

Rochdale Boroughwide Housing Limited

Report and Financial Statements

For the year ended 31 March 2023

Community Benefit Society

Registration No: 31452R.

Registered Housing Provider No: 4607.

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LEGAL STATUS

The society is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing (RSH) as a social housing provider.

ADMINISTRATIVE DETAILS

RSH registration number	4607
FCA Registration Number	31452R
Registered office	Unique Enterprise Centre, Belfield Road, Rochdale, OL16 2UP

Board Members - Non-Executive Directors

Alison Tumilty - Board Chair (Ms Tumilty was Chair for the year until she resigned 17 April 2023. She served as a Non-Executive Director from 18 April 2023 to 30 April 2023 inclusive and her term of office ended on 30 April 2023)

Overall attendance 100%

Kevin Brady - Board Chair (Appointed 18 April 2023)

Joined after the Year-end

Paul Joyce - Chair of the People and Remuneration Committee, Deputy Board Chair until 4 January 2023 (Resigned 31 May 2023)

Overall attendance 100%

Guy Millichamp - Chair of the Audit Committee (Retired September 2022)

Overall attendance 90%

Mike Nuttall - Chair of Growth Committee (Retired September 2022)

Overall attendance 78%

Neil McInroy - Non-Executive Director (Resigned 31 January 2023)

Overall attendance 100%

Ruth Welford - Non-Executive Director (Resigned 31 December 2022)

Overall attendance 84%

Wesam Baker - Non-Executive Director (Appointed 22 September 2022, resigned 18 November 2022)

Overall attendance 100%

David Williams - Non-Executive Director and Chair of Growth Committee with effect from 28 September 2022 (Resigned 31 May 2023)

Overall attendance 90%

Paul Roberts - Non-Executive Director and Chair of Audit Committee with effect from 1 January 2023

Overall attendance 100%

Larry Gold - Non-Executive Director (with effect from 1 January 2023) and Deputy Board Chair (with effect from 16 January 2023)

Overall attendance 100%

Tim Weightman - Non-Executive Director (with effect from 1 May 2023) he was previously a Special Advisor.

Overall attendance 100%

Board Members - Non-Executive Directors

Linda Levin – Non-Executive Director (with effect from 1 June 2023)
Joined after the Year-end

Madeleine Nelson - Non-Executive Director (with effect from 1 June 2023)
Joined after the Year-end

Ajman Ali - Non-Executive Director (with effect from 1 June 2023)
Joined after the Year-end

Gary Graham - Non-Executive Director (with effect from 1 June 2023)
Joined after the Year-end

Board Members - Executive Directors

Gareth Swarbrick - Chief Executive (Resigned 19 November 2022)
Overall attendance 100%

Yvonne Arrowsmith - Interim Chief Executive (Appointed 12 December 2022)
Overall attendance 100%

Nickie Hallard Director of Resources and Deputy Chief Executive (Resigned 10 June 2022)
Overall attendance 100%

John McGrail Director of Finance and Resources – (Appointed 10 June 2022)
Overall attendance 94%

Board Advisors

Helen McHale - Special Advisor (with effect from 1 January 2023, resigned 5 July 2023)

Tim Weightman - Special Advisor (with effect from 1 January 2023 to 30 April 2023). Tim became a Non-Executive Director from 1 May 2023.

Independent Committee Members

Cliff Mills - Independent member of People and Remuneration Committee

Siobhan Ryder - Independent member of Growth Committee and Chair of RBH (Design & Build) Limited (Resigned 17 November 2022)

Harriet Killeen - Independent member of People and Remuneration Committee (Resigned 11 January 2023)

Katherine Armitage - Independent member of Growth Committee

Mike Nuttall - Independent member of Growth Committee (Appointed 13 September 2022)

Tony Saunders -Independent member of Audit Committee (Appointed 13 September 2022, Resigned 17 November 2022)

Representative Body (represents Members and wider interests of the community in the governance of the Society's affairs)

Tenant Representatives

Frank Altham (Deceased 23 November 2022)
Debra Anderson
Muhammed Ansara
Andrew Butterworth (Reappointed September 2022)
Donna Chadwick
Donald Ferguson
Agata Gorczyca (Resigned 11 May 2023)
Andrew Johnson
Mack McKenzie (Resigned 12 August 2022)
Haroon Mirza (Resigned 10 May 2023)
Toni-Lea Mortenson (Resigned 6 December 2022)
Jane Taylor (Resigned 16 May 2023)
Brian Wood (No longer an RBH tenant with effect from June 2022)
Kate Lowerson (Appointed September 2022)
Andrew Brown (Appointed September 2022)
Matilda Williams (Appointed September 2022, resigned 28 March 2023)
Mohammed Akhtar (Appointed September 2022, resigned 5 May 2023)
Lucia Ogunniran (Appointed January 2023)
Olufemi Shangobiya (Appointed January 2023)

Tenant Management Organisation (TMO) Appointed Representatives

Lynne Brosnan – Turf Hill TMO (Vice Chair of Representative Body). Turf Hill ceased to be a Tenant Management Organisation with effect from 31 March 2023.

Employee Representatives

Phillip Worthington (Chair, Resigned March 2023)
Alex Allen (Chair 28 March 2023)
Jan Begum (Resigned October 2022)
James Coutts
Stephen Edwards
Bede Nicholson
Jonathan Wenn
Yasmeen Hasnain (Appointed September 2022)
Natasha Snape (Appointed March 2023)

Executive Leadership Team

Chief Executive

Gareth Swarbrick (Resigned 19 November 2022)
Yvonne Arrowsmith (Interim - Appointed 12 December 2022)

Executive Team Members

Nickie Hallard – Director of Resources and Deputy Chief Executive (Resigned 10 June 2022)
John McGrail – Director of Finance and Resources (Joined 3 May 2022)
Clare Tostevin – Director of Growth (Resigned 12 May 2023)
Nadhia Khan – Director of Customer and Communities
Hilary Milne – Interim Director of Governance and Risk (Joined January 2023)

Secretary

Stephen Wigley

Banker

NatWest
Parklands, 3 De Havilland Way
Horwich, Bolton
BL6 4YU

Funders

Danske Bank
Donegall Square
West Belfast
BT1 6JS

Santander
298 Deansgate
Manchester
M3 4HH

MORhomes
Future Business Centre
Kings Hedges Road
Cambridge
CB4 2HY

Solicitors

RBH has an in-house legal team. Where external advice is required, this will be obtained from the most appropriate legal providers.

External Auditor

Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL.

Internal Auditors

RSM (Up to 31 March 2023)
3 Hardman Street
Manchester
M3 3HF

Wylie and Bisset (With effect from 1 April 2023)
168 Bath Street
Glasgow
G2 4TP

CHAIR'S STATEMENT

2022-23 has been a difficult year for RBH, following the tragic death of Awaab Ishak in 2020, and the Coroner's findings linking his death to long term exposure to damp and mould in his home in the autumn of 2022. This was followed by the departure of RBH's long term CEO, and a regulatory downgrade to a non-compliant G3 by the Regulator of Social Housing (RSH), along with breaches of the Home and Tenant Involvement and Engagement consumer standards.

Our focus since then has been recovery. We agreed a Recovery Plan in January 2023 and have been working hard to achieve stability within the organisation. We have been meeting frequently with the RSH in the spirit of co-regulation and have made significant progress. The Recovery Plan sets out four key strategic themes.

1. To strengthen and improve governance across the organisation. There were clearly mistakes made and we must learn from them. We have already brought in some of the skills needed with new Board Members, two Special Advisors and myself as the new Chair. By the end of spring 2023 we had refreshed the Board with all the skills required to govern the organisation and we will ensure the changes needed are embedded going forward. We did not feel that we were making the best use of our Representative Body, made up of tenant and employee members, they told us that they wanted to focus on quality. We are going to be working with them to reshape this part of our governance. The governance plan also sets out a roadmap back to being a compliant organisation and we will remain focused on that.
2. To fully meet the Home Standard. We believe that everyone deserves a quality home and have plans in place to ensure that our tenants have homes that they and we can be proud of. They also deserve quality services that are easy to access, and our plans include actions to ensure this. In December 2022, with a new Interim CEO Yvonne Arrowsmith in place, we set a new focus on dealing with damp and mould across our homes, we asked tenants to report cases to us, and we started to check for damp and mould at every visit. We have committed to treating every case, and to investigate and manage the root cause. In addition, we have committed to getting accurate current information on the standard of all of our homes and have commissioned a 100% stock condition survey. We are carrying out a full review of our maintenance service to improve this service in terms of tenant experience, maintenance of our properties and value for money.

We have moved our Neighbourhood Housing Officers back out onto their patches so that they are visible and accessible to our tenants. We have increased the number of staff in our contact centre, so that tenants can get through more easily. We are focusing all of our staff on our tenants, putting the tenants at the forefront of everything we do, and we began the rollout of new Customer Excellence Training for all staff. But it is early days, and we will need to embed these changes over the coming year, so that our tenants tell us they feel that things are improving.

3. To provide excellent tenant involvement and engagement, fully meeting the consumer standard. Our handling of tenant complaints has not always been good, tenants did not always feel listened to, and we often did not resolve them to our tenants' satisfaction. We have listened and have improved our complaints procedure, in consultation with tenants. We have recruited a new team focused on resolving concerns. We are now seeing it as an opportunity to learn and improve services.

We have been working with tenants to learn best how to make sure that their voice is heard, and new locality groups are in the process of being formed. We have held local surgeries so that tenants could come and talk to staff about anything. We must listen to our tenants, we must learn from their experiences of living in our properties and accessing our services and make changes with them to improve their experiences.

RBH works exclusively in Rochdale which has very diverse communities, we don't believe we have always served them well, and this is something we want to put right. We have employed an Equality and Diversity Lead to help us with this.

CHAIR'S STATEMENT- continued

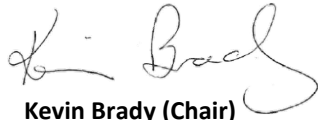
4. The fourth theme has been around regaining the trust and confidence of our tenants, staff, and key stakeholders. Our interim CEO has spent time going out, meeting tenants and key stakeholders and meeting with staff members. Feedback has been positive; they are starting to feel listened to and believe that we will try to resolve their issues. But we need to continue to deliver on our promises if we are to achieve in this area. A new permanent CEO has been recruited and will take up post in mid-September 2023.

As part of the Recovery Plan, we reflected a lot on learning lessons following the outcome of the Inquest and the subsequent downgrading. In January 2023 we commissioned a lesson learnt review which forms a fifth theme of the recovery plan. This has recently completed, and we will reflect and take action to ensure we don't fail our tenants in this way again.

In addition to the above, we know that this is also a critical time with the cost-of-living crisis for our staff and tenants. We know that there is a desperate need for more affordable homes in Rochdale, and there is a need to tackle decarbonisation of our homes. We have continued to provide additional services for our tenants to support them, with the new pioneers' programme, food pantry, paint shop and re-use furniture project, and we will continue to work with our local partners to provide support where it is needed.

We must remain focused on our core business; we must ensure we invest in our existing properties to provide quality homes. We must remain focused on our landlord services and ensure our Tenants' Voice is heard and has impact.

I am new to RBH but already see dedicated hardworking staff, who have remained loyal through the difficult times. The last few years have been difficult for all at RBH, but the Board, Committee Members and Staff remain determined to improve things, to regain our regulatory grading for governance, to meet all of the consumer standards but most importantly provide excellent services to our tenants.



Kevin Brady (Chair)

CEO'S STATEMENT

As I look back over the last year, it is impossible to start without reflecting back on the tragic death of Awaab Ishak. Awaab Ishak was 2 years old when he died in December 2020, he lived with his family in an RBH home on the Freehold Estate in Rochdale. In the autumn of 2022, we received the Coroner's verdict which linked his death with long term exposure to damp and mould in his home. This was a defining moment for not just RBH but the sector as a whole. We continue to express our deepest condolences to his family, and we assured the Coroner that we would learn lessons from his tragic death, to ensure that damp and mould is treated seriously, and that we work towards ensuring that all of our tenants have quality homes.

RBH have been working tirelessly to put things right. I came in as Interim CEO in December 2022, and began the journey of recovery, alongside staff, tenants, key stakeholders and the Board.

The top priority for the Board and the Executive since that time has been to deal with any damp and mould across our properties, identify what is needed in our homes longer term and consider how we can manage this financially in a difficult economic climate. The Board have agreed to pause the development of new homes while we ensure our existing homes are of a good quality standard, and this is the right decision to make.

In December 2022, following the Coroner's findings we were downgraded by the Regulator of Social Housing to a G3 non-compliant grade for governance, retaining V2 for viability. We were also notified of a breach in two of the consumer standards, the Home and Tenant Involvement and Empowerment Standards.

And in the spring of 2023 a report into the findings of a special Housing Ombudsman investigation was published, which found systemic issues at RBH. It was a damning report, however, we had identified almost all of the issues and action plans were already underway to change.

Over the past 7 months, we have been working closely with the RSH and the Housing Ombudsman in the spirit of co-regulation. We agreed a recovery plan, looking at not just the areas identified around damp and mould and complaints but all areas we felt needed improving. Everything is now focused on delivering quality homes and services for our tenants. We commissioned a review around lessons learnt, and the recommendations have been added to the recovery plan. We have made significant progress in completing actions contained in the plan and believe that confidence is returning in us. We will continue to work hard to demonstrate our compliance with the regulator's economic and consumer standards.

We have recruited a new Board, with a new Chair who are all very focused on our homes and our tenant services, and I believe this progress will continue.

We have been inward looking by necessity but have been aware of the external challenges the whole sector and our tenants have been facing. In particular the impact of the cost-of-living crisis, the continued desperate need for more social housing, and the challenges of maintaining our homes whilst rents are not keeping pace with inflation. We have to balance a lot of things in social housing, meeting new housing needs, ensuring our homes are maintained to a good standard and providing additional support to some of the most vulnerable. We need continued government support to enable this.

Despite the challenges, additional expenditure on our homes, the damp and mould programme and external financial pressures we remain a robust organisation. We have strong liquidity and a sustainable long term business plan.

I would like to extend my personal thanks to our incredible employees, they have continued to strive to provide high quality services to our tenants in what has been an incredibly difficult climate. I would like to thank Helen McHale and Tim Weightman who agreed to join us as special advisors to the Board as we worked through the recovery needed.

CEO'S STATEMENT – continued

It has without doubt been the most challenging of jobs, but I am proud to have worked alongside so many people both internally and externally who have strived to make the improvements needed.

A handwritten signature in black ink, appearing to read 'Yvonne Arrowsmith', written in a cursive style.

Yvonne Arrowsmith

Interim CEO

REPORT OF THE BOARD OF MANAGEMENT

NATURE OF BUSINESS

Activities

RBH's principal activity is the letting of social housing. RBH is a registered provider of social housing with the Regulator of Social Housing (RSH) and a Community Benefit Society. A stock transfer took place on 26th March 2012, whereby Rochdale Borough Council transferred 13,712 properties to RBH that were previously managed by the ALMO. RBH became a mutual housing society, owned by its tenant and employee members, on 26th June 2013.

Group Structure

The RBH Group includes the following subsidiaries:

RBH (Design & Build) Limited –a private company limited by shares with its own Board of Directors, undertaking the design and build of new homes for RBH Limited. This subsidiary was incorporated on 23 December 2011 (company number 7891824). The Board met twice during the financial year. The RBH Board approved a recommendation for RBH (Design & Build) Limited to adopt its own Governance Statement on 10 March 2021. The RBH (Design & Build) Limited Board reviews its compliance with its Governance Statement annually.

RBH Professional Limited –a private company limited by shares with its own Board of Directors, set up to undertake trading activities outside of RBH's charitable objectives in order to generate additional income to support work in our communities. It was incorporated on 12 October 2011 (company number 07807329) and completed its first trading activity during 2013-14. The Board agreed that the company would cease trading during the 2015-16 financial year and become dormant and as such the company has not undertaken any projects in 2022-23.

All active group companies have banking arrangements during the financial year with NatWest Bank.

Beever and Struthers are the external auditors of the group and subsidiary RBH (Design & Build) Limited. RBH Professional Limited does not require an audit. Audited accounts of RBH (Design & Build) Limited and unaudited accounts of RBH Professional Limited are submitted to Companies House.

Description

The RBH Group has the following mix of homes in ownership and development:

	RBH Group		RBH Limited	
	2023	2022	2023	2022
Properties in development	38	222	38	222
General needs	11,399	11,506	11,399	11,506
Supported housing	935	967	935	967
Shared ownership	47	48	47	48
Non-social housing	1	1	1	1
Total	12,420	12,744	12,420	12,744

All homes are located in the Borough of Rochdale. The homes are predominantly general needs and are almost 100% (as at 31 March 2023) compliant with the Decent Homes Standard as defined by the Government, with just 23 properties failing to meet the requirements.

REPORT OF THE BOARD OF MANAGEMENT- continued

Delivery of the 'Succeeding Together' Strategy 2022-2025

The Succeeding Together Strategy 2022-25 was agreed by both Board and Representative Body in February 2022 and was launched in April 2022. We planned to deliver on the 8 strategic outcomes identified as part of the Succeeding Together strategy over a 3-year period from 2022-2025. Progress has been made towards achieving the milestones within each outcome in Year 1.

Following the Inquest and the RSH downgrading RBH from G1 to G3, the Recovery Plan led to a change in RBH's key priorities. The delivery of the Recovery Plan to agreed timescales will be key to restoring the confidence of the RSH, our tenants and key stakeholders.

As a result of the shift in RBH's priorities, the current strategic programme of work has been reviewed and adapted. Some activities have since been superseded by the Recovery Plan, some paused, and others will continue as part of business as usual. Those activities that are continuing will be reported into the appropriate Committee, leaving Board's focus on the new suite of KPIs and the progress of the Recovery Plan and associated business transformation.

In addition, due to the temporary removal of Homes England grant funding and shift in priorities, some new development schemes are no longer proceeding, and some have paused. Work is continuing to obtain reinstatement of grant funding, whilst also maintaining close relationships with key stakeholders and has been shifted to investment in existing properties in the interim.

We have set out below the key elements of our Succeeding Together strategy that we have delivered to date. With a new Board now fully in place and a permanent CEO joining in September, the strategy will be reviewed in the autumn of 2023 to ensure that we are focusing on those matters most important to our tenants, other customers and key stakeholders. The following sections on strategy should be read in that context.

Summary of Key Outcomes and Achievements for Year 1 (2022-23)

Pride in Quality Homes and Good Services

Outcome 1 - Tenants receive a good service and have opportunities to work together with employees to improve service delivery.

- The Engagement Strategy launched, and work is progressing to finalise our Customer Experience Plan.
- A review of the Empty Homes Standard has been undertaken and a new quality standard approved and implemented. This should help increase customer satisfaction.
- An Accountability webpage has been launched, letting tenants and residents know what we are hearing and doing in response. Further enhancements made to the RBH portal have been made, including allowing photo/file uploads for customers to add photographs to the repairs that they raise.
- An upgrade to the current Housing Management system with a strategic rationalisation of ancillary applications has taken place. Review of the current Customer Relationship Management (CRM) system continues, with the intention being to centralise data and streamline processes.

Outcome 2 - Rising to the climate emergency through greener, low carbon and climate resilient communities.

- Improved employee awareness of climate risk where 37% of employees have attended Carbon Literacy training from our target of 50% for 2022-23.
- RBH obtained Silver status in the SHIFT assessment with the next assessment to be completed in September 2023.
- A 6% reduction in our carbon footprint was achieved in 2021-22.
- 100% homes were let at EPC C. This has improved the energy efficiency of our homes, thermal comfort, associated health and wellbeing benefits and helped tackle fuel poverty. Further work is being carried out to identify properties that cannot achieve EPC C without green technology.
- A group of sustainability champions has been established, consisting of 15 members (8 Employees and 7 Tenants).

REPORT OF THE BOARD OF MANAGEMENT- continued

- A decarbonisation retrofit pilot in Smallbridge was completed, improving energy efficiency and decarbonisation in homes. Positive feedback has been received with tenant engagement and performance monitoring continuing. The Kirkholt pilot is progressing with planning permission approved.

