



Northamptonshire Partnership Homes  
A Company Limited by Guarantee  
  
Consolidated Financial Statements  
for the year ended 31 March 2024

<b>Contents</b>	<b>Page</b>
Company information	3
Strategic Report	5
Directors' Report	19
Statement of Internal Control	23
Independent Auditor's Report	26
Consolidated Statement of Comprehensive Income	30
Consolidated Statement of Financial Position	31
Company Statement of Financial Position	32
Consolidated Statement of Changes in Equity	33
Company Statement of Changes in Equity	34
Consolidated Statement of Cash-flows	35
Company Statement of Cash-flows	36
Notes to the Consolidated Financial Statements	37

## **COMPANY INFORMATION**

**Registered office** – The Guildhall, St Giles Street, Northampton. NN1 1DE

### **Board Members (statutory directors)**

There are a total of 12 places reserved on the Board for the following constituency groups: Independents Board Members (4), Tenants Board Members (4) and Council Nominated Board Members (4).

Those who are currently or who have served during the year are as follows:

#### **Independent Board Members**

Andrew Woods – Independent (Chair)  
Chris Deery – Independent (resigned October 2023)  
Rakesh Thakarar – Independent  
Clive Williams – Independent (appointed October 2023)  
Suzanne Williamson – Independent (appointed October 2023)

#### **Independent Co-optee**

Andrew Weatherill – Audit and Risk Committee

#### **Tenant Board Members**

Chris Webb – Tenant (Vice Chair)  
Godfrey Kanengoni – Tenant  
Clare Whitehead – Tenant  
David Godfrey – Tenant (appointed October 2023)  
John Connolly – Tenant (resigned October 2023)

#### **West Northamptonshire Council-Nominated Board Members**

Cllr Nigel Hinch – Council Nominated (resigned March 2024)  
Cllr Andrew Kilbride – Council Nominated  
Rebecca Purnell – Council Nominated  
Cllr Robert Purser – Council Nominated

#### **Executive Management Team (EMT)**

Mike Kay – Chief Executive (resigned May 2023)  
Steve Feast – Chief Executive (appointed May 2023)  
Linda Cherrington – Director of Finance  
Gary Duckmanton – Director of Property Maintenance & Compliance  
Nicola McKenzie – Director of Housing  
Olukunle Olujide – Director of Development (resigned February 2024)  
Julie Petrie – Director of Human Resources and Organisational Development  
Dale Robertson – Director of Corporate Services and ICT (resigned March 2024)  
Winston Williams – Director of Asset Management

## Professional Advisers

### Auditors

Forvis Mazars UK LLP  
The Pinnacle  
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Milton Keynes  
MK9 1FF

### Actuary

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London  
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### Bankers

HSBC Bank PLC  
St Clair House  
5 Old Bedford Road  
Northampton  
NN4 7AA

### Solicitors

Devonshires LLP  
30 Finsbury Circus  
London  
EC2M 7DT

### Solicitors

Shoosmiths LLP  
Witan Gate House  
500-600 Witan Gate West  
Milton Keynes,  
Buckinghamshire  
MK9 1SH

### Solicitors

Tozers LLP  
Broadwalk House  
Southernhay West  
Exeter, Devon  
EX1 1UA

### Solicitors

Trowers and Hamlins LLP  
3 Bunhill Road  
London  
EC1Y 8YZ

## STRATEGIC REPORT

### Purpose

Northamptonshire Partnership Homes Limited (NPH) was incorporated on 30 April 2014 and commenced operations on 5 January 2015 to take on the management of housing stock owned by Northampton Borough Council, which became part of the West Northamptonshire Council (WNC) as of 1<sup>st</sup> April 2021. NPH's purpose is to improve services and the provision of quality homes to more than 25,000 customers around Northamptonshire. We are proud to help many people live in a home they can afford in communities and places that they want to live in. Our vision, which remains unchanged since the business was established, is:

"To provide homes which enable people to live happy and healthy lives in enriched communities."

### Principal activities and funding

Northamptonshire Partnership Homes Limited (the Company) was created as an Arm's Length Management Organisation (ALMO) to manage Northampton Borough Council's housing stock. The Company was established with no share capital and is limited by guarantee. From 1 April 2021, the company's management agreement was novated to the new unitary council, WNC (the Council). The Company is a wholly owned subsidiary of WNC, and these financial statements are consolidated into the Council's accounts.

The principal activities of the Company are the provision of housing services including housing management, repairs, and major works. The business is also a development partner of the Council and receives funds on their behalf for the provision of new affordable housing.

The Company set up a wholly owned subsidiary, Happy to Help (Northampton) Community Interest Company (HTH) in July 2018 with the aim of improving the health, well-being, economy, environment, and availability of opportunity for the benefit of Northamptonshire residents and their communities. It is a Company limited by guarantee and is a not-for-profit organisation with an independent board of directors. The financial results of HTH have been consolidated into NPH's financial statements for the year.

### Section 172 Statement

In accordance with the Companies Act 2006, the Board members comply with the general duties: a duty to act within its powers, a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill, and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangements.

By meeting the s172 obligations of promoting the success of the Company, NPH has regard to:

- Likely long-term consequences of its decisions
- Employee interests
- Fostering of relationships with suppliers, customers, and others
- Impact of operations on the community and the environment
- Maintaining high standards of conduct
- Acting fairly between the members

This is reflected in the NPH Vision, Mission and Values statements, developed with all our stakeholder groups including tenants, employees, Board Members, operating partners, contractors and with the Council.

These statements set the direction for our strategic objectives. Our stated purpose and intention are at the core of who we are, what we want to achieve and how we want to deliver.

#### Our Vision:

NPH provides homes which enable people to live happy and healthy lives in enriched communities.

#### Our Mission:

- We improve lives by sharing a common purpose.
- We improve and maintain the quality of our homes.
- We provide services which endeavor to meet the needs and aspirations of all tenants and residents.
- We will provide the opportunity for people to influence the immediate and long- term futures for themselves and their communities.

