Livin

Report and Financial Statements

For the year ended 31 March 2025

Contents:

General Information

Chair of the Board

Natalie Wilkinson

Chief Executive

Alan Boddy

Directors

Sean Brodie (Finance and Investment)

Paul Stephens (Corporate Services)

Graham Darby (Housing and Communities)

Helen Darby (Transformation)

Roslyn Littledyke (Customer Experience and Insight)

Board members

Stephen Watson

Ryan Appleby
(from 19 September 2024)

Pamela Mastrantonio
(from 6 February 2025 to 14 September 2025)

Elaine Middleton
(from 9 January 2025)

Joanne Race
(from 21 February 2025)

Paul Stephens
(from 18 September 2025)

Jenny Davidson
(from 18 September 2025)

Dennis Bradley
(until 18 September 2025)

Jennifer Clement
(until 18 September 2024)

Charlotte Harrison
(until 18 September 2025)

Norman Rollo
(until 18 September 2025)

Kevin Thompson
(until 18 September 2025)

Hannah Underwood
(until 18 September 2024)

Alan Boddy

Sean Brodie

Advisors

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County Durham
DH1 3NG

Solicitors:

Towers & Hamlins LLP
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London
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External Auditors:

Beever and Struthers
Chartered Accountants
and Business Advisors
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Internal Auditors:

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Registration Numbers:

Regulator of Social Housing L4538

Registered Society number 30568R

Registered office:

Farrell House,
Arlington Way,
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Spennymoor,
County Durham
DL16 6NL

Our Business

We are a local housing provider currently managing over 9,000 homes across County Durham and the Northeast of England.

We are pleased to present this report together with the audited financial statements of Livin Housing Limited (the Association) for the year ended 31 March 2025. 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.

Principal Activities

The Association's principal activities are the development and management of affordable housing.

The Association's head office is based in Spennymoor, County Durham and its homes are mainly in County Durham.

The Association is a Registered Society under the Co-operative and Community Benefit Societies Act with charitable objectives and operates the key business stream of:

- Housing for rent, primarily for people who are unable to rent or buy at open market rates.

At a Glance

2025
Operating Margin
26.3%
2024 - 23.9%

2025
EBITDA
£20.807m
2024 - £17.829m

2025
Homes under management (including leaseholders)
9,007
2024 - 8,949

2025
Number of housing responsive repairs completed
35,440
2024 - 37,656

2025
Void Loss (all properties)
1.16%
2024 - 1.39%

2025
Total Arrears (adjusted for housing benefit due)
3.80%
2024 - 4.10%

2025
Investment (housing developments, acquisitions and improvements to homes)
£30.572m
2024 - £53.054m

2025
Social value generated
£15.5m
2024 - £29.7m

Chief Executive's Statement

This year has been both challenging and transformative. Amidst continued economic pressures, including inflationary costs and increased demand for affordable homes, we have remained focused on our Plan A Business Strategy vision to improve lives through sustainable homes and communities, ensuring delivery of key strategic objectives and performance targets.

Investing in Customer Focused Services

During the year in line with Plan A, we invested in front line services, increasing resources and transforming processes through optimising digital technologies and utilising customer data to enhance the delivery of reliable, convenient and trusted services. We were delighted that this continued commitment to delivering excellent services to customers was reflected in strong Customer Satisfaction results and Tenant Satisfaction Measures (TSM) perception outcomes. Overall customer satisfaction remains high at 91%, building on last year's success which placed us in the top quartile nationally.

Our digital services have continued to exceed customer expectations in today's fast-changing digital world, with the popular 'report a repair' App functionality reaching its ninth year and the new innovative 'track your operative' function becoming a hit with tenants. We were proud to be recognised regionally and nationally at the Northern Housing Awards' for Best Digital Transformation award, and highly commended for Best Use of Data Intelligence at the UK Housing Awards.

Meeting Regulatory Standards

During the year we prepared for regulatory inspection, retaining G1 and V2 gradings and receiving a C2 against the new consumer standard. The inspection process recognised many positive areas including our proactive needs driven tenancy visit programme, and our approach to engaging customers ensuring effective scrutiny and meaningful customer involvement in improving services. Action has already been taken to escalate the Stock Condition Survey programme, the key area for improvement identified in the assessment.

Building and Acquiring Homes

In line with our Plan A strategic objective and target, we reached a significant milestone this year with the handover of our 9,000th home. To achieve this, we have built and acquired over 1,300 new homes across our expanding communities, providing much needed family homes, bungalows, and flats to meet increasing demand.

Supporting Sustainable Tenancies and Communities

During the cost-of-living crisis we focused on providing financial inclusion support to improve affordability and help our customers sustain their tenancies. Our Livin Futures team supported this by helping tenants who were able to work to overcome barriers and secure jobs.

During the year we successfully completed the major regeneration scheme at The Courts, Shildon and have now successfully let all homes, creating a sustainable community where people are now proud to live.

Financial Viability

We remain financially strong with turnover of £47.5million and an operating margin of 26.3%.

Despite a more constrained economic environment, we remain committed to our key strategic objective of providing high quality, safe, well-maintained homes that meet local housing need. We have continued to invest in our homes and services, spending £28.72 million on repairs, maintenance, and planned improvements and investing £18.15million on building and acquiring new sustainable homes.

Working Together

During the year we developed the final three-year phase of our ten-year Plan A business strategy. Plan A 2025/28 is driven by data, underpinned by a deep understanding of our customers' needs and is shaped by a commitment to delivering value for money in everything we do whilst dealing with the challenges and opportunities presented by the operating environment.

Our success could not have been achieved without the effort and commitment of our employees and the support of our Board. Together we have embraced the challenges and remained focused on achieving the stretching targets and high services standards set out in the business strategy, to ensure we provide the best outcomes possible for our customers. We are incredibly proud of Livin and all that we are achieving.

Alan Boddy - Chief Executive

Chair's Statement

It is a privilege for me, as newly appointed chair, to lead the Board of an organisation with such a strong social purpose and deep-rooted commitment to the communities we serve.

During the year, the Board and Executive Team worked collaboratively to navigate and deliver services in an evolving regulatory and political environment. Against this backdrop, the Board continued to provide robust oversight and strategic direction, ensuring that decisions are grounded in data, insight, and a long-term view. We managed risk and seized opportunities, maintained a focus on our core purpose and Plan A strategy, whilst remaining financially robust.

During the year we received the results of our first regulatory assessment against the new consumer regulations. The results of G1, V2 and C2, demonstrated compliance with the standards.

This year's financial results demonstrate our continued strength and stability, with a surplus of £5.9 million and a robust balance sheet. These outcomes provide a strong foundation as we continue to navigate a changing economic and regulatory landscape, one shaped by increased demand for affordable housing and growing expectations around building safety.

Recent announcements relating to increased government funding present an opportunity to deliver more housing by utilising additional Social and Affordable Homes funding. In addition to our own development programme, at a local and regional level, we are working with Durham County Council, the North East Housing Partnership (NEHP) and the North East Combined Authority (NECA) to attract further investment and optimise partnerships and collaborations to maximise the building of much needed new social homes and regenerating existing areas to meet growing demand.

As I look ahead to my first full year as Chair, I do so with optimism. I am committed to working with Board members and the executive team to ensure that we successfully deliver the strategic objectives and targets we have set to meet our purpose of providing warm, safe, high quality, sustainable homes in sustainable and thriving communities that nurture a sense of pride and belonging.

Natalie Wilkinson - Chair

Our Business Strategy

We are an award-winning not-for-profit housing association based in County Durham. We offer more than just a home. We help improve the lives of the people living in our homes and in our communities.

We work hard to make sure those homes are high quality, sustainable and adaptable, while meeting current and future aspirations. We offer support that helps people into work and training and increases their financial confidence and stability.

In 2025 we refreshed our business strategy, Plan A. As we enter the fourth and final phase of the 10-year strategy our Plan A remains agile by design and enables appropriate responses to any changes in the operating environment. We have built on previous years with two new chapters being introduced to ensure capacity and resources are fully aligned.

Our Plan A is to...

Improve lives through sustainable homes and communities

Plan A sets out 25 ambitious objectives and within this, has eight chapters, each with its own vision aligned to the overarching Plan A vision.

Five chapters are at the core of strategy connected by a transformational chapter and supported by two resourcing chapters to ensure the strategy is resourced and deliverable from a financial and human resource perspective.

Our business strategy guides our work for the next three years. It's rooted in ambition, driven by data and customer insight, and ensures a relentless focus on improving lives through sustainable homes and communities.

From expanding digital services and embracing AI, to creating low-energy homes and empowering communities, every objective in the plan is designed to make a real difference.

Whether it's through greener operations, smarter data, or stronger partnerships, we're setting the pace for a future where everyone can feel proud of where they live and how they live.

Our values

Trust
- Being supportive
- Doing what we say we will do
- Taking ownership

Respect
- Listening and caring
- Valuing difference
- Treating people as individuals

Innovate
- Aiming high
- Changing things for the better
- Driving efficiency

Work together
- Joining up to make things happen
- Working with partners to achieve more
- Sharing and learning best practice to achieve better results

Own it
- Seeing things through to completion
- Taking the initiative
- Taking personal responsibility

Our Business Strategy

(continued)

Our objectives

Plan A comprises eight chapters, which set out strategic objectives and key actions which are brought to life via underpinning strategies.

These are:

1: Consistently Delivering Excellent Customer Experience and Digital Services

2: Contributing to a Sustainable Future

3: Supporting Balanced and Sustainable Communities

4: Supporting Sustainable Tenancies

5: Providing Quality Sustainable Homes

6: Building and Acquiring Sustainable Homes

7: Maintaining Strong Finances

8: Maximising the Talent and Contribution of our People

Our Plan A priorities

Our priorities will help us support and sustain our communities and are:

- Property services contract: - Meeting the service standards for repairs, specifically repairs completed first time.
- Data, Digital and Artificial Intelligence Use: - Making best use of relevant and timely customer data to make reasonable adjustments and improve access to services and homes.
- Decent Homes: - Using an integrated asset management approach to enhance our understanding of homes to meet the new decent homes standard.
- New Homes: - Working with partners and other stakeholders to increase numbers of homes.
- Financial and Employability Support: - Delivering meaningful, personalised financial inclusion support offers to improve tenants' incomes and reduce poverty levels.
- Western Regeneration: - Progressing place-based economic, social, and physical regeneration on the Western Estate, Newton Aycliffe, to balance and sustain the community, and transform the housing offer.

Finance – Five Year Summary

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Statement of Comprehensive Income					
Turnover	35,365	36,979	39,313	42,705	47,506
Operating Surplus	10,809	10,372	10,002	10,212	12,492
Surplus for year	7,488	6,583	5,939	4,723	5,979
Statement of Financial Position					
Housing Properties (net of depreciation)	163,255	182,716	204,298	248,918	270,012
Investment Properties & Other Investments	7,309	6,865	6,669	6,524	5,777
Other Fixed Assets	3,717	4,402	5,042	4,871	4,535
Total Fixed Assets	**174,281**	**193,983**	**216,009**	**260,313**	**280,324**
Current Assets	6,808	8,409	11,579	6,447	7,775
Current Liabilities	(5,691)	(9,027)	(9,486)	(9,666)	(14,715)
Total Assets less Current Liabilities	**175,398**	**193,365**	**218,102**	**257,094**	**273,384**
Long Term Creditors	119,204	129,258	147,046	181,785	192,843
Pension Deficit	12,440	7,220	-	-	-
Revenue Reserve	37,615	51,279	65,772	70,269	76,307
Revaluation Reserve	6,139	5,608	5,284	5,040	4,361
Cashflow Hedge Reserve	-	-	-	-	(127)
Total Reserves	**175,398**	**193,365**	**218,102**	**257,094**	**273,384**
Net Debt	**95,628**	**101,346**	**111,322**	**143,512**	**147,612**
Other information and key performance measures					
Housing Properties (homes owned)	8,474	8,641	8,670	8,883	8,942
Operating Surplus as a % of Turnover	30.6%	28.0%	25.4%	23.9%	26.3%
Surplus for the year as % of Turnover	21.2%	17.8%	15.1%	11.1%	12.6%
Rent losses (voids + bad debt as a % of rent receivable)	2.7%	2.4%	2.1%	1.9%	1.5%
EBITDA	16,145	15,370	16,032	17,829	20,807
EBITDA MRI	12,562	8,764	3,384	4,158	8,919
EBITDA MRI % turnover	35.5%	23.7%	8.6 %	9.7%	18.8%
Interest Cover – Loan Covenant*	4.22	3.13	4.59	3.18	3.33

* interest cover loan covenant definition amended during the year end 31 March 2023 to exclude MRI costs

Financial review

Our operating surplus increased by £2.28m to £12.492m. Turnover increased by £4.801m which was mostly due to the annual rent increase applied to customers but also a result of investing in new affordable homes.

Planned and responsive repair costs increased by £1.403m, a result of contractual price increases, our continued proactive focus on damp and mould issues and repairs to void properties to maintain tenants' high satisfaction with our repairs service. Our continuing growth strategy through the development of new homes, combined with our ongoing investment in existing stock increased depreciation of housing properties by £1.087m.

The increase in turnover had a positive impact on net surplus despite the increased costs. Overall surplus increased to £5.979m compared to £4.723m in 2024.

Asset management & property developments

We have fixed assets of £280.324m and invested £12.419m during the year in our residential accommodation to improve the energy efficiency of our housing stock and ensure all our homes continue to meet the Decent Homes Standard. This included £3.7m on completing a regeneration scheme in Shildon, County Durham.

We also invested £18.153m during the year to build and acquire new homes.

Future developments

Plan A sets out our vision to build and acquire sustainable homes, adding high quality, sustainable homes which meet the needs of our customers in balanced communities. We will collaborate with customers and local agencies to inform the design of homes, tailored to the specific needs of vulnerable customers.

We will use this data to expand the range of house types to match customer needs and enhance thermal comfort and energy efficiency of our new homes.

Two key chapters of Plan A are "Providing Quality Sustainable Homes" and "Building and Acquiring Sustainable Homes". The Board has approved plans to spend approximately £11.118m during the next financial year to improve existing housing. Our business plans also include £31.945m (before grant) to be spent on Building and Acquiring Sustainable Homes. This investment will be funded by existing committed, undrawn loan facilities, our rental income stream and short-term deposits.

Void rent loss

Void rent loss was £0.533m compared to £0.577m in the previous year. This decrease was a result of quicker re-let times and lower tenancy turnover as customers are supported to sustain their tenancies.

Rent Arrears

Rent arrears in respect of current tenants was 2.79% (2024 2.94%) after accounting for the timing of a housing benefit payment received shortly after the year end. This decrease was a result of our strong and personalised supportive approach and intensive case management of arrears. In particular support is given to customers at the point of making universal credit claims to help them manage their finances.

Capital structure and treasury policy

Our treasury management arrangements are set out below.

At the year end our bi-lateral debt facilities totalled £210m with £59m of this available under revolving credit facilities.

A summary of our borrowings at year end is shown in the table below.

Maturity	2025 £m	2024 £m
Within one year	1.50	-
Between one and two years	1.75	26.50
Between two and five years	52.75	23.50
After five years	95.00	95.00
	151.00	145.00

Working capital and liquidity management

Our working capital and liquidity requirements are managed through the preparation of regular cash flow forecasts. These are constantly updated to ensure liabilities can be met as they fall due. We hold loans from the Pension Insurance Corporation, AIB Group (UK) plc and Lloyds Bank plc, at both fixed and floating rates of interest.

Cash flow is monitored to ensure that loan drawdowns are only made when required, in order to minimise borrowing costs.

In April 2024 we extended a £30m revolving credit loan with Lloyds Bank by a further two years and increased the facility by £10m. At the year-end we had £34m of undrawn facilities available with Lloyds Bank. We also have undrawn facilities of £25m with Clydesdale Bank plc (t/a Virgin Money).

Interest rates

We use fixed rate loans to manage our exposure to interest rate fluctuations. Our treasury management policy targets a maximum of 30% variable rate loans or a maximum of 90% fixed rate loans. During the year we entered into an International Swaps and Derivative Association (ISDA) agreement with Lloyds Corporate Markets plc and entered into a five year interest rate swap for £20m in December 2024.

At the year end the amount of unhedged variable loans outstanding were £21m, resulting in 86% of our borrowings being at fixed rates of interest.

The range of interest rates on the fixed rate loans varies between 2.570% and 6.926% (including margins). Floating loans are priced at SONIA plus margin.

Peak debt

Our Business Plan for 2025-55 has been prepared in accordance with the existing capital structure and includes a pipeline of developments over the next five years, with peak debt forecast at £211.8m in March 2030.

This is an increase of £3.5m compared to last year's Business Plan, due to a number of factors including higher interest rates, increased repairs and maintenance costs and increased build costs on new developments. This slightly increased level of peak debt remains within our existing borrowing facilities.

Capital structure and treasury policy

Golden rules

Financial strength is key to delivering Plan A and we have established a set of "Golden Rules." These rules are a series of financial performance measures designed to ensure we are not overly exposed to risk and remain financially robust and attractive to existing and potential funders.

They ensure responsible financial planning and ensure the organisation has the capacity to cope with stress events or a deterioration in financial performance.