Outcome 3 - Using our increased investment so all homes meet the needs of current tenants and future generations, are safe, of good quality, and easily maintained.

- Support was given to 123 households to move as part of town centre regeneration this financial year across College Bank and Lower Falinge.
- The refurbishment of the Underwood tower block has been paused while the regeneration programme is being reviewed.
- RBH has signed up to the Safe Building Charter and embedded the principles to keep our tenants safe.
- Planned investment into 5 Independent Living Schemes communal areas is progressing. The first tender was delayed as scope of works increased due to inclusion of fire door replacements, warden call system replacement and some additional external works that were not within initial scope, increasing the budget provision required. The second ILS project design is underway.
- Work to replace fire doors in College Bank is on track and is planned to be completed by December 2023.

Outcome 4 - Work towards the medium-term aim of maintaining the number of our homes

- 66 new homes completed in 2022-23 from a target of 104 homes.
- The RSPCA site acquisition completed by the year-end and terms have been agreed for 2 further sites to be supported with Towns Fund grant.
- Demolition completed on 2 sites and 1 underway at the RSPCA site.

Pride in our People and Communities

Outcome 5 - Healthy and resilient communities in successful places where people choose to live and work

- Levelling up funded activity delivered by offering bespoke employment support for tenants and residents in the town centre and in Heywood via the New Pioneers programme. The programme is funded through the Community Renewal Fund, in partnership with Rochdale Borough Council. Currently there are 156 Pioneers, 53 in secure employment, 69 in education or training and 34 will receive qualifications.
- Successful delivery of Age Friendly Neighbourhoods programme took place, working with RBC and other partners to look at rolling out lessons learnt to the rest of the borough as part of GMCA Age Friendly strategy.
- Continued to deliver the Culture Co-op project alongside partner agencies.
- The new lettings process has also gone live with an improved focus on sustaining tenancies. Review of service charges for flats is currently on hold.
- Independence and Well-being strategy to be devised and delivered over the next 12 months.

Pride in our Society

Outcome 6 - A diverse and engaged membership, helping deliver service improvement and good governance

- A scheduled review of democracy work was delayed due to the inquest and employee capacity. This has now been superseded by the Recovery Plan. As part of the review of governance and work to improve the tenant voice, an assessment will be made regarding whether further improvements could be made to improve our democracy.
- Several initiatives have been implemented to increase employee and tenant membership. The Membership Strategy is due to be renewed in 2023. This work will take place following the review of governance and the lessons learnt exercise. This is to ensure that the Membership Strategy aligns with work to improve our governance and is cognisant of any pertinent lessons that come from this exercise.

REPORT OF THE BOARD OF MANAGEMENT- continued

- The 2022 Representative Body election was held from June until September 2022, with voting closing on 9th September 2022 and the results announced at the Annual Members' Meeting on 28th September 2022. Four employee candidates were nominated for two employee vacancies, and 16 tenant candidates were nominated for six tenant vacancies. Turnout for employees was 35.2% and for tenants was 10.8%.
- Successful delivery took place of the Annual Members Meeting (AMM) in September 2022 and planning for the 2023 AMM is now underway.

Outcome 7 - Happy, enthusiastic, and resilient employees who are supported to develop and grow and work with our tenants to shape services

- Development of a Professional Competency Framework took place and has been embedded in performance management, disciplinary, training and induction. A customer service standard has been produced and training is underway.
- A review of our end-to-end recruitment process has been completed, a flexible recruitment programme embedded, new recruitment system procured, and an inclusive recruitment initiative adopted. This has resulted in a reduction in recruitment time, better value for money from system and options to attract a diverse range of applicants to increase diversity.
- Reviewed partnerships with educational establishments, forming a partnership with Hopwood Hall, an anchor institution within Rochdale, supporting RBH's apprenticeship programme. Work placements, graduate schemes and industry projects with University of Central Lancashire and Salford University are being explored.
- As part of our initiative to empower employees to drive change, we have started implementation of the Leading/Delivering Service Programme. The programme is for all employees and is currently being rolled out. As a result of the programme everyone must commit to making a change and driving this forward.

Outcome 8 - Increased wealth directed into the local economy for the benefit of local communities

- RBH gained Living Hours accreditation and 100% of employees are paid living wage at RBH.
- The New Pioneers Programme launched across Greater Manchester and will continue throughout 2023/24 with RBH funding, working with Athena to prepare for the Greater Manchester bid to UK Shared Prosperity Fund from April 2024.
- An enhanced skills offer is available for young people with RBH now hosting T Level students and looking at other opportunities such as traineeships which would offer a development opportunity for apprenticeships.
- Recorded an interview and produced e-newsletters for community wealth building and social value for tenants, colleagues, and our supply chain.
- Development of a member-led Social Value Advisory Group is underway - advertisements have been delivered to students across Rochdale to be part of the group. A session has been delivered at Hopwood Hall to students to promote social value and the concept behind the advisory board. Alongside this community groups, community investment and other RBH employees have the opportunity to input.
- Work to lead and influence Greater Manchester Housing Providers (GMHP) Social Value Group has commenced and four clear priorities have been developed for the coming year. These include a review of data collection, sharing good practice from the data result, developing a unified social value pledge and creating a marketplace event. The GMHP Social Value Group is to be changed to GMHP Procurement group, in which RBH will continue to participate.

REPORT OF THE BOARD OF MANAGEMENT- continued

Engagement with Tenants, Customers, Employees and Suppliers and Others

Tenant and Customer Engagement

Our Engagement Strategy sets out RBH's intention as to how we engage and listen to tenants. In the strategy we committed to the following:

- **A Flexible Engagement Model** - we will offer a variety of ways to get involved.
- **Communication** – we will work together to improve what, how, where, and when we communicate with RBH tenants, residents, and employees.
- **Accountability** - we will make it easy for our tenants, residents and employees to hold us to account by reporting on improvement made as a result of feedback, insight or scrutiny.

The strategy is supported by an action plan with 1,500 tenants, residents and employees helping to shape our approach. In 2022-23 we:

- Offered tenants a variety of accessible ways to feedback and engage on key services including get togethers, workshops via zoom, feedback events held in community spaces and a digital conference.
- Maintained a Complaints Review Panel and established a Repairs Panel.
- Published an accessible web page which details our accountability against the Together with Tenants charter and key actions taken.
- Produced clear communication for tenants on a range of topics from how to become involved, opportunities for voices to be heard, news and updates from RBH and general guidance. Customers have also been asked their views on customer access channels such as the RBH portal.

In the coming year we will consider future resource requirements to ensure delivery of all our engagement activity as part of the RBH Recovery Plan.

Customer Engagement - Complaints and Compliments

An important source of feedback and learning comes from complaints and compliments. They help us identify and address the issues and concerns of our tenants, customers and stakeholders (including MPs and Councillors). They also help us to identify what works well. Both compliments and complaints help us improve our services and processes and increase our customer satisfaction.

In the past year, we received a total of 691 complaints, a 52% increase from the previous year. Some key points to note:

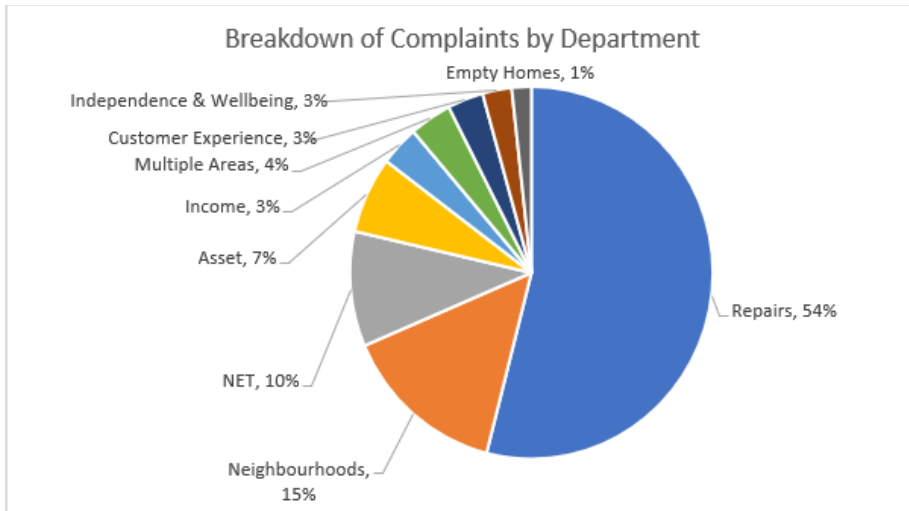
- 77% of Stage 1 complaints were resolved within time frame, a reduction of 21% on the previous year.
- The average time to resolve a complaint was 8 days (target 10 days).
- The most common types of complaints were related to the quality of homes, service delivery and staff attitude.
- The most common sources of complaints were through our website, social media and phone calls.
- Repairs and neighbourhoods service areas received the most complaints.

We have had ten cases that have been investigated by the Housing Ombudsman Service that resulted in three findings of severe maladministration relating to the handling of damp and mould, the ending of a tenancy and complaint handling; five findings of maladministration were found in respect of the handling of damp and mould, handling of anti-social behaviour, and handling of repairs; two findings of service failure relating to noise and complaint handling; redress was required in response to handling damp and mould and no maladministration was found in four instances relating to complaint handling and dealing with pests.

On 28 March 2023 the Housing Ombudsman Service published a Special Report on RBH. The findings in the report resulted in significant learning on how to improve services. We have worked proactively and

REPORT OF THE BOARD OF MANAGEMENT- continued

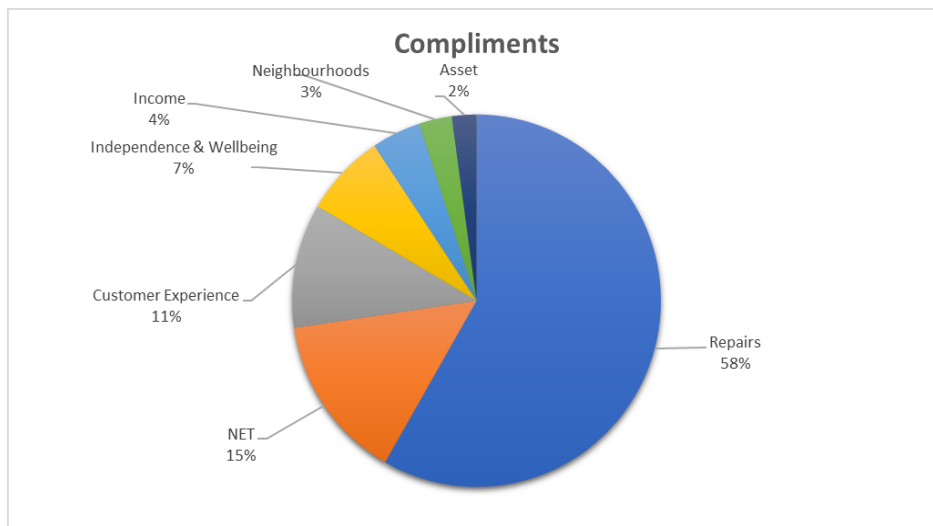
collaboratively with the Ombudsman to address weaknesses identified and will continue to do so over the coming months.



Despite these challenges, we have continued to try and learn from complaints, a few examples of this are listed below:

1. Process put in place to ensure Asset contractors pay due care and attention to customers gardens when carrying out improvement work following a number of complaints in this area.
2. New process put in place to ensure tenants/customers are informed where jobs are closed on the portal because there are latent defects to be addressed by the New Build Team.
3. Process reviewed to ensure that when the tenant end date changes this is confirmed with the tenant.
4. Tenant/customer information on the MyRBH portal now reflects our repairs service standards.

138 compliments were captured in 2022-23. Most related to the professionalism and workmanship of our repair’s operatives:



REPORT OF THE BOARD OF MANAGEMENT- continued

We know that there is an under-recording of compliments. We are running a campaign to encourage employees to record these when received.

Employee Engagement

This has been a difficult year for our employees with media coverage often representing a version of RBH our employees do not recognise. While we have never shied away from any of the negative press, we recognised that we need employees to have context. We recognise that engaging with all our colleagues is even more crucial in any crisis. Our dedicated Communications Team worked closely with our Leadership Team with the aim of ensuring our colleagues received accurate and timely information focusing on their welfare and reassuring them of the steps that we were taking.

We are keen that our Executive Leadership Team (ELT) remain accessible to all, as such, we host monthly 'eleven at eleven' sessions, a chance for eleven employees to meet with ELT and ask any questions they have or just discuss some relevant topics of the month. We also hold ELT drop-in sessions which had a very positive take-up.

In March 2023 we held an all-employee conference. We had over 80% attendance and great interaction with all colleagues. We focused on Customer Service Excellence and our Recovery Plan.

We have embarked upon a Journey to Service Excellence through the creation of the RBH Academy. Starting at induction we are investing in a whole organisation customer centric training programme. We are passionate that the key to our success lies within our people and as such we have introduced a great ideas page where employees can share with us, ideas they have on improving RBH.

Supplier Engagement

RBH's Board has responsibility for setting our Procurement Strategy. In support of our strategic theme of 'Increased wealth directed into the local economy for the benefit of local communities', a key objective within this is to seek, wherever feasible and financially viable, to source products and services from local providers. In this way, RBH's purchasing power will positively influence the local economy by creating prosperity and employment opportunities. We encourage the use of local companies by:

- Improving supplier pre-tender engagement, communication and resources.
- Providing assistance and guidance to local suppliers on how to do business with RBH.
- Making use of social media and local networks to advertise upcoming opportunities.
- Reducing the barriers faced by Small Medium Enterprises (SMEs) by simplifying documentation.
- Breaking potentially large RBH requirements into smaller 'Lots' to encourage smaller local suppliers' inclusion.
- Including Social Value as criteria of evaluation and performance, in addition to financial value and quality.
- Providing access to virtual learning through the Supply Chain Sustainability School to allow SMEs to be upskilled and improve their knowledge through learning pathways centred around sustainability and social value.

We also promote the Real Living Wage to suppliers and other local businesses and use our position as Rochdale's first member of the Greater Manchester Good Employment Charter to advocate best practice employment practices within our supply chain and beyond. RBH is now an active member of the Greater Manchester Housing Providers Procurement Group, which aims for organisations to share ideas and best practice to help bring about further benefits and improvements.

Equality, Diversity and Inclusion - Tenants, Customers, Employees and Suppliers and Others

RBH is committed to advancing diversity, inclusion and belonging within our community and throughout our workforce. As a mutual, we are driven by a desire to work co-operatively. We want all our members, tenants, and employees, to feel that they belong. The media coverage and allegations of racism following the Inquest gave us great concern and has led us to look deeply into our processes and behaviours to find ways in which we

REPORT OF THE BOARD OF MANAGEMENT- continued

can improve. We have employed a Strategic Lead for Diversity, Inclusion and Belonging who will be working closely with the community to identify how we can improve, and, we have firmly rooted unconscious bias training in our induction and customer excellence programme.

Over the past 12 months we are proud to have;

- Continued to develop our employee action group, Mind Matters, focusing on supporting positive mental health and neurodiversity.
- Developed our Race Equality Network.
- Supported Pride in The Park, a LGBTQIA+ festival, using it as a platform to showcase RBH as an employer and landlord.
- Installed and promoted the Language Line Insight application on all RBH mobile phones for colleagues to access and use. This application provides the ability for video and audio interpretation, giving colleagues the ability to provide support to people whose first language is not English.
- Redesigned our recruitment practices to encourage applicants from a diverse pool through our inclusive recruitment campaigns. Working with candidates prior to application to make the application and selection process inclusive for all needs.
- Seen an increase in ethnic minority tenants’ satisfaction through the Star Survey.
- Seen a positive outcome to our equality pay gap with ethnic minorities being paid slightly greater than their white counterparts, we will continue to strive for true equality of these figures.
- Carried out a full Equality Diversity and Inclusion (EDI) audit to ensure the great work we have done is truly driving a culture of inclusion and not just a programme of performative Inclusion and Diversity.
- Redefined our Diversity, Inclusion and Belonging strategy following results of the audit.
- Developed a programme of relevant learning and development activities of employees focusing on unconscious bias.
- Introduced Inclusion Passports.
- Worked with our Inclusive Employers account manager to help place the organisation on the inclusion maturity model.

Over the coming months we will explore the opportunity to build on our current development offer, focusing on upskilling, mentoring, allyship and create a network of inclusion champions to further support the success of any initiatives we implement by advocating the changes and educating others where needed.

The tables below show the equality and diversity data for customers, employees and the Board as at March 2023.

Ethnicity	Customers	Employees	Board	Rep body
White	80.9%	83.9%	100.0%	56.0%
Mixed/multiple ethnic group	1.6%	1.3%	-	11.0%
Asian	8.1%	7.6%	-	11.0%
Black	7.2%	1.3%	-	11.0%
Other	2.2%	0.1%	-	11.0%
Declined to provide	-	5.8%	-	-

Gender	Customers	Employees	Board	Rep body
Female	57.2%	43.0%	29.0%	33.0%
Male	42.8%	57.0%	71.0%	67.0%

REPORT OF THE BOARD OF MANAGEMENT- continued

Age	Customers	Employees	Board	Rep body
16-24	3.0%	4.6%	-	-
25-34	13.6%	14.6%	-	11.0%
35-44	19.7%	23.9%	-	33.0%
45-54	18.7%	27.5%	29.0%	23.0%
55-64	18.1%	26.6%	71.0%	22.0%
65+	26.9%	2.8%	-	11.0%

Sexual orientation	Customers	Employees	Board	Rep Body
Heterosexual or straight	96.7%	77.1%	100.0%	78%
Gay or lesbian	1.0%	2.3%	-	11%
Bisexual	1.1%	0.6%	-	11%
Not known	1.2%	20.0%	-	-

Disability	Customers	Employees	Board	Rep Body
Current disability or work-limiting disability	26.60%	4.8%	29.0%	44%
No core or work-limiting disability	73.40%	36.2%	71.0%	56%
Not Known	-	59.0%	-	-

Religion	Customers	Employees	Board	Rep body
Christian	60.0%	40.0%	29.0%	33.0%
Buddhist	0.3%	-	-	-
Hindu	0.1%	0.2%	-	-
Jewish	0.1%	0.2%	-	-
Muslim	8.6%	7.0%	-	-
Sikh	0.2%	-	-	-
Other religion	3.1%	2.8%	14.0%	-
No religion	27.6%	26.8%	57.0%	67.0%
Not Known	-	23%	-	-

Employment of Disabled Colleagues

RBH remains an inclusive organisation that seeks to harness the talents, knowledge, skills and insight that all people bring to the workplace. We are proud to maintain our Disability Confident Employer status. In 2022 we introduced our Inclusive Recruitment Campaign which offers a range of inclusive options throughout the recruitment process. Our goal is to make it easier for people with disabilities to navigate the application and interview stages offering such things as application buddies, choice of venue, pre-identified interview questions and pre-interview visits to the office. In 2023 we aim to raise this status to being a Disability Confident Leader,

REPORT OF THE BOARD OF MANAGEMENT- continued

by increasing our focus on how we support colleagues with a disability internally and we will engage in an awareness campaign to highlight various disabilities.

During the year our work included:

- Making the recruitment process Neurodiverse friendly.
- Creating accessible versions of key policies and procedures.
- Increased focus on accurate employee data making sure we capture a realistic version of our workforce summary.

Over the coming 12 months we will:

- Implement a reasonable adjustment passport with a guidance document to simplify the process for disabled colleagues to request, secure and maintain adjustments.
- Develop sign language champions to assist our employees and tenants with hearing impairment, and neurodiversity champions.

Supporting Disabled Tenants

As a landlord we try to support our tenants with limited abilities to remain as independent as possible. One of the ways in which we do this is through our Housing Options Enabler. The Housing Options Enabler visits our tenants within the homes and assesses their needs. We manage a grant in partnership with Rochdale Council to adapt a person's home if needed. If adaptations are not appropriate the Housing Options Enabler can assess for other suitable housing options. Suitable options may include, ground floor accommodation, or one of our independent living schemes.

