



LHP Financial Statements

31 March 2024



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Information

Board of Management

Chair

Anthony Read

Paul Casey (resigned 14 September 2023)

John Crowther (resigned 17 September 2023)

Carl Dewey

Kate Lindley

Sally Marshall-Mills

Simon Parkes

Adrienne Boggins

Rhiannon Davies (resigned 6 February 2024)

Zoe Ollerearnshaw (appointed 1 April 2023)

Susan Shehata (appointed 1 April 2024)

Chief Executive

Murray Macdonald (resigned 29 February 2024)

Secretary

Nicola Ebdon

Executive Directors

Executive Director of Customers

Mark Coupland

Executive Director of Finance

Kathryn Price

Executive Director of Strategy, Culture and Digital

Shaun Harley

Executive Director of Property

Alex Dixon (resigned 16 June 2023)

Executive Director of Governance and Regulation

Nicola Ebdon (appointed 1 July 2024)

Registered Office:

Cartergate House, 26 Chantry Lane, Grimsby, North East Lincolnshire DN31 2LJ

Financial Conduct Authority Registered Number: 7748

Regulator of Social Housing Registration Number: 4877

About Us



Lincolnshire Housing Partnership (LHP) remains committed to enhancing lives and communities across Lincolnshire.

As a leading local housing association driven by a strong social purpose, we provide secure and affordable housing to over 20,000 customers in more than 12,000 homes. Guided by our vision of Great Homes and Strong Communities, we believe in enriching the lives and well-being of our customers and wider neighbourhoods.

In 2023/24, we have invested in our existing homes, particularly focusing on enhancing energy efficiency, creating more comfortable and sustainable living environments. We have also modernised our services, so that we meet the changing needs of our customers. We have paid particular attention to our repairs offering, concentrating on making our responses to maintenance requests timelier and more effective.

LHP recognises that strong communities extend beyond our homes. We want to build a more vibrant Lincolnshire, which is why we're dedicated to creating a sense of belonging, well-being, and positive interactions in the neighbourhoods we serve.

Throughout the year, we have paid particular attention to improving our outdoor spaces, transforming them into more inviting and appealing places.

We have made significant strides in our customer engagement, which has allowed us to be more responsive and proactive in tailoring our services to customers and the wider community.

Upgrading our customer communications network has improved two-way interactions, enabling us to gather valuable feedback that helps shape our provision and implement changes that directly benefit our customers.

At LHP, we understand that a strong and committed workforce helps drive service excellence. We have shown our dedication to creating a positive work environment and an enhanced culture for all our colleagues, prioritising well-being, opportunities for professional development, and embracing technological advancements to empower our teams to work more efficiently.

The financial information presented in this document reflects our focus on sustainable revenue growth coupled with effective cost management to ensure a strong financial foundation upon which we can continue to build a brighter future for all our stakeholders.

LHP is not merely a housing provider; we are a dedicated partner in building a thriving and sustainable Lincolnshire. For further information on our vision and strategic priorities, we invite you to visit our website at www.lincolnshirehp.com.

About Us

G1 / V2 rating from the Regulator for Social Housing Standards & Poors Credit Rating: A- | Outlook: Stable

LHP in numbers



Homes owned and managed
12,186



Local authority areas covered
7



Turnover
£62.3 million



Operating profit
£16 million

Empty homes



Number of voids available and voids unavailable
276



Annual Void rent loss
£1.255 million



Cost of Void repairs (average cost of a void repair)
£5,156.78

Assets



Repairs and maintenance costs per property
£656.54



Number of properties below EPC C
1,581



Development completions - Shared Ownership
7



Development completions - General Needs
7

Customer Satisfaction



Resident satisfaction with overall LHP services
82.70%



Resident satisfaction that LHP treats them fairly and with respect
87.50%

Colleagues 388



Staff turnover (voluntary)
7.66%



Staff sickness
7.51 days



Employee Engagement - Best Companies
One to watch

Executive Statement

As the Executive Leadership Team (ELT) of Lincolnshire Housing Partnership (LHP), we are committed to leading the organisation through a period of crucial transition and transformation.

The past year has presented its challenges: following a rigorous due diligence process, both LHP and Ongo Homes decided not to proceed with a proposed merger. This decision allows us to maintain a strong focus on our core vision of Great Homes and Strong Communities.

While leadership changes are underway, we want to assure you that a stable team of experienced executives is in place, ensuring a smooth transition during the recruitment process for a new CEO and Board members.

Significant regulatory changes have come into force, with more on the horizon. These will change the way services are delivered across the sector. Much of our forward thinking and efforts during the year has been to ensure we're best prepared for this raft of changes.

Our current Corporate Strategy, "Building Strong Communities Together" focuses on three core pillars: providing Great Homes, cultivating Strong Communities, and delivering services with a Customer First approach. We are proud of the progress we've made on this strategy, achieving many of our initial goals. However, we recognise the need to continuously improve – particularly in amplifying the customer voice in our service delivery.

We have made real strides in acting quickly on customer feedback and making positive differences to the lives of those we serve. This has included the relaunch of our ASB service, with more flexibility to allow our Neighbourhood Team to deal with low-key issues that can be solved without further intervention.

Our Hardship Fund has launched to financially assist those most in need. Coupled with an increased demand for our Money Support Service, we have been able to provide more household income support than ever before.

Modernising our repairs service has been an important step for us. This has resulted in a reduction in average wait time, and improvements in customer service handling. This has been helped by the successful implementation of our new Customer Service Centre Planning Team service model, which allows us to provide more information and services to the customer at the first point of contact.



Customer engagement continues to be hugely important to us. During the year we launched our Customer Promises, followed by YourVoice, our digital engagement platform. This allows us better interaction with our customers, provoking two-way communication on key issues.

We have partnered in several community safety and neighbourhood improvement initiatives. This includes safety partnerships in Grimsby and a government-funded falls prevention project at our Mayfields Extra Care scheme in Boston, securing a ten-year contract for Telecare service and alarm monitoring on behalf of South Holland District Council.

Significant investment in Asset Management has allowed us to improve our existing homes, particularly making them more energy efficient, providing our customers with safer and more satisfying living conditions.

Our External Wall Insulation (EWI) project saw us match-fund our successful £8 million bid to the Social Housing Decarbonisation Fund (SHDF). This has enabled us to complete a significant level of improvement work on homes in Immingham, meaning customers' homes stay warmer for longer. In addition to this, we have delivered cavity and loft insulation improvements through ECO-4 funding streams. This has included solar PV installations on 78 homes, with plans for further expansions in the future. These initiatives are integral to our long-term strategy of improving housing quality, aligning with legislative requirements, and contributing to environmental sustainability.

We have also enjoyed a successful first year of our 30-year investment plan, alongside our partners at Fortem, which has helped us maintain a strong performance in managing and executing our repairs budget, particularly in a continually challenging financial market. High compliance figures in key areas, such as fire risk assessment, gas safety, and electrical safety, plus the establishment of a damp and mould task team means we're addressing housing conditions proactively.

Executive Statement

Looking ahead to the 2024/25 fiscal year, we have established our Big Six priorities aligned with our Corporate Strategy. They represent our collective commitment to excellence, growth and creating a positive impact within the communities we serve.

Here's a glimpse into our key focus areas:

1. **People and Culture** – all colleagues feel valued, included, and motivated to provide excellent services: We will be focusing on leadership, empowerment, equality, diversity, and inclusion (EDI), reward, performance and learning.
2. **Customers** – customers can easily access the services they need: We will improve the ways customers access our services, providing flexibility, freedom and choice to all customers by delivering transparency, fairness, and equality.
3. **Neighbourhoods** – customers can influence local plans and actions: We will create Neighbourhood Plans to provide an engagement platform to discuss local issues with local people.
4. **Growth and Development** – we will develop new partnerships to better support Lincolnshire housing needs - and increase future income: We will create and implement a growth strategy and develop more effective systems with a focus on - compliance, safety and development.
5. **Repairs** – customers can depend on effective and timely repairs: We will enhance our repairs delivery model to improve customer experience, performance, and capacity.
6. **Digital, Data and Technology** – simple, effective and easy to use systems for all colleagues: We will become a digitally capable, data-driven organisation that can adapt to changes more rapidly.

Underlying these priorities are strong governance and financial management practices. We are also dedicated to upholding the highest standards of environmental and social responsibility. This robust management and support will be provided by:

- **Governance and Regulation** – we will continually improve our governance and regulatory compliance to enhance outcomes for both existing and potential customers of LHP.
- **Financial Viability** – we will maintain financial health and sustainability to support our vision and objectives.
- **Environmental, Social, and Governance** – we will integrate environmental and social considerations into our decision-making processes, whilst upholding the highest standards of corporate governance.

We will oversee these important initiatives by fostering openness, collaboration and empowerment. We are confident that by working together we can build a resilient future for LHP, creating a positive and lasting impact on the lives of those we serve across Lincolnshire.

Shaun Harley

Executive Director of Strategy, Culture and Digital

Mark Coupland

Executive Director of Customers

Kathryn Price

Executive Director of Finance

Chair's Statement

This is my fifth year as Chair of Lincolnshire Housing Partnership, and it has been a significant 12 months.

Last year, we engaged in merger discussions with Ongo Homes, a neighbouring, Lincolnshire-based housing association of a similar size to LHP. Ultimately, the proposed merger did not proceed, as we both concluded we could better serve our customers by remaining independent. We remain on good terms with the Ongo Homes team and we might explore different ways to work together in the future, especially as the Government devolves powers and funding to the Lincolnshire region.

Despite the merger discussions, it was a year of further success as we continued to deliver on our strategic priorities of Customer First, Great Homes, and Strong Communities.

Last year, we reaffirmed our commitment to improving housing quality and customer service. This was supported by the ongoing implementation of the Repairs Service Transformation, which aims to enhance our responsiveness and efficiency in handling maintenance issues, something we know is critically important to customers. We know we still need to improve in these areas, and we will continue to listen to our customers and work with our frontline colleagues to make the necessary changes in the year ahead.

We also introduced new planned maintenance providers, Fortem Solutions, and have already received positive feedback from customers on their programmes. We welcomed some customers to one of our Board meetings in September, and hearing stories of 'life-changing' and 'money-saving' improvements to our homes was heartening.

Our commitment to a more sustainable future resulted in several awards and nominations. Notably, we implemented major energy efficiency projects funded by the Social Housing Decarbonisation Fund and ECO-4 schemes, which have significantly improved the energy performance of hundreds of homes, reducing living costs for our customers and contributing to environmental sustainability. We are pleased to report that we are well ahead of our EPC 2030 targets and look forward to sharing more about this progress in future.

The past year also saw substantial advances in our digital engagement methods. The launch and expansion of the 'YourVoice' platform enabled our customers to participate more actively in community decisions and service feedback, reinforcing transparency and accountability in our operations. This year marked our first report against the Tenant Satisfaction Measures (TSMs), and the initial feedback is encouraging. It is an excellent starting point for us to continue improving and delivering services that meet our customers' needs.



We have published our TSMs in line with regulatory requirements so customers can see how we are performing and feel better informed to assess our progress against our commitments.

Financially, we remain strong, with the credit rating agency Standard & Poor's revising our credit outlook to stable and reaffirming our A- long-term rating.

On behalf of the Board, I want to extend sincere thanks to all our colleagues. Their commitment throughout the year was crucial, amid a lot of change within our organisation and across the social housing sector.

This is demonstrated by several industry accolades we secured, including finalist positions in the Women in Housing, Housing Heroes and Housing Technology Awards, as well as commendations at the National Customer Service Excellence Awards. Winning the Best Recruitment category at the Affordable Housing Awards was particularly rewarding for the team. These recognitions celebrate our innovative practices and the impactful work of our teams.

As we look toward the next 12 months, we will have a new Chief Executive Officer and Board members to help us continue improving services for our customers and play a stronger role in our communities. We remain driven by our core values of Customer First, Together, and Listen, Act, and Learn. With a clear vision for the future and a strong team in place, we are excited about what we can achieve in the coming year, working with our customers and local partners.

We look forward to continuing our work together, enhancing the lives of those we serve and contributing to the prosperity of Lincolnshire.

Chair of the Board
Anthony Read



Board Responsibilities in Respect of the Financial Statement

Board Responsibilities in Respect of the Financial Statements

The Board is responsible for preparing the report 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 to prepare financial statements for each financial year which give a true and fair view of the group and association and of the income and expenditure for the period of account.

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the group and the association will continue in business

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the group and association, and enable it 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 Account) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It has general responsibility for taking reasonable steps to safeguard the assets of the group and association and to prevent and detect fraud and other irregularities.

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

Statement of Compliance

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in paragraph 4.7 of the 2018 SORP for Registered Social Housing Providers.

The Strategic Report was approved on 24th July 2024

on behalf of the Board

Anthony Read

Chair of the Board

Strategic Report



Our Values



Customer First

We put customers at the heart of our decision-making process and develop services that are built around their needs. This emphasis is felt by customers in every interaction with us, driving up our customer satisfaction and ensuring we invest our money where it has the greatest impact.



Together

We proactively seek out new partnerships and work to build on the many successful joint working projects already underway. We achieve more by working together with our key stakeholders and by working together as one team.



Listen, Act & Learn

We create a structured opportunity for stakeholders, staff and customers to provide feedback. We value this time and insight and use it to act and learn from it. Before investing in new and existing projects, we seek the views of those set to benefit.

Strategic Report

Group Financial Performance

Financial Review and Results

The financial results are set out on pages 52 to 104. The accounting policies of the Group are set out on pages 57 to 104 of the Financial Statements.

The Group surplus, before changes to actuarial changes in the valuation of defined benefit pension schemes, was £9.5m, compared to £6.8m at 31 March 2023.

Turnover has increased by £4.6m to £62.3m (2023: £57.7m). Operating Expenditure has increased from £44.7m to £46.1m, with cost of first tranche sales rising to £893k from £730k. This has resulted in an operating surplus of £16.0m, compared to £13.8m last year and an operating margin of 25.69% (compared with 23.99% in 2023).

Interest and financing costs have decreased by £0.1 million to £7.1 million for year ended 31 March 2024 (2023: £7.2 million).

The group continues to deliver a strong operational financial performance.

Consolidated Statement of Comprehensive Income

	2024	2023
	£'000	£'000
Turnover	62,269	57,687
Operating expenditure and cost of sales	(46,980)	(45,416)
Gain on disposal of property, plant and equipment (fixed assets)	705	1,566
Operating surplus	15,994	13,837
Net Interest and financing costs	(6,498)	(7,076)
Increase in valuation of investment properties	40	-
Surplus for the year	9,536	6,761

Strategic Report

Comprehensive Statement of Financial Position

	2024	2023
	£'000	£'000
Net book value of tangible and intangible assets	339,935	329,106
Net current assets	9,098	8,812
Total assets less current liabilities	349,033	337,918
Loans and long-term creditors due after 1 year	(215,079)	(212,927)
Pension liability	(1,743)	(1,597)
Total net assets	132,211	123,394
Revenue reserve	89,659	80,075
Revaluation and restricted reserve	42,552	43,319
Total reserves	132,211	123,394



Strategic Report

Treasury Management

Following a year of refinancing bank loans to remove restrictive covenants and reduce costs, the focus for the 2023-24 financial year was securing the Revolving Credit Facility (RCF) loans to maximise the value from properties and enable LHP to invest in new and existing housing assets.

We review and update our Treasury Management Strategy and Treasury Management Policy on an annual basis to ensure financial risks are managed effectively. Compliance with the Treasury Policy is reported to the Board on a quarterly basis, monitoring performance against golden rules covering lender covenants, interest rate risk and liquidity, helping to ensure continued financial stability.

Cash and short term liquidity

LHP maintains a strong liquidity position reflected in its credit rating (S&P A-). The year-end liquidity position (cash and undrawn facilities) was £99.5m, comprising £22.5m cash and £77m undrawn facilities.

The LHP Treasury Policy ensures that sufficient liquid funds are maintained to cover committed capital expenditure for at least 24 months, whilst prioritising security of funds above yield.

Long term liquidity and funding

The Group is funded by a combination of retained reserves, long-term funding from the capital markets and grant income. LHP had 98% fixed drawn debt at year end,

consisting of bond debt of £150m and Private placement of £15m. This provides certainty of funding for the Group and reduces exposure to increases in interest rates.