A summary of these Golden Rules, which were in place at the year end, is shown below along with expected performance based on our latest Business Plan:

Area	Golden Rule	Trigger	2025.26	2026.27	2027.28	2028.29	2029.30
Liquidity *	24 months	30 months	25	13	1	0	0
Interest Cover (5 year forward looking average)	Min 1.10x	N/A	1.31	1.43	1.49	1.51	1.55
Covenant - Interest cover headroom	Min £5m	Min £6m	£9.9m	£10.3m	£11.3m	£12.3m	£12.2m
Covenant – Gearing	Max 70%	Max 65%	40%	39%	38%	38%	38%
Market risk	Max 10%	N/A	N/A	N/A	N/A	N/A	N/A
On-lending	Max £12m	Max £9m	£0	£0	£0	£0	£0
– EBITDA margin	Min 30%	N/A	39%	40%	41%	41%	42%
– Voids	Max 5.0%	Max 3.0%	2.00%	2.00%	2.00%	2.00%	2.00%
– Bad debt	Max 2.65%	Max 1.5%	1.00%	1.00%	1.00%	1.00%	1.00%
Credit rating – Social Housing Lettings Interest Cover (5 year forward looking average)	Min 1.0x	N/A	1.36	1.29	1.25	1.21	1.17
Credit rating – EBITDA : Debt	Max 15x	N/A	9.57	9.20	9.03	8.65	8.53
Security value of properties to peak debt	100%	N/A	156%	158%	159%	161%	162%
Covenant – Asset cover	Min 120%	Min 130%	181%	174%	167%	166%	162%

*Liquidity is measured as at the end of the financial year

The Golden Rules show that we will continue to meet the financial targets defined by our Board over the medium term and that current development aspirations will require additional funding before the end of April 2028.

Sustainability and carbon reporting

We have adopted the Sustainability Reporting Standard for Social Housing enabling us to report our Environmental, Social and Governance (ESG) performance in a transparent, consistent and comparable way. Our latest ESG report can be seen on our website.

We have chosen to share our energy performance and carbon emissions data. We monitor progress against our targets each year and produce a report covering our operations, buildings, processes and travel. The key metric we measured is 10.73 tCO_2e per £million of turnover.

Emissions source	Units	2024/25	2023/24
Scope 1			
Natural gas	tCO_2e	35.42	43.51
Fugitive emissions (Refrigerant gases)	tCO_2e	0	0
Scope 2			
UK National Grid electricity	tCO_2e	90.41	90.59
Scope 3			
Category 1 - Purchased goods & Services	tCO_2e	0.20	0.12
Category 3 - Fuel and energy-related activities	tCO_2e	113.48	85.28
Category 5 - Waste generated in operations	tCO_2e	0.82	0.19
Category 6 – Business travel - Mileage claims	tCO_2e	46.56	31.09
Category 6 – Business travel - National rail	tCO_2e	1.73	1.84
Category 7 - Employee Commute	tCO_2e	220.91	85.24
Total Scope 1, 2 & 3	**tCO_2e**	**509.53**	**337.86**
Turnover	£	47,506,000	42,705,000
Full-time equivalent employee (FTE)		134.89	127.16
Intensity 1: Total CO_2e per*£m Turnover on gross scope 1, 2 and 3	**tCO_2e per million £**	**10.73**	**7.91**
Intensity 2: Total CO_2e per*FTE on gross scope 1, 2 and 3	**tCO_2e per FTE**	**3.78**	**2.66**
Total energy consumption	**kWh**	**722,396.02**	**801,840.57**

Energy efficiency measures taken

We have:

- Transitioned from annual to quarterly reporting for Scope 3 and waste emissions enabling more precise reporting and early identification of anomalies, therefore supporting timely corrective actions.
- Refined data collection processes now allow for the disaggregation of employee commuting emissions and categorisation of mileage by engine size. This advancement supports the generation of more accurate emissions profiles and enables the development of targeted sustainability interventions.
- Leveraged a new analytics dashboard developed in partnership with a key supplier to gain full-year visibility into waste generation across all operational sites. This replaces the previous reliance on periodic snapshots and estimations, significantly improving data reliability.
- Rolled out a standardised recycling initiative across all operational buildings, including the installation of food waste bins at every site.
- Launched a targeted internal awareness campaign using digital workplace platforms and physical messaging in communal kitchen areas to promote sustainable practices among staff.

Energy efficiency - planned measures

We plan to:

- Deploy smart energy monitoring technology at Farrell House, enabling real-time tracking of energy and water consumption, helping to identify usage hotspots and operational anomalies.
- Embed sustainability in our upcoming procurement of the property related services contract ensuring prospective service providers align with our environmental values and contribute meaningfully to our current goals and long-term vision.
- Develop a sustainability best practice guide to ensure our employees adopt a consistent approach across all areas of the organisation.
- Perform a detailed assessment of the air conditioning system following a recent EPC review. This evaluation will aim to identify inefficiencies within the current setup and ensure alignment with the latest standards.

Notes about methodology:

- We have adopted an operational control approach to establishing the boundary. The methodology adopted aligns with the Greenhouse Gas Protocol and the BEIS Environmental Reporting Guidelines. The calculations were completed on the SmartCarbonTM Calculator using the UK Government emissions factors.
- CO_2e is the universal unit of measurement to indicate the global warming potential (GWP) of Greenhouse Gases (GHGs), expressed in terms of the GWP of one unit of carbon dioxide. There are seven main GHGs that contribute to climate change, as covered by the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). Different activities emit different gases. Using CO_2e allows all greenhouse gases to be measured on a like-for-like basis.
- For National Grid electricity consumption, we have included factors for the transmission and distribution of electricity (T&D) losses, which occur between the power station and site(s). The emissions from T&D have been accounted for in Scope 3. As with other Scope 3 impacts, reporting T&D is voluntary but is recommended standard practice by the UK Government.

Estimations:

- Not applicable.

Exclusions:

- Farrell House excludes emissions related to EV charging, which takes place on site, and is now recharged to individual employees.
- Not included purchase of goods and services – greenhouse gas protocol.

Employees

We recognise that the success of our business depends on the quality of our managers and employees. It is our policy that training, career and professional development and promotion opportunities should be available to all employees.

We are committed to equal opportunities and, in particular, we support the employment of disabled people as defined under the Equality Act (2010), both in recruitment and in retention of employees who become disabled whilst employed by us.

Health and Safety

The Board is aware of its responsibilities on all matters relating to health and safety. The organisation has prepared detailed health and safety policies and provides employee training and education on health and safety matters.

Donations

The Association donated £1,294 (2024 £926) to charitable organisations. No political donations were made.

Value for money

The overall aim of our Value for Money Strategy is:

"to ensure our strategic and charitable objectives are achieved through the efficient, effective and economic use and management of resources at both the strategic and operational levels while delivering equitable outcomes for stakeholders and minimising our impact on the environment."

Our Value for Money Strategy

We are committed to embedding Value for Money throughout our governance processes, business planning and performance management frameworks, and through our service delivery culture. We recognise that value for money plays a vital role in the achievement of our strategic objectives and in supporting our ongoing viability and future growth.

Our approach to Value for Money

The Regulatory Standards require registered providers to review and understand their performance against the Value for Money technical metrics set by the Regulator of Social Housing, as well as their own Value for Money targets.

Targets are set annually by our Board based on the approved budget for the year, ensuring they include the strategic objectives contained within Plan A. To ensure that our Board considers the effect of their decisions on the technical metrics established by the Regulator, they are provided with a three year forecast of the technical metrics when setting the annual budget and a ten year forecast when approving the Business Plan. These forecasts also include our historical and forecast performance for each metric compared against the sector as a whole (all registered providers in England with over 1,000 properties) divided into quartiles using the latest available information published by the Regulator.

In our analysis below we also consider performance against our Northeast Peer Group as defined by the Regulator in their Global Accounts 2024.

Measuring Value for Money – our own performance targets

Our performance management framework is used to measure Value for Money and is monitored and reported to Board on a quarterly basis. Our framework includes Tenant Satisfaction Measures (TSM) and provides assurance that Plan A objectives are progressing in accordance with the delivery plan. Challenging targets are approved each year.

Our performance against key indicators is set out in the table below:

Performance Measure	Target (2024/25)	Result (2024/25)
Transforming Customer Experience and Digital Services		
Percentage of customers satisfied with the overall customer experience	89.00%	**88.33%**
Percentage of complainants satisfied with the way the complaint was handled	92.00%	**92.59%**
Percentage of tenants satisfied that their views are being listened to and acted upon	98.00%	**90.34%**
Net Promoter Score	55.00	**58.47**
Percentage of homes where access is gained – tenancy visits and damp and mould inspections	82.00%	**79.88%**
Planet A		
Total scope 1 and 2 CO_2 emissions	160 tonnes	**125.88 tonnes**
Total CO_2 emissions per property	2.5 tonnes	**2.52 tonnes**
Supporting Sustainable Places		
Total number of customers into employment (see page 38 below re sustainability measures)	365	**353**
Percentage of sustainable homes	95.75%	**96.04%**
Total Social Value achieved through social, economic and environmental interventions in communities supported/delivered by Livin	£11.6m	**£15.52m**
Improvement score of sustainable communities' indicators - place making communities	0.11	**0.33**

Our performance against key indicators is set out in the table below:

Performance Measure	Target (2024/25)	Result (2024/25)
Supporting Sustainable Tenancies		
Current rent arrears as a percentage of the rent due	3.15%	2.79%
Average re-let time (calendar days) standard properties (excluding major works)	27 days	26.7 days
Turnover of tenancies as a percentage of overall stock	8.00%	7.06%
Percentage of tenancies using digital means of managing their tenancy	53.00%	56.74%
Percentage of tenants with improved financial confidence following financial inclusion support	90.00%	100.00%
Providing Quality Sustainable Homes		
Percentage of previously identified poorly performing assets addressed and subsequently let/disposed	95.00%	92.66%
Percentage of homes with a valid stock condition survey within the previous 5 years	33.60%	30.80%
Number of properties achieving SAP band C	8,763	8,555
Average SAP score of all properties	73.00	72.98
Percentage of tenants satisfied with planned works	90.00%	93.99%
Percentage of jobs completed at first visit	96.00%	97.64%
Percentage of tenants satisfied with repairs	88.00%	84.33%
Average time taken to complete repairs (calendar days)	12 days	14.02 days
Percentage of repairs completed within target time	90.00%	86.20%
Percentage of emergency repairs attended to within 4 hours and completed in 1 working day	95.00%	96.42%
Percentage of damp and mould cases closed within 33 working days	100%	73.61%

Our performance against key indicators is set out in the table below:

Performance Measure	Target (2024/25)	Result (2024/25)
Compliance metrics		
Percentage of properties compliant with all safety checks	100%	99.66%
Percentage of properties with a valid landlord gas safety check	100%	99.97%
Percentage of properties with a valid electrical safety check	100%	99.89%
Percentage of properties with a valid solid fuel safety check	100%	100%
Percentage of properties with a valid lift service	100%	97.20%
Percentage of properties with a valid lift inspection	100%	89.17%
Percentage of properties with a valid water hygiene check	100%	100%
Percentage of properties with a valid asbestos survey	100%	99.90%
Percentage of non-domestic assets covered by current asbestos survey	100%	100%
Percentage of communal areas and shared spaces with a valid fire risk assessment	100%	100%
Percentage of dwellings with compliant smoke and Co_2 detection	100%	100%
Building and Acquiring Sustainable Homes		
Number of new units developed and acquired (new build only)	76	71
Percentage of units secured against Business Plan targets over a three-year period	85.00%	95.32%
New supply delivered (development and acquisitions) - Social housing (VfM Metric 2)	0.98%	0.92%
Total stock number (including leaseholders)	9,000	9,007
Number of new build homes developed and acquired, cumulative over 3 years	408	403
Average SAP rating of land led homes completed	87	90.8
Average SAP rating of acquisitions completed	85	84.79
Percentage of new homes approved which are suitable for older persons and/or disabled people	0.00%	0.00%

Our performance against key indicators is set out in the table below:

Performance Measure	Target (2024/25)	Result (2024/25)
Tenant Satisfaction Measures		
Overall satisfaction (TP01)	90.00%	91.00%
Satisfaction with repairs (TP02)	88.00%	88.89%
Satisfaction with time taken to complete most recent repair (TP03)	86.00%	88.50%
Satisfaction that the home is well maintained (TP04)	87.00%	87.54%
Satisfaction that the home is safe (TP05)	89.00%	92.96%
Satisfaction that the landlord listens to tenants' views and acts upon them (TP06)	83.00%	82.01%
Satisfaction that the landlord keeps tenants informed about things that matter to them (TP07)	84.00%	85.04%
Agreement that the landlord treats tenants fairly and with respect (TP08)	91.00%	91.31%
Satisfaction with landlord's approach to handling complaints (TP09)	48.00%	55.43%
Satisfaction that the landlord keeps communal areas clean and well maintained (TP10)	78.00%	74.55%
Satisfaction that the landlord makes a positive contribution to neighbourhoods (TP11)	80.00%	79.56%
Satisfaction with the landlord's approach to handling of ASB (TP12)	75.00%	76.48%
Stage 1 complaints received per 1,000 homes (CH01a)	Data only	16.55
Stage 2 complaints received per 1,000 homes (CH01b)	Data only	2.46
Stage 1 complaints responded to in target time (CH02a)	Data only	97.29%
Stage 2 complaints responded to in target time (CH02b)	Data only	100%
Anti-social behaviour cases received per 1,000 homes (NM01a)	Data only	52.9
Hate crimes received per 1,000 homes (NM01b)	Data only	1.01
Homes that do not meet the Decent Homes Standard (RP01)	0	0
Non-emergency repairs completed within target timescale (RP02a)	90.00%	86.32%
Emergency repairs completed within target timescale (RP02b)	96.00%	99.04%
Gas safety checks (BS01)	100%	99.97%
Fire safety checks (BS02)	100%	100%
Asbestos safety checks (BS03)	100%	100%
Water safety checks (BS04)	N/A	N/A
Lift safety checks (BS05)	N/A	N/A

Our performance against key indicators is set out in the table below:

Performance Measure	Target (2024/25)	Result (2024/25)
Financial Metrics		
Average vfm score	1.71	1.57

At year end our performance highlighted seven high level indicators which failed to meet target.

Tenants satisfaction that their views are being listened to and acted upon failed to meet target but the TSM remained top quartile for the year. This highlights the stretching target that was set, with performance impacted by the timing of surveys issued to customers and the number of neutral responses received. Communication has been improved to engage with customers and to provide more information on the impact of their feedback.

The percentage of homes with a valid stock condition survey is a focus area and was 30.80% at year end compared to a target of 33.6%. Mobilisation of additional surveying resources commenced just prior to year end to increase the volume of surveys being completed and to ensure we hit our target of 100% of homes having a survey completed within the last five years by August 2026.

The average time taken to complete repairs was also outside of target partially due to storm damage during the year.

Additional employee resources have now been put in place to address the time taken to complete repairs along with further utilisation of property data planned to identify service improvements.

The percentage of damp and mould cases closed within 33 working days failed to meet target. Despite being below target at 73.61% this was a significant improvement in performance compared to last year's figure of 47.3%. This measure is a combination of the time taken to carry out an inspection and the time taken to complete the mould treatment. The recruitment and retention of additional repairs inspectors proved difficult during the year meaning that the backlog of inspections was not cleared. Recruitment completed after year end will help reduce the backlog.

We continue to try to access properties where access is being refused and prioritise tenants with known vulnerabilities. Damp and mould performance remains a spotlight measure monitored by Board.

The percentage of properties with

a valid lift thorough inspection was below target with 17 properties having an overdue inspection at year end. These properties were all a result of access issues with further appointments made after year end to ensure the inspections were completed.

Two measures relating to building and acquiring homes failed to meet target. These were the number of units developed, and new supply delivered. Both were a result of planning delays with performance falling five homes short of target. These issues have now been resolved with the homes expected to be completed later in 2025.

Nine measures were below target but within tolerance.

The percentage of homes where access is gained – tenancy visits and damp and mould inspections was within tolerance after a slow start with access at the beginning of the financial year. A review of processes and a series of improvements following the completion of the Tenancy Visit programme 2023-25 was completed. This included targeted customer voice work and analysis of communication methods most likely to achieve first time access, which then improved performance later in the year but was not sufficient to avoid below target performance at year end.

The total number of customers into employment was also within tolerance at 353 a reflection of the ambitious target we set and our work with economically inactive customers that are the furthest away from the labour market with multiple barriers to moving closer to employment.

The percentage of previously identified poorly performing assets addressed and subsequently let/disposed was negatively impacted by a delay in receiving planning approval to convert low demand flats into 5 bedroomed homes. These works commenced after the year end.

The number of properties achieving SAP band C was impacted by customers omitting their homes from the energy efficiency programme. We are looking at new ways of encouraging participation including enhanced customer voice and incentives to promote the works.

The percentage of tenants satisfied with repairs was within tolerance and more surveyors have been recruited to carry out additional inspections and promptly raise the concerns with our contractor so they can address any issues quicker and improve the quality of their work.

The percentage of repairs completed within target time was 86.2% and within tolerance. This performance was an improvement on the previous year, and we continue to work with our contractor to address issues in specific trades such as roofing repairs through the mobilisation of additional sub-contractors.

The percentage of properties with a valid landlord gas safety record was 99.97% and did not meet target of 100%. At the year end three properties were overdue a gas service a result of access issues. All services were completed after the year end.

Three homes did not have a valid lift service at year end due to issues in gaining access to the properties with additional appointments made after year end to carry out the servicing.

The cumulative number of new build homes developed and acquired over three years was also within tolerance at five homes below target. This was a result of planning issues with the units to be completed in late 2025.

As well as the Plan A delivery performance measures covered above there were three TSM metrics which did not meet target but were within tolerance.

Satisfaction that the landlord listens to tenants' views and acts upon them (TP06) was 0.99% below the target of 83% and we will broaden representation of tenant engagement across key demographic groups to improve consistency of satisfaction in relation to tenant engagement, whilst strengthening feedback to raise awareness.

Satisfaction that the landlord keeps communal areas clean and well maintained (TP10) was also within tolerance at 74.55%. Following the results we contacted customers that had scored negatively for further details about their reasons for dissatisfaction.

There were no significant trends in the responses and we have improved our communications about the standards of service that can be expected in these areas.

Non-emergency repairs completed within target timescale (RP02a) was within tolerance at 86.32%. As mentioned above, additional resources have been put in place to address this issue.

In addition to the above metrics three sustainability performance measures are reported for loan agreement purposes. The "Total customers supported in employment" (included above) is one of the three sustainability measures. The other two measures are:

Performance Measure	Target (2024/25)	Result (2024/25)
Percentage of existing housing properties at 1 April 2022 with EPC rating C or above	95.0%	**95.4%**
Completed new build properties with EPC B and above (cumulative from 1 April 2022)	526	**403**

The percentage of existing properties at EPC rating C or above met target and reflects the focused efforts on improving the energy efficiency of existing homes over the last three years.

