Financial Statements

for the Year Ended 31 March 2024

Registered under Co-operative and Community
Benefit Societies Act 2014 No: 32239R
Registered with the Regulator of Social Housing No: 4789

platform housing group

Board Members

Board of Management	Appointed	
John Weguelin	1 January 2020	Chair
Ian Ailles	1 December 2023	Chair Group Audit and Risk Committee
Tony King	1 August 2020	Chair Treasury Committee
Helen Southwell****	1 October 2018	Vice Chair and Chair People and Governance
John Anderson	10 August 2020	Chair Growth and Development Committee
Jane Wynne	1 April 2023	Chair Asset and Sustainability Committee
Elizabeth Froude	17 September 2019	Board Member
Paula Smith	27 May 2020	Board Member
Heena Prajapat	21 July 2020	Board Member
Luciano Zonato	1 September 2020	Board Member
Mandy Clarke	1 June 2024	Board Member
Sebastian Bull *	27 May 2020	Chair Group Audit and Risk Committee
David Clark**	1 October 2018	Board Member
Abi Rushton***	1 April 2023	Board Member Co-opted

* Sebastian Bull resigned from the Board effective from the 30 September 2023
** David Clark resigned from the Board effective from the 26 July 2023
*** Abi Rushton resigned from the Board effective from 24 July 2023
**** Helen Southwell has resigned from the Board effective from 23 July 2024

Auditors and Bankers

Registered Office	External Auditor	Principal Banker
1700 Solihull Parkway Birmingham Business Park Solihull B37 7YD	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH	Barclays Bank PLC PO Box 3333 1 Snow Hill Snow Hill Queensway Birmingham B3 2WN

Registered under the Co-operative and Community Benefit Societies Act 2014
Charitable Registered Society Registration Number: 32239R
Regulator of Social Housing Registration Number: 4789

Executive Directors

Executive Directors		
Elizabeth Froude	8 July 2019	Group Chief Executive
Rosemary Farrar	17 March 2020	Chief Financial Officer
Jon Cocker	1 October 2018	Chief Information Officer
Marion Duffy	1 October 2018	Chief Operating Officer
Clare Durnin	1 October 2018	Executive Director (Corporate Resources)
Gerraint Oakley	15 June 2020	Executive Director (Growth and Development)
Dennis Evans	1 October 2018 (resigned 12 April 2024)	Executive Director (Property Maintenance)

Company Secretary	
Andrew Bush	11 December 2018

Contents

Our values set ideal standards which we apply directly to the way we run our business

Chair's Report

The past twelve months have been very challenging for the sector and for Platform and its colleagues due to rising costs and increased regulation. More importantly, for our customers the year has brought an unprecedented rise in costs of basic goods and services, particularly energy to keep their homes warm.

Throughout the year everyone at Platform has been focused on the customer – building new homes for the many who struggle to find a place where they can afford to live, transforming our services and increasing investment in our existing homes. Each one of us, from our operatives to our customer facing staff, our supporting teams, management and Board has made our customers our priority.

We have worked closely with our Customer Voice Panel and during the year we set up additional service panels to amplify the Customer Voice at Group Board and to enable panel members to be strategically more influential and challenge at the highest level. Our Wellbeing Fund continued to make individual grants to customers for essential needs with an increase in requests for help with energy bills. We also supported a large number of community organisations over the year.

The Successful Tenancies team gave practical help to an increasing number of customers to achieve positive welfare benefit outcomes. The TAPPI programme (Technology for our Ageing Population: Panel for Innovation) has allowed us to give fantastic support to many of our older customers. Platform is one of only six national TAPPI testbed organisations and we have been given the privileged opportunity to investigate, learn and reflect on the use of technology for our ageing population.

We hold regular weeklong events where colleagues are encouraged to volunteer in our communities in a wide variety of projects and these events have continued to grow in popularity amongst staff throughout all our areas of operation.

We have continued our journey of transformation focusing on improving our customer experience. As we listen to customers, we have been addressing their concerns with the help of investment in new technology and in new systems and processes. During the year we took in house our 'out of hours' call service and have seen marked improvements in our ability to respond to customers more quickly and to reduce waiting times. We have also seen a marked improvement in customers' access to our online services.

We have developed our Platform 1 dynamics CRM system which radically improves the way we are able to support our customers. In order to support our business better we also successfully implemented new systems for our HR function and for our Finances, both of which will allow our colleagues to operate more efficiently and cost effectively.

In order to help our customers with their energy bills and to improve the quality of our housing we have been focusing on spending as much as we can on the fabric of our homes after we had caught up with the backlog from the 'covid' period. We have continued to deliver our programme towards decarbonisation, fitting external wall insulation, cavity wall insulation, ventilation, new windows/doors, Air Source Heat Pumps and Solar Photovoltaic panels and will have transformed 995 homes by September 2025 with the help of grant funding from Wave 1 of the Social Housing Decarbonisation Fund (SHDF). We have phased out gas boilers on all our new homes and are replacing these systematically in our older buildings. During 2023/24 we increased our investment in existing homes by over 60% and will continue to prioritise investment in our homes over the next three years.

We have continued to focus on spending the "Platform Pound" as effectively as possible through procurement led 'category councils' which optimise the way we buy goods and services. Although we are still in no small part reliant on external contractors we have expanded the services provided by our in-house Platform Property Care company to take on more of our buildings and ground maintenance work and we see an improvement in customer satisfaction as well as a reduction in spend as a result of this strategy.

Despite pressure on our resources, we continued to have a healthy development pipeline, increasing the investment in new homes by over 25% from 2022/23 and completing over 1,200 new homes during the year. All our new homes are gas-free and sustainable and have an average EPC rating of B which will keep fuel costs down for our customers. We continue to build homes for low rent or shared ownership and we built no development for outright sale. Demand in the areas in which we operate is still high as we sell shared ownership homes mainly to families and key workers.

Throughout the year everyone at Platform has been focused on the customer – building new homes for the many who struggle to find a place where they can afford to live.

During the year we were delighted to retain our G1/V1 rating from the Housing Regulator and our A+ rating with both S&P and Fitch. This in some part prepared us well for the issuance of our latest sustainable bond in the first days of the new 2024/25 year when we raised £250m at a very competitive margin. We also agreed two further sustainable Revolving Credit Facilities which have given us strong liquidity and funds to continue with our investment plans.

Following our decision to provide a smarter and fairer pensions offer to staff we have successfully delivered the next step of our long-term Pensions derisking strategy and closed Platform's membership of all four Local Government Pension Schemes in the year, transferring a number of colleagues over to our inhouse defined contribution pension scheme. The cost of these closures has been paid for in 2023/24.

Notably, the £18m gross accounting adjustment for the closures of these pension schemes is shown clearly on the Statement of Comprehensive Income for the year on page 72. This has reduced our Operating surplus to 21.5%. The Operating Surplus before this adjustment is 26.8% which compares to the prior year's surplus of 30.9% However, our underlying strength can be seen in our social housing operating margin which has remained steady at 32%.

Although our margin and bottom line were both lower than the previous year we have balanced our forward strategy and continue to focus on our healthy social housing lettings margin with our ambition to continue to improve services to our customers, invest in our existing homes and deliver new homes.

We look forward to 2024/25 with energy and determination to continue our transformation journey to give our customers a better and more modern service. Our focus in 2024/25 is to invest in the homes our customers live in and build more homes for the future. To this end, we start the year with a healthy pipeline of new homes and an active portfolio of transformation projects to drive forward.

Lastly, I would like to thank Elizabeth Froude and the whole team at Platform, as well as my colleagues on the Board, for their enthusiastic dedication to the delivery of our strategy and the service to our customers and communities.

John Weguelin
Chair

Report of the Chief Executive

Prior to the start of the 2023/24 financial year we undertook a review of our 2021-26 Corporate Strategy. The aim was to ensure that our objectives and deliverables were still the correct things to be focussing on and also that they were still deliverable in the current macro environment.

The outcome was that we not only still felt they were the correct thing, but that we could also simplify the messaging and agree on prioritisation to ensure our whole organisation was aligned behind clear and simple goals.

The agenda throughout this year has been one of Investing for the Future: investing in the quality and energy standards of existing homes (expenditure up 61%), continuing to invest in much needed new homes (1,534 new starts) all at an energy standard of EPC B or above, investing in technology to improve our customer service levels and give our Colleagues improving tools to do their jobs and investing in future skills of our employees via our apprenticeship scheme, which grows every year, with 72 colleagues either upskilling or on formal apprenticeships and the 12 who graduated this year and remained with us.

Our overarching focus is that everything we do should ultimately deliver an improvement for our Customers and this will remain the focus going forward.

Without doubt the ever-increasing levels of Regulation and Legislation add a complexity and cost to our business. But where it improves the standards of services and the safety and fabric of homes for our customers we try to embed this as day-to-day activity and an embedded strand of all of our change programmes.

We are fortunate at Platform to have a sizeable internal maintenance business in Platform Property Care. This is another area of our business which we have grown over time and which gives us good compliance and efficiency standards and a service which our customers tell us is one they see as good, with consistent customer satisfaction at 87%.

This continued focus on improving the quality of our homes and services does come at a cost and we have seen our Operating Surplus reduced from £92.8m to £72.4m. However, this is after accounting for a one-off pensions adjustment of £18m. Our Social Housing Lettings Margin remained constant at 32%. This is still one of the strongest in the sector. Given the increased investment in existing homes of £15m, up year on year by 61.5%, this remains a strong performance. We do continue to stay vigilant when controlling controllable costs and our Management Costs per Unit as evaluated by the Regulator for Social Housing remains one of the lowest in sector at £677 per unit (sector average 2023 £1,201).

As I mentioned earlier, we remain committed to building much needed new homes and have successfully delivered 1,202 new homes this year. We continue to build only Affordable tenures and still have strong demand for Shared Ownership properties. The prices and proportions bought as first tranches remain high, a reflection of the fact that we keep the price points of the properties we build accessible to people who work and live in our communities. Although we appear to have higher than normal numbers of unsold units at the end of the year this is simply about timing of handover as 62% of them were already reserved at year end.

As we now look forward, we have delivered new systems and structures to allow us to have growing levels of insight and transparency about our Customers, their service requests and issues and to allow all of our staff to be as agile and as responsive as possible. We have been creating the infrastructure to deliver the step changes that are needed to meet our Customers' expectations and our desire is to be a learning organisation that is honest with itself and improves every year. Every year we have a Core Change Programme and the Core of the programme for the coming year remains delivering on what is best for customers and the properties they live in. Our transactional satisfaction, which measures our Customers' feedback on over 32,000 points of contact they have had with our organisation, remains consistent above 75%. This is still below where we would like to see it in the future and recent initiatives in our Customer Hub and imminent Portal functionality improvements will keep the trajectory in an upwards direction.

Our overarching focus is that everything we do should ultimately deliver an improvement for our Customers and this will remain the focus going forward.

Our Customer Voice Panel input to our strategic direction, but also hold us to task on delivery at the most fundamental level and will be catalytic on where we go next. To give this the momentum and power it needs we did a relaunch of their membership and jurisdiction in the last year, to give wider representation and greater breadth of insight on our performance as their landlord.

I look forward to being able to report next year that we have been able to continue to deliver on the needs and expectations of our customers and all other stakeholder groups who work with Platform to maintain a strong and successful progressive landlord.

Elizabeth Froude
Group Chief Executive

Year at a glance

April – June 2023

We hosted Homes England representatives on a tour of our West Midlands development sites in May. The visit showcased our use of government grants to create affordable housing. Elizabeth Froude emphasised collaboration with developers and highlighted challenges in the process. This engagement reflects our commitment to stronger partnerships and effective use of grant funding.

In June 2023, we received The Best Resident Engagement Strategy Award at the ASCP 2023 ceremony. Our entry showcased our live video solution, swiftly identifying gas issues in customers' homes. Integrating Voicescape Compliance led to a 20% reduction in no-access appointments over 8 months. This achievement stands as a testament to the collaborative effort of colleagues from all areas of the business.

July – September 2023

We hosted our first Customer Voice Conference, uniting involved customers, colleagues, and partners. The event emphasised the strategic role of the new Customer Voice Panel, aligned with the Group Board and governance structure. Talks by Kate Dodsworth (Regulator of Social Housing) and Emma Gilpin (Tpas) highlighted customer involvement and collaboration. Marion Duffy, Platform's Chief Operations Officer, discussed challenges in the housing sector and the importance of customer feedback. The conference also introduced sub-panels for deeper insight into specific business areas.

October – December 2023

In December, Platform's Head of Business Development and Innovation, Katie Gilmartin, appeared before the House of Lords committee to speak about Modern Methods of Construction (MMC) in affordable housing. MMC aims to create sustainable, high-quality, energy-efficient homes, but challenges persist due to industry struggles and housing association pressures. Katie emphasised MMC's importance in meeting housing and energy targets, praising Homes England's role. Platform's team is committed to sustainable homebuilding, with MMC as a strategic cornerstone.

January – March 2024

We received an Innovation award from Housing Technology for our pioneering work in information technology. The award recognises our work in using Artificial Intelligence to enhance services, including identifying at-risk customers and streamlining procurement processes. Platform is committed to exploring AI's potential for better customer outcomes.

In March, we launched our "Board Member Introductory Course" to mentor colleagues who want to join a board. Although colleagues are not eligible to serve on our own board, the course, taught by the Governance team, gives participants the knowledge and abilities they need to apply for board positions in other companies and industries. The course offers tips on improving resumes for non-executive board posts and covers the responsibilities, obligations, skills, financial, and regulatory aspects of becoming a board member.

Strategic Report

The Group Board presents its report and the audited financial statements of Platform Housing Group Limited (‘the Association’) and its subsidiary undertakings, together forming the Platform Housing Group (‘the Group’), for the year ended 31 March 2024.

Delivering to our Strategy

The environment within which we operate has continued to change and bring challenges to our residents and our service delivery throughout 2023/24. During the year we updated and simplified our Strategic Plan and Corporate Strategy for 2021-2026 and focused on five key priority areas.

1. Investment in existing stock, including the move to EPC ‘C’ and carbon neutral targets
2. Improving customer services (including reduction in complaints, compensation, and an increase in customer satisfaction)
3. Compliance with requirements from the Regulator of Social Housing and other legislative and statutory expectations
4. Completion of our transformation processes
5. Employee retention, engagement, and well-being.

In order to measure progress on our delivery within these priority areas we have rationalised our key strategic themes from six to three – People, Places, Platform, and supported these with seven simpler and clearer goals. At the heart of the revised strategy, our focus remains on making Platform a truly modern housing association, delivering a first-class housing experience for our customers.

During the year we delivered a number of initiatives to take forward our Corporate Strategy:

People

- Project launched to map and redesign our customer journeys
- Housed 54 Ukrainian and Afghan families through our resettlement programme
- Redesigned and relaunched our Strategic Customer Involvement Framework
- Completed our initial Silent Customers project
- Launched a falls response pilot to cover 111/999 calls for non-injured customers across Worcestershire
- Brought our Out of Hours service in-house and employed a secondary call centre to improve quality and response times
- Implemented the first phases of our Platform One project, our integrated CRM solution
- Launched our TAPPI pilot (Technology for an Aging Population – Panel of innovation) to become one of 5 testbed sites within our retirement housing homes
- Produced a series of ‘how to’ videos on our website to give home ownership customers the opportunity to self-serve
- Aligned all colleagues pay to Real Living Wage pay rates including apprentices
- Reviewed our operating model for our Customer Experience Team, which saw the creation of four sub-teams, (triage, investigations, quality assurance and business planning)

Places

- Converted further Grounds Maintenance contracts to an in-house delivery model
- Continued to expand video calls into the Platform Hub to assist with diagnostic and evidence gathering for repairs and damp, mould and condensation calls.
- Continued to deliver our Internet of Things (IoT) strategy
- Launched the new Rent to Buy tenure
- Produced a marketing sign and boarding guidance document for correct and safe on-site marketing material

Platform

- Launched our refreshed Corporate Strategy
- Implemented our new Finance system and Source to Contract system under our continuing Shaping Future Finance project
- Consolidation of our housing systems into one system on-going and to be complete by the end of Q1 2024/25
- Our Ideas Lab continues to provide colleagues with opportunities to share ideas about improvements
- Reviewed the strategic direction of our Equality, Diversity and Inclusion Strategy, getting greater focus on benefits and priorities
- Launched our new Trainee Board
- Appointed two new non-executive Board Members
- Continued to deliver our in-house designed and delivered Leadership Development Programme to all leaders and managers across the business
- Received ICS accreditation for our in-house designed Platform Experience learning
- Commenced delivery of our revised in-person Platform Corporate Induction sessions for new starters
- Enhanced focus on mandatory training modules such as cyber security, data protection and safe guarding
- Designed and delivered Platform’s all Colleague Conference, Platform Recharged
- Completed our baseline TSM survey and updated the survey for the year end

Looking forward to 2024/25 and beyond we plan to:

People

- Work with our customers as we revise and launch our ‘Customer Commitments’
- Continue to improve service delivery to customers using feedback from the results of our Tenant Satisfaction Measures surveys
- Use multiple channels to enable customers to access the services they need when they need them through a new digital portal and online apps
- Develop and act upon future workforce plans by developing then piloting a career framework, and delivering a competency framework across our leaders
- Ensure diversity and inclusion are central to the ‘Platform’ experience through the launch and analysis of a colleague EDI survey
- Develop, launch and deliver a new Applications Roadmap following delivery of our Core Change Programme

Places

- Review our Asset Management Strategy to ensure we provide safe homes for our customers
- To continue the final year of our 3-year investment programme, to upgrade alarm systems following TSA audits
- To start at least 1,600 new homes within our growth and development sites
- Change the strategic direction of our development programme to land-led and partnerships
- Develop the ‘Platform Standard’ across our new builds, existing homes and specialist housing
- Develop and launch a gas replacement roadmap for all of our existing homes

Platform

- Continue to review and update our Service Charge process to improve quality and minimise cost.
- Create and launch our roadmap to Net Zero enabling our existing homes to be on track to achieve the government target EPC rating C by 2030
- Complete 2,251 retrofit interventions to our existing homes
- Improve confidence in our data to give colleagues access to the information they need, when they need it
- Deliver efficiencies by ensuring we spend the Platform pound effectively through improved contract management
- Explore and utilise artificial intelligence (AI) to help identify silent tenants
- £13.2M of social value captured for 2024/25 Development Programme to the business.
- To continue with our Core Change Programme to fully leverage and embed emerging technologies and improved processes.

Our values

Our values underpin our strategic objectives and they help describe our style of leadership and the way our people behave. We continually embed our organisation-wide values and behaviours. This begins with our induction programme for new starters and follows with training, dedicated development plans and our toolkit named ‘Bring your Best’. This training works with our values to set ideal standards, which we apply directly to the way we run our business, recruit our colleagues, manage our performance, and recognise and reward good work.

We have also continued to deliver our multi-module leadership development programme to support further our belief that our values inspire and guide us through everything we do. During the year we have developed a new performance management tool to support managers and colleagues to reflect the important shared attitudes, beliefs and behaviours that we want to see, feel and hear in Platform.

People Matter

The way we treat each other

We put colleagues and customers at the heart of everything we do. Valuing difference, we are free to challenge each other and are open and honest in our relationships.

Own It

The way we want to work

We say what we’ll do and then we do it. We listen, understand and are empowered to make decisions. We look for our own ways to learn and adapt and focus on what we can do.

One Team

The way we deliver our services

We are connected, collaborative and in it together. We want everyone to reach their potential and be the best they can be. We actively support each other to make this happen.

Be Brave

The way we look towards our future

We are curious and courageous. We look for better ways to do things, are comfortable trying them and learn quickly. We are not afraid to stand out from the rest and celebrate our successes.

Our People Values are underpinned by a set of behaviours which outline the actions and ways of working that all our colleagues must all work to demonstrate.

Performance against Objectives

The Platform Housing Group (The Association), is a Community Benefit Society, a charitable registered provider of social housing and is the parent undertaking of the Group which consists of the parent and five subsidiaries:

- Platform Housing Ltd is an asset-holding charitable registered provider and is a Community Benefit Society.
- Platform Property Care Limited (PPC) is a company limited by shares and provides a full range of maintenance services to the Group as well as operating in a Cost Sharing Group (CSG) with local partners Rooftop Housing and Stonewater Housing.
- Platform New Homes Ltd (PNH) is a company limited by shares and provides construction and development services to the Group.
- Platform HG Financing Limited is a public limited company limited by shares and is a funding vehicle for the group; and
- Waterloo Homes Limited is a dormant company.

The macro-economic environment continues to challenge our organisation and all those who we support and interact with. Our social purpose drives our response to this continuing challenge and we keep this at the heart of our responses. Our emphasis on providing help for residents to increase their resiliency for the longer term impact has continued this year. Platform launched a temporary Wellbeing Fund in March 2021 and the Board has continued to support the fund and has committed budget for 2024/2025 in recognition of the continuing extreme economic challenges that we are all still facing. A total of £4.7m has been spent supporting residents and community groups.

Platform is a strategic partner to Homes England and has a capital grant allocation under the latest Affordable Homes Programme (AHP). The construction industry remains challenged with the labour and material supply chain. Our move to a more land led development strategy has allowed us to grow our completions this year. We continue to supplement the limited grant received with surpluses generated by our activities in order to provide as many new homes, in the right mix, as we can to continue to address the housing crisis.

The Group is registered with, and regulated by, the Regulator of Social Housing (RSH) and works within the regulatory framework for social housing. Platform collaborated in 2024 with an In Depth Assessment (IDA) from the regulator and the latest Regulatory Judgement, received in March 2024, which received the highest rating that confirmed the organisation is properly governed and managed (G1) and continues to be financially viable (V1).

The Group provides a varied range of rented housing including general needs, housing for older people and retirement living schemes, as well as supported housing schemes for young people, disabled people and homeless families. Complementing this core activity, a limited number of intermediate, student and market rent properties are also provided. The Group also provides a growing number of shared ownership homes for part buy, part rent.

Group Key Performance Indicators

The key performance indicators are set at Group level and are used to assist the Board in monitoring progress against delivery of the corporate strategy. The results as at the end of March 2024 are shown below against our target for the year. The table also shows our performance against appropriate benchmarking data widely available in the sector for 2022/23.

Where the benchmark shows Platform in Q3 or Q4 we have set a target to improve backed by a detailed plan of action.

Measure	Benchmark	Sample*	Source 2022/2023	Target	Actual
Performance against Affordable Homes Programme				100.0%	104.6%
Sales against target				100.0%	99.8%
Number of new homes completions	Ranked 9th	31	Global Accounts	1,328	1,202
Operating margin	Ranked 16th	31	Global Accounts	29.4%	21.5%
Operating margin (excluding one off pension cessation costs)	Ranked 10th	31	Global Accounts	29.4%	26.8%
Current tenant arrears	Q1	57	Housemark	3.0%	2.78%
Former tenant arrears				1.5%	1.98%
% Shared Ownership arrears				1.5%	2.39%
Average re-let time – General Needs	Q4	47	Housemark	30.0	65.0
Number of available voids at year end				370	394
Overall satisfaction with the service provided (STAR)	Q3	149	Housemark	75.0%	75.5%
Complaints responded to within targets	Q3	149	Housemark	95%	79.3%
% of properties with a valid gas safety certificate	Q3	149	Housemark	100.0%	99.97%
Employee satisfaction				75.0%	73.0%
Employee turnover rate (Voluntary only)				12.0%	10.1%
Average number of days lost to sickness				7.0	8.7

*Sample size is the number of organisations either included, or who supplied data for the KPI

Performance against Objectives (cont.)

Financial

Platform reported an underlying surplus for the year 2023/24 of £26.4m. During the year Platform made the decision to close its Local Government Pension Schemes to future accrual. This closure has resulted in a one-off accounting reduction of our underlying surplus of £18m, impacting our financial metrics this year. All of our surplus is re-invested into the provision of new homes and in improving our services. We continue to invest in our properties, our people and our systems and our Long-Term Financial Plan reflects this investment. Our operating margin of 21.5% (2022/23: 30.9%) has been impacted by the pension cessation costs and the continuing supply chain challenges as maintenance pressures and increased voids and void letting times have impacted costs again this year. Operating margin without disposals is 20.1% (sector scorecard measure), which maintains our strong position to face the continuing economic uncertainty. Our underlying operating margin without disposals, excluding the one-off pension cessation costs is 25.4% which remains in the upper quartile for the sector.

Arrears

At the end of the year the Current Tenant Arrears (CTA) performance for Platform Housing Group's Social general needs properties was 2.82%. The CTA for Shared Ownership was 2.39% bringing the Group CTA to 2.78%. This is an increase of 0.22% in comparison to the end of March.

Whilst we have seen a larger than usual increase in the debt value this year, this is representative of the sector trend and demonstrates the difficulties we have experienced in collecting rent. The cost of living, utility bill increases and challenges over the level of service charges has hugely impacted the collection of rent and the number of enquiries we have dealt with. We are now collecting over £262m of annualised rent. The increasing cost of rent together with the increase in the cost of utilities have magnified the challenges we face when it comes to collecting rent across the whole of our stock.

In order to find new ways of managing this challenge, we are looking forward to starting a pilot this year to trial new arrears products that use AI and machine learning to prioritise our cases for us using the associated risk and allow us to automate low level contact that does not require the personal touch.

We continue to see the financial pressures faced by many of our customers due to the ongoing cost of living crisis. The Successful Tenancies Team have been instrumental in supporting our customers to ensure we minimise the impact of the rising cost crisis and maximise income at every opportunity. The Wellbeing Fund provides us with additional support for customers alongside external agencies such as DHP applications, Vicars Relief Fund and local charities that support our customers.

Since November 2023 we have employed two New Customer Officers who assist with the initial rent in advance payments, ensure future payments are agreed and liaise with HB/UC and utilise the STT/Wellbeing Fund. This is all part of our early intervention working.

Shared Ownership Arrears have reduced to 2.39% for March 2024. This is a particular success for the team, as we are rebasing our customers service charges. We continue to offer referrals to our successful tenancies team and external organisations.

Universal Credit (UC) Performance Overview

There are 17,589 recorded Universal Credit (UC) claimants as of March 2024 at Platform, the number of claimants has remained consistent with last year, where 17,088 were recorded. Whilst the overall change in claimant numbers has been minimal, periodically throughout the last 12 months, recorded claimants have fluctuated above and below this final figure. Arrears at the end of the year for UC was 3.8% with a total value of £4.34m. This is a reduction of 0.68% for the same period prior year which equates to £296,675.15 in monetary value.