The loan portfolio as at 31 March 2024 is summarised in the table below:

Facility	Total Facility	National Drawn	Available	Rate
	£'m	£'m	£'m	
Public Bond	150.0	150.0	-	4.321%
Private Placement	15.0	15.0	-	4.077%
Bank RCFs	80.0	3.0	77.0	SONIA+1.1%
Total	245.0	168.0	77.0	

Strategic Report

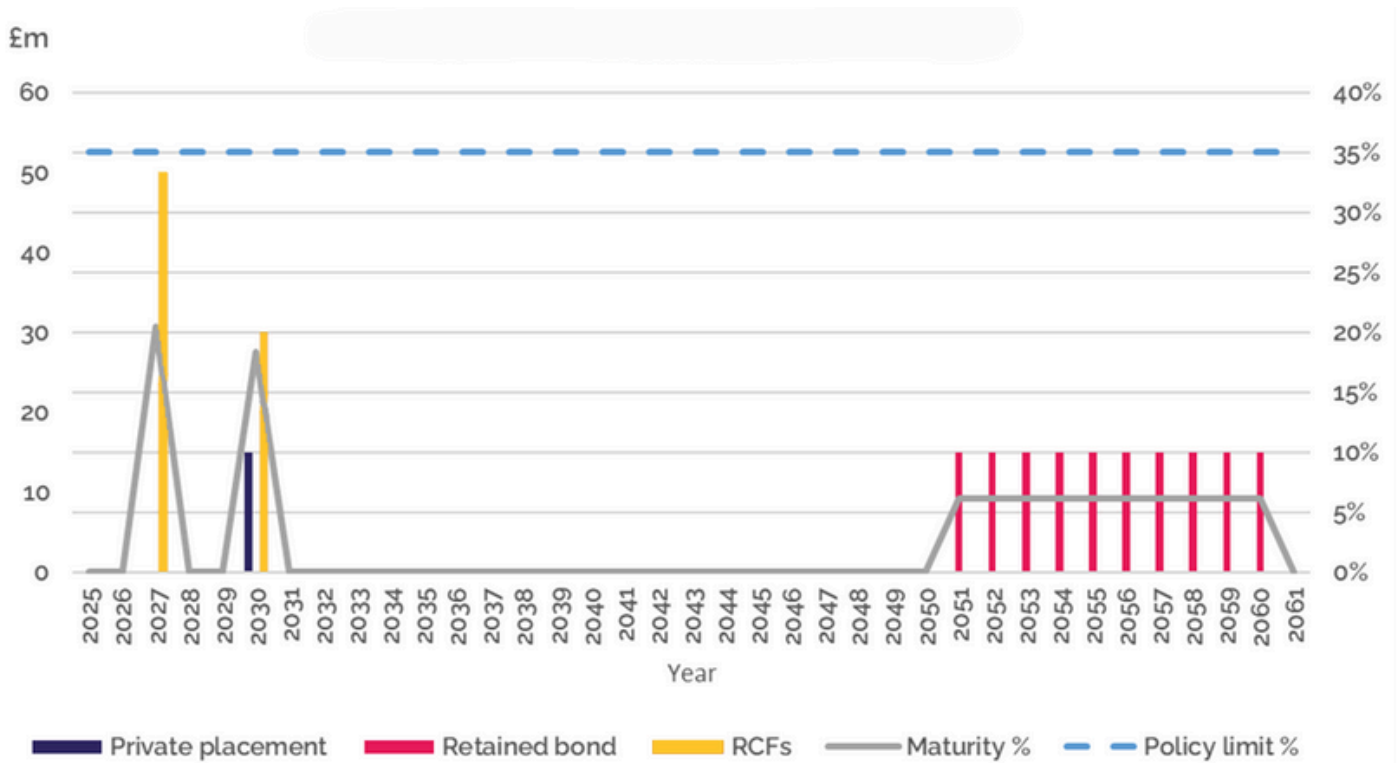
Refinancing risk

To reduce the impact of refinancing risk in any single year, LHP ensures that maturity dates of facilities are staggered. The Treasury Policy limits maturities to 35% in any one year and 60% in any five-year period.

As at year end, LHP had total RCF funding of £80m with an average weighted life of just over three and a half years in place, £77m of which was undrawn.

The £15m private replacement is due for repayment in six years (FY 2030) and the bond repayments are amortised across ten years (2051 to 2060).

Committed Facility Measures (£ & %)



Strategic Report



Customer First

At Lincolnshire Housing Partnership (LHP), we place customers at the forefront of everything we do, continually striving to enhance their living experience through responsive service and empowering initiatives.

Over the past year, we have increased our efforts to develop supportive and vibrant communities, marked by significant achievements in service delivery and customer satisfaction.

Improvements in resolving issues promptly

This year has been one where we have focused in advancing our service delivery, showcasing notable improvements and innovations:



Improved Service Delivery

Our dedication to dealing with enquiries promptly is reflected in our first-contact resolution rate, which surpassed 70% throughout the year. This achievement underscores our commitment to efficient service, ensuring that most customer queries are addressed swiftly.

This has been achieved through modernising our Customer Service Centre (CSC) with the introduction of a new Planning Team Service Model aimed at enhancing operational efficiency. This initiative centralised planning functions into a single team within the CSC, streamlining operations and optimising resource allocation. The consolidation allowed for more consistent and timely responses to customer inquiries and repair requests.

As part of this modernisation an extensive cross-training programme equipped colleagues with the skills necessary to handle a wider range of customer requests. This training was instrumental in improving the team's flexibility and efficiency, significantly reducing wait times, and boosting first-call resolution rates.

A review of all CSC processes was conducted, leading to targeted improvements that strengthened the service delivery framework. These enhancements contributed to a noticeable increase in call answer rates and a reduction in average wait times, directly impacting customer satisfaction positively.

The revamped CSC demonstrated improved resilience, better prepared to handle fluctuations in demand and adapt to unforeseen challenges. This strategic enhancement improved service delivery standards and laid the foundation for continuous improvement, ensuring that high levels of customer service were maintained.



Strengthened Communication

We've achieved 85% satisfaction in how effectively we communicate with customers, thanks to our enhanced digital platforms and proactive outreach. Our YourVoice platform has been instrumental in this, with over 200 customers actively participating, offering feedback that has influenced improvements in our services.

The launch of the platform marked a pivotal development in our approach to customer engagement and service enhancement. Introduced as part of an ongoing commitment to encouraging open lines of communication and active participation from customers, YourVoice was strategically designed to be a digital platform that enables customer involvement in the decision-making processes affecting their homes and communities.

YourVoice quickly became a central hub for customers to express their opinions, share feedback, and contribute ideas on various projects. This platform not only empowered customers by giving them a voice in service development but also provided us with invaluable insights into the needs and preferences of the wider community. The platform's design encouraged a broad demographic of customers to register and participate, making it inclusive and representative of the diverse LHP community.

Since its launch, the platform has hosted multiple projects, ranging from communal area improvements to service feedback loops, each contributing to tangible changes within the community. The feedback gathered through YourVoice has helped shape policies and services, ensuring they are aligned with the needs of customers.

Strategic Report

Customer First



Financial Well-being Initiatives

The Money Support Service at LHP is designed to assist customers with their financial management and to secure any available financial benefits to which they might be entitled. This service plays a crucial role in helping customers navigate complex financial landscapes, offering advice and guidance on a range of issues from budgeting and debt management to benefit claims. Throughout the year, the service has seen a significant increase in engagement, reflecting growing awareness and trust in the support provided. The service team works closely with customers, handling an increasing number of referrals and managing larger caseloads, indicating the high demand and necessity of this support within the community.

One of the notable achievements of the Money Support Service is its success in securing substantial additional payments for customers. Over the past year, the service helped customers gain a total of over £500,000 in additional household income. This financial uplift has been instrumental in alleviating economic pressures for many families and individuals, contributing to more stable and secure living conditions.

In response to the cost-of-living crisis and the growing needs of customers, particularly those hit hardest by economic challenges, LHP established the Hardship Fund, pledging a total of £100,000 in means-tested grants for the fiscal year 2023/24. This fund is specifically aimed at providing immediate financial relief to those facing severe financial difficulties. The Hardship Fund operates by assessing applications for one-off grants that can be used to cover essential expenses such as utility bills, emergency household repairs, or essential living costs that customers are unable to meet due to financial distress.

Since its launch in April 2023, the Hardship Fund has been a critical resource, with 88% of the over 200 applications approved, reflecting our commitment to supporting its customers in times of need. The criteria for the fund are designed to ensure that help is directed where it is most needed, providing a lifeline for those in immediate financial crisis. Both the Money Support Service and the Hardship Fund underline a proactive approach to community welfare.

Strategic Enhancements and Forward-Looking Initiatives



Customer-Centred Service Promises

Launched at the beginning of the year, our service promises have established a clear and accountable framework for interactions between LHP and our customers. These promises include commitments to timely repairs, regular inspections and transparent communication, ensuring that expectations on both sides are well understood and met.

At the core of these customer promises is the commitment to transparency. LHP ensures that all communications with customers are clear and informative, providing timely updates on service changes, repairs and policy adjustments. This open line of communication is designed to empower customers, giving them the necessary information to make informed decisions regarding their tenancy and wider community.

Reliability is another cornerstone of the customer promises. We guarantee prompt and efficient responses to service requests and maintenance issues, adhering to agreed timeframes. This commitment not only enhances the quality of living environments but also ensures that customer concerns are addressed swiftly, minimising any potential disruption to their daily lives.

Respect and fair treatment underpin all interactions with customers. We pledge to treat every customer with the utmost respect, ensuring that all dealings are conducted fairly and with consideration. This approach develops a respectful community atmosphere and builds a strong foundation of mutual trust between LHP and the communities it serves.

Through these customer promises, we have demonstrated a proactive approach to community management and a focus on customer satisfaction.

By sticking to these principles, we not only enhance our service delivery but also strengthen the overall community.

Strategic Report

Customer First



Expanding Digital Engagement

LHP has made significant strides in expanding its digital engagement, recognising the increasing importance of digital solutions in enhancing service accessibility and customer interaction. This initiative is part of a broader strategy to integrate more contemporary communication and service delivery methods, aiming to meet customers' evolving needs more effectively and efficiently.

The expansion of digital engagement at LHP is centred around several key platforms, with the YourVoice platform (see above) standing out as the newest initiative.

Further enhancing the digital landscape, we have also focused on improving the MyLHP app and portal. This tool is designed to offer customers 24/7 access to a range of services, from logging maintenance requests to accessing important updates about their community. Over the past year, the app has seen a substantial increase in user registration, with over 5,000 active users, and a 25% increase in interactions over the 12-month period.

The digital engagement efforts are supported by ongoing enhancements to the backend systems that ensure data security and user-friendly interfaces. We are committed to not only maintaining but continually improving these digital tools based on user feedback and technological advances.

Through these efforts, we aim to create a more connected community where communication flows seamlessly and customers have immediate access to the services they need. This digital approach not only improves operational efficiencies but also aligns with the changing expectations of service deliver, ensuring that LHP remains at the forefront of customer service in the housing sector.

Future Directions: Collaborative Growth and Enhanced Services

As we look to the future, our focus remains firmly on enhancing customer satisfaction and service quality through innovative approaches and collaborative efforts:



Enhanced Data Utilisation

We are leveraging advanced analytics to better understand customer needs and tailor our services accordingly. This approach allows us to continuously refine our service delivery and ensure that they meet the diverse needs of our community.



Community Engagement and Development

Through initiatives like the Customer Scrutiny Panel and expanded YourVoice provision, we are deepening our collaborative relationships with customers. These platforms not only empower customers to shape service delivery but also ensure that we remain responsive to the evolving needs of the community.

Sustainability and Growth



We are committed to sustainable growth that benefits all customers. This includes not only physical improvements to homes and facilities but also initiatives that enhance the social and economic well-being of our community.

As we continue to innovate and adapt, our goal is not just to meet expectations but to surpass them, providing an empowering and enriching experience for every customer. We value feedback and partnership as we embark on this ongoing journey of improvement and community building.

Together, we are crafting a thriving, supportive community at LHP.

Strategic Report



Great Homes

LHP's strategic priority of delivering Great Homes has been a focus of our operational and strategic efforts throughout the fiscal year 2023/24. We have made good progress in our commitment to this priority.

Investment in Property and Compliance

Throughout the year, we have made significant investment in property and assets, reflecting our promise to maintain and improve the quality of our homes:



Energy Efficiency and Building Safety

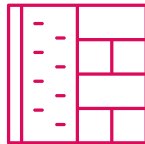
Throughout the fiscal year 2023/24, we have been dedicated to enhancing the energy efficiency and building safety of our homes. This not only addresses the immediate needs of our customers but also aligns with broader environmental goals and statutory safety regulations.



Energy Efficiency Initiatives

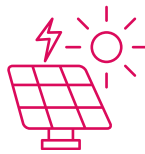
Our energy efficiency initiatives have been both ambitious and forward-thinking. We secured substantial funding to bolster our energy efficiency initiatives. A key component of our funding strategy was leveraging the Social Housing Decarbonisation Fund (SHDF). For the External Wall Insulation (EWI) project, we received around £8 million over two years, which we match-funded.

This external funding has been instrumental in accelerating our energy efficiency efforts and has enabled us to extend our projects' reach without imposing additional financial burdens on either our customers or the organisation as whole. The impact of these funded projects on our properties has been remarkable:



External Wall Insulation

A standout project has been the EWI programme, where we targeted approximately 40% of the planned upgrades in the first year. This project not only improved the thermal efficiency of the homes but also enhanced their aesthetic appeal, contributing to customer satisfaction and wider community approval.



Solar Panel Installations

Through additional funding streams, including ECO-4 grants, we initiated solar PV installations on 78 properties, with plans to extend this to a further 161 homes in the upcoming year.



Overall Upgrades

In total, the energy efficiency upgrades have impacted over 600 of homes across our portfolio this year. Other specific improvements included cavity wall insulation, loft insulation top-ups, and the installation of more energy-efficient windows and doors in several properties. These initiatives are part of a larger effort to ensure that all homes meet or exceed the EPC-C energy efficiency rating by 2030, a milestone set in anticipation of future regulatory standards and environmental targets.

These upgrades offer customers enhanced comfort through better thermal regulation while also reducing household energy costs—a particularly important aspect during times of rising energy prices. Furthermore, these improvements contribute to the reduction of our overall carbon footprint, positioning LHP as a leader in sustainable housing practices.

Strategic Report

Great Homes



Building Safety Compliance

On the building safety front, LHP has been resolute on compliance and best practices. Our comprehensive approach has ensured that all homes comply with the latest fire safety, gas safety and electrical standards. A key aspect of our strategy has been the systematic and rigorous execution of safety inspections and the prompt addressing of any issues identified.

We achieved 100% compliance in gas safety and electrical inspections, a testament to the robustness of our operational procedures and the diligence of our maintenance teams. These efforts are supplemented by continuous training and the integration of advanced technologies for monitoring and reporting, which enhance our ability to manage risks proactively.



Damp and Mould Task Team

Over the past year, we have been working with our customers and colleagues to determine how we best approach cases relating to damp, mould and condensation. We launched a dedicated response team to address reports of damp, mould and condensation in our properties, which also prepares us for the implementation of Awaab's Law.

We had made progress since the government first raised concerns about damp and mould in November 2022. However, as a Listen, Act and Learn organisation, feedback told us there were still efficiencies we could make in this area. This surrounded multiple repair jobs being raised for multiple trades to complete, so that we could fix the contributing issues in homes with damp, mould and condensation.

After input from colleagues and customers, we created a dedicated damp and mould task force to deal with outstanding open repairs. This means we bundle together different repairs for the same property, triage and highlight tools, trades and materials needed to fix all repairs in one visit. This improves the colleague and customer experience and completes the job orders in a more targeted way.

Delivery of this approach is overseen by Compliance Manager and works are scheduled in a targeted, planned way to get the best outcomes for our customers.



Strategic Report



Great Homes



Proactive Risk Management

In the pursuit of maintaining the highest standards of safety and efficiency in our homes, we have embraced a proactive risk management approach. This comprehensive strategy is designed to identify and address potential issues before they manifest as significant problems, ensuring the safety, comfort and satisfaction of our customers.

At the core of our approach is a robust schedule of regular inspections and audits. These are conducted meticulously across all homes to ensure they meet stringent building and safety regulations. From structural integrity to fire safety compliance and electrical system checks, our commitment to regulatory standards helps us detect and mitigate risks early. This preventative approach not only safeguards our customers but also preserves the long-term value and integrity of our homes.

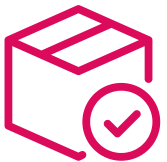
Embracing technological innovations, we have begun to integrate advanced monitoring systems, including sensors and Internet of Things (IoT) devices, to keep a close eye on the health of our homes. These technologies provide real-time data that can alert us to issues like leaks or structural weaknesses, allowing for swift maintenance actions that prevent larger-scale damage and disruptions.

Understanding the critical role of customer cooperation in maintaining safe and efficient homes, we are beginning to inform customers about essential maintenance practices, the importance of inspections, and how to use home features responsibly to conserve energy and reduce risks. Furthermore, we are emphasising the importance of timely reporting of issues, enhancing our ability to manage risks proactively.

We also value the insights and advancements from collaborations with industry experts and consultants. These partnerships keep us abreast of the latest standards, technologies, and best practices in building safety and energy efficiency. They are integral to our strategy of continuous improvement and help us implement the most effective risk mitigation measures.

Asset Management Enhancements

The fiscal year saw the launch of several initiatives aimed at improving our asset management capabilities:



Stock Condition Surveys

The information gleaned from stock condition surveys plays a pivotal role in our long-term strategic planning. It allows us to forecast future maintenance needs and budget accordingly, avoiding the pitfalls of reactive maintenance. By understanding the lifecycle of property components, we can schedule replacements in a way that minimises disruption to customers and maximises the use of financial resources. Additionally, these surveys provide valuable data that supports our commitment to improving energy efficiency. Identifying properties that would benefit from upgrades such as additional insulation or more efficient heating systems contributes directly to reducing energy consumption and lowering utility costs for customers.

Strategic Report

Great Homes



Fortem Partnership



The collaboration with Fortem for property upgrades and maintenance showed our proactive approach to property management, with many components upgraded or replaced.

The partnership is central to our asset management strategy, playing a pivotal role in our efforts to provide high-quality maintenance and refurbishment services across our properties.