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23

Our Approach to Value For Money

Value for Money (VfM) is at the heart of our Succeeding Together Strategy. The strategy was launched on the 26th March 2022 and links to the VfM Strategy as mapped out below. The detailed VfM strategy can be found at <https://www.rbh.org.uk/about-us/governance/vfm/>

Priority	VfM Factor	Link to Succeeding Together Outcomes
1	High quality homes, goods and services	Outcome 1 - Ensuring that tenants receive a good service and have opportunities to work together with employees to improve service delivery. Outcome 3 - Using our increased investment to meet the needs of current tenants and future generations, are safe, of good quality, and easily maintained.
2	Financial considerations	Outcome 4 - Work towards the medium-term aim of maintaining the number of our homes
3	Local social and economic benefits	Outcome 5 - Healthy and resilient communities in successful places where people choose to live and work Outcome 8 - Increased wealth directed into the local economy
4	Environmental issues	Outcome 2 - Rising to the climate emergency through greener, low carbon and climate resilient communities
5	Membership & Mutuality	Outcome 6 - A diverse and engaged membership helping deliver service improvement and good governance Outcome 7 - Happy, enthusiastic, and resilient employees who are supported to develop and grow and work with our tenants to shape services

The VfM Metrics

RBH is fully compliant with the RSH's Value for Money Standard. To demonstrate the progress we are making, we report performance against the seven VfM metrics defined by the RSH in the standard. These metrics are also included in our Financial Strategy, which we use to manage performance and long-term financial planning. This helps us achieve financial sustainability. The Board were presented with information on cost comparisons against other peer organisations earlier in the year and more work will be done to ensure the new Board have a clear understanding of our cost base. This is considered in the context of the environment in which we operate and used as benchmarking information on costs when setting targets on an annual basis.

For the purpose of the financial statements the VfM targets are based on the current approved Business Plan although priorities and plans will be reviewed as RBH progress with its Recovery Plan.

Rochdale Boroughwide Housing Limited
Report and Financial Statements
For the year ended 31 March 2023

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23- continued

As well as reporting on these VfM metrics, the RSH also expects Registered Providers to measure performance in achieving VfM in delivering their strategic objectives – RBH has therefore developed additional VfM measures to show how we are using our resources and assets to the optimum effect in the delivery of Succeeding Together.

The section below sets out our full set of 7 standard VfM metrics and RBH’s additional measures, against the 5 VfM priorities presented above. VfM Performance is shown for 2022/23 (against targets for the year where applicable); the previous 3 years; and the targets for the next 3 years are also included. RBH benchmarks its performance in relation to the 7 standard metrics using a peer group based on Large Scale Voluntary Transfer (LSVT) in the Northwest with between 3,000 and 18,000 units and an inhouse repairs team. The peer group median figures from 2021/22 (the latest information available) is also shown.

Value for Money standard metrics	2019/20	2020/21	2021/22		2022/23		2023/24	2024/25	2025/26
	Actual	Actual	Peer Group Median	Actual	Target	Actual	Target	Target	Target
High Quality Homes, Goods & Services									
<i>% new supply delivered (standard RSH metric)</i>	0.19%	0.31%	1.30%	0.12%	0.89%	0.53%	0.27%	0.82%	0.84%
% new supply delivered non social housing (standard RSH metric)	0%	0%	0%	0%	0%	0%	0%	0%	0%
<i>% gearing (standard RSH metric)</i>	9%	1%	42%	5%	16%	6%	17%	25%	27%
<i>% Re-investment (standard RSH metric)</i>	7.40%	7.41%	6.04%	13.07%	17.40%	9.25%	14.64%	19.40%	14.58%
Overall Tenant Satisfaction (%)	81%	86%	85%	85%	85%	81%	86%	87%	87%
Repair Appointments Made & Kept (%)	New Metrics				98%	96%	97%	97%	97%
Tenant Satisfaction with Home (%)					73%	67%	74%	75%	75%
Rent Loss From Empty Homes (%)					1.3%	1.8%	1.3%	1.3%	1.3%
Financial Considerations									
<i>Headline social housing cost per unit (standard RSH metric)</i>	£3,583	£3,568	£3,813	£4,679	£5,190	£5,094	£5,949	£6,241	£6,117
Headline social housing cost per unit – excluding Regeneration	New Metric				£4,806	£4,619	£5,504	£5,944	£5,824
<i>EBITDA MRI (standard RSH metric)</i>	332%	423%	143%	-42%	-252%	-349%	-641%	-434%	-192%
<i>Return on Capital Employed (standard RSH metric)</i>	7.0%	6.0%	3.2%	3.0%	4.0%	2.1%	4.6%	4.9%	4.4%
<i>Operating Profit - Overall (RSH Metric)</i>	20.0%	19.0%	19.6%	7.0%	11.0%	1.2%	10.7%	14.0%	13.6%
<i>Operating Profit - Social Housing Only (RSH Metric)</i>	29.0%	26.0%	22.8%	11.0%	20.0%	10.2%	17.6%	17.7%	17.8%
Local, Social & Economic Benefits									
Tenant Satisfaction With Neighbourhood (%)	New Metrics				76%	75.98%	77%	78%	78%
LM3 Score £	1.71	1.71	N/A	1.88	1.80	1.87	1.73	1.75	1.75
% of spend with businesses with an operating base within Rochdale	47%	49%	N/A	45%	48%	44.90%	49%	50%	50%
% of spend with an operating base within GM	60%	61%	N/A	62%	62%	62%	63%	64%	64%
Environmental Issues									
% of employees who have received Carbon Literacy training	New Metrics				50%	34%	75%	100%	100%
Corporate carbon emissions % reduction	New Metrics				13%	Not Yet Available	13%	13%	13%
Number of homes improved to EPC C rated, or above.					250	244	250	250	250
Membership & Mutuality									
Employees who are members (%)	New Metrics				79%	70.91	81%	83%	83%
Tenants Who are Members (%)	New Metrics				39%	35%	41%	43%	43%
Employee Turnover (%)					N/A	15	10	10	10
Days lost through Sickness					9	12	8	8	8

The Standard VfM Metrics (per the RSH VfM Standard)

% New Supply Delivered

New supply was impacted in 2022-23 by delays in planning and also restrictions put in place relating to grant funding. However, 66 new affordable rent homes were delivered. The development programme is under review to make way for additional investment into existing homes.

Gearing

Gearing remains low due to high cash surpluses of £36m. This is lower than target due to lower spend in the growth programme mainly in relation to delays and restrictions placed upon the development programme. Gearing is expected to increase over the next 3 years as high capital spend supports increased investment into

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23- continued

The Standard VfM Metrics- continued

existing homes. RBH are expected to begin to draw on existing facilities in year 2 and go out for further finance in year 3.

Re-investment

Investment is slightly lower than the previous year and lower than target. This is largely due to delays in the Regeneration Programme and extended procurement to support complex workflows within the Investment Programme. The Investment Programme schemes are now onsite and expected to be completed in the new financial year. Re-investment is expected to remain high in the next 3 years to support additional investment into existing homes.

Social Housing Headline Cost per Unit

Cost per unit is now less than target due to lower capital maintenance costs than budgeted, despite revenue costs increasing.

Operating Margin

Higher revenue costs than budgeted reduce the operating profit and surplus. The main components include Lower Falinge regeneration costs, repairs materials, empty homes and subcontractor costs. The metric has also been influenced by increase in volumes and an increase in the Empty Homes Standard providing a better quality home to new tenants.

The pension adjustment from the Greater Manchester Pension Fund (GMPF) valuation is included in this metric totalling £2.5m. This is not usually factored into the target so causes a material adverse variance against actual performance and set targets.

EBITDA MRI

EBITDA MRI is negative and is expected to remain negative over the next 3 years. This is due to high levels of investment into existing homes. Covenant suites with current funders support this priority by providing interest cover covenant definitions using either EBITDA only or the opportunity to carve out capital programmes linked to regeneration, decarbonisation and fire safety works.

Return on Capital Employed (ROCE)

Return on Capital Employed is slightly lower than target but is expected to increase to circa 4.5% for the next 3 years.

Our Additional VfM Metrics

High Quality Homes, Goods and Services

Overall Satisfaction

This has fallen 4% in the last 12 months and therefore less than target. According to Housemark, this is in line with trends across the sector. Quality of homes, the repairs service and contact/communication issues are all drivers of dissatisfaction both for RBH and across the wider sector. RBH will continue to analyse feedback to identify specific issues which are causing dissatisfaction and pick up actions to address in service improvement plans.

Repairs Appointments Made and Kept

This has fallen slightly short of target. Failure analysis continues to identify key areas for improvement across all responsive trades. Spikes in emergency and urgent repairs due to seasonal demands, several short-term

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23 - continued

absences affecting appointments which in turn required rescheduling. Works Scheduler Dynamic Resource Scheduler (DRS) quoters are constantly being reviewed to maximise performance and minimise appointment failure.

Rent Loss on Empty Homes

This finished over target. Gross loss was 3% and net loss was 1.8%. We aim to bring the number of active empty homes to an operationally manageable level (approximately 90 empty homes) in 2023-24 through outsourcing the backlog to external contractors. The new Empty Homes Standard has been approved and is now part of normal operations. As part of this new standard, we have implemented key performance target days for the completion of the main stages/components of the Empty Homes Standard. We have also set 'key to key' targets (from the point a tenancy has ended to the point the next tenancy starts) of 18 days for a minor void and 45 days for a major void (these are both calendar days). RBH will continue to implement and monitor service improvements.

Local, Social and Economic Benefits

Tenant Satisfaction with Neighbourhood

This has fallen slightly short of target. The new patch management model, which is being rolled out by the Neighbourhoods Team, aims to improve tenant satisfaction and fully understand our customers and our neighbourhoods. Patch meetings will take place to identify issues which can be addressed by cross team working.

Local Multiplier 3 (LM3) Score

This is slightly above target for 2022-23 which means we are spending more within our local environment in terms of sourcing of supplies, services and recruitment.

Greater Manchester Spend

Spend in Greater Manchester has remained in line with target and previous year but fallen slightly lower than target for spend within Rochdale. Difficulties with supply chains over the last 12 months has sometimes meant sourcing goods and services further afield.

Environmental Issues

Carbon Literacy Training

This training is being rolled out to all employees across the organisation, to provide staff with a knowledge and understanding of climate change impacts and action they can take both inside and outside of work. By the end of March 2023, 34% of employees have undertaken carbon literacy training. Employees have booked on over the next 12 months with training courses taking place at regular intervals. Employee engagement has proved positive.

82.75% of our homes are energy performance rated C or above. Most of our homes not currently reaching Energy Performance Certificates C, are EPC D rated (17.09%). This compares positively to a sector average of 72% as reported in Housemark's 2022 Environmental Social and Governance report. We are developing plans to ensure all homes are EPC C, as a minimum by 2030.

Days Lost Through Sickness

Sickness absence remains high, and while a lot of work has been conducted to manage absence and reduce long term sickness, absence levels are still significantly above average. New absence management procedures are due to be launched early in the 2023-24 financial year with tighter triggers in a bid to reduce avoidable absence. A stress management programme is also due to commence alongside this to proactively manage work-related stress.

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23- continued

Employee Turnover

This is above average. Turnover may increase as we move to a high-performance culture. RBH will review reporting trends to identify reason for leavers over full year performance.

Membership and Mutuality

Membership is an important factor as part of our mutuality. Involving members in shaping our services and strategy is key to obtaining an effective and fit for purpose, customer focussed approach and therefore enhancing the value for money our services can provide.

Tenant Membership

Work identified as part of the mutuality VfM action plan has largely been paused as we refocus the organisation in line with the Recovery Plan. There has been a reduction in membership although recovery plan actions under the 'tenant engagement and involvement; 'tenant voice' and 'governance' themes will work towards addressing this over the next 12 months.

Employee Membership

Again, there has been a downturn in numbers of membership as resources have been refocussed on the delivery of the Recovery Plan. RBH will continue to promote membership as part of new starter induction process but also offer other avenues for Employees to get involved including the 'Our Voice' groups.

Our VfM Activities

RBH carries out a VfM self-assessment each year for each of its service areas, where VfM is assessed and also actions identified for the year ahead. VfM successes identified as part of the process include:

- Phase 1 of the decarbonisation demonstrator retrofit works has been positive. 73% of tenants agree the level of thermal comfort in their home has improved as a result, 87% noticed their home retains heat better and 67% also noticed a reduction in their energy consumption.
- Reduced the time to recruit from an average of 6-8 weeks to 2-4 weeks.
- Tenants at Jack McCann Court have had extensive input into designs for a refresh of the communal areas at their scheme. This has ensured we are providing homes which our customers want to live in. This has proved a successful approach and will be used in the review of future schemes.
- Neighbourhoods now have a named officer for every estate and weekly patch meetings are underway with colleagues from across the Customer and Communities Directorate to ensure information is shared effectively. This has allowed us to be more proactive and efficient in providing services and helps to identify any issues in the early stages.
- RBH continues to be a key partner within the Rochdale Safer Communities Partnership and sits on a range of multi-agency forums designed to address priority themes in relation to crime and anti-social behaviour. Collaborating and networking on this and in other areas increases our knowledge to be able to provide better services to our tenants.
- Neighbourhood Housing Officers have engaged with councillor meetings and received feedback from tenants/customers about the services we are providing through our STAR survey. This has helped us to identify areas where we can make our services better.
- The Income Accounts Contact Centre transferred to the main Contact Centre to ensure a consistent approach when dealing with customer enquiries and maximise collection of rent. It has also meant more queries can be resolved at the point of customer contact and therefore a more efficient and improved experience.

RBH VALUE FOR MONEY (VfM) STATEMENT 2022-23- continued

Social Value

Highlights identified throughout the financial year 2022-23 include:

- The New Pioneers project (launched in 2019) continues to be in place to support residents into employment and continues to have some fantastic outcomes and has continued to be funded throughout 2022-23.
- The use of local labour and creation of employment and training opportunities is included in Employer Requirements for all development schemes.
- Bringing free high-speed internet to tenants Mesh Networks.
- Digital equipment bursary that provided free equipment for tenants, and the Community Investment Team ran Digital Skills courses for tenants to support recruitment fairs and employment of 10 apprentices.
- RBH became the first registered social housing provider to be accredited as a Living Hours Employer.
- Introduction of the second Trishaw (Cycling Without Age) project for the Pennine Area which is now based at Hare Hill.
- Social value element included in all tender exercises which is being monitored via the contract management software.
- Teams supported various TONIC (Time Out In Communities) projects including the clear out of the garden at Turf Hill Initiative Centre and renovating outside space at ILS schemes.

RISK MANAGEMENT, INTERNAL CONTROL AND REGULATORY COMPLIANCE STATEMENT

Risk Management

The Directors acknowledge their ultimate responsibility for ensuring that RBH has in place a suitable and robust framework for managing exposure to strategic and operational risks. The Directors also acknowledge that risk management processes did not identify or address the matters that led to the tragic death of Awaab Ishaak and that the framework, processes and scrutiny in place at the time were therefore inadequate.

A full review of RBH's approach to risk management forms part of the Recovery Plan that was agreed by our Board in January 2023 following the inquest and subsequent downgrade by the Regulator. Much has already been achieved with the support of the new Board and the now reshaped Audit and Risk Committee. Executive Team review risks on at least a monthly basis, Audit and Risk Committee and Board provide robust scrutiny and challenge. Our operational risk review approach at Senior Leadership Team level is being revised and will be embedded over the next few months. In the autumn we will be rolling out a more practical approach to risk identification and reporting for customer facing staff. We recognise that we need the input of our customer facing staff – they are our eyes and ears – we need to listen to and hear from them. A review of the risk management strategy has been undertaken and our revised strategy will be finalised in the autumn of 2023 allowing the permanent CEO to have input to the final approach.

Internal Control

It is the Directors' responsibility to establish and maintain systems of internal control that are appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- The reliability of financial information used within the society or for publication;
- The maintenance of proper accounting records;
- The safeguarding of assets against unauthorised use or disposal;
- Preventing and/or detecting fraudulent activity;
- Ensuring safe working practices are in place and are being implemented;
- Ensuring compliance with regulatory standards and statutory duties such as building safety and data protection;
- Business continuity and our ability to maintain core business processes in the event of unforeseen circumstances; and
- The appropriate management of risk across all areas of RBH's activity.

Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss.

The Executive and the Board fully recognise that RBH's systems of internal control were not operating effectively throughout 2022-23 and, with hindsight, in prior years. Extensive work has been undertaken since December 2022 to improve the internal control, risk management, assurance and compliance framework as well as the culture of RBH. It will take time to address all areas of weakness and to embed new ways of working but that work is well progressed. RBH is now moving beyond reactive recovery towards planned continuous improvement. Of course, there remains much to do and there will continue to be scrutiny but with the new Board, the permanent CEO and Executive Team and a revised Senior Leadership Team structure in place the foundations for the next stages of RBH's development are laid.

Key elements of the revised approach include:

- The Rules were revised to increase the size of the Board, the new Board is skills-based and includes members with direct experience and expertise in housing management and operations as well as wider skills;

RISK MANAGEMENT, INTERNAL CONTROL AND REGULATORY COMPLIANCE STATEMENT - continued

- As well as a new Board, a new committee structure has been agreed and appointments to committees made. The final decision on a 4th committee (covering Treasury and Finance) is expected in August. A Tenant Services Committee has been approved as part of the structure;
- Relationships have been rebuilt with our tenants and key stakeholders (Councillors, MPs, RSH, Ombudsman etc);
- A revised approach to complaints and a new complaints team are now in place. A 'learning from complaints' culture is being strongly promoted across RBH, the Ombudsman is supportive of the approach we are taking;
- Tenant service focussed KPIs are now in place with the first report to the August Board meeting;
- The Board is providing scrutiny and constructive challenge to the Executive, as expected in good governance terms;
- A permanent CEO has now been appointed and will take up post mid-September. A revised new Executive team and Senior Leadership structure has been agreed and the new SLT appointed and in place. Appointments have been made to other key posts (e.g. Head of Repairs and Head of Communications);
- The Board has given in principle agreement to invest £45m into existing homes to ensure RBH homes are safe and of good quality;
- The Board has agreed to pause new development to fund the above works;
- Options on the future of College Bank have been presented to Board to help manage financial risks;
- A dedicated damp and mould taskforce is in place with weekly reporting to Executive on progress to inspections and repairs;
- Stock condition surveys are in progress across the full RBH estate to provide accurate data on all RBH homes and to inform future investment;
- An external review of the repairs service has considered a number of matters including VFM, efficiency and the repairs control framework and will be reported shortly;
- The long term financial plan has been substantially revised to incorporate the change in approach to development and asset investment;
- Work is being undertaken to review our loan covenants and loan structure;
- A bi-annual SLT/Director Assurance Statement process has been instigated with the purpose of embedding a responsibility and accountability culture for internal control, risk and assurance at senior leadership team level. Material issues have been identified by SLT as a result of this exercise and ownership for remedying issues sits with SLT. The outcome of the first assurance statement submissions was reported to the July Audit and Risk Committee;
- A revised approach to risk management at Executive level is in place with regular review and collective consideration. A planned roll out of a bottom up tailored approach to risk management for the customer facing services will be rolled out shortly;
- Leadership and customer training programmes are in progress to support culture change across the organisation in particular a 'customer first' approach;
- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the society's assets;
- RBH's set of policies and procedures also includes data protection, whistleblowing, health and safety, complaints handling and Register of Interests for Board members and employees;
- Regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate; and
- All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures through relevant committees comprising Board members and others.

RISK MANAGEMENT, INTERNAL CONTROL AND REGULATORY COMPLIANCE STATEMENT - continued

Internal Audit

During 2022-23 the internal audit function was provided by RSM. In the financial year RBH had 7 audits with substantial assurance, 2 with reasonable assurance, 1 with partial assurance. One advisory audit was also completed. The scope of internal audits has historically been quite narrow. In order to ensure that RBH is subject to a greater degree of scrutiny and challenge in respect of internal controls we have asked our new internal auditors, Wylie and Bisset to help us work with them to scope audits more widely and in more depth. We want to use internal audit as a tool for improvement.

External Audit

Beever and Struthers provide audit services to the RBH Group in accordance with International Standards on Auditing (UK) ("ISAS (UK)"). Following a tender exercise in 2021, they were awarded an initial three-year contract beginning in 2021-22 financial year which was approved by the Representative Body.