#### Our Values:

- Open and Strong
- Listen and Respond
- Achieving more with others
- Aim High and Deliver

#### Our Objectives:

- Quality homes and estates
- Customer focused.
- Opportunity and access for all
- Maximizing partnerships
- Being an effective organisation

### **Review of business results and performance**

We are exceptionally proud of the commitment and dedication demonstrated across the business throughout the last financial year. The NPH team delivered on its strategic objectives despite the challenges of escalating costs, regulatory changes, the ongoing impact of the pandemic and other socio-economic challenges both internally and to the tenants. We are continuing to embed new ways of working with our parent WNC, following the changes to a unitary local authority. This is a huge achievement, and sincere thanks go to all our colleagues.

Our 2023/24 highlights are outlined as follows:

#### **Positive relationship with WNC**

Relationships with our parent council have continued to develop positively during the year and we have refreshed our Articles of Association reflecting the change not only to our parent company but

also our change of name to reflect the wider geographical reach NPH now has. A new management agreement is under development, replacing the original 15-year agreement. This will enable NPH to build on existing success, build stronger partnerships and work towards our ambition to become West Northamptonshire's housing provider and developer of choice.

### **Business as usual**

NPH has overcome many of the challenges the Covid restrictions brought including the continuation of reducing delays on responsive repairs and meeting enhanced customer expectations. One area, however, that has been impacted in 2023/24 are the challenges on the legal position for NPH and WNC within the courts taking enforcement action. As a result, the number of possession actions and evictions were below pre-Covid levels. Reassuringly, clarity has now been provided allowing the appropriate action to be taken as and when required.

Colleagues have embraced agile ways of working which has driven efficiencies and is making better use of resources and providing the optimum solution to delivering services for residents.

### **Recognition and awards**

During the year NPH has been recognised for the following work:

- **Customer Impact Award** – won at the '*Building Communities Awards 2024*'.
- **Best Net Zero Carbon Initiative** – won at the '*NHMF Conference Awards 2024*'.
- **Most Innovative Retrofit / Refurbishment Scheme** – Finalist at the '*Housing Digital Innovation 2024*'.

### **HRA Income**

Tenant arrears and debt levels have an impact on the stability of the HRA. We have managed rent arrears within the target of 3.15%, including managing the impact Universal Credit has on tenants with a 12% increase in claimants, rising to 5,078, just over 45% of all tenancies.

We continue to work closely with tenants, particularly those facing hardship, and the Support and Financial Inclusion and Welfare Reform teams give support to claim backdated benefits, sourcing grants and other funding to help mitigate the challenges of the ongoing economic climate. Across these two areas alone over £651k of assistance has been sourced for tenants. Consequently, there has only been 13 evictions relating to non-payment of rent this financial year. Court costs than budgeted, releasing funding to support other areas where costs continued to rise due to inflationary pressures particularly materials and subcontractor costs.

Void rent loss during the year has fallen by 0.54% from 1.3% to 0.76% (£449k).

### **Housing Management Services**

The increased demand for housing has continued throughout 2023/24 with the housing register having risen from 3,583 last year to 3,946 (over 10%). This demand has also been impacted by the reduction in the number of properties terminated and therefore available for allocations.

This growth is also evident from the need for temporary accommodation and to support WNC in meeting this demand, there has been an increase in the number of homes being reappropriated from

available housing stock to be used for temporary accommodation, with numbers now standing at 176 (2022/23: 154).

The cost of delivering housing management services has only increased by 3%, below inflation and includes the changing landscape of the delivery model particularly in relation to the complex needs for those within specialist accommodation. This year we have invested in the lifeline service, moving from analogue to digital solutions benefitting our most vulnerable tenants.

In 2023/24 there have been 586 allocations to WNC properties, and an additional 420 allocations to Registered Social Landlord properties. Of these allocations, 111 properties were specifically allocated to applicants who required Older-Person's accommodation. There have been 350 new referrals to the Welfare Service bringing the total number now being regularly visited to 328.

On average we receive between 20-30 applications per month for mutual exchanges. To support understanding and knowledge, the Mutual Exchange Coordinator has developed improved information for tenants, and this has increased the communication via our Social Media platforms. This year there have been 325 Mutual Exchange applications completed and 121 successful sign-ups.

### **Repairs and Maintenance**

The level of responsive repairs and voids work remained high and now reflects a continued increase in demand being experienced by all housing providers. The number of enquiries around damp, mould, and condensation, has continued to be high as press coverage and awareness raising the profile. NPH is now separately triaging requests for damp inspections, to ensure these are dealt with effectively ensuring the impact to tenants is assessed, as well as the condition of the property.

Void turnaround times have reduced to 27.03 days, which is a significant improvement year on year, allowing the maximum availability to support tenants in need of homes. The volume of voids has stayed stable and during 2024/25 trends will continue to be monitored.

There continues to be significant budgetary pressure on materials and subcontractors; however, we continue to actively seek ways to mitigate these cost pressures.

### **Compliance**

The building safety and compliance team are responsible not only for ensuring NPH remains compliant but also horizon scanning to introduce and implement additional requirements that are emerging. An example of this has been the transition moving from a 10-year electrical testing programme to a 5-year programme. During the year we have substantially completed this work with only 630 remaining which will be completed in 2024/25, ahead of the legislation coming into force.

The Building Safety Act 2022 and the Fire Safety Order that came into effect in January 2023, now requires that external wall systems are understood and form part of our fire risk assessment for buildings over 18 meters in height or 7 storeys tall. This is done by having a PAS 9980 assessment, which identifies any combustible cladding on the blocks. NPHs' assessment, undertaken as part of a sector leading pilot study, identified combustible cladding on 8 blocks. To allow these blocks to remain compliant with all legislation, a stay put fire policy was put into place and the cladding removed from the walkways to ensure the escape routes are sterile. The long term works and implications are being considered and an action will be put in place in collaboration with WNC.