The number of new build properties with an EPC rating of B or above missed target due to the planning delays experienced during the year.

The current sustainability targets were agreed up to 31 March 2025, with new targets to be agreed with funders in the next year.

Value for Money Performance – Regulators Metrics

In addition to the performance measures used to track progress against strategic objectives, we also use the Regulator's VfM metrics to measure our performance, setting targets based on the Board approved Business Plan.

When considering the headline social housing cost per unit performance we consider that lower cost is better as this demonstrates greater efficiency when considered alongside the delivery of key strategic objectives as measured in our performance framework.

We operate in a deprived area where social rents are below national averages and repairs and maintenance costs are also lower than other areas. We review this performance alongside decent home compliance, our commitment to repairs being right first time and resolving damp and mould issues, thereby ensuring we provide a quality repairs service, and maintain properties to a high standard whilst protecting our operating margin and the longer-term viability of our social housing assets.

	Value for Money metric	Target	Performance
1	Reinvestment %	14.3%	**11.3%**
2a	New Supply Delivered % (Social Housing Units)	0.98%	**0.9%**
2b	New Supply Delivered % (Non- Social Housing Units)	0%	**0%**
3	Gearing %	57.9%	**54.2%**
4	EBITDA MRI Interest Cover %	118.0%	**147.5%**
5	Headline Social Housing cost per unit	£4,230	**£4,359**
6a	Operating Margin % (Social Housing Lettings only)	18.9%	**22.9%**
6b	Operating Margin % (overall)	19.9%	**24.8%**
7	Return on Capital Employed %	3.7%	**4.6%**

Reinvestment failed to meet target due to lower than budgeted expenditure on development caused by delays in discharging planning conditions and planning resource issues within local authorities.

New supply delivered was also affected by these issues, falling five units short of target, with completion of these homes now expected in late 2025.

Headline social housing failed to meet the target for two main reasons. Additional major repairs expenditure was incurred during the year at our regeneration scheme, The Courts, in Shildon, County Durham.

These costs were unavoidable due to service diversion works and the related security and prelim costs which were incurred because of the delay caused by the diversion works.

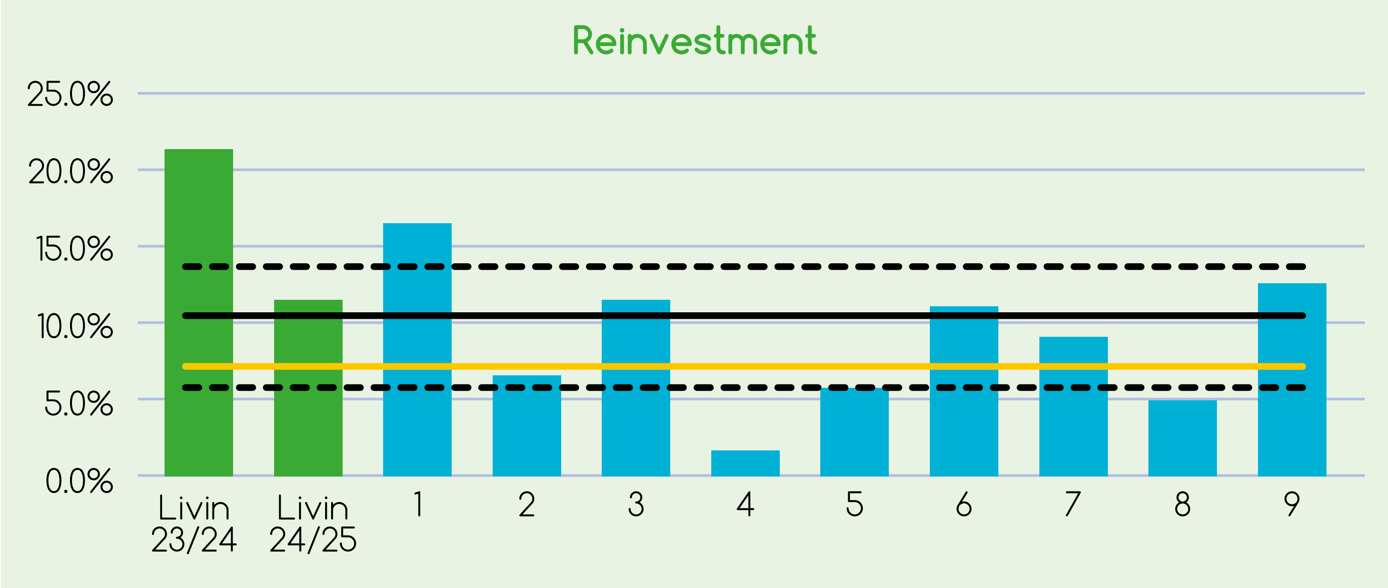
The second reason was an increase in repair costs especially relating to gas repairs, damp and mould works and repairs costs incurred when properties became void.

Value for Money Performance – Peer Group Comparison

The tables below compare our performance in 2024/25 against the nine other members of the Northeast Peer Group as defined in the Regulator's Global Accounts 2024 (latest set available at the time of preparing this report).

The dashed black lines on each graph show the upper and lower quartiles for the Peer Group with the solid black line being the Peer Group median.

The solid orange line is the sector median as per the Regulator's Global Accounts 2024.

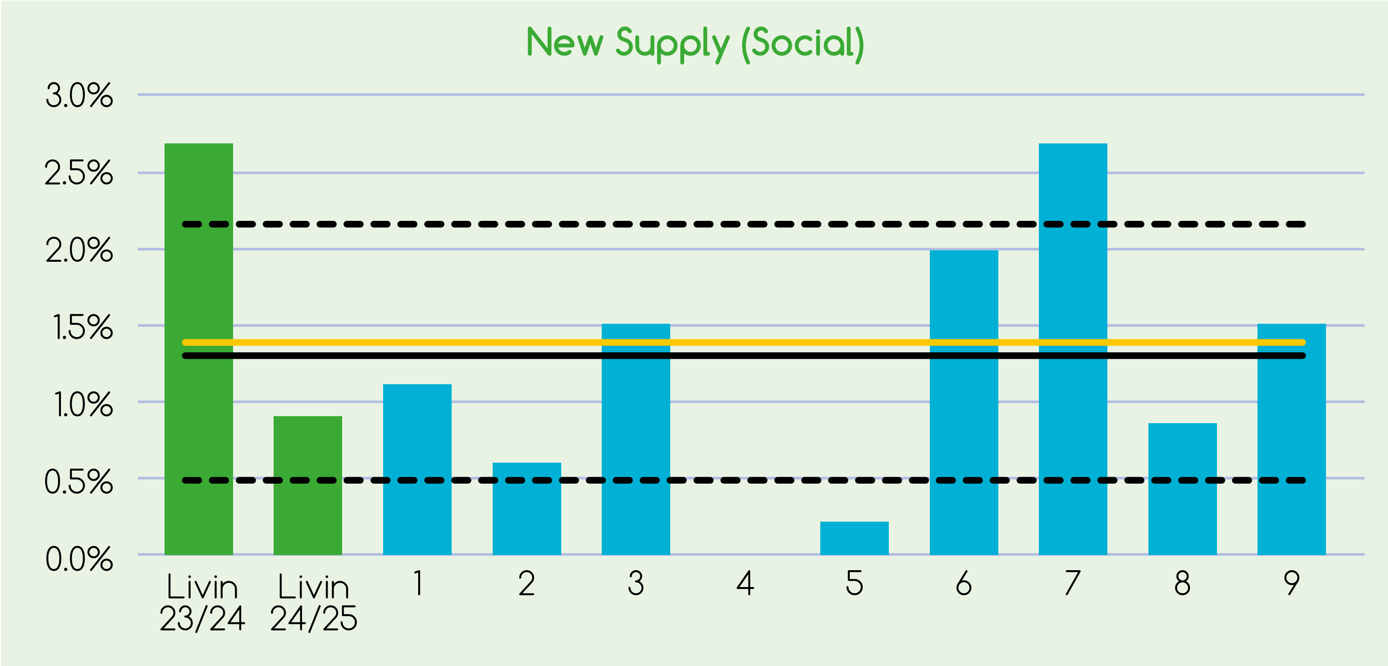


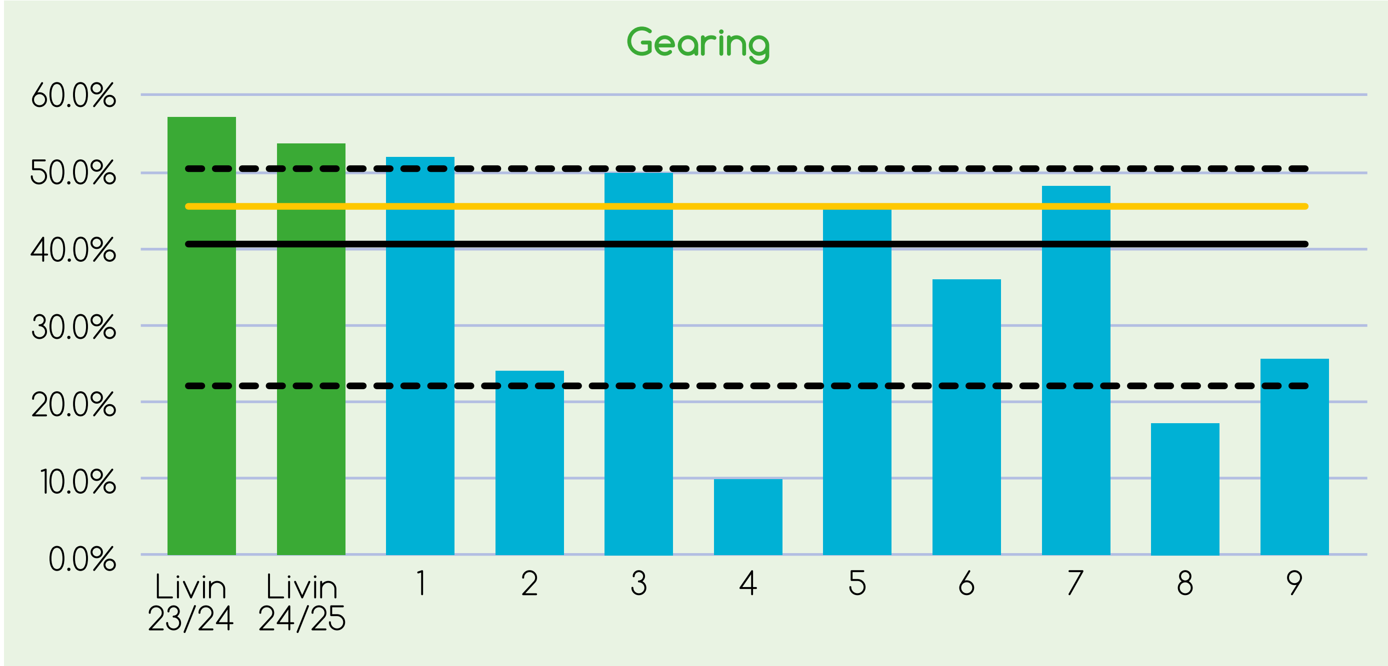
Reinvestment

Our performance was upper median quartile in comparison to our regional peer group, and upper quartile when compared to the sector as a whole. During the year we invested in new social housing properties, with 83 additions to our housing stock. Our new build programme for the year was affected by planning delays, resulting in an underspend of £11.4m compared to the Board approved development budget (before grant).

Many of these homes are now expected to be completed in the next two years, getting our development programme back on track by mid 2026.

Our plans include delivering sustained volumes of major works to ensure the decent homes standard is met and operational efficiencies are achieved. We are also exploring the use of collaborative procurement to reduce costs and further enhance value for money.





New supply delivered (Social Housing)

Is an area where our performance declined to lower median quartile when compared to our peer group and the sector as a whole. Planning delays during the year reduced the completion of new homes significantly impacting our performance. We continue to build or acquire 2 to 4 bedroom properties for social and affordable rent and strive to meet the growing demand for housing in our communities.

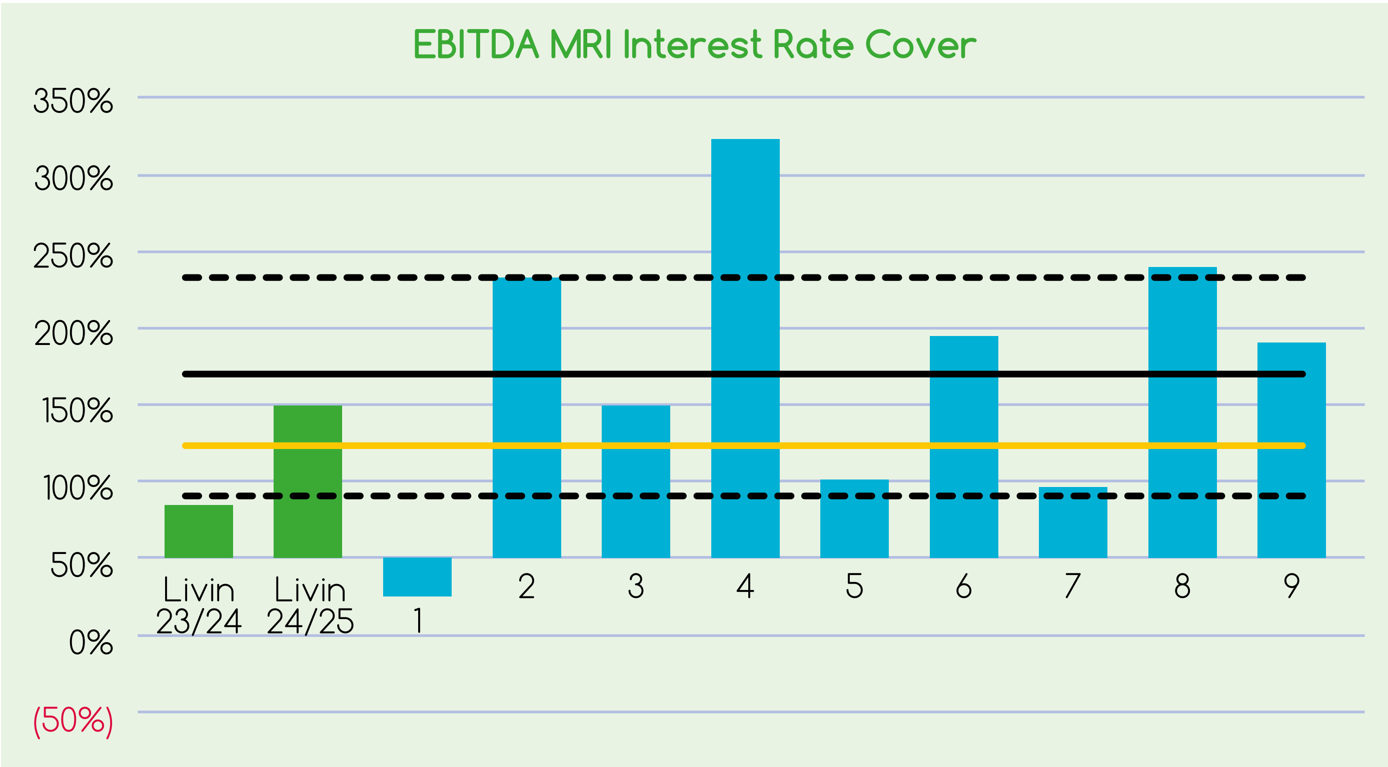
Our ambitious development programme is halfway through it's 10 year programme with aims to deliver 587 new homes over the next 5 years with 332 of these being delivered within the next 2 years. At the end of the financial year, we had already secured 95% of our next three year's development target.

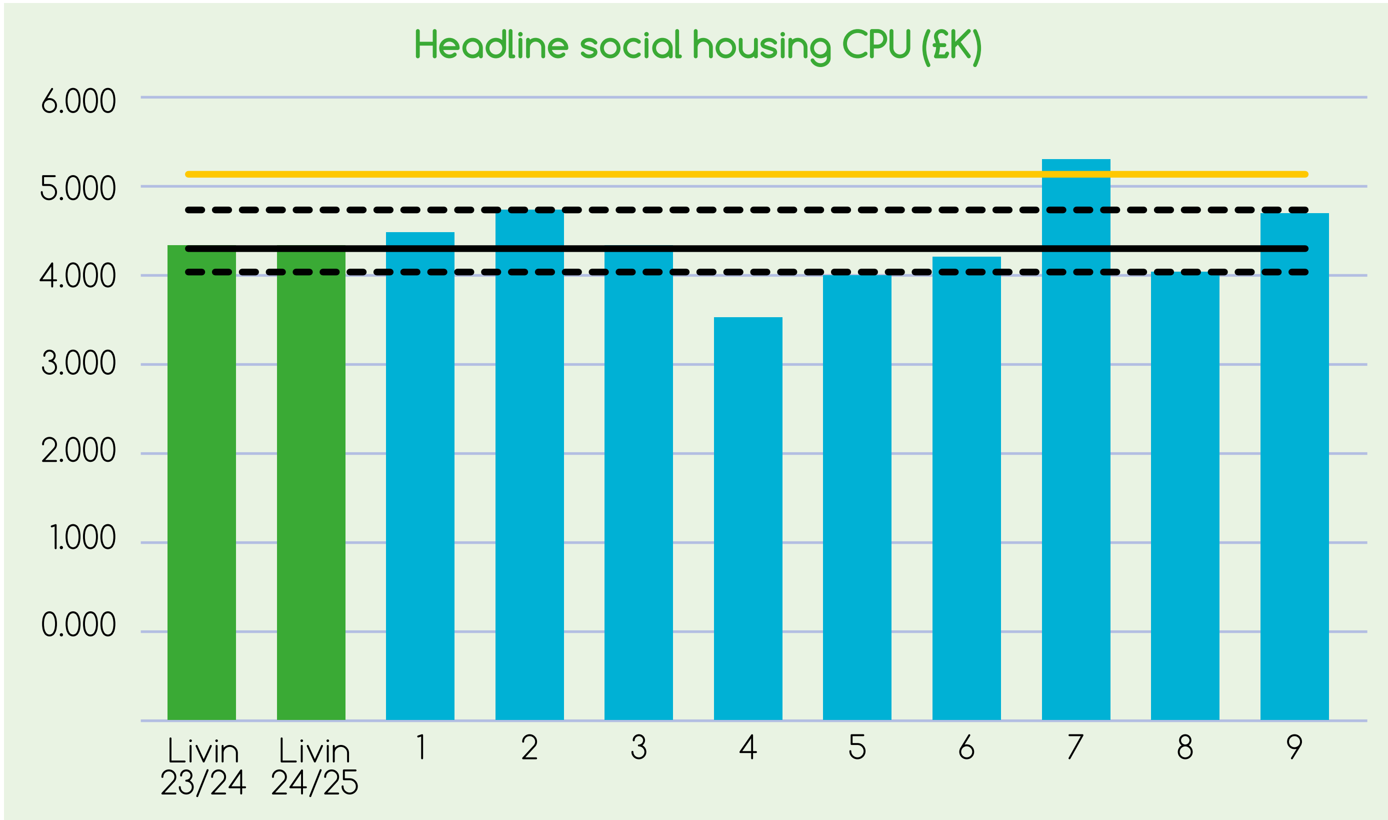
New supply delivered (Non-Social Housing)

Is an area in which only two of the peer group delivered properties. Our strategy focuses on delivering new much needed low-cost rental housing or low-cost home ownership properties therefore we do not expect this metric to increase in future years.