Regulatory compliance

In common with other Registered Providers, RBH is regulated by the Regulator of Social Housing (RSH). RBH is required to comply with the RSH's Regulatory Standards.

Following the tragic death of Awaab Ishak in December 2020 and the Coroner's verdict in November 2022 linking his death to long term exposure to damp and mould in his RBH flat in 2020, on 15th December 2022 RBH was issued with a Regulatory Notice from the RSH setting out serious breaches of the Home and Tenant Involvement and Engagement Standards. A Regulatory Judgement downgrading RBH to a non-compliant governance grading of G3, citing governance concerns, was issued on the same date. The Financial Viability aspect grading in respect of the Standard remained compliant at V2.

The downgraded governance judgement stated that the Regulator lacked assurance that RBH had an effective risk management and internal controls framework and a Board with sufficient capacity to ensure compliance with the regulatory standards. In particular, the Regulator found there were missed opportunities to act in a timely, effective, and proactive manner to address damp and mould.

The narrative of these 2022-23 financial statements acknowledges RBH's current regulatory judgement status. It also reflects the extensive governance, internal control, risk management, assurance and compliance work undertaken since December 2022 and the period leading up to the signing of the 2022-23 annual report and financial statements in August 2023.

A new Board is now in place and the recovery plan is well progressed with external assurance on evidence that supports completion of actions due in the summer. The detail of the recovery plan is summarised in the Chair's report at the beginning of these financial statements. RBH is now moving beyond reactive recovery towards planned continuous improvement. Of course, there remains much to do and there will continue to be scrutiny but with the new Board, the permanent CEO and Executive Team and a revised Senior Leadership Team structure in place the foundations for the next stages of RBH's development are laid.

In light of all the events of the last 8 months, the fact that the Board is entirely new (with 4 members joining at the beginning of June 2023), that the current regulatory judgement is non-compliant for governance and that issues identified are addressed via strands of the recovery plan including one specific to governance, a 'light touch' assessment against the Governance and Financial Viability Standard has been carried out as our new approach to assessing compliance against all the standards is developed and embedded over the next few months. Our lessons learnt review recommended a different approach to assessment against the standards and the first revised assessment against all the consumer standards (now 5 standards with the addition of Tenant Satisfaction Measures) took place via a workshop with 30 employees in early July. Much was learnt from this exercise and the bottom up rather than top down approach has started to embed an understanding of the standards across a wider range of colleagues, in particular customer facing colleagues. The outcome of the first assessment has already been reported to Audit and Risk Committee in July and in summary to Board in August 2023. It will form a basis for areas of work of the Tenant Services Committee.

RISK MANAGEMENT, INTERNAL CONTROL AND REGULATORY COMPLIANCE STATEMENT - continued

At the time of writing, 84/126 actions in the recovery plan are reported as complete with, as above, the first independent review of supporting evidence is due to take place shortly. The recovery plan is essential to establishing trust in RBH as is the action plan in relation to the Ombudsman's Special Report on RBH and completion of actions arising from the lessons learnt review.

On behalf of the Board, the Chair submitted a Voluntary Undertaking to the RSH in late June 2023 following Board approval. We await formal feedback on the Voluntary Undertaking but our engagement with the RSH has been proactive and positive and they are supportive of the approach the Board and the Executive are taking.

Statement on compliance with the RSH Governance and Financial Viability Standard

At this point in time, given the regulatory judgement in place, the Board is unable to certify its compliance with the Governance element of the Governance and Financial Viability Standard but considers that it is compliant with the Viability element. The Board considers that the extensive work undertaken to date and planned over the coming months will see a return to compliance in the coming year.

Compliance with the NHF Code of Governance

The Board at its meeting on 10 March 2021, adopted the 2020 National Housing Federation's Code of Governance with effect from 1st April 2021. A recent self-assessment has been carried out against the Code. Supporting evidence is in place to demonstrate and confirm broad compliance. However, given the newness of the Board a number of actions were not completed in 2022-23 including a Board effectiveness review and member appraisals. Both are planned, the former for spring 2024 to allow the new Board and committee structure to 'bed in' and appraisals to a similar timescale. An action plan is in place capturing these and other relevant actions. As set out in these financial statements, the Board committee structure is also currently under review. Both an Audit and Risk Committee and People and Remuneration Committee are established and continue to meet. A Tenant Services Committee has been established and will shortly embark on a process of recruiting tenant members. The future of the Growth Committee is currently under review given the Board's decision to prioritise current homes rather than development of new properties. This will be considered by the Board in early August.

STATEMENT OF THE BOARD'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Board Members' Responsibilities

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

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board of Directors to prepare financial statements for each financial year. Under that law, the Board of Directors has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Board of Directors must not approve the financial statements unless they are satisfied that they 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 Association for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgment and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice (SORP) for registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group and association will continue in business.

The Board of Directors is responsible for keeping adequate accounting records that are sufficient to show and explain the group and association's transactions and disclose with reasonable accuracy at any time the financial position of the group and association and enable them to ensure that 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. They are also responsible for safeguarding the assets of the Group and association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors is responsible for ensuring that the Report of the Board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

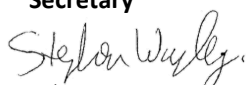
Financial statements are published on the group and association's website in accordance with the legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group and association's website is the responsibility of the Board of Directors. The Board of Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

DISCLOSURE OF INFORMATION TO AUDITORS

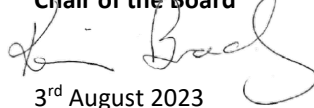
The Board of Directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditors are unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

The Report of the Board of Directors was approved on 3 August 2023 and signed on its behalf by:

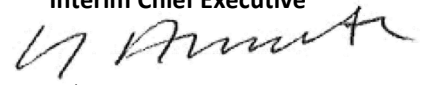
Stephen Wigley
Secretary


3rd August 2023

Kevin Brady
Chair of the Board


3rd August 2023

Yvonne Arrowsmith
Interim Chief Executive


3rd August 2023

STRATEGIC REPORT OF THE BOARD

Governance arrangements: RBH structure, the Board and its committees, the Mutual Governance Commission, Board remuneration and insurance

The structure of RBH

Since becoming a mutual on 26th June 2013 two bodies have been responsible for governance and strategic direction of the society. The first is the Representative Body, comprised of 15 elected tenant members, 8 elected employee members, and nominated Representatives from Tenant Management Organisations (TMO) in existence (none since 31st March 2023 when the last TMO ended). There are also 2 places reserved for our key partner Rochdale Borough Council.

The second is the Board of Directors, which consists of up of 10 Non-Executive Directors (including the Chair) and two Executive Directors (Chief Executive and the Director responsible for Finance). The size of the Board was increased following a rule change in February 2023 to broaden the skills base of our Board.

Since mutualisation the members of the Representative Body and the Non-Executive Director members of the Board are entitled to recover reasonable expenses incurred. On 30th March 2017 the Representative Body approved a decision to remunerate the Board Chair position commencing on the date of the 2017 Annual Members' Meeting and in December 2019 they approved remuneration for the Non-executive Directors effective from September 2019. The Representative Body are not remunerated.

Whilst the Board is legally responsible for the overall control of the affairs of the society, including the monitoring of the performance of all its functions and determination of resources to meet its financial and other obligations; the Representative Body is responsible for setting the strategic direction and actively monitoring performance of the Society; being custodian of our values; and representing members and the wider interests of the community by offering a strategic framework for the Board of Directors to operate within, and by holding the Board of Directors accountable against the delivery of the Corporate Strategy.

The Representatives and Board of Directors of the Society are set out on pages 3 to 6.

The Board

The Board of RBH is committed to the delivery of high-quality housing services to its customers. The membership of the Board of Directors is listed at the start of these financial statements. The Board has been entirely refreshed since December 2022 with a transition period through to May 2023 when the final members of the previous Board stood down.

On 3rd June 2015 the Board adopted the National Housing Federation 2015 Code of Governance, and subsequently adopted the National Housing Federations 2020 Code of Governance on 10 March 2021.

STRATEGIC REPORT – continued

The Board continued

The Boards' key responsibilities include:

- Protecting and promoting the mutual nature of the Society;
- Ensuring compliance with the objects, purposes, values, vision and corporate strategy of the Society;
- Approval of the Society's business plan;
- Ensuring the solvency and financial strength of the Society;
- Setting and maintaining a framework of delegation and internal control;
- Determination of resources to meet the Society's financial and other obligations; and
- Living the values of the society.

The Board of Directors met 10 times in 2022-23. There were three joint sessions with the Representative Body in June, October 2022, and March 2023.

In 2022/2023 the Board made the following critical decisions and/or scrutinised the following matters:

- Early in the financial year, approved the Business Plan, Subsidiary Business Plan, and Financial Strategy targets – however these are being revisited in light of the new Board's approach to asset investment and development;
- Approved and monitored delivery of a recovery plan which has been shared with the RSH to address the failures identified following the inquest which resulted in a downgrade to G3;
- Scrutinised the approach to discovery and remediation of damp and mould across the RBH estate;
- Approved investment in our homes of £18.9m including replacement of kitchens, bathrooms, boilers and central heating distribution, electrical upgrades, roofs, decarbonisation and various fire safety works (further significant investment has since been approved by the new Board);
- Approved the Treasury Strategy;
- Reviewed quarterly assurance on the seven areas of health and safety legal compliance;
- Approved new customer focussed KPIs for reporting in 2023-24;
- In response to events of November 2022, the Board also recommended a rule change that was subsequently approved by the Representative Body to increase the size of the Board and now allows Board to co-opt members directly to the Board for the first time.

Board committees

Three committees assisted the Board during the financial year: The Audit Committee, the Growth Committee and the People and Remuneration Committee. There is also a Mutual Governance Commission (see below for further detail) which is made up of the Chairs and Vice Chairs of the Board and Representative Body and the Secretary. A new Tenant Services Committee was added to the structure in May 2023 and is expected to first meet in September 2023. Audit Committee was reconfigured as Audit and Risk Committee, also in May 2023.

Audit Committee (now Audit and Risk Committee)

The Committee is responsible for ensuring proper arrangements exist for risk management and internal control. A key part of this is to agree a programme of internal audits for the RBH Group to ensure that internal controls management is aligned to key risks of the Society and drives both service improvement and increased efficiency.

The Committee also monitors the performance and effectiveness of the external audit function including their independence and objectivity. The Committee must have a minimum of 3 Non-Executive Directors members

STRATEGIC REPORT – continued

and up to 2 independent members with full voting rights. Executive Directors, the Chair of the Board, Representatives and Employees cannot serve on the committee.

The Audit Committee met 4 times in 2022-23, membership as below:

- Guy Millichamp (Chair up to September 2022)
- Paul Roberts (Chair with effect from 16 January 2023)
- Paul Joyce (Chair with effect from September 2022 to January 2023)
- Ruth Welford (Resigned 31 December 2022)
- Sharon Brown (Resigned 8 March 2022)
- Tony Saunders (with effect from 13 September 2022 to 17 November 2022).
- David Williams (with effect from September 2022 to 31 May 2023)
- Tim Weightman (co-optee) (with effect from 1 January 2023)
- Helen McHale (co-optee) (with effect from 1 January 2023, resigned 5 July 2023)

In 2022-23 it made the following critical decisions:

- Approved the insurance arrangements;
- Agreed the internal and external audit programme;
- Monitored the Voice of Tenant Dashboard;
- Monitored legal compliance with the seven key areas of Health and Safety; and
- The Committee conducted a series of risk challenges on key corporate risks from the risk register and satisfied itself there was sufficient controls and assurance in place across the Society.

The terms of reference for the committee were revised in May 2023 – the Committee has, as stated above, been reconfigured as Audit and Risk Committee.

Growth Committee

The Growth Committee was established in May 2018 to provide guidance and oversight of RBH's development and regeneration programme. The Committee met 3 times during 2022-2023. The future of this committee is being reviewed as part of wider governance changes and a final decision on this is expected to be made in August

Growth Committee members:

- David Williams (Chair with effect from 16 January 2023. Resigned 31st May 2023)
- Larry Gold (with effect from 16 January 2023)
- Guy Millichamp (resigned September 2022)
- Siobhan Ryder (Co-optee) (resigned November 2022)
- Mike Nuttall (Co-optee with effect from September 2022)
- Katherine Armitage (Co-optee appointed 6 June 2021)

In 2022-23, it made the following critical decisions:

- Monitored the development schemes and pipeline;
- Monitored the regeneration of central Rochdale including approving the acquisition of various sites;
- Approved the acquisition of various schemes and land purchases;
- Monitored and reviewed post scheme review information;
- Reviewed the future development programme and agreed that this should focus our impact on developing family homes and where possible larger houses; and
- Reviewed and monitored the delivery of the Sustainable Growth Delivery Plan.

STRATEGIC REPORT – continued

People and Remuneration Committee

The People and Remuneration Committee was established in April 2020 to consider strategic employee matters and make recommendations to the Board in respect of remuneration, variations to the authorised establishment and significant amendments to conditions of service. The Committee also have oversight of opportunity, diversity and inclusion of all organisational activities. The committee must have a minimum of 3 members of which a minimum of 2 must be Non-Executive Directors and up to 2 Independent Members with full voting rights. Executive Directors, the Chair of the Board, Representatives and Employees cannot serve on the committee.

The People and Remuneration Committee met 3 times in 2022-2023.

People and Remuneration Committee members:

- Paul Joyce (Chair) (Resigned May 2023)
- Paul Roberts (With effect from 16 January 2023)
- Mike Nuttall (Retired September 2022)
- Neil McInroy (Resigned January 2023)
- Cliff Mills (Independent Member)
- Harriet Killeen (Independent Member resigned January 2023)

In 2022-2023 it made the following critical decisions:

- Approved changes to employee terms, conditions and benefit structure; and
- Approved the annual Equality, Diversity and Inclusion Statement.

The Committee received regular updates on the delivery of the People Strategy, Equality and Diversity and activities and monitored the delivery of the Equality and Diversity Strategy, approved the pay review for 2023 as well as updates on employee absences and other HR matters. The Committee reviewed the Chief Executive and Executive Leadership Team contractual terms and conditions and made recommendations to the Board.

Mutual Governance Commission

The Commission consists of the Chairs and Deputy Chairs of the Board and Representative Body (Further detail on the Representative Body is set out below) and the Secretary.

The Mutual Governance Commission met 4 times in 2022-2023

Mutual Governance Commission members:

- Stephen Wigley (Chair and Secretary)
- Alison Tumilty (Board Chair up to 17 April 2023)
- Kevin Brady (Board Chair with effect from 18 April 2023)
- Paul Joyce (Board Deputy Chair up to 16 January 2023)
- Larry Gold (Board Deputy Chair with effect from 16 January 2023)
- Phillip Worthington (Representative Body Chair resigned March 2023)
- Alex Allen (Representative Body Chair with effect from 28 March 2023)
- Lynne Brosnan (Representative Body Vice Chair up to 31 March 2023)
- Andrew Johnson (Representative Body Vice Chair with effect from 25 May 2023)

STRATEGIC REPORT – continued

In 2022-23, it considered the following:

- The approach for the delivery of the Annual Effectiveness Review process;
- Monitoring of the actions arising from the Effectiveness Review;
- Approved the Board and Representative Body Induction and Training Programmes and monitored their delivery;
- Reviewed the approach to the annual Representative Body election process;
- Updates from the Regulator of Social Housing and Housing White Paper;
- Reviewed compliance against the National Housing Federation’s 2020 Code of Governance and monitored the action plan;
- Review of the Mutual Governance Excellence Framework for recommendation to the Board and Representative Body;
- Reviewed Non-Executive Director recruitment and re-appointments procedure;
- Discussed addressing diversity in RBH’s governance structure; and
- Developed actions for encouraging more members to attend Board and Representative Body meetings.

Remuneration

The Representative Body (see below) have determined that, together with the Board Chair, Non-Executive Directors, are to be remunerated and additionally are permitted to claim expenses in-line with the policy which is approved and reviewed annually by them. The Representative Body carried out a review of remuneration levels at its meeting in July 2022 using benchmarking data from other similar sized housing associations and agreed that a 3.1% increase should be applied to keep the remuneration levels consistent and proportionate to RBH’s size, complexity and in-line with sector norms. The Representative Body approved that the Board Chair would receive £11,625 per annum, with the figure being reviewed annually. The Non-Executive Directors receive £4,227 per annum, which is subject to an annual review. Full disclosure of Non-Executive Director remuneration is included in note 11.

Insurance

Insurance policies are in place, which indemnify Board members and employees against liability when acting for the Society. RBH has procured a new Directors’ and Officers’ Liability cover through the broker Gallagher, underwritten by Nexus after the withdrawal of the NHF cover. This cover provides an indemnity limit of £1M.

Governance arrangements: Membership, the Representative Body and its sub-groups

RBH Membership

RBH is a Mutual Society. Its members are separated into 2 constituencies: tenants and employees. Members have access to information, a voice in the Society and the opportunity to play a representative role in its governance. Membership figures for 2022/23 are set out below.

	<i>Start of year</i>		<i>End of year</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
<i>Tenant members</i>	5,104	36.9	4,805	34.9
<i>Employee members</i>	397	75.3	390	70.9

The Representative Body

The Representative Body forms part of RBH’s governance structure along with the Board and is the elected body which represents members and the wider community in RBH’s decision making process. The composition of the Representative Body is listed on page 5.

STRATEGIC REPORT – continued

The Representative Body met 9 times in 2022-23. The Representative Body also held four special meetings, one away day and held three joint sessions with the Board.

In 2022-23 it made the following critical decisions:

- Approved Rule changes which enabled the number of Non Executive Directors to increase from 6 to 10;
- Approved the appointment of new Board members;
- Approved the Community Investment Strategy;
- Approved the Engagement Strategy;
- Monitored the delivery of the Corporate Strategy;
- Reviewed the Voice of Tenant Dashboard;
- Reviewed and commented on the Sustainable Growth Delivery Plan;
- Approved the appointments of Non-Executive Directors;
- Approved changes to the remuneration of the Board Chair and Non-Executive Directors;
- Approved the annual report to Members to be presented at the Annual Members Meeting;
- Approved the Strategy, Policy and Service Standards timetable;
- Approved the budget spend of the Representative Body support and development budget; and
- Approved the Membership Strategy and monitored the delivery of the strategy.

The Representative Body also received updates on social value, cost of living, and made its appointments to the Nominations Committee to oversee the Non-Executive Director recruitment process for 2022 and 2023.

Representative Body Delegated Panel

The Delegated Panel had its first meeting on 16 February 2022 and members are appointed annually following the Annual Members Meeting. The Delegated Panel comprises of a maximum of 9 Representatives of whom: the majority must be tenant Representatives; at least three must be Employee Representatives; and one shall be the Chair of the Representative Body. Members may serve no more than six years consecutively before being ineligible for a period of two years.

The Delegated Panel may exercise all the powers of the Representative Body under the Rules [Rule 5.8.4] save for:

- (a) the approval of the Corporate Strategy under Rule 2.3.2(e); and
- (b) the appointment of any Non-Executive Director, including the Chair under Rule 2.3.2(b).

The Delegated Panel met four times during 2022-23 in between meeting of the Representative Body.

During the 2022-23 period, the Representative Body had a number of working groups and task and finish groups. All groups reported back to the Representative Body.

Membership and Communications Working Group

The Membership and Communications Working Group's membership is open to all Representatives but as a minimum should have 2 Employee and 2 Tenant Representatives present. The working group does not take decisions usually reserved for the Representative Body, instead, it progresses work between Representative Body meetings which is subsequently reported back to and decided on by the Representative Body.

Nominations Committee

The Nominations Committee consists of 4 Representatives and the Chair of the Board of Directors. The Committee (which is a sub-committee of the Representative Body with the Board Chair also being a member) supported the appointment processes for new Board members.

STRATEGIC REPORT – continued

Support and Development Working Group

The Support and Development Working Group's membership must be no less than 3 Representatives from the Tenant or Employee constituents. The group must have a minimum of 1 Tenant and 1 Employee Representative.