During the year 69 properties were identified as having potential issues with Reinforced autoclaved aerated concrete (RAAC). These were inspected and none were found to be affected.

### **New homes**

Building new homes continue to be an ongoing priority for NPH, with a need to address the shortfall between demand and supply of affordable housing for tenants. In partnership, WNC has increased the scale of the Housing Revenue Account development program and NPH continues to seek opportunities to bring forward options for development. This year we have completed 97 new homes. In addition, on behalf of WNC we have bought back and prepared 14 homes to support the Temporary Accommodation and Refugee initiatives, with many more to come.

The number of Right to Buy (RtB) sales fell as the economic situation deteriorated and mortgage rates continued to rise with only 73 sales during the year (2022/23: 88). This has therefore helped to limit the depletion of existing housing stock.

The lifting of the HRA borrowing cap by the Government in October 2018 has meant that there is capacity within the HRA to build new affordable homes across the wider area of West Northamptonshire. This is not an endless supply of capital and it is therefore key that schemes meet the required financial criteria and our customers' needs. These are subsidised by 141 Right to Buy receipts and Homes England grants, demonstrating affordability for the HRA. NPH and WNC remain committed to considering different options available, to access additional funding and deliver an increased and accelerated programme that is not at the expense of investment in the current stock. The aim is to have a suite of options available to maximise the delivery of all aspects of stock investment. During 2023/24 additional funding has been secured through the Social Housing Decarbonisation Fund (SHDF).

### **Sustainability and Decarbonisation**

Our work under the government's Social Housing Decarbonisation Fund (SHDF) programme has continued with the completion of the wave 1.1 and 1.2 schemes, retrofitting 578 homes and bringing their energy efficiency to EPC C or higher. NPH has also successfully received further funding from the Department for Energy Security and Net Zero (DESNZ), formerly received from the Department for Business, Energy, and Industrial Strategy (BEIS), for wave 2 allowing for the retrofit of a further 214 homes.

The specific carbon reduction targets within the NPH Sustainability Strategy aim to achieve continual reduction of 7% per year, and an overall 20% reduction in carbon emissions by 2023 compared to a 2018-19 baseline. The following sections describe how NPH has not only achieved but exceeded our carbon reduction targets.

### **Streamlined Energy and Carbon Reporting**

The energy and carbon data submitted in this report complies with the requirements of the Streamlined Energy and Carbon Reporting (SECR) legislation and follows the UK Government Environmental Reporting Guidance 2019. The most recent UK Government Conversion Factors for Company Reporting have been used for all calculations.

This formal overview of current NPH energy consumption and carbon footprint is included in the annual Financial/Director's return in accordance with the SECR legislation. It is intended to provide a basis for design and implementation of greenhouse gas emission reduction and removal initiatives.

Energy and carbon data is quantified and reported annually by the NPH Sustainability Manager with support from relevant departments within NPH. A table of data is provided in figure 2 illustrating energy and carbon performance for the reporting period 2023/24 against previous reporting periods and a base year of 2018/19.

NPH have an open approach to communication and dissemination of its energy and carbon emissions data. A summary will be made available on the NPH website and communicated to appropriate internal and external stakeholders, such as WNC, NPH employees, and tenants.

## Methodology

The international standard ISO 14064-1:2019 Greenhouse gases part 1, provides the formal methodology for quantification and reporting of NPH greenhouse gas emissions.

A systematic approach has been applied with consideration for environmental aspects and impacts in terms of cause and effect. Environmental aspects summarised in table 1; greenhouse gas inventory is converted into tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) as a common and consistent indicator of environmental impact<sup>1</sup>.

*Table 1; NPH Greenhouse gas inventory*

Environmental Aspect	Description	Scope
Gas	Gas consumption in kWh in relation to all energy supply contracts	Scope 1
Diesel	Fleet fuel consumption, measured in litres of diesel, converted into kWh	Scope 1
Electricity	Electricity consumption in kWh in relation to all energy supply contracts	Scope 2
Grey Miles	Business mileage from employee vehicles (grey miles)	Scope 3
Water	Water supply and treatment in m <sup>3</sup> in relation to all water supply contracts	Scope 3
Waste	Disposal of various waste streams in tonnes including from fly tipping and estate services, building waste and minor voids, and office waste.	Scope 3

Verification and validation of the data and statements included in this report will be conducted by the WNC Sustainability Team. An outcome report will summarise the findings.

## Boundaries

The organisational boundary for NPH energy and carbon reporting follows a financial control approach, consolidating facility-level greenhouse gas emissions from multiple sources, reporting all significant energy and carbon emissions resulting from activities and operations NPH have financial control over.

The Reporting boundaries applied follow the Greenhouse Gas Protocol definitions of:

Direct greenhouse gas emissions from sources under NPH control

Indirect greenhouse gas emissions because of NPH actions that occur at a source out of NPH control.

<sup>1</sup> Carbon dioxide equivalent is a recognised metric to include other greenhouse gases, e.g., methane, relevant to an environmental aspect being reported

Following the Greenhouse Gas Protocol, three broad scopes are also applied:

Scope 1: All direct greenhouse gas emissions, including gas and diesel.

Scope 2: Indirect greenhouse gas emissions from purchased electricity.

Scope 3: Other indirect emissions, including grey miles, electricity transmission and distribution, and outsourced activities such as water supply and treatment and waste disposal.

