Investor update

December 2024

great places HOUSING GROUP

Disclaimer

The information set out above ("the Update") contains certain 'forward looking' statements about the future outlook for Great Places Housing Group Limited and its subsidiaries (together "Great Places") reflecting, among other matters, our current views on markets, activities and prospects (financial or otherwise). Statements in the Update, including those regarding possible or assumed future performance of Great Places (including any unaudited financial results) or the sectors in which the Great Places operates, should be treated with caution as they involve risks and uncertainties that may cause actual results, performance or developments to differ materially from those expressed or implied by such forward looking statements.

Such statements are a correct reflection of the Great Places views only on the publication date and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Certain financial results quoted in the Update are unaudited. No reliance should be placed on the information contained within this Update. We do not undertake to update or revise the information contained in this Update following any future audit or as and when our expectations change in response to events.

This Update has been provided to you solely for information purposes. It should not be construed as, nor be relied on in connection with, a prospectus or offer document or an offer to acquire any securities.

Contents

1.5 Our leadership team

Alison Dean – CEO and Exec Board Member

- Alison Dean is the Chief Executive Officer of Great Places.
- She has over 20 years' experience working in the housing sector, starting her career in customer involvement, before branching into regeneration and a variety of housing and management roles.

Mike Gerrard - Chief Financial Officer

- Mike has responsibility for ensuring Great Places' finance, assurance, procurement, governance and colleague health and safety functions provide high-quality support to the rest of the Group. His key challenges is balancing the need for the long-term financial viability and stability of Great Places with risks posed by the Group's strategic growth and development objectives.
- He started his career in auditing and professional services and has worked in the housing sector for 20 years.

Guy Cresswell – Executive Director Customer Services

- Guy is responsible for the customer-facing side of our business, ensuring the organisation provides a great customer experience. He is also responsible for our work in Independence and Wellbeing, which supports our more vulnerable customers to develop life skills and achieve their goals and is an active member in a number of sector-related partnerships and forums.
- Guy has extensive experience in all aspects of housing, but his passion lies in health and housing, investment in communities and regeneration, and the importance of getting right the basics of property management.

Helen Spencer – Executive Director of Growth

- Helen is responsible for the delivery of Great Places' £1bn affordable housing development programme and the management of key stakeholder relationships. Helen also leads the Plumlife sales team, oversees the £750m Innovation Chain North construction framework and the growth of Terra Nova Developments Limited.
- Helen joined Great Places in 2004 as an Assistant Development Officer and became Director of Development in 2016, delivering more than 4,000 new homes in that role. She has led a number of high-profile projects and bids.

Steve Mather – Chief Property Officer

- Steve has overall responsibility for Repairs and Assets functions, including facilities management, property investment, divestment, building safety compliance and carbon management.
- He joined Great Places in 2024 from First Choice Homes Oldham, where he was Executive Director of Homes.
- Steve has worked in the housing and regeneration sectors for over 30 years and has experience across all aspects of asset management and property-based services. Prior to joining First Choice Homes Oldham, he was Property Services Director at Places for People.

1. Introduction & overview

1.1 Credit highlights

Deep regional focus *in the North West, Yorkshire & Derbyshire*

Strong *operational & financial strength*

Balanced approach *to asset management, regeneration & development*

Sustainability *ambitions*

Stable and experienced *board and leadership team*

26,451 Homes owned and managed – March 2024	£171.8m Turnover (23/24)	71.5% Customer satisfaction (23/24)
G1 / V2 / C2 Inspection September 2024	96.7% Turnover via SH activities (23/24)	4.4% Current rent arrears (23/24)
A3 (stable) / A (stable) Moody's / Fitch October 2024	£46.7m Operating surplus (inc. sales) (23/24)	490 New homes social & affordable (23/24)
82% EPC C and above	30.7% Operating margin – SHL (23/24)	Homes England Strategic Partner

1.2 Who we are

About Great Places Housing Group

Great Places is committed to a **profit-for-purpose** model.

This means Great Places reinvests a large portion of its surplus back into our customers and communities.

We own or manage over **26,000 homes** across the North West, Yorkshire and Derbyshire.

Our portfolio includes social and affordable rented homes, supported housing, housing for older people, market rent, shared ownership and homes for key workers. We also provide leasehold and estate management services.

The key entities in the Group are:

- **Great Places Housing Group Limited**
- **Great Places Housing Association**
- **Plumlife Homes Limited**
- **Cube Homes Limited**
- **Terra Nova Developments Limited**

Our vision is **clear** – we are **committed** to creating:

Our core values are **strong**:

1.3 Group structure

Renumeration and Appraisal Committee

Great Places Housing Group Limited

Non-asset-owning non-charitable RP Community Benefit Society

Turnover: £171.8m (2023/24)

Audit and Assurance Committee

[New] Customer Committee

Great Places Housing Association

100% subsidiary asset-owning, charitable RP, Community Benefit Society

Turnover: £168.5m (2023/24)

Plumlife Homes Limited

100% subsidiary asset-owning non-charitable RP Community Benefit Society

Turnover: £0.7m (2023/24)

Associate and minor shareholdings including two market sale JVs

Cube Homes Limited

Company limited by shares.

Development of properties for outright sale and market rent

Turnover: £2.7m (2023/24)

Terra Nova Developments Limited

Company limited by shares.

Design and build contracts – construction of residential property

Turnover: £30.6m (2023/24)

Coterminous Board

The Group structure comprises five companies led by the Group Board supported by two committees and managed by our Chief Executive (Alison Dean) and a team of Executive Directors.

99% of the Group's assets are owned by Great Places Housing Association.

1.4 Corporate plan 2024 – 27

This plan sets out our ambition for the next **three years**. We'll build on the successes of **Building Greatness**, our previous corporate plan to respond to a changing context and new challenges. To deliver our ambitions, first and foremost we need to be…

We'll be delivering brilliant basics every day. We'll work to align our processes, technology and culture to make sure that they're underpinned by **customer data and insight** about how customers interact with us.

We'll invest significantly in our **homes and places** to make sure they meet the needs of our diverse customers, now and into the future.

We'll continue to build significant numbers of new homes for rent, sale and supported living.

We'll play our part in making sure our **neighbourhoods** are attractive places where people want to live and put down roots.

We'll maintain our **financial strength** by focusing on operating as efficiently as possible, making the best use of resources and delivering services that add the most value to customers.

We'll work closely with our contractor partners to make sure the services they deliver on our behalf consistently support our ambition to deliver great services every time.

1.6 Our board

Our code of governance gives the Board ultimate responsibility for establishing, overseeing and reviewing systems of internal control and establishing and overseeing a **risk management framework**.

This involves approval of our Risk and Assurance Strategy, agreeing our Risk Appetite Statement and ensuring that all decisions are made in line with this statement.

Underneath our Board sit a number of committees with a more specific focus:

- Audit and Assurance Committee
- Customer Committee
- Renumeration and Appraisal Committee
- Subsidiary Board for Cube Homes Limited

For more detailed CVs of our Board click here
For more information on our Customer Committee click here

Mervyn Jones
Chair

Christine Amyes
Deputy Chair, Chair of Remuneration & Appraisal Committee

Keith Ward
Chair of the Audit and Assurance Committee

Alison Dean
CEO and Exec Board Member

Emma Mountford
Chair of Cube Homes and Member of Group Board

John Williamson
Cube Homes Limited

Patrick Ricketts
Chair of the Customer Committee

Sandra Palmer
Member of the Remuneration & Appraisal Committee

John-Paul Case
Cube Homes Board

Dean Clegg
Cube Homes Board

Nicki Clegg
Member of Customer Committee

Matthew Hemmings
Member of Audit and Assurance Committee

Simran Soin
Member of Audit and Assurance Committee

1.7 Risk management

The Board retains ultimate responsibility for risk management.

As part of this commitment, they receive a risk report at every meeting with a deep dive into the risk management framework twice a year. The deep dive report considers compound risk and the changing risk landscape looking backwards and forwards over the medium term. During the year, the Board reviewed and approved their **risk appetite statement** with a review of target risk scores also undertaken.

The **top six** risks have remained static throughout the year and are listed in the table below:

Great Places' key strategic risks

Customer health & safety	Risk appetite – averse
Delivery of repairs, asset management and facilities management	Risk appetite – moderate
Secure and resilient technology infrastructure to meet the needs of the business	Risk appetite – moderate
Customer poverty, financial hardship & the inability to pay rent	Risk appetite – averse
Recruitment and retention	Risk appetite – cautious/moderate
Failure of the sales programme	Risk appetite – open/moderate

Challenges for the sector

1. New regulatory standards (introduction of consumer standard)
2. Repairs, damp & mould, disrepair
3. Cost of living pressures on customers & what resources we have to support them
4. Cost inflation
5. Change of Government – budget announcement
6. Horizon scanning.....

