £'000	2023 £'000
At 1 April	1,217	1,937
Actuarial gains and losses	60	53
Return on plan assets (excluding amounts included in net interest cost)	(147)	(843)
Contributions from the employer	138	110
Contributions from scheme participants	-	-
Benefits paid	(56)	(40)
At 31 March	**1,212**	**1,217**

The analysis of the scheme assets at the Statement of Financial Position date was as follows:

	Fair value of assets	
	2024 £'000	2023 £'000
Equity instruments	582	535
Debt instruments	557	621
Property	49	52
Cash	24	9
	1,212	**1,217**

The Pension Schemes have not invested in any of the Group's own financial instruments or assets.

20. Share capital – Association

	2024 £	2023 £
At beginning of year	11	10
Issued during the year	1	3
Cancelled during the year	(3)	(2)
At end of year	**9**	**11**

The share capital of the Association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When the shareholder ceases to be a board member that person's share is cancelled, and the amount paid up thereon becomes the property of the Association.

No shareholders have any rights in the residual interest in the assets of the Association after deducting all liabilities.

Co-opted Board Members are not shareholders.

21. Statement of cash flows

Group	2024 £'000	2023 £'000
Cash flow from operating activities		
Operating surplus for the year	23,303	26,825
Adjustment for non-cash items:		
Depreciation of property, plant and equipment	11,581	11,230
Decrease in debtors	189	1,402
(Increase)/Decrease in stock	(1,047)	2,011
Increase/(Decrease) in creditors	87	(751)
Pension costs less contributions payable	(244)	1,661
Adjustment for investing or financing activities:		
Less Gain on disposal of tangible fixed assets	(1,043)	(3,299)
Cash generated by operations	**32,826**	**39,079**

22. Financial commitments

Capital commitments are as follows:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Contracted for but not provided for	90,854	84,265	90,799	84,215
Approved by the directors but not contracted for	28,193	38,031	28,193	38,031
	119,047	**122,296**	**118,992**	**122,246**

The total amount contracted for at 31 March 2024 in respect of new dwellings relates to approved schemes for which grant approval has been received and is covered by cash balances and undrawn revolving credit facilities.

23. Analysis of changes in net debt

Group

	At Start of Year £'000	Cash Flows £'000	Non-Cash movements £'000	At Year end £'000
Cash and cash equivalents	9,439	(2,005)	-	7,434
Housing loans due in one year	(1,929)	(3,071)	-	(5,000)
Housing loans due after one year	(347,834)	(48,684)	-	(396,518)
	(340,324)	**(53,760)**	**-**	**(394,084)**

Association

	At Start of Year £'000	Cash Flows £'000	Non-Cash movements £'000	At Year end £'000
Cash and cash equivalents	9,403	(2,016)	-	7,387
Housing loans due in one year	(1,929)	(3,071)	-	(5,000)
Housing loans due after one year	(347,834)	(48,684)	-	(396,518)
	(340,360)	**(53,771)**	**-**	**(394,131)**

24. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Association	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Payments due:				
- within one year	2,701	2,426	2,701	2,426
- between one and five years	8,913	7,946	8,913	7,946
- in five years or more	14,434	15,207	14,434	15,207
	26,048	**25,579**	**26,048**	**25,579**

25. Number of units in management

At the end of the year accommodation owned and/or managed for each class of accommodation was as follows:

Group and Association	2024 units	2023 units
Owned and managed		
General needs	8,304	8,118
Supported housing and housing for older people	3,049	3,057
Shared ownership accommodation	1,158	1,018
Market rent	146	146
Intermediate market rent	127	73
Housing accommodation owned at the end of year	**12,784**	**12,412**
Managed not owned		
General needs	83	89
Supported housing and housing for older people	100	100
Shared ownership accommodation	61	42
Market rent	-	2
Intermediate market rent	-	54
	13,028	**12,699**

Reconciliation of residential accommodation owned and/or managed

	2023 No	Additions* No	Disposals No	Other No	Other No	2024 No
General needs	8,118	199	(5)	7	(15)	8,304
Supported housing and housing for older people	3,057	-	(1)	(7)	-	3,049
Shared ownership accommodation	1,018	149	(9)	-	-	1,158
Market rent	146	-	-	-	-	146
Intermediate market rent	73	54	-	-	-	127
	12,412	**402**	**(15)**	**-**	**(15)**	**12,784**

* the total number of additions includes 264 new build property completions and 138 properties purchased from Clarion Housing Group.