#### Exceptions and exclusions

- Greenhouse gas removals are not included in this energy and carbon data.  
Net zero carbon transformation will require a balance of inputs and outputs: carbon emissions against carbon sinks and removals. Sufficiently robust data for NPH greenhouse gas removals is not currently available. Applicable methodologies and guidance for quantification of emissions removals is available in ISO 14064-1 and the Greenhouse Gas Protocol.  
Development of NPH energy and carbon reporting working towards a net zero carbon transformation will seek to include elements of greenhouse gas sinks and removals into the greenhouse gas inventory. For example, biogenic removals and storage e.g., afforestation, reforestation, forest restoration, urban tree planting, agroforestry, building soil carbon, etc.
- Energy and water consumption from NPH's main office at Westbridge Depot is excluded from this data collection.  
Westbridge Depot is leased to NPH from WNC. Provision of energy and water is provided as part of the landlord services and therefore accounted in WNC's own energy and carbon reporting. To avoid double counting, and in respect of the organisational boundary described above, energy and water supplied to this site is excluded from NPH's energy and carbon data.
- Housing stock energy and carbon emissions are excluded from this report.  
The housing stock managed by NPH has a carbon footprint far greater than the operational carbon emissions declared in this report. However, those emissions are deemed out of scope. The purpose of this energy and carbon reporting system is to provide a basis for design and implementation of greenhouse gas emission reduction and removal initiatives in relation to NPH operations.

The described exceptions and exclusions are reviewed annually. Agreed changes following review will be documented and highlighted in future energy and carbon reports.

#### Quantified energy and carbon data

NPH carbon performance from a 2018/19 baseline to the financial year of 2023/24 is summarised in figure 2. The latest NPH carbon footprint is 1,769 tCO<sub>2</sub>e. This equates to an intensity ratio of 0.142 tCO<sub>2</sub>e per home (including leasehold).

The overall reduction in carbon emissions from a 2018-19 baseline is 29%, exceeding the target of 20% carbon emission reduction by 2023.

NPH carbon emissions have continually reduced from the initial baseline of 2,474 tCO<sub>2</sub>e in 2018-19. Year-on-year reductions have exceeded the 7% target for three years in a row, but 2023-24 data shows an increase of both total emissions and emissions per home compared to the previous reporting period. Over the four-year period (2020/24), these still average over the 7% target.

	Baseline 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<b>Scope 1 emissions (tCO<sub>2</sub>e)</b>						
Gas	1,259	1,255	1,249	1,165	1,090	1,092
Diesel	218	226	214	215	217	204
<i>Scope 1 energy consumption - kWh</i>	<i>7,847,925</i>	<i>7,749,812</i>	<i>7,679,142</i>	<i>7,267,832</i>	<i>6,868,706</i>	<i>6,831,938</i>
<b>Scope 2 emissions (tCO<sub>2</sub>e)</b>						
Electricity	527	579	477	432	394	419
<i>Scope 2 energy consumption - kWh</i>	<i>1,860,817</i>	<i>2,327,986</i>	<i>2,046,212</i>	<i>2,036,494</i>	<i>2,037,376</i>	<i>2,022,494</i>
<b>Total Scope 1 &amp; 2 emissions (tCO<sub>2</sub>e)</b>	<b>2,003</b>	<b>2,059</b>	<b>1,939</b>	<b>1,812</b>	<b>1,701</b>	<b>1,715</b>
Green Tariff electricity for scope 2 (tCO <sub>2</sub> e)			100	300	357	417
<b>Net Carbon outturn (tCO<sub>2</sub>e)</b>	<b>2,003</b>	<b>2,059</b>	<b>1,839</b>	<b>1,512</b>	<b>1,344</b>	<b>1,298</b>
<b>Scope 3 emissions (tCO<sub>2</sub>e)</b>						
Travel, Waste, Water, Electrical distribution	471	424	346	407	389	471
<b>Total annual net emissions tCO<sub>2</sub>e</b>	<b>2,474</b>	<b>2,484</b>	<b>2,185</b>	<b>1,920</b>	<b>1,733</b>	<b>1,769</b>
Intensity ratio: tCO <sub>2</sub> e/number of properties (including leasehold)	0.200	0.201	0.177	0.155	0.140	0.142
<b>Change in emissions from previous period</b>		0.4%	-12.0%	-12.1%	-9.7%	2.1%
<b>Change in intensity ratio from previous period</b>		0.7%	-12.2%	-12.1%	-10.0%	1.8%
<b>Change in emissions current period to baseline</b>		0.4%	-11.7%	-22.4%	-29.9%	-28.5%

Figure 1; Energy and carbon data

Scope 1 emissions are in line with prior year.

Under scope 2 emissions, kWh consumption of electricity has been very consistent year-on-year at roughly 2,000,000 kWh. As the carbon intensity of UK grid electricity has improved, the location-based carbon emissions from NPH electricity consumption have reduced by 4% compared to previous year.

The major scope 2 carbon savings can be attributed to the energy procurement risk management strategy implemented in 2020. In 2023/24 reporting period 99.5% of NPH electricity has been procured and supplied through a Green Tariff certified under the Renewable Energy Guarantees of Origin (REGO) scheme. Green tariff electricity is reported as zero carbon emissions using a market-based reporting approach.

Scope 3 emissions have reduced by 21% compared to the previous reporting period.

The area of greatest increase was in respect of void waste, which increased by 118 tonnes in one year. The conversion factor for this type of waste also increased from 446.2041 to 497.05, which means that converting the tonnage to kgCO<sub>2</sub>e, the higher the conversion the higher the kgCO<sub>2</sub>e.

### Progress towards Net Zero

WNC have made a commitment to the UK100 Net Zero pledge, to cut its own emissions to net zero by 2030, and for WNC residents and businesses to be net zero carbon by 2045. NPH has a key role to play in helping WNC meet these targets across all housing management services delivered under the management agreement.

Consumption of natural gas, primarily for communal heating systems, accounts for over 61.7% of the NPH's carbon emissions footprint. Reducing our reliance on gas whilst continuing to deliver a best-value service to NPH customers, will be a significant challenge. To help on this journey, air source heat pump domestic heating technologies are being explored, with a particular focus on the tenant experience, and we are supporting WNC on a feasibility study looking into potential development of a Northamptonshire low carbon heat network.

NPH carbon emissions from electricity are low due to REGO electricity supply. To improve on our current position and to develop a more robust net zero carbon energy system, we will continually seek to minimise energy consumption and increase the proportion of onsite renewable energy generation.