Management and employees

Executive Leadership Team

The members of the Executive Team are listed on page 6.

The Board's Non-Executive Directors have responsibility for the remuneration of the Executive Leadership Team and recommending the appointment of the Chief Executive to the Representative Body. Terms, conditions, and remuneration were reviewed by the People and Remuneration Committee as well as remuneration levels in 2022 as part of the Local Negotiations. Notice periods are three months for the Executive Leadership Team and six months for the Chief Executive.

The former Director of Growth is a member of the Greater Manchester Pension Fund, a defined benefit (final salary) pension scheme. The Directors of Finance and Resources and Customer and Communities are members of the Royal London Pension Scheme, which is a Defined Contribution Scheme. They participate in the scheme on the same terms as other employees and the Society contributes to the scheme on behalf of its employees.

Payments including pension contributions for the Executive Leadership Team members in the period to 31st March 2023 totalled £582k (2022: £546k).

Further details of the Executive Leadership Team members' remuneration packages are included in note 11 to the audited financial statements.

Employees

We have 530 employees who currently help RBH deliver quality housing and associated services to customers across the towns and villages of Rochdale.

It was a very challenging year for RBH and its people. We started the year working towards our Succeeding Together Strategy committed fully to enhancing our homes. However, the Inquest had a huge impact on each and every one of us. As set out in the CEO statement and the strategy section of this report, this has led us to reevaluate our priorities and review each and every working practice to assess whether it is the right thing to do. The ongoing media coverage has had a huge impact on all our employees often reading things about RBH that do not represent the company they work for. We are immeasurably proud of how well our people have embraced the need to change and are working tirelessly on our Recovery Plan calling out when they see something which needs to be improved.

As part of our recovery journey, we have created RBH Academy ensuring our full commitment to customer service excellence and inclusivity which are embedded from day one. We also focus heavily on creating an environment of change where employees are given power to make a change and call things out when they see something which isn't right.

We continue to drive a high performance, tenant and customer focused culture and we take colleague engagement very seriously and provide a number of ways for our colleagues to engage with both the Executive Leadership Team, Senior Leadership Team and each other. This includes regular interactive events with the Executive Leadership Team, live QA sessions, to discuss a range of topics with employees. The engagement has been positive. This year, we launched Our Voice, a monthly employee focus group. The sessions are a good indicator of colleague feelings, our culture, and allow live discussion about topics and give us reasons to feel proud. We have seen improvements made directly as a result of this group, including supporting

STRATEGIC REPORT – continued

colleagues with a one-off cost of living allowance, as well as pay rises reflective of the current economic backdrop.

We are determined to support the lowest paid people in our business and are proud to be accredited for our commitment to the real living wage. We have also become the first housing association and the first Rochdale based business to also gain the Living Hours Accreditation.

We have faced a different set of challenges, amid the most competitive recruitment market in a generation. We are focusing on resourcing; how we can recruit and retain the best talent while refining our employee value proposition and standing out among the crowd has never been more important.

We continue to strengthen our approach to performance development, ensuring managers can have meaningful and effective development, career and wellbeing discussions with colleagues to build their skills for the future. With the Social Housing White Paper focusing on performance standards, we will develop our own set of professional standards and behavioural framework to support our existing standards and enable the professional development of our colleagues, ensuring we continue to deliver our core priority 'Pride in Quality Homes and Good Services'.

Achievements:

- We have maintained our positive Pay Gap results. Male and female employees' median hourly rate is equal;
- 10 apprentices recruited directly from our communities;
- We have utilised 100% of our Levy Funding and secured additional funding through the levy matching scheme and managed to tap into over 100 days of free training with aspirational Learning & Development Plans for the Future;
- Continued improvement of employee engagement; and
- Reduced our time to fill a vacancy following a review of our recruitment practices.

Aspirations:

- To introduce a customer service charter;
- To introduce a graduate scheme aimed at retaining Rochdale's Talent;
- To reduce absence levels by 3 days per employee; and
- To introduce a full complement of employee focus groups giving power to employees to make a change.

STRATEGIC REPORT – continued

Operating Performance

Operating Performance in the period

Performance is reported to Board and the Representative Body throughout the year. In 2022/23 performance reporting was aligned to the Succeeding Together strategy. The key indicators in place during 2022/23 are summarised in the tables below. Revised KPIs are in place for 2023/24.

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
% of customers satisfied with the overall service provided by RBH (STAR survey)	85%	81%	

Overall customer satisfaction with services finished at 81% which is a drop of 4% over the year. Despite this drop, performance remains well above the Housemark median of 77% (79% 2022). In the sector generally, complexities around decency, housing quality and repairs service issues lie at the heart of this decline in satisfaction, fuelled by high profile campaigns to improve residents' awareness, we expect to see the continuation of lower sector-wide satisfaction levels in the short term.

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
Rent Loss from Empty Homes	1.3%	3%	
Controllable tenancy turnover (excludes terminations where tenant is deceased)	5%	4.7%	

Rent loss finished over target. Gross rent loss was 3% and net rent loss 1.8%. Factors that affected performance were:

- Rent loss due to regeneration activity (1.2% difference is mainly attributed to regeneration properties).
- Rent loss due to decision to keep homes empty for customers moving from one independent living scheme which has been decommissioned.
- An increase in transfer cases to address complaints of damp and mould.
- Increased time for completion of empty homes and capital works due to resource and stock issues.
- Volume of properties requiring significant investment; 378 homes (65%) this year have been major voids with only 207 (35%) requiring only minor works.

A new Empty Homes Standard has recently been approved. As part of the new standard, target days for the completion of the main stages/components of the empty homes has been implemented to improve performance. For example, a kitchen is to be completed within 5 days, a bathroom 3 days. We have also set key to key targets (from point a tenancy has ended to the point the next tenancy starts) of 18 days for a minor void and 45 days for a major void. These are both calendar days.

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
% of repair appointments made that are kept	97.5%	96.5%	
% of repair jobs that are completed right first time	98.5%	97.7%	

In terms of repairs appointments made and kept, our overall performance for the year was 96.5%. Performance was below target with the majority of failed appointments being morning appointments spilling into afternoon

STRATEGIC REPORT – continued

but still being completed on the same day. Other failures can be attributed to system failures preventing appointments being completed in real time within the operating system.

Repairs Right First Time - the majority of failures which could not be completed on first visit is due to material requirements that are not stock items such as replacement glazing units. ‘Right First Time’ performance improved slightly on the previous year, despite the challenges of obtaining materials over the year. Data continues to be analysed to better understand performance so that there is continuous improvement of services.

A full review of the repairs service was started in December, the recommendations from the review will form the basis of a transformation programme for the service in 2023/2024.

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
Tenant Satisfaction with Home	73%	67%	

In terms of tenant satisfaction with home, there was a small upturn in satisfaction at year-end but trend over the year has been downward. This is in line with what other RPs have seen. Damp and mould was the top reason for dissatisfaction (31%) followed by awaiting/needing investment (19%) and heating issues (18%).

Over the course of the year, there was a significant increase in the number of repairs received in respect of damp and mould following the tragic death of Awaab Ishak in his RBH home, the Coroner’s report linking his death into long term exposure to damp and mould. As a result, RBH began a proactive approach to identifying and treating damp and mould across our stock. The principle aim of our approach was to identify and treat as quickly as we could. A damp and mould taskforce was set up in response to concerns in respect of high levels of damp and mould being found in our homes. The volume of requests coming in were very high and the ability to carry out the treatments inhouse was demanding. The proactive approach also included actively looking for damp and mould on every visit to a property. Repairs and other visiting staff members were provided with online training to identify mould and were required to complete a damp and mould visual check on every visit.

A three-month review concluded that the evolving approach to identifying damp and mould was successful. Tenants did come forward to report and the proactive visits continued to identify more cases. Within 3 months we had carried out damp and mould checks on 5,500 homes, leading to requests for technical inspection in 2,246 homes.

This approach will continue, with frequent reminders communicated to tenants to report any damp and mould they have in their properties. A 100% Stock Condition Survey being carried out will pick up any other homes with damp and mould so that by the end of 2023 there will be a complete picture of our properties in terms of their condition.

In getting treatment carried out in timescale we have faced 2 specific challenges; the workforce required to carry out the work is not available, and the supply chain of quality contractors is also insufficient to meet the demand. The levels of damp and mould and need for treatments could not have been anticipated at the start of the programme, but even if it had been, it is unlikely we could have mobilised the size of team needed to carry out a significant level of works. The second issue has been access, we have faced significant access issues into homes to get treatments carried out. There are a number of reasons for this, however, we had no way of gaining entry without a lengthy legal process.

It is too early to see if the treatment is successful in eradicating the mould, early indications are that the treatment eliminates the mould on treatment, we have only had 3% of cases reporting mould return, all of these are then inspected to identify any root cause. We have a programme to check at 6 months and our approach will continue to evolve over the coming year.

STRATEGIC REPORT – continued

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
Controllable tenancy turnover (excludes terminations where tenant is deceased)	5%	4.7%	

The new patch-based neighbourhood patch management service continues to give better visibility of movement within neighbourhoods with a focus on reducing terminations. Reasons for terminations are examined every quarter with a view to understanding whether any terminations could have been prevented. The majority of termination reasons over the year have been due to deaths but we have also seen an increase in the number of abandoned tenancies which is not unusual given the social and economic problems being experienced by customers during the cost-of-living crisis.

Employee absence through sickness in 2022-23 averaged 12 days per employee, against a target of 9 days. Sickness was high in October at 12.4 days with the top 3 reasons for absence being mental health, Covid and musculoskeletal issues. Two thirds of absences are long term.

SUCCEEDING TOGETHER KPI DASHBOARD - QTR 4 2022/23	2022/23 Target	2022/23 Actual	Status
Rent Arrears of Current Tenants	4.5%	4.9%	

Rent income services have continued to face a particularly challenging year with customers on the lowest incomes struggling with the cost-of-living crisis. Despite these challenges, we have continued to focus on supporting customers to pay their rent and maximise their income. A new arrears process and system were introduced in the year and work to clear the backlog of legal cases was delivered.

With additional investment into our Money Advice Service, we have been able to support 1,270 customers (an increase of 1.3% from the previous year). As a result of our interventions, there were additional gains and savings of £2.6m for customers and for RBH. Furthermore, the Tenancy Sustainment team supported 252 people helping to access additional income of £112,533.

The year-end rent arrears performance was 4.9% which is above the target of 4.5% but an improvement on the previous year. A strong performance in rent collection was maintained (101%) despite the challenges over the year which was the same as the previous year.

SUCCEEDING TOGETHER KPI DASHBOARD - 2022/23	2022/23 Target	2022/23 Actual	Status
% of tenants who are RBH members (Target is for year-end)	39%	35%	
% of employees who are RBH members (Target is for year-end)	79%	71%	

Both employee and tenant membership has been on a downward trend for 2022/23, although numbers have stayed static for employees since November 2022 which could be attributed to a greater emphasis on meaningful employee inductions. Due to changes in Neighbourhood services, and the significant work to improve general tenant engagement following the inquest, membership is currently not offered at sign up. However, there are plans to increase member input at a local estate level, which will hopefully see numbers increase over the coming year. This will be coupled with a review of the Membership Strategy.

STRATEGIC REPORT – continued

Key:

Red = outside target

Amber = within tolerance level, close to the target

Green = within target.

Sustainability and Zero Carbon

RBH recognise that tackling the climate emergency is one of the greatest challenges facing us in current times. We are committed to helping achieve the Greater Manchester carbon neutrality targets by 2038, making our communities greener and climate resilient and reducing the impact our operations have on the environment. We recognise we cannot do this alone and are actively building and strengthening partnerships with stakeholders, customers, and peers to work towards a low carbon future. Some headlines for 2022-23 include:

- RBH achieved silver standard in our latest annual SHIFT sustainability assessment. SHIFT is an external audit specifically for the social housing sector that assesses environmental impact across 21 criteria. The assessment was undertaken in August 2022 for the 2021-22 reporting period. Our overall score was an 18% improvement on the previous year's Bronze rating and provides a great environmental benchmark to build upon.
- RBH monitor, calculate and report our carbon footprint annually through SHIFT and SECR. We understand the sources of scope 1 and 2 emissions directly associated with our operations and scope 3 emissions from our homes and supply chains. We achieved a 6% reduction in our carbon footprint in 2021-22.
- 82.75% of our homes are energy performance rated C or above. Most of our homes not currently reaching EPC C are EPC D rated (17.09%). We are developing plans to ensure all homes are EPC C, as a minimum, by 2030.

Work undertaken to achieve this has included the following projects:

- Decarbonisation demonstrators are underway on some of our harder-to-treat properties. Utilising Social Housing Decarbonisation Funding (SHDF) we are undertaking whole-house fabric first retrofit works to improve the energy efficiency and thermal comfort of our homes, reducing carbon and helping to tackle fuel poverty. Retrofit measures are being installed to PAS 2035 standard and monitored to inform future works and impacts from a tenant's perspective.
- Carbon Literacy training is being rolled out to all employees across the organisation, to provide staff with a knowledge and understanding of climate change impacts and action they can take both inside and outside of work. Currently 34% of employees have undertaken carbon literacy training.
- A new Empty Homes Standard has been adopted, incorporating a target that all properties achieve EPC C prior to re-let, where possible.
- An RBH Sustainability Champions group has been established, comprised of 15 members, 8 employee and 7 tenants, who meet quarterly to develop and progress climate actions within their teams and local communities.
- A loft and cavity wall insulation programme is underway, targeting properties with low levels of loft insulation, and as built cavity walls. Where we are unable to evidence cavity wall insulation, a borescope survey is being used to improve asset records.
- Sustainable procurement is being embedded into our tender processes, with a 5-10% weighting given to demonstrating how our supply chains are reducing their impact on the environment and can help deliver further savings through the projects they deliver on our behalf.

STRATEGIC REPORT – continued

Financial Review of the year

Financial Results for the year ended 31 March 2023

The RBH Group financial result for the year ended 31st March 2023 was an operating surplus of £5.1m. This figure reflects the impact of accounting for retirement benefits in accordance with Financial Reporting Standard (FRS) 102. The operating surplus would be £7.6m were these items not applied.

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Operating Surplus pre-FRS 102 pensions adjustment	7,649	10,873	7,736	11,000
Less:				
FRS 102 pension charges	(2,522)	(2,828)	(2,522)	(2,828)
Adjusted Operating Surplus	5,127	8,045	5,214	8,172

The Group operating surplus of £7.6m (before FRS 102 pension adjustments) is an adverse variation of £2M against the original budget. The adjusted operating surplus of £5.1m is a reduction from last year’s surplus of £8m.

This variance to budget is made up of: responsive repairs and empty homes of (£2.9m) due to a mix of increased volumes and prices and increased works on both mould and damp remedial works and empty homes programmes, reduced intercompany income of (£0.7m) due to delays to the development programme, and an underspend on Fire Safety Works of (£1.4m) which has now been rephased into the new financial year.

The rephasing of works was due to a combination of complex procurement specifications and contractor availability. Income from sale of assets was also £0.6m more than budgeted. Other additional expenses relate to the impact of the inquest, including additional damp and mould works and visits, and a one-off cost of living allowance paid to all employees.

Capital spend is £18m less than budgeted, £13m of which relates to the delays to the development programme related to both planning issues and restrictions on grant funding. The balance relates to delays in the Regeneration Programme and Investment Programme works which have now been rephased into the new financial year. The full statement of financial position is shown on page 54.

Financial Measures

In line with The Charter for Social Housing Residents, RBH’s performance in relation to the three financial measures of administrative costs and executive remuneration are as follows:

Theme	Measures	£
Executive Remuneration	Chief Executive salary per property	13.07
	Executive Remuneration per property	46.96
Efficiency and Effectiveness	Management costs per property	1,350

Pension costs

From the 1 January 2017 new employees were not admitted to the GMPF. New employees were admitted to the Royal London pension scheme which is a Defined Contribution Scheme. This is a qualifying pension scheme, which means it meets or exceeds the government’s standards.

RBH has Admitted Body Status in the Local Government Pension Scheme (LGPS), a defined benefit final salary pension scheme. The LGPS is a multi-employer scheme with more than one participating employer. The scheme

STRATEGIC REPORT – continued

is administered by Greater Manchester Pension Fund (GMPF). RBH contributed to the scheme on behalf of its members. In order to cover the liability in relation to employees joining since Transfer, a bond is in place with RBH's bankers.

The scheme complies with the relevant provisions of the Pension Schemes Act 1993, the Pensions Act 1995, the Pensions Act 2004 and the Pensions Act 2008. In addition, RBH has 2 employees who are not on RBH's terms and conditions and therefore we also operate the NEST scheme for these employees.

Capital Structure and Treasury Policy

The control of Treasury Management at RBH has three constituent parts: policy, strategy and procedures. Responsibility for the implementation and monitoring of the Treasury Management Manual rests with the Director of Finance & Resources with overview by the Board. The Treasury Strategy is reviewed annually in line with the Business Plan with an additional review halfway through the year.

The loan facility as at the 31 March 2023 is £76m with £46m having been drawn down. £2.2m of this relates to former Brighter Horizons homes and £0.5m to the undrawn overdraft facility. This is detailed in note 19, 20 and 31. These loans are all on a fixed rate and covenant compliant in year. RBH are not expecting covenant breaches in the future.

RBH refinanced in 2021-22 and achieved more favourable rates and terms- which achieved good value for money.

Financial Risk Management Objectives and Policies

Credit Risk

Income generated through rent and other charges is vital to the ability to deliver the priorities within our Succeeding Together Strategy and Recovery Plan. RBH is committed to arrears prevention by working with members to promote a rent payment culture. The Rent and Payments Team works closely with the RBH teams and other agencies to help customers to sustain their tenancies. The cost-of-living crisis has impacted and will continue to impact tenants' ability to pay rents into the future.

Counterparty Risk

Surpluses are invested in approved UK institutions, which fall within the scope of the Treasury Policy. Cash balances at the year-end were invested with NatWest Bank, the Public Sector Deposit Fund (CCLA) and Aberdeen Standard Investments (ASI) Limited.

Interest Rate Risk

In respect of borrowings RBH seeks to minimise risk by ensuring that its borrowings contain a balanced mix of fixed and variable interest rate structures where possible with target for fixed debt meeting a minimum of 60%. At the year-end all debt was at a fixed rate under the loan facilities.

High interest rates have also generated high levels of interest receivable on high cash surpluses reducing the net interest payable in-year.

Liquidity Risk

RBH has a cash balance of £36m (2022: £39m) at the year-end. The cash balance has only decreased slightly in the year, due to increases in costs to services and delays in development programme. Cash surpluses are expected to decrease significantly as investment into existing homes accelerates in 2023/24 however £30m in undrawn funds and £500K overdraft remain available to RBH.

STRATEGIC REPORT – continued

This provides sufficient funds for at least the next 18 months from the date of signing these financial statements.

Currency Risk

RBH borrows only in sterling and so does not have any currency risk.

Business Plan

RBH produce an annual 30-year plan which requires the approval of the Board and is sent to our funders Danske Bank, MORhomes and Santander for information. The 2023-24 Business Plan will form our Financial Forecast Return to the RSH in 2023.

The 2023-24 Business Plan reflects the significant investment in the Rochdale Town Centre Regeneration, fire safety works and decarbonisation in addition to the scheduled investment and development programme. Priorities will be reviewed to support the delivery of the RBH recovery plan in-year.

Donations

A gift-aid donation relating to the financial year 2022-2023 from RBH (D&B) Ltd to RBH totalling £20,000, is intended to be paid later in the year 2023-24.

STRATEGIC REPORT – continued

Going Concern

The RBH Board made its assessment of going concern in August 2023 and confirmed this at the date of signing. The Business Plan has been validated by external Treasury Advisors Chatham Financial and is considered robust. All funders' covenants are compliant, and refinance is expected in year 3. The plan is expected to be revised later in the year as the recovery plan develops.

Stress testing is linked closely with our Strategic and Operational Risk Registers and the RSH Sector Risk profile. Scenarios were agreed by the Board. Testing demonstrates scenarios could be brought back to the plan's original parameters with mitigations. There were 4 scenarios where mitigations were considered more extreme. The stress testing specifically visits higher increases in costs especially related to asset management, development, and repairs. The stress testing focussed on indicators such as funding covenants, cash, peak debt, security, cost per unit and profit. Further stress testing will be carried out as part of the revision of the plan.