Fortem, known for their expertise in the building services sector, brings experience and technical proficiency to our maintenance operations. We can leverage Fortem's capabilities in handling large-scale renovations and complex repair jobs that are crucial for the upkeep and improvement of our homes. The scope of work under this partnership includes upgrading key components such as roofing, windows, and heating systems, which not only enhances the structural integrity of the buildings but also significantly improves the energy efficiency of each home.

Additionally, the collaboration is designed with a focus on sustainability and customer well-being. Projects undertaken with Fortem are planned to minimise disruption to customers, ensuring that work is completed efficiently and respectfully. This approach highlights our commitment to customer satisfaction and is aligned with our core values.

The Fortem partnership also contributes to our strategic objectives by ensuring that all refurbishments and repairs are carried out to the highest standards, meeting and exceeding current building regulations and safety standards. This not only helps in maintaining the aesthetic appeal of our homes but also ensures they remain safe and comfortable for our customers. Through this collaboration, we are set to continue delivering on our promise of Great Homes.

Repairs Modernisation Discovery Phase

The Repairs Service Modernisation is a key initiative to improve efficiency and customer satisfaction. A seven-stage plan was developed and approved in February 2023, with the initial discovery phase taking place throughout the year.



Progress Highlights

- The first and second stages of the plan, implementing First Point of Contact (FPOC) appointments for general repairs, have been completed successfully. This resulted in fewer customer complaints about communication and lack of appointments.
- Restructuring of non-engineer roles took place midway through the year, following a consultation with colleagues, with subsequent offers being made.



Challenges and Risks

- Issues with software systems which caused delays and impacted Stage 3 rollout (FPOC appointments for gas and electrical repairs) were addressed and stability confirmed, so that we could progress.
- The project caused a temporary decline in the Repairs and Voids service performance. Close monitoring was put in place to mitigate this, with subcontractor support on hand.

Overall, the Repairs Service Modernisation is progressing despite system challenges. The project is expected to deliver long-term benefits in efficiency, customer service and cost savings. This gives us the springboard to embark on our Customer First Repairs Transformation Programme in 2024.

Strategic Report

Great Homes



Financial Stewardship

Our financial performance in asset management has been robust, characterised by effective budget utilisation and strategic financial planning.



In terms of budget management, we employ monitoring and evaluation techniques to track expenditures and compare them against planned budgets in real-time. This allows us to identify trends and adjust accordingly, avoiding potential overruns and reallocating resources to address emergent needs or opportunities effectively. For instance, savings realised from certain projects due to efficient management and procurement practices are redirected towards other areas that may face unexpected costs, maintaining overall financial balance without compromising project outcomes.

The role of funding and grants in our financial strategy cannot be overstated. We actively pursue grant opportunities from governmental bodies, environmental agencies, and other sources that align with our sustainability goals. For example, grants received for specific energy efficiency projects allow us to implement cutting-edge solutions that would otherwise be financially unfeasible, such as advanced heating systems or comprehensive retrofitting for older properties.

Also, our financial strategy includes establishing reserves for future large-scale refurbishments and unexpected repairs, ensuring financial stability and readiness for any market conditions. This forward-looking approach not only secures our assets but also solidifies our commitment to providing safe and sustainable housing for the long term. By maintaining robust financial health, we can continue to invest in our homes and communities, driving improvements that benefit customers and stakeholders alike.

Challenges and Solutions

While we have achieved success, we encountered challenges that required innovative solutions:



System Integration Delays

The integration of new IT systems posed challenges, particularly in terms of data management and operational efficiency. We have addressed these issues through temporary measures and anticipate full resolution with upcoming system upgrades.



Contractor Performance

Issues with contractor performance, particularly in relation to the quality and timeliness of work, were identified. We have taken decisive action by revising contractor agreements and enhancing oversight through more stringent performance metrics.

Looking Ahead

We are committed to sustaining and building upon the achievements of the past year. Plans are already underway to expand our energy efficiency projects, including further solar panel installations and the upgrade of heating systems across more properties. Such initiatives will not only enhance living standards but will also contribute to broader environmental sustainability goals.

Strategic Report



Strong Communities

We have continued to strengthen the fabric of our communities through various strategic initiatives and partnerships. Our efforts are centred around enhancing engagement, safety, and collaboration, ensuring our communities are not just places to live, but places where customers thrive.

Community Safety and ASB Service Relaunch

In response to the evolving needs of our communities, we worked with our customers to co-design and our relaunch of our Anti-Social Behaviour (ASB) management strategies. This initiative is aimed at bolstering community safety and ensuring that all customers can enjoy a peaceful living environment.



Development of a Robust ASB Policy Framework

Central to our strategy is the new ASB policy framework that outlines clear procedures and robust measures to address and resolve incidents efficiently. This framework emphasises preventive measures, early intervention, and stronger enforcement protocols.



Clearer Procedures and Response Protocols

We have streamlined our procedures to ensure a swift and coordinated response to ASB reports. This includes a tiered response system that categorises incidents based on severity, ensuring appropriate resources and responses are mobilised to address the issue effectively.

Enhanced Communication and Support Systems



Improved Reporting Channels

Understanding the importance of ease in reporting ASB incidents, we have enhanced our communication channels. Customers can now report incidents through multiple platforms, including the YourVoice digital platform, and direct contact with community officers.



Support for Affected Customers

We have increased our support for customers affected by ASB through dedicated support services. This includes counselling, mediation services and regular follow-ups to ensure their well-being and security.

Training and Empowerment



Training and Development

All colleagues have received comprehensive training on the new ASB policies and procedures. This training ensures that our teams are not only aware of how to handle ASB incidents but also equipped to provide support and guidance to our customers effectively.



Community Empowerment Initiatives

We have rolled out initiatives aimed at empowering customers to play an active role in preventing and reporting ASB. These include community workshops, awareness campaigns and the establishment of watch groups.

Community Workshops

We have organised a series of community workshops aimed at educating customers about ASB, its impact and the best practices for prevention and reporting. These workshops serve as interactive forums where customers can learn from professionals and share their own experiences and strategies for maintaining community safety. Topics covered include identifying ASB, using the correct channels to report incidents, and ways to support affected neighbours.

Strategic Report



Strong Communities

Awareness Campaigns

LHP has launched targeted campaigns to reach a broad audience. These campaigns focus on raising awareness about the types of behaviours classified as ASB, the importance of reporting such incidents and the resources available to customers. Campaign materials are distributed through newsletters, community noticeboards, digital platforms and local community events, ensuring that every customer has access to information.

Establishment of Neighbourhood Watch Groups

One of the most significant steps towards community empowerment has been the establishment of neighbourhood watch groups. These groups are formed by customers who volunteer to keep an eye on community safety and liaise with LHP and local authorities. Watch groups play a critical role in increasing community alertness and act as a first line of defence against ASB. They also help in developing a sense of community as customers work together to safeguard their environment.

Monitoring and Evaluation



Regular Reviews and Updates

The ASB framework is subject to ongoing evaluation to track its effectiveness. Feedback is regularly solicited and reviewed, allowing LHP to make timely adjustments to strategies and protocols.



Performance Metrics and Accountability

Key performance indicators have been established to monitor the success of the ASB management strategy. These metrics help in assessing the impact of interventions and ensure accountability within the team handling ASB cases.

Outcomes and Impact

The impact of our focused initiatives on Strong Communities has been substantial:



Reduced Incidence of ASB

The new strategies and tools have led to a significant decrease in the incidence and severity of ASB within our communities.



Increased Community Engagement

Through YourVoice and other engagement activities, we have made it easier for customers to get digitally involved in the work that we do.

Through these enhanced measures, LHP is committed to maintaining the safety and integrity of our communities. The relaunched ASB management framework is a reflection of our proactive stance against disturbances, ensuring our communities are secure and our customers feel supported and protected.

Strategic Report



Strong Communities

Strengthening Partnerships

Our community strategy emphasises partnership work, recognising that collaboration with local organisations and stakeholders is vital to achieving lasting impacts.

Prioritising the strengthening of partnerships with local organisations and stakeholders helps us achieve a more integrated and effective Communities strategy. These partnerships are pivotal in addressing a wide range of social issues that extend beyond housing, contributing to the overall well-being and development of the communities we serve.

Collaboration with Local Authorities and Service Providers

Our partnerships with local councils and service providers have been essential in co-designing projects that directly impact significant social issues such as unemployment, education, and health:



Employment Initiatives

Working in conjunction with local job centres and employment agencies, we have attended job fairs and skill-building workshops tailored to the needs of our communities. These events provide direct access to employment opportunities with us.



Health and Wellbeing Programmes

We have strategically expanded our Telecare services to enhance the health and well-being of people across Lincolnshire, particularly benefiting the elderly, people with disabilities, and those with chronic health conditions. This service is integral to providing continuous and accessible care, promoting independence and ensuring the safety of our community members.

Joint Ventures for Community Events

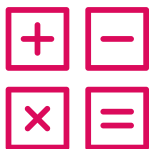
LHP has actively engaged with stakeholders and other non-profit organisations to co-sponsor and organise community events that bolster engagement. These events not only serve as recreational and educational opportunities but also help develop a sense of belonging and community pride.

An example of some of the events includes:



Talk Money Week

An event on the East Marsh in Grimsby providing financial advice and support for customers.



Multiply Courses

Educational courses in Grimsby focused on numerical skills and household budgeting to enhance financial literacy



Safer Streets NEL Initiative

Participation in a Home Office-funded initiative to install home security equipment and reduce crime on the East Marsh.



Christmas 'Sparkle' Event with Fortem

A festive celebration at schemes across the area, featuring buffets and carol singing, arranged by Fortem for community enjoyment.

Strategic Report

Strong Communities



Boston Big Local Beach Days

An annual two-day event providing free summer holiday entertainment for families in the local community.



Nunthorpe Estate Clear Hold Build Initiative

Collaborative efforts with local authorities to tackle serious organised crime in the area.



Community Clean-up Events

Events across Lincolnshire involving local agencies and ward councillors to clean up and enhance the local environment.

Future Directions

Looking forward, we plan to deepen these partnerships and explore new collaborative opportunities that can further enhance the impact of our community strategy. This includes expanding our network to include more local businesses, tech start-ups for digital inclusion projects, and environmental groups to promote sustainability initiatives.



Strategic Report

Strong Foundations

People and Culture

There has been a concerted focus on cultivating a robust organisational culture, underpinned by Year 1 of our People and Culture Framework. The framework outlines initiatives aimed at enhancing leadership communication, inclusivity and employee engagement, which are central to the strategic direction of our organisation.

Significant progress has been made during the year, demonstrating a strategic commitment to developing a supportive and engaging workplace culture, driven by leadership, digital innovation, inclusivity and continuous improvement.

Leadership and Strategic Commitment

Colleague feedback through initiatives like Best Companies has emphasised the pivotal role of leadership in steering the organisation through periods of change and uncertainty. The revitalisation of a Managers' Group, which meets quarterly, has been instrumental in reinforcing leadership capabilities across the organisation. This initiative allows for continuous dialogue on transformation priorities, enhancing the leadership's ability to support their teams effectively.

Digital and Technological Integration

A major strategic thrust has been the enhancement of digital capabilities. This approach aims not only to advance technological capabilities but also to ensure that such advancements improve customer service and operational efficiency.

Diversity and Inclusion

Our dedication to diversity and inclusion has been marked by significant milestones, such as achieving the Investors In Diversity (IID) accreditation.

Development and Engagement

Colleague engagement is consistently highlighted in our Best Companies survey as a key area of focus. Initiatives like the annual colleague conference play a crucial role in reinforcing our values and vision, contributing to high engagement levels and a strong sense of community across the business, with over 350 colleagues attending the 2023 event at the Lincolnshire Showground. Such initiatives are vital for maintaining morale and motivation across the organisation. We enhanced the offering to colleagues this year with our first Celebration Week, where we invited external and internal speakers on a range of topics to educate and engage teams in key

areas. We also used this forum to introduce a set of organisational behaviours that will act as a guiding principle for service delivery and colleague development and engagement in the future.

Looking forward

In the upcoming year, we are set to deepen our commitment to transformative growth. Leadership will remain a central focus, with an emphasis on further developing capabilities through increased leadership presence. This aims to bolster guidance and support for all teams, developing resilience during ongoing changes. Simultaneously, to enhance digital capabilities, we will establish the Digital Data and Technology programme board, driving forward initiatives that improve operational efficiency and enhance customer service through innovative technology solutions. Further strengthening our commitment to inclusivity, we will activate an EDI working group following our recent Investors In Diversity accreditation, embedding diversity deeper into our culture and practices. Performance management will also see a significant overhaul with modernised systems designed to align closely with strategic objectives, enhancing accountability and efficiency.

Alongside these developments, we will continue to prioritise colleague engagement through targeted training and development initiatives, ensuring a workforce that is both skilled and highly motivated. As we navigate significant regulatory changes, we will be well prepared to use these adaptations as an opportunity to refine and improve our practices



Strategic Report

Strong Foundations

Environmental, Social and Governance

As part of our ongoing commitment to corporate responsibility, we provide an update on our Environmental, Social and Governance (ESG) initiatives for the financial year 2023/24. ESG represents a core aspect of our strategic framework, focusing on creating sustainable and positive impacts across all areas of our business.

Environmental Sustainability

Environmental considerations are critical to our operations. We strive to mitigate our impact on the planet through proactive measures addressing climate change, waste management, and water conservation.

Social Sustainability

Our social initiatives are designed to strengthen relationships with customers and communities. This includes listening to and supporting our stakeholders and executing projects that significantly improve local community settings.

Governance Sustainability

Governance within our organisation emphasises transparency in our operations and reporting. This year, we focused on Equality, Diversity and Inclusion (EDI), colleague wellbeing and strengthening the composition of our senior leadership teams.

Throughout the 2023/24 financial year, we embarked on a journey of substantial ESG initiatives, each tailored to strengthen the fabric of our communities and to enhance environmental responsibility. Our endeavours have been spread across three principal areas -Vibrant Places, Greener Spaces, and Futureproof Homes -each reflecting our commitment to a sustainable future.

In the area of **Vibrant Places** our commitment was recognised with the Bronze Carbon Literacy Organisation accreditation, a testament to our growing expertise in climate change and our drive towards achieving net zero emissions. We launched a Sustainability Guide aimed at explaining ESG for all stakeholders, making the principles accessible and actionable. This guide has become a foundation of our outreach, empowering colleagues and customers alike. Internally, we also felt the tangible benefits of our expanded ambassador group, which facilitated enriching activities like the canoe river cleaner event, combining environmental action with community involvement.

Greener Spaces saw a transformation under our guidance. We planted 180 trees, thereby enhancing the biodiversity of our urban environments and securing green legacies for future generations. The development of wildflower sites prospered, creating lush, vibrant habitats for pollinators, while doubling as serene spaces for community interaction and enjoyment. The introduction of our Net Zero Roadmap and the first SRS Report marked significant strides in our commitment to transparency and accountability in environmental matters.

Our initiative **Futureproof Homes** focused on the sustainability of living spaces. Over £12 million was invested to boost the energy efficiency of over 650 properties, significantly reducing their environmental footprint and enhancing the quality of life for our customers. We also explored innovative heating solutions, such as infrared heating, to reduce dependency on conventional energy sources. The integration of a carbon monitoring system and a sensor trial represented our forward-thinking approach to data management, ensuring accurate tracking and impactful decision-making regarding property sustainability.

Recognition of Our ESG Efforts

Our innovative efforts in ESG were recognised, as we achieved highly commended status for Landlord of the Year at the East Midlands Energy Efficiency Awards, which highlighted our excellence in sustainable housing practices. Furthermore, the distinction received by our Sustainability Manager as a Rising Star on the Unlock Net Zero Climate Champions list was a proud moment for us all. It reflected the ambition, dedication, and talent permeating through our team.

Reflecting on a Year of Sustainable Impact

As we reflect on the past year, it's clear that our journey towards sustainability is both impactful and transformative. By linking environmental empowerment with community engagement and governance transparency, we are not just anticipating a sustainable future, we are actively making it. Our ESG initiatives from the 2023/24 financial year have once again set an ideal springboard for the future.

Strategic Report

Strong Foundations

Key trends affecting our business



The adoption of new technologies has been a significant trend impacting social housing.

Economic and Financial Pressures



Rising Costs and Funding Challenges

We are navigating a landscape marked by increasing costs, particularly in maintenance due to inflationary pressures and supply chain disruptions. The need for substantial investment in property upgrades to meet energy efficiency targets further strains the budget. However, we have been adept at securing grants and funding, which have been critical in mitigating these financial challenges and sustaining major works on homes without imposing additional financial burdens on customers.

Regulatory and Compliance Demands



Enhanced Safety and Compliance Standards

Recent years have seen a tightening of regulatory requirements across the housing sector, especially concerning building safety and customer welfare. We have responded proactively by enhancing compliance systems and safety protocols to align with these new standards. This includes the continuous improvement of fire safety measures and upgrading properties to meet energy efficiency targets, which not only ensure compliance but significantly improve the quality of homes.

Technological Integration



Digital Transformation

The adoption of new technologies has been a significant trend impacting social housing. There is an ongoing shift towards digital systems for managing property maintenance, customer communications, and service delivery. This digital transition aims to enhance operational efficiency and customer satisfaction by streamlining processes and making services more accessible. However, integrating these technologies requires substantial investment in IT infrastructure and training, presenting both a challenge and an opportunity for the sector.