As an example of this, an extensive project to upgrade communal lighting systems is underway, aiming to improve lighting standards and reduce energy consumption. Approximately 2,000 outdated lamps in multiple apartment blocks have been replaced with low energy LEDs with motion sensors. This is modelled to reduce energy consumption by roughly 300,000 kWh per year, saving almost £100,000 annually.

NPH manage almost every type of waste stream imaginable, including building waste, office waste, hazardous waste, and much more. Coupled with the high volumes collected, this makes waste a complex and challenging environmental aspect. Waste has the second highest environmental impact, accounting for almost a fifth of the total carbon footprint.

Diesel used in the fleet of NPH vans accounts for 11.5% of total carbon emissions (2022/23: 12.5%). The transformation to a zero-carbon fleet is anticipated to see the uptake of electric vehicles being gradually blended in over the coming years. Consideration has been made for how this will impact NPH operations, and our expectation is for the NPH fleet to be diesel free and zero carbon before 2030.

### **Carbon reduction of the housing stock**

The portfolio of circa 12,000 homes managed by NPH has a modelled carbon footprint of 22,564 tCO<sub>2</sub>e. Our aim is to transform to a net zero carbon housing portfolio by reducing energy consumption and increasing the provision of renewable energy.

More than 1,100 homes in the portfolio currently have solar Photo Voltaic (PV) panels, providing more than 3MW of renewable power. For the period 2023/24 this generated 1.9 million kWh of renewable electricity.

Our Social Housing Decarbonisation Fund (SHDF) demonstrator scheme completed in December 2022. The project completed whole-house retrofit to 149 solid-wall homes in Kingsley and Kingsthorpe, installing high performance energy efficiency measures such as external wall insulation, new windows, and doors, and 70 new solar PV systems.

During 2023/24 we have completed 429 homes through Wave 1 and started retrofit work on a further 214 homes for Wave 2 of the SHDF schemes.

This has significantly reduced the energy consumption of the retrofitted homes, saving tenants hundreds of pounds on energy bills, and offering some protection from the energy price rises seen over the past 18 months. Reduced energy consumption has also resulted in significant reductions in carbon emissions.

### **Happy to Help (Northampton) Community Interest Company**

During 2023/24 our Community Interest Company (CIC), Happy to Help continued to deliver additional support to tenants. Our services provided interventions around poverty in all forms – food, fuel, decorating, furniture and digital, all made possible through Corporate Social Responsibility commitments and donations secured through procurements and frameworks.

We distributed shopping vouchers to tenants in need, on behalf of the Northamptonshire Community Foundation, totalling £28,040, supported 255 people with crisis food aid and helped 277 people via our Crisis service with white goods, beds, bedding, and essential furniture items.

Across the wider communities and groups who directly or indirectly support tenants across Northampton, we have provided 30 Communities Fund grants, estimated to support 900 people. These funds have allowed a multitude of support: from day trips and the late Queen's jubilee celebrations, to supporting litter picking, art, crafts, drumming and folk-dance opportunities.

We expanded the Paint Shop opening hours in Kings Heath, enabling 639 households to decorate their homes on a budget and diverting 4,355 litres of paint from going to landfill.

The subsidised gardening service has been very popular this year building on the success of the handy person service. Over the year this has helped 528 households that may struggle due to old age, disability, or long-term illness, to have the maximum benefit from their homes and outdoor spaces.

### **Our Corporate Plan (2018/23)**

NPH has five key strategic priorities as detailed in the Corporate Plan (available on the [NPH website](#)) as follows:

- to deliver and maintain high quality homes and estates,
- to deliver high-quality, customer-focused housing services,
- to improve empowerment, opportunities, and access for all,
- to develop and maximise partnerships to build stronger, safer, and thriving communities in Northamptonshire; and
- to be an open, inclusive, effectively managed, and trusted organisation.

### **2024/25 Priorities**

To support the WNC Housing strategy released during 2022/23, WNC and NPH are developing a new management agreement replacing the existing agreement, which is due to expire in 2030, and giving ongoing stability and recognition of the close working partnership until 2054. Once completed this will require approval by the Secretary of State.

With the impending change to the management agreement, we are currently working to develop our new corporate plan for 2024/25 and beyond, which will include our priorities for the future:

- To provide safe, secure, high-quality homes and communities

- To deliver great customer services by hearing and acting upon the tenant's voice
- To work collaboratively with our partners
- To invest in training and employment opportunities
- To be a successful, well-managed and innovative Company

For 2024/25 we continue to deliver against multiple performance measures geared to achieving the strategic objectives. These are complemented by additional, more specific metrics against which NPH will also measure its performance as specified in the Value for Money statement.

### **Value for Money (VfM)**

We aim to continue to make cost savings while improving service delivery, recognising the challenges that this brings given the current economic climate. As NPH is an ALMO, rather than a Housing Association, it is not required by the Regulator of Social Housing (RSH) to comply with its standard on Value for Money. However, we recognise that the standard is best practice and that we should be explicit about how we adhere to the principles of achieving VfM and be held accountable for how we use tenants' rent.

The NPH Value for Money strategy and statement is published every three years and is available to download here ([VfM](#)) and our annual SECR report on sustainability and decarbonisation is also available ([SECR](#)).

### **Governance**

#### **NPH**

The Board consists of equal representation from tenant, council-nominated, and independent members. Council nominations are made by NPH's parent, West Northamptonshire Council. The make-up of the Board ensures that no single group holds a majority vote. An independent co-optee is appointed to the Audit and Risk Committee only.

The Board membership during the year is listed on page 3.

Board members are drawn from a wide background bringing together professional, commercial, and public sector experience. Board members receive a comprehensive and tailored induction on joining the Board and regularly update and refresh their skills and knowledge.

The primary role of the Board is to focus on strategic direction, growth, and risk. The Board meets formally throughout the year for regular business, and to discuss strategic issues. The meetings are held in accordance with the company articles of association.

During the year the Board has adopted the National Housing Federation (NHF) Code of Governance and commissioned an assessment to provide clarity on areas where further considerations are needed to meet this standard. This work will continue throughout 2024/25 delivered through Board workshops and implemented over future months.