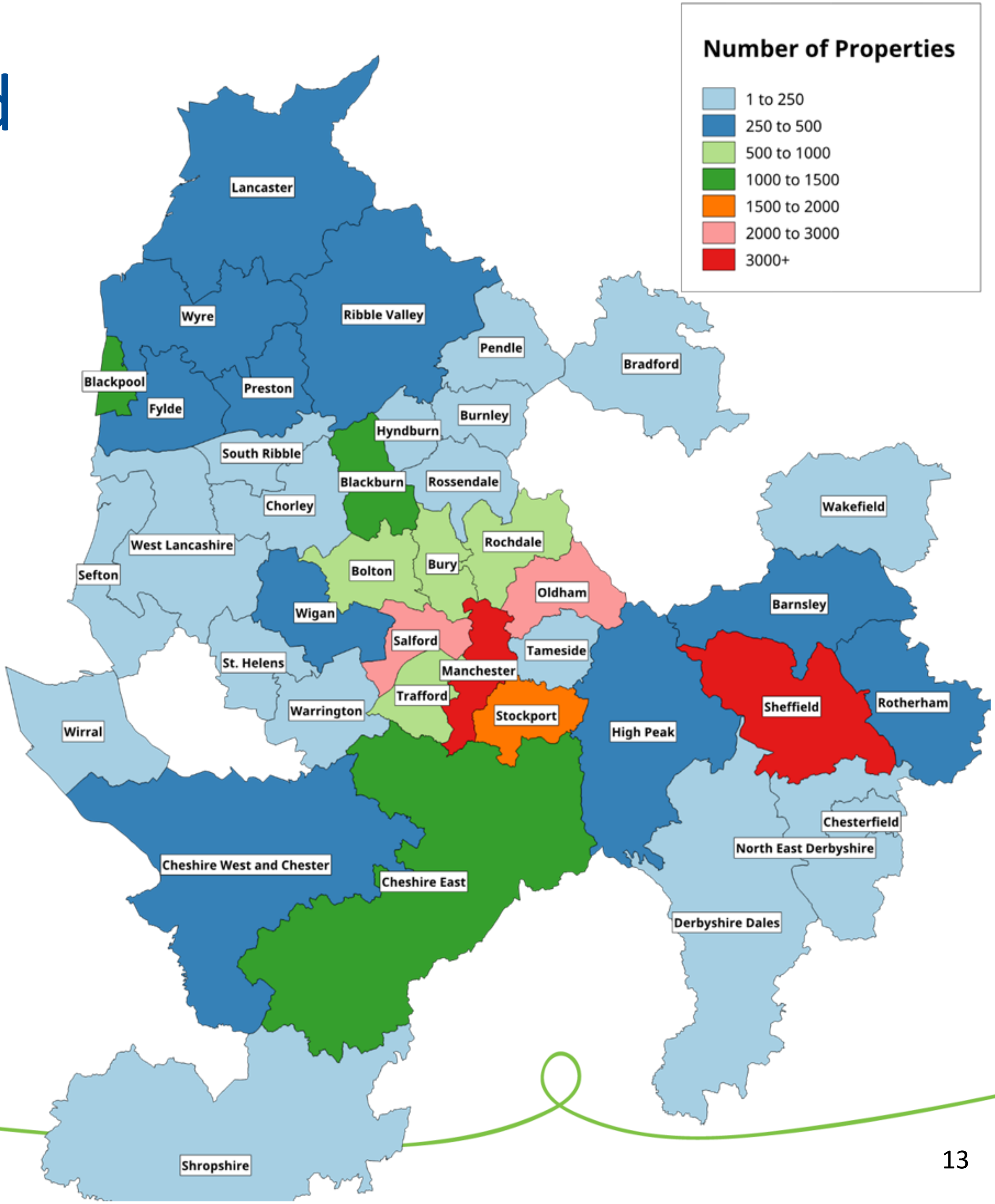
2. Our homes and our customers

2.1 Where our homes are located

Great Places has a material presence in **37 local authorities** as shown in the map on the right, plus a total of 44 minor holdings in 12 other local authorities.

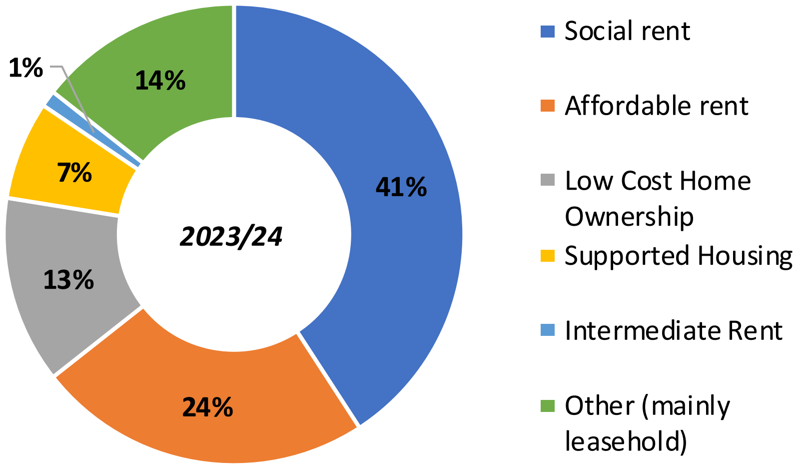
55% of our homes are in the 10 Greater Manchester districts, and **53%** are concentrated in 5 local authority areas – as can be seen in the table below:

Top 5 local authorities	GHPG stock – Mar 24	% total
Sheffield	3,532	13%
Manchester	3,326	13%
Salford	3,156	12%
Oldham	2,245	8%
Stockport	1,903	7%
Total	**14,162**	**53%**



2.2 Property tenure

Stock by tenure (owned & managed)	2021/22	2022/23	2023/24
Social rent	10,894	10,763	10,797
Affordable rent	5,430	5,883	6,234
Total general needs housing	**16,324**	**16,646**	**17,031**
Low-Cost home ownership	2,894	3,328	3,479
Supported housing	1,871	1,873	1,829
Intermediate rent	338	315	304
Other (mainly leasehold)	3,481	3,311	3,808
Total	**24,908**	**25,474**	**26,451**



Headlines (more details in the next slide):

- Our portfolio is **relatively modern**, with the majority of homes built post 1991.
- 65% of our stock is **general needs** housing – full stock breakdown is shown in pie chart.
- Great Places has delivered over **1,700 new affordable homes** over the last 3 years.

2.3 Property type

Our portfolio comprises 2/3rds houses and bungalows, and 1/3rd apartments (with only 4.5% of the portfolio being in properties of 7 or more storeys).

There is a good spread of 1, 2 and 3-bedroomed properties that comprise over **90% of the portfolio**, with a small element of larger properties.

Only **6%** of our portfolio is pre-1919, a property type which the English Housing Survey (2020) recognises as accounting for close to 50% of England's non-decent or damp homes.

The majority of the portfolio operates within straight-forward ownership and management arrangements. A small number of homes have management agreements or leases.

March 2024	1 bed	2 bed	3 bed	4 bed	5+ bed	Total
House/bungalow	1,104	6,621	7,230	1,574	225	16,754
Flat <5 storeys	5,405	2,810	44	9	0	8,268
Flat 5-6 storeys	129	113	0	0	0	242
Flat >7 storeys	611	554	22	0	0	1,187
Total	7,249	10,098	7,296	1,583	225	26,451
Proportion	27%	38%	28%	6%	1%	100%

2.4 Demand for our homes

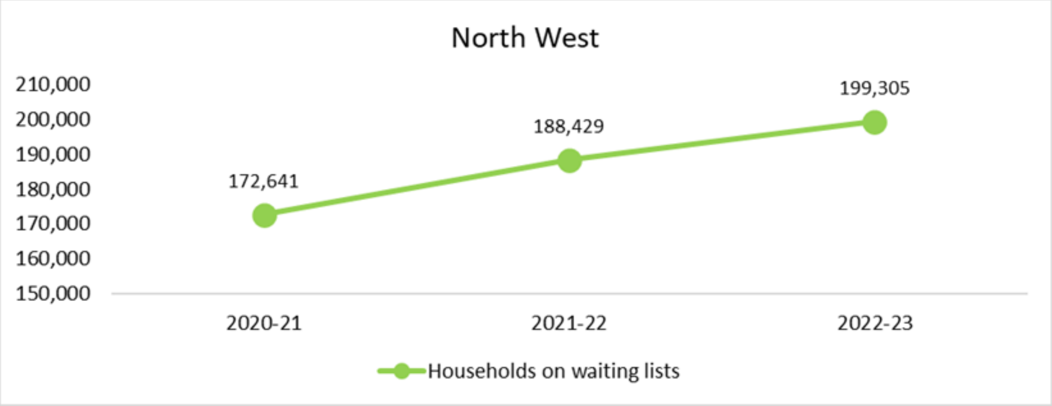
Demand for our properties continues to be **strong** across all property types and areas in which we operate, demonstrated by tenancies with an **average length** of more than **10 years**, **low tenancy turnover** and **high levels of applicants** for all new and existing homes – latest figures show typically there are **hundreds of applicants** for each new home.

Across the North-West of England, over **199,000 households** are on local authority waiting lists and this figure has been increasing in recent years (see graph). Of this total, **80,000 customers** are the 10 **Greater Manchester** local authority areas, and our experience is similar across all areas where we operate.

In 2023-24, **86%** of properties were re-let by the second offer, of which **67%** were re-let on first offer.

Tenancy turnover remains at historically low levels – **under 7%** through 2023/24 and currently 6%.

Average re-let times have consistently been **below 30 days** for the last five years. The median re-let time for the sector was 43 days (taken from Housemark's September 2024 Pulse).



Specific examples in areas with particularly high waiting lists and where we have a significant present:

Local authority waiting lists	2021-2022	2022-2023
Salford	5,851	3,956
Manchester	14,912	15,268
Sheffield	10,909	13,662
Blackburn with Darwen	3,407	5,416
Oldham	6,942	7,349

Source: council data from gov.uk - Sep 24)

2.5 Customer mix

The age profile of our customers has been relatively stable over time. The current mix shows 39% are aged 55 and over, 45% are aged 35-54 and 16% are aged under 35.

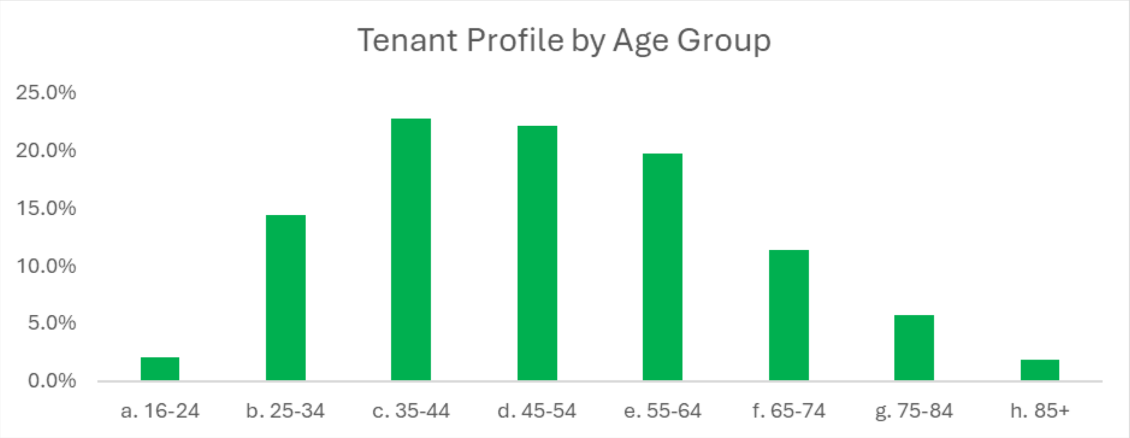
Of the new lettings in 2023/24, **47%** were to customers in full-time or part-time employment and 6% were retired. 40% of new lettings were people fully dependent on the benefit system – either seeking work, unable to work, or disabled.