Strategic Report

Strong Foundations

Key trends affecting our business

Social and Demographic Shifts



Changing Customer Demographics and Needs

We are addressing changes in customer demographics, including an aging population and varied household compositions, which influence housing needs and service expectations. There's a growing demand for adaptable housing that can accommodate mobility issues and aging in place. In response, we are enhancing support services such as Telecare, which provides remote health monitoring and emergency response systems to meet the diverse needs of our customers.

Environmental Sustainability



Focus on Sustainability and Climate Action

We have taken big strides this year to improve the energy efficiency of our customer's homes. We match funded our successful bid to the Social Housing Decarbonisation Fund (SHDF), creating a project worth over £16m.

The project will install external wall insulation to 733 of our customer's homes and will install air source heat pumps to a further 82. In the 2023/24 financial year, we completed 157 external wall installs alongside our partners at e.on energy solutions and Thrift. In addition to this, we have secured further investment to improve the cavity and loft insulation of over 500 homes, whilst also installing solar panels to over 60 properties. To achieve Net Zero by 2050, our roadmap expects us to have an average SAP score of 75 across our homes by 2025, meaning we are currently on track to achieve this target with a current average SAP rating of 74.83.

The current energy use intensity [kWh/m²/yr] of existing homes is 8.66.

We have the ambition to introduce five new biodiversity sites each year, and work alongside our grounds maintenance contractors on improving our existing sites. We committed to this during the year by planting 179 trees across our service area.

Regulatory Changes Impacting Lincolnshire Housing Partnership

Introduction to New Legislation and Standards

The housing sector has recently undergone significant regulatory changes that have a direct impact on daily operations and strategic planning. Keeping abreast of these changes is essential for ensuring compliance and continuing to deliver high-quality housing services to our customers.



Social Housing (Regulation) Act

This act has introduced more stringent regulations aimed at enhancing the accountability of housing providers and ensuring that customers receive safe, decent and affordable housing. It places a stronger emphasis on the responsibilities of housing associations to meet higher standards of transparency and customer engagement. We have responded by revisiting our operational policies and enhancing our communication channels to ensure compliance with these new requirements.

Strategic Report

Strong Foundations

Key trends affecting our business

Consumer Standards

From 1 April 2024, there are four new consumer standards that will set the requirements all registered providers must meet:



The Safety and Quality Standard

requires landlords to provide safe and good quality homes and landlord services to customers.



The Transparency, Influence and Accountability Standard

requires landlords to be open with customers and treat them with fairness and respect so that customers can access services, raise complaints when necessary, influence decision-making and hold their landlord to account.



The Neighbourhood and Community Standard

requires landlords to engage with other relevant parties so that customers can live in safe and well-maintained neighbourhoods and feel safe in their homes.



The Tenancy Standard

sets requirements for the fair allocation and letting of homes and for how those tenancies are managed and ended by landlords.

LHP has implemented actions to enhance service quality and responsiveness.

Tenant Satisfaction Measures

Alongside regulatory changes, the introduction of Tenant Satisfaction Measures has shifted focus towards measuring and improving customer perceptions of service quality. We have adopted new tools and systems to collect and analyse customer feedback more effectively, ensuring that we can quickly identify areas for improvement and address customer concerns proactively.

Awaab's Law

This legislation, prompted by the tragic death of two-year old Awaab Ishak in a home in Rochdale, focuses on improving standards in social housing with a specific emphasis on issues like damp and mould. We have been taking proactive steps to enhance our damp and mould offering to customers since 2022 and have enhanced property inspections and maintenance routines to prevent such conditions developing.

Strategic Report

Strong Foundations

Strategic Response and Implementation

In response to these regulatory changes, we have taken several strategic actions:



Policy Overhaul and Enhanced Training

We have reviewed and updated our policies to align with the new regulations. We will continue to ensure that all colleagues are aware of these changes and understand their roles in compliance and service delivery.



Enhanced Customer Communication and Engagement

Recognising the importance of customer feedback, we have enhanced our engagement strategies, that encourage open communication and participation in housing management decisions.



Investment in Property Upgrades

To comply with the higher standards set by Awaab's Law and the Social Housing (Regulation) Act, we have increased our investment in property upgrades, particularly focusing on addressing issues like insulation, ventilation and overall property upkeep.



Monitoring and Reporting

We have strengthened our monitoring and reporting systems to track compliance with these new standards and to provide transparency to regulatory bodies and customers. This includes more detailed reporting on customer satisfaction and the physical condition of homes.



Strategic Report

Value for Money (VfM)

Introduction

The Board leads the Value for Money (VfM) approach, through setting the Corporate Strategy and approving the business plan and annual budget.

The financial planning process ensures that LHP achieves a healthy balance between delivering customer satisfaction, maintaining quality homes, creating a supply of new housing, whilst ensuring the financial health of the organisation.

Our strategic approach recognises that VfM is not just about cutting costs; it is about making sure that we have optimised the relationships between costs, processes and outcomes otherwise known as the Economy, Efficiency and Effectiveness of everything we do. We see this as forming a key part of the Strong Foundations in our Corporate Strategy.

Economy	Efficiency	Effectiveness
Economy is achieved by managing our costs and what we pay for goods and services.	Efficiency is achieved when we make the best use of our resources and is improved through reviewing and improving the way we do things.	Effectiveness is achieved when we meet our quality standards and customers' expectations.
Delivered through	Delivered through	Delivered through
<ul style="list-style-type: none"> • Business Plan • Treasury management • Annual budget setting • Management of financial performance • Procurement strategy. 	<ul style="list-style-type: none"> • Corporate Strategy 2022-27 • The LHP Way • Making the most of the functionality of our core IT systems • Developing the capability of colleagues. 	<ul style="list-style-type: none"> • Management of operational performance • KPIs set and reported against • Contract management • Benchmarking of costs and performance.

The Board maintains direct oversight and control of progress made in delivering our value for money commitments via:

- Annual consideration of VfM approach and objectives in advance of setting the Corporate Annual Plan
- Quarterly reporting against the VfM metrics
- Quarterly performance monitoring of a suite of KPIs that demonstrate delivery of our strategic priorities

- Quarterly financial monitoring of performance against our budget and business plan
- External benchmarking e.g., Housemark, Global Accounts and external publications
- Engagement with our customers to involve them and to obtain feedback on our VfM progress, including through our satisfaction survey process and our customer forums.

Strategic Report

Value for Money (VfM)

ESG and Sustainability

Demonstrating Value for Money to our residents is a clearly stated priority within our corporate plan. We have focused on obtaining funding to improve the energy efficiency of our homes, concentrating on repairs and home improvements that will benefit our residents.

We were successful in our bid for Social Housing Decarbonisation Fund (SHDF) Wave 2 bid, securing £8.1m additional financing to deliver our £16.8m programme to deliver 733 external wall insulation installations to our non-traditional properties and a programme of 82 Air Source Heat Pumps. This project not only improved the thermal efficiency of the homes but also enhanced their aesthetic appeal, contributing to customer satisfaction and wider community approval.

Through additional funding streams, including ECO-4 grants, we initiated solar PV installations on 78 properties, with plans to extend this to a further 161 homes in the upcoming year.

In total, the energy efficiency upgrades have impacted over 600 of homes across our portfolio this year. Other specific improvements included cavity wall insulation, loft insulation top-ups and the installation of more energy-efficient windows and doors in several properties.

The impact of these upgrades offered customers enhanced comfort through better thermal regulation while also reducing household energy costs—a particularly important Value for Money aspect during times of rising energy prices.

Our partnerships with local councils and service providers have been essential in providing aids and adaptations to our customers with disabilities. This service is integral to providing continuous and accessible care and promoting independence to our residents.



Strategic Report

Regulator of Social Housing (RSH) VfM metrics

The table below shows our VfM metrics for the current and prior year and forecasts for the coming three years. The prior year metrics are compared to our peers within the sector, selected from the RSH's Global Accounts 2023. We have a selected the peer group for comparison based on providers who:

- Own between 10,000 and 20,000 social units
- Have a stock profile of General Needs and Housing for Older People
- Are located within East Midlands, East of England and Yorkshire & the Humber.

The peers selected on this basis are:

- Ongo Homes Limited
- Eastlight Community Homes Limited
- Cross Keys Homes Limited
- Grand Union Housing Group Limited
- bpha Limited
- East Midlands Housing Group Limited
- Beyond Housing Limited
- Yorkshire Housing Limited.

Metric	Backward Look		Current Performance		Forward Look		
	2022/23 Performance	2022/23 Peer Group	2023/24 Actual	2023/24 Budget	2024/25 Budget	2025/26 Business Plan Forecast	2026/27 Business Plan Forecast
1. Reinvestment	5.82%	9.20%	6.72%	7.90%	8.64%	10.35%	9.85%
2a. New supply delivered	0.63%	1.80%	0.11%	0.40%	0.31%	0.27%	1.40%
3. Gearing	55.35%	51.10%	51.23%	52.05%	49.70%	49.22%	48.70%
4. EBITDA MRI	115.73%	126.00%	74.50%	100.00%	55.52%	130.55%	140.63%
4. EBITDA MRI excluding SHDF	115.73%	126.00%	123.94%	100.00%	117.04%	130.55%	140.63%
5. Social Housing cost per unit	£3,861	£4,069	£4,533	£4,410	£5,151	£4,847	£4,880
5. Social Housing cost per unit excluding SHDF	£3,861	£4,069	£4,247	£4,410	£4,774	£4,847	£4,880
6a. Operating Margin (Social Housing Lettings only)	19.85%	21.50%	23.63%	24.42%	28.59%	31.38%	31.74%
6b. Operating Margin (overall)	21.27%	21.27%	24.55%	26.00%	28.06%	29.53%	29.57%
7. Return on capital employed	4.09%	3.30%	4.58%	4.80%	5.40%	5.47%	5.11%

Strategic Report

Value for Money (VfM)

Regulator of Social Housing (RSH) VfM metrics

Metric 1: Reinvestment %

This metric looks at the investment in properties, both existing stock and new supply as a percentage of total value of properties held. LHP reported 6.72%, which is an increase on 2022/23 of 5.82%. This demonstrates investment in our existing stock, and our modest development programme.

Metric 2A: New Supply Delivered - Social housing units

This metric is the number of new housing units acquired or developed in the year as a proportion of total social housing units and non-social housing units owned at period end. During the year LHP added seven social rented properties, seven shared ownership properties.

Metric 3: Gearing %

This metric assesses how much of the adjusted assets are made up of the debt and the degree of dependence on the debt finance. Gearing was 51.23%, a decrease of 4.12% from 2023 (55.35%). This is slightly higher than the 2023 peer group.

Metric 4: EBITDA MRI

This is a key indicator for liquidity and investment capacity. It measures the level of surplus that LHP generates, excluding depreciation, and compares it to the interest payable. LHP is reporting EBITDA MRI of 74.50%, although when excluding the SHDF Grant, this increases to 123.94%, which is slightly lower than the peer group (126.00%).

Metric 5: Headline Social Housing Cost per unit

This unit cost metric assesses the headline social housing cost per unit as defined by the Regulator. LHP has increased its social cost per unit to £4,533 (excluding SHDF is £4,247) from £3,861 in 2023, primarily due to the increase in capitalised component replacement spend. This is higher than the 2023 peer group of £4,069.

Metric 6A: Operating Margin – Social housing lettings only

This demonstrates the profitability of operating assets before exceptional expenses are considered. Social housing lettings were at 23.63%, higher than 2023 (19.85%) and higher than the peer group of 21.50%.

Metric 6B: Operating Margin (overall)

The overall Operating Margin demonstrates the profitability of ongoing operations, excluding surpluses on fixed asset sales. The 2024 performance is 24.55%, being higher than the previous year and the peer group (both 21.27%).

Metric 7: Return on Capital Employed

The Return on Capital Employed gives an indication of how well LHP makes a financial return on the assets it owns. For 2024 the performance was 4.58%, which is better than the 2023 peer group median (3.30%) and higher than 2023 (4.09%).

Strategic Report

Tenant Satisfaction Measures

The below table shows that many of our TSMs are in the upper quartile. It is an excellent starting point for us to continue improving and delivering services that meet our customers' needs. We have published our TSMs in line with regulatory requirements so customers can see how we are performing and feel better informed to assess our progress against our commitments.

Tenant Perception Measures	2023/24	Annual Target	HouseMark Comparison
(TP01) Resident satisfaction with overall LHP Services	82.7%	82%	In Upper Quartile
(TP02) Resident satisfaction with the overall repairs & maintenance service	85.1%	80%	In Upper Quartile
(TP03) Resident satisfaction with time taken to complete repairs - Tenants	79.6%	83.6%	In Upper Quartile
(TP04) % satisfied that their home is well maintained	82.2%	88%	In Upper Quartile
(TP05) % satisfied that their home is safe to live in	85.6%	88%	In Upper Quartile
(TP06) % satisfied that LHP listens and acts on their views	73.8%	72%	In Upper Quartile
(TP07) % satisfied that LHP keeps them informed about things that matter to them	83.6%	86%	In Upper Quartile
(TP08) % agreeing that LHP treats them fairly and with respect	87.5%	87.3%	In Upper Quartile
(TP09) Resident satisfaction with LHPs approach to complaint handling	40.4%	55.9%	In Upper Quartile
(TP10) Resident satisfaction that LHP keeps communal areas clean, safe and well-maintained	67.4%	68%	Between Upper Quartile and Median
(TP11) % satisfied that LHP makes a positive contribution to their neighbourhood	73.5%	69.1%	In Upper Quartile
(TP12) Resident satisfaction with LHPs approach to handling ASB	70.4%	60.4%	In Upper Quartile

Strategic Report

Tenant Satisfaction Measures

Management Measure	2023/24 (YE)	Comparison HouseMark YE
BS01 Gas safety checks	99.5%	Below Median
BS02 Fire safety checks	100%	Above Median
BS03 Asbestos safety checks	100%	Above Median
BS04 Water safety checks	100%	Above Median
BS05 Lift safety checks	100%	Above Median
CH01a Complaints relative to the size of the landlord (Stage 1)	28.2 / 1,000 properties	Between Upper Quartile and Median
CH01b Complaints relative to the size of the landlord (Stage 2)	0.9 / 1,000 properties	In Upper Quartile
CH02a Complaints responded to within Complaint Handling Code timescales (Stage 1)	92.5%	Between Upper Quartile and Median
CH02b Complaints responded to within Complaint Handling Code timescales (Stage 2)	100%	In Upper Quartile
NM01a Anti-social behaviour cases relative to the size of the landlord (all cases)	23.9 / 1,000 properties	No Comparative Data
NM01b Anti-social behaviour cases relative to the size of the landlord (hate cases)	0.3 / 1,000 properties	No Comparative Data
RP01 Homes that do not meet the Decent Homes Standard	0%	In Upper Quartile
RP02a Repairs completed within target timescale (non-emergency repairs)	57.5%	In Lower Quartile
RP02b Repairs completed within target timescale (emergency repairs)	97.6%	Between Upper Quartile and Median

*All compliance measures 100% to be in the UQ

Strategic Report

The Board's Value for Money Self-Assessment and Statement of Compliance

The Regulator of Social Housing's Value for Money Standard 2018 sets out its required outcomes and specific expectations of registered providers and their approach to Value for Money. The Board of LHP has completed a self-assessment against the VfM Standard, and gains assurance that VfM is being achieved from a variety of sources including:



·A focus in strategic discussions on the optimum use of resources in delivering our objectives.



VfM performance as an integral part of the regular performance reporting.



All Board reports requiring consideration and evidencing of VfM implications of decisions made.



·Production of an annual VfM statement.

Considering the evidence provided in this document the Board of LHP is satisfied that we continue to comply with the Regulator of Social Housing's VfM standard.



Strategic Report

Internal Control and Risk Management

Internal Control

The Board assumes ultimate responsibility for ensuring the Association maintains a comprehensive system of internal control and continually reviews its effectiveness to uphold rigorous standards across all business operations.

Recognising that internal controls offer reasonable, though not absolute, assurance against material misstatement or loss, the Board remains dedicated to enhancing our internal control processes continuously.

Our structured approach to internal controls includes:

- A clearly defined Corporate Plan supported by departmental strategies tailored to our business objectives.
- A robust framework for business planning, treasury management, budgeting and financial oversight.
- Well-defined risk management practices to identify, assess and mitigate key risks inherent in our operations.
- Establishment of Board and Committee terms of reference along with robust governance arrangements to ensure accountability and transparency.
- Annual compliance reviews to assess adherence to regulatory standards, identifying key areas of assurance and improvement.
- A defined framework for reporting performance against targets to committees and the Board, facilitating informed decision-making and strategic alignment.

Through these comprehensive control measures, LHP aims to uphold the integrity and reliability of our financial reporting while fostering a culture of continuous improvement in our internal control environment.

The LHP Board maintains an unwavering commitment to upholding strong governance and regulatory standards, leveraging an effective risk management framework as a fundamental pillar for identifying, evaluating and managing key business risks.

The control framework is strategically crafted to effectively manage critical risks and to offer reasonable assurance in achieving planned business objectives and desired outcomes. Additionally, it serves to provide reasonable confidence in the accuracy and dependability of financial and operational information, as well as in safeguarding the assets and interests of the Association.

We are proud to sustain our regulatory judgment of G1/V2 and have further enhanced our controls and processes to ensure the precision of business plan data, board reporting and regulatory submissions. Our approach to stress testing and mitigation strategies has also been fortified to enhance resilience.