The approved Business Plan benefits from a high level of headroom of opening cash balances of £26m (actual £36m) and £30m undrawn against its current facility and is now expected to require more funding at year 3. This sits comfortably outside of the 18-month liquidity best practice. Cashflows is being monitored, and further funding revisited at our next Treasury Strategy update in August 2023.

Gearing is low at year 1 14.43%, year 2 21.47% and year 3 23.39% therefore capacity to borrow is relatively high with a maximum capacity of £193m borrowings at year 3 against a funding need of £84m.

The going concern assessment also includes a particular focus on:

- Rent collection and bad debt provision
- Property valuation and impairment
- Pension valuation
- Properties for sale
- Properties under construction
- Impact of the inquest and downgrade

Going Concern has also been evaluated against the backdrop of a current uncertain economic climate due to the Ukraine/Russian War and Cost of Living Crisis affecting inflation, interest rates, energy and fuel price increases. Stress testing has been prepared against these risk factors and confirm Going Concern. This continues to be monitored over time.

After due consideration, the Board is confident that RBH has sufficient resources to continue to operate into the foreseeable future and it has therefore prepared these financial statements on a going concern basis.

STRATEGIC REPORT- continued

Principal Risks and Uncertainties

Since November 2022 RBH has experienced significant changes to its priorities, leadership, and Board. These changes have come about following the Inquest, and the findings in the Coroner’s report.

In January 2023 RBH’s strategic risk register was reviewed and overhauled to ensure it accurately reflected the organisation’s most significant risks, this work has continued on an ongoing basis. As a part of the RBH recovery plan, the organisation’s risk reporting processes were reviewed and changed to be as effective as possible in providing the Audit Committee (now Audit and Risk Committee) and Board with adequate information to scrutinise the identified risks, and our approach to mitigating them.

The changes to risk management are still being embedded and work is ongoing to build a robust system of risk identification that identifies risks in all areas of the organisation. The RBH Recovery Plan has a number of actions that contribute to the mitigation of risks.

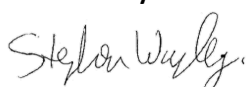
The risks in the table below are the most significant risks to the organisation, that are included in the strategic risk register as at early July 2023. Each of these risks has a plan to mitigate them further.

Risk	Inherent	Residual
Lack of data governance discipline leading to poor data quality and lack of data integrity	25	16
Multiple systems combined with a lack of system interface leads to duplication or omission	25	16
Non-compliance with Building safety, H&S, legal and or regulatory compliance: Fire, Gas, EICR, Asbestos, Water, Lifts and Damp and Mould	25	20
Breach of loan covenant	20	16
RBH is unable to find a long term sustainable and financially viable solution for College Bank that benefits tenants, Rochdale residents & RBH	25	16
Harm to residents due to prolonged exposure to damp & mould, and unknown condition of properties	25	12
Further regulatory action e.g. the regulator loses confidence in RBH's commitment or ability to deliver the recovery plan and uses its enforcement powers	25	12
We do not regain investor partner status with Homes England	20	12
Cyber security attack resulting in major business interruption	15	12
Service Resilience - retention of staff, ability to choose contractors, involve suppliers	16	12
Rising inflation and interest rates	16	16

The Board confirms that the form and content of this strategic report has been prepared in accordance with the 2018 SORP for Registered Social Housing Providers.

The Strategic Report was approved by the Board on 3 August 2023, and signed on its behalf by:

Stephen Wigley
Secretary



3rd August 2023

Kevin Brady
Chair of the Board



3rd August 2023

Yvonne Arrowsmith
Interim Chief Executive



3rd August 2023

INDEPENDENT AUDITOR'S REPORT TO ROCHDALE BOROUGHWIDE HOUSING LIMITED FOR THE YEAR ENDED 31 March 2023

Opinion

We have audited the financial statements of Rochdale Boroughwide Housing Limited ("the Association") and its subsidiary ("the Group") for the year ended 31 March 2023 which comprise the Consolidated and Association Statement of Comprehensive Income, Consolidated and Association Statement of Financial Position, Consolidated and Association Statement of Changes in Reserves, Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in Note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Association's affairs as at 31 March 2023 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

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

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or

INDEPENDENT AUDITOR'S REPORT TO ROCHDALE BOROUGHWIDE HOUSING LIMITED FOR THE YEAR ENDED 31 March 2023- continued

our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on Which We Are Required to Report by Exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of the Board's Responsibilities in respect of the accounts set out on page 32, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial statements

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

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

Extent to Which the Audit Was Considered Capable of Detecting Irregularities, Including Fraud

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

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

INDEPENDENT AUDITOR'S REPORT TO ROCHDALE BOROUGHWIDE HOUSING LIMITED FOR THE YEAR ENDED 31 March 2023- continued

- We obtained an understanding of laws, regulations and guidance that affect the Group and Association, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Co-operative and Community Benefit Societies Act 2014, the NHF Code of Governance 2020, the Regulatory Standards, the Statement of Recommended Practice for registered housing providers: Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, tax legislation, health and safety legislation, and employment legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed the controls the Board have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board have in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: laws related to the construction and provision of social housing recognising the regulated nature of the Group's activities.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

Use of Our Report

This report is made solely to the 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.

Beever and Struthers

Beever and Struthers - Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 11 September 2023

CONSOLIDATED AND ASSOCIATION STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

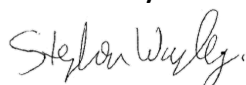
	Note	RBH Group		RBH Limited	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Turnover	2	57,288	57,080	57,370	57,202
Operating expenditure	2	(56,693)	(53,431)	(56,688)	(53,426)
Surplus on sale of fixed assets	6	4,532	4,396	4,532	4,396
Operating surplus		5,127	8,045	5,214	8,172
Interest receivable	7	775	29	775	29
Interest payable and similar charges	8	(1,321)	(4,404)	(1,321)	(4,404)
Other finance cost	9	(98)	(255)	(98)	(255)
Surplus before taxation	5	4,483	3,415	4,570	3,542
Taxation on surplus on ordinary activities	13	-	-	-	-
Surplus for the financial year		4,483	3,415	4,570	3,542
Actuarial gains on defined benefit pension scheme	12	8,320	10,780	8,320	10,780
Total comprehensive income for the year		12,803	14,195	12,890	14,322

All amounts relate to continuing activities.

The notes on pages 58 to 87 form part of these financial statements.

The financial statements on pages 53 to 87 were approved and authorised for issue by the Board on 3 August 2023 and signed on its behalf by:

Stephen Wigley
Secretary



3rd August 2023

Kevin Brady
Chair of the Board



3rd August 2023

Yvonne Arrowsmith
Interim Chief Executive



3rd August 2023

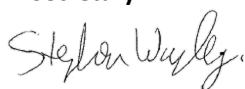
Rochdale Boroughwide Housing Limited
Report and Financial Statements
For the year ended 31 March 2023

CONSOLIDATED AND ASSOCIATION STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	RBH Group		RBH Limited	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets - housing properties	14a, b	182,831	172,573	184,106	173,712
Tangible fixed assets- other	14c	4,602	4,242	4,602	4,242
Investment assets	25	268	268	268	268
Total tangible fixed assets		187,701	177,083	188,976	178,222
Current assets					
Stock	17	447	337	447	337
Debtors: received within one year	18	20,854	17,660	19,985	16,271
Debtors: due in more than one year	18	25,582	43,800	25,582	43,800
Cash at bank and in hand		35,847	39,100	35,769	39,002
Total Current assets		82,730	100,897	81,783	99,410
Creditors: amounts falling due within one year	19	(28,444)	(24,712)	(27,509)	(23,189)
Net current assets		54,286	76,185	54,274	76,221
Total assets less current liabilities		241,987	253,268	243,250	254,443
Creditors: amounts falling due after more than one year	20	(64,801)	(64,967)	(64,801)	(64,966)
Refurbishment provision	23	(25,582)	(43,800)	(25,582)	(43,800)
Pension asset/(liability)	12	2,091	(3,609)	2,091	(3,609)
Net assets		153,695	140,892	154,958	142,068
Capital and reserves					
Pension reserve	12	2,091	(3,609)	2,091	(3,609)
Income and expenditure reserve		151,604	144,501	152,867	145,677
		153,695	140,892	154,958	142,068

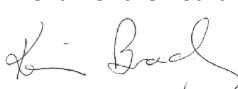
The notes on pages 58 to 87 form part of these financial statements. The financial statements on pages 53 to 87 were approved and authorised for issue by the Board on 3 August 2023 and signed on its behalf by:

Stephen Wigley
Secretary



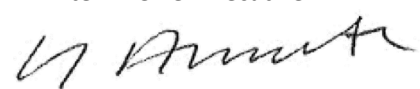
3rd August 2023

Kevin Brady
Chair of the Board



3rd August 2023

Yvonne Arrowsmith
Interim Chief Executive



3rd August 2023

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2023

Group	Income and Expenditure Reserve	Pension Reserve	Designated Reserve	Total
	£'000	£'000	£'000	£'000
At 31 March 2022	144,525	(3,609)	(24)	140,892
Surplus for the year	4,483	-	-	4,483
Actuarial gain relating to pension scheme (Note 12)	-	8,320	-	8,320
Other comprehensive income for the year	-	8,320	-	8,320
Transfer from Pension Reserve	2,620	(2,620)	-	-
At 31 March 2023	151,628	2,091	(24)	153,695

Group	Income and Expenditure Reserve	Pension Reserve	Designated Reserve	Total
	£'000	£'000	£'000	£'000
At 31 March 2021	138,027	(11,306)	(24)	126,697
Surplus for the year	3,415	-	-	3,415
Actuarial gain relating to pension scheme (Note 12)	-	10,780	-	10,780
Other comprehensive income for the year	-	10,780	-	10,780
Transfer from Pension Reserve	3,083	(3,083)	-	-
At 31 March 2022	144,525	(3,609)	(24)	140,892

The notes on pages 58 to 87 form part of these financial statements.

ASSOCIATION STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 MARCH 2023

RBH Limited	Income and Expenditure Reserve	Pension Reserve	Designated Reserve	Total
	£'000	£'000	£'000	£'000
At 31 March 2022	145,701	(3,609)	(24)	142,068
Surplus for the year	4,570	-	-	4,570
Actuarial gain relating to pension scheme (Note 12)	-	8,320	-	8,320
Other comprehensive income for the year	-	8,320	-	8,320
Transfer from Pension Reserve	2,620	(2,620)	-	-
At 31 March 2023	152,891	2,091	(24)	154,958

RBH Limited	Income and Expenditure Reserve	Pension Reserve	Designated Reserve	Total
	£'000	£'000	£'000	£'000
At 31 March 2021	139,076	(11,306)	(24)	127,746
Surplus for the year	3,542	-	-	3,542
Actuarial gain relating to pension scheme (Note 12)	-	10,780	-	10,780
Other comprehensive income for the year	-	10,780	-	10,780
Transfer from Pension Reserve	3,083	(3,083)	-	-
At 31 March 2022	145,701	(3,609)	(24)	142,068

The notes on pages 58 to 87 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	RBH Group	
		2023 £'000	2022 £'000
Cash flows from operating activities			
Surplus for the financial year		4,483	3,415
<i>Adjustments for:</i>			
Surplus on the sale of fixed assets	6	(4,532)	(4,396)
Depreciation of housing properties	5	5,174	4,813
Depreciation of other fixed assets	5	919	619
Impairment	3	1,172	922
Amortisation of government grant	21	(159)	(206)
(Increase) /decrease in stocks		(110)	227
Decrease in debtors		15,024	8,806
Decrease in creditors and provisions		(18,260)	(9,627)
Pension costs less contribution payable		2,522	2,828
Interest receivable	7	(775)	(29)
Interest payable and other finance costs	8,9	1,419	4,659
Net cash generated from operating activities		6,877	12,031
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,572)	(21,705)
Proceeds from sale of tangible fixed assets		5,991	5,585
Grant received	21,22	711	2,420
Interest received	7	775	29
Investment assets		-	(268)
Net cash used in investing activities		(8,095)	(13,939)
Cash flows from financing activities			
Interest paid		(1,274)	(4,353)
New loans		-	68,938
Repayment of loans		(761)	(65,066)
Net cash used in financing activities		(2,035)	(481)
Net decrease in cash and cash equivalents		(3,253)	(2,389)
Cash and cash equivalents at beginning of the year		39,100	41,489
Cash and cash equivalents at end of the year		35,847	39,100

The notes on pages 58 to 87 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Principal Accounting Policies

Legal Status

RBH Limited is incorporated in England under the Cooperative and Community Benefit Societies Act 2014. It is registered with the Financial Conduct Authority and with the Regulator for Social Housing as a Registered Provider of social housing. The registered office is Unique Enterprise Centre, Belfield Road, Rochdale, OL16 2UP.

Basis of Accounting

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for Rochdale Boroughwide Housing (RBH) includes the Cooperative and Community Benefit Societies Act 2014 (and related group accounts regulations); the Housing and Regeneration Act 2008; FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland"; the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018; and, the Accounting Direction for Private Registered Providers of Social Housing 2022.

The accounts are prepared under the historic cost and going concern basis as specified in the accounting policies below. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Going Concern

The RBH Board made its assessment of going concern in July 2023 and confirmed this at the date of signing. The Business Plan has been validated by external Treasury Advisors Chatham Financial and is considered robust. All funders covenants are compliant and refinance is expected in year 3. The plan is expected to be revised later in the year as the recovery plan develops.

Stress testing is linked closely with our Strategic and Operational Risk Registers and the RSH Sector Risk profile. Scenarios were agreed by the Board. Testing demonstrates scenarios could be brought back to the plans original parameters with mitigations. There were 4 scenarios where mitigations were considered more extreme. The stress testing specifically visits higher increases in costs especially related to asset management, development, and repairs. The stress testing focussed on indicators such as funding covenants, cash, peak debt, security, cost per unit and profit. Further stress testing will be carried out as part of the revision of the plan.

The approved Business Plan benefits from a high level of headroom of opening cash balances of £26m (actual opening cash ended up being £36m mainly due to delays in the development programme) and £30m undrawn against its current facility and is now expected to require more funding at year 3. This sits comfortably outside of the 18-month liquidity best practice. Cashflows will be monitored, and further funding revisited at our next Treasury Strategy update in July 2023.

Gearing is low at year 1 14.43%, year 2 21.47% and year 3 23.39% therefore capacity to borrow is relatively high with a maximum capacity of £193m borrowings at year 3 against a funding need of £84m.

The going concern assessment also includes a particular focus on:

- Rent collection and bad debt provision
- Property valuation and impairment
- Pension valuation

1 Principal Accounting Policies- continued

Going Concern- continued

- Properties for sale
- Properties under construction
- Impact of the inquest and downgrade

Going Concern has also been evaluated against the backdrop of a current uncertain economic climate due to the Ukraine/Russian War and Cost of Living Crisis affecting inflation, interest rates, energy and fuel price increases. Stress testing has been prepared against these risk factors and confirm Going Concern. This continues to be monitored over time.

After due consideration, the Board is confident that RBH has sufficient resources to continue to operate into the foreseeable future and it has therefore prepared these financial statements on a going concern basis.

Parent Company Disclosure Exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No statement of cash flows has been presented for the parent company; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Basis of Consolidation

The financial statements are group statements and have been prepared by consolidating the results of the subsidiary undertakings within the RBH Group. Intercompany transactions and balances between group companies are therefore eliminated in full. All financial statements are made up to 31 March 2023.

Turnover

Turnover comprises rental income receivable in the year, and other services included at the invoiced value (excluding VAT) of goods and services supplied in the year; revenue grants receivable in the year, amortisation of social housing and other grants, proceeds from the sale of land and property, including first tranche sale of shared ownership properties and other income from operating activities.

Rental income is recognised from the point when properties under development reach practical completion and are formally let.

Income from the sales of properties is recognised at the point of legal completion of the sale.

Income from first tranche sales of shared ownership property and sales of properties built for sale is recognised at the point of legal completion of the sale.

Value Added Tax

The majority of group turnover relates to rental income, which is exempt from VAT, however a small proportion of income is subject to VAT, and this gives rise to small amount of VAT recovery.

The majority of RBH expenditure is subject to VAT and will be shown gross where such VAT is not recoverable from HMRC.

In relation to the VAT Shelter, a provision has been created which represents RBH's obligation to carry out refurbishment works which is set out in the Works Agreement with Rochdale Council. This will be written down as work to housing properties is actually undertaken. There is a corresponding long-term debtor recognised on the statement of financial position which is written down in line with the provision.

1 Principal Accounting Policies continued

Pensions

RBH is an admitted body within the Greater Manchester Pension Fund (GMPF), a funded multi-employer defined benefit scheme. Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates.

The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the group.

The current service cost and costs from settlements and curtailments are charged against operating profit.

Past service costs are recognised as the benefits accrue. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Actuarial gains and losses are reported in the statement of comprehensive income.

From the 1 January 2017 RBH also has a defined contribution scheme which is administered by Royal London. Following the closure of the scheme to new entrants, RBH procured Royal London to provide its alternative Defined Contribution scheme. All new employees and those being auto-enrolled, now go into this scheme, which currently has 205 members. In addition, RBH has 2 employees who are not on RBH's terms and conditions and therefore we also operate the NEST scheme for these employees.

Fixed Assets and Depreciation

Housing Properties

The cost of housing land and property includes the cost of acquiring land and buildings, development costs, directly attributable administration costs and expenditure incurred in respect of improvements which comprise the modernisation and extension of existing properties.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income. There is a de-minimis limit for capitalisation of £2,000.

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in the first tranche, are included in tangible fixed assets- housing properties and held at cost less any impairment, and are transferred to completed properties when ready for letting.

When housing properties are developed for sale to another social landlord, the cost is dealt with in current assets under housing properties and stock for sale.

Gains and losses on disposals of housing properties are determined by comparing the proceeds with the carrying amount and incidental costs of sales and recognised within gain/loss on disposal of fixed assets in the statement of comprehensive income.

Where land has been acquired for regeneration, on completion of ownership, the land will be held under Other Assets -Land until such time its future use is confirmed. The carrying value is assessed for impairment each year in line with FRS102.

Capitalised interest

Finance costs are not capitalised. This is in accordance with RBH's Capitalisation Policy.

Development Costs

Development costs are capitalised as a fee percentage on works costs.

1 Principal Accounting Policies- continued

Fixed Assets and Depreciation- continued

Regeneration Costs

For the purposes of the accounts, revenue Regeneration spend will be classified as ‘Social Other’ activity. This reflects costs associated with the Regeneration Programme of Rochdale Town Centre and is not considered directly attributable to the cost of social lettings.

Donated Land

Land donated by local authorities and others is added to cost at the market value of the land at the time of donation. Where the donation is from a public body the difference between the value and cost is added to other grants, otherwise it is treated as income. Assets under construction are stated at cost and transferred to completed properties when ready for letting.

General repairs

All other expenditure incurred in respect of general repairs to the housing stock will be charged to the statement of comprehensive income in the year it is incurred.

Depreciation

Housing land and property is split between land, structure and other major components that are expected to require replacement over time with substantially different economic lives.

Land is not depreciated on account of its indefinite useful economic life.

The portion of shared ownership property retained or expected to be retained is not depreciated on account of the high residual value. Neither the depreciable amount nor the expected annual depreciation charge for such assets is considered material, individually or in aggregate.

Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic life on a straight-line basis as follows:

Depreciation Rates

Component	Depreciation Period
Buildings (General)	100 years
Cladding	60 years
Roofs	50 years
Windows	40 years
Doors	40 years
Bathrooms	30 years
Lifts	30 years
Central heating distribution systems	30 years
Other heating systems	30 years
Rewires	30 years
Renewable energy	25 years
Kitchens	20 years
Boiler	15 years
Alarm systems	15 years

Depreciation begins from the month following installation, and a full months’ depreciation will be charged in the month of disposal.