Last year we reported that the migration of the remaining legacy benefits onto UC by 2024 remains a target for the Department of Work and Pensions (DWP). This timetable has now been clarified; with the 'Move to Universal Credit' initiative underway across all job centre districts for the following legacy benefit groups:

- Income Support – April 2024
- Soley Housing Benefit – June 2024
- Employment Support Allowance (inc Child Tax Credits) – July 2024
- Tax Credits claimants (over state pension age) – July 2024
- Job Seekers Allowance – September 2024

There are 9,052 customers recorded as claiming housing benefit at Platform. However, it is not known how many of these claimants solely receive housing benefit contributions, along with the other potential legacy benefit categories outlined above. Migration Notices will be issued to existing claimants and customer engagement activities will be a priority for the year ahead to ensure a smoother transition onto UC where possible.

Fundraising for Newlife

Each year, colleagues are asked to nominate a charity for Platform's Charity of the Year. For 2023/24 the charity chosen was Newlife.

A smaller charity based at the centre of our operating area, and supporting families across the UK, Newlife provides specialist equipment for disabled and terminally ill children alongside providing expert support helplines to their families and carers. Having supported national charities for the previous few years, we felt it was important to focus on smaller charities which, in the current environment, have been hit particularly hard when it comes to raising funds.

Throughout the year, colleagues have been supporting Newlife, not only by raising funds through bake sales, raffles and other fundraising activities but also through volunteering their time to help at de-labelling events – where they have helped the charity workers to remove labels from clothing that has been donated for them to sell in their shops. Colleagues have also enjoyed these opportunities to make their own purchases which have added to the fundraising pot.

In June, 20 of our colleagues, alongside riders from our event sponsors, undertook a 223 mile charity bike ride and raised over £10,000 for Newlife. The cyclists crossed Herefordshire, Worcestershire and Gloucestershire in the gruelling two-day event, enduring heat, traffic and even a cow or two.

Charity bike riders.

Performance against Objectives (cont.)

Breathing Space

Over the last 12 months Platform had 108 customers enter the government supported debt respite scheme, known as Breathing Space. Platform customers entering this scheme are provided with temporary protection from arrears contact chasing and/or enforcement action relating to any debt owing to the Group for up to 60 days. This figure has reduced slightly over the last 12 months (131 entries reported in 2023-23) and this route continues to be a credible avenue for customer needing more specialist debt support.

Tenancy support

All Platform customers are able to self-refer or be referred into a specialist team of advisers who can support with financial matters related to benefits and budgeting. Successful Tenancies Advisers can provide assistance with completing income & expenditures, benefit checks and making applications for benefits, welfare assistance, grants funding and other schemes. The main goal for the team is to work pro-actively with customers to maximise income and promote tenancy sustainment. The team works with referral partners for debt and specific energy support and signpost customers for further support with any other needs that may be identified during the process. The team works closely with colleagues managing the Wellbeing Fund provision to ensure Platform can confidently support customers with short to medium term financial hardship.

In 2023-24, the Successful Tenancies team supported 6,493 customers working to achieve £3.243m in income maximisation activities for Platform customers, an increase of £0.66m when comparing the same period the previous year. This is a great achievement for the team as funding pots and financial provisions have been decreasing on a local and national level. The team also monitor the social value impact of the activities completed with customers and has generated £7.230m in economic social value for 2023-24.

The Wellbeing Fund provision has continued to support customers experiencing financial difficulties. For 2023-24 an enhanced criteria and framework was introduced to enable Platform to maintain its reach to those customers in greatest need of short-term support. Over the year the Fund has spent £1.1m and has supported 3,626 customers with essentials such as food, household and clothing and energy vouchers. We have also provided customers with whitegoods, beds and digital and wellbeing support. From October 2023, the Wellbeing Fund has started to collect social value data with £379,625 generated in social value through interventions that have improved perception of debt, general finance and wellbeing.

Platform continues its partnership with Stay Nimble, a UK-certified social enterprise that delivers award-winning career development support via an always-on digital platform. The programme is free for customers who can gain support from a qualified career coach to; help build confidence, inspire and explore future career goals and equip customers with the necessary tools, as well as access to a range of easy-to-use online tools. Platform reports a social value figure of £104,780 for 2023-24 in relation to this partnership, with social value measured against employment, wellbeing and financial outlook criteria.

Void properties

At the end of March 2024 0.97% of our housing stock was vacant (or 394 void properties) against a target of 0.92% (370). Although an increase from the previous March at 323, this was a welcomed position given that the year has been particularly challenging with voids exceeding 500 at certain points. Tenancy terminations averaged 219 per month across the year and, relet times for all tenures remained greater than the 30 day target at 65 days. This increase is largely attributed to the fantastic progress made in reducing the number of long term voids over 100 days to around 20 at the end of March, through new and targeted marketing initiatives.

The team has operated in an increasingly challenging environment with a significant increase in the level of refusals. The focus for 2024-25 is to reduce our void position to around 0.86% (or 350) and to maintain this position month on month, with a clear commitment to reduce relet times and thus void rent loss. New homes were let at an average of 2.3 days against a target of 3 days. In 2024-25 we hope to commence the discovery phase to scope out a fully automated voids and lettings process to increase efficiency within the team and to improve the overall customer onboarding journey.

Complaints and compliments

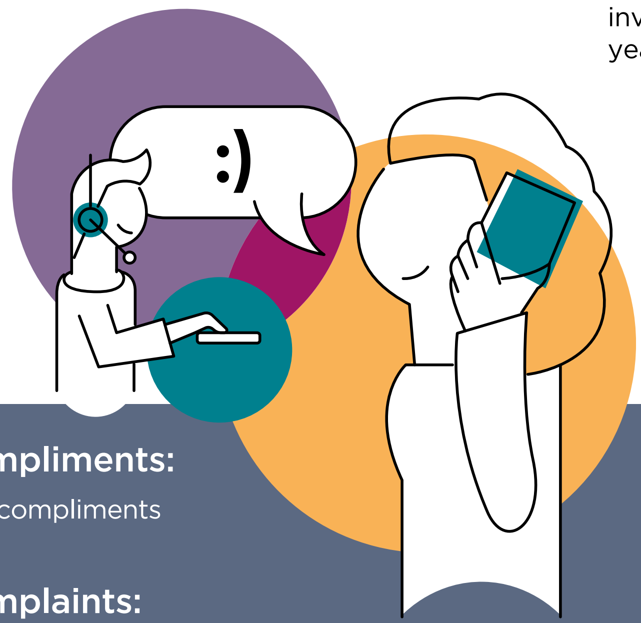
In 2023/2024 we have continued to see an increase in formal complaints, in line with the trend being seen across the sector and by the Housing Ombudsman Service.

We operate a robust complaints policy in line with the Housing Ombudsman Complaint Handling Code. We revised our Remedies and Compensation Policy in October 2023 to ensure that compensation was in line with awards being made by the Housing Ombudsman Service.

We received 482 compliments during the year which was a slight decrease on the 532 received the previous year. The compliments received are overwhelmingly about our people and this is linked with the high level of positive feedback received through our in-house surveying tool.

The Group received 2,374 (2022/2023; 1,249) formal complaints between 1 April 2023 and 31 March 2024. 2,217 formal complaints were investigated compared to 1,140 the previous year, 77% of which were upheld. 79% of formal complaints were responded to within timescales.

The Group reviewed 480 (2022/2023; 276) complaints at the final review stage of the complaint's procedure during 2023/2024, which equates to 22% of all formal complaints investigated which is slightly lower than last year which was 24%.



Compliments:

482 compliments

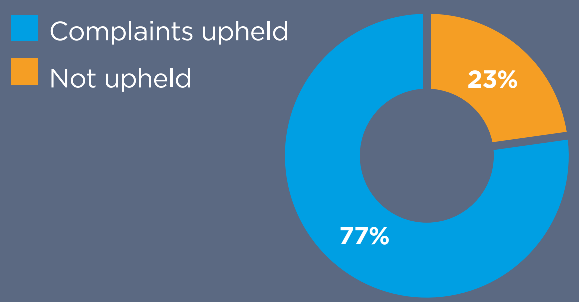
Complaints:

2,374 complaints received.

2,217 complaints investigated

An increase of **1125** on the previous year

Complaint outcomes:



Performance against Objectives (cont.)

Customers

We continue to use our in-house developed surveying tool for completion of additional customer satisfaction surveys. This involves customers completing surveys closer to the time a transaction has taken place and allowing the Customer Experience team to follow up on any issues identified by the customer following the survey response being submitted. The overall satisfaction figure is now made up of a number of transactional surveys all contributing to the overall picture. It was pleasing to note that we ended the year above target and nearly a 5% increase compared to the previous year.

Time Period	Satisfaction	Number of responses	Target
April 2023 – March 2024	75.5%	32,233	75%
April 2022 – March 2023	70.7%	34,980	75%

The survey tool enables us to harness insight from customers in their own words. We ask the customer to score their recent transaction with Platform out of five and then to tell us the reason for that score. The KPI for overall customer satisfaction is made up of ten individual transactional surveys.

One of the most important things that the survey feedback has shown us is how much our customers value our people. There are overwhelmingly positive comments about how our people deal with customers every day.

Some of the key changes made as a result of customer feedback in 2023/2024 included:

- Follow on repair appointments are agreed before the operative leaves a customer's home.
- Additional resource to our Gas team to reduce repair time.
- Bringing all of our Grounds Maintenance service inhouse to improve quality.
- Bringing our out of hours service in house at the end of 2023 and introduced a secondary call centre to take overflow calls in March 2024.
- Launching one system for complaint handling early in 2024 so details of complaints are visible to all departments.
- In line with Housing Ombudsman guidance, we have worked with our Insurance team to provide clear guidance on how to start an insurance claim or personal injury claim which is now inserted into our complaint's responses.
- Starting to look at the process we follow when a leak happens in our customers' homes. A new leaflet is being designed which sets out what we expect customers to do and what we will do to help them.
- Designing a new communication leaflet to help customers with pest infestations.
- Revisiting our Gifting procedure on the customer website to help when properties are vacated.

Tenant Satisfaction Measures

The Regulator for Social Housing published the final Tenant Satisfaction Measures (TSMs) in September 2022 following a consultation period these came into effect in April 2023. The Group commissioned IFF Research, an independent research agency with extensive experience in gathering robust customer feedback for a wide range of sectors, to carry out their TSM survey. The survey is carried out on a monthly basis with 70% of surveys carried out via telephone and 30% online via email. The results are published on an annual basis.

A baseline survey was undertaken during February 2023 using the overall eligible customer population. Customer feedback received in the baseline survey was reviewed and representative quotas were set for the age group of customers to be surveyed that reflect the age groups of the overall eligible customer population. These groups have been set for both Low Cost Rented Accommodation (LCRA) and Low-Cost Home Ownership (LCHP) customers.

In the year a total of 2,958 interviews have been conducted: 2,375 with LRCA customers and 583 with LCHO customers. Interviews were carried out across the whole of the Groups geography. Throughout the survey, base sizes exclude those who responded with 'don't know', 'unable to answer', 'N/A' or 'refused'.

Tenant Satisfaction Measures Survey

Themes			2023-24 Difference from Baseline	2022-23 Baseline Survey Results
Overall satisfaction	Overall satisfaction (2939)	**60%**	+9%	51%
Keeping properties im good repair	Repairs satisfaction (last 12 months (1670)*	**68%**	+4%	64%
	Timelines of repairs (1652)*	**57%**	+6%	51%
	Home is well maintained (2339)	**64%**	+4%	60%
Maintaining building safety	Home is safe (2832)	**73%**	0%	73%
Respectful and helpful engagement	Listens and acts (2506)	**45%**	+1%	44%
	Keeps tenants informed (2628)	**56%**	+6%	50%
	Treats fairly and with respect (2751)	**67%**	+5%	62%
Effective handling of complaints	Handling complaints (998)	**29%**	+2%	27%
Responsible neighbourhood management	Communal areas clean and well maintained	**53%**	0%	53%
	Positive neighbourhood contribution (2059)	**47%**	+5%	42%
	Handling anti-social behaviour (1668)	**49%**	+8%	41%

Base: All customers at Q1-Q4, April 23 – March 24 (bases vary by question).
*These questions only asked of LCRA customers and not LCHO customers.
% 'very' or 'fairly' satisfied at each question is shown.

Performance against Objectives (cont.)

Finding a place of safety

Instances of harassment, domestic abuse, exploitation, and modern slavery often trap individuals in precarious situations, devoid of any viable escape routes. This is where our Lettings Team were able to intervene and support a victim into a new home.

The victim, who was previously housed with another association, found herself grappling with mental health challenges, notably complex PTSD, alongside enduring harassment from neighbours and domestic abuse at the hands of an ex-partner. As a result, she was forced to leave her home of four years, seeking temporary refuge with family for her safety. She was also a victim of exploitation and modern slavery and had rent arrears that she wasn't aware of due to being away from the home she had shared with her ex-partner.

Through swift dedicated support, in collaboration with her previous housing provider and the Localities team, our Lettings team facilitated the customer's transition to her new home in a suitable area, ensuring she was equipped with the necessary support for addressing arrears and managing ongoing health concerns.

Gemma Lawrence, Head of Lettings at Platform Housing, emphasises the significance of such interventions, stating, "This exemplifies the crucial assistance and support our teams extend to those thrust into circumstances beyond their control."

Expressing her gratitude, the tenant remarked, "I just wanted to extend my heartfelt thanks for your unwavering patience and advocacy throughout my housing application with Platform Housing. Your understanding and allowance of time to address my previous arrears made all the difference. Without your support, I wouldn't have made it this far. Your advocacy has provided me with a much-needed opportunity to rectify these issues. Thank you immensely for being a beacon of positivity during what has felt like an eternity of struggle."

Tenant Satisfaction Measures (cont.)

Satisfaction is generally lower among the younger age ranges and satisfaction does vary across our three main geographic areas. This pattern is consistent with the outcomes of our transactional customer satisfaction surveys. LCRA customers are more satisfied than our LCHO customers however, when our results are benchmarked against a peer group of Housing Associations over 10,000 units who are also IFF clients, our benchmark ranking is higher for LCHO customers. LCHO customers were also more likely to identify as 'neither satisfied nor dissatisfied' (which is excluded from the results) as they are less likely to contact us.

The results of the baseline survey were exceedingly disappointing for the Group and it is pleasing to see that the positive response of colleagues has resulted in the majority of areas improving during the year and no area has declined. We take the results very seriously and are working across our business to understand the improvements we need to deliver. Our wider core change programme is also using the results of this survey to drive change and customer journey mapping and the inclusion of our Customer Voice Panel as part of our co-creation policy are key components of this.

Platform Hub

The performance of the contact centre telephony operations from April 2023 to March 2024 has been a focal point of efforts to enhance customer service and operational efficiency. This period saw significant progress in call acceptance rates with 175,369 calls answered, a 6% increase on prior year. Average waiting times reduced by 6m 56s, and the strategic integration of new services and partnerships further improved our contact response capabilities.

Digital contact options remain popular with customers with c.189,200 enquiries managed by the service, an increase of 49% for the same period prior year. This can be attributed the significant uptake of a bolt on webchat/live chat service introduced on the website in quarter one which has supported surge contact with cyclical events such as the annual rent increase.

In quarters two and three the contact centre developed a new out of hours service for customers reporting emergency repairs after the offices have closed. Alongside the emergency call response, the new inhouse team is able to complete non urgent enquiries via digital channels which has increased daytime resourcing capabilities for telephony and enabled efficiencies in digital contact response time throughout the remainder of the year. This is currently 24-48hrs reduced from 72hrs in the prior year.

During this period, the contact centre has also developed The Platform Experience; a customer service training programme, which obtained ICS professional standard accreditation and was delivered to all colleagues in Q3. This has equipped advisors with enhanced skills to manage calls effectively and efficiently whilst bolstering performance resilience. In Q4, the new Dynamics CRM system went live which has increased the overall customer visibility and improved the user experience of the system, resulting in a further reduction contact processing times and removed duplication within system processes.

Furthermore, the contact centre has initiated a new partnership with contact outsourcers Mango, to support with surge contact demand during peaks and continuity of services for customers to assist with conferences and monthly closures for training and contact centre team engagement. The partnership with Mango, initiated in March 2024, has already shown a positive impact on call waiting times and call acceptance rates, with an average wait time of 2mins 47seconds and 90.73% of calls answered.

This period has been marked by significant progress and impactful initiatives that have not only strengthened our service capabilities but also contributed to a more streamlined and responsive approach in meeting customer needs.

Customer Voice Panel (CVP)

Ensuring our customers are at the heart of what we do is central to achieving our strategic goals. In readiness for the introduction of new Consumer Standards a review was completed in the Summer of 2023 to ensure customers had greater opportunity to have their voice heard at Board and Senior Management level. As a result of this review the former Customer Experience Panel has been enhanced and renamed to the Customer Voice Panel (CVP). The CVP has been strengthened in a number of ways, including:

- The minimum number of customers sat on the panel has been increased to twelve to ensure a broader representation
- Customer Scrutiny Panel members now join CVP meetings to align their work. Together they have become a powerful, knowledgeable cohort with the ability to challenge processes and ideas
- Two new sub panels for 'Customer' and 'Assets and Sustainability' have been created to have a specific focus in these areas and both are chaired by customers

The panel is chaired by one of our Group Board members who champions customer experience and ensures the CVP have access to the Board. The panel meet quarterly with senior leaders to review service provision and to challenge and discuss areas for improvement. The panel reviews policies and members continue to take an active role in a range of projects to influence a broad range of services. Panel members take part in local events to engage with Platform customers to ensure that they are representing the wider customer voice at a strategic level and focusing on matters that are important to our customers. Panel members also meet monthly to review and approve funding from Platform's Community Chest, to ensure that this funding is allocated to projects that deliver the biggest impact across Platform's communities.

Performance against Objectives (cont.)

Customer Engagement

We have continued to review and develop the approaches we take to engage customers in shaping our services. To promote the range of ways that customers can get involved and have their voice heard we carried out a roadshow of 'Community Conversation' events in 7 locations across our localities between April to December 2023 to speak to customers in their local communities. These events enabled us to speak to customers face to face about ways to get involved and hear from customers about the topics that matter to them. We are delivering another series of Community Conversation roadshows this year, taking our services out into our Localities and promoting the benefits of becoming an involved customer. The following provides a snapshot of what we have delivered over the year:

- Our Scrutiny Panel have met 18 times as part of their reviews and regular meetings and reviewed 3 topics in the past year
- 18 policies were reviewed by the Customer Voice Panel through the use of Teams and email
- We carried out 3 co-creation projects with customers
- 539 customers engaged with us on 5 consultation topics
- We carried out 21 exercises with our Customer Sounding Board receiving 693 responses.

We have continued to develop our approach to customer co-creation in 2023-24 following our pilot in the previous year. We have utilised learning from the pilot to implement co-creation techniques in engagement exercises carried out with customers looking at our Rent Increase Notifications and Information provided when customers sign-up. We will continue to develop this approach to engaging with customers and will take the opportunity to find out what topics customers want to explore through co-creation at our Community Conversation roadshow.

Communities

Our work in community engagement and investment was recently recognised by winning in the Community Impact category at the 2024 Building Communities Awards. The award recognises professionalism, excellence and innovation within housing and construction and our entry focused on the positive impact we've had on our communities and the notable benefits for local people and their surrounding environments. These included:

- Our Communities Connected initiative, which includes a range of community events, neighbourhood clear-ups, fitness activities, environmental initiatives, community safety promotion and digital inclusion sessions;
- Our Community Chest Fund, which supports charitable organisations, voluntary groups and clubs to make a difference in their community. The fund supported 107 organisations with £160,000 of funding in the year;
- Working in partnership with the local authority in Worcester on a project to plant trees in deprived neighbourhoods;
- Our Christmas Kindness campaign, which provided funding to community groups who support those in need over the Christmas period with donations and events, supported 114 groups with over £65,000 in funding;
- Working in partnership with Tutors United to provide educational support in English and maths to children aged 8-11 years old using funding from our Wellbeing Fund. The initiative helps support children to improve their numeracy and literacy by attending weekly sessions and has seen notable improvements;

Our approach to community engagement and community investment has also led us to become hosts for two Community Builder roles in the Malvern Hills area in the past year. This is funded by Malvern Hills District Council from the UK Shared Prosperity Fund and Homes for Ukraine Fund, for an initial 2 year period. The two part-time Community Builders are working in the Malvern Hills area to map opportunities and strengths in the local community and bring communities together to promote community cohesion and health and wellbeing, with one of the roles being focussed on the Ukrainian Community. These roles have been well received in the community and we have had positive feedback from Malvern Hills District Council who are keen to support us further in hosting these roles.

Digital Inclusion

We continue to deliver a range of digital inclusion activities for customers across our localities, working in partnership with external partners such as Local Authorities, Age UK and the NHS. Our digital inclusion sessions, either led by Platform or by partners using equipment provided by us, are well attended across our localities and enable customers to access help with food bank vouchers, energy bills advice (including referrals to our Successful Tenancies Team) and to seek employment, as well as mastering IT basics. These sessions are complemented by sourcing low-cost, high performance refurbished laptops for our customers at half the cost of new, similar products.

During the year we participated in the national Technology for an Ageing Population, Panel for Innovation Project. Funded by the Dunhill Medical Trust, customers at a Retirement Village were engaged in trialling technology designed to improve safety, independence and connectivity within their home and wider community. The project was a great success, with a third of participants reporting an increase in feelings of both safety and independence. The learning taken from the project will inform Platform's strategy for using technology to sustain tenancies and improve digital literacy amongst our older customers.

Asset Management

The Group continues to meet the latest compliance and legal requirements, with 99.97% of properties having a valid landlord's gas safety certificate and 99.91% compliance for carbon monoxide detectors. In communal areas, offices and non-domestic properties, the Group reached 100% compliance for electrical safety, 100% compliance with asbestos surveys, 100% compliance for water and legionella testing and 100% compliance for testing of passenger lifts.

The Group has seen a continued increase in enquiries following the increased profile of damp, mould and condensation issues (DMC). In response the Group has taken on new Surveyors and Co-ordinators to make sure we respond effectively and efficiently to these urgent cases, and a detailed tracker has been put into place to provide greater visibility of the cases raised. The mobilisation of a supply chain to complete mould washes has been ongoing across the year due to capacity constraints for this service. The Group continues to use a triage service utilising video call technology to allow us to identify and prioritise any urgent issues.

The Group recognise that the delivery of the capital replacement programme is key to maintaining decency levels and reducing responsive repairs and has therefore increased expenditure of replacement components during this year. In a challenging environment, where one key supplier went into administration, additional specialist contractors for fire safety, heating, kitchen and bathroom installations have successfully been taken on to help deliver the wide-ranging programme delivering 7,234 component replacements. The increased spend on existing stock is expected to continue over the longer term.

Platform Property Care continues to deliver maintenance services to the Group. Completing 239,182 jobs during 2023/2024. The operating environment in this area remains difficult with skilled labour shortages, cost increases and challenges in the supply chain. The sector is seeing an increase in reactive repairs and complex repairs that are diverting resources from planned to reactive maintenance services.

Performance against Objectives (cont.)

Asset Management (cont.)

The Group's Asset Management Strategy is to achieve an Energy Performance Certificate (EPC) C rating by 2030 (equivalent to minimum SAP rating 69 points) for all our managed stock and to reach net zero carbon by 2050. To reach this the group is committed to phasing out the installation of gas boilers, electrifying the vehicle fleet and developing Zero Bills in new homes. During 2023/2024 the Group has secured £12m from the Social Housing Decarbonisation Fund Wave 2.1 to retrofit 995 homes by September 2025. Homes will benefit from external wall insulation, cavity wall insulation, ventilation, new windows/doors, Air Source Heat Pumps and Solar Photovoltaic panels.

Culture and Colleagues

We completed our mid-term review of the corporate strategy during the year and we have strengthened and simplified our clear purpose and revised our corporate vision and mission, involving the voice of our customers and colleagues.

Our Purpose

Why we are here

To deliver a customer-first housing experience for a better future.

Our Vision

Where we are heading

We will create homes everyone is proud of and places where people want to live.

Our Mission

How will we get there

By investing is people and places, we will build a stronger, more sustainable future.

Our mission is clear – 'By investing in people and places, we will build a stronger, more sustainable future'. In other words, investing in our colleagues is how we do things.

Our revised colleague strategy which replaces our People strategy, will continue to respond to the internal drivers for change, whilst retaining our purpose and vision at its core – delivering a customer-first housing experience for a better future.

The revised Colleague Strategy will continue to grow on the work we have done to build our reputation and enhance our position as a place where people want to work and build their careers and where external stakeholders want to partner with us. All for the benefit of our customers.

Our midterm review highlighted several achievements, under the three key priority areas below, already delivered through our People Strategy over the course of 2021-23.

Creating a culture of engagement, safety, and wellbeing... We have:

- Facilitated the exploration and design of our Purpose, Vision and Mission working in collaboration with Board, our Leadership Teams, Colleagues and Customers..
- Reviewed and refreshed our Corporate Strategy – taking into account feedback from Board, our Leadership Teams, Colleagues and Customers.
- Developed the five pillars of wellbeing and are delivering these through an action plan.
- Relaunched our People Platform and reviewed our Platform Together network.
- Introduced a reward and recognition scheme 'Each Person'.
- Reviewed our employee benefits portfolio and standardised our pension offer.
- Launched Engagement and Wellbeing Surveys through our Culture Amp system.
- Introduced a 'Trainee Board' and are now on our second cohort.

Transforming the way we work... We have:

- Embedded flexible and remote working.
- Rationalised our office estate to improve our workspaces.
- Introduced a new HR Information System (iTrent).
- Established a Group Employee Health & Safety Committee

Developing behaviours, skills, and talent... We have:

- Designed and launched our in-house 'Leading for Results' programme for leadership, including developing Leadership Competencies.
- Awarded ICS Accreditation for our in-house designed Platform Experience learning.
- Developed and applied a consistent approach to Strategic Workforce Planning.
- Developed and launched a new in-person corporate induction programme.

Our Revised Colleague Strategy takes us up to 2026 and will focus on two key priority areas:

Creating a 'Platform Experience' for Colleagues By Shaping our Culture

We want Platform to be a place where people feel they belong, a place people can bring their whole selves to work and feel appreciated and valued for what they do. We want people to feel connected to our purpose and find true meaning in the work they do every day.

We will continue to focus on:

- Embedding our recently developed Purpose, Vision, and Mission
- Completing a cultural assessment/ review of Platform
- Delivering our EDI priorities, and measuring the impact
- Enabling self-service and a manager-led HR function through our HR Information System
- Reviewing and establishing our Employee Value Proposition (EVP)
- Mapping our key Colleague Journeys

Our review also highlighted some additional focus points:

- Reviewing our pay and incentive offer
- Rolling out our Platform Experience Training to support delivery of a customer-first housing experience
- Implementing a H&S HSG65 management system and supporting processes

Performance against Objectives (cont.)

Culture and Colleagues (cont.)

Building our Capability: By investing in our people

We know the future ways of working, and our customer expectations will continue to change and develop, as the world around us advances. We want to plan for that future now, identifying the skills and resources we need in the medium to long term to deliver and build on our purpose.