NPH has four committees supporting the Board, with membership taken directly from existing Board members with the exception of an additional Independent Co-opted member for Audit and Risk Committee.

The current committee structure is as follows:

Board/Committee Member	Committee			
	Audit and Risk	Finance and Development	Operations and Resources	Remuneration and Review
Andrew Woods		Vice Chair		Chair
Rakesh Thakarar	Chair		Vice Chair	✓
Clive Williams	✓			
Suzanne Williamson		Chair		
Chris Webb	✓	✓		✓
Godfrey Kanengoni			✓	
Clare Whitehead	Vice Chair	✓	Chair	
David Godfrey			✓	
CLlr Andrew Kilbride		✓	✓	
Rebecca Purnell	✓	✓		
CLlr Robert Purser			✓	
Andrew Weatherill *	✓			

\*Independent committee member only

The Board delegates the day-to-day management of the business to the Chief Executive Officer and Directors who form the Executive Management Team (EMT). EMT meet bi-weekly and attend meetings of the Board and committees as appropriate.

#### Subsidiary board (HTH)

HTH Community Interest Company has its own Board of Directors which includes a minimum of one member from the NPH Board. Governance arrangements are appropriate to the size and activity of the business. All governance arrangements require the subsidiary to feed into the NPH governance structure.

#### Significant risks and uncertainties

The Board and EMT take responsibility for risk management seriously and have set a strategy that is reviewed annually. The risk management framework has at its heart a corporate risk register that has input from the board, senior management, and operational risk registers and project risk registers.

The Board updated the Strategic Risk Register following two dedicated sessions in November 2023, and reviews and updates the strategic risk position on a quarterly basis. In addition, NPH sets its Risk Appetite level annually, considering the Regulator of Social Housing, Sector Risk profile and local risk areas. Significant work has also been done to identify mitigations and monitor their delivery. A Board Assurance Framework is also in place, enabling Board to be provided with assurance against the mitigations and controls in place to manage all strategic risks. Updates and reviews are regular and a frequent part of senior management and Board meetings in order that the changing environment can be quickly identified and responded to with appropriate action.

During 2023/24, NPH continued to experience the instability of the economic climate, the scarcity of skilled labour to recruit, or from our supply chain. This has been in addition to the impact of rising inflation for substantial part of the year. This impact has been shown in increasing cost pressures, predominately from escalating materials and subcontractor expenditure, and staff vacancies, which we have helped to mitigate through value engineering and reappropriating resources where possible. The continued increase on the focus of damp, mould and condensation has also increased costs due



to the need to triage, inspect and address cases using external contractors as well as direct additional internal resources to meet demand.

During 2023/24 there was a rent increase of 7%, the largest since the inception of NPH. Understandably, this has impacted on the level of current tenant arrears, but we have delivered a reduction when compared to the previous year with an outturn of 2.92% (2022/23: 3.05%), exceeding the target of 3.15%. This shows that performance has continued to exceed target, though managing arrears has been challenging due to issues presenting at court, as there were minimal bailiffs available. It is recognised that Universal Credit (UC) is still likely to have an impact on the income collected in the HRA, and NPH continues to review collection activity and work with peers to try to mitigate any negative impacts.

There is a significant difference between the level of arrears for UC tenancies vs non-UC tenancies with an average across Northamptonshire of over £540 compared to circa £184 for non-UC tenancies. However, the average UC arrears has remained steady through 2023/24 despite the in-year rent increase of 7%. At the present time, it is not anticipated that the arrears position will result in a large increase in bad debts. This would have to reach high sustained levels before the management fee and capital allocations were affected. NPH together with WNC will continue to review the situation and monitor arrears and bad debt levels to ensure that, should a significant problem arise, then early warning triggers will be highlighted, and further mitigating actions put in place.

Sadly, there have been a growing number of tenants adversely impacted by the rising cost of food, fuel and rent costs, particularly for those not receiving benefits and in receipt of below-inflation wage rises. The number of tenants receiving Universal Credit has risen and now stands at over 45% of live tenancies, which has been impacted by those receiving tax credits transitioning in January 2024. The number of tenants receiving Universal Credit is estimated to increase by circa 1,900 (62%) in 2024/25, as full migration is rolled out across Northamptonshire. We continue to support tenants as much as possible during this transitional phase and beyond to ensure rent arrears levels can be mitigated wherever possible.

NPH recognise this impact and continue to provide support and signposting for tenants, through fuel and food vouchers, access to grants or unclaimed benefits and, new this year, the hardship funding initiative from WNC. As an organisation we can manage the business under these conditions, and continue to provide services and support to those in need in the communities that we operate in.

Although the Net Zero Carbon agenda is another growing area of risk and uncertainty, NPH have continued working with Business, Energy & Industrial Strategy (BEIS) and more recently the Department for Energy Security and Net Zero (DESNZ). To date, NPH has completed the retrofit work to existing stock known as the Wave 1.1 and 1.2 of the SHDF. There have also been successful applications for Wave 2.1 a total of £10.3m across all phases, which is match-funded over multiple years from existing budgets. This helps NPH to modernise those properties that fall below the EPC C requirements. With the current climate NPH recognises the challenge to deliver at the required cost in an inflation-pressured market and the key partners to deliver these schemes are in place.

NPH are preparing for the impact of the new RSH consumer regulations (effective from 2024/25) extending NPH's accountability as the housing management services provider for the landlord (WNC). This covers all aspects of social housing including safety, quality, neighbourhood, transparency, tenancy engagement, and accountability. One of the key changes from April 2024 will be the in-depth, ongoing feedback from tenants through Tenants Satisfaction Measure surveys.

Under the extension of the Westbridge lease (November 2021) further upgrades to site work have taken place, however as previously reported, as the location of the site falls within a blast zone, this has precluded most of the improvements included within this agreement being met. An alternative site has been identified by WNC and full planning has been sought. NPH anticipate that this will be available from 2025/26.