Gearing

Was top quartile when compared to our peer group and upper median quartile compared to the sector as a whole. We have £59m worth of undrawn loan facilities to enable us to continue with our Plan A strategic objectives. Gearing is not a limiting factor to our development capacity and does not restrict our future development plans.





EBITDA MRI Interest cover

Has improved from lower quartile last year to lower median when compared to our peer group and upper median compared to the sector as a whole. The Regulator's quarterly survey data for January to March 2025 indicated that levels of interest cover across the sector are set to remain restricted in the short term. Our EBITDA MRI interest cover is forecast to steadily improve from 2025/26 over the two years.

We continue to utilise the Social Housing Decarbonisation Fund grant we received, partially offsetting the grant against capital expenditure incurred on the energy efficiency works completed during the year. A change in the technical specification of this VFM metric allows this grant to be deducted from major repairs costs from April 2024 onwards which also contributed to our improved performance.

We expect this metric to remain above the sector median in the short-term as we benefit from higher levels of rent due to new build homes completed during the remainder of our development programme.

Headline Social Housing Cost per Unit

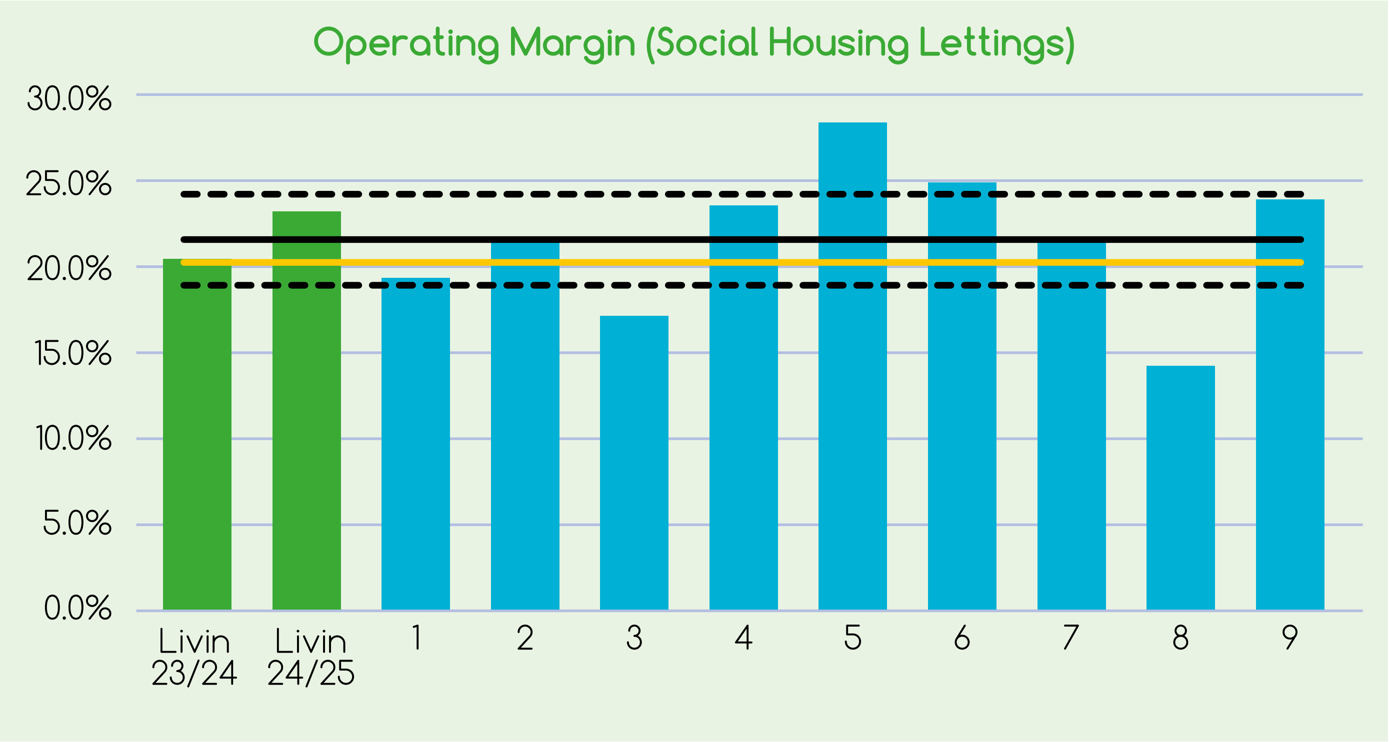
Performance was lower median quartile compared to our regional peer group and upper median compared to the sector as a whole.

Social housing cost per unit decreased by £29 as shown in the table below. This was a result of a combination of factors: Management costs have increased by £73 per property due to annual pay awards and price increases from suppliers following a period of high inflation; Repairs costs have increased by £146 per property because of inflationary cost pressures, increased level of works completed on void properties and treatment of damp and mould. Major works costs have reduced £160 per property following the completion of our regeneration scheme and energy efficiency works. Other costs reduced by £94 per unit due to the expiry of our vat shelter agreement which required us make payments to Durham County Council for VAT recovered on capital works.

Understanding our Social Housing Cost per Unit

Our social housing cost per unit is reported as part of our regulatory value for money metrics. This can be further analysed as shown below:

	2024/25	2023/24	Change
Management costs	£1,080	£1,007	£73
Repairs	£1,754	£1,608	£146
Major works	£1,459	£1,619	(£160)
Service charges	£35	£29	£6
Other	£31	£125	(£94)
Total	**£4,359**	**£4,388**	**(£29)**



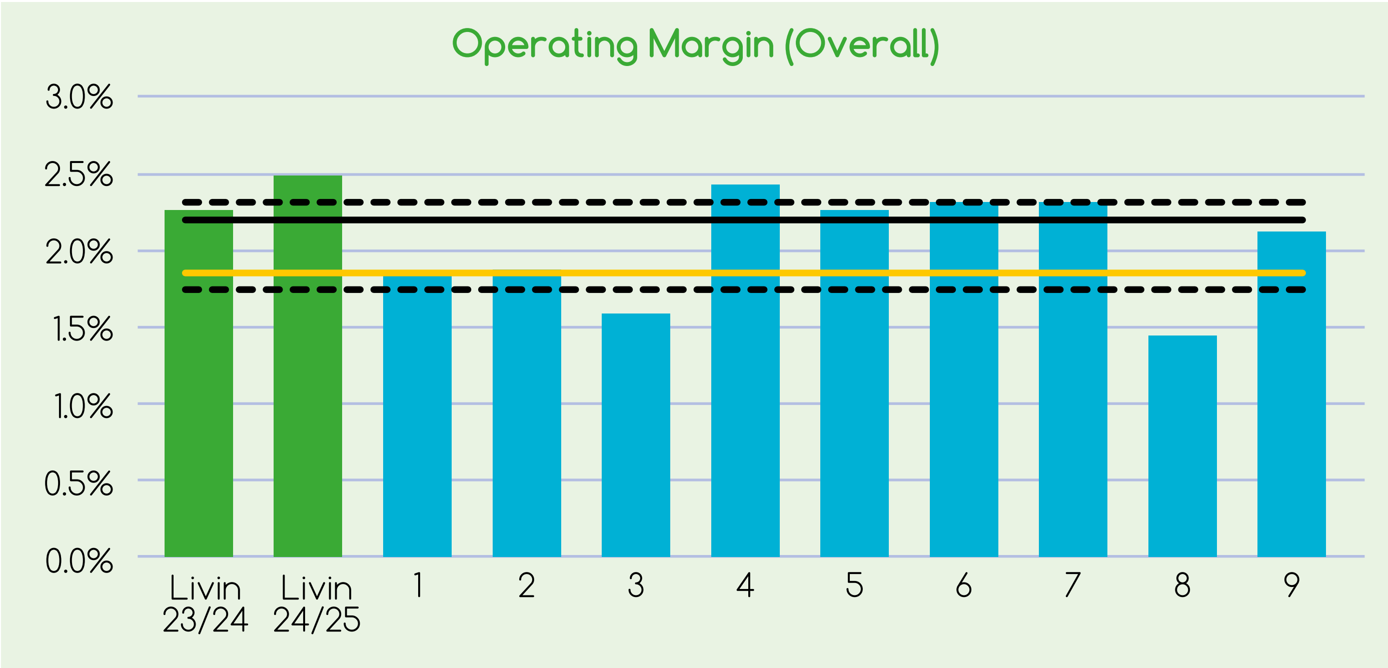
Operating Margin Social Housing Lettings

Performance improved from 20.5% to 22.9% which placed us in the upper median quartile when compared to both our peer group and the sector as a whole. Our cost base increased due to increased employee costs, repairs and maintenance costs, and increased depreciation charges as a result of new developments and increased major expenditure on existing homes.

These were offset by the increase in annual rental income therefore improving our social housing margin.

We continue to operate in areas where our average weekly rent charge is relatively low compared to the majority of our peer group. However, new build homes in high demand areas where the affordable rent charged is 80% of market rent has increased our social housing operating surplus.

This metric is, however, expected to decline in 2025/26 due to forecast additional repairs costs before recovering the following year as additional new build homes are let.

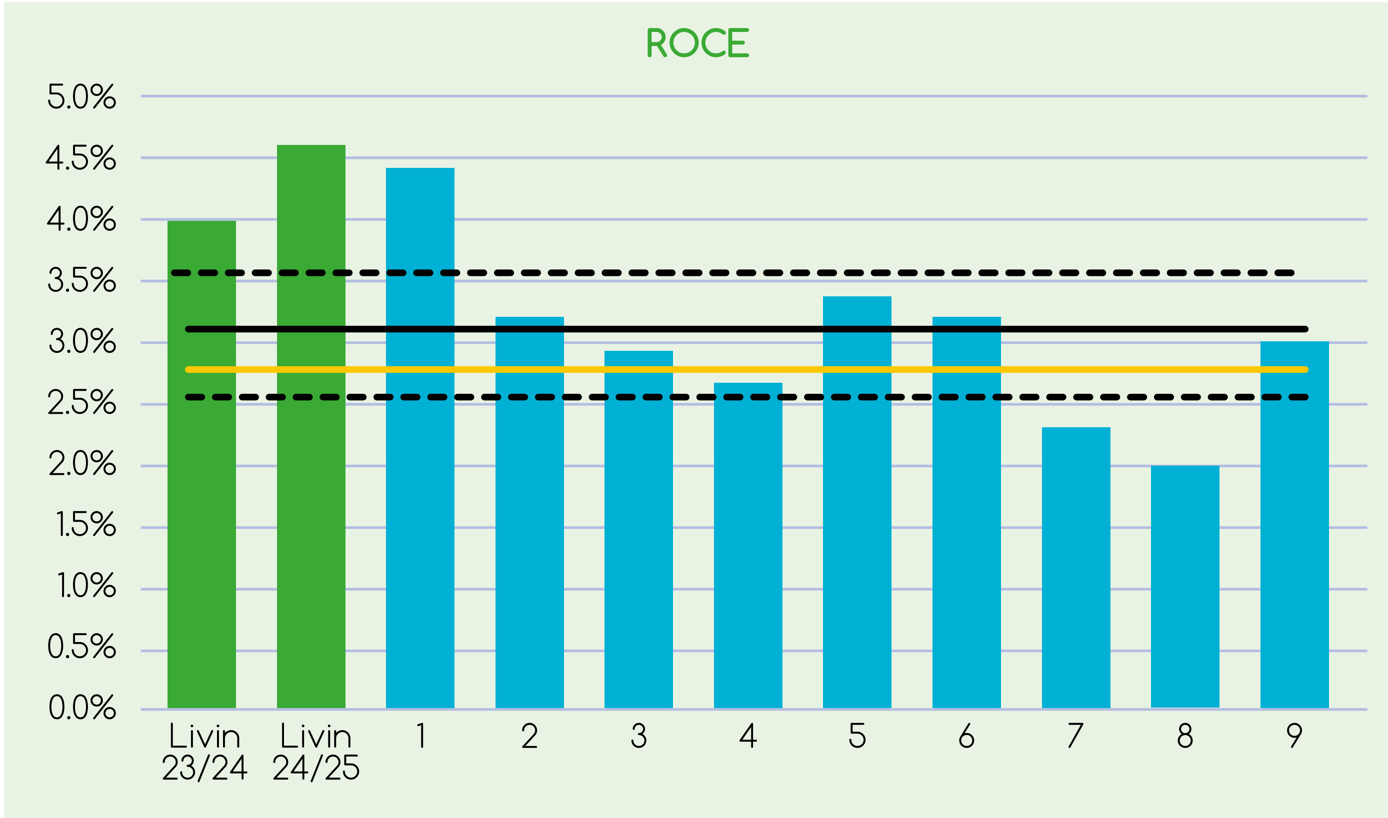


Operating Margin Overall

Performance continued to improve from upper median quartile last year to upper quartile in 2024/25 when compared to the Northeast peer group and the sector as a whole.

Our operating margin performance overall improved from 22.1% last year to 24.8% assisted by strong margins on commercial lets and other turnover.

Our performance is expected to remain above median performance in the short term. This is a combination of the CPI + 1% rent settlement and the positive impact of rental income from completed developments.



Return on Capital Employed (ROCE) %

Performance has returned to upper quartile when compared to the Northeast peer group and remained in the top quartile when compared to the sector as a whole.

ROCE is expected to fall slightly next year, but remain top quartile compared to the sector as a whole, as further capital is employed to deliver our development programme.

Overall Performance

The Board aims to achieve a balanced performance across the Regulator of Social Housing's Value for Money technical metrics, aiming for our blended average performance to be above median across the technical metrics as a whole.

Our methodology for this is to apply a score of 1 for best quartile performance and 4 for worst quartile performance. We reverse the headline social housing cost per unit as previously mentioned and using this methodology, historical, current and future performance is shown in the table below (when compared to the sector as a whole based upon the 2024 Global Accounts):

Metric	2023/24		2024/25		2025/26 forecast		2026/27 forecast		2027/28 forecast	
	Performance	Quartile	Performance	Quartile	Performance	Quartile	Performance	Quartile	Performance	Quartile
Reinvestment %	21.3%	1	11.3%	1	13.7%	1	8.8%	2	7.7%	2
New supply delivered – social housing (%)	2.7%	1	0.9%	3	2.3%	1	1.4%	3	0.9%	3
Gearing (%)	57.1%	1	54.2%	2	58.8%	1	58.9%	1	57.6%	1
EBITDA MRI Interest Cover (%)	76.2%	4	147.5%	2	124%	2	137%	2	150%	2
Headline Social Housing Cost Per Unit (£)	£4,388	2	£4,359	1	£4,229	1	£4,214	1	£4,262	1
Operating Margin (Overall)	22.6%	2	24.8%	1	20.3%	2	21.6%	2	21.9%	2
Return on Capital Employed	4.0%	1	4.6%	1	3.6%	1	3.7%	1	3.8%	1
Average for all metrics		1.71		1.57		1.29		1.71		1.71

An organisation which demonstrated median performance in all measures would show an average performance of 2.5.

Our overall performance in all years under review is better than this average.

Using this methodology for measuring performance against the Northeast Peer Group, our performance was also in the top quartile.

Measurable plans to address underperformance

The Board has considered those areas where performance against the Value for Money technical metrics, defined by the Regulator of Social Housing, are below median when compared with the sector as a whole.

In 2025/26 performance is forecast to be strong with metrics expected to be above the sector median and averaging 1.29 using our calculation method.

In future years there is one metric forecast to be below the sector median; this is New supply delivered.

New supply delivered is forecast to fall in 2026/27 as development targets are reduced. Our original development programme to March 2030 was front-loaded to ensure we met our strategic target of owning and managing 9,000 homes by March 2025.

After March 2027 our target falls to an average of 85 new homes per annum for the remaining three years of the development programme.

During the final phase of Plan A, Board will monitor and consider our financial capacity to develop additional new homes beyond the life of the current development programme, recognising that this will be shaped by the availability of government funding streams, cost and availability of other sources of finance and the evolving landscape of social rent policy.

Conclusions

Value for Money is embedded in our culture and governance structure; we appreciate that delivering effective and efficient services benefits our customers and their communities.

Our performance is published separately on our website and referred to in our annual report to tenants enabling further scrutiny of performance.

Performance in 2024/25 shows a continued commitment to Value for Money. In comparison to our peer group and the sector as a whole we are able to demonstrate strong performance against the Technical Metrics defined by the Regulator and have assessed our long-term Business Plans and forecasts in light of these metrics.

We have identified an area where there is underperformance in comparison to other providers, defined as performance which is below median against the sector as a whole. This is New supply delivered and we have explained the reasoning behind this.