We will continue to focus on:

- Developing career pathways
- Creating a performance management framework that enables people to bring their best
- Growing our approach to Professional Qualifications including Apprenticeships
- Delivering the Leading for Results Programme to all our managers

Our review also highlighted some additional focus points:

- Creating a 'Step into Leadership' learning programme for aspiring leaders
- Developing a core set of competencies for roles at Platform
- Implementing our approach for 'professionalisation' of the sector
- Identifying Colleague Persona's to support the development of our 'colleague experience'
- Replacing our Applicant Tracking System and improve the resourcing processes to improve the experience for candidates and hiring managers
- Creating a 'Leading Strategically' learning programme for senior-level leaders
- Developing an induction programme for new managers

Colleague engagement remains a key priority for the Group. From our most recent Colleague Engagement Survey, our score is 73%. We can compare our score to benchmark data provided by Culture Amp. The Non-Profits benchmark, January 2024 for engagement is 64%. This score represents 595,000 questions answered from 55 organisations, collected between January 2023 and December 2023.

Strengths are what we celebrate. Our highest three scores were:

- (Enablement) 87% of respondents told us they feel they have freedom in their role. Typically, feeling enabled with freedom in one's job entails having the autonomy and flexibility to make decisions and take actions within the scope of their role.
- (Management) 87% of respondents told us that their manager genuinely cares about their wellbeing. This positive perception suggests a healthy and positive working relationship between colleagues and their managers.
- (Management) 86% of respondents said that they trust their line manager. This trust is significant as it reflects positively on the relationship between employees and their immediate managers.

Providing new homes

For 2023/24 Platform has continued to concentrate on delivering a programme of affordable homes in areas where they are needed the most, whilst continuing to move our development strategy to a more land led approach to drive quality and design. During 2023/24 we completed 1,202 new homes and our performance, despite a challenging market, continues to place us as a larger developer of affordable housing, both nationally and regionally.

The 1,202 new build completions fell short of our annual target of 1,328 new homes. A number of schemes were delayed due to pressures on planning and highways and to our high quality requirements. Our drive for quality saw a number of our new home completions move into 2024/25 to allow constructors more time to meet our new homes standard. Our move towards a land led development programme extends the lead times of projects which can cause extended delivery timescales. The land market remains competitive and more work is required prior to acquisition which also elongates estimated delivery dates.

	Affordable Rent	Social Rent	Shared Ownership	Rent To Buy	Total
Total number of new homes	408	225	544	25	1,202

Despite economic challenges, the Group's aspiration for growth remains strong and we continue to focus on acquiring good quality sites with the necessary risk mitigations in place. These sites are backed by Homes England funding of £250m+ through the Strategic Partnership programmes and are being developed together with our key local authorities. We will continue to bid for future Homes England grants and other sources of grant funding to support our growth plans.

We have always had the ambition to deliver as much social and affordable housing as our financial strength can support. This continues to be a key goal for the organisation but in line with Board priorities, for the time being it sits behind our current Retrofit ambitions.

We continue to work on providing truly modern homes that meet our customers' needs and expectations, creating places and homes where people choose to live and thrive, supported by our aspirational Platform Standard. Our approach to Modern Methods of Construction (MMC) continues to evolve to ensure that it supports our target to decarbonise and future-proof our development pipeline. In 2023/24 we updated our new build specification moving to a gas free specification to reduce our dependency on fossils fuels and reduce our carbon footprint.

Our Regeneration work is now focused on transforming our own unsustainable and underperforming stock. Key priorities are to improve customer satisfaction, generate social value and tackle poor quality.

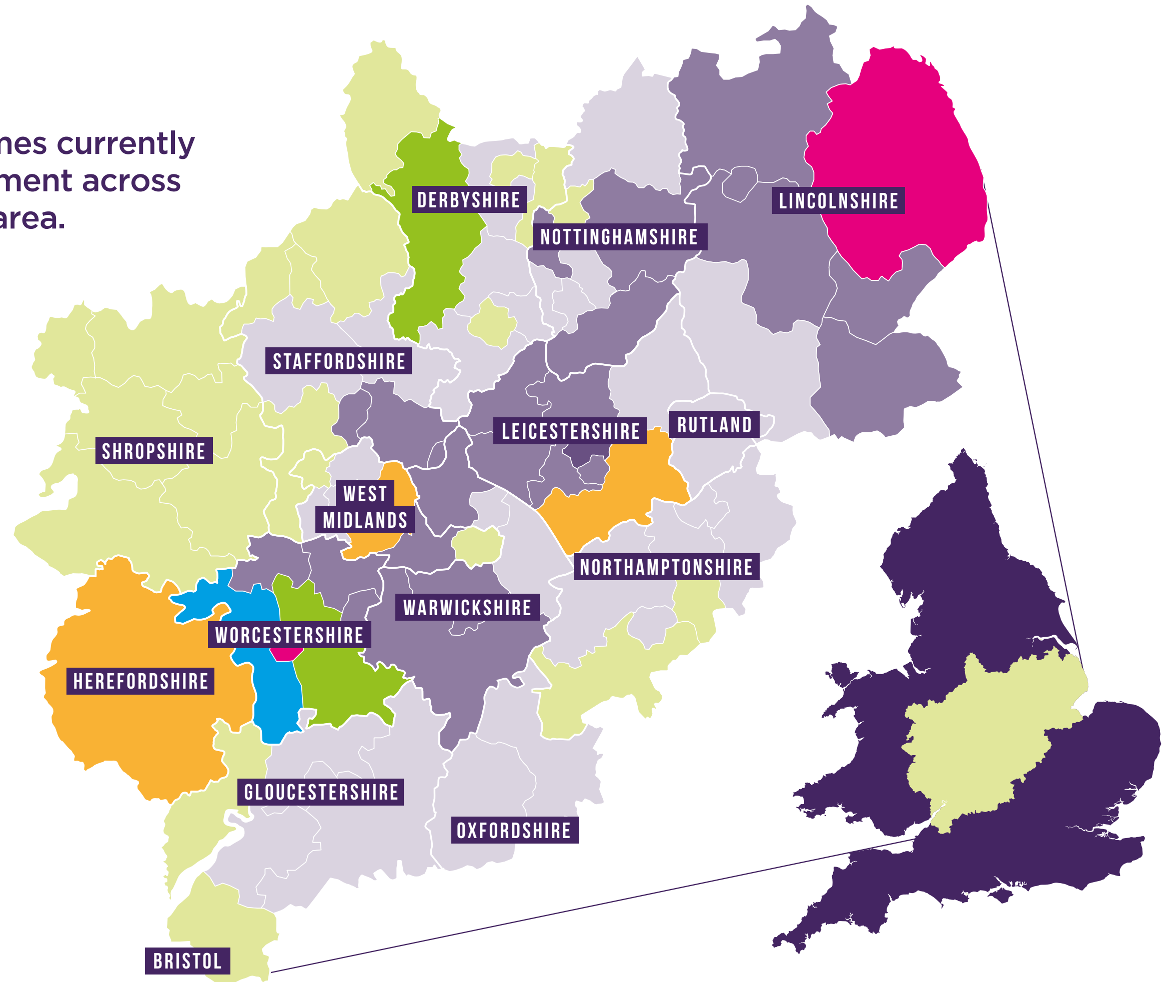
In 2023/24 we completed 418 shared ownership sales against sales completion target of 510. We saw a number of completions move into 2024/25 through delays due to planning pressure, highways and our quality requirements. In quarter four we recorded the highest number of reservations for 3 years. Demand for Shared ownership remains strong.

Shared Ownership is still a very desirable tenure although we have seen some of the outright market sales products being priced out of the market with high interest rates and high house purchase prices. Shared Ownership offers an affordable means to enter the home ownership arena. With the introduction of the new shared ownership model which provides access to a lower initial share starting at 10%, the available smaller shares are expanding this market. Reservation levels in quarter four were at the highest level for 3 years. Inflation and interest rates are now coming down which is offering stability in the market. Lenders are eager to lend in this tenure. There has been an increase in adverse credit situations where people have struggled to pay off loans and miss payments, therefore they do not qualify for Shared Ownership. The demand is there but the conversion of enquiries to reservation is higher due to adverse credit. There has also been an increase of enquiries from people earning over the £80k cap (in household) which means they do not qualify for Shared Ownership and these people are having to rethink their purchase as they cannot afford outright purchase but do not qualify for Shared Ownership. There are no plans to increase the £80k cap by Homes England.

Due to the shortage of affordable homes across the country, the demand for shared ownership will continue into the future. Our new website is proving very popular with our customers and is enhancing our marketing spend and activity.

Our Operating Area

Number of homes currently under management across our operating area.



- No stock
- 1-200
- 201-1000
- 1001-2000
- 2001-3000
- 3001-4000
- 4001-5000
- 5000+

Total properties owned **49,182**

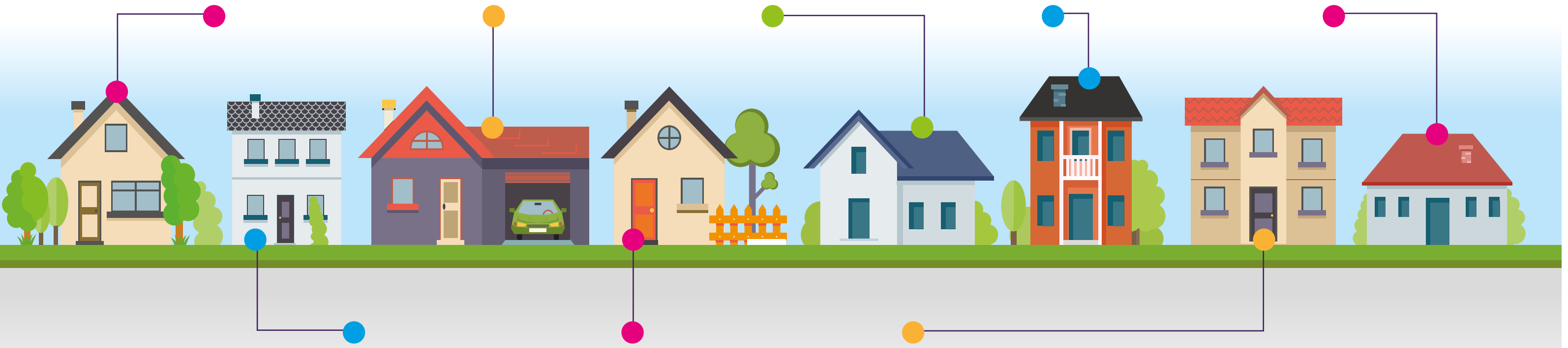
28,755 General needs housing

8,248 Affordable rent

6,688 Shared Ownership

1,149 Leasehold in management

425 Non social leased



3,324 Supported housing and housing for older people

482 Intermediate rent

111 Non Social rented

Chief Finance Officer's report

I am pleased to present the financial report for Platform Housing Group Limited. During 2023/24 we generated an overall surplus before tax of £26.4m after deducting one off pension cessation costs of £18m. Our underlying operating margin is 26.8% before the pensions adjustment which reduced it to 21.5%.

Results

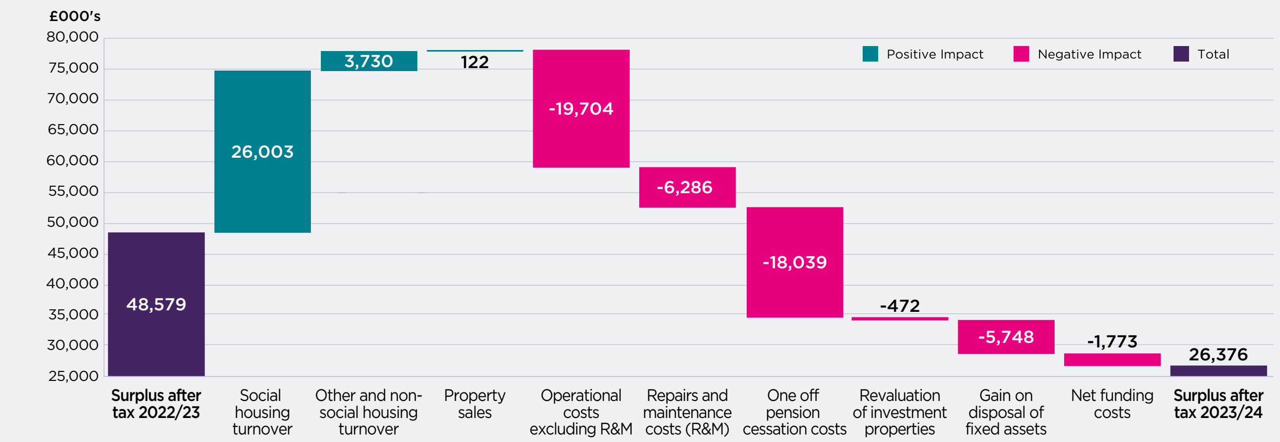
Overall Group turnover increased to £337.1m in 2023-24 from £300.0m in 2022-23. Social housing rental increased by 10.5% to £274.2m (2022-23 £248.2m). A further £40.7m was generated by Shared Ownership first tranche sales, £18m from the delivery of non-Platform maintenance contracts by Platform Property Care and £4.1m from a number of other activities.

The underlying operating performance continues to be stable despite increasing pressure on the maintenance of existing stock, supply chain and labour cost pressures and our continuing process of transformation. Our Operating Surplus of £72.4m after the £18m pensions adjustment and an operating surplus before gains on disposals of £85.3m will be reinvested in new and existing housing stock with a balance retained to secure an increase of loan finance for future growth.

The change between the years principally arose for the following reasons:

- A full year's increase has been applied on rent charges.
- Other and non-social housing turnover has increased due to rent increases on non-social housing units and increased income from external maintenance contracts in Platform Property Care CSV.
- 1st Tranche property sales increased in the year due to our development handover profile but build costs increased in line with sales.
- A one-off grossed up adjustment for cessation costs for the closure to future accrual of our Local Government Pension schemes has been incurred in the year.
- Operating costs have increased in all areas in the year. Platform has continued to invest in its employees this year to support our transformation strategy and level of customer service. We continue to experience increasing supply chain costs and experienced higher costs in the Platform Property Care CSV.
- Repairs costs including major repairs increased due to supply chain challenges and increase in service demand. Pressures on Damp, Mould and Condensation jobs continue into 2024-2025.
- The carrying value of investment properties is reviewed annually and this has decreased in line with the market.
- The Group continues to assess property assets and has a disposal program for those that no longer meet the criteria for our return on assets. The sale of these assets generated a smaller surplus this year. Shared Ownership staircasing sales have increased again this year.
- Net funding costs increased during the year primarily due to pressure on interest rates and new borrowing.

The movement in surplus between 2021/22 and 2022/23 is shown by the chart opposite:



Chief Finance Officer's report (cont.)

Business Health: Trend Analysis

The Group's results over the last five years is shown in the table below.

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Turnover	337.1	300.0	296.9	269.9	257.1
Operating Surplus	72.4	92.8	99.2	110.2	107.3
Net Surplus	26.4	48.6	42.9	56.1	57.9
Total comprehensive income	41.4	85.0	59.6	37.6	76.2
Operating Margin	21.5%	30.9%	33.4%	40.8%	41.7%
Net margin	7.8%	16.2%	14.4%	20.8%	22.5%
Total comprehensive income net margin	12.3%	28.3%	20.1%	13.9%	29.6%
Housing & other net assets	3,236.3	3,032.4	3,019.0	2,701.3	2,507.6
Creditors after more than one year	(2,078.5)	(1,913.7)	(1,947.9)	(1,673.6)	(1,534.9)
Pension Provision	(10.0)	(12.4)	(50.0)	(65.8)	(47.9)
Other Provisions	-	-	-	-	(0.1)
Net Assets	1,147.8	1,106.3	1,021.0	961.9	924.7
Income & Expenditure Reserve	931.5	890.0	804.3	744.7	703.8
Revaluation Reserve	216.3	216.3	216.7	217.2	220.9
Total Reserves	1,147.8	1,106.3	1,021.0	961.9	924.7
Return on Net Assets	6.3%	8.4%	9.7%	11.5%	11.6%

The Group's turnover and operating surplus by social housing activity is shown below.

	2024 Turnover £m	2023 Turnover £m	2024 Operating Surplus £m	2023 Operating Surplus £m	2024 Margin
General Needs Housing	223.1	203.1	75.7	68.7	33.9%
Supported Housing	23.4	20.8	(1.2)	(2.8)	(5.1%)
Shared Ownership	27.7	24.3	13.3	13.7	48.0%
Social Housing	**274.2**	**248.2**	**87.8**	**79.6**	**32.0%**
Other Activities	22.2	18.5	(8.6)	(4.0)	(38.7%)
Shared Ownership Sales	40.7	33.3	6.1	5.9	15.0%
Total	**337.1**	**300.0**	**85.3**	**81.5**	**25.3%**
Gain on disposals/revaluations	-	-	5.1	11.3	-
Pension cessation costs	-	-	(18.0)	-	-
Total	**337.1**	**300.0**	**72.4**	**92.8**	**21.5%**

The overall social housing margin was **32.0%** for the year, the same as in 2022/23. Operating margin excluding the disposal of property, plant and equipment and the one-off pension cessation cost was **25.3%** and including disposals and one-off pension costs was **21.5%**. Our core financial performance continues to be complemented by, but not dependent on, property sales.

The closure to accrual of our Local Government Pension Schemes has resulted in a one-off cessation cost impacting our surplus by £18m. Our underlying operating margin excluding this one-off charge is **26.8%**, compared to **21.5%** including the charge. The Net margin disclosed in the Trend Analysis above is calculated from the Total Comprehensive Income for the year.

Our long-term financial planning had previously identified that the financial years in the short term would result in higher costs and lower margins. Our current long term financial plan continues to support this view and indicates that margins will start to recover slowly from 2026/27. This forecast financial profile is the result of investments in people, system processes and procedures and in the retrofit investment in our housing assets. Efficiencies and improved customer service delivery are the expected results from the transformation work and these efficiencies are expected to start being generated in 2024/25. The additional investment in our properties is reflected in the Social Housing Cost per Unit table on page 37. At the same time investments in our existing stock for Energy Efficiency and Net Carbon are increasing our major repairs costs.

The following table compares the Group's performance using a number of financial indicators, benchmarked against the 2023 Global Accounts for the sector with a sample of groups with stock holding of over 30,000 homes. The total sample size for comparison is 31 organisations including both LSVTs and traditional HAs. The sample was chosen in order to benchmark with larger organisations and to ensure that the sample was sufficiently large to enable a balanced comparison.

Key Financial Ratios:	Benchmark [2022/23]	2023/24	2022/23	2021/22	2020/21
Operating Margin Overall*	16.6%	20.0%	27.4%	30.2%	37.2%
EBITDA Interest Cover	1.7	2.0	2.3	2.1	2.3
EBITDA (MRI) Interest Cover*	1.3	1.3	1.9	1.9	2.2
Cost of funds	3.8%	3.5%	3.3%	3.3%	3.4%
Gearing Ratio*	47.3%	45.7%	43.4%	42.3%	41.9%
Return on Capital Employed*	2.5%	2.2%	3.0%	3.3%	4.1%
Void Rent Loss/Turnover	1.6%	2.0%	1.3%	1.6%	1.5%
Bad Debts/Turnover	0.7%	0.9%	(0.1%)	0.7%	0.6%

*Calculated in accordance with Sector Scorecard/VFM metrics methodology.

Business Health: Ratio Analysis

Operating margin including disposals has decreased to 21.5% during 2023-24. After excluding the surplus made on the sale of housing fixed assets and the disposal of investment properties, this reduces to 20.0%. This is still ahead of the benchmark.

Core operating margin on social housing activities remains strong at 32.0% but this continues to be impacted by increasing maintenance demands and the continuing cost and supply chain challenges. Increased utility costs for service charge areas in the year, put significant pressure on residents and the Group worked hard to support residents over this difficult period. Shared ownership first tranche sales generated a margin of 15.0%. Margins on individual property sales vary depending on geographic location and are expected to be lower than margins on social rented housing lettings. Whilst demand remains high for Shared Ownership properties, build costs are increasing and have supressed the sales margin.

The interest cover ratio has declined slightly and the average cost of funds, which is calculated on drawn funds, has minimally increased when compared with the prior year. The Group received 2 new revolving

Chief Finance Officer's report (cont.)

credit facilities totalling £275m in January 2024 and repaid and cancelled a facility of £75m.

The Group has invested in the development of new social housing in the year, developing 1,202 new properties for rent and sale.

Return on capital employed (ROCE) of 2.2% has reduced against the prior year figure of 3.0%.

ROCE is calculated as operating surplus divided by net assets at the end of the year and is therefore impacted by the one-off pension cessation cost. The underlying ROCE excluding the one-off cost is 2.8%. Properties completed in the year do not generate a full year of income, but the full capital cost has been added to assets which also includes properties under development.

Effective Asset Management

The following table sets out the level of investment in existing and new stock.

	Benchmark 2022/23	2023/24	2022/23	2021/22	2020/21
Major Works Revenue £m	11.7	12.8	12.0	10.4	6.9
Major Works Capitalised £m	50.8	39.4	24.4	15.7	9.6
Total Investment £m	62.5	52.2	36.4	26.1	16.5
New Homes completed	910	1,202	1,114	1,173	911
New Homes Investment £m	193	309	246	198	198
Reinvestment*	6.8%	11.1%	9.4%	7.9%	8.0%

*Sector Scorecard measure

The investment in existing homes of £52.2m shown above represents larger items of expenditure on replacing key structural components such as roofs, heating systems, kitchens and bathrooms. When added to the routine and planned expenditure of £65.2m a total of £117.4m was spent on maintaining properties (£96.1m in 2022/23). This increase in expenditure is forecast to continue particularly as investment in sustainable components increases. The Group is regularly reviewing and updating stock condition data and component costs and use these in the planning of future work programmes to inform the long-term business and workforce plans. This work assists in the Group's objective of internalising maintenance activity where it can be demonstrated that efficiencies can be made.

The Group is committed to investing in the provision of new homes alongside its commitment to its existing stock. This is demonstrated by the reinvestment rate of 11.1% (a Sector Scorecard measure), which is higher than the benchmark sample, as a percentage of total housing properties at cost, shown in Note 11. Our strategy of focussing on land led development has contributed to the increased reinvestment rate from the prior year and this has helped mitigate the continuing labour and material pressures on our maintenance service and increased our delivery of quality new homes during the year.

The number of new units completed as a percentage of total units which is a Sector Scorecard measure, was 2.5%, which is higher than both the global benchmark of 1.9% and the benchmark group values shown in the VFM metrics table below. It shows an increase on the previous year of 2.0% but this measure remains below the Group's ambition. Our transition to a land led development strategy with greater control of our programme has started to help mitigate the continuing planning, labour, cost and supply chain issues we are experiencing. These continuing challenges are still frustrating our ability to deliver new units to our targets and will continue to supress our development ambitions for the near future. However, we will continue to source a programme made up of package deals, S106 and land acquisitioned schemes in a highly competitive period to give the best delivery outcome.

Efficiency: Social Housing Cost per Unit (SHCPU)

These benchmarks are taken from the sector global accounts 2022/23 with a sample comprising associations with more than 30,000 homes, using median values for comparison.

Benchmark		Platform				
	2022/23 Benchmark Actual £	2022/23 Actual £	2023/24 Actual £	2024/25 Budget £	2025/26 Plan £	2026/27 Plan £
Total social	5,355	3,436	3,997	4,420	4,650	4,642
Management	1,150	651	677	671	676	677
Service charge	903	592	684	658	662	662
Maintenance	1,555	1,285	1,372	1,496	1,504	1,505
Major repairs	1,247	784	1,098	1,429	1,642	1,632
Other social	500	124	166	166	166	166
Specialist units:						
Supported Housing	2.9%	0.7%	1.3%	1.3%	1.2%	1.2%
Housing for Older People	9.1%	6.4%	5.7%	5.5%	5.4%	5.3%
Total Social Units	50,127	46,418	47,514	48,870	50,245	51,570

The Group outperforms the benchmark in each category of spend delivering a total SHCPU of £3,997 for the year. In comparison to the prior year, SHCPU has increased by £562. Our long-term financial plans forecast a stepped increase in 2022/23 and 2023/24 and the following 2 years as maintenance backlogs reduced and our planned sustainable stock investment programme commenced.

The RSH has identified that one of the drivers for lower CPUs across the sector is the percentage of supported and housing for older people stock. Only 7.0% of the Group's total units are of this type which is considerably lower than the benchmark of 12.0% and could be one of the contributors towards the reason why the Group outperforms the benchmark average.

The Group also owns and manages 6,694 shared ownership homes, 14.1% of the total social units, where management costs are less than General Needs rented homes and where maintenance costs are currently the responsibility of the shared owner.

A new Shared Ownership product has recently been launched and the Group has started to manage Shared Ownership homes developed under the new model where responsibility for some repairs is the responsibility of the Registered Provider for the first 10 years. This will impact costs in this area.

The Group continues to review its asset investment assumptions particularly in relation to energy efficiency and carbon neutral targets. Costs for both these investment areas are included in the budget and the long-term plan although assumptions around these costs change as the technology develops. This is the main reason for the anticipated increase in major repairs costs and these costs will increase over time as the investment projects progress.

Chief Finance Officer's report (cont.)

Value for Money (VFM)

Our Value for Money strategy continues to underpin the revised Strategic Plan. It will be reviewed in 2024/25 but Platform's goal has not changed this year and it is to ensure that we are investing in our business, customers, colleagues and communities in a way that delivers maximum positive impact and demonstrable value for money.

Our related Social Value strategy recognises that Vfm is not solely about cutting costs but about delivering quality services whilst using resources in the most cost-effective manner. We are actively moving our Vfm measurements away from being mainly money focussed and working on methodologies that also recognise non-monetary benefits. We continue to be an invested partner in the Housing Association's Charitable Trust (HACT) that provides our Social Value reporting methodology via the Value Insight model, which is rooted in the UK Social Value Bank. The UK Social Value Bank was developed over 11 years ago and was most recently updated in 2023 during a sector-wide programme (that included Platform as a sponsor). It contains a suite of 88 outcomes, each has a defined financial metric that incorporates a wellbeing value, a health top up value and, where applicable, an Exchequer value (savings to the state). The outcomes have been developed using a consistent methodology, using many years of research and national data surveys. The Bank builds on person centred principles, using data on self-reported wellbeing and life circumstances measuring people's actual experiences. This means that the values for each outcome are based on how they impact people's lives as they live them. We evidence the values published using either organisational records that show where EPC/SAP improvements have been carried out relating to relevant areas or via customer survey data using the UK Social Value Bank's before and after survey methodology where we track positive changes in the experiences and wellbeing of affected customers. The social value generated by Platform for the 2023/2024 year was £9.2m, up from £6.2m in 2022/23. Our target for the 2024/25 year is to increase this to £13.2m.