The NPH Management Fee is set annually in advance and is the financial resource available to deliver services and the Corporate Plan. The fee is funded from the Housing Revenue Account (HRA) and where required from the Council's General Fund. The HRA is funded by rents, therefore an increase in bad debt resulting from the current economic environment is one of the main risks to the HRA and NPH's future management fee.


### **Retirement benefit obligations**

Through the Management Agreement, the Council has indemnified NPH against adverse variances in its pension scheme for transferred employees.

This financial year, as in 2022/23, the present value of the defined obligation at the reporting date is less than the fair value of plan assets at that date, resulting in the plan having a notional surplus. As management do not consider that the Company and Group will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with IAS19.

### **Approval**

The Strategic Report was approved by the Board and signed on its behalf:

  
A H Woods (Aug 23, 2024 17:38 GMT+1)

A H Woods

Chair

Date: Aug 23, 2024

## **DIRECTORS' REPORT**

### **Board members**

The constitutional make-up of the Board ensures a good mix and understanding of stakeholders. All contribute fully to the governance and oversight of NPH and bring a good diversity of experience.

The Board interacts with the business, its suppliers, and employees as appropriate to their role, utilising several channels throughout the year. Board members attend training to help develop and maintain ongoing knowledge and understanding. Some employees attend board meetings on an ad-hoc basis to present papers and employee-related items are regularly reviewed by committees and Board. Board members also spend time with employees in the business to increase their understanding and knowledge of NPH. All of this gives them the requisite skills to take decisions and actions such as signing off contracts (in line with corporate Financial Regulations and Contract Procedure Rules) and agreeing changes to strategies including those focussed on people and operational delivery.

The Board maintains an appropriate level of scrutiny of the business in line with their terms of reference, scheme of delegations and code of conduct. This ensures that they maintain a high-level strategic role without direct involvement in the operational side of the business.

Board remuneration is at the discretion of the Board and in accordance with its Articles of Association. The level of remuneration is reviewed at least every three years and was last reviewed in February 2023. All independent and Tenant Board members receive remuneration for their services. All Board members can claim expenses reasonably and properly incurred.

### **Insurance**

The Company has independent insurance for Directors and Officers Liability and this cover was in place for the duration of the financial year. Other insurance policies are arranged through Cambridge Insurance Services which continue following the robust tender process in October 2022.

### **Statement of board members responsibility**

The Board members are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the directors are required to: -

- i) select suitable accounting policies and then apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) state whether applicable international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- iv) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Acts 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Declaration of Board member's interest**

All Board members have signed a declaration of Board member's interest and there are no matters to report.

### **Assessment of the effectiveness of Internal Control**

The Board acknowledges its responsibility for ensuring that effective systems of internal control are maintained and operated throughout the Company.

The system of internal control can provide reasonable but not absolute assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that material errors or irregularities are either prevented, or would be detected, within a timely period.

It is based on a framework of regular management information, financial regulation, administrative procedures, management supervision and a system of delegation and accountability. For further information see the Statement of Internal Control on page 23.

### **People**

Our approach to our people is very simple: to enable the Company's growth through recruitment, retention, and development of talent.

### **Recruitment**

Northamptonshire Partnership Homes strives to be an accessible employer of choice. We operate a scheme where candidates with disabilities are given an automatic interview if they meet the essential criteria for the post.

### **Employee Involvement**

#### **Communication**

We value our employees and recognise the need for, and benefit of, good internal communication. Communication within the Company is delivered in a variety of ways including regular staff updates via the Intranet, all-staff emails, team meetings, one-to-one meetings, and face-to-face employee forum meetings.

#### **Consultation**

As our most important asset we aim to involve our employees in the running of the business. Every two years NPH embarks on a staff satisfaction survey to gauge the opinions of staff. The results of the survey influence the way we engage with staff, policies, internal processes, the way we conduct our business, and employee terms and conditions. Ad-hoc surveys are sent to employees to ask their opinion on changes to HR policies, social events etc. NPH regularly consults with employees direct, as

well as working with Trade Unions (GMB, UNISON and UNITE). Trade Union consultation meetings took place bi-monthly in 2023/24. Topics discussed included policies, restructures, and pay. The discussions influenced the content of policies, the shape of the structures, and the final pay offer made by NPH.

All HR policies are available on the NPH Intranet for all employees to view.

### **Employee Development**

NPH have continued to promote and recruit apprenticeships, providing external and in-house employee development and actively supporting promotion opportunities where possible. Teams are evolving to ensure that there is the necessary capacity and expertise to deliver the strategic objectives and that there is consistent investment in employee training and development initiatives.

A wide variety of training has been, and continues to be, carried out, including apprenticeships, technical training, and bespoke training.

The electronic appraisal system, based on the organisation's competency framework, complements the support and development provided to all employees, who also receive regular one to one meetings and performance review meetings with their line managers.

The Company is open to consider and adopt flexible and new methods of working and will utilise technology to enable this where mutual benefits to both the employee and service delivery can be identified. To maximise use of our office accommodation we provide a number of "hot desk" facilities for mobile workers.

### **Going Concern**

The Board are of the opinion that Northamptonshire Partnership Homes has adequate resources to continue in operational existence for the foreseeable future and continues to adopt the going concern basis in preparing the financial statements.

Currently the Company has a 15-year contract in place with the Council, which commenced in January 2015. Following the unitary changes within Northamptonshire, West Northamptonshire Council became NPH's new parent organisation, and the original contract was novated. A new management agreement is under development which will be for a term of 30 years providing clarity and stability for a longer-term strategic partnership.

Management fees are paid in return for delivery of housing management and maintenance services, as prescribed in the management agreement.

### **Disclosure of information to Auditors**

The Board members who held office at the date of signing this report confirm that:


- i) so far as each Board member is aware, there is no relevant audit information of which the Company's auditors are unaware,
- ii) The Board members have taken all the steps that they ought to have taken to be aware of any relevant audit information and to establish that the auditors are aware of that information.