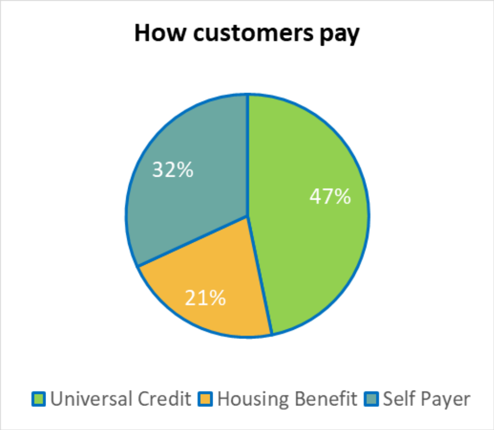
28% of lettings were to people who were homeless at the point of letting.

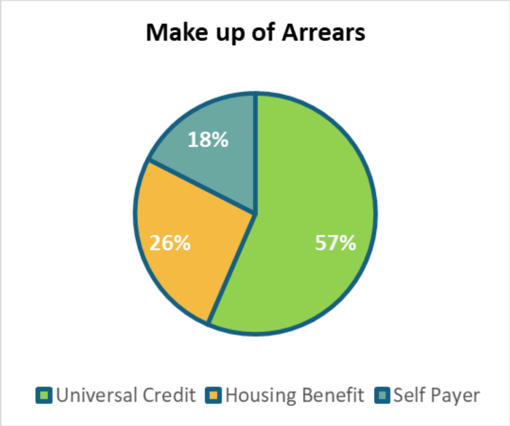
24% of lettings were to ethnically diverse customers (North-West of England BME population was 14.4% of the total NW population per the 2021 Census).

The number of Universal Credit ("UC") claimants continues to grow steadily and was 9,931 at September 2024.

We have reduced the average arrears for all UC claimants from over £800 in 2019 to just below £700, helping to keep our overall arrears performance under control.







3. ESG

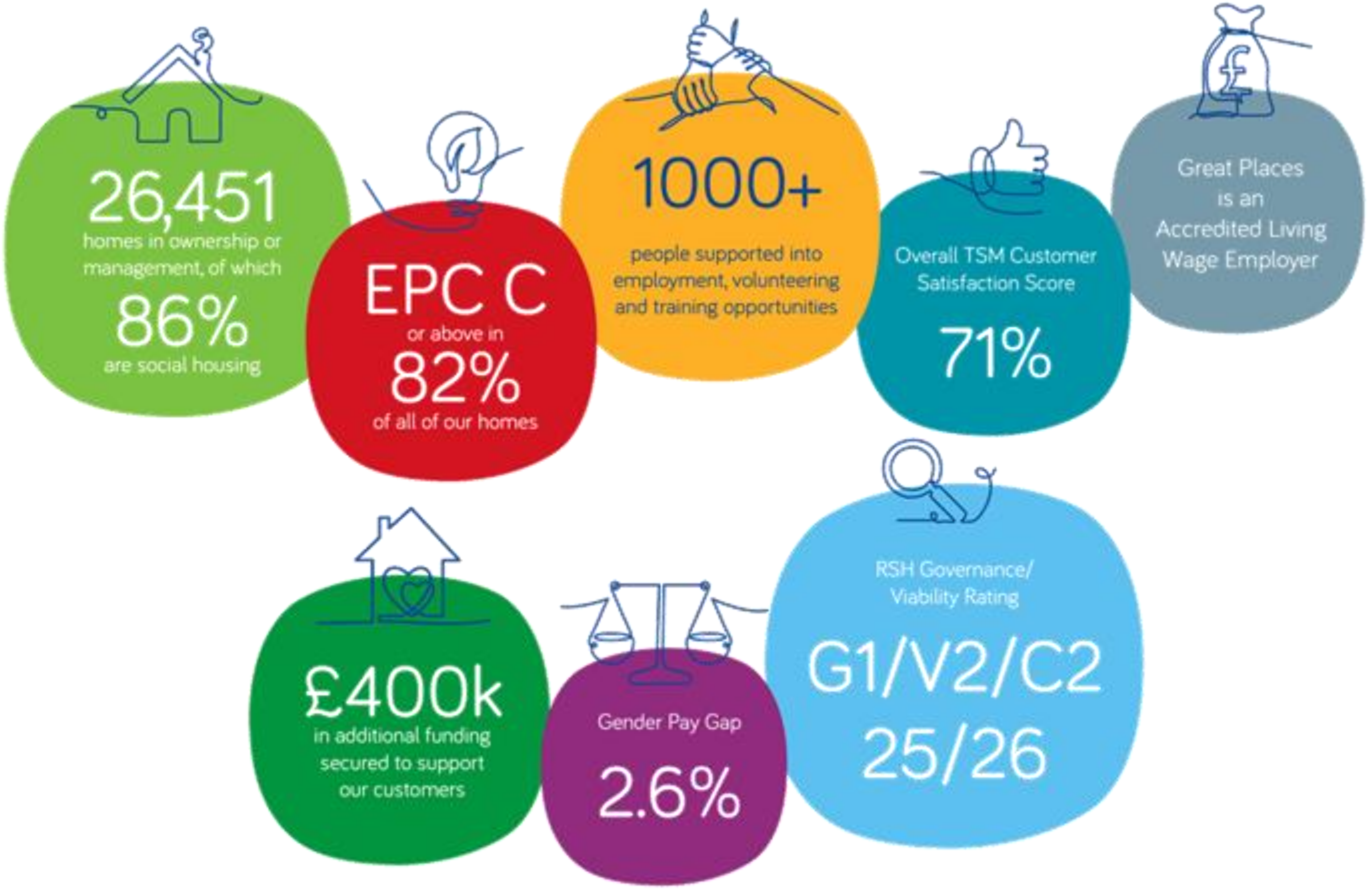
3.1 ESG

Great Places is an early adopter of the **Sustainability Reporting Standard** (“SRS”) and produced our first ever ESG report under that standard in 2021.

This year’s sustainability report incorporates new requirements from SRS v2.0, focusing on net zero commitments, damp and mould management, and equality, diversity, and inclusion (EDI).

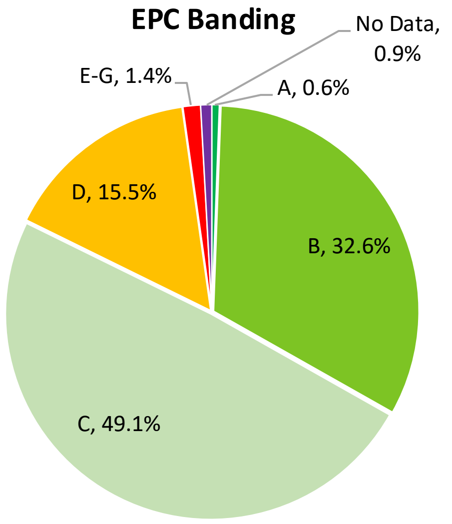
We produced a summary of the **three high-level areas** ‘environmental, social and governance’ taken from a set of themes aligned with the UN Sustainable Development Goals.

Social	Affordability and security
	Building safety and quality
	Resident voice
	Resident support
	Placemaking
Environmental	Climate change
	Ecology
	Resource management
Governance	Structure and governance
	Board and trustees
	Staff wellbeing
	Supply chain management



3.3 ESG - Environmental

- Our cross-organisational carbon management team is reviewing our **carbon management strategy** to set targets for our journey to net zero over the long term.
- All our new homes for the last financial year (2023/24) have achieved a minimum EPC rating of B.
- With the support of **£1.4 million** in funding from **Wave 2.1** of the Social Housing Decarbonisation Fund ("SHDF"), work is progressing in terms of making energy-efficiency improvements in **396** of our homes in Greater Manchester and Sheffield to improve their EPC rating to a C rating, with the work planned to be completed in the next year.
- Great Places is prioritising its **heat networks**, with a new heat network manager and Metering & Billing Co-ordinator appointed to prepare for upcoming Ofgem regulations.
- All our new homes are built to limit risk to flooding to the least severe category of flood zone 1.
- Great Places works to ensure our communities have green spaces and that we enhance the biodiversity in these areas in excess of minimum planning Biodiversity Net Gain (BNG) requirements.



82.3% EPC C and above

16.9% Below EPC C

0.9% Without an EPC

75 Average SAP rating

Scope 1, 2 and 3 (tCO_2e)	
Scope 1	2,643.3
Scope 2	123
Scope 3	80,514.5

3.3.1 Case study

Richmond Park Heat Network

Great Places successfully secured capital funding £1.6 million equating to 50% of total costs from the Government's Heat Network Efficiency Scheme (HNES) carry out optimisation works at our Richmond Park heat network of nine plant rooms serving 299 customers and one Community Centre in Sheffield. Over the past year, we have worked with partners Fairheat to carry out necessary works to improve the networks' fuel efficiency, reduce emissions, reliability and lower costs for customers.

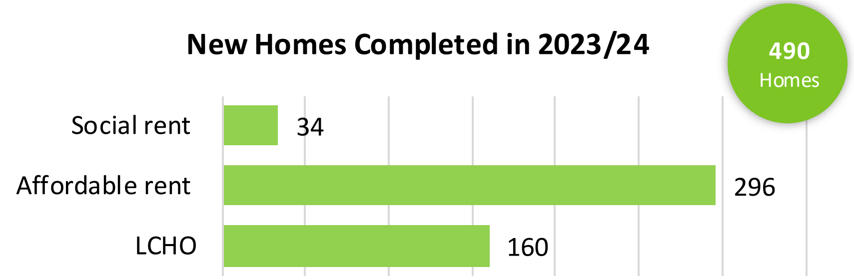
The works are expected to complete by December 2024 and are anticipated to see heat losses reduced by 40%, that is a potential savings 2,389 kWh per dwelling annually. Boiler efficiency will increase with flow temperatures reduced to 72°C and return temperatures to 60°C, enabling condensing mode operation. This will cut gas consumption by 23%, making a savings for both gas and electric consumption. Enhanced water quality will extend system lifespan and improve heating performance.

Further funding applications have been submitted for two blocks in Blackpool, two in South Manchester, and an optimisation study secured for a scheme in in Salford.