The Group Board recognises its responsibility for meeting the requirements of the RSH's Value for Money standard and in particular, to take a comprehensive approach that achieves continuous improvement in the Group's performance on running costs and the use of our assets. This has been particularly difficult again this year due to the continuing cost of living and other pressures from the external environment.

Costs and performance continue to be benchmarked against relevant external sources making use of tools provided by Housemark and the Housing Quality Network (HQN) and by referencing data published by the RSH such as the global accounts and cost per unit reports. Benchmarks have been selected to compare data with a sample of similar organisations in terms of size and activity.

We have continued to develop our procurement function. Our new Source to Pay system is allowing greater capture and analysis of purchasing data and is improving our purchasing knowledge and capabilities. Together with our category council approach we are creating enhanced opportunities for Vfm gains.

The business works to targets set by the Board and senior management. Board members review performance on a quarterly basis and revise the targets on an annual basis or following a significant change in the operating environment.

VFM Metrics

The Regulator has defined seven VFM metrics which enable us to compare us against the whole global accounts sample and also against the benchmark group of organisations with more than 30,000 homes. Both samples are taken from the sector global accounts 2022/23 published by the RSH using the Median.

		Metric	2022/23 Global	2022/23 Benchmark	2022/23 Actual	2023/24 Actual
1		Reinvestment	7.1%	6.8%	9.4%	11.1%
2	a	New Supply SH	1.9%	1.9%	2.0%	2.5%
	b	New Supply Non SH	0.1%	0.1%	0.0%	0.0%
3		Gearing	48.0%	47.3%	43.4%	45.7%
4		EBITDA MRI	103%	103%	187%	129%
5		Headline Social Housing Cost per Unit	£5,247	£5,355	£3,436	£3,997
6	a	Operating Margin – SH	21.4%	23.1%	32.0%	32.0%
	b	Operating Margin – Overall	16.6%	16.6%	27.4%	20.0%
7		Return on Capital Employed (ROCE)	2.6%	2.5%	3.0%	2.2%

Value for Money Achievements

The Group is firmly committed to the development of affordable homes and is 11th in the 2024 top 50 Housing Builders for completions and 11th for homes in the pipeline. The Group is also 4th for number of starts in 2023/24. The Group is not currently developing non-social units as the focus is on the supply of social housing. However, as we include more land led development projects into our project portfolio, the Board have approved a maximum of 10% of new units that could be non-social.

The Group has a clear idea of the capacity available for its future investment, as demonstrated by our gearing, interest cover and underlying operating margins and has an excellent track record of investing in both new supply and in the improvement of existing assets. Capacity is monitored with regular challenges to and updates of the long-term financial plan to allow for prompt reactions to opportunities and challenges.

As well as showing a commitment to new investment, the Group's efficiency continues to be clearly demonstrated by its strong margins and low unit costs.

VFM highlights for the year are listed below:

- Achieving an operating margin of 21.5% (26.8% excluding the one off pension cessation costs);
- Maintaining a social housing operating margin of 32.0%;
- Controlling our year end position on current tenant arrears at 2.78%;
- Achieving a net surplus after tax of £26.4 million, achieved through business growth, effective asset management and tight cost control;
- Reinvesting free cash surpluses to deliver 1,202 new homes across a range of types and tenures, representing growth of 2.5%;
- Investing £52.2 million in major works to our existing housing stock;
- Introduction of Lightfoot in cab telematics has reduced fuel consumption by 9.2%, CO_2 by 165t and we have seen a 26% reduction in collisions;
- Invested in our insurance team to enable us to successfully defend over £640k of claims;

Chief Finance Officer's report (cont.)

- Invested in our legal team during the year to assist with disrepair claims saving an estimated c£340k in legal fees;
- Reducing void property numbers by 0.33% to 0.97%;
- Investing in our Grounds Maintenance and Contact Centre teams to bring more services in house;
- Achieving a social housing cost per unit of £3,997 for the year (Sector Scorecard measure);
- Active programme of recycling ICT equipment, consolidating licence contracts and reviewing support contracts has resulted in c£1.3m in cost avoidance;

Future VFM Priorities

Platform's Vfm strategy and framework continues to embed with our colleagues and encourages and supports more data driven and analytical decisions. We want to deliver high quality services and homes for our customers. We are approaching the midpoint of our journey to innovative systems and process change and our category council approach supports the business to navigate the supply chain and inflationary cost issues that are continuing in the external environment.

Key VFM projects are supported by a central project management team and will be driven through the following:

- **Core change and Shaping Future Finance programmes**

  We launched our Core change and Shaping Future Finance programmes in 2023/23 supported by our EPMO team. These are significant transformation projects for the Group. A key focus for 2024/25 will be our asset and repairs service. The programme will enable improved data and analysis and provide better tools for our colleagues to deliver better services and allow our residents to have better connectivity and a greater voice. The programmes are expected to be delivered over the next 5 years and planning is underway for future projects as part of the overall Platform transformation programme;
- **Procurement Strategy**

  Platform's procurement strategy continues to embed our category council approach and we have spent a large portion of 2023/24 gathering data on all of our contracts supported by the launch of our Source to Contract solution in July 2023. This strategy has brought greater visibility to how we spend our money and the decisions that colleagues make when entering into contracts. This information is allowing us to refine our purchasing processes, identify relevant training and prepare for the changes that the Procurement Act 2023 will bring in 2024/25;
- **HACT Social Value Roadmap**
  We continue to be an invested partner and help develop the valuation methodology seeing this as an important driver for our desired outcomes and a measure of our wider success;
- **Welfare Fund**
  The extension of the Welfare Fund into 2024/25 will help our residents navigate the extremely challenging external environment and help them manage their home;
- **Treasury Strategy**
  The detailed treasury strategy continues to protect and enhance our credit quality as reviewed by each rating methodology by understanding the relevant key indicators. ESG principles are now embedded in the majority of our new borrowing and we will continue to monitor our existing portfolio and look to replace existing debt that is costly or security hungry;
- **Budget support**
  The implementation of our new finance and source to pay systems have resulted in some changes. As these systems embed, further improvements will be made in data, reporting and business knowledge. This will help us keep our stakeholders informed and support the business with its decision making;
- **Data and reporting**
  The continuing transformation programme is enhancing data quality and reporting to support effective decision making and improve responsiveness and customer delivery;
- **Expansion of Platform Property Care**
  PPC continue to replace external contractors with an in-house service where efficiencies can be made. Our Grounds Maintenance service has moved to a full internal delivery model and all estate services delivered to our cost sharing group members are now in-house delivered. The on-going labour market issues for key Property Care skills and supply chain challenges have limited the ability to do this in some geographic areas or for particular services;
- **Apprenticeship Strategy**
  We offer opportunities for apprenticeships for both current and potential colleagues across the whole business and have aligned our pay rates to the living wage regardless of the age of the apprentice. There were 72 apprenticeships in place at the year-end up from 67 last year. This represents 4.2% of the workforce. We believe that supporting our business with an appropriately skilled workforce is essential to a great customer service and this belief supports our Vfm strategy. Recruiting through an apprenticeship programme helps sustain an effective workforce and ultimately improved delivery to the customer.

Overall VFM assessment

The information provided in this strategic report demonstrates that Platform Housing Group complies with the Regulator's VFM standard.

We have:

- Reviewed our strategic plan and reinforced the links to Vfm;
- Implemented new purchase to pay system and finance system to drive improved data led decisions and contract management;
- Refreshed our support network for the business that helps with understanding and delivery against our Vfm strategy;
- Robust decision making on the use of resources;
- Improved our understanding of the costs and outcomes of delivering our services; and
- Commentary included within the financial statements against elements of the Value for Money Standard
- Been awarded the Chartered Institute of Procurement and Supply kitemark for corporate ethics in July 2024.

The added value that we achieve is used to improve services, improve our ability to help residents and support the delivery of more sustainable homes for our communities.

Treasury Management

The Treasury Management Policy and Treasury Strategy are reviewed on an on-going basis by the Treasury Committee and Group Board. Treasury activities are also supported by independent professional advice from Centrus Treasury Advisors. The Group maintains a risk-aware approach to its debt portfolio and seeks to ensure that sufficient liquidity is available to meet foreseeable needs, whilst minimising interest on borrowings.

Covenants are calculated at subsidiary level (Platform Housing Limited) and continue to maintain significant headroom. There are two corporate based covenants, interest cover and gearing. In addition, minimum asset cover is required on each individual facility. The Group monitors compliance against the most stringent covenants. The business plan is very resilient to these covenants with a significant degree of headroom forecast throughout the life of the plan.

Chief Finance Officer’s report (cont.)

Year-end corporate covenant performance	Covenant	Actual	Met
1a. **Interest Cover: (Pre pension cessation):** To demonstrate by how much net interest costs are covered by operating surplus net of capitalised repairs	1.1	1.8	Yes
1b. **Interest Cover (Post pension cessation)**	1.1	1.5	Yes
2. **Gearing:** To show the ratio of debt to the value of housing properties	65%	42%	Yes

Our year end interest cover of 1.8 (pre pension cessation) and 1.5 (post pension cessation) gearing of 42% in comparison to covenant requirements of 1.1 and 65% demonstrate that the Group has the borrowing capacity to fulfil its ambitious development and sustainability objectives. In addition to covenant headroom, the Group had uncharged housing assets with an estimated value of over £1.4bn at the end of March 2024. The Group’s long term financial plan models the utilisation of uncharged assets going forwards to ensure that assets are available to support future debt requirements. The plan shows that the Group maintains sufficient uncharged assets to support its strategic development objectives and at the same time maintains headroom to provide further security to existing borrowing should there be any unforeseen deterioration in asset values.

During the year the Group maintained compliance with its Financial Golden Rules with the exception of the Social Housing Lettings Margin. The Golden Rules ensure that activities are carried out in line with the risk appetite of the Board, whilst at the same time maintaining credit quality. The Board have agreed a temporary reduction in the Social Housing Margin golden rule due to the additional costs in associated with investment into maintenance and the customer experience. The Financial Golden Rules act as a buffer over and above financial loan covenant thresholds.

The Group has a policy to maintain liquidity that covers at least 18 months of projected cash flows. At March 2024 facilities of £1,901m existed, of which £400m was available to draw. When added to unrestricted cash balances of £23m, an overdraft of £3m, this provided total liquidity of £426m.

Loan facilities	Facility £m	Drawn £m	Available £m	Fixed £m	Variable £m
Bond finance	951	951	-	951	-
Bank finance	950	550	400	430	520
Total facilities	1,901	1,501	400	1,381	520
Funding mix				73%	27%

The Group’s funding strategy remains centred around maintaining liquidity and flexibility whilst increasing transparency to investors and making greater use of sustainability finance. The Group continues to report under the sector-led Sustainability Reporting Standard, which is incorporated into its Sustainability Report. The Sustainability report also includes a summary of activity within the Group’s Sustainable Finance Framework, which was established in August 2021. The Group continues to have access to its £1bn EMTN programme, through which sustainability bonds can be issued (£250m issued to date).

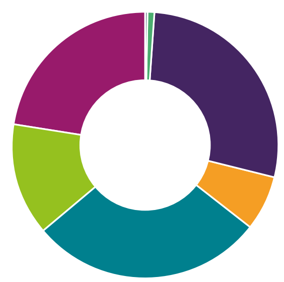
The Group finalised two new revolving credit facilities totalling £275m in January 2024 with National Australia Bank (£175m) and a new lender to Platform, ABN Amro (£100m). Both facilities are sustainability-linked loans, with performance targets linked to the energy efficiency of new and existing homes and black and minority ethnic representation in our workforce. The facilities will sit alongside £235m sustainability-linked facilities with Lloyds Bank, taking Platform’s sustainable finance to approximately 50% of the debt book.

Other notable financing activities include the repayment and cancellation of a £75m facility with MUFG Bank, which was repaid in order to save interest costs and optimise covenants across the wider portfolio.

In April 2024, Platform issued at £250m sustainable bond. The bond has a maturity of 26 years (2050), was issued with a spread of 0.83% and a coupon of 5.342%. The proceeds from the bond will be used in accordance with our Sustainable Finance Framework and allocated to projects that provide new affordable and highly energy efficient homes and improve the energy efficiency of existing homes.

The Group retained its A+ (stable outlook) rating following S&P’s annual review in January 2024 and its A+ rating by Fitch following review in October 2023. Shortly after the period end (April 2024) the outlook for Fitch was revised from negative to stable, in line with a similar movement in the UK Sovereign rating outlook, which had been negative since the ‘mini budget’ in the UK in September 2022.

Refinancing risk is managed through the Group’s Treasury Management Policy, which ensures maturities are not concentrated into similar periods for repayment:



Facility	£m
0-1 years	6
1-2 years	17
2-5 years	529
5-10 years	128
10-20 years	536
20-30 years	260
30+ years	425
Total	**1,901**

Interest rate risk is managed by limiting exposure to floating rate, inflation linked and callable debt facilities.

Sustainability Reporting Standard

We are pleased to share the headlines from our Sustainability Report, which highlights some of the key achievements and aspirations we have to help tackle climate change, be a leader on social initiatives and maintain excellent governance.

It’s been a year since our last report and the outlook for the local, national and global landscape continues to be challenging. Political and economic headwinds persist and our people, places and business continue to be affected by climate change, ecological demands and social pressures. As a registered provider of affordable housing, we have an important role to play in addressing these challenges. Our purpose at Platform is to deliver a customer-first housing experience for a better future. This can be seen in our Corporate Strategy, which was reviewed in the year and retained sustainability as central to our objectives. Supporting this strategy is our Sustainability Strategy, which seeks to integrate and broaden our initiatives to help us develop the resources, create the culture, and map out our pathway to achieve our vision as a leading sustainable housing association.

The table below summarises our performance against the key metrics within the Sustainability Reporting Standard (the Standard) as at 31 March 2024 and a detailed account against all metrics within the Standard can be seen in the report on the Investor Centre section of our website.

Chief Finance Officer's report (cont.)

Theme	Indicator	Target	2023	2022
Affordability	Average rents/average market rent	≤65%	64%	63%
Affordability	Proportion of affordable tenures – at start of year	≥95%	99%	99%
Affordability	Proportion of affordable tenures – developed in year	≥90%	100%	100%
Building safety	Proportion of homes in compliance with gas safety	100%	99.97%	99.97%
Building safety	Proportion of homes with Fire Risk Assessment	100%	100%	100%
Building quality	Proportion of homes that met the Decent Homes Standard	100%	100%	100%
Resident voice	Customer satisfaction	≥75%	75%	71%
Resident voice	Complaints found to be maladministration by the Housing Ombudsman		26	-
Climate change	Scope 1/2 carbon emissions tCO_2e per home		0.23	0.22
Climate change	Scope 3 carbon emissions tCO_2e per home		4.09	3.77
Climate change	Homes with an EPC rating of C and above – start of year	100%	76%	75%
Climate change	Developed homes with an EPC ratings of B and above	100%	99.92%	100%
Governance	Registration with the Regulator of Social Housing (RSH)	Yes	Yes	Yes
Governance	Registered as a 'for profit' provider	No	No	No
Governance	Most recent viability and governance ratings from the Regulator of Social Housing	G1/V1	G1/V1	G1/V1
Governance	Maximum tenure of Group Board Member (years)	≤9	5	4
Governance	Proportion of non-executive directors on Group Board	≥90%	90%	90%
Governance	Length of service of external auditors (years)	≤10	4	3
Staff wellbeing	Real Living Wage paid	Yes	Yes	Yes
Staff wellbeing	Gender pay gap	≥-5% ≤5%	-4.2%	-3.3%

Social Leadership

The provision and maintenance of quality, affordable and safe housing remains at the core of our social purpose. At March 2024 99% (March 2023: 99%) of homes owned were let for a social purpose and all of the homes we developed in the year to March 2024 were built for social rent, affordable rent and low cost home ownership.

We set rents that are below the private rented sector (PRS) to help those who can't afford to rent on the open market. Overall our rents were on average 64% of PRS rents at March 2024 (March 2023: 63%).

In response to cost-of-living challenges facing our customers we continue to operate our wellbeing fund, which supports those most in need. During the year the fund helped approximately 3,500 customers, providing a total of £1.1m towards essential items such as food, clothing and heating. On top of the fund our Successful Tenancies Team, who provide help and advice to customers who are experiencing financial difficulties, dealt with c6,500 cases in the year, recording £3.2m in financial outcomes for customers through unclaimed welfare benefit claims, appeals and backdated payments.

Building Safety

The safety of our customers is our number one objective. As at March 2024 100% of our homes had an in-date Fire Risk Assessment (March 2023: 100%), gas compliance was 99.97% (March 2023: 99.97%) and all of our eligible homes met the Decent Homes Standard (March 2023: 100%). Our property teams continually assess compliance with the building safety act with required works forming part of the investment programme.

We continue to robustly deal with all cases of damp and condensation mould (DCM), ensuring issues reported are tracked to resolution in a timely manner. During the year we recruited an additional ten surveyors to help manage DCM cases. The surveyors will work cross-functionally with frontline teams to identify and deal with cases in the most expedient way possible. We are also exploring the creation of our own in-house mould-clean team to support the delivery of this service.

Resident Voice

The customer voice has been strengthened during the year, giving Platform customers greater influence and exposure to the Group Board. The former Customer Experience Panel has become the Customer Voice Panel (CVP) and is now chaired by a member of the Group Board. The panel is supported by two new sub panels for 'Customer' and 'Assets and Sustainability' to provide a specific focus in these areas.

We are committed to providing excellent service and encourage our customers to challenge us if they aren't receiving the service they expect. Satisfaction increased to 75% (2023: 71%), which is a considerable achievement in what has been a very challenging year, and demonstrates our commitment to continuously improving services to customers.

Year	Satisfaction	Target
To March 22	70%	75%
To March 23	71%	75%
To March 24	75%	75%

Climate Change

We remain committed to improving the energy efficiency of our homes in order to reduce our carbon footprint and help make energy costs more affordable for customers. Our goal is to transition all homes to EPC C or better by 2030 and net zero by 2050, which will be guided through the development of Science Based Targets. A summary of EPCs held at the start of the year is shown below.

Rating	Homes with certificate[1]	Percentage	Cumulative percentage
A (92+)	190	0.5%	0%
B (81-91)	8,804	21.9%	22.4%
C (69-80)	21,541	53.6%	76%
D (55-68)	8,897	22.2%	98.2%
E (39-54)	658	1.6%	99.8%
F (21-38)	71	0.2%	100%
G (1-20)	3	-	100%
	40,164	**100%**	**100%**

[1]There were 2,561 homes without an EPC at March 2024.

Chief Finance Officer's report (cont.)

We continue to track energy efficiency improvements to our homes as we invest in capital and retrofit programmes, noting further increases in the average SAP scores for homes that existed at March 2022:

	Average SAP
March 2023	73.08
March 2024	73.23

As a result of energy efficiency works during the year the average SAP score at March 2023 for homes that existed at March 2022, had increased to over 73. For those homes retrofitted, energy efficiency improvements have saved customers over 50% of their energy bills.

It is our objective to develop homes that have an EPC rating of B and above and this was achieved for virtually all of our homes in the year. A total of 1,202 new homes were developed, of which all except one had an EPC rating of B and above, with an average SAP score of 84 (Mar-23: 84):

Rating	New homes	Percentage	Cumulative percentage
A (92+)	16	1%	1%
B (81-91)	1,185	99%	100%
C (71-80)	1	-	100%
	1,202	**100%**	**100%**

Governance

During the year the Regulator of Social Housing conducted a scheduled 'In-depth Assessment' of Platform's Governance and Financial Viability. Following the assessment the regulator affirmed the highest ratings of governance and financial viability for Platform (G1 and V1). On top of this Platform's credit ratings were also affirmed in the year at A+/A+ with S&P and Fitch, both with a 'stable outlook'.

Staff Wellbeing

Platform continues to be committed to the well-being of its colleagues, having put in place a dedicated Wellbeing Team that is responsible for the implementation of its Wellbeing Strategy.

We recognise that our people are our biggest asset and offer training, both internal and external to support personal development. During the year around 10% of all employees undertook a qualification and at the end of the year 4.2% of all employees were enrolled in apprenticeships.

We pay at a minimum the Real Living Wage for our employees, including all apprentices.

During the year Platform published its first gender and ethnicity pay gap report (previously this had just been a gender pay gap report). The report shows that Platform's gender pay gap continues to be negative (4.2%), with women being paid on average more than men and the ethnicity gap is 3.4%. Both measures highlight Platform's ongoing work in ensuring equality, diversity and inclusion.

Streamlined Energy Carbon Report (SECR)

Reporting period 1 April 2023 – 31 March 2024.

Methodologies

Natural Gas

Consumption has been quantified using exports provided by a 3rd party energy broker, using automatic metering, manual metering and invoiced data, provided in kWhs. As of 23/24 this relates to 102 separate sites. The total kWh figure has been converted into tonnes of CO_2e using the Fuel conversion factor from the BEIS 2023 conversion factor release.

Electricity

Consumption has been predominately quantified using exports provided by a 3rd party energy broker, using automatic metering, manual metering and invoiced data, provided in kWhs. As of 23/24 this relates to 1356 separate sites. Additional data has been sourced through a public sector procurement provider, as of 23/24 this relates to 205 separate sites. The total kWh figure has been converted into tonnes of CO_2e using the Fuel conversion factor from the BEIS 2023 conversion factor release.

Fleet Vehicles

Consumption figures are measured in litres of fuel and synthesised into a fleet management report by a 3rd party fleet management company. KWhs have been quantified by converting the amount by the Fuel Properties Conversion factor from the BEIS 2023 conversion factor release. KWhs have been converted for both Diesel (Assumed Average Biofuel Blend) and Petrol (Assumed Average Biofuel Blend) fuels. Fuel amount has been converted into tonnes of CO_2e using the BEIS 2023 Fuel conversion factors, also for Diesel (Assumed Average Biofuel Blend) and Petrol (Assumed Average Biofuel Blend).

Business Travel

Consumption is based off internal business mileage claims for road travel. Internal vehicle type categories have been matched to vehicle type categories in the Business Travel – Land tab from the BEIS 2023 conversion factor release and their total mileage converted to tonnes CO_2e using the Business Travel – Land conversion factors.

Refrigerants (Fugitive Gas)

Average annual consumption data for a 5-year period, starting 19/20, has been calculated based on a 5-year servicing contract with an external supplier. BEIS 2023 conversion factors have been used to convert this average figure into tonnes of CO_2e.

Fuel and Energy

BEIS 2023 conversion factors have been used to calculate Well-To-Tank Emissions from Gas, Electricity Generation and Transmission & Distribution, Fleet Vehicles and Business Travel based on the amount of consumption in the associated category. Tonnes of CO_2e for Transmission and Distribution losses for Electric Vehicles has also been calculated using the BEIS 2023 T&D for EV Conversion Factor.

Purchased Goods and Services

Emissions are based on a total supply chain spend report, inflation adjusted spend and 2021 DEFRA spend-based conversion factors per SIC Code found in the "Conversion factors $KgCO_2$ per £ spent, by SIC code 2021" document included in DEFRA's "UK and England's carbon footprint to 2021" release. 82% of 1393 suppliers (1146) have been matched to their SIC Code via Companies House, with the remaining 18% (247) of suppliers not registered on Companies House being categorised into the same SIC Code categories via assessment of their goods/services provided. Supplier spend amount has been adjusted for inflation from Q1 2021 to Q1 2024 using the Office for National Statistics' "Consumer price inflation time series (MM23)" data set. This produces a total CPI inflation rate of 19.3%, permitting spend adjustment (e.g. £100 spend in Q1 24 is adjusted to £80.7 in Q1 21). Once contractor spend has been adjusted, their individual tonnes of CO_2e has been calculated using each SIC Codes specific spend-based conversion factor.

A significant proportion of costs for construction are mediated through legal services, with legal entities acting as intermediaries between Platform and the construction company. To account for this, internal budget codes have been used to reallocate expenditure out of the Legal Services SIC code category and into the Buildings and Building Construction category.

Chief Finance Officer's report (cont.)

Homeworkers

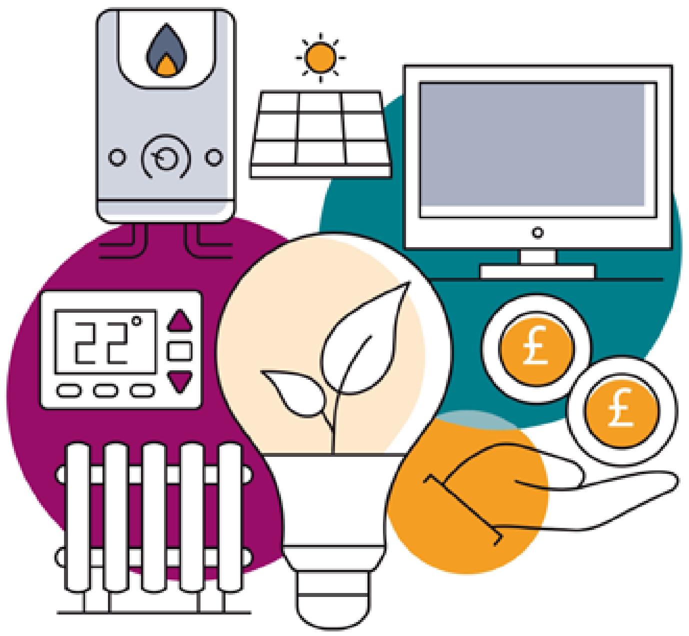
Emissions are based on the number of FTE days/ hours worked by homeworking Platform staff in 23/24. The total number of FTE days worked by homeworking Platform staff over 23/24 has been reduced by the amount of travel claims homeworking staff have made over 21/22. It has been assumed that each travel claim relates to one complete day outside of their property. This new total working days has been converted into hours by multiplying by 7 hours, based on an assumed average working day length. This hourly figure is then converted into tonnes CO_2e using the BEIS 2023 Homeworking (Office Equipment + Heating) conversion factor. This conversion factor is derived from the EcoAct 2020 Homeworking Emissions Whitepaper.

Housing Stock

Emissions from stock are quantified by a 3rd party data analytics company. SAP10.2 is used to estimate an annual tonnage of CO_2e per property from Platforms stock, taking in to account the building fabric, heating type, renewable technologies, and further metrics. The sum of these tonnages is provided as the total emission from the stock per reporting period.

Commuting

Emissions have been derived from an Employee Commuting Survey that ran through 21/22. The survey collected data on the average weekly commute for Platform staff. Data regarding vehicle type and distances travelled were collected. 92 usable results were collected, a proportion of 247 Platform staff that possibly make some commute, the rest of Platform staff being home or mobile workers. Average weekly distance for Car, Bus, Train and Taxi travel were extrapolated to cover the full 247 staff, and further extrapolated to 48 working weeks per year. These total annual vehicle type/distance figures were converted into tonnes of CO_2e using BEIS 2022 conversion factors for Business Travel – Land. Mileage figures were converted to kilometres allowing kilometre conversion factors to be used for Cars & Regular Taxis and passenger.km conversion factors to be used for Average Local Buses & National Trains. The final amount from 21/22 has been applied to both years in place of a 23/24 Survey.