1 Principal Accounting Policies- continued

Fixed Assets and Depreciation- continued

Other Tangible Fixed Assets

Other tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefit to the group. The carrying amount of the replacement part is recognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is calculated on a straight line basis on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives.

Asset	Depreciation period
Offices	3-5 years
Fixtures & fittings	3-5 years
Plant & Machinery	3-5 years
IT Systems	3-5 years
Assets under construction	Not depreciated
Land	Not depreciated

Impairment

The housing property portfolio of the Group is assessed for indicators of impairment at each accounting date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts.

The Group looks at the net realisable value when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be higher of the fair value less cost to sell or value in use of an asset cash generating unit.

RBH deem that neighbourhoods are cash generating units. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use. No properties have been valued at VIU SP.

Other fixed assets and land are reviewed for impairment if there is an indication that impairment may have occurred. Where there is evidence of impairment, fixed assets are written down to their recoverable amount. Any such write down will be charged to the operating surplus.

Where land has been acquired for regeneration, on completion of ownership the carrying value is assessed against the market value and impaired as appropriate. The carrying value is assessed for impairment each year in line with FRS102.

Social Housing Grant and Other Government Grants

Grants received in relation to assets are accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. The grant is carried as deferred income in the statement of financial position and released to turnover on a systematic basis over the useful economic lives of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected.

Where social housing grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle

1 Principal Accounting Policies- continued

or repay the grant on disposal of the assets any unamortised grant remaining within creditors is released and recognised as turnover in the statement of comprehensive income.

Grants relating to revenue are recognised in income over the same period as the expenditure to which they relate once performance related conditions have been met. Grants due from government organisations or received in advance are included as current assets or liabilities.

Shared Ownership Properties

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to first tranche sales. The first tranche proportion is classed as a current asset and is valued at the lower of cost and net realisable value and the remaining element is classed as a fixed asset and included in housing properties at cost less any provisions needed for depreciation or impairment.

As part of the Regeneration Programme Equity Assistance is offered to residents as an option to allow the rehousing of those residents who own their own home. These transactions are treated in the same way as Shared Ownership properties in the financial statements.

Leased Assets

Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and net realisable value and are issued on a First in First out (FIFO) basis. Cost comprises of materials, direct labour and direct development overheads.

Properties Held For Sale

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

An assessment of whether there is any impairment is made at each reporting date. Where an impairment loss is identified, it is immediately recognised in the statement of consolidated income.

Taxation

No corporation tax is payable on the surpluses of charitable activities of RBH since transfer, as it has charitable status.

Cash and cash equivalents

Cash and cash equivalents in the Group's Consolidated Statement of Financial Position consists of cash at bank, in hand, deposits and short-term investments with an original maturity of three months or less.

Management Charges

RBH Group subsidiary companies do not have any employees and therefore management charges are made on an arm's length basis to them for services provided by RBH, in accordance with an Intra Group Agreement. Management charges consist mainly of Finance, IT, Legal and Company Secretarial services.

1 Principal Accounting Policies- continued

Sale of Housing Properties

The surplus or deficit arising from disposal of properties under the Preserved Right to Buy (PRTB) legislation and other property disposals are disclosed on the face of the statement of comprehensive income. The surplus or deficit is net of any sum's payable to Rochdale Borough Council under the terms of the Transfer Agreement.

Refurbishment Provision

Properties are acquired from local authorities for a consideration equivalent to their current market value plus the cost of bringing them into a good state of repair. Immediately prior to the transfer, the local authority contracts with the association to carry out these refurbishment works for a fixed sum, equal to the expected cost of the required work. The terms of the local authorities' undertaking to refurbish/repair the properties and the terms of the contract with the association are essentially similar; in particular, the price is fixed, and no time limit imposed. Subcontractors are subsequently employed to carry out the work over a number of years.

The underlying substance of the transactions is reflected on a gross basis; recognising the contractual position of the association which has both an asset for which it has paid (the local authorities' obligation to perform the refurbishment) and a legal obligation to complete the works under the refurbishment contract. These assets and liabilities are recognised in the statement of financial position within debtors and provisions respectively.

Bad Debts and Write Offs

RBH make a prudent provision for bad debts based on the age of the debt in accordance with the following tables as recommended by the Chartered Institute of Public Finance and Accountancy.

Current Tenants	Age of Debt	% Provision
	0-4 Weeks	0%
	4-13 Weeks	10%
	13-26 Weeks	25%
	26-39 Weeks	50%
	39-52 Weeks	75%
	52 > Weeks	95%
Former Tenants		
	All	99%

In addition, outstanding debts are reviewed on an individual basis and additional provisions to those shown in the above table are applied where appropriate. Any write offs, deemed to be uncollectable by the Income Recovery Team are approved in accordance with the Scheme of Delegation.

Service Charges

Our service charges are defined as variable service charges. This means that charges raised reflect the cost of service delivery. RBH complies fully with the legislative regime controlling the imposition of service charges. RBH will limit the amount of any charge raised to costs, which have been reasonably incurred as contained within the Landlord & Tenant Act 1985 Section 19.

RBH have an obligation for extensive consultation with tenants before major works or long term contracts are entered into. The regime is contained in the Landlord and Tenant Act 1985 Sections 18 to 30 (as amended) and Service Charges (Consultation Requirements) Regulations 2003.

Variable service charges are calculated annually on the basis of the previous year's cost of service (April to March) plus estimates for some of the costs that RBH will not know. Once the financial year has ended, RBH will check the amount that was spent on delivering the service and adjust the following years charge with the surplus or deficit between the actual and estimated costs. The service charge calculation will be applied to rent accounts and charged over a 48-week period.

1 Principal Accounting Policies- continued

Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded initially at transaction price less attributable transaction cost. Subsequent to initial recognition they are measured at the undiscounted value of amounts expected to be received. Any losses arising from impairment are recognised in the statement of comprehensive income in other operating expenses.

Financial Instruments

Financial assets and liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all its liabilities.

Finance Costs

Financial costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is a constant rate on the carrying amount. Issue cost are initially recognised as a reduction in the proceeds of the association capital instrument.

Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, key judgements have been made in respect of the following:

- whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The members have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on EUV-SH or depreciated replacement cost. The members have also considered impairment based on their assumptions to define cash or asset generating units.
- the anticipated costs to complete on a development scheme based on anticipated construction cost, effective rate of interest on loans during the construction period, legal costs and other costs. Based on the costs to complete, RBH then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the best estimate of sales value based on economic conditions within the area of development.
- the critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.
- whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Loan classifications of capital remains consistent.
- FRS 102 requires that defined benefit plan surpluses are recognised only to the extent that they are recoverable either through reduced contributions in the future or through refunds from the plan. The accounting valuation of the Greater Manchester Pension Fund at 31 March 2023 identified an accounting surplus of £53.160m. The scheme's actuary has provided a calculation of the economic benefit arising to RBH from reduced contributions in the future. This amounts to £2.091m. Accordingly, RBH has recognised the plan surplus to this extent, reducing the pension asset by £51.069m, and reducing actuarial gains by the same amount.

1 Principal Accounting Policies- continued

Other key sources of estimation uncertainty

- **Tangible fixed assets (see note 14)**

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. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

- **Rentals and other debtors (see note 18)**

The estimate for receivables relates to the recoverability of the balances outstanding at year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

Rochdale Boroughwide Housing Limited
Report and Financial Statements
For the year ended 31 March 2023

2 Particulars of turnover, cost of sales, operating expenditure and operating surplus

RBH Group (2023)	Turnover	Operating expenditure	Operating surplus/(deficit)
	£'000	£'000	£'000
Social housing lettings (Note 3)	53,281	(47,906)	5,375
Other social housing activities			
Support services	181	(1)	180
Garages	406	(155)	251
Shops	484	(41)	443
Homeless Contract with RBC	608	(535)	73
United Utilities commission	956	(848)	108
Regeneration	820	(5,894)	(5,074)
Other	296	(1,014)	(718)
Non-social housing activities			
Leaseholders	250	(291)	(41)
Other	6	(8)	(2)
	57,288	56,693	595

RBH Group (2022)	Turnover	Operating expenditure	Operating surplus/(deficit)
	£'000	£'000	£'000
Social housing lettings (Note 3)	50,965	(45,489)	5,476
Other social housing activities			
First Tranche Low Cost Home Ownership Sales	100	(1)	99
Support services	153	(1)	152
Garages	394	-	394
Shops	427	(1)	426
Homeless Contract with RBC	2,012	(2,014)	(2)
United Utilities commission	801	(1,047)	(246)
Regeneration	1,273	(3,628)	(2,355)
Other	611	(959)	(348)
Non-social housing activities			
Leaseholders	302	(284)	18
Other	42	(7)	35
	57,080	53,431	3,649

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2 Particulars of turnover, cost of sales, operating expenditure and operating surplus

RBH Limited (2023)	Turnover	Operating expenditure	Operating surplus/(deficit)
	£'000	£'000	£'000
Social housing lettings (Note 3)	53,364	(47,906)	5,458
Other social housing activities			
Support services	181	(1)	180
Garages	405	(155)	250
Shops	484	(41)	443
Homeless Contract with RBC	608	(536)	72
United Utilities commission	956	(848)	108
Regeneration	820	(5,894)	(5,074)
Other	296	(1,014)	(718)
Non-social housing activities			
Leaseholders	250	(291)	(41)
Other	6	(2)	4
	57,370	56,688	682

RBH Limited (2022)	Turnover	Operating expenditure	Operating surplus/(deficit)
	£'000	£'000	£'000
Social housing lettings (Note 3)	51,087	(45,489)	5,598
Other social housing activities			
First Tranche Low Cost Home Ownership Sales	100	(1)	99
Support services	153	(1)	152
Garages	394	-	394
Shops	427	(1)	426
Homeless Contract with RBC	2,012	(2,014)	(2)
United Utilities commission	801	(1,047)	(246)
Regeneration	1,273	(3,628)	(2,355)
Other	611	(959)	(348)
Non-social housing activities			
Leaseholders	302	(284)	18
Other	42	(2)	40
	57,202	53,426	3,776

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3 Particulars of income and expenditure from social housing lettings

RBH Group (2023)	General needs £'000	Supported housing £'000	2023 Total £'000	2022 Total £'000
INCOME				
Rent receivable net of identifiable service charges	43,647	3,294	46,941	45,815
Service charge income	3,084	2,735	5,819	4,843
Amortised government grants	147	12	159	159
Other revenue grants	8	-	8	12
Other	68	286	354	136
Turnover from social housing lettings	46,954	6,327	53,281	50,965
EXPENDITURE				
Management	(13,112)	(1,668)	(14,780)	(14,376)
Service charge costs	(3,466)	(3,031)	(6,497)	(5,151)
Routine maintenance	(11,963)	(994)	(12,957)	(11,108)
Planned maintenance	(2,615)	(218)	(2,833)	(5,010)
Major repairs expenditure	(3,021)	(252)	(3,273)	(2,654)
Bad debts	(430)	(10)	(440)	(702)
Depreciation of housing properties	(4,775)	(399)	(5,174)	(4,813)
Operating lease	(780)	-	(780)	(753)
Impairment of land	(1,172)	-	(1,172)	(922)
Operating expenditure on social housing lettings	(41,334)	(6,572)	(47,906)	(45,489)
Operating surplus /(deficit) on social housing lettings	5,620	(245)	5,375	5,476
Empty Homes losses	1,109	125	1,234	904
RBH Limited (2023)	General needs £'000	Supported housing £'000	2023 Total £'000	2022 Total £'000
INCOME				
Rent receivable net of identifiable service charges	43,647	3,294	46,941	45,815
Service charge income	3,084	2,735	5,819	4,843
Amortised government grants	147	12	159	160
Other revenue grants	8	-	8	12
Other	151	286	437	257
Turnover from social housing lettings	47,037	6,327	53,364	51,087
EXPENDITURE				
Management	(13,112)	(1,668)	(14,780)	(14,376)
Service charge costs	(3,466)	(3,031)	(6,497)	(5,151)
Routine maintenance	(11,963)	(994)	(12,957)	(11,108)
Planned maintenance	(2,615)	(218)	(2,833)	(5,010)
Major repairs expenditure	(3,021)	(252)	(3,273)	(2,654)
Bad debts	(430)	(10)	(440)	(702)
Depreciation of housing properties	(4,775)	(399)	(5,174)	(4,813)
Operating lease	(780)	-	(780)	(753)
Impairment of land	(1,172)	-	(1,172)	(922)
Operating expenditure on social housing lettings	(41,334)	(6,572)	(47,906)	(45,489)
Operating surplus/(deficit) on social housing lettings	5,703	(245)	5,458	5,598
Empty Homes losses	1,109	125	1,234	904

4 Accommodation in management and development

At the end of the year accommodation in management for each class of accommodation was as follows:

RBH Group and RBH Limited 2023

			2023
	Owned and Managed	Managed not Owned	Total Owned and Managed
Social housing			
General Needs – Social Rent	10,359	-	10,359
General Needs – Affordable Rent	1,040	11	1,051
Supported housing and housing for older people	935	-	935
Low cost home ownership	47	-	47
Sub-total social housing	12,381	11	12,392
Non-social housing			
Non-social rented	1	34	35
Total	12,382	45	12,427
Properties in development	38	-	38

RBH Group and RBH Limited 2022

			2022
	Owned and Managed	Managed not Owned	Total Owned and Managed
Social housing			
General Needs – Social Rent	10,519	-	10,519
General Needs – Affordable Rent	987	11	998
Supported housing and housing for older people	967	-	967
Low cost home ownership	48	-	48
Sub-total social housing	12,521	11	12,532
Non-social housing			
Non-social rented	1	34	35
Total	12,522	45	12,567
Properties in development	222	-	222

Reconciliation of unit numbers

	General Needs – Social Rent	General Needs – Affordable Rent	Supported housing and housing for older people	Low cost home ownership	Other	Total
Opening unit numbers	10,519	998	967	48	35	12,567
New homes into management	-	66	-	-	-	66
Other gains	7	-	-	1	-	8
Sales – open market	(4)	-	-	-	-	(4)
Sales to tenants - Freehold	(75)	(11)	-	(2)	-	(88)
Sales to tenants - Leasehold	(20)	(2)	-	-	-	(22)
Demolitions	(68)	-	(28)	-	-	(96)
Movement within categories/other movements	-	-	(4)	-	-	(4)
Net change in stock	(160)	53	(32)	(1)	-	(140)
Closing unit numbers	10,359	1,051	935	47	35	12,427

5 Surplus on ordinary activities before taxation

The operating surplus is arrived at after charging / (crediting)

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Depreciation of housing properties	5,174	4,813	5,174	4,813
Depreciation of other tangible fixed assets	919	619	919	619
Impairment	1,172	922	1,172	922
Amortised government grant	(159)	(159)	(159)	(160)
Operating lease rentals				
- Premises leases	149	122	149	122
- Vehicles	631	631	631	631
Auditors' remuneration (excluding VAT)				
- External auditors – in their capacity as auditors (Association)	32	28	32	28
- External auditors – in their capacity as auditors (Subsidiaries)	5	5	-	-
- External auditors – for non-audit services	2	2	2	2

6 Surplus on sale of fixed assets

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Disposal proceeds	7,069	7,062	7,069	7,062
Cost of sales	(1,324)	(1,189)	(1,324)	(1,189)
Claw back costs to Rochdale Council	(1,213)	(1,477)	(1,213)	(1,477)
Surplus	4,532	4,396	4,532	4,396

7 Interest receivable and other income

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Interest receivable on short term deposits	775	29	775	29

8 Interest payable and similar charges

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Interest payable on long term loans	1,092	1,647	1,092	1,647
Loan Finance issue cost	28	397	28	397
Other finance costs	178	678	178	678
Loan Re-measurement	-	(189)	-	(189)
Break cost	-	1,867	-	1,867
Bond discount	23	4	23	4
Total	1,321	4,404	1,321	4,404

Bond discount relates to MORhomes. Loan finance issue cost relates to amortisation of current drawn loans. Other finance costs include other facility costs plus commitment fees.

9 Other Finance costs

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Interest income on plan assets	3,544	3,202	3,544	3,202
Interest cost on obligations	(3,642)	(3,457)	(3,642)	(3,457)
Pension finance costs (Note 12)	(98)	(255)	(98)	(255)

10 Employees

Average monthly number of employees expressed as full-time equivalents:

Employee Numbers:	RBH Group		RBH Limited	
	2023	2022	2023	2022
	Housing management	203	236	203
Housing maintenance	200	202	200	202
Administrative and Clerical	127	134	127	134
Total	530	572	530	572

Rochdale Boroughwide Housing used to manage the Homelessness and HomeChoice services on behalf of the Rochdale Borough Council. But effective from 1st April 2022, both Rochdale Boroughwide Housing and Rochdale Borough Council made a joint decision that the responsibility for the HomeChoice allocations service and the Homelessness services return to the council from 1st April 2022. The number of staff who moved from Rochdale Boroughwide Housing to Rochdale Borough Council was 46.

Full time equivalents are calculated based on a standard working week of 36.25 hours.

Employee costs:	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Wages and salaries	16,572	16,772	16,572	16,772
Social security costs	1,659	1,602	1,659	1,602
Other pension costs	2,411	2,538	2,411	2,538
Total	20,642	20,912	20,642	20,912

The majority of the society's employees are members of the Royal London Scheme however some of our employees remain on the Greater Manchester Pension Fund (GMPF) which is detailed in note 12.

The GMPF was closed to new entrants from 1st January 2017, new employees and those being auto-enrolled have been admitted to a defined contribution scheme administered by the Royal London Scheme. In addition, RBH has 2 employees who are not on RBH's terms and conditions and therefore we also operate the NEST scheme for these employees.

11 Board members and executive directors

The remuneration paid to the Board members and executive directors of RBH (key management personnel) (including the Executive Leadership Team) was as follows:

	2023	2022
	£000	£000
Aggregate emoluments payable to Chair of the Board, other Board members and Executive Leadership Team (including pension contributions)	614	577
Pension contributions in the year amounted to	71	75

11 Board members and executive directors- continued

The Chair was remunerated £11k for the year (2022: £11k) and other Board members received a total of £21k (2022: £20k). Expenses paid to board members in total were £1.3k (2022: £0.37k).

	2023	2022
	£000	£000
Alison Tumilty (Chair)	11	11
Paul Joyce	4	4
Guy Millichamp	2	4
Luen Thompson	-	2
David Williams	2	-
Mike Nuttall	2	4
Neil McInroy	4	4
Ruth Welford	3	2
Paul Roberts	1	-
Larry Gold	1	-
Helen McHale	1	-
Tim Weightman	1	-
Gareth Swarbrick	181	185
Nickie Hallard	48	127
Clare Tostevin	131	126
Nadhia Khan	110	108
John McGrail	112	-
	614	577

The emoluments of the directors include £162k (Former Chief Executive – the highest paid director) excluding pension contributions (2022: £157k). The pension contributions for the former Chief Executive as the highest paid director are £19k (2022: £28k). The total remuneration shown above includes payment for loss of office in the year of £7K (2022: £nil).

The former Chief Executive is a normal member of the Greater Manchester Pension Fund. He is an ordinary member of the pension scheme, and no enhanced or special terms apply. The society does not make any further contribution to an individual pension arrangement for the former Chief Executive. The amount paid to agency in respect of the interim CEO and the interim Director of Governance is £95k (2022: £nil) and £48k (2022: £nil) respectively, this amount includes VAT.

The remuneration paid to employees (including executive management) earning over £60,000 upwards:

	2023	2022
Including pension contributions	No.	No.
£60k - £70k	8	2
£70k - £80k	4	4
£80k - £90k	2	-
£90k - £100k	1	-
£100k - £110k	-	1
£110k - £120k	2	-
£120k - £130k	-	2
£130k - £140k	1	-
£140k - £150k	-	-
£150k - £160k	-	-
£160k - £170k	-	-
£170k - £180k	-	-
£180k - £190k	1	1

12 Greater Manchester Pension Fund (Group and RBH Limited)

RBH participates in the Greater Manchester Local Government Pension Scheme (LGPS), a multi-employer funded defined benefit scheme where contributions payable is held in a trust separately for RBH.