The Board is satisfied that our financial plans to deliver our business strategy, Plan A, provides a balanced performance across the value for money metrics, demonstrating our commitment to value for money, and that current performance is achieving above median performance across the technical metrics as a whole.

Leadership and Governance

Our Board Members

Board members at the date of approval of these financial statements are:

Natalie Wilkinson, Chair of the Board

Natalie is passionate about regenerating communities, improving homes and the environment and supporting residents to live happily and independently in places they are proud of. She is experienced in leadership, strategy development and project delivery having worked for multiple local authorities, most recently Middlesbrough Council, for many years.

Natalie brings to the Board knowledge and experience of the housing sector, development, regeneration, and corporate services. In her most recent role as Head of Development, she worked on a range of transformational projects to grow high-quality housing supply and in doing so formed successful partnerships with Registered Providers, Homes England, housebuilders, and central government.

She is Chair of the Board, a member of the Finance and Investment Committee and Housing and Communities Committee and is the Chair of the InsightXchange.

With a strong social purpose, Natalie is dedicated to supporting youth and community groups, volunteering in her spare time to help raise funding and use her knowledge to help local groups to continue to offer vital opportunities to local people.

Stephen Watson, Board Member

Stephen joined the Board in May 2023 bringing a wealth of knowledge and experience in audit and risk from his 30-year career working with organisations such as the Chartered Institute of Internal Auditors, Home Office, DEFRA (RPA), Baker Tilly, RSM, Northumberland County Council, and Durham University.

He is a Fellow member of the Chartered Institute of Internal Auditors (CFIIA), holds an MSc in Audit and Consulting, and has Platinum accreditation as a Certified Information Systems Auditor (CISA).

Stephen is dedicated to using his personal experience to add value to the work local organisations deliver. He believes strong leadership and governance are vital to building safer, more cohesive communities. He is the Chair of the Audit and Risk Committee and a member of the Finance and Investment Committee.

Ryan Appleby, Board Member

With nearly 20 years of sector experience from his previous roles within social housing providers to his current role as Director of Asset Strategy and Investment at The Guinness Partnership, Ryan is Chair of the Finance and Investments Committee and a member of the Audit and Risk Committee.

Ryan is a Chartered Member of the Institute of Building, Association of Building Engineers and Institute of Engineer and Technology, and has a wealth of specialist knowledge in construction, building and engineering, asset management, and a clear understanding of financial acquisitions and investment.

Ryan is keen to make a difference to the local area, support the provision of vital services that meet the diverse needs of communities and to help support tenants and prospective tenants to access warm, affordable and safe homes.

Elaine Middleton, Board Member

With a career dedicated to the social housing sector, and with over 19 years of experience working with landlords, Elaine brings to the Board knowledge and experience of supporting organisations with business projects including regeneration proposals.

Elaine has knowledge of customer insight and data analysis, technology and people development, marketing strategies, and project management. having worked as an internal consultant driving continuous improvement.

She is passionate about making a difference through community investment and supporting local people and businesses. She is a member of the Housing and Communities and Audit and Risk Committees.

Joanne Race, Board Member

Joanne is a strategic Human Resources Director with over 30 years of experience across multiple sectors, primarily in Higher Education at Durham University. She is responsible for the strategic leadership of HR and organisational development functions ensuring compliance with best practice and legal standards.

Throughout her career, she has led change management initiatives, promoted diversity and inclusion, and overseen significant capital projects. She is also an ex-officio member of Durham University's People Committee, Remuneration Committee, and Nominations Committee, and has influenced the national HR agenda through her roles in various high-level bodies.

Joanne is passionate about improving prospects and life chances for people in the North East, where she has lived most of her life.

She believes in the transformative power of education and skills training. She is Chair of the HR and Remuneration Committee and a member of the Audit and Risk Committee.

Jenny Davidson

With over 20 years' experience spanning the public, private, and education sectors, Jenny has led major sustainability strategies and programmes at London Heathrow and Oxford City Council. She later transitioned into academia, lecturing in sustainability at the Cambridge Institute for Sustainability Leadership and Northumbria University. At Newcastle University, she directed the MBA Programme and held the position of Climate Change Fellow. Jenny now serves as a strategic consultant and continues her affiliation with Newcastle as a Visiting Fellow.

Jenny holds a MA in Environmental Management and a PhD in business administration and is a specialist in responsible business practices, governance and systems thinking. She is a non-executive director of FIRST.

Jenny is passionate about empowering the current and future leaders of organisations to deliver effective policy and place-based regeneration in ways that align local priorities with global frameworks including the UN's Sustainable Development Goals.

Paul Stephens

Widely respected across the sector, Paul has more than 30 years' experience in social housing and has held a number of senior leadership positions, notably serving as Director of Housing and Communities at Cestria Community Housing Association and as Acting Chief Executive prior to the formation of Karbon Homes. More recently, Paul worked at Thirteen Group, where he led the estates services and external investment teams.

Paul is a Chartered member of the Chartered Institute of Housing and has a wealth of experience in housing management, community engagement and development and in delivering large scale capital investment programmes. He also has extensive Board and committee experience. Paul is a lifelong resident of our communities and is deeply committed to improving the lives of people living in our homes and across the wider area. He currently serves as Chairman of the Trimdon Grange Community Association and is also an elected member of Trimdon Parish Council, where he continues to advocate for local needs and community wellbeing.

Alan Boddy, Chief Executive & Board Member

Alan has a track record of delivering transformational change since joining us when we were established in 2009. He is a housing, performance and human resources professional with a people centric approach and an advocate of excellent customer service.

He holds postgraduate diplomas in Housing and Human Resources, a Masters Degree in Strategic Human Resource Management and is a member of both the Chartered Institute of Housing and Chartered Institute of Personnel and Development.

Having grown up in one of our communities he is aware of the social and economic challenges that many face. He is committed to making life changing improvements for people and their communities and has dedicated 30 years to delivering a range of housing, property and support services.

Sean Brodie, Executive Director & Board Member

With over 19 years of direct housing experience Sean's career has spanned both industry and the charitable sector, joining us as an Executive Director in July 2015.

Sean has a wealth of expertise and leads the Finance, Property Services and Development teams.

He also has Executive responsibility for managing the Construction Related Services Contract with Mears plc. He is a Fellow of the Association of Chartered Certified Accountants and is also a qualified Corporate Treasurer.

Board member appointments during the year:

Board Member	Date of appointment
Ryan Appleby	19 Sept 2024
Elaine Middleton	9 Jan 2025
Pam Mastrantonio	6 Feb 2025
Joanne Race	21 Feb 2025

Board member retirements during the year:

Board Member	Date of retirement
Jennifer Clement	18 Sept 2024
Hannah Underwood	18 Sept 2024

Board Attendance

The table below shows each Board member's attendance of the Board and Committee meetings they were able to attend during the financial year:

Board Member	Board	Audit & Risk	Finance & Investment	Housing & Communities	HR & Remuneration
Dennis Bradley	13/13		4/4		7/7
Kevin Thompson	12/13			5/5	7/7
Charlotte Harrison	13/13	1/1		5/5	7/7
Norman Rollo	12/13	5/5		1/1	6/7
Hannah Underwood	4/7	2/3	2/2		
Natalie Wilkinson	12/13		3/4	3/5	
Jennifer Clement	4/5	1/2		2/2	
Stephen Watson	12/13	5/5	4/4		
Ryan Appleby	6/6	2/2	2/2		
Elaine Middleton	2/2	1/1		1/1	
Pam Mastrantonio	1/2			1/1	
Joanne Race	1/1				1/1
Alan Boddy	13/13				
Sean Brodie	13/13				

The Executive Management team comprises the Chief Executive, the Executive Director of Finance and Investment, the Executive Director of Corporate Services, the Director of Housing and Communities, the Director of Transformation and the Director of Customer Experience and Insight.

The Chief Executive and Executive Director for Finance and Investment are Executive Board members. They hold no interest in the Association's shares, but otherwise hold the same legal responsibilities as non-executive Board members. The other members of EMT also hold no interest in the Assocation's shares.

All members as EMT act as directors within the authority delegated by the Board.

The Association has insurance policies which indemnify Board members and employees against liability when acting for the Association.

Regulatory Judgement and Financial Viability Review

The Regulator of Social Housing conducted an inspection during the year and in November 2024 concluded in the following regulatory judgements on Livin:

Consumer (C2)

Compliant - Our judgement is that there are some weaknesses in the landlord delivering the outcomes of the consumer standards and improvement is needed.

Viability (V2)

Compliant - Our judgement is that the landlord meets our viability requirements. It has the financial capacity to deal with a reasonable range of adverse scenarios but needs to manage material risks to ensure continued compliance.

Governance (G1)

Compliant - Our judgement is that the landlord meets our governance requirements.

Risks and uncertainties

In accordance with the Regulator of Social Housing's Governance and Financial Viability Standard, the Board retains ultimate responsibility for ensuring that an effective risk management framework is in place.

Structured reporting processes ensure that the Board receives a quarterly update on key risks facing the organisation, takes risk management considerations into account when making key decisions, and reviews the effectiveness of the risk management framework on an annual basis.

Our Risk Appetite

Risk appetite is defined as the level of risk the organisation is prepared to accept in the pursuit of its strategic objectives.

Livin is a not-for-profit organisation with the principal purpose of providing housing and services for people in necessitous circumstances. As custodians of Livin's social housing assets, the Board acknowledges the need to maintain a long-term perspective when managing risk and not to put short-term gain ahead of the long-term viability of the business.

The Board acknowledges that different risk appetites can exist across a range of key areas. Some types of risk pose a threat to the long-term viability of its business and the Board will seek to reduce the risk score of identified risks in these areas to within appetite wherever practicable. The scores of strategic risks are compared with the Board's risk appetite on a regular basis to ensure that business decisions remain aligned to the level of tolerable risk agreed by Board.

Strategic Risk Register

The Audit and Risk Committee takes an active role in scrutinising the organisation's Strategic Risk Register, considering the adequacy of the controls in place to manage these risks and the outcomes.

The key strategic risks considered by the Audit and Risk Committee on 1 May 2025 are set out in the table below.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to manage costs and inflation	• Robust budgetary and cash flow management processes. • Stress testing undertaken linked to strategic risks to ensure business resilience, including planned mitigations. • Robust scrutiny of quarterly management accounts by the Finance and Investment Committee and then Board. • Golden rules and loan covenant monitoring. • Governance framework enabling effective decision making.
Failure to evidence the condition of properties	• Providing Quality Sustainable Homes Strategy/Delivery Plan, Asset Management and Repairs and Maintenance Policies. • Stock Condition Survey Procedure, including a rolling internal programme to ensure 100% of stock is surveyed every five years, with a further 10% of properties surveyed by an external consultant every three years. • Stock condition database with periodic internal audits. • Home Improvement Programme (HIP) informed by stock condition data. • Quarterly Property Services Progress Update to Finance and Investment Committee, including stock condition and HIP updates. • Relevant KPIs within PMF and quarterly performance reports to the Board.
Failure to meet decarbonisation aspirations and targets	• Planet A Strategy/Delivery Plan. • Asset solutions and investment programmes. • Grant funding in place for decarbonisation works. • Use of smart carbon measuring tools to effectively calculate, report on, and reduce our carbon footprint. • Decarbonisation targets embedded across the PMF. • Decarbonisation targets integrated in regeneration schemes. • Monitoring and reporting of SAP/EPC data. • Ongoing engagement with tenants and the workforce to encourage a focus on sustainability.
Failure to maintain data integrity and effectively utilise data	• Transforming Customer Experience and Digital Services Strategy/Delivery Plan. • Knowledge and Information Strategy including data maturity assessment, data needs analyses and ongoing automation of data quality monitoring. • Appropriate data quality audit procedures and metrics. • Inclusion of data quality assessments within relevant Board and committee reports. • Reporting to the Board through Strategy Delivery Board and Leadership Conference. • Periodic internal audit reviews.
Failure to access or retain labour and skills	• Annual reviews of remuneration/benefits packages. • Work/Life Balance Policy and underpinning procedures. • Employee surveys and satisfaction monitoring. • Employee check-ins to identify/develop capacity across services. • Funded qualifications, professional memberships and CPD. • Succession planning and talent management. • Appropriate KPIs reported to the Board and associated monitoring, review, and audit arrangements.
Failure to identify and effectively manage damp and mould cases	• Multi-layered approach through a range of touchpoints including internal and external stock condition surveys, tenancy visits, void inspections, gas and heating servicing and electrical inspections. • Proactive identification of damp and mould issues via periodic campaigns and ongoing analyses of repairs, complaints, and disrepair claims. • Comprehensive information for tenants on how to identify and report damp and mould on website. • Training all front-line staff to identify damp and mould in properties. • Damp and mould dashboards for: repairs work in progress, follow-up cases, and summary performance. • Quarterly performance reporting to the Finance and Investment Committee and the Board. • Annual report to Board on damp and mould repairs. • Periodic internal audit reviews.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to manage new-build construction process risks	• Thorough financial checks on prospective contractors. • Detailed monitoring of financial viability of existing contractors. • Specialist procurement advice and support where appropriate. • Regular meetings with development partners to review performance and quality. • Monthly KPIs completed on all live development schemes monitoring performance on quality of work. • Parent company agreements or insolvency cover obtained to limit financial risk.
Failure to provide fair access, consider diverse needs and deliver equitable outcomes	• Transforming Customer Experience and Digital Services Strategy/Delivery Plan. • Equality, Diversity and Inclusion and Customer Vulnerability Policies. • Equality and Vulnerability Assessments of relevant policies. • Corporate Values, Employee Code of Conduct and Behaviours, Attitudes and Values (BAV) competency framework. • Non-digital approach/tenancy visit programme. • Translation and interpretation services. • Customer data dashboards including service usage by service and protected characteristics. • Relevant KPIs within PMF, including CSAT and TSMs. • Vulnerability data/access and support requests (User Defined Characteristics) within CX system.
Failure to ensure the security of data	• Robust IT security policies and protocols. • Controls aligned to ISO 27001, Cyber Essentials and NCSC 10 Steps to Cyber Security. • Security and operating software regularly patched. • Access to systems restricted by role with centralised logging and monitoring and controlled by multifactor authentication, where appropriate. • Robust monitoring processes to identify vulnerabilities and attempted attacks. • Regular training and awareness campaigns for all employees. • Internal audit reporting.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to safely deploy and effectively exploit artificial intelligence	• Transforming Customer Experience and Digital Services Strategy/Delivery Plan. • Knowledge and Information (KIM) Strategy. • Third Party Information Security Assessments. • Data Privacy Impact Assessments. • IT Business Continuity and Disaster Recovery Plans. • Information Security Incident Management Procedure. • Periodic internal audit reviews. • Use of Artificial Intelligence Policy (in development). • Specialist team and general employee training (in development).
Failure to effectively deter and tackle anti-social behaviour and hate incidents	• Supporting Sustainable Tenancies and Supporting Sustainable Places Strategies/Delivery Plans. • Neighbourhood and Communities Policy and procedures. • Anti-Social Behaviour Policy and procedures. • Condition of Property Policy and procedures. • Active membership in Safer Durham Partnership. • Relevant KPIs within PMF, including CSAT and TSMs and quarterly reporting to the Board. • Anti-Social Behaviour Annual Report, Neighbourhoods and Communities Annual Report and quarterly Housing Services Progress Update report considered by the Housing and Communities Committee. • Periodic internal audits of anti-social behaviour.
Failure to recognise and effectively respond to cases of safeguarding and domestic abuse	• Supporting Sustainable Tenancies Strategy/Delivery Plan • Safeguarding and Domestic Abuse Policies and procedures. • Appropriate training for all employees. • Annual Safeguarding Report, Annual Allocations and Lettings Report and quarterly Housing Services Progress Update report considered by the Housing and Communities Committee. • Periodic internal audits of safeguarding.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to respond to the regional and national operating environment	• Ongoing horizon scanning. • Membership of the National Housing Federation and Northern Housing Consortium and active participation in its structures to progress strategic objectives. • Ongoing engagement with Durham County Council, local town and parish councils and MPs. • Lead role in the North East Housing Partnership and emerging structures of the North East Mayoral Combined Authority relating to housing and regeneration. • Continuous updating of Plan A Delivery Plans to ensure they remain responsive to the operating environment. • Reporting of progress to the Board.
Failure to deliver the development programme due to legal, planning and utility issues	• Governance approvals obtained for all development schemes including details of delegations. • Legal report produced for all schemes with necessary indemnities obtained for risks. • Due diligence and specialist reports produced in respect of all utility, environmental and site risks. • Planning report obtained from solicitor to ensure planning risks are mitigated. • Annual compliance audit to ensure Capital Funding Guide procedures are followed for grant funded schemes.
Failure to deliver effective repairs, maintenance and planned improvement services	• Providing Quality Sustainable Homes Strategy/Delivery Plan and Repairs and Maintenance and Damp and Mould Policies and procedures. • Contract management arrangements/mechanisms and KPIs. • Home Improvement Programme (HIP) informed by stock condition data. • Relevant KPIs within PMF, including CSAT and TSMs and quarterly reporting to the Board. • Quarterly Property Services Progress Update to Finance and Investment Committee, including repairs and maintenance and planned works performance. • Annual report on performance of the contract, undertaken by external consultant, reported to Finance and Investment Committee or Board.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to manage rent collection and arrears	• Arrears Management Policies and Procedures. • Financial Inclusion team providing tailored interventions to sustain tenancies. • Livin Futures team supporting tenants into employment. • Suite of money support resources on company website, including self-service tools. • Ongoing monitoring of dashboards relating to arrears performance. • In-depth monthly rent arrears analysis and reporting. • Relevant KPIs within PMF and quarterly reporting to the Board.
Failure to deliver value-for-money	• Value for Money Strategy. • VfM considerations embedded within budgeting, procurement, business planning and performance management processes. • Quarterly review of VfM metrics through the performance management framework. • Annual VfM reporting in Financial Statements.
Failure to manage landlord health and safety obligations	• Regular inspections of properties, including gas safety checks, electrical inspections, and monitoring of asbestos materials. • Regular inspections of communal areas and flat blocks, including fire safety assessments, undertaken by appropriately qualified individuals. • Regular re-inspections of a sample of safety checks by third parties, to ensure that the quality of our internal checks remains high. • Regular compliance reporting to the Audit and Risk Committee and the Board. • Internal audit reviews and other external reviews of Health and Safety processes.
Failure to manage covenants on existing debt	• Annual covenant certificates prepared for funders. • Golden rules set above covenant levels to maintain headroom. • Board approved budgets and business plan set to maintain performance above golden rules. • Quarterly budget and golden rules monitoring by Finance and Investment Committee including forecast year end covenant performance.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to maintain investor appetite for new debt	• Golden rules set above covenant levels to ensure financial headroom and maintain investor appetite. • Board approved budgets and business plan set to maintain performance above golden rules. • Stress testing considered by Board. • Quarterly budget and golden rules monitoring by Finance and Investment Committee, including forecast year end covenant performance.
Failure to demonstrate compliance with/ breach of RSH requirements, including Regulatory Standards	• Policy and strategy framework in place to achieve compliance with individual standards. • VfM and risk management strategies approved by Board. • Monitoring and approval process for regulatory returns. • Annual self-assessments against Governance and Financial Viability Standard and Consumer standards. • Business Plan stress testing. • Monitoring of RSH regulatory activity and lessons learned reported to Audit and Risk Committee. • Triennial review of governance undertaken by independent third party.
Failure to make best use of housing stock	• Supporting Sustainable Tenancies Strategy/Delivery Plan. • Lettings Policy and procedures, including Durham Key Options Policy/Procedure. • Tenancy Policy and procedures. • Aids and Adaptations Policy and procedure. • Anti-Fraud, Bribery and Corruption Policy, Tenancy Fraud Procedure. • Active participation in County Durham Housing Strategy Board and full partner and Board member of Durham Key Options. • "Right-sizing" initiatives and support for tenancy sustainment to respond to tenant needs are in place. • Relevant KPIs within PMF, including CSAT measures, with quarterly reporting to the Board. • Annual Allocations and Lettings Report and quarterly Housing Services Progress Update reports considered by the Housing and Communities Committee.