Energy Consumption

Energy Consumption used to calculate emissions (kWh)

	2023-24	2022-23
Gas	20,418,561	20,441,819
Electricity	9,690,992	8,966,970
Transport Fuel in Fleet Vehicles (Diesel)	11,277,217	10,608,002
Transport Fuel in Fleet Vehicles (Petrol)	142,493	94,006

Carbon Emissions (Scope 1 and 2)

		2023-24	2022-23
Emissions from gas (tCO_2e)	Scope 1	3,735	3,731
Emissions from transport fuel for fleet cars (tCO_2e)	Scope 1	2,728	2,567
Emissions from business travel in rental cars or business mileage claims (tCO_2e)	Scope 1	731	591
Emissions from refrigerants (tCO_2e)	Scope 1	62	62
Emissions from electricity (tCO_2e)	Scope 2	2,007	1,734
	Total (tCO_2e)	**9,263**	**8,685**

Carbon Intensity Ratios

	Homes/ Turnover	2023-24	2022-23
No. of homes managed (social housing, supported, intermediate)	40,747	0.23	0.22
Turnover (£m)	337	27.5	29.3

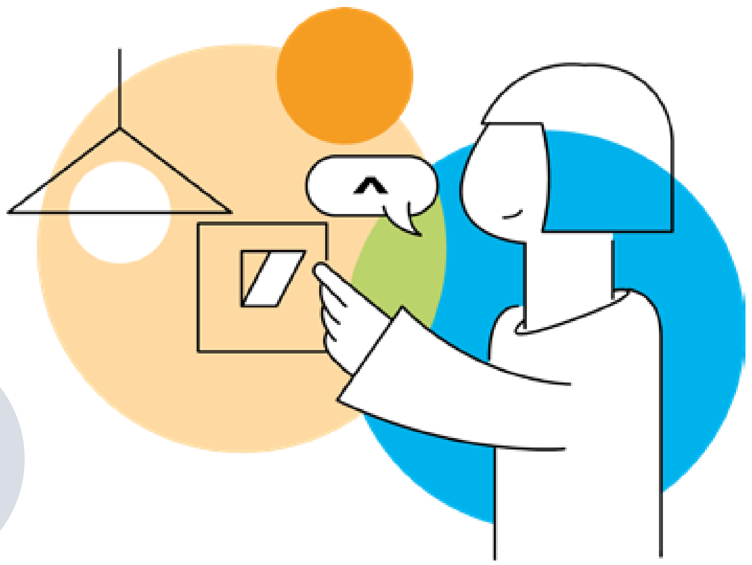
Chief Finance Officer's report (cont.)

Carbon Emissions (Scope 3)

		2023-24	2022-23
Emissions from generation of electricity that is lost in transmission and distribution (tCO_2e)	Transmission and distribution losses (Including T&D losses for EV charging)	156	160
Emissions from commuting (tCO_2e)	Figures based on 21/22 year	152	152
Emissions from leased assets, franchises, and outsourced activities (tCO_2e)	Regulated emissions from homes	72,677	72,472
Emissions from fuel and energy related activity (tCO_2e)	Well-To-Tank Emissions from Gas, Electricity Generation and Transmission & Distribution, Fleet Vehicles and Business Travel	1,909	1,885
Emissions from Homeworking (tCO_2e)		554	560
Emissions from purchased goods and services (tCO_2e)		91,033	76,206
	Total (tCO_2e)	**166,481**	**151,435**

Summary

Carbon Emissions (tCO_2e)	Scope 1 & 2	9,263	8,789
Carbon Emissions (tCO_2e)	Scope 3	166,481	151,435
Total Carbon Emissions (tCO_2e)	**Scope 1, 2 and 3**	**175,744**	**160,224**



Reducing our CO_2 emissions

Scope 1 – Fuel and gas

We have introduced a fuel-efficient driving optimisation technology that has supported our fleet drivers, saving 191 tCO_2. In addition, a Building Management System has been introduced into seven of our supported housing schemes which will help improve the energy performance of the schemes' communal heating plants. We have also carried out boiler upgrades on 6 supported housing schemes, replacing old inefficient boilers with new ones.

Scope 2 – Electricity from our stock

We have installed 196 Automated Meter Reading devices in our communal electricity sites to help improve the quality and accuracy of our data, representing an increase of 148%. We have developed plans to refurbish our least energy efficient supported housing schemes with lighting upgrades.

Scope 3 – Indirect emissions

We have increased the number of homes that have EPC certificates from 95 % to 96% to improve the overall confidence and reliability of our property and energy data. We have reduced the carbon emissions of our homes, with average CO_2 emissions per home reduced from 1.804 tCO_2/year to 1.791 tCO_2/year which represents a total saving of 530 tCO_2. To support our objective to move all homes to EPC C or better by 2030 we carried out 130 retrofit energy improvement measures in the year, including 101 ground and air source heat pumps, 14 solar PV systems and 15 external wall insulation (EWI) fittings. These works have helped improve the homes affected from an average SAP score of 52 (EPC E) to 82 (EPC B), saving around 150tCO_2. This has helped our customers save an average of approximately £300/year off their energy bills.

	2024	2023
ASHP	101	211
PV panels	14	273
EWI	15	1
Other renewables	–	32
	130	517

We have increased the number of homes that Although the overall number of retrofits has decreased on the prior year, expenditures have increased by approximately 50% to £8m as we gear up to deliver an increased number of retrofits going forwards. These will be more focused on fabric-related improvements, followed in time with energy efficient heating systems and solar PV panels.

Our planned works programme complements these retrofits and we have carried out 1,245 boiler replacements, 1,322 loft and cavity insulation upgrades and 136 window replacements, all of which will help to reduce carbon emissions.

Events after Year-End

There are no events after year-end to report.

Going Concern

During the delivery of the business plan and our stress testing process, the Board has considered the current economic climate, the pressures on residents, inflation and interest rate increases.

Notwithstanding the net current liability position at 31 March 2024, after making all appropriate enquiries the Board has a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. In April 2024, Platform issued a £250m sustainable bond with a maturity of 26 years. This bond has increased available cash balances.

For these reasons the Board continues to adopt the going concern basis in preparing the Group's financial statements. More information can be found on page 76.

Chief Finance Officer's report (cont.)

Risk Management

Risks that prevent the Group achieving its objectives are considered and reviewed regularly by the Senior Leadership Team, Executive Team, the Boards and Group Audit and Risk Committee as part of the corporate planning process. The risks are assessed in terms of their impact and probability. The key current Corporate risks for the Group are considered below:-

Business Area	Risk	Mitigation Strategies
Economic Uncertainty	Economic conditions adversely impact PHG's strength	Minimum cash balance of £10m Regular dialogue with funders and ratings agencies is maintained to establish confidence and support. The business plan identifies the funding required in the medium to long term, which is incorporated in the annual treasury strategy. Treasury Strategy addresses re-financing requirement well ahead of need. Prudent Liquidity Policy to cover as a minimum the next 18 months. Headroom is maintained in the Long-Term Financial Plan ("LTFP") to accommodate adverse changes in the economic and financial markets and is regularly stress tested. LTFP includes shadow assessment of ratings by monitoring rating agency key metrics. Continuous review of the Treasury Strategy/Policy and Specialist Treasury Team. Close monitoring of development and sales performance. (including developer contractor exposures and financial position). Close monitoring of CPI inflation projections and costs monitored vs budgets. Liquidity is monitored each month and reported to the Board. The Group's interest rate risk exposure is reviewed on an on-going basis. The risk is quantified in quarterly treasury reports to the Board, and more frequently if there have been any materially adverse movements in interest rates. Annual review of the Treasury Management Policy reported to Board. Quarterly LTFP updates to the Board, including stress testing. The LTFP includes a severely adverse economic stress test, with appropriate mitigation plans should such a scenario materialise. LTFP assumptions supported by our external Treasury Advisors, Centrus. Financial Regulation and approval limits to control and manage spend. Robust Financial Golden Rules Framework to manage risk and is reviewed annually. Daily alerts for monitoring bank credit default swap levels and credit ratings.

Business Area	Risk	Mitigation Strategies
Economic Uncertainty	Pressure on long term business plan due to mismatches between rent and service charges compared to costs	PHG's Business Plan is regularly reviewed and revised. PHG's Finance Team are qualified. Centralised procurement team well placed to minimise cost increases to reasonable levels in any given market environment. Access to specific cost inflation indices to inform discussions with suppliers. Headroom is maintained in the LTFP to accommodate adverse changes to rent levels and costs and is regularly stress tested. Scenario tests run to inform decisions on cost lines that we can control in light of financial position and risks to rent levels and other cost pressures. LTFP includes shadow assessment of ratings by monitoring rating agency key metrics as forecasts for loan covenant metrics. Close monitoring of development and sales performance. Close monitoring of CPI inflation projections and costs monitored vs budgets. Regular dialogue with funders and ratings agencies to establish confidence and support. Regular dialogue with industry bodies and Government to provide visibility of impacts of rent caps/freezes. Service charge project to gain additional clarity on costs and charges. Rent resets used to increase revenue within regulatory constraints. Moving towards removing voluntary blanket LHA cap on rents in order, to increase revenue (whilst remaining within regulatory and legal constraints). Regular reporting to Executive Group, Committees and Board; Quarterly LTFP updates to the Board, including stress testing. Regular reporting to Board of loan covenant compliance and forecasts. LTFP assumptions supported by our external Treasury Advisors, Centrus. Financial Regulation and approval limits to control and manage spend. Robust Financial Golden Rules Framework to manage risk and is reviewed annually. Breaches or potential breaches of financial golden rules triggers mitigation discussion with Exec and Board. Introduction of the new look Dynamic Enterprise Performance Management system (dEPM) and the 36 month rolling forecast reports. The Corporate Finance team run scenarios for presentation to Board together with mitigation measures that have been identified are discussed and agreed with Board.
Legal/ Regulatory/ Reputational	The effects of damp, mould and condensation have a negative impact on our customers	PHG is aware of its responsibilities under the Landlord and Tenant Act 1985 and the Housing Act 2004. Damp and Mould Policy issued. In-house surveyors and repairs team in place and resources reviewed. Stock condition survey – identification of stock and the archetypes of properties that are likely to suffer from damp and mould. Decent Homes Standard. 'Just make it right' reporting process. Dedicated complaints team. Self-help leaflets/guide for customers – customers are aware of their responsibilities. Disrepair claims process. Wellbeing Fund – helping customers with their energy bills. Void Lettable Standard – includes actions for dealing with damp and black mould. Defects team chase damp/mould cases through the Developer for properties within the defect Liability period (typically 1 year). Customer Care manager is monitoring on Damp/mould/condensation defects – provides update to Director of Programme. Oversight at Senior Leadership Team. Void inspections. Specialist Housing staff visit customers living in specialist housing on a regular basis and specialist mould wash contractors appointed to address backlog of mould cleans. Platform has assessed its performance on damp and mould against the Housing Ombudsman's 2021 Spotlight report.

Chief Finance Officer's report (cont.)

Business Area	Risk	Mitigation Strategies
Business Continuity and Data Loss	Normal operations are disrupted by a cyber security incident, leading to a major loss of data	Data Loss Prevention Policies and Data handling procedures. Data protection impact assessments training and procedures. Information Security Policy. Password Security Policy. Multi factor authentication/conditional access policies. IT Disaster Recovery plan and Business continuity plans. Physical Building Security. Data Security Incident Procedure/investigation. Network security management and Enhanced firewalls. Automatic patch management and SOC24/7 threat solution. USB ports disabled. Automatic scheduled virus scanning now enabled. Improved Conditional Access for all users of Office 365 – blanket change, no access from outside of UK unless requested in advance. Specialist IT staff. Incident reporting to the Executive Group. Cyber security training and awareness and Data handling training and awareness. Data security incidents reported to Exec team and if appropriate reported to Board. Insured against the aftermath of cyber attacks. Disaster Recovery test undertaken October 2023. ISO 27001 obtained with a further review planned. Penetration testing by a 3rd party.
Income	Loss of income due to the inability to let vacant homes	KPI's in place and Weekly/monthly void number monitoring. Void rent loss budget. Review of stock out of management to control long-term voids and loss of income. Review of Lettable Standard. Upgrading of poorly performing schemes. Work on implementation of a full digital new customer pathway and robust estate management.

Business Area	Risk	Mitigation Strategies
Legal/ Regulatory/ Reputational	Non-compliance with Landlord and Health & Safety requirements	Building Safety Team established. Contracts established with appropriately resourced and qualified contractors. (gas/electrical/fire/lifts/legionella/asbestos). Compliance Policies and procedures in place for fire/lifts/asbestos/legionella/gas/electrical safety. Fire risk assessments – two-year programme in place. Work undertaken by Savills to assess the safety of lower rise development of flats owned by the Group. Contractors works subject to independent assessment/audit. Effective ICT systems that support the processes and monitoring. Intrusive scheme inspections undertaken where needed. Programme in place to review group timber framed construction assets, with internal monitoring and review. Reconciling of database to safety certificates held. Management meetings to review compliance with CDM. Effective stock condition surveys and void inspections. Reviewed by asset management staff. There is a Major Incident Plan in place covering high rises. This details what measures need to be taken if any major incident takes place either in the city centre or in a high-rise block. A separate fire management plan is also in place. This advocates a stay put policy unless otherwise instructed by the Fire and Rescue Service. If the FRS mandate an evacuation then the Major Incident Plan would be implemented. Staff training and awareness. Risk assessments carried out. Domestic electrical systems are inspected at 10 yearly intervals, and moving to 7 yearly intervals. Asbestos Register is maintained and updated generating information for works orders. Asbestos surveys also carried out for investment projects.
Income	Inaccurate billing of service charges	Executive sponsored service charge project in place. Task and finish project group analysing charges of a number of schemes Commencement of Service Charge accounts being shared earlier in the process to identify issues earlier. Customers on variable service charges mitigates some of the losses. Review of utility charges.

Chief Finance Officer's report (cont.)

Business Area	Risk	Mitigation Strategies
Income	Loss of income due to a failure to collect income due in rents and service charges	Post-Covid Rent Management process. Staff training, including dedicated Energy advice and supplementary Welfare training. Robust legal processes in place. Contribute updates to Rent Setting Policy. Income Collection Procedure in place. Former Tenant Arrears (FTA) Policy Write off process within the FTA procedure. Use of technology to mitigate risks (automation/Voicescape). Promotion of direct debit. Successful Tenancies Team in place Portal to enable customers to self-refer to the Successful Tenancies Team Guidance on paying rent available on Platform website Rent Support Officers in place – maximise income and minimise debt. Comms and marketing plan has been developed to promote energy and welfare advice. Quarterly review of de-minimus debts (currently £75) – income teams will continue to review and action the debts in this banding periodically. Working Group in place re collection of sundry debts. Money Management tools. PCOL applying to the court. Offering alternative ways to pay rent. One month's credit required on account. Alternative payment requests made to DWP where appropriate. Publicising help available to aid customers in maximising income through variety of methods. Work with Finance Business Partners with regards to bad debt provision Working with Subject Matter Experts (SMEs) to have a consistent approach across the organisation to income collection. Wellbeing Fund in place; four members of staff help with approving applications and signposting. Automated arrears system – escalation triggers.
Customer Voice	Ineffective management of customer complaints.	All early resolutions are dealt with centrally by the Early Resolution Team Central administration in the Customer Experience Team of all ERs, Formal Complaints and Final Reviews. Customer Experience Business Partners in place to address root cause of complaints with specific service areas. Different methods of communicating a complaint available and access to complaints service i.e. translation services available/different fonts/formats/ advocacy etc. Robust Complaints Policy and Procedure outlining all the stages and targets. Training for staff – induction and ongoing. Appointing additional staff, such as team leaders Customer Experience Team are constantly reviewing and refining team structures and roles to ensure compliance and effectiveness. Colleagues outside team volunteering to assist with formal investigations and final reviews. Wider team members assisting with CX team (e.g. staff from Business Excellence and L&OD, Senior CV BP working with CX team). Receipting complaints when received; aids communication with rest of business with support for investigations. High level outcomes and trends reported to Customer Voice Panel for scrutiny. Collation of Tenant Satisfaction Measures (overseen by IFF, who produce quarterly deep dive reports).

Business Area	Risk	Mitigation Strategies
Supply Chain Issues	Insolvency of contractors and Third-Party suppliers	Due Diligence undertaken on all prospective contractors. EQUIFAX checks completed at approval stage. Quarterly credit checks. JCT Contracts; Minor/major dependent on value. Ensure use of the correct procurement process. Capacity checks on stage payments/references/Insurances. Inspections of works in progress and completed /Site visits to confirm accuracy and timeliness of stage payments (mini-audits performed during these visits). Budget monitoring – monthly reports/ensure not overspending. Use of framework agreements depending on the type of work. Not dependent on one contractor – work spread across several contractors. Requests for additional financial support assessed on a scheme-by-scheme basis. All newbuilds contractors provide a 12 year warranty and insolvency cover. Group Financial Regulations and Standing Orders that are regularly reviewed as well as review of other financial checks and controls. Performance Bond for contracts more than £500k (unless the contractor can demonstrate that NHBC or equivalent insolvency cover is secured covering a minimum 10% of the contract value.) . Process to review contractors asking for additional costs on fixed-price contracts. Finance, Delivery and Land teams are working closely together on exposure and contractor performance to ensure there is not an overexposure challenge should a contractor fail. Audit of warranty cover in place – full assurance. Section 20 procurement consultations. Periodic meetings with contractors.
Legal/ Regulatory/ Reputational	Adverse operational, commercial, regulatory and innovation outcomes due to poor quality data	Asset Management & Compliance Dashboards replaced with Data Quality Warehouse sourced version 2023. Creation of a Data Assurance Team. Data Warehouse functionality to enable one consistent view of PHG data. Database Administration. DWH DQ Rules Engine. Enterprise Architect to support implementing MDM/Data Governance practices across the Group. Assurance implementation of Digital Design Authority (DDA). Entity Level Data Quality Rules Based KPI reported in monthly KPI Reporting Assurance. Monthly Data quality KPI Report and narrative. Enterprise Project Management Office to control the procurement of shadow IT Systems further diversifying the Group's data. Data Analytics Governance Board in place. Completion of number of large scale data migrations in 2024. We are also intending to complete three phases of assurance work to mitigate this risk.

Chief Finance Officer's report (cont.)

A dedicated Executive Risk Committee meets monthly and provides a key focus on risk, assurance and corporate compliance which in turn informs the Group Audit and Risk Committee.

Group wide at Senior Leadership Team level there is a second tier Performance and Risk Forum consisting of senior managers which also ensures that key corporate and operational risks are reviewed regularly and monitored. Responsibility for individual risk management is firmly embedded through the roles and responsibilities of the relevant Risk Leads and owners who each take responsibility for the control environment within their functions.

Further assurance of the adequacy of the Group risk register has been provided by Internal Auditors who attend each meeting of the Group Audit & Risk Committee and who provide an annual report on internal audit, including an overall audit opinion for the Group. Each Committee and Board also reviews at the end of each meeting any risk impacts and actions arising from the decisions or recommendations made at the meeting. Group Boards also consider at each meeting key issues, assurance and decisions raised at each Board Committee.

There remains a clear focus on ensuring that we deliver on our growth commitments arising out of our partnership with Homes England, and a sustained focus on ensuring that we collect income through having robust processes in place to let homes and collect rental and service charge income. The Group has a number of KPIs which are monitored closely by Boards and Executive Team.

The long-term financial business plan (LTFP) is subject to a number of stress tests, each of which represents a combination of risks from the risk register, to determine whether they would cause 'significant financial distress' under the Regulator's Governance and Financial Viability Standard. The stresses are chosen to represent a range of extreme variations in the operating environment and have been reviewed with the Group's Treasury Committee and Boards. A 'Perfect Storm' scenario is also analysed which combines a number of individual tests to measure the extent of the Group's resilience to combined scenarios and together with associated robust stress tests are considered fully by Boards on a regular basis, to take account of the current challenging economic environment.

A series of mitigating activities has also been tested for their impact against the stress tests, but the most significant variable remains the Group's development programme. Mitigation actions can include changing the mix within the development programme and/or reducing the number of homes to be delivered.

Most recently the Group Boards considered the LTFP and key base plan assumptions in June 2024 following prior scrutiny of these by Treasury Committee.

Emerging Risk

The Board has noted and discussed extensively the potential economic consequences of the current political and economic environment and associated inflationary pressures and impact on customers, which in turn has informed the business planning process and Long-Term Financial Plan that was considered by Boards in June 2024. The Board is also conscious of the potential impacts associated with sector reputational risk as a result of recent issues affecting the housing sector concerning issues such as fire safety and damp, mould and condensation. The Group is working actively to plan for the planned consumer regulatory changes and related tenant satisfaction measures and has undertaken a detailed self assessment against these with an action plan being put in place. The Group has also recently (March 2024 conclusion) had a regulatory IDA which resulted in a continued G1/V1 assessment.

Corporate Governance

The Group is governed by a common Board across Platform Housing Group Limited and Platform Housing Limited, which consists of 9 Non-Executive Board Members as well as 1 Executive Board Member (the Group Chief Executive).

Platform Property Care Limited, being a Cost Sharing Vehicle (CSV), has Board Members that do not sit on the Platform Housing Group or Platform Housing Limited Boards, including Members who represent Rooftop and Stonewater as the CSV partner associations.

Board and Committee Terms of Reference are reviewed annually for the Board and its Committees.

One Non-Executive Board Member retired at the end of their term in July 2023. Another Board Member also retired in September 2023. We have recruited two new non-Executive Board Members who commenced in April 2023 and December 2023 respectively, including a new Chair of the Group Audit and Risk Committee. We are in the process of recruiting a new Board Member to replace the existing Member whose term ends in July 2024, who is intended to be the Chair of the Group People and Governance Committee.

Board Members are mainly non-executive and are Directors for legal purposes. They are drawn from a wide background, bringing together professional, commercial and local experience, and are remunerated for services performed for the Group. Two new Group Board Members were recruited during the year to address key skill needs. These include recruitment of an experienced Non-Executive Board Member with roles across public, private and housing sectors drawing on experience in property, particularly regeneration and sustainable development, as well as a new Member with significant financial and audit experience.

Insurance policies indemnify Board Members and Officers against liability when acting for the Group. In addition to the Non-Executive Board Members and shareholders, the Group Chief Executive is an Executive non shareholding Member of the common Board.

The Executive Directors act as executives within the authority delegated by the Board, and the remuneration of the Executive Directors is reviewed by the People and Governance Committee and Parent Board.

During and at the end of the 2023/24 financial year, none of the Group's Executive Directors had an interest in any material transaction in relation to the Group's business and none have an interest in any presently proposed material transactions.

Regulatory Compliance

The Regulatory Framework includes a requirement that all RPs remain compliant with the Governance and Financial Viability Standard, assess their compliance with the Standard at least once a year and certify compliance in their Financial Statements.

All Boards are fully aware of the principles of co-regulation and of the need to ensure the protection of social housing assets.

An Intra Group Agreement includes detailed information on the respective roles and Terms of Reference of the Group Board, subsidiary Boards and individual roles such as that of the Chairs and Group Chief Executive. Clear lines of authority and delegations are included in the Group's Financial Regulations and Standing Orders which were reviewed in October 2023, as well as the respective Committee Terms of Reference. The Intragroup Agreement was most recently reviewed by People and Governance Committee and approved by Boards in July 2023.

A detailed self-assessment against the Standard (and all regulatory standards) was considered by the Platform Board in July 2023 and the Board approved Platform Housing's compliance with all areas of the Standard. Similarly, a self-assessment will be considered by Boards in July 2024, which will include an assessment of compliance with all of the regulatory standards, including the new Consumer Standards which became effective from April 2024. The Group has been actively preparing for the introduction of the new regulatory Consumer Standards, including the introduction of Tenant Satisfaction Measures. The Group's most recent in depth Assessment (IDA) from the Regulator of Social Housing was in March 2024 and maintained its G1/V1 assessment status as a consequence.

The Assets & Liabilities Register is constantly updated and has been fully updated and reviewed as part of the Board Assurance Programme to confirm that the Register continues to meet the requirements of the Governance and Financial Viability Standard.

The Group considers that it has taken reasonable measures to assure itself that it meets the Standard.

Code of Governance

The Regulatory Framework makes it clear that responsibility for meeting the regulatory standards lies with the Board and that the Board is under an obligation to adopt and comply with a recognised Governance Code.

The Platform Boards, including all subsidiary Boards, adopted the revised NHF Code of Governance 2020 in December 2020. The Board meetings in July each year consider compliance with the 2020 Code and concluded there were no material areas of non-compliance.

The Board has five standing committees in operation. During the year we created two new Committees to more clearly focus on Assets and Sustainability as well as Growth and Development.

The Group Audit & Risk Committee's role is to monitor the Group's arrangements for internal control, risk management and assurance and to oversee the work of internal and external auditors. The Committee meets at least four times a year and is responsible for the review of the annual financial statements for all Group subsidiaries prior to consideration and approval by the Boards.

Corporate Governance (cont.)

The People and Governance Committee's responsibilities include informing and reviewing the development and delivery of the Group's People strategy and associated policies, considering the composition of the Group's Boards and Committees, including succession planning, undertaking an annual review of the effectiveness of the Group's Boards and Committees; and making recommendations to the Board on remuneration for Board Members and independent Committee Members.

The Treasury Committee is responsible for key treasury decisions in between Board meetings, as delegated by the Board, as well as to facilitate good treasury management practice, primarily by enabling prompt decision taking on interest rate risk management transactions, as well as to support and advise the Platform Housing Board in relation to certain treasury activities, as well as pensions.

The Growth and Development Committee's role is to support and advise the Platform Boards on the growth ambition and development strategy, critically evaluating at a programme level committed and uncommitted development, sales and commercial activity to monitor delivery performance.

The Assets and Sustainability Committee supports and advises the Platform Group Boards on asset management strategy and related investment; the Group's approach to sustainability and zero carbon commitments in relation to existing homes, overall compliance with the Group's strategic environmental and sustainability commitments; and all aspects of landlord health and safety and building safety compliance.

Customer Voice Panel

We are committed to customer engagement and scrutiny of our services to ensure that there are even more ways for customers to share their views and feedback with us and get involved in ways that suit them. As a consequence, the Group has reviewed its customer engagement mechanisms and established a Customer Voice Panel chaired by a Group Board Member to ensure that Boards hear the customer voice, and ensure this is fed back at each Board meeting. During the year there has been an extensive recruitment exercise resulting in the appointment of a number of additional Panel Members to provide a real customer focus to the Panel's work and its engagement with Boards.