Valuations are performed by a qualified actuary, using the projected unit credit method as required by Accounting Standards. The results of the last formal actuarial valuation have been projected forward from this point using approximate methods. The potential impact of the McCloud judgement is included in the results set out below.

RBH is an Admitted Body and has an Admission Agreement with Greater Manchester Pension Fund in its own right. The employers' contributions to the Pension Fund for the year 31 March 2023 were £1.645m (2022: £1.959m).

Financial assumptions

	31 March 2023	31 March 2022
	% per annum	% per annum
Discount Rate	4.75	2.01
Salary Increases Rate	3.75	2.63
Pension Increases Rate (CPI)	2.95	2.63

Demographic assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females. Based on these assumptions, the average future life expectancies at age 65 for the Employer are summarised below:

	2023	2022
	No. of years	No. of years
Current Pensioners		
Males	20.1	20.3
Females	23.5	23.2
Future Pensioners		
Males	20.8	21.6
Females	25.1	25.1

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits. All other demographic assumptions are as per the latest funding valuation of the Employer.

Analysis of the amount charged/(credited) to the statement of comprehensive income:

Year ended 31 March	2023	2022
	£000	£000
Expected return on employer assets	(3,544)	(3,202)
Interest cost	3,642	3,457
Total charged to other finance costs (Note 9)	98	255
Current service cost	4,167	4,648
Losses on Curtailments and Settlements	-	139
Total charged to administrative expenses	4,167	4,787
Total charge recorded in the statement of comprehensive income	4,265	5,042

12 Greater Manchester Pension Fund (Group and RBH Limited)- continued

Analysis of re-measurements recognised in other comprehensive income

Year ended 31 March	2023	2022
	£000	£000
Actual return less expected return on pension scheme assets	(4,542)	14,637
Changes in assumptions underlying the present value of the scheme's liabilities	63,931	(3,857)
Impact of asset ceiling	(51,069)	-
Actuarial gain recognised in other comprehensive income	8,320	10,780
Cumulative Actuarial gains	29,776	21,456

Amounts recognised in the statement of financial position

Net pension asset / (liability) at 31 March	2023	2022
	£000	£000
Fair value of employer assets (bid value)	174,859	177,018
Present value of funded liabilities	(121,699)	(180,627)
Impact of asset ceiling	(51,069)	-
Net asset/(liability) recognised in the statement of financial position	2,091	(3,609)

The Greater Manchester Pension Fund has a gross accounting surplus at the reporting date of £53.160m. In line with FRS 102 requirements RBH has recognised an asset on the balance sheet to the extent that it is able to recover the surplus, either through reduced contributions in the future, or through refunds from the plan.

The scheme's actuary has provided a calculation of the economic benefit arising to RBH from reduced contributions in the future. This amounts to £2.091m. Accordingly, RBH has recognised the plan surplus to this extent, reducing the pension asset by £51.069m, and reducing actuarial gains by the same amount.

Reconciliation of defined benefit obligation

	2023	2022
	£000	£000
Opening defined benefit obligation	180,627	170,917
Current service cost	4,167	4,648
Interest cost	3,642	3,457
Contributions by members	617	728
Actuarial (gains)/losses	(63,931)	3,857
Losses on curtailments	-	139
Estimated Benefits paid	(3,423)	(3,119)
Closing defined benefit obligation	121,699	180,627

The service cost figures include an allowance for administration expenses of 0.3% (2022: 0.3%) of payroll.

Reconciliation of fair value of employer assets

	2023	2022
	£000	£000
Opening fair value of employer assets	177,018	159,611
Expected return on assets	3,544	3,202
Contributions by members	617	728
Contributions by employer	1,645	1,959
Actuarial (losses)/gains	(4,542)	14,637
Benefits paid	(3,423)	(3,119)
Closing fair value of employer assets	174,859	177,018

12 Greater Manchester Pension Fund (Group and RBH Limited) continued

Major categories of plan assets as a percentage of total plan assets

	2023	2022
	%	%
Equities	68	67
Bonds	15	15
Properties	9	8
Cash	8	10

Amounts for the current and previous four accounting periods

	2023	2022	2021	2020	2019
	£000	£000	£000	£000	£000
Fair value of employer assets	174,859	177,018	159,611	130,573	142,296
Present value of defined benefit obligation	(121,699)	(180,627)	(170,917)	(140,487)	(167,196)
Impact of asset ceiling	(51,069)	-	-	-	-
Assets/(deficit) on scheme	2,091	(3,609)	(11,306)	(9,914)	(24,900)
Experience (losses)/gains on assets	(4,542)	14,637	25,991	(15,216)	6,247

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at year ended 31 March 2023	Approximate % Increase to employer liability	Approximate monetary amount £000
0.1% decrease in real discount rate	2	2,346
1 year increase in member life expectancy	4	4,868
0.1% increase in salary increase rate	-	321
0.1% increase in pension increase rate (CPI)	2	2,057

Projected pension expense for the year ended 31 March 2024.

	£000	% of pay
Projected current service cost	(1,910)	(20.9)
Expected return on employer assets	8,276	90.6
Interest on obligation	(5,757)	(63)
Total	609	6.7

Employer's contributions for the year ended 31 March 2024 are estimated to be approximately £1,645,000.

13 Taxation (Group)

	2023	2022
	£000	£000
Current tax		
UK corporation tax on surplus for the year	-	-
Total tax charge	-	-

The group did not incur a tax charge in the year as RBH Limited has been granted exemption from taxation on its charitable activities under Section 505 of the Income and Corporation Taxes Act 1988 because of its charitable status.

14a Tangible fixed assets - housing properties (RBH Group)

	Held for Letting		Completed			
	Completed	Under Construction	Total	Shared Ownership	Non-Social Properties	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
COST						
At 1 April 2022	173,638	19,556	193,194	3,733	3,486	200,413
Additions	-	4,551	4,551	-	-	4,551
Capitalisation of Components	12,113	-	12,113	172	55	12,340
Disposals	(1,588)	-	(1,588)	(187)	-	(1,775)
At 31 March 2023	184,163	24,107	208,270	3,718	3,541	215,529
DEPRECIATION						
At 1 April 2022	27,600	-	27,600	69	171	27,840
Charge for the Year	5,088	-	5,088	37	48	5,174
Disposals	(311)	-	(311)	(4)	-	(315)
At 31st March 2023	32,377	-	32,377	102	219	32,698
NET BOOK VALUE						
At 31st March 2023	151,786	24,107	175,893	3,616	3,322	182,831
At 31st March 2022	146,038	19,556	165,594	3,664	3,315	172,573

The group considers each separate housing property scheme in its fixed asset register to represent separate cash generating units (CGU's) when assessing for impairment in accordance with the requirements of FRS 102 and SORP 2018. During the current year, the group and association have recognised an impairment loss of £Nil (2022: £Nil) in respect of general needs housing. As part of the Town Centre Masterplan Initial Demolition Notices were issued in July 2018 to tenants in some blocks within the Lower Falinge neighbourhood. As a result of this, depreciation on these assets and components was accelerated to reflect estimated demolition dates.

The carrying value of secured assets at 31 March 2023 was £29.9m. (2022: £29.8m).

14b Tangible fixed assets – housing properties (RBH)

	Held for Letting		Total £'000	Completed Shared Ownership £'000	Non-Social Properties £'000	TOTAL £'000
	Completed £'000	Under Construction £'000				
COST						
At 1 April 2022	173,735	20,636	194,371	3,732	3,487	201,590
Additions	-	4,687	4,687	-	-	4,687
Capitalisation of Components	12,113	-	12,113	172	55	12,340
Disposals	(1,588)	-	(1,588)	(187)	-	(1,775)
At 31 March 2023	184,260	25,323	209,583	3,717	3,542	216,842
DEPRECIATION						
At 1 April 2022	27,639	-	27,639	68	171	27,878
Charge for the Year	5,088	-	5,088	37	48	5,174
Disposals	(311)	-	(311)	(4)	-	(315)
At 31st March 2023	32,416	-	32,416	101	219	32,736
NET BOOK VALUE						
At 31st March 2023	151,844	25,323	177,167	3,616	3,323	184,106
At 31st March 2022	146,096	20,636	166,732	3,664	3,316	173,712

14c Tangible fixed assets – other (RBH Group and RBH Limited)

	Offices	Plant & Machinery	Fixtures & Fittings	IT Systems	F&F & IT Assets under Construction	Land	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COST							
At 1 April 2022	778	64	347	4,647	1,182	1,081	8,099
Additions	-	-	-	-	651	1,800	2,451
Transfers	481	-	-	144	(625)	-	-
At 31 March 2023	1,259	64	347	4,791	1,208	2,881	10,550
DEPRECIATION AND IMPAIRMENT							
At 1 April 2022	728	64	212	2,853	-	-	3,857
Charge for the Year	231	-	16	672	-	-	919
Impairment	-	-	-	-	-	1,172	1,172
At 31st March 2023	959	64	228	3,525	-	1,172	5,948
NET BOOK VALUE							
At 31st March 2023	300	-	119	1,266	1,208	1,709	4,602
At 31st March 2022	50	-	135	1,794	1,182	1,081	4,242

As at 31 March 2023 an impairment loss of £1,172k was recorded in profit and loss. This impairment loss relates to land bought from Royal Society for the Prevention of Cruelty to Animals (RSPCA). The carrying value prior to impairment is £1,800k.

15 Improvements to Housing Properties

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Regeneration	-	133	-	133
Fire safety	2,372	2,010	2,372	2,010
Decarbonisation	2,515	943	2,515	943
Investment programme	7,453	7,927	7,453	7,927
Improvements to existing properties capitalised	12,340	11,013	12,340	11,013
Major repairs expenditure to statement of comprehensive income	3,273	2,654	3,273	2,654
Total	15,613	13,667	15,613	13,667

16 Capital commitments

	2023	2022
	£000	£000
Capital expenditure		
Expenditure contracted for but not provided in the accounts	6,077	6,077
Expenditure authorised by the board, but not contracted	4,629	4,195
	10,706	10,272
RBH expects these to be financed by:		
Committed Loan Facilities	10,706	10,272
Total	10,706	10,272

17 Stock

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Materials in stock	447	337	447	337

The replacement cost of stock is not materially different from the carrying value of stock in both the current and prior year.

18 Debtors

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Due within one year				
Rent and service charges arrears	5,940	6,081	5,940	6,081
Less: provision for bad and doubtful debts	(3,559)	(3,816)	(3,559)	(3,816)
	2,381	2,265	2,381	2,265
Other debtors	823	2,794	823	2,794
Taxation - VAT	972	1,022	948	983
Short-term refurbishment obligation (Note 23)	14,622	8,744	14,622	8,744
Prepayments and accrued income	2,056	2,835	1,190	1,470
Amounts owed by group undertakings	-	-	21	15
	20,854	17,660	19,985	16,271
Due in more than one year				
Refurbishment obligation (Note 23)	25,582	43,800	25,582	43,800
Total debtors	46,436	61,460	45,567	60,071

Amounts owed by Group undertakings are interest free and due on demand.

19 Creditors: Due within one year

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Loans and overdrafts (Note 31)	732	724	732	724
Trade Creditors	3,235	4,480	3,215	4,335
Rent and service charges received in advance	1,344	1,140	1,344	1,140
Taxation and social security	489	477	489	477
Deferred capital grant (Note 21)	148	226	148	226
Recycled capital grant fund (Note 22)	150	72	150	72
Accruals and deferred income	7,724	8,849	6,809	7,471
Short term refurbishment provision (Note 23)	14,622	8,744	14,622	8,744
Total	28,444	24,712	27,509	23,189

Amounts owed by Group undertakings are due on demand and interest free.

20 Creditors: Amounts falling due after more than one year

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Loans repayable:				
Due between one and two years	738	734	738	734
Due between two and five years	2,252	2,238	2,252	2,238
Due in five years or more	42,664	43,451	42,664	43,450
Total (Note 31)	45,654	46,423	45,654	46,422
Loan arrangement fees	(372)	(396)	(372)	(396)
Bond discount	(641)	(668)	(641)	(668)
Total loans	44,641	45,359	44,641	45,358
Deferred capital grant (Note 21)	19,977	19,486	19,977	19,486
Recycled capital grant fund (Note 22)	183	122	183	122
Total	64,801	64,967	64,801	64,966

Loans are secured by specific charges on the housing properties of the group. The loans bear interest at fixed rates ranging from 1.94% to 2.775% or annuity rates ranging from 4.24% to 5.25%.

21 Deferred Capital Grant

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April 2022	19,712	17,543	19,712	17,543
Grants received during the year	711	2,375	711	2,375
Released to income during the year	(159)	(159)	(159)	(159)
Disposals	(139)	(47)	(139)	(47)
At 31 March 2023	20,125	19,712	20,125	19,712
Amounts due in less than one year	148	226	148	226
Amounts due in greater than one year	19,977	19,486	19,977	19,486
Total	20,125	19,712	20,125	19,712

22 Recycled Capital Grant Fund

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 April 2022	194	149	194	149
Grants recycled	139	45	139	45
	333	194	333	194
Repayment of grant to Homes England	-	-	-	-
At 31 March 2023	333	194	333	194
Amounts due in less than one year	150	72	150	72
Amounts due in greater than one year	183	122	183	122
	333	194	333	194
Amount three years or older where repayment is required	72	-	-	-

23 Refurbishment Provision

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
At 1 April 2022	52,544	63,557	52,544	63,557
Improvement expenditure (Note 15)	(12,340)	(11,013)	(12,340)	(11,013)
At 31 March 2023	40,204	52,544	40,204	52,544
Short-term	14,622	8,744	14,622	8,744
Long-term	25,582	43,800	25,582	43,800
Total	40,204	52,544	40,204	52,544

This provision represents RBH's liability to carry out refurbishment works included in the Works Agreement with Rochdale Council. It will be written off when the work to housing properties is undertaken for the life of the VAT Share Agreement with Rochdale Borough Council.

This is also recognised as a debtor (see note 18). During 2018/19 there was a release of £385m from the Refurbishment provision so that the remaining provision matched the Investment Programme capital spend for the remaining life of the VAT share agreement with Rochdale Borough Council. This agreement ends on the 31 March 2027.

24 Leasing commitments

At the end of the year RBH (Group and Ltd) had total minimum lease payments under non-cancellable operating leases as set out below:

	Year ended 2023	Year ended 2022
	£000	£000
Land and buildings amount payable:		
Not later than 1 year	149	122
Later than 1 year and not later than 5 years	377	267
Later than 5 years	-	-
Total	526	389
Other amounts payable:		
Not later than 1 year	688	631
Later than 1 year and not later than 5 years	1,687	1,111
Later than 5 years		-
Total	2,375	1,742

25 Investment assets

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Equity in MORhomes	95	95	95	95
Contingent Convertible Loan Notes	173	173	173	173
Investments Assets	268	268	268	268

The above relates to fixed asset investments as part of a £15m bond arranged with MORhomes.

26 Reserves

Income and Expenditure Reserve

The Income and Expenditure Reserve includes the accumulated profits and losses arising from the Statement of Comprehensive Income and certain items from the Statement of Changes in Equity attributable to equity shareholders net of distributions.

Pension Reserve

The Pension Reserve includes the accumulated actuarial gains and losses from the defined benefit scheme net of any amounts transferred to the income and expenditure reserve.

27 Contingent liabilities

There are no contingent liabilities at 31 March 2023 (2022: Nil).

28 Related parties

All transactions with group subsidiaries are calculated in line with the Group Transfer Pricing Policy and are therefore on an arms-length basis.

Executive and Senior Management

John McGrail – Director of Finance and Resources, he was appointed Director of RBH (Design & Build) Limited on 26 June 2023.

Clare Tostevin – Former Director of Growth, she was a director of RBH (Design & Build) Limited, having been appointed in October 2018. Clare resigned from Rochdale Boroughwide Housing and RBH (Design and Build) Limited on 12 May 2023.

Nadhia Khan – Executive Director of Customer and Community, is a director of RBH (Design & Build) Limited, having been appointed in March 2021.

Representative Body – As set out in the Rules of RBH, being an employee or tenant of RBH does not represent an interest in itself for business of the Representatives Body. This includes those from the tenant management organisations.

Transactions with non-regulated entities

The association provides management services and other services to its subsidiaries. The association also receives charges from its subsidiary. The quantum and basis of those charges is set out below.

	Management charges		Other charges	
	2023	2022	2023	2022
Recharges by association to subsidiary	£'000	£'000	£'000	£'000
RBH (Design & Build) Limited	83	121	-	-
Total	83	121	-	-

	Management charges		Other charges	
	2023	2022	2023	2022
Recharges to association by subsidiary:	£'000	£'000	£'000	£'000
RBH (Design & Build) Limited	-	-	4,080	10,452
Total	-	-	4,080	10,452

At 31 March 2023, there were £21k recharges outstanding. (2022: £15k).

28 Related parties- continued

Transactions with non-regulated entities- continued

Intra-group management fees

Intra-group management fees are receivable by the association from subsidiaries to cover the running costs the association incurs on behalf of managing its subsidiaries. The management fee is calculated on a department basis, with varying methods of allocation. The costs are apportioned as follows:

Department	By Reference to
Finance	Employee Time
Human Resources	Employee Time
Information Technology	Employee Time
Governance	Fixed Sum
Legal	Fixed Sum

Other Intra Group Charges

Other intra-group charges which are payable to the association from subsidiaries relate to employee recharges and gift aid payments.

29 Fixed asset investments

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which RBH Limited's interest at the year-end is 20% or more are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business	Registered Address
RBH Professional Limited. (Dormant)	England	100%	Management Services	Unique Enterprise Centre, Belfield Road, Rochdale, OL16 2UP.
RBH (Design & Build) Limited.	England	100%	Construction	Unique Enterprise Centre, Belfield Road, Rochdale, OL16 2UP.

Investment in RBH Professional Limited

RBH Professional ceased trading during the 2015-16 financial year and became dormant and as such the company has remained dormant.

RBH maintains an investment of £1 (2022: £1) in RBH Professional Limited.

30 Net Debt reconciliation (Group)

	1/4/2022	Cash flows	31/3/2023
	£000	£000	£000
Cash at bank and in hand	39,100	(3,253)	35,847
Obligations under operating leases	(2,131)	(770)	(2,901)
Bank loans < 1 year	(724)	(8)	(732)
Bank loans > 1 year	(45,359)	718	(44,641)
Net debt	(9,114)	(3,313)	(12,427)

31 Debt Analysis

	RBH Group		RBH Limited	
	2023	2022	2023	2022
	£000	£000	£000	£000
Due within one year				
Bank loans and overdrafts (Note 19)	732	724	732	724
Due after more than one year				
Bank loans (Note 20)	45,654	46,423	45,654	46,422
Total loans and overdrafts	46,386	47,147	46,386	47,146
Loan repayable by instalments				
In one year or less (Note 19)	732	724	732	724
Due between one and two years	738	734	738	734
Due between two and five years	2,252	2,238	2,252	2,238
Due in five years or more	27,664	28,451	27,664	28,450
Total loans repayable by instalments	31,386	32,147	31,386	32,146
Loan issue costs	(372)	(396)	(372)	(396)
Total loans repayable by instalments net of issue costs	31,014	31,751	31,014	31,750
Loans not repayable by instalments				
Due in five years or more	15,000	15,000	15,000	15,000
Total loans not repayable by instalments	15,000	15,000	15,000	15,000

RBH has a portfolio of funding facilities with various lenders, each of which is secured by fixed charges on a specific portfolio of individual properties, which are subject to periodic revaluation in line with the terms of the relevant funding agreement.

The committed repayment profile is based on debt drawn from the facility repayment in place at 31 March 2023, which is currently £30m undrawn. (2022: £30m)

32 Grant and financial assistance

	Homes England Grant £000	Regeneratio n Funding £000	2023 £000	2022 £000
The total accumulated government grant and financial assistance received or receivable as at 31 March 2023:				
Total gross grant at end of period	20,698	503	21,201	20,629
Total gross cumulated amortisation at start of period	917	-	917	758
Recognised as income in statement of Comprehensive Income in the period	159	-	159	159
Held as deferred capital grant	19,622	503	20,125	19,712

Regeneration funding is made up of the State Regeneration fund and the Towns fund.