Key risk	Summary of key controls and assurances in place/in delivery
Failure to provide services that support tenants to maintain their tenancy	• Supporting Sustainable Tenancies Strategy/Delivery Plan. • Tenancy Policy and procedures. • Rent Arrears Policy and procedure. • Condition of Property Policy and procedure. • Safeguarding and Domestic Abuse Policies and procedures. • Aids and Adaptations Policy and procedure. • Relevant KPIs within PMF, including CSAT and TSMs, with quarterly reporting to the Board. • Annual Neighbourhoods and Communities Report and quarterly Housing Services Progress Update reports considered by the Housing and Communities Committee.
Failure to maintain existing stock quality	• Conduction both external (independent) and internal stock condition surveys. • Monitoring of SAP/EPC data. • Asset solutions and investment programmes. • Monitoring through performance framework and audit arrangements. • Customer voice in investment plans. • Net present value monitoring and reporting.
Failure to understand or manage pension costs	• Business Plan stress testing. • Triennial pensions review. • Pensions review performed by third party pensions expert.
Failure to provide meaningful opportunities for customers to influence and scrutinise services and to learn from customer insight	• Transforming Customer Experience and Digital Services Strategy/Delivery Plan. • Customer Voice Policy and annual Customer Voice Programme including scrutiny review programme. • Customer guide to giving feedback for complaints and customer engagement (website and non-digital accessible versions) and website performance information. • Relevant KPIs within PMF, including CSAT and TSMs and quarterly reporting to the Board. • Customer Voice biannual reports considered by the Housing and Communities Committee. • Quarterly updating on website of customer voice outcomes. • Annual Report to Tenants.

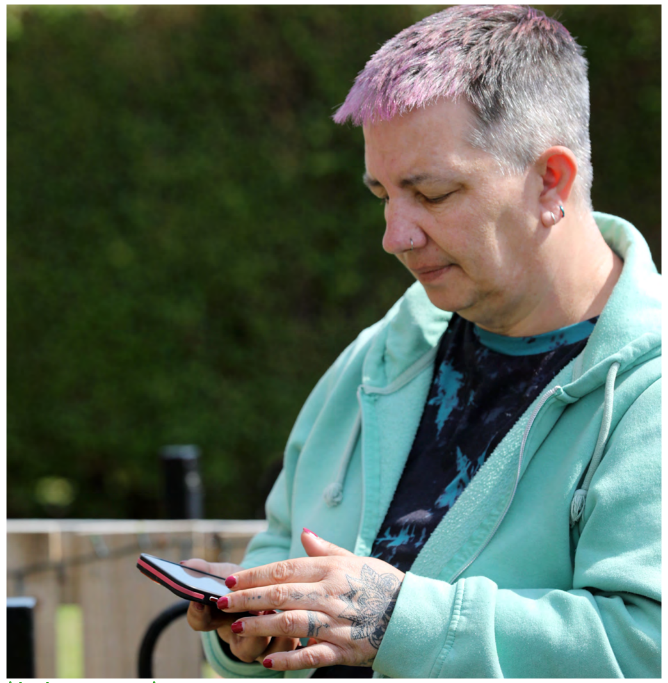
Key risk	Summary of key controls and assurances in place/in delivery
Failure to properly investigate, resolve and learn from complaints	• Complaints, Compliment and Feedback Policy and procedures. • Customer guide to giving feedback for complaints and customer engagement (website and non-digital accessible versions) and website performance information. • Website and management controls relating to the provision and updating of key online information. • Monthly complaints review meetings. • Relevant KPIs within PMF, including CSAT and TSMs and quarterly reporting to the Board. • Quarterly learning and case review report considered by the Housing and Communities Committee. • Annual Performance and Service Improvement report for Housing Ombudsman and published to tenants, reported to the Board.
Failure of a counterparty to deliver maintenance services	• Ongoing financial and customer satisfaction performance monitoring. • Retained procurement advisors. • Flexible investment programme to deal with fluctuating market and sector conditions. • Partnering adviser appointed to support contract management. • Annual third-party contract and open book review reported to Board. • Business continuity plans in place. • Monthly service delivery meetings and regular contract meetings. • Ongoing financial monitoring of credit worthiness.
Failure to set rents correctly	• Board approval of annual rent setting process. • Audit & Risk Committee annual review of rent increases (post rent setting uplift). • Robust procedures for calculating and applying affordable and social rents. • Internal audit reviews.
Failure to prevent or identify fraud	• Procedures for adding and/or amending supplier information. • Segregation of duties. • Multifactor authentication for payment processes. • Internal audit reviews. • Fraud awareness training.

Credit Risk

Our principal credit risk relates to tenant arrears. This risk is managed by providing support to eligible tenants with their application for Housing Benefit or Universal Credit and by closely monitoring the arrears of self-funding tenants. We borrow and lend only in sterling and so are not exposed to foreign currency exchange rate risk.

Going concern

Our business activities, current financial position and factors likely to affect our future development are set out within this Strategic Report. We have in place long-term debt facilities, including £59 million of committed undrawn loan facilities at 31 March 2025, which provide adequate resources to finance committed property acquisitions and development programmes, along with day-to-day operations.



Our ability to service these debt facilities and comply with lenders' covenants is monitored through cashflow forecasts, quarterly budget and Golden Rules reports to the Finance and Investment Committee and Board, and the long-term Business Plan. Recent reports confirmed that we are in compliance with our loan covenants at the Statement of Financial Position date and the Board expects to remain compliant in the foreseeable future.

Therefore, the Board has a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Internal controls assurance

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

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and to provide reasonable assurance against material misstatement or loss.

The process for identifying, evaluating and managing the significant risks faced by the association is ongoing and has been in place throughout the period commencing 1 April 2024 up to the date of approval of the report and financial statements.

Key elements of the control framework include:

- adoption of, compliance with, and annual self-assessment against the National Housing Federation's Code of Governance 2020;
- the forward planning of key meeting dates and reporting requirements, which are reviewed annually;
- Board-approved terms of reference and delegated authorities for the Audit and Risk, Housing and Communities, Finance and Investment, and Human Resources and Remuneration Committees;
- Board-approved detailed Financial Regulations, and a scheme of delegations to the Chief Executive and Executive Management Team;
- clearly defined management responsibilities for the identification, assessment, management, and evaluation of significant risks;
- robust strategic and business planning processes, with detailed financial budgets and forecasts;
- formal recruitment, retention, training and development policies and procedures for all employees;
- appropriate business continuity arrangements;
- established authorisation and appraisal procedures for significant new initiatives and commitments;
- a strategic approach to treasury management which is subject to external review each year;
- regular reporting to the appropriate committees on key business objectives, targets, and outcomes;
- an appropriate Whistleblowing Procedure subject to annual review;
- Audit and Risk Committee-approved anti-fraud and corruption policies, covering prevention, detection, and reporting, together with recoverability of assets; and
- regular monitoring of loan covenants, golden rules, and requirements for new loan facilities.

A fraud register is also maintained, and any identified frauds are reported to the Audit and Risk Committee on a quarterly basis alongside mitigating actions.

The Board cannot delegate ultimate responsibility for the system of internal control but has delegated authority to the Audit and Risk Committee to regularly review the effectiveness of the system. The Board receives minutes of meetings of the Audit and Risk Committee and where applicable would initiate follow up actions. The Audit and Risk Committee has received the Chief Executive's annual review of the effectiveness of the system of internal control for the Association, and the annual report of the internal auditor, and has reported its findings to the Board.

Our internal audit service was delivered by TIAA Limited and internal audit arrangements continued to work well. The recommendations made on all reports have been reviewed and action plans have been established to ensure that they are all implemented. Internal audit work not only focuses on reviewing controls and risks but also on adding value by making best practice recommendations.

National Housing Federation (NHF) Code of Governance 2020

Livin has adopted the National Housing Federation's Code of Governance 2020 and considers compliance against this Code annually. This fulfils the requirement of the Regulator of Social Housing's Governance and Financial Viability Standard to 'adopt and comply with an appropriate code of governance'. In addition, Livin has adopted the National Housing Federation's Code of Conduct 2022, and this Code was also operational during 2024/25.

The Board considers that it is compliant with these Codes at the date of signature of these financial statements.

Compliance with the Regulator of Social Housing's Governance and Financial Viability Standard

The Board considers the adequacy of its governance arrangements on an ongoing basis and specifically considered its compliance with the Governance and Financial Viability Standard at its meeting on 24 July 2025 and again at the date of signature of the financial statements. The Board has concluded that the Association complies with the standard.

Statement of the responsibilities of the Board for the report and financial statements

The Board is responsible for preparing the report and 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 state of affairs of the Association and of the Income and Expenditure for the period of account.

In preparing those financial statements the Board is required to:

- Select suitable accounting policies and 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, and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that 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 Association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of 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.

Annual general meeting

At their meeting on 20 July 2023 shareholders reviewed changes recommended by the Board to the governing rules of the Association which are based on the National Housing Federation's model rules 2015. Approval was given to remove the requirement to hold an annual general meeting in line with the Association's closed shareholding arrangements, with the financial statements being presented to the Board in their capacity as shareholders at their meeting held on 18 September 2025.

Disclosure of information to auditors

At the date of making this report each of the Association's Board members, as set out on page 4, confirm the following:

- So far as each Board member is aware, there is no relevant information needed by the Association's auditors in connection with preparing their report of which the Association's auditors are unaware; and
- Each Board member has taken all the steps that he / she ought to have taken as a Board member in order to make themselves aware of any relevant information needed by the Association's auditors in connection with preparing their report and to establish that the Association's auditors are aware of that information.

External auditors

In September 2022 Beever and Struthers were re-appointed as auditors on a three-year contract, with an optional two-year extension. The two-year extension was exercised in January 2025.

Statement of compliance

In preparing this Strategic Report and Board report, the Board has followed the principles set out in the SORP 2018.

The Strategic and Board report was approved by the Board on 18 September 2025 and signed on its behalf by:

Natalie Wilkinson
Chair

Independent Auditor's Report to the Members of Livin Housing Limited

Opinion

We have audited the financial statements of Livin Housing Limited ('the Association') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Reserves, Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 2. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2025 and of its 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 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 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 Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities set out on page 76, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

- We obtained an understanding of laws, regulations and guidance that affect the 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 Association's activities.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

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

We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

Use of our report

This report is made solely to the Association's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body for our audit work, for this report, or for the opinions we have formed.

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

Date: 19 September 2025

Statement of Comprehensive Income
Year ended 31 March 2025

	Note	2025	2024
		£'000	£'000
Turnover	3	**47,506**	**42,705**
Operating costs	3	(35,740)	(33,981)
Operating surplus (before housing sales and other income)		**11,766**	**8,724**
Gain on disposal of property, plant and equipment	6	726	548
Other Income	3	-	940
Operating surplus		**12,492**	**10,212**
Interest receivable and other Income	7	214	211
Interest payable and similar charges	8	(6,048)	(5,456)
Unrealised (loss) on the revaluation of investment properties	14	(679)	(244)
Surplus on ordinary activities before taxation		**5,979**	**4,723**
Tax on ordinary activities		-	-
Surplus for the year		**5,979**	**4,723**
Actuarial (loss) in respect of pension schemes	9	(620)	(470)
Mark to Market exposure (gain / (loss))	30	(127)	-
Total comprehensive income for the financial year		**5,232**	**4,253**

The accompanying notes form part of these financial statements.

All activities of the Association are classed as continuing.

Historical cost surpluses and deficits were identical to those shown in the Statement of Comprehensive Income account.

The financial statements were approved and authorised for issue by the Board of Directors on 18 September 2025 and were signed on its behalf by:

Natalie Wilkinson
Chair

Stephen Watson
Board Member

Paul Stephens
Secretary

Statement of Changes in Reserves
For the year ended 31 March 2025

	Income and expenditure reserve	Revaluation reserve	Cash flow hedge reserve	Total
	£'000	£'000	£'000	£'000
Balance as at 31 March 2023	65,772	5,284	-	71,056
Transfer between reserves	244	(244)	-	-
Actuarial gain on pension scheme	(470)	-	-	(470)
Surplus for the year	4,723	-	-	4,723
Balance as at 31 March 2024	70,269	5,040	-	75,309
Transfer between reserves	-	-	-	-
Actuarial (loss) on pension scheme	(620)	-	-	(620)
Surplus for the year	6,658	(679)	(127)	5,852
Balance as at 31 March 2025	76,307	4,361	(127)	80,541

The accompanying notes form part of these financial statements.

Statement of Financial Position
As at 31 March 2025

	Note	2025	2024
		£'000	£'000
Tangible fixed assets			
Housing properties	11	270,012	248,918
Other tangible fixed assets	12	4,535	4,871
Investments	13	4	4
Investment Properties	14	5,773	6,520
		280,324	260,313
Current assets			
Stock	15	-	-
Debtors	16	4,387	4,959
Cash at bank and in hand	17	3,388	1,488
		7,775	6,447
Creditors: Amounts falling due within one year	18	(14,715)	(9,666)
Net current assets/(liabilities)		(6,940)	(3,219)
Total assets less current liabilities		**273,384**	**257,094**
Creditors:			
Amounts falling due after more than one year	21	192,843	181,785
Provisions for liabilities			
Defined benefit pension liability	9	-	-
		192,843	181,785
Capital and reserves			
Income and expenditure reserve		76,307	70,269
Revaluation reserve		4,361	5,040
Cashflow hedge reserve	30	(127)	-
Total Reserves		80,541	75,309
		273,384	**257,094**

The financial statements were approved and authorised for issue by the Board of Directors on 18 September 2025 and were signed on its behalf by:

Natalie Wilkinson
Chair

Stephen Watson
Board Member

Paul Stephens
Secretary

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the year ended 31 March 2025

	Note	2025	2024
		£'000	£'000
Net cash generated from operating activities	25	23,128	17,923
Cash flow from investing activities			
Purchase and refurbishment of tangible fixed assets		(30,689)	(53,393)
Proceeds from sale of tangible fixed assets		1,291	936
Grants received		7,926	7,303
Interest received		182	180
		(21,290)	(44,974)
Cash flow from financing activities			
Interest paid		(5,938)	(5,139)
New secured loans		6,000	27,000
Repayments of borrowings		-	-
		62	21,861
Net change in cash and cash equivalents		1,900	(5,190)
Cash and cash equivalents at beginning of the year		1,488	6,678
Cash and cash equivalents at end of the year		3,388	1,488

The accompanying notes form part of these financial statements.

Notes to the report and financial statements
For the year ended 31 March 2025

1. Legal status

The Association is registered in England under the Co-operative and Community Benefit Societies Act 2014 and is a registered provider of social housing. The registered office is Farrell House, Arlington Way, DurhamGate, Spennymoor, County Durham, DL16 6NL.

Livin owns 100% of the ordinary share capital (£1) of Livin Developments Limited (Registered Company No: 10474352). This subsidiary did not trade during the year and was dormant at 31 March 2025.

2. Accounting Policies

Basis of accounting

The financial statements are prepared in accordance with UK Generally Accepted Accounting Principles (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements are presented in Sterling (£) and are rounded to the nearest thousand (£000).

The Association is a Public Benefit Entity (PBE) and has applied the provisions for FRS102 specifically applicable to PBEs.

Livin holds a share in a joint venture, Spirit Regeneration and Development Co LLP. This interest has been disclosed as an investment in these accounts.

Going Concern

The Association's business activities, its current financial position and factors likely to affect its future development are set out within the Strategic Report. Livin has long term debt facilities in place which provide adequate financial resources for reinvestment and development programmes along with financial cover for day to day operations. Livin also has a 30 year Business Plan which shows it is able to service these debt facilities whilst continuing to comply with lenders' covenants.

On this basis, the board has a reasonable expectation that there are adequate resources to continue operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Notes to the report and financial statements
For the year ended 31 March 2025

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates.