3.2 ESG - Social

As of 31st March 2024

- Great Places owns and manages **26,451 homes** of which **86%** are social housing.
- On average, rents are **92% of LHA** and **69% of market rents**.
- We've invested **£3.6m** in the last 12 months, on a range of safety enhancements including the installation of smoke and fire detection systems, as well continuing to develop and deliver our plans for remediation works.
- **99.99%** of homes have up-to-date gas safety certificates.
- **100%** of fire risk assessments completed.
- **99.88%** of our homes meet Decent Homes Standard (DHS).
- **93%** of complaints were dealt with at the first stage of the complaints process.
- We supported over **1,000** people into employment, training and volunteering
- In the last year the service we generated over **£756,138** in social value



Rent comparison		
Top 5 local authorities	**% of LHA**	**% of market rent**
Salford	70%	59%
Manchester	69%	56%
Sheffield	83%	67%
Blackburn with Darwen	93%	76%
Oldham	93%	67%
Average	**92%**	**69%**

3.2.1 Case studies

1. Wybourn Works

Innovative employability and wellbeing programme to support people into training, voluntary work and employment.

Funded by the Department for Work and Pensions (DWP) and the Learning and Work Institute, aims to help local residents gain skills, engage in voluntary work, or secure paid employment.

The project, 'Jobs Plus,' is being piloted in ten areas across the country, with Wybourn being one of the selected locations. We've received £200,000 to implement Jobs Plus in Wybourn.

The goal is to engage a total of 143 residents, with 100 entering training or voluntary work and 43 securing paid employment. To incentivise participation, those who secure work earning £677 in the first two months will receive a £400 bonus.

2. Greater Together Foundation Community Resilience Fund

Building on the previous success of our grants to organisations offering support to Great Places customers and the local community with the cost-of-living crisis, we are pleased to launch our Resilience Fund for 2024.

£100k in grants will be available through this year's Greater Together Foundation Resilience Fund. These will be distributed on a commissioning basis with our Community Investment Team's Community Partnership Managers managing the allocation of funds for their regions.

Grants of up to £10,000 will be made available to those organisations that can clearly demonstrate and evidence how they will support Great Places customers with health and wellbeing services, in particular early intervention and prevention, or community cohesion activities and projects.

3.4 ESG - Governance

- We have maintained our rating of **G1 V2**, as confirmed in our September 2024 inspection. We also received a **C2** grade for the new consumer standards, which identified both strengths in service delivery, and a small number of areas for improvement – we have an **improvement plan** to address these.
- In 2023/24, we established a **Customer Committee**, comprising two non-executive directors and up to seven remunerated customer members. This committee reviews key policies and provides feedback to the executive team, with its activities reported to the Board.
- We have a **three lines of assurance** model pulled together via our **assurance map**. Our risk management process is framed around **three key stages**: **risk identification**, **risk assessment** and **risk mitigation**.
- We continue to use **sensitivity** and **stress testing**, including multi-variate tests, to model scenarios which push us out of our tolerance limits or challenge our financial "golden rules" using control measures and mitigating activities to address these.
- **ESG risks** are incorporated in the risk register which is reviewed by Board at every meeting.
- The **Board's effectiveness** is **independently reviewed** every three years with the latest Triennial independent review being carried out in December 2023-February 2024.

Board demographics

4/11 female Board members

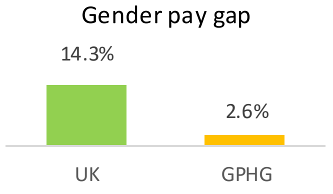
2/5 female Exec members

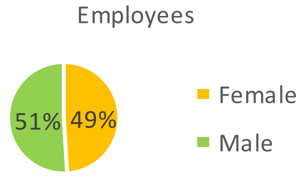
56 — Average age of Great Places Board

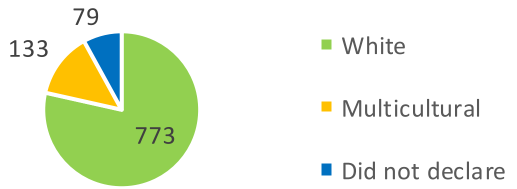
52 — Average age of executive team

18% — 18% of Board members have a disability

2/11 Board members identify as multicultural







4. Operational performance

4.1 Signals for success – new KPIs

	Signals for success (SFS)	Target	6 months to Sep 24
Our customers	Overall satisfaction, neighbourhoods and I&W, perception	72%	**73.4%**
	Satisfaction with ease of contact	6.2	**6.7**
	% completed EDI data	70%*	**52%**
Our homes	Development starts on site	1,378*	**208**
	Number of properties below EPC C	2,500*	**3,101****
	% of properties with stock condition survey in the last five years	85%	**85%**
Our people	% working days lost due to sickness	3.1%	**4.1%**
	% leavers in the first 12 months of employment	35%	**39.7%**
	Colleague engagement	84%	**87%**
Our financial viability	Interest cover (EBITDA MRI) – internal metric (not RSH)	120%	**172%**
	% of new homes unreserved >6 months (shared ownership and Cube)	9.4%	**6.4%**
	Current arrears including housing benefit	4.1%	**3.9%**

** end of year target*
*** expected to be on target by year end*

4.2 Repairs performance

Measure	March 2024	September 2024
TP01 How satisfied or dissatisfied are you with your landlords overall repairs services over the last 12 months?	71.2%	**76.9%**
TP02 How satisfied or dissatisfied are you with the time taken to complete your repair after you reported it?	70%	**73.1%**
Transactional customer satisfaction with the repair	8.3/10	**8.8/10**

From a demand perspective, during the first six months of this financial year the team completed over 29,000 repairs which equates to a **2% overall increase** on the previous year.

However, it is worth noting that the number of repair requests completed by the inhouse team has **increased by 9%** which has allowed a subsequent **43% reduction in subcontractor works** without impacting on the open order book.

The increase in in-house delivery has provided the customer with a better overall experience and is reflected in the satisfaction results for the period.

4.3 Tenant satisfaction measures

The **Tenant Satisfaction Measures** are a new set of measures introduced by the regulator to ask customers how they feel about the services their landlord provides.

The measures focus on **five key themes**: keeping properties in good repair; maintaining building safety; effective handling of complaints; respectful and helpful engagement; responsible neighbourhood management.

Details as of September 2024 (Q2; 2024/25 Financial Year)

Measure	Q2 2024
Taking everything into account, how satisfied or dissatisfied are you with the service provided by Great Places?	**73.4%**
How satisfied or dissatisfied are you with the overall repairs service from Great Places over the last 12 months?	**76.9%**
How satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	**73.1%**
How satisfied or dissatisfied are you that Great Places provides a home that is well maintained?	**79.6%**
Thinking about the condition of the property or building you live in, how satisfied or dissatisfied are you that Great Places provides a home that is safe?	**83.0%**
How satisfied or dissatisfied are you that Great Places listens to our views and acts upon them?	**67.4%**
How satisfied or dissatisfied are you that Great Places keeps you informed about things that matter to you?	**75.4%**
To what extent do you agree or disagree with the following 'my landlord treats me fairly and with respect?	**81.4%**
How satisfied or dissatisfied are you with Great Places approach to complaints handling?	**42.4%**
How satisfied or dissatisfied are you that Great Places keeps communal areas clean, and well maintained?	**70.4%**
How satisfied or dissatisfied are you that Great Places makes a positive contribution to your neighbourhood?	**67.2%**
How satisfied or dissatisfied are you with Great Places approach to handling antisocial behaviour?	**68.6%**

4.4 Arrears and voids

Arrears

Current tenant arrears continues to perform well in 2024/25 and is currently 0.8% lower than this time last year, and 1.1% better than September 2022. Whilst our arrears performance has improved in recent years, we remain a mid-range performer when benchmarked with equivalent peers.

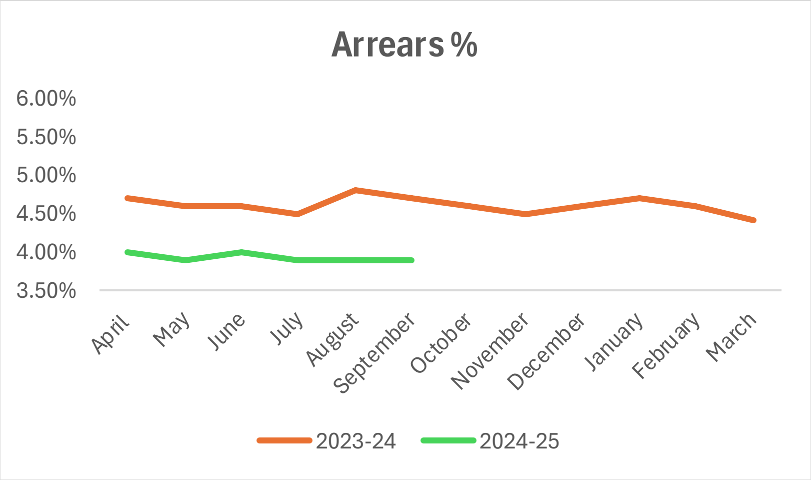
Rent collection has remained above 99.9% - maintaining a steady performance over the first six months of 2024/25.

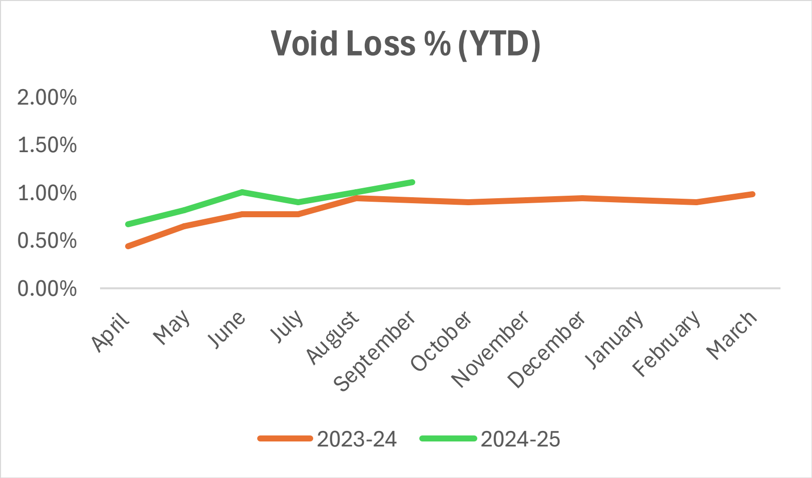
An overarching theme of income performance is the consistency of service across all three measures, reflecting adherence to policy and process across numerous teams and colleagues.