The Board maintains overarching responsibility for the governance of the organisation, delegating specific functions to four key committees: the Audit & Risk Committee, Operations Committee, People & Governance Committee, and Finance Committee. These committees play essential roles in overseeing different aspects of our operations, ensuring robust governance, risk management, compliance and financial stewardship to support the Association's mission and objectives effectively.

Our comprehensive assurance process spans all six areas of Landlord Health and Safety, encompassing both internal and external assessments conducted on quantitative and qualitative metrics.

The Committees consider a range of strategic, financial and compliance matters as outlined in the Association's Standing Orders. In April 2022, the Board adopted the National Housing Federation Code of Governance 2020. During the financial year LHP has reinforced its Board with the addition of new members, including a highly skilled Chair of the Audit and Risk Committee proficient in risk management, audit services, compliance and governance.

Strategic Report

Internal Control and Risk Management

Internal Control

A continuous monitoring system is in place to identify major business risks promptly. The financial control framework encompasses several key features:

- Direct oversight of strategic risk management by the Board.
- Adoption of formal policies and procedures, including documentation of key systems and rules related to delegation of authorities, ensuring effective control monitoring, and preventing unauthorised use of LHP assets.
- Experienced and qualified employees to critical business functions, supported by annual appraisal procedures to uphold performance standards.
- The Leadership team monitor key business risks and financial objectives throughout the year.
- The Audit and Risk Committee plays a vital role in overseeing control procedures. The committee reviews management reports along with those from external auditors (Beevers and Struthers and KPMG), providing reasonable assurance of control adherence.

Risk Management

The Regulator of Social Housing underlines the critical importance of effective risk management within the Governance and Viability Standards, affirming that "Governance arrangements shall ensure that registered providers establish and maintain an effective risk management and internal controls assurance framework".

Risk management plays a pivotal role in ensuring effective management of activities across the organisation, providing appropriate control and assurance through the utilisation of three lines of assurance across the strategic risk portfolio. Annually, the Board conducts reviews to establish and set the level of risk appetite.

Furthermore, the strategic risk register undergoes quarterly reviews by both the Board and Audit and Risk Committee, with each of the committees having scrutiny of risk under their areas of responsibility.

Our approach to risk management is well-established and comprehensive, accounting for both political and operational pressures that could potentially impact our ability to meet regulatory requirements or achieve strategic objectives.

In establishing its overall risk appetite, LHP has identified specific operations and business functions requiring dedicated risk appetite statements. During the financial year 2023-24, the importance of strategic decision-making in critical areas such as growth, mergers, and acquisitions has become increasingly paramount and are now included.

For each of these areas, we have developed clear statements outlining how our risk appetite is applied, accompanied by metrics that actively monitor and measure our risk approach.

Strategic Report

Internal Control and Risk Management

Principle Risks and Uncertainties

Risk Category	Causes and Impact	Principle Mitigations	Key Control Assurance
<p>Cyber Security Breach</p>	<p>Cause: Cyber-attacks, hacking, and ransomware. More home and remote working has created additional cyber-related risks.</p> <p>Impact: Services to customers interrupted, reputational damage, regulatory intervention, loss of data, financial loss.</p>	<p>Appropriate levels of insurance held for business interruption events and cyber cover. Penetration testing, firewalls, anti-virus software, passwords and restrictions all monitored by ICT. Colleague training. IT Disaster Recovery Planning.</p>	<p>Independent cyber security assessment. Internal Audit.</p>
<p>Economic Uncertainties and Policy Changes</p>	<p>Cause: Uncertainty stemming from economic conditions and shifts in government policies or global events.</p> <p>Impact: Volatility and unpredictability into the operating environment. Elevated inflation rates can lead to increased costs of goods and services impacting both customers and colleagues.</p>	<p>Monthly financial and treasury performance reports. Quarterly financial reports to the board. Annual business planning cycle and BP approval. Stress testing of annual BP and identification of recovery plans. Forecasts for key economic indicators provided by Centrus and used in BP review and updated. Horizon scanning for regulatory changes.</p>	<p>Assurance over the levels of rents through to 2025/26. Business Plan approved and signed off by the Board. Centrus. Internal Audit.</p>
<p>Compliance with Health and Safety Legislation</p>	<p>Cause: Failure of internal control framework. Contractor fails to deliver required level of service. Failure to comply with regulations and legislation.</p> <p>Impact: Injury or fatality to customers and/or colleagues. Criminal proceedings, reputational damage, financial loss, fines. Regulatory Intervention/governance downgrade. Negative impact on the corporate objectives and funding.</p>	<p>Suite of compliance policies in place reviewed by industry specialists approved by Board annually. Regular and continuous KPI reporting to the Group Board. Colleague training program. No access to properties - Gas CO monitors left. CO and fire detection are installed to all properties and regularly inspected.</p>	<p>Internal program of quality assurance process compliance testing. Independent Specialist Qualitative testing across all areas of compliance. Internal Audit.</p>

Strategic Report

Internal Control and Risk Management

Principle Risks and Uncertainties

Risk Category	Causes and Impact	Principle Mitigations	Key Control Assurance
Customer Communication Standards	<p>Cause: Failure to promptly address customer queries or concerns. Poor communication methods or practices. Communication and customer service are not prioritised within the organisational culture.</p> <p>Impact: Loss of trust in the organisation. Decreased customer engagement and interaction. Decreased customer satisfaction metrics and key performance indicators (KPIs).</p>	Customer involvement opportunities via a number of customer panels. Tenant involvement policy. Refreshed colleague complaint training and guidance. LHP Way Training. Mystery shopping.	External assurance having achieved the Customer Service Excellence Standard. Achievement of Housemark and Housing Ombudsman's accreditation.
Data Quality and Reporting Accuracy	<p>Cause: Inadequate procedures for collecting data can result in incomplete or inconsistent datasets. Absence of clear data governance frameworks and standards. Inadequate validation and verification processes. Human Error and Lack of Training.</p> <p>Impact: Errors and omissions may occur compromising data quality. Data discrepancies and hinder data integration efforts. Data entry errors inconsistencies in data interpretation.</p>	Property data relating to SAP information has been reviewed and cleansed. Rolling programme of stock condition surveys confirms validity of data held on system design to deliver a 20% sample each year over five years. Data Verification. Data quality is monitored through Performance Team. Colleague Training.	Savills Stock Condition Validation Report. HACT review.
Pensions: Unplanned Cessation Event	<p>Cause: Cost of exiting the scheme and a cessation event as all members have now left the scheme, as at 30 June 2024</p> <p>Impact: Possible significant financial impact.</p>	Inflation and interest rate assumptions derived from OBR forecasts. Quarterly Business Plan updates reported to the Board. Clear understanding of exposure to pension costs and options for securing certainty. Pensions strategy has been to exit the defined benefit schemes in a controlled manner.	Pension review group. Independent advisers.

Strategic Report

Internal Control and Risk Management

Internal Audit

KPMG serves as LHP's internal auditors, aligning the annual audit plan with our strategic risks and regulatory environment to provide tailored organisational support. They develop an audit plan by considering LHP's current sources of assurance, focusing on areas where assurance gaps are identified.

Throughout the year, all identified audit recommendations were addressed, with progress monitored by the Executive Leadership Team and the Audit & Risk Committee. KPMG conducted sample testing on implemented recommendations to ensure compliance.

This process led to performance improvements and

provided assurance in key areas including Arrears Management, Development, Payroll Complaints Management and Assets and Liabilities.

Our Financial Regulations undergo regular review to ensure alignment with business needs and operations. Supported by a framework of policies and procedures, colleagues are required to comply with guidelines covering treasury management, health and safety, data and asset protection, and fraud prevention and detection. This robust framework ensures accountability and adherence to best practices across the organisation.

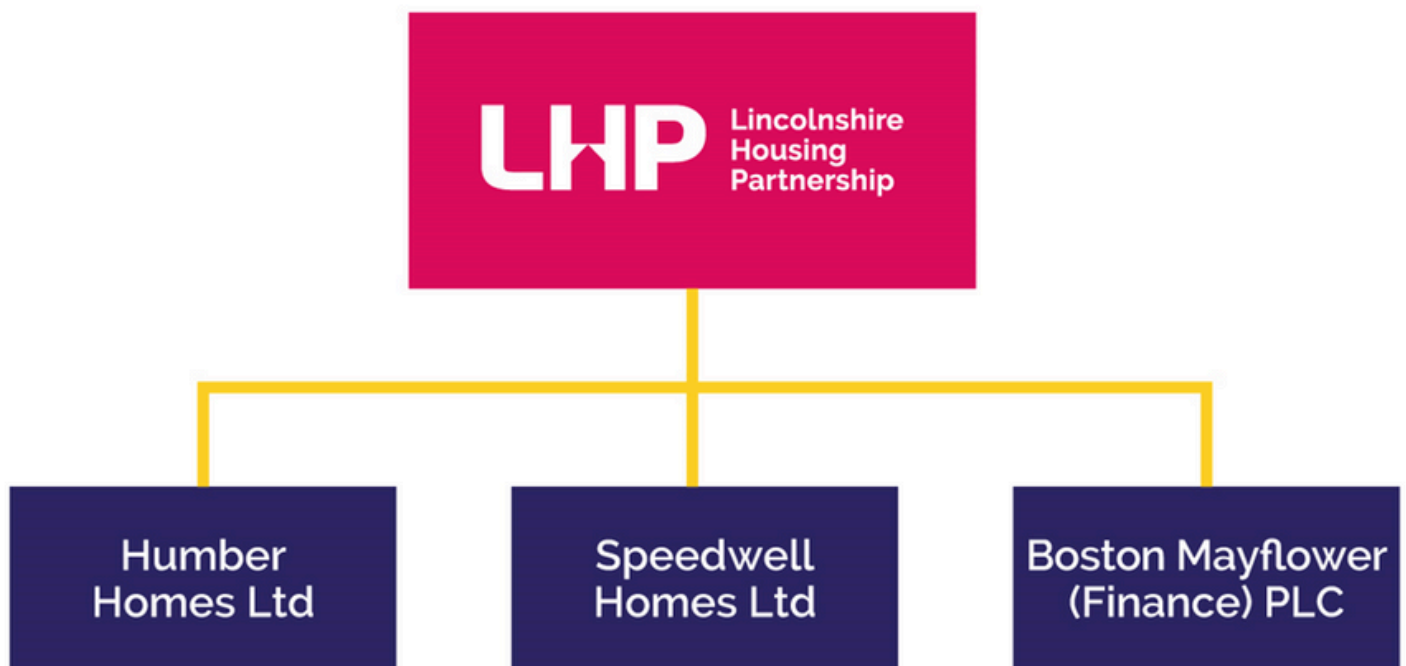
The LHP Group

LHP is the parent company of three wholly owned subsidiary companies. These subsidiaries are Humber Homes, Speedwell Homes and Boston Mayflower Finance Plc.

Boston Mayflower Finance PLC is a special purpose vehicle incorporated for the purposes of raising finance and is without any assets of its own. Speedwell Homes Ltd.'s purpose was to manage a small

number of market rent properties, these properties have now all been transferred into LHP. Humber Homes Limited is a non-trading company that was set up as part of the mechanism for the redevelopment of the former Yarborough Estate now known as Freshney Green.

Relationships and controls between LHP and the Group are governed by agreements which includes intercompany services and charges.



Strategic Report

Our Code of Governance

We are required by The Regulator for Social Housing to adopt an appropriate code of governance. We have adopted and are fully compliant with the National Housing Federation Excellence in Governance Code 2020 edition.

The Code sets down key principles, with which we must comply, and supporting best practice recommendations where we have some discretion. Where we do not follow the code, we must explain why not. The Code deals with our Board, the way it operates, our constitution, the role of the Chair, the Chief Executive, equalities, and probity. Each year we review whether we fully comply with the NHF Excellence in Governance Compliance Report and report this through to our Board.

Board Member code of conduct

We have adopted the National Housing Federation Code of Conduct. The conduct of Board Members impacts directly on our public reputation. Proper conduct by the Board can dictate how effectively our money and assets are managed. Our Code of Conduct sets out responsibilities in respect of acceptable behaviour and accountability and therefore is important in setting the culture for LHP and the leadership role of the Board and is complemented by the Member Conduct and Grievance Policy.

Modern Slavery Statement

Organisations with an annual turnover of at least £36m are required by the Modern Slavery Act 2015 to publish a statement setting out what they are doing to stop modern slavery and forced labour practice occurring in their business and supply chains. Our statement is available on our website at www.lincolnshirehp.com/modern-slavery-statement.

Our Constitution

LHP is a charitable community benefit society. Board Members act as both directors of the company and shareholders and are subject to common law principles of company law and legislation under the Co-operative and Community Benefit Societies act 2014. We are also an exempt charity.

Our Rules set out the purposes and powers of LHP as an exempt charity which must be complied with. The Board Members act as trustees of the charity as well as also being directors of the company. This dual role has largely similar rights and obligations to comply with. Whenever our Board acts it must take account what is best for the beneficiaries of the charity (our customers primarily) and the long-term interests for the success of the company. The rules are available on our website at www.lincolnshirehp.com/rules.

The Rules of LHP are the basis of our Constitution and largely follow the National Housing Federation Model Rules 2015 with amendments such as closed membership, so only Board Members can be Shareholders. Effectively the Rules are very similar to the Articles of a Company. They set out our charitable objects, which are primarily founded on providing affordable homes for those in need for the

benefit of the community. The Rules set out powers for shareholders and the Board. There are detailed provisions dealing with the shareholders and holding general meetings. Each shareholder has a share worth £1 which does not attract interest or dividend. Rules relating to the Board sets out its composition, quorum, terms of office, meetings and declarations of interest amongst other matters.

There are also other provisions dealing with key roles such as the Chair and Chief Executive, financial control and audit, and statutory and miscellaneous matters. The Rules are the most important document in our Constitution. Other documents which sit below the Rules and form part of the Constitution are Terms of Reference for Board and Committees, the Scheme of Delegation to the Executive, Financial Regulations and Procurement (contract) Rules.

We are committed to adhere to policies and work to governance standards. You can read our governance documents and policies which form our Constitution on our website at www.lincolnshirehp.com/governance.

Strategic Report

Committee Structure



Our Leadership

A well-functioning and effective Board of Directors is an essential component of good governance. The Board should understand its role and responsibilities and carry them out to the best of its ability. Each Board member is expected to demonstrate their skills, knowledge, and experience, which, when combined with the rest of the Board, improves the Board's effectiveness.

As a result, each Board member is given a clear role description outlining the duties that are expected of them. Any Board member who holds the position of Chair receives additional responsibilities as part of their role description, outlining how they are responsible as the Board's leader. As part of their induction, board members are advised of their fiduciary duties, and they receive regular training and development sessions on their responsibilities. The Board has the primary and ultimate decision-making authority, though it does delegate some responsibilities to Committees within the structure.

For more information on our Board, please visit www.lincolnshirehp.com/meet-the-board.

To find out more about our Executive and Corporate Leadership Teams, please visit www.lincolnshirehp.com/meet-the-team.

Strategic Report

Key Board Activities

Merger and Acquisitions

The Board engaged in merger discussions with Ongo Homes, including comprehensive due diligence. However, in December, it was decided not to proceed with the merger. This decision aligns with our strategic focus and was made to best serve our community's needs.

Interim Leadership Arrangement

The Board continues to support the three Executive Directors who are collectively leading the organisation while recruitment strategies are assessed. Their proven interim leadership is demonstrated by their successful management over a five-week period in July 2023, which included weekly oversight meetings with the Chair. This approach is being replicated currently. They are further supported by the Assistant Director of Governance and Regulation alongside a robust Corporate Leadership team, ensuring continuity in leadership performance and adherence to governance standards

Strategic Oversight and Leadership Development

The Board is engaging in strategic discussions to consider the future leadership structure necessary to advance LHP's mission. Additionally, the Board is actively pursuing the recruitment of new members to further enhance its capabilities.

Financial Stability and Performance

In December, S&P Global reaffirmed our long-term credit rating at A- with a stable outlook, acknowledging our investment in existing properties, strong liquidity, and effective management. This evaluation underscores our sound financial governance.

Board Developments and Appointments

New Appointment Zoe Ollerearnshaw was appointed as Chair of the Audit and Risk Committee (ARC) and a member of the Board effective from 1 April 2023. Susan Shehata became our Independent Finance Committee Member from 1 April 2023 and subsequently became a full Board member from 1 April 2024.

Strategic Initiatives and Operational Highlights

Property and Community Development

Following the demolition of the high-rise blocks and other developments at Freeman Street, the Board, in partnership with North East Lincolnshire Council, has approved the use of this land for a special needs school, supporting the socio-economic enhancement of the East Marsh area.

Regulatory Compliance and Best Practices

Our compliance with the Social Housing (Regulation) Act and new Consumer Standards has been strengthened through gap analysis and action planning, focusing on areas highlighted by the Housing Ombudsman's Spotlight Reports and other best practice guides. Our Consumer Standards gap analysis and action plans have been reviewed by the Housing Quality Network (HQN)), affirming our commitment to regulatory compliance and high standards of governance. The legal, financial and property due diligence associated with the proposed merger with Ongo Homes revealed no significant issues, with recommendations being proactively addressed to refine operations further.

Environmental, Social, and Governance (ESG) Initiatives

The Board has approved a new ESG Framework, reflecting our commitment to sustainable and responsible governance.



Zoe Ollerearnshaw was appointed as Chair of the Audit and Risk Committee and Board member

Strategic Report

Viability Statement

Financial Response

Sufficient liquidity is in place to meet our internal liquidity policy.