Significant management judgements include:

Financial instruments

Livin Housing Limited has put in place Facility Agreements with a portfolio of lenders, for the purposes of funding its stock improvement and new development programmes.

The Association has accounted for these loan instruments on the amortised cost basis.

Non basic financial instruments are included in the financial statements at fair value measurement.

The calculation of fair value of financial instruments at each reporting date is based on active market quotes if available, where not available a valuation technique is used to make maximum use of market inputs and transactions, using a discounted cash flow analysis. The carrying value of financial instruments measured at fair value at 31 March 2025 was £0.127m

Impairment

Livin Housing Limited considers whether indicators of impairment exist in relation to tangible assets. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value less costs to sell or its value in use.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Useful life of depreciable assets

Management reviews its estimate of useful economic lives of depreciable assets at each reporting date. Uncertainties in these estimates may relate to changes in technology and decent homes standards which may impact on the depreciation rate used.

Notes to the report and financial statements
For the year ended 31 March 2025

LGPS -Defined Benefit Obligation (DBO)
The actuaries' estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, property values and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in note 9).

Investment Properties
Livin carries its investment property at fair value, with changes in fair value being recognised in the Statement of Comprehensive Income.

Management uses valuation techniques to determine the fair value of investment properties (where active market valuations are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the asset.

Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices.

Investment in subsidiaries and unlisted company shares
Investments in subsidiaries and unlisted company shares are accounted for at cost less impairment.

Turnover

Turnover represents rental income receivable for the period (i.e. rent due (rent debit) less rent loss due to voids), service charges receivable, any revenue grants receivable, amortised capital grant, revenue grant received from Homes England and local authorities, income from shared ownership first tranche sales and other properties developed for outright sale and income from any other goods or services included at invoiced value (excluding VAT where recoverable) and commission on water rates collection.

Revenue Recognition

Rental income is recognised from the point when properties under development reach practical completion or otherwise become available for letting, net of any voids. Income from first tranche sales and sales of properties built for sale are included in turnover and operating costs and are recognised at the point of legal completion of the sale.

Notes to the report and financial statements
For the year ended 31 March 2025

Revenue grants are recognised when the conditions for receipt of agreed grant funding have been met.

Service Charges

Service charge income and costs are recognised on an accruals basis. Livin operates variable service charges on a scheme by scheme basis in full consultation with residents. The charges include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the Statement of Financial Position.

Social Housing Grant

Social Housing Grant (SHG) includes grant receivable from Homes England, local authorities and other government organisations.

Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land), under the accruals model.

SHG due from government organisations or received in advance is included as a current asset or liability.

SHG received in respect of revenue expenditure is recognised as turnover in the same period as the expenditure to which it relates, once reasonable assurance has been given that Livin will comply with the conditions and that the funds will be received.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in the Statement of Comprehensive Income.

SHG is subordinated to the repayment of loans by agreement with the RSH. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a Recycled Capital Grant Fund and included in the Statement of Financial Position in creditors.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the individual component is released to the Statement of Comprehensive Income. Upon disposal of the associated property, the Association is required to recycle

Notes to the report and financial statements
For the year ended 31 March 2025

these proceeds, as such a contingent liability is disclosed to reflect this.

Other grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the association is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Website development costs

The Association has developed an app and website which is used to promote its activities and as a management tool for monitoring and evaluating responsive repairs. Planning, design and content development costs are charged as operating costs as incurred. Ongoing costs of maintaining and operating the app and website are also charged as operating costs as incurred.

Housing properties and other fixed assets

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, incidental costs of acquisition and directly attributable development administration costs. Cost also includes expenditure on the replacement of key building components incurred as part of the planned improvement programme.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income, over the lives of the properties, therefore enhancing the economic benefits of the assets, are capitalised as improvements.

Shared ownership properties are split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover.

Notes to the report and financial statements
For the year ended 31 March 2025

The remaining element is classed as a fixed asset and included in housing properties at cost, less any provision for depreciation or impairment.

Where expenditure is incurred on an asset which does not meet the definition of capital expenditure, such as general repairs to the housing stock, it will be charged to the Statement of Comprehensive Income in the year in which it is incurred.

Any single repair costing £1,000 or more will be separately assessed to determine whether capitalisation is appropriate.

The Association will not capitalise expenditure on assets such as land, equipment and computer software which costs less than the following de-minimus thresholds and it will be charged to the Statement of Comprehensive Income in the year in which it is incurred.

Asset	
Land	£ 1,000
Office equipment and furniture	£10,000
Computer equipment and software	£ 5,000
Vehicles and plant	£10,000

Properties held on leases are amortised over the life of the lease or the estimated useful economic life, if shorter.

Assets under construction

Housing properties under construction are stated at cost. Cost includes the cost of acquiring land and buildings, development costs, and expenditure incurred in respect of improvements.

No depreciation is charged during the period of construction.

Notes to the report and financial statements
For the year ended 31 March 2025

Depreciation of tangible fixed assets

Depreciation charges reflect the write down of the net book value of fixed assets to their estimated residual value over their estimated useful lives, on a straight-line basis. No depreciation is charged for land.

The following useful economic lives for identified components have been applied:

Fixed Asset Classification	Asset Life
New Build Property Structure	up to 100 years
Existing Structure	50 years
Kitchens	20 years
Bathrooms	30 years
Central Heating	20 years
Roofing and External Works	up to 80 years
Rewiring Works	up to 50 years
Doors and Windows	up to 40 years

Other Fixed Assets	Asset Life
Office Equipment and Furniture	5 years
Computer Equipment	3 years
Offices	up to 50 years
Electric car charging points	8 years

Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the asset's carrying amount to its recoverable amount. Where the carrying amount of an asset is deemed to exceed the recoverable amount, the asset is written down to its recoverable amount, this is likely to be the value in use of the asset based on its service potential. The resulting impairment loss is recognised as operating expenditure. Where an asset is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

Notes to the report and financial statements
For the year ended 31 March 2025

Leased assets

Rentals payable under operating leases will be charged on a straight line basis over the term of the lease.

Properties for sale

Shared ownership first tranche sales, completed properties for outright sales and properties under construction are valued at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales price after allowing for all further costs of completion and disposal.

Provision for liabilities

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that the Association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the Statement of Comprehensive Income in the period it arises.

A provision is recognised for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Fixed asset Investments

Investment properties consist of commercial properties and other properties not held for the social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently at fair value as at the year end, with changes in fair value recognised in the Statement of Comprehensive Income.

Notes to the report and financial statements
For the year ended 31 March 2025

Pensions

The Association participates in the Durham County Council Local Government Pension Scheme, which is a defined benefit final salary scheme. The assets of the scheme are invested and managed independently of the Association.

Pension costs are assessed in accordance with the advice of an independent qualified actuary. For the Durham County Council Local Government Pension Scheme, assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the Statement of Financial Position. A net surplus is recognised only to the extent it is recoverable by the Association either through reduced contributions in the future or through refunds from the plan.

The current service cost and costs from settlement and curtailments are charged against operating surplus. Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Actuarial gains and losses are reported in other comprehensive income.

Rental arrears

A provision for bad and doubtful debts is made on an estimation of those debts at the Statement of Financial Position date which are considered to be potentially irrecoverable.

Value Added Tax (VAT)

The Association is VAT registered, but the majority of its income (from rents) is classified as an exempt supply for VAT purposes. Payments that are subject to VAT (Input VAT) that cannot be re-claimed are, therefore, recorded inclusive of the irrecoverable VAT. The balance of VAT payable or recoverable at the year end is included as a current liability or asset respectively.

Development agreement

The Association has entered into agreements with Durham County Council (the Council) whereby the undertaking of catch up repairs and improvement works remained with the Council with that obligation subcontracted to the Association. The contract was for a fixed sum of £248.694m equal to the expected costs of the work.

Notes to the report and financial statements
For the year ended 31 March 2025

At transfer, the Association contracted with the Council to acquire the benefit of the Council's obligation to carry out the refurbishment works.

Right to Buy and Right to Acquire Sales

The gains or losses on disposal of Social Housing Properties under Right to Buy or Right to Acquire arrangements are calculated as being the difference between the proceeds of a sale of a property and the net book value of that property.

The gains or losses on disposal of Right to Buy or Right to Acquire Social Housing Properties are recognised in the Statement of Comprehensive Income at the date of legal completion after deducting the element of proceeds that is payable to the local authority under the Right to Buy sharing arrangement.

Financial instruments

Financial Instruments which meet the criteria of a basic financial instrument as defined in Section 11 of FRS 102 are accounted for under an amortised historic cost model.

Basic Financial instruments are recognised at amortised historic cost.

Derivatives such as interest rate swaps are classified as financial assets or financial liabilities at fair value (non basic Financial Instruments).

Financial assets and financial liabilities at fair value are classified using the following fair value hierarchy:

(a) The best evidence of fair value is a quoted price in an active market.

(b) When quoted prices are unavailable, the price of a recent transaction for an identical asset, adjusted to reflect any circumstances specific to the sale, such as a distress sale, if appropriate.

(c) Where there is no active market or recent transactions then a valuation technique is used to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

Notes to the report and financial statements
For the year ended 31 March 2025

Hedging

The Association's interest rate swaps meet the criteria of non-basic financial instruments as defined by section 12 of FRS 102. They are recognised on the Statement of Financial Position and are measured at fair value at each reporting date.

The Association has designated some of its interest rate swaps as hedges against existing drawn floating rate debt. To the extent the hedge is effective movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any movements in fair value relating to ineffectiveness are recognised in income and expenditure.

Any interest rate swaps that do not have a documented economic relationship against existing drawn floating rate debt are not eligible for hedge accounting and therefore fair value movements are recognised in income and expenditure.

Debtors

Short term debtors are measured at transaction price less any impairment.

Creditors

Short term creditors are measured at the transaction price.

Annual leave accrual

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

Interest

Interest payable is charged to the Income and Expenditure account in the year.

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, less capitalised issue costs of debt. Where loans are redeemed during the year, any redemption penalty and any connected loan finance costs are recognised in the Statement of Comprehensive Income account in the year in which the redemption took place.

Notes to the report and financial statements
For the year ended 31 March 2025

Liquid resources

For the purposes of the Cash Flow Statement, cash comprises cash in hand and deposits repayable on demand less overdrafts repayable on demand. Liquid resources are current asset investments that are readily disposable without curtailing or disrupting the business and are readily convertible into known amounts of cash at or close to their carrying values.

Taxation

The Association has charitable status and therefore is outside the scope of Corporation Tax on its charitable activities by virtue of Part 11 Corporation Tax Act 2010 and from capital gains tax by virtue of Section 256 Taxation of Chargeable Gains Act 1992.

Reserves

Livin establishes restricted reserves for specific purposes where their use is subject to external restrictions.

Revaluation reserve

The difference on transition between the fair value of investment properties and the historical cost carrying value is credited to the revaluation reserve.

Notes to the report and financial statements
For the year ended 31 March 2025

3. Particulars of turnover, cost of sales, operating costs and operating surplus

	2025		
	Turnover	Operating costs	Operating surplus
	£'000	£'000	£'000
Social housing lettings	45,987	(35,443)	10,544
Other social housing activities			
Garage lettings	656	(237)	419
Non-social housing activities			
Lettings	205	(60)	145
Other Income	658	-	658
Total	**47,506**	**(35,740)**	**11,766**

	2024		
	Turnover	Operating costs	Operating surplus
	£'000	£'000	£'000
Social housing lettings	41,235	(33,513)	7,722
Other social housing activities			
Garage lettings	651	(174)	477
Non-social housing activities			
Lettings	238	(294)	(56)
Other Income	581	-	581
Total	**42,705**	**(33,981)**	**8,724**

Other Operating Income
Included in the statement of comprehensive income under other income is VAT shelter income of £nil (2024 £940,426).

Notes to the report and financial statements
For the year ended 31 March 2025

3. Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

				2025	2024
	General needs housing	Housing for elderly	Low cost home ownership	Total	Total
	£'000	£'000	£'000	£'000	£'000
Rent receivable net of identifiable service charges	31,729	13,487	44	45,260	40,770
Service income	86	40	-	126	77
Net rental income	**31,815**	**13,527**	**44**	**45,386**	**40,847**
Other income (grant amortisation)	408	193	-	601	388
Turnover from social housing lettings	**32,223**	**13,720**	**44**	**45,987**	**41,235**
Management and support services	(6,550)	(3,105)	-	(9,655)	(8,949)
Service charge cost	(225)	(87)	-	(312)	(262)
Routine maintenance	(9,741)	(4,486)	-	(14,227)	(12,819)
Planned maintenance	(988)	(468)	-	(1,456)	(1,461)
Major repairs expenditure	(417)	(198)	-	(615)	(705)
Bad debts	(116)	(55)	-	(171)	(247)
Depreciation of housing properties	(6,050)	(2,868)	(28)	(8,946)	(7,914)
Impairment	-	-	-	-	(219)
Payment to Durham County Council (VAT sharing agreement)	-	-	-	-	(919)
Other costs	(41)	(20)	-	(61)	(18)
Operating costs on social housing lettings	**(24,128)**	**(11,287)**	**(28)**	**(35,443)**	**(33,513)**
Operating surplus on social housing lettings	**8,095**	**2,433**	**16**	**10,544**	**7,722**
Void losses	430	103	-	533	577

Management cost (headline social housing cost) per unit was £4,359 (2024: £4,388).

Notes to the report and financial statements
For the year ended 31 March 2025

3. Particulars of turnover, cost of sales, operating costs and operating surplus (continued)

Particulars of turnover from non-social housing lettings	2025	2024
	£'000	£'000
Commercial properties	171	196
Other	34	41
	205	237

4. Accommodation in management and development

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

	2024	Additions	Disposals	Other	2025
Social housing	No.	No.	No.	No.	No.
General housing					
- social rent	7,052	32	(18)	38	7,104
- affordable rent	1,768	51	(2)	(22)	1,795
- shared ownership	14	-	-	-	14
- intermediate rent	49	-	(1)	(19)	29
Total owned and managed	**8,883**	**83**	**(21)**	**(3)**	**8,942**
Social leasehold housing	**66**	**-**	**(1)**	**-**	**65**
Units under construction					
General needs affordable rent	57				50
General needs housing social rent	35				121
Low cost home ownership	2				7
Intermediate rent	-				-
Total units under construction	**94**				**178**

Notes to the report and financial statements
For the year ended 31 March 2025

5. Operating surplus

The operating surplus is arrived at after charging:

	2025	2024
	£'000	£'000
Depreciation of housing properties	8,983	7,940
Depreciation of other tangible fixed assets	447	403
Impairment of social housing assets	-	219
Gain on disposal of property, plant and equipment	726	548
Operating lease rentals		
- land and buildings	8	6
- office equipment and computers	57	40
- motor vehicles	22	14
Auditors' remuneration (excluding VAT)		
- for audit services	21	26
- tax compliance services	1	-
- other services	-	1
Total non-audit services	1	1

Notes to the report and financial statements
For the year ended 31 March 2025

6. Gain on disposal of property, plant and equipment

				2025	2024
	RTB/ RTA	Low cost home owenership	Other Disposals	Total	Total
	£'000	£'000	£'000	£'000	£'000
Disposal proceeds	1,141	139	63	1,343	1,114
Less administration charges	(52)	-	-	(52)	(53)
Less amount payable to Durham County Council	-	-	-	-	(125)
Net disposal proceeds	1,089	139	63	1,291	936
Carrying value of fixed assets	(342)	(103)	(120)	(565)	(388)
Grant attributable to disposal	32	33	-	65	39
	779	69	(57)	791	587
Recycled Capital Grant Fund	(32)	(33)	-	(65)	(39)
	747	36	(57)	726	548

7. Interest receivable and other income

	2025	2024
	£'000	£'000
Interest receivable	182	180
Other Income	2	1
Interest on pension scheme	30	30
	214	211

Notes to the report and financial statements
For the year ended 31 March 2025

8. Interest payable and similar charges

	2025	2024
	£'000	£'000
Loans and bank overdrafts	6,048	5,456
Interest costs for pension scheme	-	-
	6,048	5,456

9. Employees

Average monthly number of employees expressed as full time equivalents (calculated based on a standard working week of 37 hours):

	2025	2024
	No.	No.
Administration	52	42
Property and Development	57	25
Housing and Communities	26	60
	135	127

Employee costs:	2025	2024
	£'000	£'000
Wages and salaries	6,031	5,371
Social security costs	613	531
Other pension costs	1,406	1,232
	8,050	7,134

Included in Employee costs are early retirement and voluntary redundancy costs totalling £nil (2024 £nil).

The Association's employees are eligible to be members of Durham County Council Local Government Pension Scheme (LGPS). Further information is given below.

Notes to the report and financial statements
For the year ended 31 March 2025

9. Employees (continued)

Durham County Council Local Government Pension Scheme

Durham County Council Pension Fund (DCCPF)

The DCCPF is a multi-employer scheme, administered by Durham County Council under the regulations governing the Local Government Pension Scheme, a defined benefit scheme. The most recent formal actuarial valuation was completed as at 31 March 2012 and rolled forward, allowing for different financial assumptions required under FRS 17, to 31 March 2025 by a qualified independent actuary.

Pension assets are restricted to comply with FRS102 and recognise a plan's surplus as a defined benefit 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 at 31 March 2025 and an asset was therefore not recognised.

The employers' contributions to the DCCPF by the Association for the year ended 31 March 2025 were £1,406,496 (2024 £1,232,231) at a contribution rate of 26% of pensionable salaries.

Estimated Current service costs to the DCCPF during the accounting period commencing 1 April 2025 are £500,000.