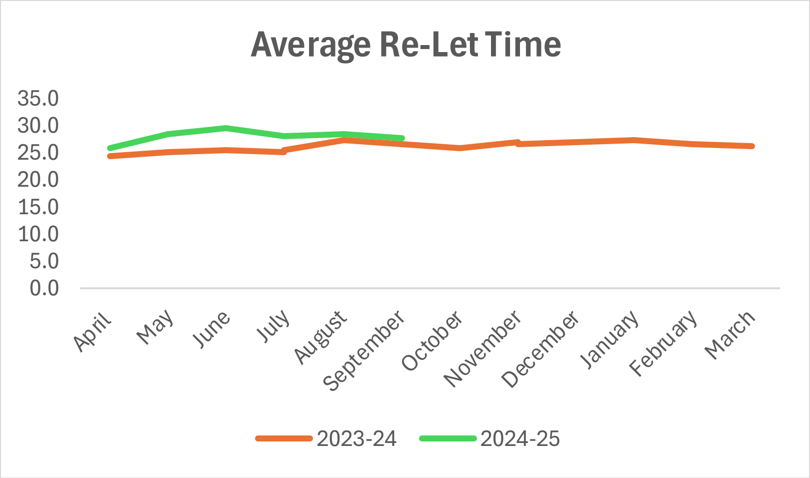
Voids and re-lets

The percentage of income lost due to void properties performs broadly in line with target and business plan: September 24 general needs YTD void loss was 1.1% against a target of 1%. The corresponding tenancy turnover has been consistently close to 6%.

Re-letting our vacant stock continues to perform well and has been comparable year-on-year.







5. Investment in existing homes

5.1 Maintaining and investing in our homes

Significant resource has gone into maintaining and investing in existing homes.

Whilst Great Places benefits from a relatively modern portfolio, it still has c.1,600 pre-1919 terraced homes which have been the focus of the Group's efforts to identify and remediate issues related to **damp, mould and condensation**.

86% of damp inspections in 2023-24 were completed in target with an average time of 6.6 working days. 76% of identified damp works were completed in target with an average time of 21.8 working days.

Our **repairs service** is provided through an **in-house team**, supported by our innovative distribution centre and materials supply service which provides materials not only for the Great Places team, but also for other local RPs. This has helped the Group mitigate the supply chain and inflationary pressures faced by the sector.

Repair works are often **performed in-house** including grounds maintenance, roofing, cleaning, caretaking, electrical, plumbing, joinery.

Our component replacement programme is delivered by a number of sub-contractors procured though our own **investment framework**.

We aim to reach **100%** stock condition data in the past 5 years for our residential assets by **2025,** and we had achieved **85%** by September 2024.

Scale of delivery – 2023/24

4,500
S. C. Surveys

433 / 953
kitchens / bathrooms

15,500
Gas services

3,600
Electrical tests

61,000
Repairs completed

1,200
Voids

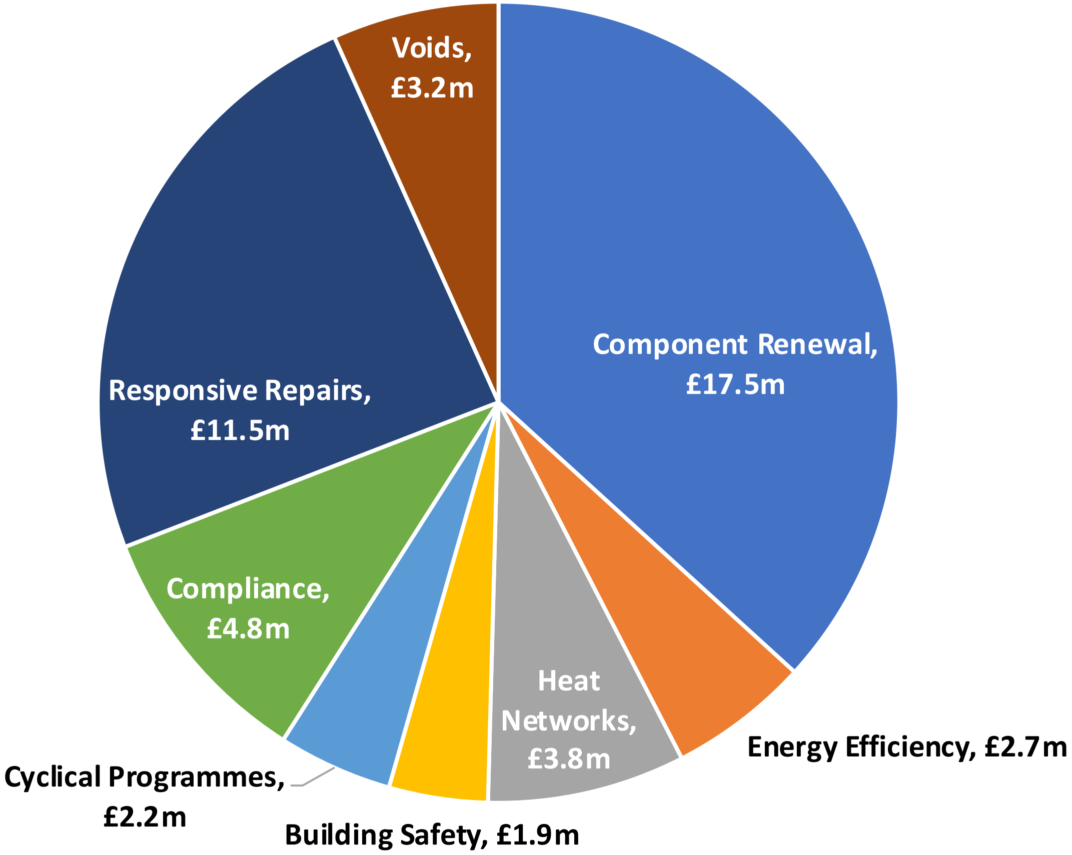
3,321
D&M inspections

121
Disrepair claims

5.2 Investment programme - 2024/25

£47.6m

Projected spend



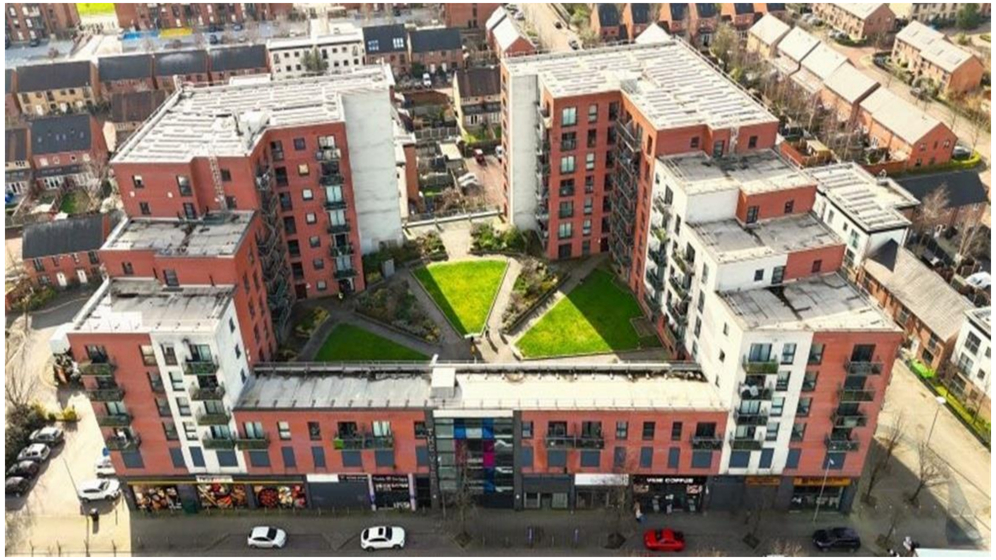
5.3 Building safety

Great Places has **17 buildings** that we own and manage and where we are the Accountable Person with regards to building safety. **Seven blocks are high-rise** (over 18m or seven storeys) and ten are mid-rise (over 11m or 5 storeys).

Our approach considers risk not just based on height but across a number of aspects including construction type, the use of the building and the customer base.

All of our 884 blocks have an in-date Fire Risk Assessment and we have been undertaking **surveys and remediation work** over the last four years.

We have included further **provision of £11m** in our business plan to undertake building safety works, having already spent £6m up to the end of March 24.



Latest business plan 24/25*	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30+
Fire safety, smoke, carbon monoxide, one-off remedial works	£1.9m	£3.2m	£1.2m	£3.3m	£1.3m	Nil
Recurring building safety planned maintenance	Nil	Nil	£0.5m	£0.5m	£0.5m	£0.5m

* based on the latest business plan 24/25. The mid-year forecast approved by Board has £2m higher operating costs, as we accelerated our fire risk assessments survey programme across the stock and brought forward maintenance work. This was reported in the Q2 performance update.

5.4 Decarbonisation and net zero

Energy performance certificate EPC ratings:

As of September 2024 we had **3,101 homes below EPC band C**, 159 without an EPC certificate and 15,127 rated C or higher. Social Housing Decarbonisation Funding (SHDF) is supporting the **retrofit of 396 homes** in financial year 24/25, and we have an ambitious target in our internal KPIs signals for success to achieve another 205 more.

Decarbonisation:

We have **£207m** in our business plan to 2050, which we expect will pay for around half of the required expenditure.

We are taking action on decarbonisation plans. We will use a specialist housing sector sustainability assessment model (**SHIFT**) to provide independent assessment against peers and give us a road map for reducing the carbon footprint. This is supporting the sustainability strategy which will include calculating emissions and developing our net zero plan.

Latest business plan 24/25	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30+
EPC rating C by 2028, total £14m	£2.7m	£2.5m	£3.5m	£3.5m	£1.6m	Nil
Future net zero carbon, total £207m	Nil	£1m	£1.6m	£2.6m	£6.2m	Rising to £10.3m yrs 11-21, falling to £8m yr26

5.5 Case study


Before


Process…

After

Bowland House in Blackburn: extensive renovations including:

- Insulation of external walls
- Installing new windows and flat entrance doors that have a 60-minute fire rating
- Creation of winter balconies
- Sprinkler system to all flats and communal areas and the installation of an innovative evacuation system (allows fire & rescue service to evacuate single multiple floors)
- New hot water cylinders, electric showers and communal lighting systems
- New roof covering
- Modernisation of communal areas via new floor coverings and dementia-friendly redecoration
- £3.4m was spent on total on refurbishment

6. Development

6.1 Development strategy

As at March 2024, using latest business plan 2024/25:

Investors will see a moderation of delivery volumes, with a reducing ambition from the 11,000 homes target articulated in 2020 to **9,000 homes** cited in the latest business plan.