Recent treasury restructuring activity has resulted in Revolving Credit Facilities being in place, which supports the Corporate Strategic Plan.

Robust financial monitoring is in place, including Board monitoring of the Financial Viability Dashboard and Golden Rules.

Provision of information to the Auditor

All the current Board members have taken the steps that they ought to have taken to ensure they are aware of any information needed by the Group's auditor for the purposes of their audit, and to establish that the auditor is aware of that information. The Board members are not aware of any relevant audit information of which the auditor is not aware.

Going Concern

Having considered the plans and forecast of LHP and taking account of the advice received over the year from independent professional advisers on the business activity and the continued support of its funders, the Board has a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future.

The Board have assessed the risks associated with the departure from the Covid-19 pandemic and the recent inflationary increases on LHP and concluded that there is limited negative impact to the ongoing business activity.

For this reason, they continue to adopt the going concern basis in the preparation of these financial statements.

Statement of Compliance with Regulatory Standards

The Strategic Report has been prepared in accordance with applicable reporting standards and legislation. The Board can also confirm that the Group has complied with the Regulator of Social Housing's Governance and Financial Viability Standard.

Signed by:

Anthony Read

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Anthony Read

Chair

Signed by:

simon parkes

4356EB9CD85A477

Simon Parkes

Board Member

DocuSigned by:

Nicola Ebdon

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Nicola Ebdon

Company Secretary

Independent Auditors' Report

Opinion

We have audited the financial statements of Lincolnshire Housing Partnership Limited (the Association) and its subsidiaries (the Group) for the year ended 31 March 2024 which comprise the Group and Association Statement of Comprehensive Income, the Group and Association Statement of Financial Position, the Consolidated Statement of Changes in Reserves, the Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. 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 of 31 March 2024 and of the Group's income and expenditure and the Association's income and expenditure for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, the Cooperative 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.

Independent Auditors' 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 of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board of Management

As explained more fully in the Statement of the Board's Responsibilities set out on page 9, the Board of Management 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 of Management 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 of Management 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 of Management either intends to liquidate the Group or the Association or to cease operations, or have 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 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 based on 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.

Independent Auditors' Report

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

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

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

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

- 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. Our audit work has been undertaken so that we might state to the Association those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association for our audit work, for this report, or for the opinions we have formed.

Bever and Struthers, Statutory Auditor
The Colmore Building, 20 Colmore Circus
Queensway, Birmingham, B4 6AT

Date:

Statement of Comprehensive Income

	Note	Year Ended 31 March 2024		Year Ended 31 March 2023	
		Group	Association	Group	Association
		£'000	£'000	£'000	£'000
Turnover	2	62,269	62,247	57,687	57,661
Cost of sales	2	(893)	(893)	(730)	(730)
Operating expenditure	2	(46,087)	(46,087)	(44,686)	(44,686)
Gain on disposal of property, plant, and equipment	6	705	705	1,566	1,566
Operating surplus		15,994	15,972	13,837	13,811
Interest receivable		583	589	153	160
Interest and financing costs	7	(7,081)	(7,081)	(7,229)	(7,229)
Gift Aid		-	34	-	18
Increase in valuation of Investment Properties		40	-	-	-
Surplus before tax	8	9,536	9,514	6,761	6,760
Taxation	9	-	-	-	-
Surplus for the year after tax		9,536	9,514	6,761	6,760
Actuarial (deficit)/surplus in respect of pension schemes	12	(719)	(719)	(1,656)	(1,656)
Total comprehensive income for the year		8,817	8,795	5,105	5,104

Statement of Compliance

The financial statements on pages 52 to 104 were approved and authorised for issue by the Board on 24 July 2024 and were signed on its behalf by:

Signed by:



B78E71ADEF3A428

Signed by:



4356EB9CD85A477

DocuSigned by:



C78D552E8B4F3

Anthony Read
Chair

Simon Parkes
Board Member

Nicola Ebdon
Company Secretary

The consolidated and parent results relate wholly to continuing activities and the notes on pages 57 to 104 form an integral part of these accounts.

Statement of Financial Position

	Note	As at 31 March 2024		As at 31 March 2023	
		Group £'000	Association £'000	Group £'000	Association £'000
Fixed Assets					
Tangible fixed assets – Property	13a	336,815	336,815	325,600	325,114
Tangible fixed assets – Other	13b	3,120	3,120	3,506	3,506
Investment in subsidiaries	14	-	13	-	13
		339,935	339,948	329,106	328,633
Current assets					
Properties in the course of sale	16	192	192	585	585
Stock	15	182	182	148	148
Trade and other debtors	17	2,558	2,558	3,066	3,441
Cash and cash equivalents	18	22,584	22,515	14,447	14,268
Less: Creditors: Amounts falling due within one year	19a	(16,418)	(16,653)	(9,434)	(9,426)
Net current assets		9,098	8,794	8,812	9,016
Total assets less current liabilities		349,033	348,742	337,918	337,649
Creditors: amounts falling due after more than one year	19b&c	(215,079)	(215,079)	(212,927)	(212,927)
Provisions for liabilities					
Pension provision	12	(1,743)	(1,743)	(1,597)	(1,597)
Total net assets		132,211	131,920	123,394	123,125
Reserves					
Non-equity share capital	22	-	-	-	-
Income and expenditure reserve		89,659	89,368	80,075	79,806
Revaluation reserve		42,552	42,552	43,319	43,319
Restricted reserves		-	-	-	-
Total reserves		132,211	131,920	123,394	123,125

Statement of Compliance

The financial statements on pages 52 to 104 were approved and authorised for issue by the Board on 24 July 2024 and were signed on its behalf by:

Signed by:



B78F71ADFF3A428

Anthony Read
Chair

Signed by:



4356FE9GD85A473

Simon Parkes
Board Member

DocuSigned by:



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Nicola Ebdon
Company Secretary

The consolidated and parent results relate wholly to continuing activities and the notes on pages 57 to 104 form an integral part of these accounts.

Consolidated Statement of Changes in Reserves

	Income and expenditure reserve	Restricted Reserves	Revaluation	Total Reserves
	£'000	£'000	£'000	£'000
Balance as at 31 March 2022	74,256	-	44,033	118,289
Surplus from Statement of Comprehensive Income	6,761	-	-	6,761
Pension revaluation from Statement of Comprehensive Income	(1,656)	-	-	(1,656)
Transfer from revaluation reserve to income and expenditure reserves	714	-	(714)	-
Balance as at 31 March 2023	80,075	-	43,319	123,394
Surplus from Statement of Comprehensive Income	9,536	-	-	9,536
Pension revaluation from Statement of Comprehensive Income	(719)	-	-	(719)
Transfer from revaluation reserve to income and expenditure reserves	767	-	(767)	-
Balance as at 31 March 2024	89,659	-	42,552	132,211

The notes on pages 57 to 104 form an integral part of these accounts.



Consolidated Statement of Changes of Cash Flows

	Year Ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Net cash generated from operating activities	29,368	19,933
Cash flow from investing activities		
Purchase of tangible fixed assets	(23,017)	(20,262)
Proceeds from sale of tangible fixed assets	1,680	2,725
Grants received	3,501	-
Interest received	583	153
	(17,253)	(17,384)
Cash flow from financing activities		
Interest paid and similar charges	(7,081)	(7,229)
Loan issue costs	103	(225)
Proceeds from borrowings	3,000	-
	(3,978)	(7,454)
Net change in cash and cash equivalents	8,137	(4,905)
Cash and cash equivalents at the beginning of the year	14,447	19,352
Cash and cash equivalents at the end of the year	22,584	14,447

The notes on pages 57 to 104 form an integral part of these accounts.

Consolidated Statement of Cash Flows

	Year Ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Cash flow from investing activities		
Surplus for the year	8,817	5,105
Adjustments for non-cash items		
Depreciation of tangible fixed assets	11,280	9,918
Amortisation of loan issue costs	176	209
Decrease/(Increase) in properties in the course of sale	393	(78)
(Increase) in stock	(34)	(35)
Decrease/(Increase) in trade and other debtors	508	(887)
Increase in trade and other creditors	3,253	1,309
Increase/ in provisions	146	1,102
Carrying amount of tangible fixed asset disposals	976	(80)
Adjustments for investing or financing activities		
Proceeds from the sale of tangible fixed assets	(1,680)	(2,725)
Revaluation of Investment Properties	(40)	-
Government grants utilised in the year	(749)	(772)
Interest payable	6,905	7,020
Interest received	(583)	(153)
Net cash generated from operating activities	29,368	19,933

The notes on pages 57 to 104 form an integral part of these accounts.

Notes to the Financial Statements

Legal Status

The Group Company (Lincolnshire Housing Partnership) is a registered society in England under the Co-operative and Community Benefit Societies Act 2014. It has exempt charitable status and is registered with the Regulator of Social Housing as a Registered Provider (RP) of social

housing. Registered office is Cartergate House, 26 Chantry Lane, Grimsby, North East Lincolnshire DN31 2LJ. Lincolnshire Housing Partnership's principal activity is to provide social housing.

The group comprises of the following entities:

Name	Incorporation	Registered/Non-registered
Lincolnshire Housing Partnership	Co-operative and Community Benefit Societies Act 2014	Registered
Humber Homes Limited	Companies Act 2006	Non-registered
Speedwell Homes Limited	Companies Act 2006	Non-registered
Boston Mayflower Finance plc	Companies Act 2006	Non-registered

Principal Accounting Policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year.

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

The financial statements comply with the Co-operative and Communities 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. The financial statements are prepared on the historical cost basis of accounting (including deemed cost upon adoption of FRS102), modified to include certain items at fair value, and are presented in sterling £'000 for the year ended 31 March 2024.

The Group's financial statements have been prepared in compliance with FRS102. In complying with FRS102 the Group and Association meets the definition of a Public Benefit Entity.

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 FRS102:

- No cash flow statement has been presented for the parent company,
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.
- 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.

Basis of consolidation

The Group financial statements consolidate the financial statements of Lincolnshire Housing Partnership and its subsidiary undertakings up to 31 March 2024.

Going Concern

Lincolnshire Housing Partnership has considerable resources and, therefore, the Board believes the Group is well placed to manage its business risks successfully despite current uncertainties in the social housing sector. The Board has a reasonable expectation that the Group has adequate resources to continue operations for the foreseeable future. For this reason, they continue to adopt the going concern basis in the preparation of these financial statements.

Notes to the Financial Statements

Judgements and key sources of estimation uncertainty

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

Development expenditure

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

Categorisation of housing properties. The Group has undertaken a detailed review of the intended use of all housing properties. In determining the intended use, the Group has considered if the asset is held for social benefit or to earn commercial rentals. The Group has determined that market rented properties are investment properties. The Group has identified a cash generating unit for impairment assessment purposes at a property scheme level.

Impairment

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is normally a group of properties at scheme level whose cash income can be separately identified.

The Group perform impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (properties) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on

available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Association as the existing property. The cash flows are derived from the business plan for the next 30 years. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which they are based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 12. The financial statements only recognise a net defined benefit pension asset to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Bad debt provision

LHP make a provision for rental arrears, which are considered to be non-recoverable. The full value of former tenant debt is provided for. The provision for current tenant debt is calculated based upon the value of the debt.

Notes to the Financial Statements

Other key sources of estimation and assumptions

Tangible fixed assets

Completed housing properties at FRS 102 transition date are stated at deemed cost at the transition date and subsequently at cost and all other tangible fixed assets are held at historic cost. Both are depreciated over their useful lives considering residual values, where appropriate. For housing property assets, the assets are broken down into components based on management's assessment of the properties. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For rental and trade debtors

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

Turnover and revenue recognition

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

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

Support income and costs including Supporting People Income and costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the Turnover as per note 2. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the Statement of Comprehensive Income from social housing lettings note 3 and matched against the relevant costs.

Service charges

Service charge income and costs are recognised on an accrual's basis. The Group operates fixed service charges on a scheme-by-scheme basis in full consultation with customers. Where periodic expenditure is required, a provision may be built up over the years, in consultation with the customers; until these costs are incurred this liability is held in the Statement of Financial Position within long-term creditors.

Loan interest costs

Loan interest costs are calculated using the effective interest method of the difference between the loan amount at initial recognition and amount of maturity of the related loan.

Loan finance issue costs

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

Taxation

Lincolnshire Housing Partnership has charitable status and is not subject to Corporation Tax.

For the subsidiary companies the tax expense for the period comprises current and deferred tax. Tax is recognised in profit and loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated based on tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generate taxable income.

Value Added Tax (VAT)

The Group charges VAT on some of its income and can recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

Notes to the Financial Statements

Other key sources of estimation and assumptions

Tangible fixed assets and depreciation

Housing properties are stated at either historical cost or deemed cost at transition date to FRS102 on 1 April 2014 and at cost thereafter, less accumulated depreciation.

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

Freehold land is not depreciated.

Where a housing property comprises two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL.

Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

The Group depreciates freehold housing properties by component on a straight-line basis over the estimated UELs of the component categories.

UELs for identified components are as follows:

Structure: 80 Years

Roofs: 65-70 Years

Windows and Doors: 30-40 Years

Bathroom: 25-40 Years

Kitchen: 20-30 Years

Central Heating / Boiler: 15-30 Years

Lifts: 40-50 Years

Electrical Equipment: 15-30 Years

Garages: 50 Years

Facias, guttering and soil pipes: 30 Years

External Boundaries: 20-50 Years

Plant and Equipment: 30 Years

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

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

Office Buildings – 100 Years

Computer equipment and software – 3 Years

Improvements/Refurbishing Leasehold Premises – 5 - 15 Years

Fixtures and fittings – 4 Years

Shared ownership properties

The costs of shared ownership properties are split between current and fixed assets based on the first tranche portion. The first tranche portion is accounted for as a current asset and the sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Operating leases

Payments are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the lease.

Valuation of investments

The Association holds £50k shares with £37.5k unpaid in its subsidiary, Boston Mayflower Finance plc at cost less impairment. There are no other investments.

Stock and properties held for sale

Stock of materials are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

Properties developed for shared ownership 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.

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

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Notes to the Financial Statements

Other key sources of estimation and assumptions

Social Housing and other government grants

Where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been accounted for in accordance with the performance model adopted at transition.

Post transition, where developments have been financed wholly or partly by social housing and other grants, the amount of the grant received has been included as deferred income and recognised in Turnover over the estimated useful life of the associated asset structure (not land), under the accruals model. Social Housing Grant (SHG) received for items of cost written off in the Statement of Comprehensive Income Account is included as part of Turnover.

Where there is a government grant associated with housing properties as part of a stock transaction, the fair value of the obligation to repay or recycle the government grant is reflected in the fair value of the housing properties and therefore no additional value is attributed to the government grant transferred.

SHG must be recycled by the Group under certain conditions, if a property is sold, or if another relevant event takes place. In these cases, the SHG can be used for projects approved by the Homes England. SHG may however have to be repaid if certain conditions are not met. If grant is not required to be recycled or repaid, any unamortised grant is recognised as Turnover. In certain circumstances, SHG may be repayable, and, in that event, is a subordinated unsecured repayable debt.

Recycling of capital grant

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

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Revaluation Reserve

The revaluation reserve represents the difference on transition between the fair value of social housing properties and other assets and the historical cost carrying value, where deemed cost transitional relief was taken.

Financial instruments

Financial assets and financial liabilities are measured at transaction price initially plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal. Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Commitments to receive or make a loan to another entity which meet the conditions in para 11.8(c) of FRS 102 are measured at cost less impairment.



Notes to the Financial Statements

Other key sources of estimation and assumptions

Financial instruments held by the Group are classified as follows

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

At the end of each reporting period, financial instruments are measured as follows, without any deduction for transaction costs the entity may incur on sale or other disposal:

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Financial assets such as cash, current asset investments and receivables are classified as loans and receivables and held at amortised cost using the effective interest method;

Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method;

Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method,

Commitments to receive or make a loan to another entity which meet the conditions above are held at cost less impairment,

An investment in another entity's equity instruments other than non-convertible preference shares and non-puttable ordinary and preference shares are held at cost less impairment.

Loans

All loans held by the Group are classified as basic financial instruments in accordance with FRS 102. They are measured at transaction price plus transaction costs initially, and subsequently at amortised cost using the effective interest rate method. Loans repayable within one year are not discounted.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

The following financial instruments are assessed individually for impairment:

- a. All equity instruments regardless of significance; and
- b. Other financial assets that are individually significant.

Other financial instruments are assessed for impairment either individually or grouped based on similar credit risk characteristics.

An impairment loss is measured as follows on the following instruments measured at cost or amortised cost:

- i. For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.
- ii. For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.
- iii. If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed either directly or by adjusting an allowance account. The reversal cannot result in a carrying amount (net of any allowance account) which exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of the reversal is recognised in profit or loss immediately.

Notes to the Financial Statements

Other key sources of estimation and assumptions

Segmental Reporting

As Boston Mayflower Finance plc holds debt, which is Publicly traded, the parent body, Lincolnshire Housing Partnership, is required to disclose consolidated information about its operating segments in accordance with IFRS 8. The Chief Operating Decision Maker (CODM) has been identified as the Group Executive Directors.

The Group Executive Directors have identified the operating segments as General Needs & Supported Housing and Low-Cost Home Ownership, reflecting the way in which the organisation is operated and managed. The Group Executive Directors receive information regarding the financial and operational performance of these segments on a regular basis.