	31 March 2025	31 March 2024
	% per annum	% per annum
Discount rate	5.8%	4.8%
Future salary increases	3.5%	3.6%
Future pension increases	2.5%	2.6%
Pension accounts revaluation rate	2.5%	2.6%
Inflation assumption – CPI	2.5%	2.6%

Notes to the report and financial statements
For the year ended 31 March 2025

9. Employees (continued)

Mortality assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

The assumed life expectations on retirement at age 65 are:

	2025	2024
	No. of years	No. of years
Retiring today:		
- Males	21.6	21.7
- Females	23.9	24.0
Retiring in 20 years:		
- Males	22.5	23.0
- Females	24.7	25.1

Analysis of the amount recognised in surplus or deficit:

Year ended 31 March	2024	2023
	£'000	£'000
Current service cost	820	790
Past service cost	-	-
Amounts charged to operating costs	820	790

Year ended 31 March	2024	2023
	£'000	£'000
Net Interest	(30)	(30)
Amounts charged to other finance costs	(30)	(30)
Remeasurement (loss)/gain recognised on defined benefit pension scheme	(620)	(470)
Actual return on scheme assets	870	3,490

Notes to the report and financial statements
For the year ended 31 March 2025

9. Employees (continued)

Amounts recognised in the statement of financial position

Net pension at 31 March	2025	2024
	£'000	£'000
Present value of funded obligation	(31,230)	(36,670)
Fair value of scheme assets (bid value)	48,570	46,990
Net asset	17,340	10,320
Unrecognised asset	(17,340)	(10,320)
Value to be recognised in financial statements	-	-

Amounts recognised in the statement of financial position of the present value of scheme liabilities

	2025	2024
	£'000	£'000
Opening scheme liabilities	(36,670)	(36,180)
Current service cost	(820)	(790)
Past service cost	-	-
Interest cost	(1,740)	(1,690)
Contributions by scheme participants	(400)	(340)
Remeasurements	7,300	1,510
Benefits paid	1,100	820
Closing scheme liabilities	(31,230)	(36,670)

Notes to the report and financial statements
For the year ended 31 March 2025

9. Employees (continued)

Reconciliation of opening and closing balances of the fair value of scheme assets

	2025	2024
	£'000	£'000
Opening fair value of scheme assets	46,990	42,750
Remeasurements	(1,400)	1,460
Interest income	2,270	2,030
Contributions by employer	1,410	1,230
Contributions by scheme participants	400	340
Benefits paid	(1,100)	(820)
Closing fair value of scheme assets	48,570	46,990

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

Equities	54.8%	54.3%
Gilts	10.9%	10.3%
Bonds	8.9%	9.6%
Property	6.6%	6.6%
Cash	2.2%	1.8%
Multi Asset Credit	15.5%	15.2%
Other	1.1%	2.2%

Notes to the report and financial statements
For the year ended 31 March 2025

9. Employees (continued)

History of asset values, present value of liabilities and (deficit) / surplus

	Year ended 31 March 2025	Year ended 31 March 2024
	£'000	£'000
Fair value of assets	48,570	46,990
Present value of liabilities	(31,230)	(36,670)
Surplus / Deficit	17,340	10,320
Unrecognised surplus	(17,340)	(10,320)
Liability to be recognised in financial statements	-	-

10. Key management personnel

	Basic salary	Benefits in kind	Pension Contributions	Total 2025	Total 2024
				£'000	£'000
Board Members	63	-	-	63	61
Executive Directors	859	-	194	1,053	845

Notes to the report and financial statements
For the year ended 31 March 2025

10. Key management personnel (continued)

The full time equivalent number of employees, including Directors, who received remuneration payable, including pensions, car allowances and compensation for loss of office in relation to the period were as follows:

	2025 No. of employees	2024 No. of employees
£60,001 and £70,000	11	7
£70,001 and £80,000	9	8
£80,001 and £90,000	1	3
£90,001 and £100,000	5	1
£110,001 and £120,000	1	1
£120,001 and £130,000	-	2
£130,001 and £140,000	2	-
£140,001 and £150,000	1	-
£160,001 and £170,000	1	2
£170,001 and £180,000	1	-
£180,001 and £190,000	-	1
£200,001 and £210,000	1	-
£210,001 and £220,000	-	1
£230,001 and £240,000	1	-
	34	26

Notes to the report and financial statements
For the year ended 31 March 2025

10. Key management personnel (continued)

Individual Board Members levels of remuneration	2025	2024
	£'000	£'000
Dennis Bradley	15	15
Kevin Thompson	6	7
Hannah Underwood until 18.09.2024	3	7
Oliver Colling until 20.09.2023	-	3
Norman Rollo	8	8
Charlotte Harrison	6	5
Natalie Wilkinson	8	6
Stephen Watson	8	7
Jennifer Clement until 18.09.2024	2	3
Ryan Appleby from 19.09.2024	4	-
Elaine Middleton from 09.01.2025	1	-
Joanne Race from 21.02.2025	1	-
Pam Mastrantonio from 06.02.2025	1	-
	63	61

The highest paid Director is the Chief Executive. Their emoluments including an adjustment for FRS 102 annual leave accrual, but excluding pension contributions, were £194,879 (2024 £178,001). The remuneration payable to the highest paid director divided by the total number of social housing units at year end was £20.98 (2024 £20.04). The total aggregate amount of remuneration paid to directors (including board members) divided by the total number of social housing units was £124.72 (2024 £102.07).

The Chief Executive is a member of the Durham County Council Pension Fund. The pension contributions made during the period were £43,145 (2024 £38,129).

They are an ordinary member of the pension scheme and no enhanced or special terms apply. The Association does not make any further contribution to an individual pension arrangement for this Director. The number of directors accruing benefits under the pension scheme at 31 March 2025 was 6 (2024: 6).

Board members
Board remuneration levels and calculations are recommended following the receipt of independent advice and adoption of an appropriate remuneration policy in accordance with Livin's rules and probity policy. Performance assessment is conducted through collective and individual annual appraisal of Board and Role Profiles and contracts for services are agreed with all Board Members to assist in assessing performance. Board remuneration as a percentage of turnover is 0.1% (2024 0.1%).

Notes to the report and financial statements
For the year ended 31 March 2025

11. Tangible fixed assets – properties

Housing properties	Social housing properties held for letting	Non-social housing properties held for letting	Housing properties for letting under construction	Completed Shared Ownership Housing properties	Total housing properties
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	310,839	1,645	5,358	990	318,832
Additions	8,265	-	9,888	-	18,153
Works to existing homes	12,400	19	-	-	12,419
Schemes completed	4,510	-	(4,510)	-	-
Disposals	(786)	(8)	-	-	(794)
Transfer between investment assets	-	34	-	-	34
At 31 March 2025	335,228	1,690	10,736	990	348,644
Depreciation and impairment					
At 1 April 2024	69,585	153	-	176	69,914
Charged in year	8,918	37	-	28	8,983
On disposals	(265)	-	-	-	(265)
Impairment	-	-	-	-	-
At 31 March 2025	78,238	190	-	204	78,632
Net Book Value					
At 31 March 2025	256,990	1,500	10,736	786	270,012
At 31 March 2024	241,254	1,492	5,358	814	248,918

The carrying value of assets with restricted title or pledged as security is £221.8m (2024: £206.5m)

Notes to the report and financial statements
For the year ended 31 March 2025

11. Tangible fixed assets – properties (continued)

Expenditure on works to existing homes

	2025	2024
	£'000	£'000
Amounts capitalised as components	12,400	12,057
Amounts charged to the income and expenditure account	615	705
	13,015	12,762

Housing properties book value, net of depreciation and grants

Impairment

Livin considers individual schemes to be separate Income Generating Properties when assessing for impairment, in accordance with the requirements of Financial Reporting 102 and SORP 2018. An impairment charge of £nil (2024: £219,148) has been made this year. The impairment charge for 2024 related to fifteen properties for sale which were improved as part of a regeneration scheme in Shildon, County Durham.

Social Housing Grant

Total accumulated Social Housing Grant Received or receivable at 31 March	2025	2024
	£'000	£'000
Capital grant	47,526	40,394
Recognised in the Statement of Comprehensive Income	3,166	2,565
Revenue grant	7	7
	50,699	42,966

Notes to the report and financial statements
For the year ended 31 March 2025

12. Tangible fixed assets – other

	Offices	Computers and office equipment	Total
	£'000	£'000	£'000
Cost			
At 1 April 2024	6,727	759	7,486
Additions	14	97	111
Disposals	-	(82)	(82)
At 31 March 2025	6,741	774	7,515
Depreciation			
At 1 April 2024	2,224	391	2,615
Charged in year	258	189	447
On disposals	-	(82)	(82)
At 31 March 2025	2,482	498	2,980
Net Book Value			
At 31 March 2025	4,259	276	4,535
At 31 March 2024	4,503	368	4,871

Notes to the report and financial statements
For the year ended 31 March 2025

13. Investments

	2025	2024
	£'000	£'000
Investment in Spirit Regeneration and Development LLP	4	4

Livin is a member of the Spirit Regeneration and Development Co. LLP. This is an agreement which allows Livin to deliver its development programme in line with Homes England requirements.

Livin owns 100% of the ordinary share capital (£1) of Livin Developments Ltd. The subsidiary did not trade during the year and was dormant at 31 March 2025.

14. Investment properties: Non-social housing properties held for letting

	2025	2024
	£'000	£'000
At 1 April	6,520	6,665
Works to Investment Properties	6	107
Revaluation (loss)	(679)	(244)
Disposals	(40)	-
Transfer	(34)	(8)
At 31 March	5,773	6,520

Investment properties were valued as at 31 March 2025. The associations' investment properties have been internally valued using a 10% yield by Livin's Land and Property Valuer, who is a member of the Royal Institution of Chartered Surveyors. The full valuation was undertaken in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors.

15. Stock

Shared ownership properties:	2025	2024
	£'000	£'000
Completed properties	-	-

Notes to the report and financial statements
For the year ended 31 March 2025

16. Debtors

	2025	2024
	£'000	£'000
Due within one year		
Rent and service charges receivable	3,008	2,447
Less: provision for bad and doubtful debts	(722)	(756)
	2,286	1,691
Trade debtors	340	342
Less: provision for bad and doubtful debts	(307)	(301)
Other debtors	20	588
Social housing grant receivable	236	1,030
Prepayments and accrued income	1,168	965
	3,743	4,315
Due after more than one year		
Other Debtors	644	644
	4,387	4,959

Debtors due after more than one year relates to a bond for construction works and legal charges held on private dwellings that are situated within regeneration schemes.

17. Cash and cash equivalents

	2025	2024
	£'000	£'000
Money Market Investments	1,682	1,423
Cash at bank	1,706	65
	3,388	1,488

Notes to the report and financial statements
For the year ended 31 March 2025

18. Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Overdraft	-	-
Debt (note 22)	1,500	-
Trade creditors	3,868	3,905
Rent and service charges received in advance	638	556
Deferred Grant Income (note 19)	609	618
Recycled capital grant fund (note 20)	-	-
Other taxation and social security	147	146
Other creditors	29	1,032
Accruals and deferred income	7,924	3,409
	14,715	9,666

Included in Other creditors is £nil (2024 £907,500) owed to Durham County Council in respect of the VAT shelter.

Included in Accruals is £24,141 (2024 £36,289) relating to holiday pay accrued as a result of services rendered in the current period which employees are entitled to carry forward. The amount is measured as the salary cost payable for the period of absence.

Notes to the report and financial statements
For the year ended 31 March 2025

19. Deferred Capital Grant

	2025	2024
	£'000	£'000
At 1 April	38,697	31,100
Grant received in the year	7,132	8,024
Recycled capital grant	65	-
Released to income in the year	(601)	(388)
Grants disposed during the year	(263)	-
Recycled in the year (note 20)	(65)	(39)
At 31 March	44,965	38,697

	2025	2024
	£'000	£'000
Amounts to be released within one year	609	618
Amounts to be released in more than one year	44,356	38,079
	44,965	38,697

20. Recycled capital grant fund

	2025	2024
	£'000	£'000
At 1 April	102	62
Grants recycled	65	39
Other adjustments	-	1
Withdrawals	(65)	-
At 31 March	102	102
Amount 3 years or older where repayment may be required	-	-

Withdrawals from the Recycled capital grant fund are used for the purchase of housing properties.

Notes to the report and financial statements
For the year ended 31 March 2025

21. Creditors: amounts falling due after more than one year

	2025	2024
	£'000	£'000
Debt (note 22)	149,500	145,000
Less debt issue costs	(1,242)	(1,396)
	148,258	143,604
Derivatives (note 30)	127	-
Deferred Grant (note 19)	44,356	38,079
Recycled capital grant fund (note 20)	102	102
	192,843	181,785

22. Analysis of changes in net debt

	At Beginning of the year	Cashflows	Non-Cash Movements	At End of the year
	£'000	£'000	£'000	£'000
Due in one year				
Cash and cash equivalents	1,488	1,900	-	3,388
Bank loans	-	-	(1,500)	(1,500)
Private placement	-	-	-	-
	1,488	1,900	(1,500)	1,888
Due after more than one year				
Cash and cash equivalents	-	-	-	-
Bank loans	(50,000)	(6,000)	1,500	(54,500)
Private placement	(95,000)	-	-	(95,000)
	(145,000)	(6,000)	1,500	(149,500)
Net Debt	**(143,512)**	**(4,100)**	**(-)**	**(147,612)**

Notes to the report and financial statements
For the year ended 31 March 2025

22. Analysis of changes in net debt (continued)

Security

The bank loans and private placement debt are secured by fixed charges on individual homes.

Terms of repayment and interest rates

The percentage of loans at fixed rates of interest including interest rate swaps was 86% at the year end. The weighted average cost of capital at 31 March 2025 is 3.67% (2024 3.39%)

At 31 March 2025 the Association had available further bank loan facilities of £59m (2024 £55m). Based on the lender's earliest repayment date, borrowings are repayable as follows:

	2025	2024
	£'000	£'000
Within one year or on demand	1,500	-
In one year or more but less than two	1,750	26,500
Between two and five years	52,750	23,500
Five years or more	95,000	95,000
	151,000	145,000

23. Non-equity share capital

	2025	2024
	£	£
Shares of £1 each issued and fully paid		
At 1 April and 31 March	10	8

The shares provide members with the right to vote at general meetings of the Association, but do not provide any rights to dividends or distributions on a winding up.

Notes to the report and financial statements
For the year ended 31 March 2025

24. Reserves

Revaluation Reserve
This comprises of unrealised surpluses or deficits on the revaluation of investments.

Revenue Reserve
This includes all current and prior year retained surpluses and deficits.

Cash Flow Hedge Reserve
This comprises the cumulative fair value gains and losses on derivatives designated as effective cash flow hedges.

25. Cash flow from operating activities

	2025	2024
	£'000	£'000
Surplus for the year	5,979	4,723
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	9,430	8,343
Impairment of tangible fixed assets	-	219
Unrealised loss on revaluation of investments	679	244
Defined benefit pension scheme operating charge	820	790
Defined benefit pension scheme contributions paid	(1,410)	(1,230)
Surplus on the sale of Social Housing	(726)	(548)
Loss on Non-Social Housing disposals	-	-
Decrease/(Increase) in Debtors	(222)	558
(Decrease)/Increase in Creditors	3,345	(138)
Decrease/(Increase) in Stock	-	105
Adjustments for investing or financing activities:		
Interest receivable	(214)	(211)
Interest payable	6,048	5,456
Government grant amortised	(601)	(388)
Net cash inflow from operating activities	23,128	17,923

Notes to the report and financial statements
For the year ended 31 March 2025

26. Capital commitments

	2025	2024
	£'000	£'000
Capital expenditure		
Expenditure contracted for but not provided in the accounts	31,038	23,142
Expenditure authorised by the Board, but not contracted	16,073	22,842
	47,111	45,984

The above commitments will be financed through borrowings, operating surpluses and Homes England grant.

27. Contingent assets / liabilities

The Association had no contingent assets or liabilities as at 31 March 2025 (2024 £nil).

28. Leasing commitments

The future minimum lease payment of leases are set out below. These relate to office premises, equipment provided for residents' use and office equipment.

Minimum future operating lease payments are as follows:

	2025		2024	
	Land and Buildings	Other Assets	Land and Buildings	Other Assets
	£'000	£'000	£'000	£'000
In one year or less	-	58	6	55
Between one and two years	-	52	-	52
Between two to five years	-	85	-	91
Over five years	-	-	-	11
	-	195	6	209

Notes to the report and financial statements
For the year ended 31 March 2025

29. Related parties

During the year, the aggregate amount received in rent for Board Members during their term of office was £2,289 (2024 £4,946). The arrears relating to tenant board members at the year end was £nil (2024 £nil).

An apprenticeship scheme is in place with the Advance Learning Partnership Multi Academy Trust of which Alan Boddy is the Chair of Governors. During the year one apprentice was recruited via the scheme (2024 three apprentices) from members of the Trust under a two year apprenticeship. No payments or receipts are made between Livin and the Trust.

30. Hedge Accounting

The Association has entered into a standalone hedging agreement which manages exposure to variable interest rate risk. Interest rate swaps relate to fixing variable rate interest and are therefore designated as cash flow hedges. They are measured at fair value at each reporting date. Gains and losses on cash flow hedges which are highly effective are recognised in Other Comprehensive Income. Any ineffective portion of a gain or loss on cash flow hedges is recognised in the Statement of Comprehensive Income. Interest rate swaps are held for the purpose of managing exposure to interest rate risk only.

Derivative financial instruments	Cash flow hedge reserve £'000 2025	Statement of Comprehensive income £'000 2025	Cash flow hedge reserve £'000 2024	Statement of Comprehensive income £'000 2024
	£'000	£'000	£'000	£'000
Subject to cash flow Hedging	(127)	(127)	-	-

Cash flow hedge

Interest rate swaps relate to fixing variable rate interest and are therefore designated as cash flow hedges.

All interest rate swaps constituted an effective cash flow hedge at 31 March 2025.

At 31 March 2025 the fair value of interest rate swaps held by the Association is £0.127m in liability (2024: £0m).

A decrease of £0.127m has been recognised in the cash flow hedge reserve.

The Association holds the following interest rate swaps at 31 March 2025.

Notes to the report and financial statements
For the year ended 31 March 2025

Type of swap	Notional amount	Fixed Interest rate %	Start date	End date
	£'000	£'000	£'000	£'000
SONIA Hedge	20,000	4.096%	19 December 2024	19 December 2029

Farrell House, Arlington Way
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