26. Related party transactions

There was one Customer but no Leaseholder members of the Group Board as at 31 March 2024. There were no Board members nominated by local authorities. The total rent charged to the Customer board member during the year was £7,428, there was no amounts owing at the year end.

The directors of Grand Union Housing Group have committed to providing support to Grand Union Homes Limited to ensure that the entity has adequate resources to continue in operational existence for the foreseeable future. This support is anticipated to be required in the short term as, despite the immediate risks from the current economic climate and a perceived slowdown in the housing market, we are confident that in time, with incentives available, sales will be achieved.

Grand Union Housing Group and its subsidiaries have throughout the year held balances with each other; these balances relate to normal trading transactions between each of the entities and are covered in more detail below:

	2024 £'000	2023 £'000
Payments made to subsidiaries		
Grand Union Group Funding Plc – loan interest	5,974	5,981
Grand Union Homes Limited – development cash flows	184	(2,284)
Receipts from subsidiaries		
Grand Union Homes Limited – intercompany loan interest	100	124
GUHG Development Company Ltd – intercompany loan interest	1	1
Amounts owed by subsidiaries at 31 March		
Due within one year:		
Grand Union Homes Limited	-	-
Due after more than one year:		
Grand Union Homes Limited	1,257	1,881
GUHG Development Company Ltd	24	9
Amounts owed to subsidiaries at 31 March		
Due within one year:		
Grand Union Group Funding Plc – unpaid share capital	38	38
Grand Union Group Funding Plc – Bond interest	2,033	2,033
Due after more than one year:		
Grand Union Group Funding Plc – Bond	136,000	136,000

27. Ultimate Controlling Party

The ultimate controlling party of Grand Union Housing Group Limited is the Board of Grand Union Housing Group Limited. The Annual Financial Statements of the Group and Association are publicly available, and copies are available upon request from the registered office and website.

Grand Union Housing Group is the ultimate controlling party of:

- **Grand Union Homes Limited** - a non-regulated private company, registered in England and Wales, limited by shares set up to undertake sales of homes on the open market for the Group.
- **GUHG Development Company Limited** - a non-regulated private company, limited by shares registered in England and Wales, set up to provide design and build services on behalf of the Group. This company began trading on 1 April 2022 during the year.
- **Grand Union Group Funding Plc** - a non-regulated public limited company, registered in England and Wales, formed to on-lend all proceeds of a bond issue to members of the Group.

28. Financial instruments

The carrying values of the Group's financial assets and liabilities are summarised by category below:

	Group	
	2024 £'000	2023 £'000
Financial assets that are measured at amortised cost		
Debtors	2,155	2,503
Debtors falling due after one year	3,888	4,012
Cash	7,434	9,439
	13,477	**15,954**
Financial liabilities that are measured at amortised cost		
Trade and other payables	4,983	5,081
Public bonds	189,107	189,323
Loans and borrowings	212,411	160,440
Accruals and deferred income	9,954	9,392
	407,688	**364,236**

29. Legislative provisions

The Association is registered under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Registered Provider as defined by the Housing and Regeneration Act 2008.

Grand Union
Housing Group

Email: help@guhg.co.uk
Web: www.guhg.co.uk

Tel: 0300 123 55 44

Grand Union Housing Group Limited Registered office:
K2, Timbold Drive, Kents Hill, Milton Keynes, Bucks MK7 6BZ Grand Union Housing Group Limited is a Charitable Community Benefit Society registered in England & Wales No. 7853, regulated by the Regulator of Social Housing No. 5060, and is a member of the National Housing Federation