General Needs & Supported Housing incorporates all our social rented housing provision, including both social rent and affordable rent properties. Income is derived primarily from rent and service charges.

Low-Cost Home Ownership comprises those properties where we have sold a proportion of the equity share to the occupier whilst retaining the remaining equity and the freehold of the property. Income is derived from service charges in respect of the properties and from rent charged on the unsold equity element of the properties.

Analysis of the Statement of Comprehensive Income by segment is provided in notes 2 and 3 to these financial statements. Our management reporting structure does not require analysis of assets and liabilities by segment, and these are therefore not included in the analysis of segmental reporting.



Notes to the Financial Statements

2a Turnover, cost of sales, operating expenditure and operating surplus

	2024			
Group	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings (note 3a)	59,856	-	(45,711)	14,145
Other social housing activities				
Low cost home ownership sales	1,352	(893)	-	459
Development income	72	-	-	72
Activities other than social housing (note 3c)				
Telecare services to third parties	765	-	(376)	389
Other Income	224	-	-	224
Total	62,269	(893)	(46,087)	15,289

	2023			
Group	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings (note 3a)	55,297	-	(44,320)	10,977
Other social housing activities				
Low cost home ownership sales	1,163	(730)	-	433
Development income	265	-	-	265
Activities other than social housing (note 3c)				
Telecare services to third parties	743	-	(366)	377
Other Income	219	-	-	219
Total	57,687	(730)	(44,686)	12,271

Notes to the Financial Statements

2b. Turnover, cost of sales, operating expenditure and operating surplus

	2024			
Association	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings (note 3b)	59,834	-	(45,711)	14,123
Other social housing activities				
Low cost home ownership sales	1,352	(893)	-	459
Development income	72	-	-	72
Activities other than social housing (note 3c)				
Telecare services to third parties	765	-	(376)	389
Other Income	224	-	-	224
Total	62,247	(893)	(46,087)	15,267

	2023			
Association	Turnover	Cost of sales	Operating expenditure	Operating surplus
	£'000	£'000	£'000	£'000
Social housing lettings (note 3b)	55,271	-	(44,320)	10,951
Other social housing activities				
Low cost home ownership sales	1,163	(730)	-	433
Development income	265	-	-	265
Activities other than social housing (note 3c)				
Telecare services to third parties	743	-	(366)	377
Other Income	219	-	-	219
Total	57,661	(730)	(44,686)	12,245

Notes to the Financial Statements

3a Turnover, operating expenditure and operating surplus

Group	Rented Housing	Low Cost Home Ownership	Other	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Income					
Rent receivable net of identifiable service charge	53,793	1,043	812	55,648	51,806
Service charge income	2,871	80	362	3,313	2,678
Amortised government grants	749	-	-	749	772
Other Income from Social Housing Lettings	137	-	9	146	41
Turnover from Social Housing Lettings	57,550	1,123	1,183	59,856	55,297
Operating Expenditure					
Management	17,428	-	-	17,428	17,693
Service charge costs	3,451	-	160	3,611	3,031
Routine maintenance	12,042	-	-	12,042	12,157
Planned maintenance	493	-	-	493	515
Major repairs expenditure	-	-	-	-	-
Bad debts	857	-	-	857	612
Depreciation of Housing Properties	10,963	317	-	11,280	9,918
Impairment of housing properties	-	-	-	-	394
Operating expenditure on Social Housing Lettings	45,234	317	160	45,711	44,320
Operating Surplus on Social Housing Lettings	12,316	806	1,023	14,145	10,977
Void losses (being rental income lost as a result of a property not being let, although it is available for letting)	1,034	9	212	1,255	1,081

Notes to the Financial Statements

3b Turnover, operating expenditure and operating surplus

Association	Rented Housing	Low Cost Home Ownership	Other	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Income					
Rent receivable net of identifiable service charge	53,771	1,043	812	55,626	51,780
Service charge income	2,871	80	362	3,313	2,678
Amortised government grants	749	-	-	749	772
Other Income from Social Housing Lettings	137	-	9	146	41
Turnover from Social Housing Lettings	57,528	1,123	1,183	59,834	55,271
Operating Expenditure					
Management	17,428	-	-	17,428	17,693
Service charge costs	3,451	-	160	3,611	3,032
Routine maintenance	12,042	-	-	12,042	12,157
Planned maintenance	493	-	-	493	515
Major repairs expenditure	-	-	-	-	-
Bad debts	857	-	-	857	612
Depreciation of Housing Properties	10,963	317	-	11,280	9,917
Impairment of housing properties	-	-	-	-	394
Operating expenditure on Social Housing Lettings	45,234	317	160	45,711	44,320
Operating Surplus on Social Housing Lettings	12,294	806	1,023	14,123	10,951
Void losses (being rental income lost as a result of a property not being let, although it is available for letting)	1,034	9	212	1,255	1,081

Notes to the Financial Statements

4 Accommodation owned, managed and in development

2023		2024	
No. of Properties		No. of Properties	
Owned	Managed	Owned	Managed

Social Housing Under development at the end of the year:

General needs housing affordable rent	15	-	21	-
General needs housing social rent	2	-	8	-
Low-cost home ownership	7	-	-	-
	24	-	29	-

Notes to the Financial Statements

4 Accommodation, owned, managed and in development (continued)

	2023 No. of Properties		Additions	Disposals	Other	Tenure Change	2024 No. of Properties	
	Owned	Managed					Owned	Managed
Income								
General needs housing	9,641	-	-	(23)	-	3	9,621	-
Affordable Rent General Housing	235	-	7	-	-	-	242	-
Supported housing and housing for older people	1,723	-	-	-	-	-	1,723	-
Low-cost home ownership	349	-	7	(4)	-	-	352	-
Extra care housing	30	-	-	-	-	-	30	-
Intermediate Rent	218	-	-	-	-	-	218	-
Total owned and managed	12,196	-	14	(27)	-	3	12,186	-
Non-Social Housing Under management at the end of the year:								
Market rented	9	-	-	-	-	(3)	6	-
Leasehold Properties	366	-	-	-	1	-	367	-
	375	-	-	-	1	(3)	373	-

Notes to the Financial Statements

5 Accommodation managed by and leased to others

	2024	2023
	No. of Properties	No. of Properties
Supported housing	55	58
Non-social housing	22	22
Total	77	80

Lincolnshire Housing Partnership owns property managed by or leased to other bodies.

6 Profit on disposal of property, plant and equipment

	Right to Buy sales	Right to Acquire sales	Outright sales	Shared Ownership Staircasing sales	Total 2024	Total 2023
Group and Association						
	£'000	£'000	£'000	£'000	£'000	£'000
Proceeds of sales	666	311	281	422	1,680	2,725
Less: Costs of sales	(432)	(61)	(183)	(299)	(975)	(1,159)
Total	234	250	98	123	705	1,566

Notes to the Financial Statements

7 Interest and financing costs

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Defined benefit pension charge	70	4	70	4
On loans repayable within five years	79	-	79	-
On loans wholly or partly repayable in more than five years	6,450	6,459	6,450	6,459
Costs associated with financing	482	766	482	766
	7,081	7,229	7,081	7,229

8 Surplus on ordinary activities

	2024	2023
	£'000	£'000
The operating surplus stated after charging / (crediting)		
Depreciation of housing properties	11,280	9,918
Depreciation of other fixed assets	781	716
Surplus on sale of other fixed assets	(705)	(1,566)
Auditors' remuneration (excluding VAT):		
Audit of the group financial statements	59	55
Audit of subsidiaries	1	1
Fees payable to the Association's auditor and its associates for other services to the Group:		
Service charge certification	4	4
Review of Social Housing Decarbonisation Fund	5	-

Notes to the Financial Statements

9 Taxation

No taxation charge arises as the Association has been granted charitable status accepted by HMRC.

10 Directors' remuneration

	2024	2023
	£'000	£'000
The aggregate emoluments paid to or receivable by non- executive Directors and former non-executive Directors	70	70
The aggregate emoluments paid to or receivable by executive Directors and former executive Directors	893	810
The aggregate emoluments paid to or receivable by Directors (key management personnel)	893	810
The emoluments paid to the highest paid Director excluding pension contributions	239	151
The aggregate amount of any consideration payable to or receivable by third parties for making available the services of a Director	-	-
The aggregate amount of any consideration payable to Directors for loss of office	144	-
The ratio of the Chief Executives remuneration to the median remuneration of all LHP's employees	9:1	6:1

Murray Macdonald was the Chief Executive of LHP and the highest paid director. His remuneration in relation to the period of account amounted to £239,407 (2023: £151,116).

He was a member of the defined benefit pension scheme. The scheme was funded in line with the pension scheme guidelines for the Group, to which the Group contribute £51,528 for the year ended 31 March 2024 (2023: £44,786)

Notes to the Financial Statements

10 Emoluments were made to the following members of the board

		2024	2023
	Appointed/Resigned	£	£
Anthony Read		15,000	15,000
Jiggy Lloyd	Resigned 14/09/22	-	2,503
Paul Casey	Resigned 14/09/23	2,959	5,500
Carl Dewey		7,500	7,500
John Crowther	Resigned 17/09/23	3,887	7,750
Simon Parkes		9,500	9,500
Sally Marshall-Mills		5,500	5,500
Kate Lindley		7,500	7,500
Adrienne Boggins		5,500	4,625
Rhiannon Davies	Resigned 06/02/24	4,669	4,625
Zoe Ollerearnshaw	Appointed 01/04/23	7,500	-
		69,565	70,003

Notes to the Financial Statements

11 Employee information

	2024	2023
The average number of persons employed during the year expressed in full time equivalents was:		
Office staff	258	261
Wardens, caretakers, and cleaners	12	11
Operatives	118	117
	388	389
Staff costs		
	£'000	£'000
Wages and salaries	13,759	12,457
Social Security costs	1,281	1,181
Other pension costs	1,465	1,335
	16,505	14,973
Aggregate number of full-time equivalent staff whose remuneration exceeded £60,000 in the period:		
	No.	No.
£60,000 - £70,000	9	9
£70,000 - £80,000	4	6
£80,000 - £90,000	7	3
£90,000 - £100,000	2	2
£100,000 - £110,000	2	-
£130,000 - £140,000	-	1
£150,000 - £160,000	1	2
£160,000 - £170,000	1	-
£170,000 - £180,000	1	-
£190,000 - £200,000	-	1
£290,000 - £300,000	1	-

No loans have been made to employees in the year ended 31 March 2024 (2023 nil)

Notes to the Financial Statements

12 Pension Obligations

The Social Housing Pension Scheme (SHPS)

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

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

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

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

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

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

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

As at 30 June 2024, all members have left this scheme and Lincolnshire Housing Partnership has exited the scheme, see Note 28.



Notes to the Financial Statements

Principal Actuarial Assumptions

The following information provided by The Pension Trust (TPT) is based upon the full actuarial valuation of the fund as at September 2023 updated to 31 March 2024.

	31 March 2024	31 March 2023
Rate of increase in salaries	3.79%	3.81%
Rate of increase for pensions in payment / inflation	3.79%	3.81%
Discount rate for scheme liabilities	4.92%	4.83%
Inflation assumption (CPI)	2.79%	2.81%
Commutation of pensions to lump sums	75%	75%

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

Current Pensioners	
Males	20.5 years
Females	23.0 years
Future Pensioners	
Males	21.8 years
Females	24.4 years



Notes to the Financial Statements

Analysis of the amount charged to operating costs in

	31 March 2024	31 March 2023
The Statement of Comprehensive Income	£'000	£'000
Employer service cost (net of employee contributions)	(60)	(73)
Expenses	(17)	(19)
Total operating charge	(77)	(92)
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	362	360
Interest on pension liabilities	(432)	(397)
Amounts of charged/credited to financing costs	(70)	(37)
Amount of gains and losses recognised in the Statement of Comprehensive Income		
Actuarial (losses)/gains on pension scheme assets	(612)	(5,744)
Actuarial gains on scheme liabilities	194	5,259
Actuarial (loss)/gain recognised	(418)	(485)
Movement in (deficit) during the year		
(Deficit) in scheme at 1 April	(1,597)	(1,562)
Movement in year: Employer service cost (net of employee contributions)	(77)	(92)
Employer contributions	427	579
Past service cost	-	-
Net interest/return on assets	(70)	(37)
Remeasurements	(426)	(485)
(Deficit) in scheme at 31 March	(1,743)	(1,597)

Notes to the Financial Statements

	31 March 2024	31 March 2023
Asset and Liability Reconciliation	£'000	£'000
Reconciliation of Liabilities at start of period	(9,045)	(14,738)
Service cost	(77)	(92)
Interest cost	(432)	(397)
Employee contributions	-	(27)
Remeasurements	194	5,259
Benefits paid	346	950
Past Service cost	-	-
Losses due to Benefit Changes	(8)	-
Liabilities at end of period	(9,022)	(9,045)
Reconciliation of Assets at start of period	7,448	13,176
Return of plan assets	362	360
Remeasurements	(612)	(5,744)
Employer contributions	427	579
Employee contributions	-	27
Benefits paid	(346)	(950)
Assets at end of period	7,279	7,448
(Deficit) in scheme at 31 March	(1,743)	(1,597)

Notes to the Financial Statements

Local Government Pension Scheme (“LGPS”)

The Lincolnshire County Council Pension - for TUPE employees formerly Boston Mayflower. The LGPS is a funded defined-benefit scheme, with the assets held in separate funds administered by the Lincolnshire County Council. The total contributions made for the year ended 31 March 2024 were £98k, of which employer’s contributions totalled £76k and employees’ contributions totalled £22k. The agreed contribution rates for future years are 27.4% for employers and range from 5.5% to 12.5% for employees, depending on salary.

As at 30 June 2024, all members have left this scheme and Lincolnshire Housing Partnership has exited the scheme, see Note 28.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 March 2024 by a qualified independent actuary.

	31 March 2024	31 March 2023
Rate of increase in salaries	3.95%	3.90%
Rate of increase for pensions in payment / inflation	2.95%	2.90%
Discount rate for scheme liabilities	4.90%	4.80%
Inflation assumption (CPI)	2.95%	2.90%
Commutation of pensions to lump sums	75%	75%

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

Current Pensioners	31 March 2024	31 March 2023
Males	19.5 years	19.8 years
Females	22.7 years	22.9 years
Future Pensioners	31 March 2024	31 March 2023
Males	20.8 years	21.1 years
Females	24.1 years	24.4 years

Notes to the Financial Statements

Major categories of plan assets

Period Ended	31 March 2024	31 March 2023
Equities	50%	56%
Bonds	14%	13%
Property	7%	8%
Cash	3%	3%
Infrastructure	4%	4%
Absolute return fund	22%	16%



Notes to the Financial Statements

Analysis of the amount charged to operating costs in

	31 March 2024	31 March 2023
the Statement of Comprehensive Income	£'000	£'000
Employer service cost (net of employee contributions)	(50)	(96)
Past service cost	-	-
Total operating charge	(50)	(96)
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	711	406
Interest on pension liabilities	(565)	(455)
Amounts credited/charged to financing costs	146	(49)
Amount of gains and losses recognised in the Statement of Comprehensive Income		
Actuarial gains/(losses) on pension scheme assets	711	406
Actuarial (losses) on scheme liabilities	(627)	(563)
Actuarial profit/(loss) recognised	84	(157)
Movement in surplus/(deficit) during the year		
Surplus/ (Deficit) in scheme at 1 April	3,004	(1,991)
Movement in year: Employer service cost (net of employee contributions)	(62)	(108)
Employer contributions	77	219
Past service cost	-	-
Net interest/return on assets	146	(49)
Remeasurements	923	4,933
Actuarial Asset in scheme at 31 March	4,088	3,004
Adjustment in respect of asset restriction *	(4,088)	(3,004)
Asset recognised on the balance sheet	-	-

Notes to the Financial Statements

	31 March 2024	31 March 2023
Asset and Liability Reconciliation	£'000	£'000
Reconciliation of Liabilities at start of period	(12,043)	(17,732)
Service cost	(50)	(96)
Interest cost	(565)	(455)
Employee contributions	(22)	(23)
Remeasurements	152	5,741
Benefits paid	559	522
Past service cost	-	-
Curtailments and settlements	-	-
Liabilities at end of period	(11,969)	(12,043)
Reconciliation of Assets at start of period	15,047	15,741
Return on plan assets	711	406
Remeasurements	771	(808)
Employer contributions	77	219
Employee contributions	22	23
Benefits paid	(571)	(534)
Assets at end of period	16,057	15,047
Actuarial Assets in scheme at 31 March	4,088	3,004
Adjustment in respect of asset restriction *	(4,088)	(3,004)
Asset recognised on the balance sheet	-	-

* The asset has been restricted to comply with FRS 102 paragraph 28. An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. These criteria were not considered to be met.

Notes to the Financial Statements

Local Government Pension Scheme (“LGPS”)

The East Riding of Yorkshire Council Pension - for TUPE employees formerly Shoreline. The LGPS is a funded defined-benefit scheme, with the assets held in separate funds administered by the East Riding of Yorkshire Council. The total contributions made for the year ended 31 March 2024 were £357k of which employer’s contributions totalled £310k and employees’ contributions totalled £47k. The agreed contribution rates for future years are 42.7% for employers and range from 5.5% to 12.5% for employees, depending on salary.

As at 30 June 2024, all members have left this scheme and Lincolnshire Housing Partnership has exited the scheme, see note 28.

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 March 2024 by a qualified independent actuary.