Customer feedback is used in policy development and work underway Group-wide to fully develop the principles of co-creation in terms of how the Group develops and delivers customer-facing services.

Trainee Board

One of the key successes over the last year has been the further development of a second cohort of the Trainee Board programme, which currently has five members who commenced their roles in September 2023. Of the initial cohort of Trainee Board Members, three have gone on to become Associate Committee Members for a further two years to further develop their skills and experience. Although they do not have the full legal duties of a Non-Executive Board Member, this role is intended to help support this diverse group of members to further develop their roles as potential future Committee or Board Members. The intention is that a diverse cohort of potential future sector Board or Committee Members is developed with appropriate learning and development through attendance at Board and Committee meetings and mentoring by existing Board Members.

Trainee Board Members 203-24

Internal Control Statement

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

The Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable, but not absolute, assurance that planned business objectives and expected outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial information and the safeguarding of the Group's assets and interests.

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

The Group Audit & Risk Committee is responsible for monitoring the risk management and internal control processes and updates the Board on the efficacy of the process.

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 the Group's activities. Both the Executive Risk Committee and second tier Risk and Performance Forum regularly consider reports on significant risks facing the Group and the Board and Group Audit and Risk Committee receive regular reports on changes affecting key risks.

Environment and Control Procedures

The Board retains responsibility for a defined range of issues covering strategic, financial and compliance issues including treasury management and new investment projects. There are governance arrangements in place, including policies and procedures, which 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 annual budgets, detailed management accounts including forecasts for the year, and detailed treasury reports. These are reviewed in detail by the Executive Team and considered and approved by the Board each quarter. The Board also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

Business Planning, Budgeting and Reporting

The Platform Housing Group Strategic Plan for the period 2021-26, which was approved by Boards in March 2021, sets out clear targets for the Group, which has undergone a mid-term review in 2023 involving colleagues prior to further consideration by Boards. This is supported by a 30- year financial plan which is updated at least twice each year and in response to extraordinary events. Economic assumptions are approved by the Boards and are subject to sensitivity testing. The plan is then subjected to comprehensive stress tests that are linked to the Group's risk register. The Boards have also considered mitigation strategies to deal with the materialisation of any stress factors.

Monitoring and Corrective Action

The internal control framework and risk management process is subject to regular review and is supported by internal and external auditors who are responsible for providing independent assurance to the Group Executive Team and Group Audit & Risk Committee and Board Members respectively. There is a formal process for the reporting and correction of significant control weaknesses. The Group Audit & Risk Committee considers internal control, risk and fraud at each of its meetings during the year.

The Group Audit & Risk Committee conducts an annual review and produces an annual report for the Board of the effectiveness of the system of internal control and considers any changes needed to maintain the effectiveness of the risk management and control process. The Board has received this report and confirms that there is a robust and on-going 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.

Statement of Board's Responsibilities in respect of the Board's Report and the Financial Statements

The Board is responsible for preparing the Board's Report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under those regulations the Board have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

The financial statements are required by law to give a true and fair view of the state of affairs of the group and the association and of the income and expenditure of the group and the association for that period.

In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless it either intends to liquidate the group or the association or to cease operations, or has no realistic alternative but to do so.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing. It is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the association and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the association's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Information to Auditors

The Board Members who held office at the date of approval of this board report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditors are unaware and each Board Member has taken all the steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

External Auditors

A resolution to reappoint KPMG LLP, will be proposed at the annual general meeting.

Public Benefit Entity

As a Public Benefit Entity, The Group has applied the public benefit entity 'PBE' prefixed paragraphs of FRS102.

Statement of Compliance

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in the 2018 Update of the SORP for Registered Social Housing Providers.

The Strategic Report of the Board was approved by the Board on 24 July 2023 and signed on its behalf by:

John Weguelin
Chair

Independent Auditor's Report to the Members of Platform Housing Group Limited

Opinion

We have audited the financial statements of Platform Housing Group Limited ("the Group and Association") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, of the state of affairs of the Group and the Association as at 31 March 2024 and of the income and expenditure of the Group and the Association for the year then ended;
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- have been prepared in accordance with 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Association's Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Association or to cease their operations, and as they have concluded that the Group's and the Association's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Board's conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group's and the Association's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Board's assessment that there is not, a material uncertainty related 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 the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Association will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, directors, and internal audit as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit and risk committee, and treasury committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to the limited opportunity for management to manipulate routine revenue transactions.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals relating to cash posted to unusual corresponding accounts, seldom users and material journals posted after the ledger close.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related co-operative and community benefit societies legislation), taxation legislation, pensions legislation and specific disclosures required by housing legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Independent Auditor's Report to the Members of Platform Housing Group Limited (cont.)

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: GDPR, Health and Safety Legislation and Employment and Social Security Legislation, recognising the regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing 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, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Association's Board is responsible for the other information, which comprises the Chair's Report, Report of the Chief Executive, Strategic Report, the Chief Finance Officers' Report, the Corporate Governance Statement, and the Internal Control Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Board's responsibilities

As explained more fully in their statement set out on page 66, the Association's Board is responsible for: the preparation of financial statements which give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group 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 it 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

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at **www.frc.org.uk/auditorsresponsibilities**.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Association 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 those matters we are required to state to it 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, for our audit work, for this report, or for the opinions we have formed.

SBrown

Sarah Brown
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Statement of Comprehensive Income for the year ended 31 March 2024

	Note	Group 2024 £000	Group 2023 £000	Parent 2024 £000	Parent 2023 £000
Turnover	2&3	**337,062**	299,987	**11**	11
Operating Expenditure	2&3	**(217,091)**	(191,101)	**(7)**	(7)
Cost of Sales	2&3	**(34,599)**	(27,379)	**-**	-
Settlement of pension obligations for LGPS funds	5	**(18,039)**	-	**-**	-
Gain on disposal of property, plant and equipment	5	**4,965**	10,749	**-**	-
Increase in valuation of investment properties	13	**108**	580	**-**	-
Operating Surplus		**72,406**	92,836	**4**	4
Interest receivable	6	**2,663**	3,974	**-**	-
Interest payable and financing costs	6	**(48,693)**	(48,231)	**-**	-
Surplus before tax		**26,376**	48,579	**4**	4
Taxation	8	**-**	-	**-**	-
Surplus for the year after tax		**26,376**	48,579	**4**	4
Actuarial gain/(loss) in respect of pension schemes	22	**14,995**	36,424	**-**	-
Total comprehensive income for the year		**41,371**	85,003	**4**	4

The Group's results all relate to continuing activities.

The financial statements on pages 72 to 120 were approved and authorised for issue by the Board of Management on 23 July 2024 and were signed on its behalf by:

John Weguelin
Chair of the Board of Management

Ian Ailles
Chair of the Audit and Risk Committee

Andrew Bush
Secretary

The notes of pages 76 to 120 form an integral part of these accounts.

Statement of Financial Position at 31 March 2024

	Note	Group 2024 £000	Group 2023 £000	Parent 2024 £000	Parent 2023 £000
Fixed assets					
Housing properties	11	**3,191,280**	2,936,771	**92**	93
Other tangible fixed assets	12	**21,257**	12,998	**-**	-
Intangible fixed assets	12a	**13,330**	7,734	**-**	-
Investment properties	13	**17,333**	17,225	**-**	-
Homebuy loans receivable	14	**7,271**	7,434	**-**	-
Fixed asset investments	15	**19,431**	20,364	**-**	-
Investment in subsidiaries				**50**	50
		3,269,902	3,002,526	**142**	143
Current assets					
Stocks: Housing properties for sale	16	**50,088**	32,611	**-**	-
Stocks: Other	16	**241**	592	**-**	-
Trade and other Debtors	17	**26,756**	19,486	**16**	11
Cash and cash equivalents		**30,816**	118,056	**-**	-
		107,901	170,745	**16**	11
Less: Creditors: amounts falling due within one year	18	**(141,553)**	(140,837)	**(50)**	(50)
Net current assets/(liabilities)		**(33,652)**	29,908	**(34)**	(39)
Total assets less current liabilities		**3,236,250**	3,032,434	**108**	104
Creditors: amounts falling due after more than one year	19	**(2,078,473)**	(1,913,710)	**-**	-
Provisions for liabilities					
Pension provision	22	**(10,037)**	(12,394)	**-**	-
Total net assets		**1,147,740**	1,106,330	**112**	108
Reserves					
Non-equity share capital	23		-	**-**	-
Income and expenditure reserve		**931,507**	890,025	**59**	55
Revaluation reserve		**216,233**	216,305	**53**	53
Total reserves		**1,147,740**	1,106,330	**112**	108

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John Weguelin
Chair of the Board of Management

Ian Ailles
Chair of the Audit and Risk Committee

Andrew Bush
Secretary

The notes on pages 76 to 120 form an integral part of these accounts.

Consolidated Statement of Changes in Reserves

	Income and Expenditure Reserve	Property Revaluation Reserve	Investment Revaluation Reserve	Total
	£000	£000	£000	£000
Balance at 1 April 2022	804,486	216,783	(137)	1,021,132
Surplus for the year	48,579	-	-	48,579
Actuarial loss on pension scheme	36,424	-	-	36,424
Valuation in the year	-	-	195	195
Transfer between reserves	536	(536)	-	-
Balance at 31 March 2023	**890,025**	**216,247**	**58**	**1,106,330**
Surplus for the year	26,376	-	-	26,376
Actuarial gain on pension scheme	14,995	-	-	14,995
Valuation in the year	-	-	39	39
Transfer between reserves	111	(115)	4	-
Balance at 31 March 2024	**931,507**	**216,132**	**101**	**1,147,740**

The notes on pages 76 to 120 form an integral part of these accounts.

Consolidated Statement of Cash Flows for the year ended 31 March 2024

	2024	2023
	£000	£000
Net cash generated from operating activities (see note i below)	**106,275**	132,875
Cash flow from investing activities		
Purchase of tangible fixed assets	**(314,782)**	(250,239)
Proceeds from sales of tangible fixed assets	**12,916**	22,186
Grants received	**59,720**	31,366
Interest received	**3,142**	3,096
Homebuy and Festival Property Purchase loans repaid	**163**	316
Investments	**-**	(3,064)
Cash flow from financing activities		
Interest paid	**(50,696)**	(50,214)
New secured loans	**115,000**	-
Repayment of borrowings	**(18,978)**	(46,212)
Net change in cash and cash equivalents	**(87,240)**	(159,890)
Cash and cash equivalents at the beginning of the year	**118,056**	277,946
Cash and cash equivalents at the end of the year	**30,816**	118,056
Note i		
Surplus for the year	**26,378**	48,579
Adjustments for non-cash items		
Depreciation of tangible fixed assets	**43,048**	41,785
Amortisation of grants	**(5,398)**	(5,082)
Movement in properties and other assets in the course of sale	**(17,477)**	(6,070)
(Increase)/decrease in stock	**351**	(428)
Increase/Decrease in trade and other debtors	**(3,724)**	(3,462)
Increase/Decrease in trade and other creditors	**21,671**	26,856
Movement in investments	**717**	27
(Decrease)/increase in provisions	**-**	-
Adjustments for investing or financing activities		
Proceeds from sale of tangible fixed assets	**(5,251)**	(11,340)
Interest payable	**48,693**	46,888
Interest receivable	**(2,663)**	(3,957)
Movement in fair value of financial instruments	**38**	(341)
Increase in valuation of investment property	**(108)**	(580)
Net cash generated from operating activities	**106,275**	132,875

The notes on pages 76 to 120 form an integral part of these accounts.

Notes to the Financial Statements 2024

Legal Status

Platform Housing Group (the parent company) is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is 1700 Solihull Parkway, Birmingham Business Park, Solihull, B37 7YD.

Platform Housing Group (the group, referred to as 'the Group') comprises the following entities:

Platform Housing Group
Incorporation
Co-operative and Community Benefit Societies Act 2014
Registration
Registered

Platform Housing Limited
Incorporation
Co-operative and Community Benefit Societies Act 2014
Registration
Registered

Platform Property Care Limited
Incorporation
Companies Act 2006
Registration
Non-registered

Platform New Homes Limited
Incorporation
Companies Act 2006
Registration
Non-registered

Platform HG Financing PLC
Incorporation
Companies Act 2006
Registration
Non-registered

Waterloo Homes Limited (Dormant)
Incorporation
Companies Act 2006
Registration
Non-registered

1. Principal Accounting Policies

Basis of Accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Accounting Generally Accepted Accounting Practice (UK GAAP), the Statement of Recommended Practice for registered housing providers: Housing SORP 2018 Update and Financial Reporting Standard 102 ('FRS 102'). Platform Housing Group is a Public Benefit Entity under the requirements of FRS 102. The Group is required under the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969 to prepare consolidated Group accounts.

The financial statements comply with 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. Following the implementation of FRS 102, housing properties are stated at deemed cost at the date of transition and additions are recorded at cost. Investment properties are recorded at valuation. The accounts are presented in sterling and are rounded to the nearest £1,000.

As a Public Benefit Entity, The Group has applied the 'PBE' prefixed paragraphs of FRS102.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, no cash flow statement has been presented for the parent company, taking advantage of the disclosure exemptions available in FRS 102.

Basis of consolidation

The consolidated financial statements incorporate the results of Platform Housing Group and all of its subsidiary undertakings as at 31 March 2024. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

The financial statements do not consolidate the results of Central Housing Investment Consortium, as the Group has no direct rights to assets or surpluses of these companies and limited liability as regards debts or losses. Details of the arrangements can be found in note 29 to the Financial Statements.

Going concern

The financial statements have been prepared on a going concern basis which the Board considers to be appropriate for the following reasons.

The Board has prepared cash flow forecasts covering a period of 12 months from the date of approval of these financial statements (the going concern period) which indicate that, taking account of severe but plausible downsides, the Group and Association will have sufficient funds to meet their liabilities as they fall due for that period. In addition, the Board prepares a 30 year long term financial plan which is updated and approved on an annual basis. The most recent business plan was approved in June 2024 by the Board.

As well as considering the impact of a number of scenarios on the business plan the Board also adopted a stress testing framework against the base plan. The stress testing impacts were measured against loan covenants and peak borrowing levels compared to agreed facilities, with potential mitigating actions identified to reduce expenditure. Following the outbreak of Covid-19 the Board has undertaken a series of further scenario testing including severe but plausible downsides in the worst-case assessment.

Notes to the Financial Statements 2024 (cont.)

Notwithstanding the net current liabilities of £33.7m, the Board, after reviewing the Group and Association budgets for 2024/25 and the Group's medium term financial position as detailed in the cash flow forecasts and 30-year long term financial plan, including changes arising from the Covid-19 pandemic, is of the opinion that, taking account of severe but plausible downsides, the Group and Association have adequate resources to continue to meet their liabilities over the going concern period. In reaching this conclusion, the Board has considered the following factors:

- The property market – budget and long-term financial plan scenarios have taken account of delays in handovers and significant reductions in sales values;
- Maintenance costs – budget and long-term financial plan scenarios have been modelled to take account of cost increases and delays in maintenance expenditure, with major works being phased into future years;
- Rent and service charge receivable – arrears and bad debts have been increased to allow for customer difficulties in making payments and budget and long-term financial plan scenarios to take account of potential future reductions in rents;
- Liquidity – current available cash and unutilised loan facilities across the group of £400m together with bond receipts of £250m in April 2024 which gives significant headroom for committed expenditure and other forecast cash flows over the going concern assessment period;
- The Group's ability to withstand other adverse scenarios such as higher interest rates, increases in the number of void properties and significant reductions in Social Housing Grant.

The Board believes the Group and Association have sufficient funding in place and expect the Group to be in compliance with its debt covenants even in severe but plausible downside scenarios.

Consequently, the Board is confident that the Group and Association will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

a. **Categorisation of housing properties.** The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that market rented property and student accommodation are investment properties. Following the implementation of FRS 102 and the merger with Waterloo Housing Group, housing properties have been stated at a 'deemed cost' at the date of transition based on the 2014 valuation or the date of the merger based on historic cost and additions are recorded at cost. Investment properties were subject to an external revaluation at the end of the period. Investment properties are stated at a value based on vacant possession which is annually determined by external valuers derived from the current market conditions.

b. **Pension and other post-employment benefits.** The Group closed 4 Local Government Pension Schemes (LGPS) during the year. The Group has followed the accounting standard IAS19 to account for the closure of these schemes. The Group has 2 defined benefit pension plans which are closed for future accrual. The cost of defined benefit pension plans and other post-employment benefits are 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, management considers 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 underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. 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. Further details are given in note 22.

   The Group also participates in a defined contribution pension scheme, in respect of which the charge to the Statement of Comprehensive Income represents the total employer liability for service received from the relevant employees in the year.

c. **Development expenditure.** The Group capitalises development expenditure in accordance with the accounting policy described on page 75. Initial capitalisation of costs is based on management's judgement that a development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that result in impairment.

d. **Impairment.** The Group has identified a 'cash generating unit' (CGU) for impairment assessment purposes at scheme level. Following a trigger for impairment, the Group perform impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar CGU's or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement costs is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Group as the existing property. The cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rated used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

   The Group has estimated the recoverable amount of its housing properties as follows:

   a. Determined that the recoverable amount will be assessed at the CGU;

   b. Estimated the recoverable amount of the CGU;

   c. Calculated the carrying amount of the CGU; and

   d. Compared the carrying amount to the recoverable amount to determine if an impairment loss has occurred.

Triggers for impairment include material changes to Government policy or the regulatory regime deem to cause material detrimental impact to the recoverable amount of housing properties, significant negative movement to the Nationwide Housing Property Index and long term sustained falls in GDP. Other factors such as obsolescence, change in demand or contamination may also trigger impairment.

Following an assessment of impairment which contained a full review of assets, for both housing properties and freehold offices, minimal impairment losses were identified.

Notes to the Financial Statements 2024 (cont.)

e. **Impairment of Stock and Work in Progress.** Stock and work in progress is reviewed for impairment at the reporting date. Any impairment loss identified is recognised as a charge to the Statement of Comprehensive Income. Stock is held at the lower of cost and net realisable value with net realisable value being calculated on the basis of market value less cost to complete. An impairment loss arises when the carrying amount exceeds its net realisable value.

f. **Financial Instruments.** The Group has adopted the recognition and measurement requirements of IAS 39 plus the disclosure requirements of FRS 102 sections 11 and 12 for all of its financial instruments.

Other key sources of estimation and assumptions

a. **Tangible fixed assets.** Other than investment properties, tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

b. **Revaluation of investment properties.** The Group carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income. The Group engaged independent valuation specialists to determine the value which was based on a discounted cash flow model. The determined fair value of the investment property is most sensitive to the estimated yield as well as the long term vacancy rate. The key assumptions used to determine the fair value of investment property are further explained in note 13.

c. **Impairment of non-financial assets.** A review for impairment indicators of housing properties is carried out annually and any impairment loss is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use.

d. **Impairment of Financial Assets.** Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Comprehensive Income immediately. The impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

e. **Provision for Bad Debts.** A provision is made for rent, service charges and other income based on the age and type of the debt.

Current Tenants	Provision
Average age of arrears	
Less than 30 days	0%
30 to 60 days	10%
60 to 90 days	25%
90 to 120 days	50%
120 to 150 days	75%
150 to 180 days	85%
Greater than 180 days	100%
Former Tenants	**100%**
Other Income	
Less than 30 days	0%
30 to 60 days	25%
60 to 90 days	75%
Greater than 90 days	100%

Merger accounting

Where merger accounting is used, the investment is recorded in the Groups Statement of Financial Position at the nominal value of the shares issued together with the fair value of any additional consideration paid. In the Groups financial statements, merged subsidiary undertakings are treated as if they had already been a member of the group. The results of such a subsidiary are included for the whole period in the year it joins the group. The corresponding figures for the previous year include its results for that period, the assets and liabilities at the previous Statement of Financial Position date and the shares issued by the Group as consideration as if they had always been in issue.

Acquisition accounting

Where acquisition accounting is used, the group statement of comprehensive income and statement of cashflows include the results and cashflows of the investment from the acquisition date. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Turnover and revenue recognition

Turnover represents rental income receivable, amortised capital grant, revenue grants from government, local authorities and Homes England, income from shared ownership first tranche sales and other properties developed for outright sale and other income and are recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion.

Sales of properties developed for outright sale are included in Turnover and Cost of Sales.

Service charges

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges on a scheme by scheme basis. Where variable service charges are used the income will include the surplus or deficit from prior years. Until these are returned or recovered they are held as creditors or debtors in the Statement of Financial Position.

Where periodic expenditure is required a sinking fund or reserve fund may be built up over the years; until these costs are incurred this liability is held in the Statement of Financial Position within long term creditors.

Apportionment of overheads to group members

Central overheads are recharged at cost from Platform Housing Limited to Platform Property Care Limited using the apportionment methods detailed below:

Cost Category	Apportionment Method
Corporate Services	Time allocation
Finance and ICT	Time allocation
Human Resources	Employee headcount
Training	Historical spend
Office running costs	Floor area

Retirement benefits

The cost of providing retirement pensions and related benefits is charged over the periods benefiting from the employees' services.

Notes to the Financial Statements 2024 (cont.)

Leased Assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), they are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as obligations to the lessor in creditors. They are depreciated over the shorter of the lease term and their economic useful lives.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the Statement of Comprehensive Income over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

Other leases are treated as operating leases and payments are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Property Sales

Under shared ownership arrangements, the group disposes of a long lease of shared ownership housing units to persons who occupy them, at a lease premium equal to between 25% and 75% of open market value. The occupier has the right to purchase further proportions at the then current valuation up to 100%. Subsequent tranches sold ('staircasing sales') are reflected in the Statement of Comprehensive Income as a surplus or deficit on sale of fixed assets.

Under right to buy arrangements the Group disposes of properties outright to qualifying tenants and the resulting surplus is reflected in the Statement of Comprehensive Income.

There are clawback agreements with City of Worcester, Derbyshire Dales District Council, Malvern Hills District Council, Market Harborough District Council and Wychavon District Council, whereby the surplus or deficit is calculated by comparing the net proceeds received by the Group with the book value of the property sold.

Financing costs

Finance interest, transaction costs and associated premium or discount are charged to the Statement of Comprehensive Income using either the effective interest rate (EIR) method or on a straight line basis where not materially different. The EIR method spreads all associated costs over the life of the instrument by comparing the borrowing amount at initial recognition and amount at maturity.

Loan finance issue costs

These are amortised over the life of the related loan. Loans are stated in the Statement of Financial Position at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts amortised. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

Financial assets

Financial assets are defined as cash or any asset that is a contractual right to receive cash or another financial asset from another entity, or a contractual right to exchange financial instruments with another entity under conditions that are potentially favourable, or an equity instrument of another entity. The group categorises its financial assets as:

- Loans and receivables; and
- Available-for-sale financial assets.

Loans and receivables are assets with fixed or determinable payments that are not quoted on an active market. These are initially recognised at fair value plus transaction costs and subsequently at amortised cost. Examples of loans and receivables include tenant arrears, unlisted investments, sundry debtors and cash at bank and in hand.

Available-for-sale financial assets are initially recognised at fair value plus transaction costs, which is effectively historical cost. At each Statement of Financial Position date they are re-measured at fair value and movements are recorded in equity reserves and in the Statement of Comprehensive Income when the reserves are fully utilised. Listed investments are considered to be available-for-sale assets.

Financial liabilities

Financial liabilities are defined as any liability that is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial instruments with another entity under conditions that are potentially unfavourable. The financial liabilities of the Group are classed as:

- Financial liabilities at fair value through profit and loss; and
- Other financial liabilities.

Other financial liabilities are all financial liabilities that have value to the supplying party, for instance debt finance, trade creditors, other creditors and accruals. They are valued at fair value at inception and then amortised cost subsequently.

Categorisation of debt

The Group's debt has been treated as 'basic' in accordance with paragraphs 11.8 and 11.9 of FRS 102. The Group has some fixed rate loans which have a two-way break clause (i.e. in addition to compensation being payable by a borrower to a lender if a loan is prepaid where the prevailing fixed rate is lower than the existing loan's fixed rate, compensation could be payable by the lender to the borrower in the event that a loan is prepaid and the prevailing fixed rate is higher than the existing loan's fixed rate).

The Financial Reporting Council (FRC) issued a statement on 2 June 2016 in respect of such loans with no prescriptive direction as to whether they should be classified as 'basic' or 'non basic'. On the grounds that the Association believes the recognition of each debt liability at cost provides a more transparent and understandable position of the Association's financial position and that each loan still satisfies the requirements of paragraphs 11.8 and 11.9 of FRS 102, the Association has retained its 'basic' treatment of its debt following the FRC announcement.

Taxation

a. **Value Added Tax (VAT).** The Group is registered for VAT and charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the Group and not recoverable from HM Revenue and Customs. The balance of VAT payable or recoverable at the year-end is included as a current liability or asset.

b. **Deferred Taxation.** Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

   - deferred tax is not recognised on timing differences arising on revalued properties unless the Group and Company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
   - the recognition of deferred tax assets is limited to the extent that the Group and company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not disclosed.

Housing properties

Tangible fixed assets are stated at cost, less accumulated depreciation. Donated land/assets or assets acquired at below market value from a government source, i.e. local authority are included as a liability in the Statement of Financial Position at the fair value less consideration paid.

Notes to the Financial Statements 2024 (cont.)

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction. Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred. Expenditure incurred on responsive and cyclical repairs to the housing stock is expensed to the Statement of Comprehensive Income in the year in which it is incurred.

The Group depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories. UELs for identified components are as follows:

Component	Useful Economic Life
Housing structure	100 years
Roofs (pitch)	70 years
Roofs (flat)	25 years
External Wall Insulation	40 years
Balconies	40 years
Bathrooms	30 years
Windows	30 years
Doors	30 years
Heating Distribution	30 years
Electrics	30 years
Kitchens	20 years
Lifts	25 years
Photo-voltaic panels	20 years
Heating source	20 years
Solar Inverter	10 years
Fascia and Cladding	25 to 40 years

The Group depreciates housing properties held on long leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic life of the relevant component category.

Shared ownership properties

All completed properties are split proportionally between fixed and current assets in line with the expectation relating to the first tranche sale percentage. The expected first tranche proportion is classified as a current asset until the point of the first tranche sale. The current asset is then transferred to cost of sale and matched against sales proceeds to generate the surplus on disposal within the Statement of Comprehensive Income. The remaining element of the asset is classified as a fixed asset and included within housing properties and subsequent sales treated as sales of fixed assets in operating profit.

Capitalisation of interest and administration costs

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the property into its intended use.

Property managed by agents

Where the Group carries the majority of the financial risk on property managed by agents, all income and expenditure arising from the property is included in the Statement of Comprehensive Income.