The vast majority of this will be **affordable tenures** (58% rented, 36% shared ownership) with only 6% being market sale or market rent.

At the start of the business plan period, **27%** of the total pipeline was contractually committed.

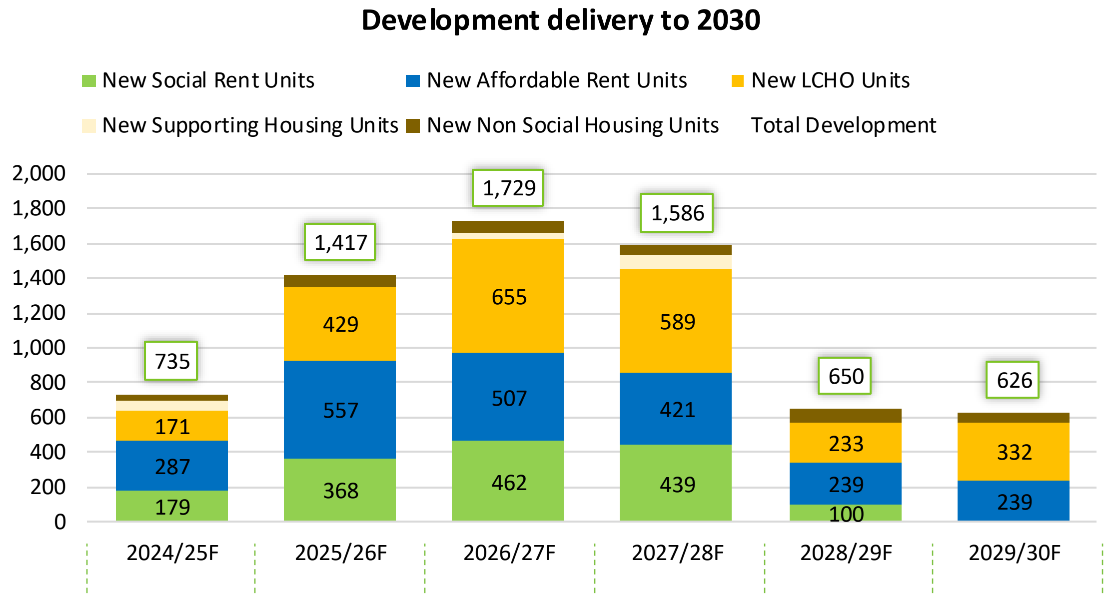
The development programme is predominantly land-led with only circa 7% S106 over the next 3 years.

Great Places secured **£275m grant** for the Affordable Homes 21-26 programme which will deliver **4,500 completions** through to 2028. (originally in Sept 21 was £241m for 4,920 units)

The Group will continue to look for appropriate Section 106 opportunities.

Great Places' **low risk approach** is underpinned by:

- Schemes contracted a fixed price basis reflecting current market rates
- Enhanced due diligence on contractors and annually updated appraisal hurdle rates
- Well established partnerships and strong relations with broad range of stakeholders



Per BP	2024/25F	2025/26F	2026/27F	2027/28F	2028/29F	2029/30F
Committed	90.8%	68.8%	13.0%	1.2%	1.6%	0.0%
Uncommitted	9.2%	31.2%	87.0%	98.8%	98.4%	100.0%

6.2 Development performance and delivery

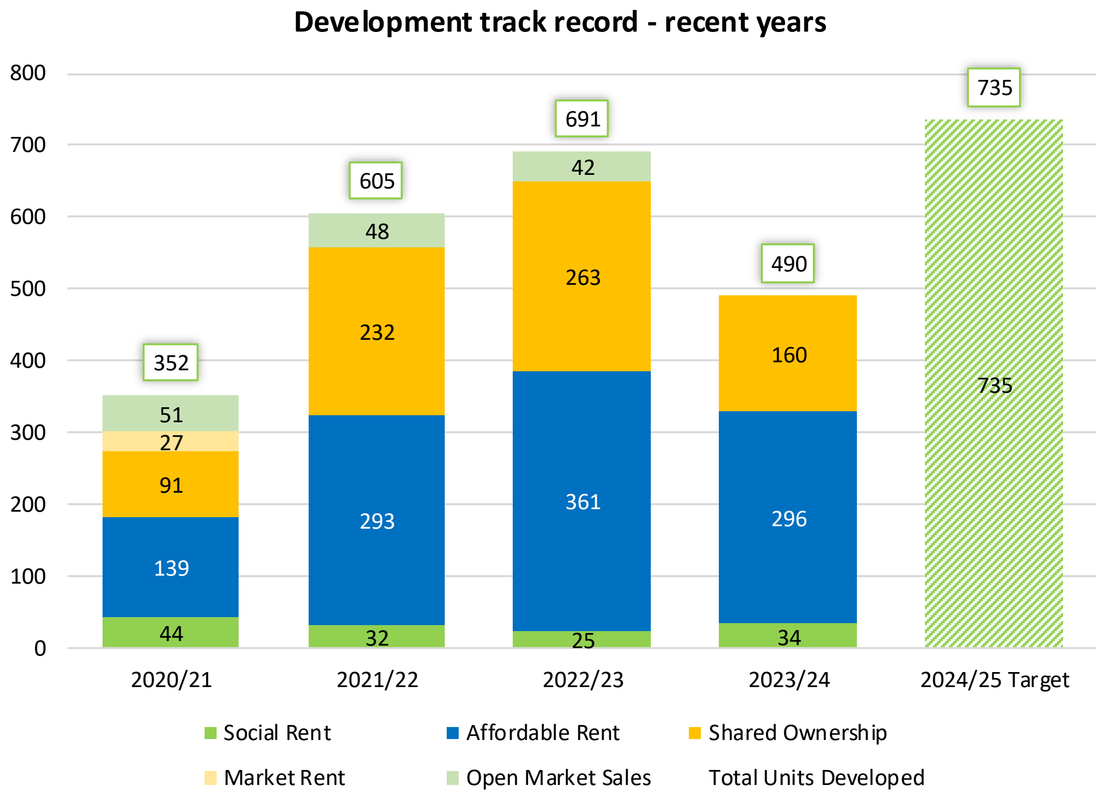
Great Places has a strong track record of development delivery with **1,696 affordable homes** delivered in the last 3 years. This is underpinned by the Group's colleagues and board members being **highly experienced** in development delivery and risk management.

The team has been strengthened over the last three years so that it is appropriately sized and skilled to source the pipeline of schemes, undertake and manage the construction activity and deliver the shared ownership sales programme required to meet our development aspirations.

Great Places has strong relationships with developers, landowners and SMEs, and has recently announced successful bidders for our latest four-year **Innovation Chain North (ICN) £1.5 bn** framework which is designed to support delivery of new homes across the north of England, not only for Great Places but also other Housing Associations and Local Authorities.

The Group has remained focused on realising our ambitions on playing our part in tackling the ongoing housing crisis. In the year ending March 2024, our affordable development programme delivered **490 new affordable homes**. In the same year, **214 homes** were sold through the shared ownership product.

We are in a strong position with over **2,000 homes currently on site** as we deliver our commitments to Homes England.



6.3 Managing sales risk

Shared ownership sales

There is on-going monitoring of the sales market and our sales exposure, mitigating sales risk with focussed marketing activity and successful digital marketing campaigns for our current and future outlets. Sales exposure limits are board-approved, using established risk-based measures, and corresponding to the size of the Strategic Partnership programme delivery.

Our mid-year shared ownership sales performance is exceeding targets. Strong enquiry and viewing levels are being experienced, and we see continued good appetite for off-plan reservations.

As of September 2024, only **31 homes** are unsold or unreserved of which only 3 have been so for more than 6 months.

Shared ownership demand in strong and customer sentiment positive in the markets we know well and where we have worked hard to ensure that the product is well understood. Average sales period **9.2 weeks**, 1st tranche sales **36%**. Evidence of broadening customer base.

Our risk appetite towards the sales programme is open / moderate. There are specific mitigations set in place to manage the exposure, namely through robust monitoring of performance, early warning monitors and stress testing.

	2021/22	2022/23	2023/24	2024/25F*	2025/26F*	2026/27F*
Homes sold	228	195	214	171	429	655
Turnover	£22.6m	£20.8m	£21.7m	£15.5m	£23.6m	£33.7m
Surplus	£3.0m	£3.1m	£3.1m	£2.0m	£2.8m	£4.8m
% margin	13.4%	15.1%	14.3%	12.7%	11.6%	14.3%

* Forecast per the latest Business Plan 2024/25

September 2024	Shared ownership
Sales YTD	110
Stock held	44
Available to buy (unreserved)	31
Unsold and unreserved stock over 6 months	3 units (6%)

6.4 Market sales

Open market sales and market rent

All the Group's market sale and market rent activity is undertaken through Cube Homes Limited (Cube).

Cube has access to an intra-group funding facility with an internal limit of **£40m**. Cube funds £25m of working capital for outright sale projects, £9m for market rented schemes and £6m specifically set aside for the Greater Manchester and Sheffield City Region development joint ventures, called Hive Homes and Forge New Homes, respectively.

Cube's target is to generate, on average, a profit of c. **£2m** per annum, with an expectation that 50% will be gift aided back to GPHA, and the remainder (net of tax) retained within Cube to grow its own balance sheet and reduce its reliance on the intra-group facility.

Cube seeks to undertake projects that meet its required rates of return (minimum **return of 10%** (outright sales) and year 1 **gross yield of 6%** (market rented)).

There have been fewer new homes sold in the past year, due to the cyclical nature of the development pipeline. In 2024/25, some longstanding projects are drawing to a close and moving into sales phase. The next few years will get busier as more future sales outlets start to be built.

As of September 2024, there were **three unsold** market sale homes that were completed and available for sale, from a scheme of nine homes.

CUBE HOMES

	2021/22	2022/23	2023/24	2024/25F*	2025/26F*	2026/27F*
Homes sold	48	42	2	37	55	67
Turnover	£17.4m	£13.5m	£1.5m	£20.3m	£24.8m	£23.4m
Surplus	£3.9m	£3.1m	-£0.3m	£2.4m	£3.6m	£3.2m
% margin on GDV	22.1%	22.7%	-20.0%	11.6%	14.5%	13.5%

* Forecast per the latest Business Plan 2024/25, subject to change in business plan 2025/26. As explained in our Q2 performance update, current year 24/25 market sales £0.7m surplus will move into next year.