	31 March 2024	31 March 2023
Rate of increase in salaries	2.80%	3.00%
Rate of increase for pensions in payment / inflation	2.80%	3.00%
Discount rate for scheme liabilities	4.80%	4.75%
Inflation assumption (CPI)	2.80%	3.00%
Commutation of pensions to lump sums	75%	75%

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

Current Pensioners	31 March 2024	31 March 2023
Males	20.6 years	20.8 years
Females	23.5 years	23.7 years
Future Pensioners	31 March 2024	31 March 2023
Males	21.4 years	21.5 years
Females	25.0 years	25.2 years

Notes to the Financial Statements

Major categories of plan assets

Period Ended	31 March 2024	31 March 2023
Equities	75%	72%
Bonds	16%	17%
Property	8%	9%
Cash	1%	2%



Notes to the Financial Statements

	31 March 2024	31 March 2023
Analysis of the amount charged to operating costs in the Statement of Comprehensive Income	£'000	£'000
Employer service cost (net of employee contributions)	(174)	(321)
Past service cost	-	-
Total operating charge	(174)	(321)
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	1,938	1,092
Interest on pension liabilities	(1,293)	(1,010)
Interest on the effect of asset ceiling	(641)	-
Amounts credited/charged to financing costs	146	(49)
Amount of gains and losses recognised in the Statement of Comprehensive Income		
Actuarial gains/(losses) on pension scheme assets	1,938	1,092
Actuarial (losses) on scheme liabilities	(1,467)	(1,331)
Effect of the asset ceiling	(641)	-
Actuarial (loss) recognised	(170)	(239)
Movement in surplus/(deficit) during the year		
Surplus/ (Deficit) in scheme at 1 April	13,502	(3,059)
Movement in year: Employer service cost (net of employee contributions)	(174)	(321)
Employer contributions	310	280
Past service cost	-	-
Net interest/return on assets	645	82
Remeasurements	1,873	16,520
Actuarial Asset in scheme at 31 March	16,156	13,502
Adjustment in respect of asset restriction *	(16,156)	(13,502)
Surplus recognised on the balance sheet	-	-

Notes to the Financial Statements

	31 March 2024	31 March 2023
Asset and Liability Reconciliation	£'000	£'000
Reconciliation of Liabilities at start of period	(27,725)	(37,745)
Service cost	(174)	(321)
Interest cost	(1,293)	(1,010)
Employee contributions	(47)	(46)
Remeasurements	341	10,394
Benefits paid	1,220	1,003
Past service cost	-	-
Curtailments and settlements	-	-
Liabilities at end of period	(27,678)	(27,725)
Reconciliation of Assets at start of period	41,227	40,804
Return on plan assets	1,938	1,092
Remeasurements	1,532	8
Employer contributions	310	280
Employee contributions	47	46
Benefits paid	(1,220)	(1,003)
Assets at end of period	43,834	41,227
Actuarial Assets in scheme at 31 March	16,156	13,502
Adjustment in respect of asset restriction *	(16,156)	(13,502)
Asset recognised on the balance sheet	-	-

* The asset has been restricted to comply with FRS 102 paragraph 28. An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. These criteria were not considered to be met.

Notes to the Financial Statements

13a Tangible fixed assets – Housing Properties

Group	Housing Properties for Letting Completed	Housing Properties for Letting Under Construction	Low-Cost Home Ownership Properties Completed	Low-Cost Home Ownership Properties Under Construction	Total Housing Properties
	£'000	£'000	£'000	£'000	£'000
Cost					
At start of the year	376,900	2,292	22,646	1,689	403,527
Additions to properties acquired	-	388	-	324	712
Works to existing properties	21,909	-	-	-	21,909
Schemes completed	657	(657)	1,614	(1,614)	-
Change of Tenure	(58)	-	58	-	-
Disposals	(2,285)	-	(307)	-	(2,592)
Revaluation *	40	-	-	-	40
At the end of the year	397,163	2,023	24,011	399	423,596
Depreciation and impairment					
At start of the year	76,603	-	1,324	-	77,927
Charge for year	9,861	-	317	-	10,178
Reclassification	(5)	-	5	-	-
Disposals	(1,299)	-	(25)	-	(1,324)
At the end of the year	85,160	-	1,621	-	86,781
Net book value					
31 March 2024	312,003	2,023	22,390	399	336,815
31 March 2023	300,297	2,292	21,322	1,689	325,600

* Three investment properties previously held within Speedwell Homes Ltd have been transferred into Lincolnshire Housing Partnership within the year. These properties have been valued by Watsons Property using a qualified chartered surveyor in accordance with the RICS Valuation Appraisal Manual. The properties have been valued at £530,000 (2023: £490,000) based on Open Market Value as at 22 March 2024.

Notes to the Financial Statements

Housing Properties Comprise:	2024	2023
	£'000	£'000
Freeholds	336,815	325,600
	336,815	325,600



Notes to the Financial Statements

Association	Housing Properties for Letting Completed	Housing Properties for Letting Under Construction	Low-Cost Home Ownership Properties Completed	Low-Cost Home Ownership Properties Under Construction	Total Housing Properties
	£'000	£'000	£'000	£'000	£'000
Cost					
At start of the year	376,413	2,292	22,646	1,689	403,040
Additions to properties acquired	-	388	-	324	712
Addition from Speedwell Homes Ltd	530	-	-	-	530
Works to existing properties	21,909	-	-	-	21,909
Schemes completed	657	(657)	1,614	(1,614)	-
Change of Tenure	(58)	-	58	-	-
Disposals	(2,288)	-	(307)	-	(2,595)
At the end of the year	397,163	2,023	24,011	399	423,596
Depreciation and impairment					
At start of the year	76,603	-	1,324	-	77,927
Charge for year	9,861	-	317	-	10,178
Change of tenure	(5)	-	5	-	-
Disposals	(1,299)	-	(25)	-	(1,324)
At the end of the year	85,160	-	1,621	-	86,781
Net book value					
31 March 2024	312,003	2,023	22,390	399	336,815
31 March 2023	299,810	2,292	21,322	1,689	325,114

Notes to the Financial Statements

Works to existing properties in the year	2024	2023
	£'000	£'000
Components capitalised	21,909	13,920
Amounts charged to expenditure	-	-



Notes to the Financial Statements

13a & b Tangible fixed assets – other

Group and Association	Offices	Computer and Office Equipment	Playground Equipment	Total Non-Housing Assets
	£'000	£'000	£'000	£'000
Cost				
At start of the year	2,742	3,310	33	6,085
Additions	155	174	67	396
Disposals	-	-	-	-
At the end of the year	2,897	3,484	100	6,481
Depreciation and impairment				
At start of the year	272	2,274	33	2,579
Charge for year	89	692	1	782
Disposals	-	-	-	-
At the end of the year	361	2,966	34	3,361
Net book value				
31-Mar-24	2,536	518	66	3,120
31-Mar-23	2,470	1,036	-	3,506

Notes to the Financial Statements

14 Fixed asset investment

Group companies

The Group comprises the following companies, all registered in England:

Name	Incorporation and ownership	Regulated / Non-regulated	Nature of business
Lincolnshire Housing Partnership	Company 100%	Regulated	Housing Association
Humber Homes Limited	Company 100%	Non-regulated	Property Development
Speedwell Homes Limited	Company 100%	Non-regulated	Market Renting
Boston Mayflower Finance plc	Company 100%	Non-regulated	Financing

Association	Other subsidiaries	Boston Mayflower Finance plc
	£'000	£'000
31 March 2024	-	13
31 March 2023	-	13



Notes to the Financial Statements

15 Stock

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Building Materials	112	113	112	113
Goods for sale or hire	70	35	70	35
	182	148	182	148

16 Properties in the course of sale

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Properties held for sale				
Low-cost home ownership properties:				
Completed	192	585	192	585

Notes to the Financial Statements

17 Trade and other debtors

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Rent arrears	3,953	2,736	3,953	2,736
Less: provision for bad debts	(2,207)	(1,498)	(2,207)	(1,498)
Amounts due from Group undertakings	-	-	-	376
Trade debtors	48	81	48	81
Other debtors	209	374	209	374
Prepayment and accrued income	555	1,373	555	1,372
Total	2,558	3,066	2,558	3,441

Debtors are all due within one year

18 Cash and cash equivalents

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	22,584	14,447	22,515	14,268

Notes to the Financial Statements

19a Creditors: amounts falling due within one year

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	769	1,628	769	1,628
Rents and service charges paid in advance	2,161	2,116	2,161	2,116
Loan repayments	3,000	-	3,000	-
Amounts due to Group undertakings	-	-	492	285
VAT due to HMRC	1	7	1	7
Accruals and deferred income	8,518	3,908	8,518	3,908
Deferred Capital Grant (Note 20)	842	774	842	774
Recycled Capital Grant Fund (Note 21)	426	401	426	401
Other creditors	701	600	444	307
	16,418	9,434	16,653	9,426

Notes to the Financial Statements

19b Creditors: amounts falling due after more than one year

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans (Note 19c)	195,335	196,002	195,355	196,002
Less: Loan arrangement fees (Note 19c)	(1,217)	(1,320)	(1,217)	(1,320)
Deferred Capital Grant (Note 20)	20,749	18,126	20,749	18,126
Recycled Capital Grant Fund (Note 21)	192	119	192	119
	215,079	212,927	215,079	212,927



Notes to the Financial Statements

19c Net Debt Analysis

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans repayable by instalments				
Within one year	-	-	-	-
In one year or more, but less than two years	-	-	-	-
In two years or more and less than five years	-	-	-	-
In five years or more	180,355	181,002	180,355	181,002
Loans not repayable by instalments				
Within one year	3,000	-	3,000	-
In one year or more, but less than two years	-	-	-	-
In two years or more and less than five years	-	-	-	-
In five years or more	15,000	15,000	15,000	15,000
Less: loan issue costs	(1,217)	(1,320)	(1,217)	(1,320)
	197,138	194,682	197,138	194,682

On 8 September 2014 Lincolnshire Housing Partnership Limited borrowed £90m from the capital markets through its subsidiary Boston Mayflower Finance plc via a combination of a 45-year bond issue and a 15-year Private Placement. Loans are secured by floating charges on all the Association's assets and fixed charges on individual properties.

The amount payable in relation to the bond issue is an intercompany creditor for Lincolnshire Housing Partnership Limited with the amount owed to its subsidiary, Boston Mayflower Finance plc. Boston Mayflower Finance plc recognises an equivalent intercompany debtor within its accounts and the third-party liability to repay the bond on 8 September 2059.

Boston Mayflower Finance plc sold a subsequent £40m in June 2020, with the proceeds being lent to Lincolnshire Housing Partnership Limited.

On 7 June 2021 Boston Mayflower Finance plc sold additional £35m from the retained capital market and lent the proceeds of this sale to Lincolnshire Housing Partnership Limited, bringing the total capital market borrowing to £165m.

Notes to the Financial Statements

19c Net Debt Analysis (continued)

	Total	Variable rate	Fixed rate	Weighted	Weighted average term
	£'000	£'000	£'000	%	Years
Instalment loans	150,000	-	150,000	4.321%	37
Bond Premium	29,138	-	29,138	-	37
Non-instalment loans	15,000	-	15,000	4.077%	7
Revolving credit	3,000	3,000	-	6.186%	4
Total	197,138	3,000	194,138	4.306%	35
As at 31 March 2024 the Association has the following borrowing facilities:					£'000
Undrawn committed facilities					77,000
Undrawn facilities					-
					77,000

19d Analysis of Changes in Net Debt

Group	Notes	At 1 April 2023	Cash Flows	Non-cash Changes	At 31 March 2024
		£'000	£'000	£'000	£'000
Cash and Equivalents		14,447	8,137	-	22,584
Debt Due within one year		-	(3,000)	-	(3,000)
Debt Due after more than one year	19c	(196,002)	647	-	(195,355)
Net Debt		(181,555)	5,784	-	(175,771)

Notes to the Financial Statements

20 Deferred Capital Grant

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At start of the year	18,900	19,768	18,900	19,768
*Grant received during the year - SHDF	3,501	-	3,501	-
Grant recycled in the year – RCGF	-	-	-	-
Amortisation	(749)	(750)	(749)	(750)
Released to income in the year	-	(22)	-	(22)
Released to RCGF	(61)	(96)	(61)	(96)
At the end of the year	21,591	18,900	21,591	18,900
Amount due to be released < 1 year	842	774	842	774
Amount due to be released > 1 year	20,749	18,126	20,749	18,126
Total deferred capital grant	21,591	18,900	21,591	18,900

* Social Housing Decarbonisation Fund

The Social Housing Decarbonisation Fund from the Business, Energy and Industrial Strategy is to help improve the energy performance of 733 social rented homes. The grant funding awarded is £8.1m which will see works completed by 31 March 2025. 162 properties were completed within 2023/24, spending £2.7m of the funding.

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At start of the year	-	-	-	-
Grant received during the year	3,501	-	3,501	-
Amortisation	(5)	-	(5)	-
At the end of the year	3,496	-	3,496	-

Notes to the Financial Statements

21 Recycled Capital Grant Fund

	Group		Association	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
At start of the year	520	423	520	423
Inputs: Grants recycled	61	97	61	97
Interest Accrued	37	-	37	-
Recycling: New Build	-	-	-	-
At the end of the year	618	520	618	520
Amount due to be released < 1 year	426	401	426	401
Amount due to be released > 1 year	192	119	192	119
	618	520	618	520

22 Non-equity share capital

The Association's constitution is that of a Co-operative and Community Benefit Society, therefore there is no share capital.

Lincolnshire Housing Partnership Limited retains a £12,500 investment in Boston Mayflower Finance plc and is the registered holder of 50,000 shares of £1 each, of which £12,500 has been paid.



Notes to the Financial Statements

23 Capital commitments

	2024	2023
	£'000	£'000
Capital expenditure that has been contracted for, but has not been provided for in the financial statements	2,169	2,008
Capital expenditure that has been authorised by the Board, but has not been contracted for	-	-
Total capital expenditure in the next 12 months	2,169	2,008

The Association expects these commitments to be financed with:

Proceeds from the sale of properties	-	-
Existing cash balances	2,169	2,008
Total capital expenditure in the next 12 months	2,169	2,008



Notes to the Financial Statements

24 Operating leases

The future minimum lease payments which the Group is committed to make under leases are as follows:

	2024	2023
	£'000	£'000
Land and buildings		
Less than 1 year	11	11
1 to 2 years	66	11
Between 2 to 5 years	170	197
5 years or more	563	602
*Others		
Less than 1 year	618	241
1 to 2 years	815	11
2 to 5 years	1,826	25
5 years or more	-	-

*The leases include a new four-year contract for vans. Coffee machines, photocopiers and franking machines continue from the previous year.

25 Contingent liability

There were no contingent liabilities to third parties as at 31 March 2024.

26 Grant and financial assistance

	2024	2023
	£'000	£'000
The total accumulated government grant and financial assistance received or receivable at 31 March	44,474	40,973
Held as deferred grant (note 20)	21,591	18,900
Recognised as income in Statement of Comprehensive Income	13,819	13,070

Notes to the Financial Statements

27 Related Parties

Lincolnshire Housing Partnership Limited is the Parent entity in the Group and ultimate controlling party. The Group has taken advantage of the exemption available under Section 33.1A FRS 102 not to disclose transactions with wholly owned subsidiary undertakings.

There have been no Directors' loans during the reporting year (2023: £Nil).

No tenancy agreements are held by Board members.

There have been no transactions with key management personnel and their close family, (including compensation paid)

Related party balances are not secured.

Three investment properties previously held within Speedwell Homes Ltd have been transferred into Lincolnshire Housing Partnership. These properties have been valued by Watsons Property using a qualified chartered surveyor in accordance with the RICS Valuation Appraisal Manual. The properties have been valued at £530,000 (2023: £490,000) based on Open Market Value as at 22 March 2024.

Transactions with registered and non-registered elements of the business: The Association provides management services, other services, and loans to its subsidiaries.

The Association also receives charges from subsidiaries. The quantum and basis of those charges are set out below:

The Group entered the following related party transactions in the year ended 31 March 2024:

	Group		Association		Interest	
	2024	2023	2024	2023	2024	2023
Non-regulated entities	£'000	£'000	£'000	£'000	£'000	£'000
Boston Mayflower Finance plc	-	-	6,450	6,459	-	-
Speedwell Homes Limited	3	3	-	-	6	7
	3	3	-	-	6	7

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 and providing services. The management fee is calculated by using varying methods of allocation.

In November 2023 and March 2024 Speedwell Homes Limited made gift aid payments of £19,496 and £15,334 relating to 2022/23 and 2023/24 financial years respectively (£18,356 was paid in December 2022 in relation to 2021/22).

Intra-group interest charges

Intra-group interest is charged by the Association to its subsidiaries at an agreed commercial rate.

Notes to the Financial Statements

28 Post Balance Sheet Events

Lincolnshire Housing Partnership Limited exited the two Local Government Pension Schemes ("LGPS") on 30 June 2024. These defined benefit schemes were Lincolnshire County Council and East Riding Pension Fund. The Defined Benefit structures of the Social Housing Pension Fund have also been exited.

Whilst these schemes were closed to new members, contributions had continued to be made on behalf of exiting members and benefits accrued for them.

After consultation with the members, they have all been enrolled into the Social Housing Pension Fund, defined contribution scheme.

The final cessation position is to be confirmed by the scheme actuaries.