Where the agency carries the majority of the financial risk, the Statement of Comprehensive Income includes only that income and expenditure that relates solely to the Group.

In both cases, the assets and associated liabilities are included in the Group's Statement of Financial Position.

Other tangible fixed assets

Depreciation is charged on a straight line basis, to write them down to their estimated residual values over their expected useful life. No depreciation is provided on freehold land. Component accounting has been adopted for freehold office premises on exactly the same basis as that used for housing properties as set out above. The principal annual rates used for other assets are:

Other tangible fixed asset	Useful economic life
Office premises	100 years
Office premises components	Between 15 and 50 years
Furniture, fixtures and fittings	Between 4 and 10 years
Computer equipment	3 to 4 years
Mobile office	7 years
Motor vehicles	Between 3 and 7 years
Plant and machinery	Between 4 and 30 years

Other tangible fixed assets under construction are stated at cost and are not depreciated.

Intangible fixed assets

Intangible fixed assets are stated at cost less amortisation which is charged on a straight line basis over the asset's useful economic life as shown below:

Other intangible fixed asset	Useful economic life
Enterprise Resource Planning System (ERP)	10 years
Computer software	5 years

Investment property

Investment property includes market rented and other properties not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Fair value is determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

Homebuy

Homebuy loans are treated as concessionary loans and are initially recognised at the amount paid to the purchaser and reviewed annually for impairment. The associated Homebuy grant from Homes England is recognised as deferred income until the loan is redeemed.

The Group operated this scheme by lending a percentage of the cost to home purchasers, secured on the property. The loans are interest free and repayable only on the sale of the property. On a sale, the fixed percentage of the proceeds is repaid. The loans are financed by an equal amount of Social Housing Grant (SHG). On redemption:

- The SHG is recycled;
- The SHG is written off, if a loss occurs; and
- The Group keeps any surplus.

Festival Property Purchase (FPP)

Following the loss of Zone Agent Status the Group introduced its own equivalent Homebuy product, **Festival Property Purchase**. These transactions were generally not grant aided but provided opportunities to purchasers on a similar basis to the previous Homebuy product. In certain circumstances the loans were funded by local authority grant and where this is the case, these grants are recognised as deferred income until the loan is redeemed. The scheme was closed in 2009/2010.

The Group provided loans of 25% of the purchase price of a property, to qualifying individuals, and the loans are included in Homebuy Loans Receivable. No monthly repayments are made on the loan, however it is only available for a maximum of ten years or until the property is sold, whichever is the sooner. The Group is currently proposing to extend the scheme period for a further ten years.

These loans are secured by second charges on the properties and therefore, falls in the value could directly affect the recoverability of these loans. Because of this exposure, the loan balance is reviewed against property values annually and where required, a provision for losses is made in the Statement of Comprehensive Income.

Fixed asset investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Investments held as current assets are stated at the lower of cost and net realisable value. Any investments listed on a recognised stock exchange are stated at market value.

Stocks and properties held for sale

Stocks of materials are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

Properties developed and intended for outright sale are included in current assets, at the lower of cost or estimated selling price less costs to complete and sell.

At each reporting date, stock and properties held for sale are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Stock swaps

Where an agreement is entered into with another PRP to swap housing stock, the outgoing stock is treated as a disposal with a gain or loss recorded the Statement of Comprehensive Income. The incoming stock is measured at fair value.

Current asset investments

Current asset investments include cash and cash equivalents invested for periods of more than 24 hours. They are recognised initially at cost and subsequently at fair value at the reporting date. Any change in valuation between reporting dates is recognised in the Statement of Comprehensive Income.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenditure.

Social Housing Grant (SHG) and other government grants

Where developments have been financed wholly or partly by Social Housing Grant (SHG) and other grants, the amount of the grant received has been included as deferred income and recognised in turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. SHG received for items of cost written off in the Statement of Comprehensive Income is included as part of turnover. Grants received prior to FRS 102 transition date have been recognised in the Income and Expenditure Reserve.

When grant in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, the excess is shown as a current liability.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by Homes England. However, SHG may have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as turnover.

Grants for revenue expenditure are credited to the Statement of Comprehensive Income as they become receivable.

Recycling of Capital Grant Fund (RCGF)

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until used to fund the acquisition of new properties. Where recycled grant is known to be repayable it is shown as a creditor within one year.

Non-government grants

Grants received from non-government sources are recognised under the performance model. If there are no specific performance requirements the grants are recognised when received or receivable. Where grant is received with specific performance requirements it is recognised as a liability until the conditions are met and then it is recognised as turnover.

Haven bond premium and Affordable Housing Finance (AHF) bond premium

The premiums on the issue of the Haven Bond and AHF Bond are included in creditors and are being written off over the period of the loans.

Provisions

The Group will make a provision for contractual liabilities and where there is a reasonable probability for a potential loss.

Revaluation Reserve

The revaluation reserve represents the difference on transition between the fair value of social housing properties and other assets and the historical cost carrying value, where deemed cost transitional relief was taken. In addition, the reserve contains any increase in the fair value of listed investments.

Notes to the Financial Statements 2024 (cont.)

2. Turnover, Cost of Sales, Operating Expenditure and Operating Surplus

Group	2024 Turnover £000	Cost of Sales £000	Operating Expenditure £000	Operating Surplus/ (Deficit) £000
Social housing lettings (see note 3)	**274,184**	**-**	**(186,340)**	**87,844**
Other social housing activities				
Development services	25	-	(5,778)	(5,753)
Management services	151	-	(1,066)	(915)
Support services	393	-	(603)	(210)
Sale of Shared Ownership first tranche	40,654	(34,599)	-	6,055
Other	1,220	-	(460)	760
	42,443	**(34,599)**	**(7,907)**	**(63)**
Activities other than social housing				
Developments for sale	10	-	(2)	8
Student accommodation	-	-	-	-
Market rents	851	-	(540)	311
Other	19,574	-	(22,302)	(2,728)
	20,435	**-**	**(40,883)**	**(20,448)**
Total	**337,062**	**(34,599)**	**(235,130)**	**67,333**

2. Turnover, Cost of Sales, Operating Expenditure and Operating Surplus (cont.)

Group	2023 Turnover £000	Cost of Sales £000	Operating Expenditure £000	Operating Surplus/ (Deficit) £000
Social housing lettings (see note 3)	**248,181**	**-**	**(168,608)**	**79,573**
Other social housing activities				
Development services	-	-	(4,339)	(4,339)
Management services	125	-	(658)	(533)
Support services	357	-	(550)	(193)
Sale of Shared Ownership first tranche	33,312	(27,379)	-	5,933
Other	1,135	-	(198)	937
	34,929	**(27,379)**	**(5,745)**	**1,805**
Activities other than social housing				
Developments for sale	-	-	-	-
Student accommodation	9	-	(2)	7
Market rents	1,172	-	(1,096)	76
Other	15,696	-	(15,650)	46
	16,877	**-**	**(16,748)**	**129**
Total	**299,987**	**(27,379)**	**(191,101)**	**81,507**

Notes to the Financial Statements 2024 (cont.)

3. Turnover and Operating Expenditure for Social Housing Lettings

Group	2024					
	General Needs Housing	Affordable Rent	Supported Housing & Housing for older people	Low Cost Home Ownership	Intermediate Rent	Total
	£000	£000	£000	£000	£000	£000
Income						
Rent receivable net of identifiable service charges	153,489	51,146	15,374	23,318	3,645	246,972
Service charge income	7,358	1,897	7,876	3,451	15	20,597
Other grants	1,115	55	26	21	-	1,217
Amortised government grants	2,713	1,619	161	875	30	5,398
Other income						
Turnover from social housing lettings	**164,675**	**54,717**	**23,437**	**27,665**	**3,690**	**274,184**
Operating expenditure						
Management	(16,874)	(5,395)	(3,917)	(5,643)	(356)	(32,185)
Service charge costs	(14,898)	(3,345)	(10,103)	(3,766)	(379)	(32,491)
Routine maintenance	(40,332)	(9,661)	(4,742)	(197)	(518)	(55,450)
Planned maintenance	(7,028)	(1,956)	(625)	(62)	(57)	(9,728)
Major repairs expenditure	(5,893)	(3,824)	(2,452)	(552)	(67)	(12,788)
Bad debts	(1,445)	(417)	(307)	(197)	3	(2,363)
Depreciation of housing properties	(23,715)	(10,752)	(2,466)	(3,900)	(502)	(41,335)
Operating expenditure on social housing lettings	**(110,185)**	**(35,350)**	**(24,612)**	**(14,317)**	**(1,876)**	**(186,340)**
Operating surplus on social housing lettings	**54,490**	**19,367**	**(1,175)**	**13,348**	**1,814**	**87,844**
Void losses	(2,417)	(783)	(988)	(985)	(123)	(5,296)

3. Turnover and Operating Expenditure for Social Housing Lettings (cont.)

Group	2023					
	General Needs Housing	Affordable Rent	Supported Housing & Housing for older people	Shared Ownership	Intermediate Rent	Total
	£000	£000	£000	£000	£000	£000
Income						
Rent receivable net of identifiable service charges	142,576	45,239	14,302	20,372	2,847	225,336
Service charge income	6,048	1,572	6,371	3,036	3	17,030
Other grants	432	137	-	-	-	569
Amortised government grants	2,637	1,468	115	831	30	5,081
Other income	26	85	-	54	-	165
Turnover from social housing lettings	**151,719**	**48,501**	**20,788**	**24,293**	**2,880**	**248,181**
Operating expenditure						
Management	(17,581)	(5,589)	(3,653)	(3,051)	(322)	(30,196)
Service charge costs	(11,485)	(2,720)	(9,533)	(3,391)	(344)	(27,473)
Routine maintenance	(38,657)	(8,185)	(4,727)	(173)	(436)	(52,178)
Planned maintenance	(5,574)	(1,357)	(462)	(41)	(59)	(7,493)
Major repairs expenditure	(7,323)	(1,306)	(2,823)	(450)	(107)	(12,009)
Bad debts	451	(59)	(27)	(98)	(43)	224
Depreciation of housing properties	(23,367)	(9,932)	(2,410)	(3,417)	(357)	(39,483)
Operating expenditure on social housing lettings	**(103,536)**	**(29,148)**	**(23,635)**	**(10,621)**	**(1,668)**	**(168,608)**
Operating surplus on social housing lettings	**48,183**	**19,353**	**(2,847)**	**13,672**	**1,212**	**79,573**
Void losses	(1,556)	(705)	(514)	(225)	(118)	(3,118)

Notes to the Financial Statements 2024 (cont.)

4. Units

Social housing properties in management at end of year

	2024					2023	
	Owned and managed	Managed not owned	Total managed	Owned not managed	Total Owned	Total Managed	Total Owned
	Number	Number	Number	Number	Number	Number	Number
General Needs	28,747	11	28,758	8	28,755	28,587	28,584
Affordable rent	8,248	-	8,248	-	8,248	7,843	7,843
Supported	553	-	553	65	618	268	333
Housing for older people	2,706	-	2,706	-	2,706	2,976	2.976
Intermediate rent	482	-	482	-	482	466	466
Total	40,736	11	40,747	73	40,809	40,140	40,202
*Shared Ownership <100%	6,668	6	6,694	-	6,688	6,205	6,199
Social Leased @100% sold	1,149	-	1,149	-	1,149	1,145	1,145
Total social	48,573	17	48,590	73	48,646	47,490	47,546
Non-social housing							
Non-social rented	111	-	111	-	111	111	111
Non-social leased	396	-	396	29	425	396	425
Total stock	49,080	17	49,097	102	49,182	47,997	48,082

*The equity proportion of a shared ownership property is counted as one unit.

Analysis of movements of units owned in the year

	2023	Additions	Conversions	Re-classification	Disposal	Demolished	2024
General Needs	28,584	225	(1)	(21)	(21)	(11)	28,755
Affordable rent	7,843	408	-	(1)	(2)	-	8,248
Supported	333	-	-	285	-	-	618
Housing for older people	2,976	(8)	1	(263)	-	(8)	2,706
Intermediate rent	466	25	(9)	-	-	(8)	482
*Shared ownership	6,199	544	9	-	(64)	-	6,688
Social leased	1,145	-	-	-	4	-	1,149
Non-social rented	111	-	-	-	-	-	111
Non-social leased	425	-	-	-	4	-	425
Total	48,082	1,202	-	-	(83)	(19)	49,182

*Shared ownership sales represent units that were fully staircased.

Units under development/refurbishment at end of year

	2024 Number	2023 Number
Social housing rented units	1,961	1,678
Shared ownership	1,594	1,029
Rent to Buy	46	64
Commercial Units	8	11
	3,609	2,782

5. Gain on disposal of property, plant and equipment

	Shared Ownership staircasing sales	Others	2024	2023
	£000	£000	£000	£000
Disposal proceeds	8,426	3,447	11,873	22,148
Cost of sales	(4,908)	(1,714)	(6,622)	(10,808)
Surplus	3,518	1,733	5,251	11,340
Grant recycled	(277)	(9)	(286)	(591)
Surplus for the year	3,241	1,724	4,965	10,749

Notes to the Financial Statements 2024 (cont.)

6. Net Interest

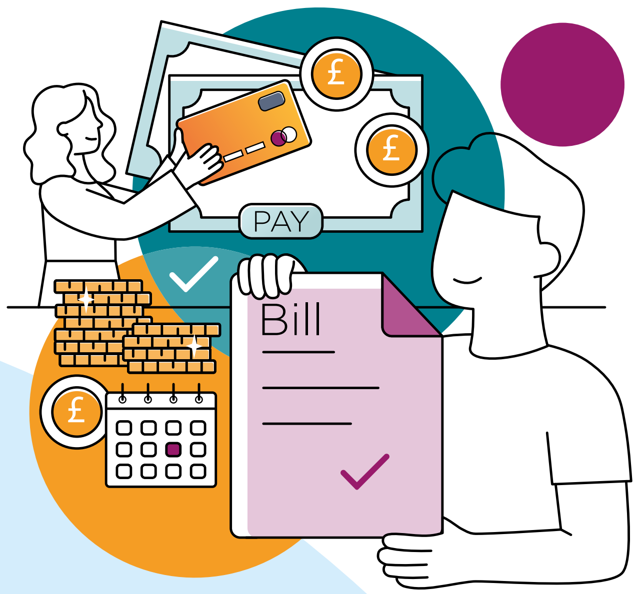
Interest receivable and similar income

	2024 £000	2023 £000
On financial assets measured at amortised cost:		
Interest receivable	**2,663**	3,974
	2,663	3,974

Interest payable and financing costs

	2024 £000	2023 £000
On financial liabilities measured at amortised cost:		
Loans repayable	**49,085**	47,280
Loan breakage costs	**-**	(1,772)
Costs associated with financing	**3,742**	5,508
	52,827	51,016
On defined benefit pension scheme:		
Expected return on plan assets	**(6,153)**	(5,509)
Interest on scheme liabilities	**6,315**	6,835
	162	1,326
On financial liabilities measured at fair value:		
Interest capitalised on housing properties	**(4,296)**	(4,111)
	48,693	48,231

Interest has been capitalised at the rate of 3.33% (2023: 3.33%)



7. Surplus on ordinary activities

	2024 £000	2023 £000
The operating surplus for the year is stated after charging:		
Depreciation:		
Housing properties	**39,810**	38,576
Amortisation of grant	**(5,398)**	(5,082)
Other fixed assets	**3,240**	3,209
Impairment of office premises	**-**	-
Auditors remuneration:		
In their capacity as auditors	**175**	145
In respect of other assurance services	**94**	50
Operating leases	**1,858**	2,019

8. Taxation

	Group		Parent	
	2024 £000	2023 £000	2024 £000	2023 £000
Taxation charge for the period:				
Corporation tax	**-**	-	**-**	-
Under/(over) provision in previous years	**-**	-	**-**	-
Total current tax	**-**	-	**-**	-
Deferred tax:3				
Origination and reversal of timing differences	**-**	-	**-**	-
Under/(over) provision in previous years	**-**	-	**-**	-
Tax deficit on ordinary activities	**-**	-	**-**	-

Notes to the Financial Statements 2024 (cont.)

	Group 2024 £000	Group 2023 £000	Parent 2024 £000	Parent 2023 £000
Surplus on ordinary activities before tax	26,376	48,579	4	4
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 19% (2022: 19%)	5,011	9,230	-	-
Surplus relating to charitable entities	(5,011)	(9,230)	-	-
Expenses not deductible for tax purposes	-	-	-	-
Capital allowances in advance of depreciation	-	-	-	-
Utilisation of charges on income	-	-	-	-
Tax charge for the year	-	-	-	-

9. Directors and key management personnel remuneration

Key management personnel are defined as non-executive members of the Board, the Chief Executive and Executive Directors and the total costs are £2,106k (2023: £1,890k).

The aggregate emoluments paid to or receivable by Non-Executive Directors

	2024 £000	2023 £000
J Weguelin	32	33
D Clark (Left 26.07.23)	6	17
H Southwell	17	16
A John	18	17
G S Bull (Left 30.09.23)	10	18
P Smith	12	12
J Anderson	17	17
A King	16	16
H Prajapat	12	12
L Zonato	16	16
J Wynne	16	-
I Ailles	6	-
A Rushton*	7	-
	185	174

*A Rushton became an advisor to the Board 24 July 2023 and is no longer a Co-opted member of the Board.

Expenses for the year paid to Board members totalled £3k (2023: £2k).

The aggregate emoluments paid to or receivable by Executive Directors and former Directors

	2024 Basic Salary £000	2024 Benefits in kind £000	2024 Er's Pension Contributions £000	2024 Total £000	2023 Total £000
E Froude	289	53	-	342	329
R Farrar	201	22	8	231	223
M Duffy	155	32	-	187	184
J Cocker	148	19	30	197	192
C Durnin	155	33	-	188	182
D Evans (left 12.04.24)	132	20	36	327	180
G Oakley	191	21	26	238	228
Total	1,271	200	100	1,710	1,518

Emoluments paid to the highest paid Director (excluding Pension costs) were £342k (2023: £329k). The aggregate amount of any compensation paid to Directors or former Directors during the period of account were £139k (2023: £nil).

Elizabeth Froude, as Chief Executive, received remuneration for the year ending 31 March 2024 totalling £342k (2023: £329k). The Association has not contributed to any pension scheme in the period and no enhanced terms apply.

10. Group Employee Costs

Executive Directors costs	2024 £000	2023 £000
Wages and Salaries	1,456	1,280
Social security costs	210	198
Other pension costs	255	238
	1,921	1,716

Employee costs excluding the executive directors

Other employee costs	2024 £000	2023 £000
Wages and Salaries	62,458	52,825
Social security costs	6,082	5,436
Other pension costs	8,346	7,488
	76,886	65,749

Notes to the Financial Statements 2024 (cont.)

Average number of full time equivalent persons (including the Chief Executive, and where 1 full time equivalent is based on 35 hours per week) employed during the year was:

	2024	2023
Office employees	940	845
Site based employees	817	642
Total employees	**1,757**	1,487

The number of full time equivalent employees whose remuneration payable fell within the bands:

	2024	2023
£60,000 to £69,999	33	21
£70,000 to £79,999	32	36
£80,000 to £89,999	27	12
£90,000 to £99,999	12	4
£100,000 to £109,999	2	5
£110,000 to £119,999	5	4
£120,000 to £129,999	5	6
£130,000 to £139,999	6	4
£140,000 to £149,999	4	2
£150,000 to £159,999	2	1
£160,000 to £169,999	1	-
£170,000 to £179,999	-	1
£180,000 to £189,999	2	-
£190,000 to £199,999	1	3
£200,000 to £209,999	-	-
£210,000 to £219,999	-	1
£220,000 to £229,999	-	1
£230,000 to £239,999	1	-
£240,000 to £249,999	1	-
£250,000 to £259,999	-	-
£260,000 to £269,999	-	-
£270,000 to £279,999	-	-
£280,000 to £289,999	-	-
£290,000 to £299,999	-	-
£300,000 to £309,999	-	-
£310,000 to £319,999	-	-
£320,000 to £329,999	1	1
£330,000 to £339,999	-	-
£340,000 to £349,999	1	-
£350,000 to £359,999	-	-
£360,000 to £369,999	-	-
	136	102

11. Tangible Fixed Assets – Housing Properties

Group	Housing Properties held for letting	Housing Properties in the course of construction	Completed Shared Ownership Properties	Shared Ownership Properties in the course of construction	Total
	£000	£000	£000	£000	£000
Cost					
At 1 April 2023	2,567,881	179,870	539,195	23,568	3,310,514
Additions	177	174,000	357	134,392	308,926
Works to existing properties	39,394	-	-	-	39,394
Disposals	(7,188)	-	(4,502)	-	(11,690)
Fair value disposal	(254)	-	-	-	(254)
Transfer (to)/from current assets	-	-	(6,365)	(44,753)	(51,118)
Interest capitalised	-	2,408	-	1,888	4,296
Schemes completed	111,375	(111,375)	74,616	(74,616)	-
At 31 March 2023	**2,711,385**	**244,903**	**603,301**	**40,479**	**3,600,068**
Depreciation					
At 1 April 2023	348,920	-	24,823	-	373,743
Charge for the year	36,056	-	3,754	-	39,810
Disposals	(4,342)	-	(423)	-	(4,765)
At 31 March 2024	**380,634**	**-**	**28,154**	**-**	**408,788**
Net Book Value					
At 31 March 2024	**2,330,751**	**244,903**	**575,147**	**40,479**	**3,191,280**
At 31 March 2023	2,218,961	179,870	514,372	23,568	2,936,771

Works to existing properties that were capitalised in the year were £39.393m (2023: £24.376m). Works charged to income and expenditure were £16.672m (2023: £12.507m).

Additions to housing properties include development administrative costs of £7.074m (2023: £6.077m) which have been capitalised. A rate of 3.4% (2023: 3.33%) has been used to capitalise interest.

Fixed assets with restricted title or pledged as security for liabilities have a carrying value of £1,914m (2023: £1,760m) for the Group. The fixed assets of the parent company are not pledged as security for liabilities.

Notes to the Financial Statements 2024 (cont.)

11. Tangible Fixed Assets – Housing Properties (cont.)

Parent	Housing Properties held for letting £000	Total £000
Cost		
At 1 April 2023	111	111
Additions	-	-
Works to existing properties	-	-
Disposals	-	-
At 31 March 2024	**111**	**111**
Depreciation		
At 1 April 2023	19	19
Charge for the year	1	1
Disposals	-	-
At 31 March 2024	**20**	**20**
Net Book Value		
At 31 March 2024	**91**	**91**
At 31 March 2023	92	92

Impairment losses

Housing properties are assessed at each reporting date to determine whether an indicator of impairment exists. Where there is evidence of impairment, an assessment is carried out to estimate the recoverable amount of the asset. The recoverable amount is the higher of the fair value less costs to sell and value in use.

A full review of assets has been undertaken, and impairment of £36.4k has been charged (2023: £33k).

12. Tangible Fixed Assets – Other

	Freehold Land & Offices £000	Fixtures & Fittings £000	Computer Equipment & Software £000	Motor Vehicles £000	Plant & Machinery £000	Total £000
Cost						
At 1 April 2023	8,076	2,755	3,089	2,349	5,831	22,100
Reclassification	(217)	-	-	-	217	-
Additions	-	305	249	5,832	4,771	11,157
Disposals	-	(549)	-	(533)	-	(1,082)
At 31 March 2024	**7,859**	**2,511**	**3,338**	**7,648**	**10,819**	**32,175**
Depreciation						
At 1 April 2023	3,814	1,521	2,026	104	1,637	9,102
Reclassification	-	-	-	-	-	-
Charge for the year	86	443	414	738	740	2,421
Disposals	-	(72)	-	(533)	-	(605)
At 31 March 2024	**3,900**	**1,892**	**2,440**	**309**	**2,377**	**10,918**
Net Book Value						
At 31 March 2024	**3,959**	**619**	**898**	**7,339**	**8,442**	**21,257**
At 31 March 2023	4,262	1,234	1,063	2,245	4,194	12,998

Included in Freehold Offices is freehold land in respect of the offices amounting to £1.238m (2023: £1.238m), which is not depreciated.

Notes to the Financial Statements 2024 (cont.)

12a. Intangible Fixed Assets

	Computer Software £000	Total £000
Cost		
At 1 April 2023	12,313	12,313
Additions	6,415	6,415
Disposals	-	-
At 31 March 2024	**18,728**	**18,728**
Amortisation		
At 1 April 2023	4,579	4,579
Charge for the year	819	819
Disposals	-	-
At 31 March 2024	**5,398**	**5,398**
Net Book Value		
At 31 March 2024	**13,330**	**13,330**
At 31 March 2023	7,734	7,734

13. Investment Properties

	2024 £000	2023 £000
At 1 April	**17,225**	16,645
Additions	**-**	-
Disposals	**-**	-
Gain from adjustment in value	**108**	580
At 31 March	**17,333**	17,225

Investment properties are stated at a value that is derived annually by an independent valuer performing a RICS Red Book valuation exercise. In determining this value the valuer has adopted what is commonly known as "comparative analysis" whereby transactions in the recent past of similar properties in the vicinity are considered to infer levels of market value applicable, after having made adjustment for size, condition, configuration and location. The valuation also assumes that the properties can offer vacant possession at the valuation date

14. Homebuy Loans Receivable

	2024 £000	2023 £000
At 1 April	**7,434**	7,750
Loans redeemed	**(163)**	(316)
At 31 March	**7,271**	7,434

15. Fixed Asset Investments

	2024 £000	2023 £000
Investments at valuation		
Listed investments	**2,752**	2,933
Unlisted investments	**16,679**	17,431
	19,431	20,364
Historic cost of investments	**19,547**	21,485

The valuation of the unlisted investments is the Board's best estimate of their fair value.

Unlisted investments include cash held by counterparties for loans or financial instruments and are held separately to cash at bank.

16. Stocks

	2024 £000	2023 £000
Properties held for sale		
Shared ownership properties		
Completed	**18,509**	9,552
Work in progress	**31,579**	23,059
Other stock (General materials)	**241**	205
(Freehold Offices)	**-**	387
	50,329	33,203

Notes to the Financial Statements 2024 (cont.)