September 2024	Market sales
Sales YTD	4
Stock held	3
Available to buy (unreserved)	1
Unsold and unreserved stock over 6 months	0 (0%)

6.5 Case study

Ancoats Dispensary, Manchester

Great Places, in partnership with Manchester City Council and part funded by Homes England and the Greater Manchester Combined Authority, has redeveloped the iconic Grade II listed building, built in 1874 to provide healthcare for the city's growing population, into 39 new homes for affordable rent. Completed in early February 2024, the former dispensary includes a mix of 25 one-bed and 14 two-bed apartments.

Matthew Harrison, our former Chief Executive, said:

"We're delighted to have the opportunity to show Cllr Craig and guests around the completed Dispensary that heralds a new era for one of Ancoats' most cherished landmarks as well as providing 39 high-quality much needed affordable homes in the area.

Cllr Bev Craig, Leader of Manchester City Council, added:

"A debt of thanks should be given to Great Places who have played a key role in breathing new life into this incredible building – bringing an important historic property back into use, while at the same time creating much-welcomed affordable housing in this part of the city centre. Which supports our commitment to build at least 10,000 social, council and genuinely affordable homes in the next decade."

This phase is a continuation of coordinated regeneration and development across the neighbourhood in recent years. The programme has seen Ancoats transform from an area characterised by dilapidated buildings, vacant premises and deprivation into an attractive and vibrant mixed-use neighbourhood and extension of the city centre.

6.6 Case study

The Poplars, Stockport

At the Poplars in Heaton Mersey, Stockport Great Places has unlocked a 2.62-hectare complex brownfield site through extensive remediation and aspirational design to create much-needed new housing offer in an area dominated by older housing stock.

The scheme is unique in that it has delivered a flagship development of strategic importance, realised through Great Places' merger with Equity Housing in 2020. The merger unlocked key strategic relations with the local authority, which facilitated the site's acquisition, demonstrating the importance of partnership working, financial and reputational strength.

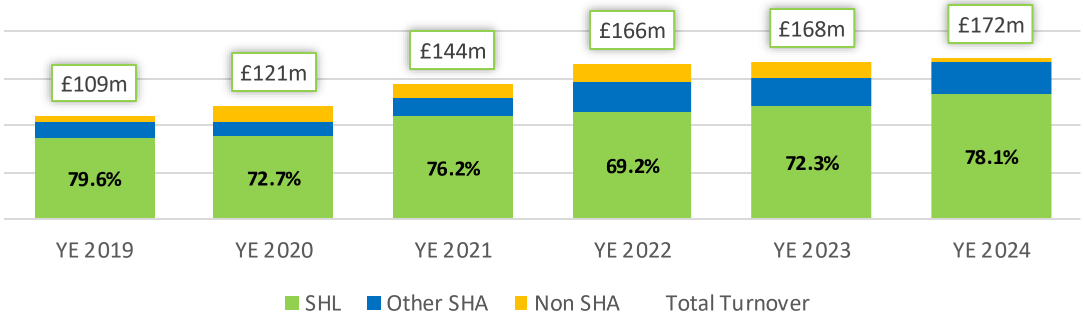
Situated in the heart of the already well-established residential area, the £25.5m scheme provides a brand-new housing offer of 106 homes which meet the needs of modern families. The mix of two, three and four-bed homes for social rent, shared ownership and market sale, through our profit for purpose company Cube Homes, has created a truly mixed tenure development in response to the housing needs of the local community.

The new homes have been constructed with sustainability in mind, achieving an EPC B rating through a fabric first approach. The energy efficiency of these new homes plays a critical role in the ongoing challenges that the cost-of-living crisis presents to our customers and ensures that the cost of heating these new homes is affordable. The wide range of house types delivered on The Poplars also reflects the wide-ranging demographic of the area; acknowledging that there is a need for a full suite of accommodation typologies to meet the needs of the local community

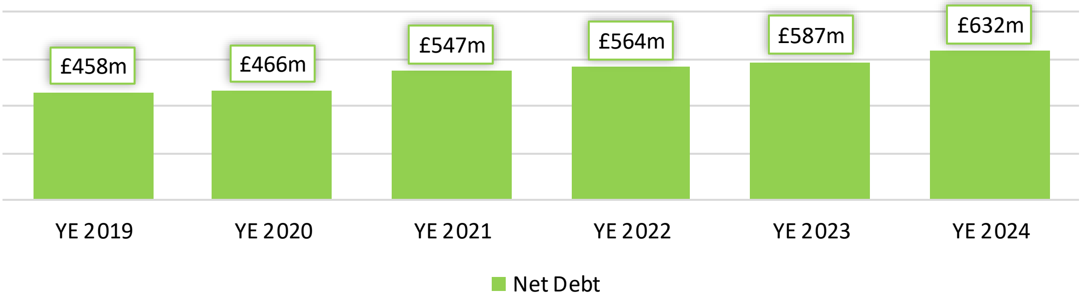
7. Financial performance

7.1 Financial overview

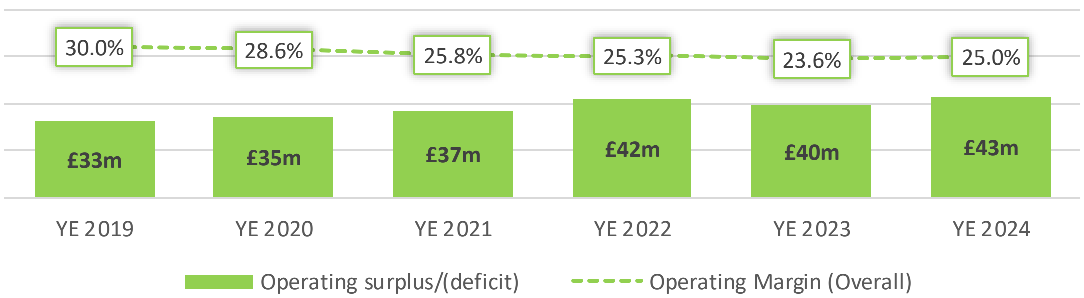
Turnover



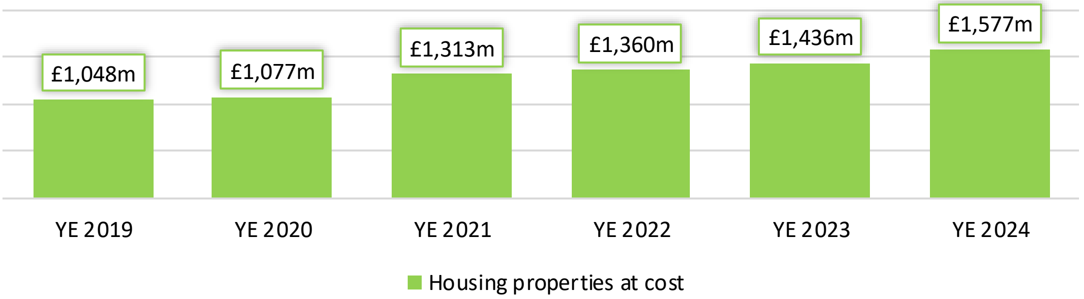
Net debt



Operating surplus (Exc. sales)



Housing properties at cost



7.2 Key financial summary

Year ending 31 March – Group (£m)	2029/20	2020/21	2021/22	2022/23	2023/24
Selected income statement Data:					
Total turnover	120.9	144.2	166.0	167.8	171.8
Operating surplus (exc. surplus on sale of fixed assets)	34.5	37.2	42.1	39.5	44.0
Surplus on sale of fixed assets	3.9	3.0	4.7	6.4	3.7
Interest payable and financing costs	-23.6	-25.6	-27.0	-27.1	-27.3
Surplus for the year	17.2	54.8	21.2	21.4	23.6
Selected balance sheet data:					
Fixed assets	1,113.8	1,357.1	1,406.9	1,483.8	1,626.7
Net current assets	52.9	130.0	103.6	59.1	18.7
Total assets less current liabilities	1,166.7	1,487.1	1,510.6	1,542.9	1,645.4
Pension provision	9.5	25.4	12.4	11.6	12.9
Total reserves	88.1	136.5	181.8	221.8	243.9
Selected cash flow sheet data:					
Net cash generated from operating activities	50.6	65.9	70.4	72.5	44.6
Purchase and construction of fixed asset housing properties	45.7	80.6	79.0	112.8	163.2

Turnover breakdown 2023/24	£m	%
Social housing lettings	134.1	78.1%
Supporting people	2.1	1.2%
Properties managed but owned by others	1.1	0.6%
1st tranche shared ownership sales	21.7	12.6%
Market and commercial rent	2.7	1.6%
Other	8.6	5.0%
Developments for sale	1.5	0.9%
Total	171.8	100%

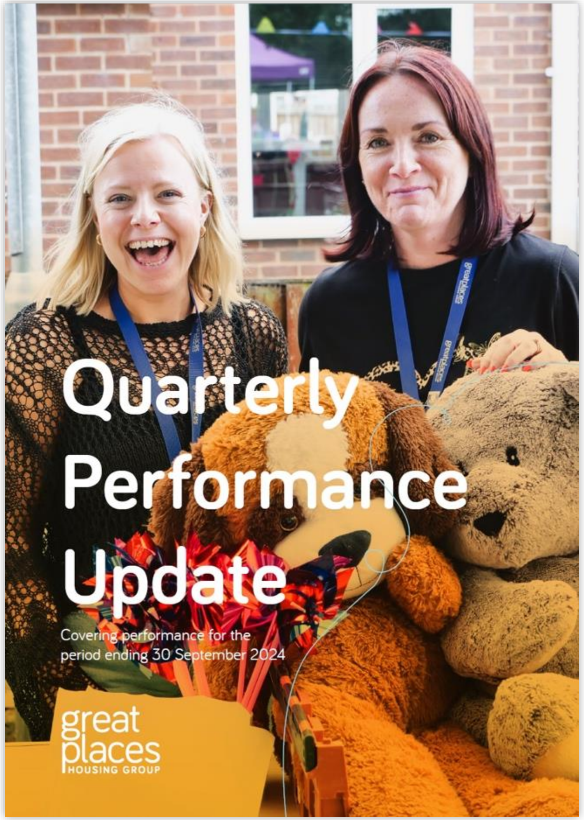
7.3 Value for money metrics

Great Places	2020/21	2021/22	2022/23	2022/23 Sector median	2023/24
Reinvestment	6.3%	6.0%	8.1%	6.7%	10.6%
New supply delivered (SH units)	1.3%	2.7%	2.9%	1.3%	2%
New supply delivered (NSH units)	0.4%	0.2%	0.2%	0%	0%
Gearing	44.0%	42.9%	41.7%	45.3%	40.6%
EBITDA MRI interest cover	149%	152%	143%	128%	126.3%
Headline SH cost per unit (£k)	£3,343	£3,577	£3,931	£4,586	£3,743
Operating margin (SHL)	29.2%	30.6%	27.5%	19.8%	30.7%
Operating margin (Overall)	25.8%	25.3%	23.6%	18.2%	25%
Return on capital employed (ROCE)	2.7%	3.1%	3.0%	2.8%	2.8%

7.4 Quarterly performance update – Q2

Financial Performance

- Surplus before tax was **£15.7m** – slightly ahead of budget
- All internal financial “golden rules” were **achieved**
- The latest full-year forecast surplus approved by Board in November is **£27m**
    - **£2m higher operating costs** as we brought forward some work to our properties, including an acceleration of our fire risk assessments survey programme across the stock and additional maintenance work
    - Surplus from market sale schemes is forecast to be **£0.7m below budget**. Sales values are at budget levels.
- Full year operating margin internal golden rule (25%) being **missed by £1.2m**, so it will remain under review and challenge
- All other golden rules including bank **covenants are forecast to be met** this year.
- We would remain **higher than the sector median** operating margin of **18.2%** per the RSH Global Accounts 2023.
- Mark to market exposure was **£5.5m** with nil cash collateral posted to meet counterparties’ security requirements.
- Great Places won “**Homebuilder of the year**” at the UK Housing Awards, November 24



8. Treasury

8.1 Debt portfolio

Agile treasury strategy:

- **EBITDA only** covenants across all banking facilities
- **£425m** of restructured and new debt agreed in 2024 – bank RCFs.

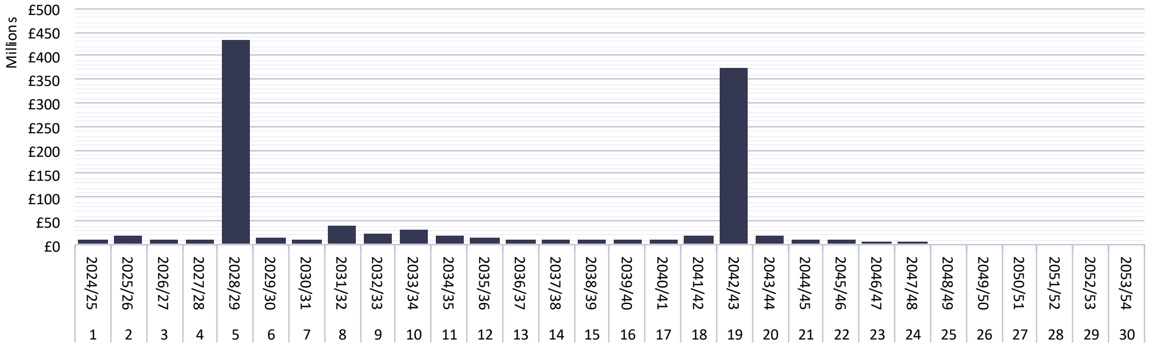
Total agreed facilities of **£1,056.8m**. Drawn debt (excluding bond/loan premium and loan fees) was **£647m** – September 2024.

The Group also had cash on short-term deposit of circa **£28m** – September 2024.

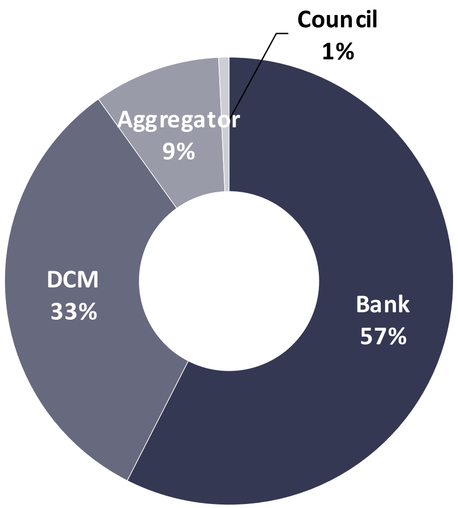
The portfolio is **94% fixed**, supported by **£107m of standalone swaps**.

No significant short term refinancing risk (Year 5 maturities are mainly RCFs - £425m – and all contain extension options).

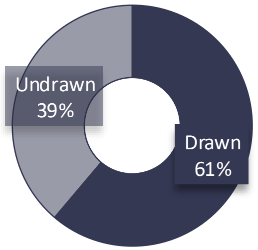
Debt maturity profile



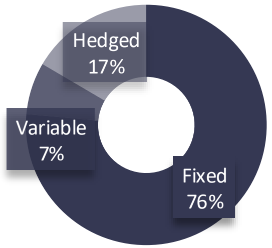
Debt portfolio
of all available debt facilities, by lender



Utilisation
portfolio split



Interest
portfolio split *(drawn)*



8.2 Security

Great Places has a pool of **21,726 homes** that are either charged or potentially available to charge. These are estimated to have a gross valuation of **£1.5bn**.

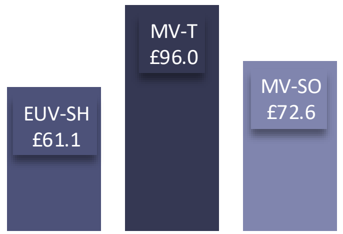
Due to the recent treasury activity and increased facilities, Great Places is currently undergoing a security charging exercise – which will change the current security pool. The figures below represent the expected position after this exercise is completed.

The final position on the existing debt is expected to carry a surplus security headroom of around **£61.7m** – this includes the excess security on the existing loans and deducting the amount of security that is **designated** to charge the remainder of the RCFs.

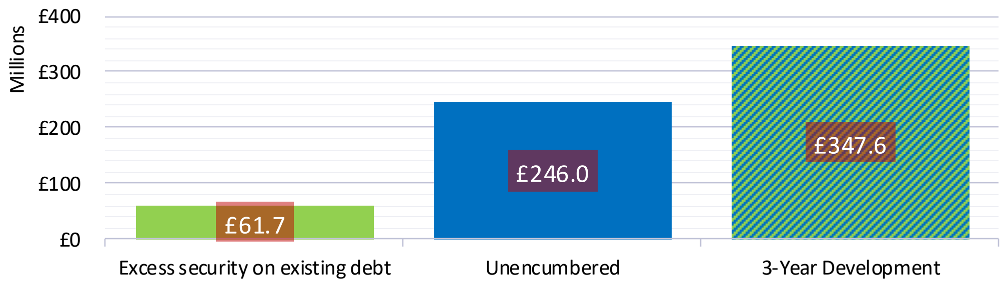
Great Places still will be left with around **4,400 homes** that are available to charge, which could potentially secure an additional **£246.0m** (based on prudent estimates).

On top of this, there is additional security headroom provided by new homes as they are completed. This value is estimated at around **£347.6m** based on the next three years of the development pipeline.

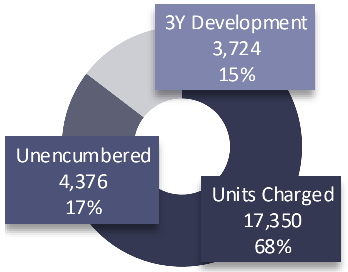
Valuation per unit
(charged stock)



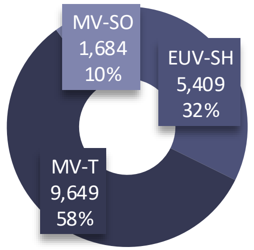
Security breakdown



Securitisation
portfolio split



Designation
(charged stock)



8.3 Treasury management policy

*Great Places has a **robust** treasury management policy to ensure compliance with regulatory standards and addressing **key risks** with appropriate governance & oversight*

Liquidity

- **Minimum cash balance:** £15m (agreed on an annual basis taking into account stress testing and exposure to derivative contracts)
- **Liquidity tests** covering 3 months, 12 months and 18 months.

Governance & oversight

- The fundamental position of the Group is **risk averse**, and the key objective is to ensure its ongoing **liquidity and viability** over the short, medium and long term.
- The **Group Audit Committee** will have responsibility for the scrutiny of compliance with treasury management policies and practices.
- The **Board** maintains overall responsibility for the Group's key Treasury policies and practices.
- The Group retains Savills Financial Consultants as its **treasury advisers** to provide up to date market information, regular advice and training.

Golden rules and mitigations

- **Operating margin** – 25%
- **EBITDA MRI** (internal calculation) – 120%
- **EBITDA** (bank covenant + headroom) – 150%
- **Gearing** (bank covenant + headroom) – 55%
- **Minimum** portion of fixed-rate / hedged borrowings: **75%**

Counterparty credit risk

- Total exposure to any one approved counterparty to **not exceed £20,000,000** or **25% of total cash balances** whichever is higher on the day of the deposit.
- Minimum (short term) ratings of **P1/A1/F1** or **AAA** for Money Market Funds ("MMF").
- Total amount that may be invested in MMFs is **£25,000,000**.
- Only enter into ISDA agreements with financial counterparties that satisfy the credit criteria set for approved lenders

9. Closing remarks

9.1 Credit highlights

Deep regional focus *in the North West, Yorkshire & Derbyshire*

Strong *operational & financial strength*

Balanced approach *to asset management, regeneration & development*

Sustainability *ambitions*

Stable and experienced *board and leadership team*

26,451 Homes owned and managed – March 2024	£171.8m Turnover (23/24)	71.5% Customer satisfaction (23/24)
G1 / V2 / C2 Inspection September 2024	96.7% Turnover via SH activities (23/24)	4.4% Current rent arrears (23/24)
A3 (stable) / A (stable) Moody's / Fitch October 2024	£46.7m Operating surplus (inc. sales) (23/24)	490 New homes social & affordable (23/24)
82% EPC C and above	30.7% Operating margin – SHL (23/24)	Homes England Strategic Partner

Thank you

great places
HOUSING GROUP