17. Trade and other debtors

	Group		Parent	
	2024	2023	2024	2023
	£000	£000	£000	£000
Amounts falling due within one year				
Rent and service charge receivable	**15,100**	12,154	**-**	-
Less: provision for bad debts	**(10,309)**	(7,910)	**-**	-
	4,791	4,244	**-**	-
SHG and other grants receivable	**3,443**	-	**-**	-
Trade debtors	**8,033**	5,290	**-**	-
Prepayments and accrued income	**9,085**	8,716	**-**	-
Amounts owed by group companies	**-**	-	**15**	16
Other debtors	**1,404**	1,236	**-**	-
	26,756	19,486	**15**	16

18. Creditors (amounts falling due within one year)

	Group		Parent	
	2024	2023	2024	2023
	£000	£000	£000	£000
Bank loans – principal (note 28)	**5,875**	14,073	**-**	-
Bank loans – interest	**5,893**	5,851	**-**	-
Trade creditors	**9,890**	26,165	**-**	-
Accruals and deferred income	**55,053**	29,310	**-**	-
Amounts due to group companies	**-**	-	**45**	50
SHG and other grants received in advance	**37,504**	46,132	**-**	-
Rent and service charges received in advance	**12,278**	11,399	**-**	-
Other taxation and social security costs	**2,892**	2,617	**-**	-
Deferred Capital Grant (note 20)	**5,954**	5,277	**-**	-
Recycled Capital Grant (note 21)	**6,201**	-	**-**	-
Local authority RTB receipts	**13**	13	**-**	-
	141,553	140,837	**45**	50

19. Creditors (amounts falling due after more than one year)

	2024	2023
	£000	£000
Bank and other loans (note 28)	**1,482,417**	1,378,934
Festival Property Purchase	**507**	507
Sinking funds & Reserve funds	**4,438**	3,988
Deferred Capital Grant Fund (note 20)	**583,926**	517,024
Recycled Capital Grant Fund (note 21)	**4,635**	11,406
Other recycled grants	**402**	402
Other long term creditors	**2,148**	1,449
	2,078,473	1,913,710

Sinking funds and Reserve funds represent balances held on behalf of leaseholders. The asset element of the balance is included within cash and cash equivilents.

20. Deferred Capital Grant

	2024	2023
	£000	£000
At 1 April	**522,301**	510,261
Grant received in the year	**74,086**	19,438
Grant disposed of in the year	**(973)**	(2,026)
Released to income in the year	**(5,534)**	(5,372)
At 31 March	**589,880**	522,301
Amount due to be released < 1 year	**5,954**	5,277
Amount due to be released > 1 year	**583,926**	517,024
At 31 March	**589,880**	522,301

Notes to the Financial Statements 2024 (cont.)

21. Recycled Capital Grant Fund

		2024 £000	2023 £000
At 1 April		**11,406**	9,400
Inputs	Grants recycled	**1,416**	2,338
	Interest accrued	**617**	264
Recycling	New build	**(2,603)**	596
At 31 March		**10,836**	11,406
Amount up to three years old		**6,201**	11,406
Amount three years or older where repayment may be required		**4,635**	-
		10,836	11,406

22. Pension

During the year the Association participated in 6 (2023: 6) funded defined benefit pension schemes. On the 30 November 2023 the Association exited the four LGPS defined benefit schemes. The schemes' assets are held in separate funds administered by the Trustees of each scheme. The schemes are as follows:

Scheme Name	Employer contributions 2024	Member contributions 2024
Lincolnshire Pension Fund (LGPS)	25.40%	5.50% to 12.50%
Leicestershire County Council Pension Fund (LGPS)	35.60%	5.50% to 12.50%
Derbyshire Pension Fund (LGPS)	43.5%	5.50% to 12.50%
Worcestershire County Council (LGPS)	22.0%	5.50% to 12.50%
The Pensions Trust 2016 Waterloo Housing Association Benefits Plan	N/A	N/A
The Social Housing Pension Scheme	N/A	N/A

Scheme Name	Employer contributions 2023	Member contributions 2023
Lincolnshire Pension Fund (LGPS)	28.20%	5.50% to 12.50%
Leicestershire County Council Pension Fund (LGPS)	34.70%	5.50% to 12.50%
Derbyshire Pension Fund (LGPS)	11.40%	5.50% to 12.50%
Worcestershire County Council (LGPS)	19.10%	5.50% to 12.50%
The Pensions Trust 2016 Waterloo Housing Association Benefits Plan	N/A	N/A
The Social Housing Pension Scheme	8.00%	7.10% to 14.50%

All of the funded defined benefit pension schemes that the Association participates in can be separately identified and therefore the Association recognises in full the Schemes' surpluses or deficits on the Statement of Financial Position.

22. Pension (continued)

Local Government Pension Schemes (LGPS)

On 30 November 2023 the Association exited the four LGPS defined benefit schemes that were schemes with assets held in separate funds administered by the relevant Local Authority. The total contributions made for the period to cessation were £1,348,000 of which employer's contributions totalled £1,111,000 and employees' contributions totalled £237,000.

At the date of cessation, the valuation results of the schemes were as follows:

	Derbyshire £'000	Leicestershire £'000	Lincolnshire £'000	Worcestershire £'000
Scheme Assets	19,310	5,249	30,686	72,472
Defined Benefit Obligation	(18,938)	(4,355)	(32,264)	(75,894)
Surplus/(Deficit)	**372**	**894**	**(1,578)**	**(3,422)**
Cessation payment due			1,578	3,422
Unfunded obligations			(52)	(223)

The cessation assumptions make additional allowance for future improvements in life expectancy compared to the valuation assumptions. Specifically, improvements are in line with the CMI 2021 model assuming a long-term rate of improvement.

Whilst Derbyshire or Leicestershire schemes are both reporting surplus balances at the date of cessation of £372k and £894k respectively, no allowance for receipt of these surpluses has been accounted for on the basis that the pension fund administrator reserve the right to refuse distribution of surplus funds. A payment of £1.578m is due to Lincolnshire and £3.422m to Worcestershire for the cessation deficit. These debts have been accrued for in the accounts within the accruals and deferred income section of Note 18 Creditors (amounts falling due within one year). Unfunded liabilities of £275k remain for Lincolnshire and Worcestershire schemes.

The Pensions Trust 2016 Waterloo Housing Association Benefits Plan

The Waterloo Housing Association Benefits Plan is a defined benefit scheme in the UK. On 31 March 2016, the scheme was closed to future accrual for all of its existing members but with those members still employed by the company retaining the final earnings link on their benefits. There were no contributions made to this scheme in 2024 (2023: nil) in respect of further pensionable service. The preliminary actuarial valuation as at 30 September 2023, showed a deficit of £3,977,000. The employer has a current agreement with the trustees that it will aim to eliminate the previous deficit over a period of 6 years from 1 April 2023 by the payment of annual contributions payable monthly increasing by 5.5% at every subsequent 1 April. This will change when the 2023 valuation is finalised.

Total deficit contributions paid during the year ended March 2024 were £1,396,000 (2023: £1,230,000 paid monthly). In addition, and in accordance with the actuarial valuation, the employer has agreed with the trustees that it will meet expenses of the scheme and levies to the Pension Protection Fund 2024 £113,000 (2023: £98,000).

Sensitivity to assumptions

The approximate effects of movements in the main assumptions on the value of liabilities are shown in the table below. Please note these figures are very approximate and not Scheme specific.

Movement in assumption

Notes to the Financial Statements 2024 (cont.)

	Range of assumption	
Discount rate	+/- 0.1%	-/+ 2%
Inflation assumptions	+/- 0.1%	-/+ 2% (of inflation linked liabilities)
Life expectancy	+/- 1 year	-/+ 3-5%

The Social Housing Pension Scheme (SHPS)

The Social Housing Pension Scheme (SHPS), is a defined benefit multi-employer pension scheme administered by TPT retirement solutions (TPT). On 31 March 2023, the scheme was closed to future accrual. The total contributions made for the year ended 31 March 2024 were £1,589,000.

The Pensions Trust 2016 Waterloo Housing Association Benefits Plan and SHPS Defined Benefit Scheme

We have been notified by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

The Group also contributes to defined contribution schemes, also with the Social Housing Pension Scheme operated by the Pensions Trust.

Sensitivity to assumptions

The sensitivities shown are approximate. Each sensitivity considers on change in isolation. The inflation sensitivity includes the impact of changes to the assumptions for revaluation, pension increases and salary growth where appropriate.

	Change in assumption	Change in liabilities
Discount rate	Increase of 0.1% p.a.	Decrease by 1.4%
Rate of inflation	Increase of 0.1% p.a.	Increase by 1.4%
Rate of salary growth	Increase of 0.1% p.a.	Increase by 0.1%
Rate of mortality	Probability of surviving each year increased by 10%	Increase by 1.7%

Common approach on mortality applicable to all schemes

The mortality rate is based on publicly available mortality tables for the specific country. COVID-19 has caused a short term increase in deaths in the UK but the excess deaths to date have not generally had a material impact on UK pension scheme liabilities. The future impact of COVID-19 on long term mortality improvements is currently uncertain with potential adverse implications of delayed medical interventions and "long COVID" along with potential positive implications if the surviving population is less "frail" or the pandemic causes improved healthcare initiatives and lifestyle changes. Overall the Group believes there is insufficient evidence to require an explicit adjustment to the mortality assumption for COVID-19 at this time.

Policy on pension assets and their recognition

The policy on pension assets and their recognition will vary according to the scheme. LGPS schemes show the Employer's fair value of plan assets as a proportion on the Whole Fund's assets. In calculating the asset share as at the accounting date the Employer's share of assets calculated at the latest formal valuation date are rolled forward allowing for investment returns (estimated where necessary), the effect of contributions paid into the Fund (estimated where necessary) , and estimated benefits paid from the Fund by its Employer and its Employees.

SHPS determines the fair value of employer's assets in the Scheme as the employer's share of the market value of the Scheme assets, split in proportion to the employer's share of the trustee's triennial funding liabilities at the accounting date. In order to obtain this fair value for an employer, the trustee's funding liabilities are calculated for all employers at the accounting date. Each employer's percentage share of the total funding liabilities is then determined. That percentage share is then applied to the market value of the assets of the scheme as at the accounting date.

The Waterloo Housing Association Benefits plan has its asset values provided by TPT Retirement Solutions in-house Finance Team. As required under FRS102, the bid market value of the assets is generally used for the calculations in the disclosures.

Notes to the Financial Statements 2024 (cont.)

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund updated to 31 March 2024 by qualified independent actuaries.

2024	Lincolnshire	Leicestershire	Derbyshire	Worcestershire	WHA benefits plan	SHPS
Future salary increases	N/A	N/A	N/A	N/A	3.78%	3.78%
Future pension increases	N/A	N/A	N/A	N/A	3.11% (RPI)	3.14% (RPI)
					2.95% (CPI)	2.78% (CPI)
RPI					3.16%	3.19%
CPI	N/A	N/A	N/A	N/A	2.95%	2.78%
Discount rate	N/A	N/A	N/A	N/A	4.91%	4.91%
Commutation of pensions to lump sums (of max allowance)	N/A	N/A	N/A	N/A	75%	75%

2023	Lincolnshire	Leicestershire	Derbyshire	Worcestershire	WHA benefits plan	SHPS
Future salary increases	3.5%	3.70%	3.90%	4.80%	3.00%	4.17%
Future pension increases	3.20%	3.20%	3.20%	3.40%	3.30% (RPI)	3.54% (RPI)
					2.13% (CPI)	3.17% (CPI)
RPI					3.49%	3.54%
CPI	3.20%	3.20%	3.20%	3.30%	3.27%	3.17%
Discount rate	2.60%	2.70%	2.70%	2.80%	2.77%	2.79%
Commutation of pensions to lump sums (of max allowance)	50%-pre-2008 75% post 2008	50%-pre-2008 75% post 2008	50%-pre-2008 75% post 2008	Not disclosed	75%	75%

Mortality assumptions

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

2024		WHA benefits plan	SHPS
Retiring today	Males	21.6	20.5
	Females	23.9	23.0
Retiring in 20 years	Males	23.2	21.8
	Females	25.3	24.4

Scheme assets/(liabilities) reflected in the statement of financial position

	2024 £000	2023 £000
Present value of employer assets	**44,279**	169,957
Present value of funded liabilities	**(54,093)**	(171,946)
Net underfunding in funded plans	**(9,814)**	(1,989)
Present value of unfunded liabilities	**(275)**	(286)
Non recognition of pension surplus*	**-**	(10,119)
Moved to short term creditors	**52**	-
Net Liability	**(10,037)**	(12,394)

Net liability by pension scheme

	2024 £000	2023 £000
Lincolnshire Pension Fund (LGPS)	**-**	5,747
Leicestershire County Council Pension Fund (LGPS)	**-**	908
Derbyshire Pension Fund (LGPS)	**-**	3,464
Worcestershire County Council (LGPS)	**(223)**	(2,481)
The Pensions Trust 2016 Waterloo Housing Association Benefits Plan	**(3,320)**	(3,521)
The Social Housing Pension Scheme	**(6,494)**	(6,392)
Non recognition of Pension scheme surplus*	**-**	(10,119)
	(10,037)	(12,394)

*The present value of pension scheme surplus has not been recognised in accordance with International Accounting Standard 19 and FRS102.

Notes to the Financial Statements 2024 (cont.)

Composition of plan assets

	2024 £000	2023 £000
Equities	**17,623**	100,682
Other bonds	**13,550**	58,679
Property	**4,872**	18,000
Other	**8,234**	23,712
Total	**44,279**	201,073

None of the fair values of the assets shown above includes any direct investments in the employers' own financial instruments or any property occupied by, or other assets used by, the employer.

Analysis of the amount charged to operating expenditure in the Statement of Comprehensive Income

	2024 £000	2023 £000
Amount charged to operating surplus:		
Current service cost (net of employee contributions)	**(638)**	(1,988)
Expenses	**(169)**	(170)
Curtailments	**-**	(37)
Effect of settlements	**(18,039)**	-
Total operating charge	**(18,846)**	(2,195)
Amount charged to finance costs:		
Interest income on plan assets	**6,153**	5,509
Interest cost on defined benefit obligations	**(6,315)**	(6,835)
Total amount charged to finance cost	**(162)**	(1,326)
Amounts of gains and losses recognised in the Statement of Comprehensive Income		
Returns on plan assets excluding interest	**(2,885)**	(34,856)
Experience (losses)/gains	**473**	(7,268)
Changes in financial assumptions	**3,539**	85,697
Changes in demographic assumptions	**881**	4,920
Other remeasurement (losses)	**-**	(1,950)
Change in asset ceiling	**12,987**	-
Non recognition of pension surplus*	**-**	(10,119)
Total remeasurement gains	**14,995**	36,424
Total actuarial gain recognised	**4,013**	32,903

*The present value of pension scheme surplus has not been recognised in accordance with International Accounting Standard 19 and FRS102.

Movement in surplus/(deficit) in the year

	2024 £000	2023 £000
(Deficit) in the schemes at 1 April	**(12,394)**	(49,955)
Movement in year:		
Employer service cost (net of employee contributions)	**(807)**	(2,195)
Employer contributions	**4,096**	4,658
Net interest/return on assets	**(162)**	(1,326)
Change in asset ceiling	**2,778**	-
Remeasurements	**14,995**	36,424
Effect of settlements	**(18,039)**	-
Transferred to short term creditors	**5,052**	-
(Deficit) in the schemes at 31 March	**(10,037)**	(12,394)

Reconciliation of the opening and closing balance of the present value of scheme liabilities

	2024 £000	2023 £000
Opening defined benefit obligation	**(172,232)**	(251,028)
Current service cost	**(638)**	(1,988)
Expenses	**(36)**	(37)
Interest cost	**(6,315)**	(6,835)
Contributions by employees	**(237)**	(352)
Experience and other gains	**(2,328)**	(8,817)
Cessation of schemes	**115,159**	-
Changes in financial assumptions	**6,359**	85,697
Changes in demographic assumptions	**881**	4,920
Effect of curtailments	**-**	(37)
Transferred to short term creditors	**52**	-
Net benefits paid	**5,019**	6,245
Closing defined benefit obligation	**(54,316)**	(172,232)

Notes to the Financial Statements 2024 (cont.)

Reconciliation of the opening and closing balance of the fair value of the scheme assets:

	2024 £000	2023 £000
Opening fair value of the scheme assets	**169,957**	201,073
Interest income on plan assets	**6,153**	5,509
Expenses	**(113)**	-
Return on plan assets (excluding interest)	**(2,885)**	(34,856)
Other remeasurement gains/(losses)	**-**	(401)
Cessation of schemes	**133,179**	-
Accrual for exit payment due	**5,052**	-
Contributions by employer	**4,096**	4,656
Contributions by employees	**237**	352
Net benefits paid	**(5,039)**	(6,376)
Closing value of the scheme assets	**44,279**	169,957

Projected defined benefit costs for the period to 31 March 2025

The Association expects to contribute the following amounts to the defined benefit schemes during the year ended 31 March 2025:

	£000
TPT 2016 Waterloo Housing Association Benefits Plan	**1,396**
SHPS	**1,598**
Total	**2,994**

Defined Contribution Scheme

The group joined the SHPS Defined Contribution scheme to satisfy its commitment to auto-enrolment, a government pension initiative and to provide a fairer pension offer to employees. This is the only pension scheme that the group offers to its employees. The amount contributed depends on the level of individual contribution an employee makes up to a maximum of 12%.

The amount recognised in surplus as an expense for defined contribution plans for the year ended 31 March 2023 is £6,156k (2023: £2,837k).

23. Share Capital

	2024 £	2023 £
At 1 April	**9**	9
Issued during the year	**2**	-
Cancelled during the year	**(2)**	-
At 31 March	**9**	9

The shares have a nominal value of £1 each and provide members with the right to vote at general meetings, but do not provide a right to dividends or distributions on winding up. The issue of shares is authorised as required throughout the year. Shares in issue cannot be repaid or transferred and when a shareholder ceases to be a member, the share is cancelled and the amount paid up becomes the property of the Group.

24. Capital Commitments

Capital expenditure contracted for but not provided for in the financial statements

	2024 £000	2023 £000
Capital expenditure		
Capital expenditure contracted for but not provided for in the accounts	**492,623**	348,350
Expenditure authorised by the Board of Management but not contracted	**686,047**	873,031
Total	**1,178,670**	1,221,381

The Expenditure authorised by the Board but not contracted includes 3 years of planned but not yet committed development spend and is expected to be financed with:

	2024 £000	2023 £000
Social housing grant	**232,637**	232,433
Proceeds from sales of properties	**243,558**	297,843
Surpluses and borrowings	**702,475**	691,105
Total	**1,178,670**	1,221,381

There are no performance conditions attached to the above commitments.

Notes to the Financial Statements 2024 (cont.)

25. Operating Leases

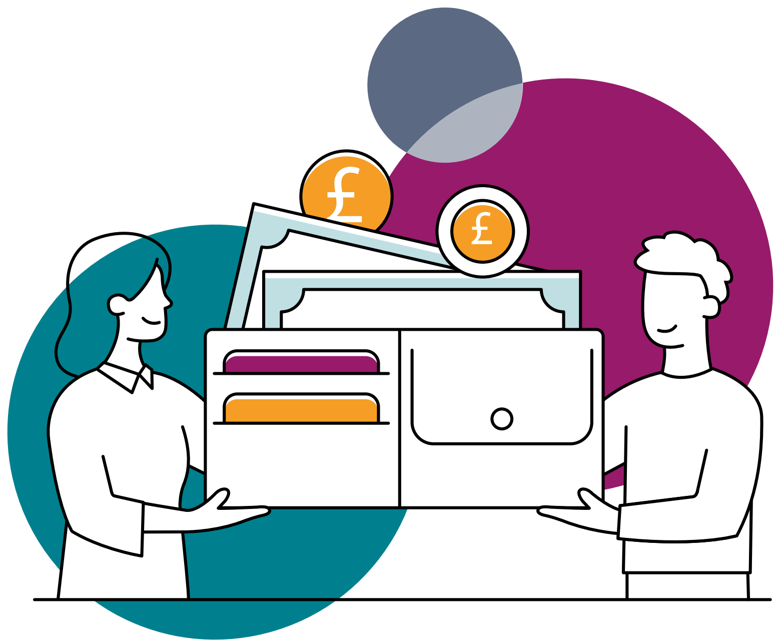
The Group was committed to making lease payments as follows:

	2023		2023	
	Land and Buildings	Other	Land and Buildings	Other
	£000	£000	£000	£000
In less than one year	73	332	69	129
Between two and five years	91	1,559	84	1,732
Over five years	53	-	70	-
	217	1,891	223	1,861

26. Grants

Total accumulated government grant receivable at 31 March:

	Group		Parent	
	2024	2023	2024	2023
	£000	£000	£000	£000
Held as deferred capital grant (note 20)	589,945	522,301	-	-
Recognised as income in Statement of Comprehensive Income	162,280	156,762	15	15
	752,225	679,063	15	15



27. Related Parties

In accordance with FRS102 Related Party Disclosures, Section 33.1A, Platform Housing Group Ltd has not disclosed transactions entered into between two or more members of the Group, where each party to the transaction is 100% owned.

Transactions with non-registered elements of the business

In accordance with the Accounting Direction 2019, transactions between private registered providers and other non-registered entities in the Group are disclosed as follows:

2024	Turnover	Operating expenses	Interest receivable	Interest payable	Other creditors	Other debtors
	£000	£000	£000	£000	£000	£000
Platform New Homes Limited	60,644	(59,848)	-	(1,170)		-
PPC Limited	65,072	(65,072)	-	-	-	9,679
Platform HG Financing PLC	-	-	10,878	(10,878)	-	651,519

2023	Turnover	Operating expenses	Interest receivable	Interest payable	Other creditors	Other debtors
	£000	£000	£000	£000	£000	£000
Platform New Homes Limited	73,345	(73,408)	-	(165)	(15,450)	-
PPC Limited	60,035	(60,035)	-	-	-	10,127
Platform HG Financing PLC	-	-	10,838	(10,838)	(589,977)	590,027

A Gift Aid payment of £nil was made by Platform Property Care Limited to Platform Housing Limited (2023: £nil).

A Gift Aid payment of £nil was made by Platform New Homes Limited to Platform Housing Limited (2023: £nil).

Central Housing Investment Consortium Limited (CHIC)

Platform Housing Limited is one of seven founder members of CHIC, a 'not for profit' company limited by guarantee. The principal activity of the Association is based on a joint management arrangement to procure multi-client contracts for the provision of asset management works, services and materials.

These contracts are available to the consortium's current and future membership, who can join the consortium to benefit from the efficiencies yielded through joint procurement and collaborative working.

The members have no direct rights to assets or surpluses of the Association and the liability of each member is limited to £1. The following results have not, therefore, been consolidated into the Association's Financial Statements. CHIC has changed its financial year end to be June.

Notes to the Financial Statements 2024 (cont.)

27. Related Parties (cont.)

	Management Accounts 31 March 2023 £000	Audited Accounts 30 June 2022 £000
Turnover	2,912	3,283
Costs	(2,380)	(2,764)
Profit for the year	532	519

28. Financial Instruments and Risk Management

The Treasury function is responsible for controlling liquidity, interest rate and other risks associated with the effective management of day-to-day cash flows and longer-term funding requirements of the Group. Other financial risks, for example tenant rental arrears, are overseen by other teams as part of the overall risk control framework within the Group. Treasury and other activities are governed in accordance with Board approved policies, and the management of associated risks is reviewed and approved by the Audit and Risk Committee. There is further explanation of the approach to risk management in the Strategic Report of the Board on page 52.

The Group has been given the highest governance and financial viability ratings of 'G1/V1', by the Regulator of Social Housing (RSH), demonstrating that risks are being overseen appropriately and do not threaten financial viability.

Liquidity

The Group had total borrowing facilities of £1,901.3m at 31 March 2024 (2023: £1,815.3m), of which £400m (2023: £410m) were undrawn.

Borrowings are broken down by type below:

	Facility £000	Drawn £000	Available £000	Fixed £000	Variable £000
Bond Finance	950,978	950,978	-	950,978	-
Bank Finance	950,357	550,357	400,000	430,851	519,506
	1,901,335	1,501,335	400,000	1,381,829	519,506

The Group is financed through a mixture of bank and bond finance. During the year the Group cancelled £75m of revolving credit facilities (RCF) and later in the year arranged £175m of new, sustainability-linked RCF.

Refinancing risk is managed through the Group's Treasury Management Policy, which ensures maturities are not overly concentrated.

All borrowings are secured by specific charges on the Group's individual housing properties.

Maturity profile of outstanding borrowing at 31 March:

	2024 £000	2023 £000
Loans repayable by instalments		
Within one year	875	3,823
In one year or more but less than two years	1,871	779
In two years or more but less than five years	10,692	7,463
In five years or more	85,447	90,546
Loans not repayable by instalments		
Within one year	5,000	10,250
In one year or more but less than two years	15,000	5,000
In two years or more but less than five years	118,750	15,000
In five years or more	1,263,700	1,272,451
Total repayable	1,501,335	1,405,312
Less loan issue costs	(12,297)	(11,675)
Adjustment for premium on issue	6,579	6,928
Discounts on issue	(7,325)	(7,558)
Total drawn borrowings (included in Notes 19 and 20)	1,488,292	1,393,007

Interest rate risk

Interest rate risk is defined as the risk that unexpected fluctuations in the levels of interest rates adversely impacts the cash flows of the Group, as a result of the Group failing to protect itself adequately. Interest rate risk is managed by limiting its exposure to floating rate debt facilities as detailed within the Group's Treasury Management Policy.

The interest rate exposure of the Group's debt at 31 March 2023 was:

	2024			2023		
	£000	Weighted average rate	Weighted average term	£000	Weighted average rate	Weighted average term
Fixed rate	1,381,829	3.29%	22 years	1,392,756	3.32%	23 years
Variable rate	119,506	6.06%	4 years	12,556	4.51%	7 years
Total drawn	1,501,335	3.51%	21 years	1,405,312	3.33%	23 years

Notes to the Financial Statements 2024 (cont.)

Currency risk

The Group only trades in sterling, and holds no foreign currency denominated assets or liabilities, and is therefore not exposed to any currency risks. It has no overseas subsidiaries.

Credit risk

Credit risk applies to debtor balances, including treasury related assets and others, such as rental debtors.

Treasury related credit risk is the risk that a counterparty to a treasury asset fails to discharge an obligation to the Group. It is the Group's policy not to take, or place funds with any financial institution which is not accepted as a counterparty. Such counterparties are restricted to minimum credit ratings and maximum exposures as set out in the Group's Treasury Management Policy.

The majority of other debtors relate to the tenants of the Group. The recovery of these debts is coordinated through the Housing management function.

Covenant compliance

Covenant compliance is monitored by the Treasury department on a monthly basis. There were no breaches in the year.

The following financial covenants are assessed on an annual basis at association level:

	2024	2023
Interest cover (pre pension cessation)	**176%**	233%
Interest cover (post pension cessation)	**147%**	233%
Gearing	**42%**	39%

Interest cover is calculated by dividing earnings before interest, tax, depreciation and amortisation (including capitalised repairs) by net interest payable. Gearing is calculated as total net borrowings divided by housing assets at cost.

The Group has thresholds in relation to interest cover and gearing as set within its debt facility arrangements. In addition, the Group has adopted 'Golden Rules' which act as buffers to loan thresholds, to ensure it operates at a level of risk that is commensurate with the appetite of the Board.