## Independent Auditors

Following a competitive tender process Forvis Mazars were re-appointed for a new three-year term with the provision of an extension of two years. This was approved at the Annual General Meeting held on 13 October 2023.

## Approval

The Director's Report was approved by the Board and signed on its behalf:

  
A H Woods (Aug 23, 2024 17:38 GMT+1)

A H Woods  
Chair  
Date: Aug 23, 2024

## **STATEMENT OF INTERNAL CONTROL**

### **Internal Control**

The governance framework comprises the systems, processes, and internal controls in place to give assurance to the Board and the Council that the Company is fulfilling the requirements of the Management Agreement and Corporate Plan, complying with the Articles of Association, and meeting the Company's aims and objectives and is discussed in further detail below.

The system of internal control is in place to manage risk to a high level, although it cannot give absolute assurance. The key systems of internal control in operation are comprised of the following:

### **Corporate Governance**

The Board is responsible for the business of the Company subject to compliance with the provisions of the Companies Act 2006 and the articles of association.

During 2023/24 the Board held seven meetings. The Board is supported by four Committees as detailed on page 16. There are no delegated powers for committees in their specific terms of reference, but they consider the detail of matters under their remit and make recommendations to the Board for formal approval. The frequency of meetings is subject to regular review.

### **Business Plan**

As a Council-owned Company, NPH's objectives are strongly aligned to the Council's Corporate Plan objectives.

The Company's objectives reflect a balanced approach focused on internal change and strengthening the relationship with the Council's tenants, whilst recognising the importance of developing services and the role of the Company in the communities within which NPH works.

### **Executive Management Team**

Operational day to day management of the Company is delivered under the direction of the Executive Management Team. This Management Team is professionally competent including suitably qualified and experienced staff with relevant specialised skills and knowledge for the key operational activities of the Company.

### **Risk Assessment and Risk Management**

The Company places high importance on the identification, monitoring, and control of risk. The Company has a Strategic Risk Register together with a Risk Management Strategy and Policy. Training and development on Risk Management is available to the Board and senior management as required.

The Board has a fundamental role to play in overseeing the management of risk in corporate activity. They set the risk appetite of the organisation and approve major decisions affecting the Company's risk exposure and monitor the management of significant risks. They also satisfy themselves that the less significant risks are being actively managed, with the appropriate controls in place.

Risk is reviewed on a regular basis by the Board, the Audit and Risk Committee and by EMT. The Risk Management Strategy and Policy was reviewed during 2023/24 and includes a Board assurance mechanism to ensure strategic risks are assessed and clearly linked to strategic objectives.

The Audit and Risk Committee receives an annual review of Risk Management carried out by Internal Audit and formally reviews the Company's strategic risk registers. The Committee is responsible for ensuring that there is a robust and efficient Risk Management process in operation across the Company.

The Heads of Service (NPH senior management team), have responsibility to maintain an operational risk register and identify risks that should be included in the Company's Strategic Risk Register. Managers also have responsibility to ensure that risks are being allocated to appropriate risk owners and are managed accordingly. During the year operational risks have been linked to key performance indicators as a complementary method of assessing risk.

## **Compliance**

Compliance with statutory legislation is one of the company's largest risks. The compliance team is responsible for building safety as well as a range of compliancy areas; the main ones being damp and mould, gas, electrical, fire, legionella, asbestos, and radon. The building safety part of this team has ensured we comply with the Fire Safety Act 2021 which is a result of the outcomes from the Grenfell enquiry. Whilst this act is new to the housing sector, the team are fully aware of the requirements placed on social landlords and continue to work to maintain adherence.

The new Building Safety Act 2022 and the Fire Safety Order regulations that came into effect in January 2023 require that external wall systems are understood and form part of the fire risk assessments. This is through a PAS 9980 assessment, which identifies any combustible cladding on the blocks. NPHs' assessment identified combustible cladding on 8 blocks and to allow these blocks to retain a stay put fire policy, WNC supported the swift removal of the cladding from the walkways to ensure the escape routes remained sterile. The long term works and implications are being considered by WNC, as the landlord, which will then inform the future action to be taken by NPH.

Reinforced autoclaved aerated concrete (RAAC) checks have been completed on 69 properties and none have been found to contain any.

Compliance, building safety and health and safety are all monitored through risk management and performance management activities.

## **Audit**

The activities of the Company are subject to review by external and internal auditors. Audit and Risk Committee review in detail all internal audit reports and the annual audit plans are considered and approved by the Board.

Our internal audit advisors, RSM, have confirmed in their annual internal audit report that there is an adequate and effective framework for risk management, governance, and internal control.

## **Performance Management**

The Company monitors performance against several indicators and formal performance reports are produced for EMT, the Committees and Board in line with the agreed reporting timetable. Wherever performance varies from targets, managers are required to explain the cause and, if necessary, identify actions to meet the required standards.



A full suite of performance monitoring information is prepared to assist the management of service delivery.

### **Financial Control and Budget Management**

The Company has continued to engage Cambridgeshire County Council shared services to provide several financial services. Under this arrangement there are robust financial and management policies in place to ensure effective safeguards and controls to manage money and assets.

The Company and its subsidiary have tailored Financial Rules which set out its financial policies in the form of the Financial Regulations, Scheme of Delegations and Contract Procedure Rules. These provide the framework for managing the Company's financial affairs. They apply to every Board member, Committee, and employee or anyone acting on behalf of the Company. The Financial Rules identify the financial responsibilities of the Board, its Committees, EMT and staff members.

The Financial Rules provide guidance on financial management and control, financial planning, risk management and control of resources, systems and procedures and external arrangements.

### **Budgetary Control and Reporting**

Monthly budget reports are prepared for Company managers and budget holders to monitor income and expenditure, forecast trends, and outturn projections, and identify potential pressures or underspending. Where significant budgetary variance is identified, the responsible manager will meet with the specific finance business partner to identify corrective action. EMT and the Senior Management Team review these reports monthly.

The Company maintains flexibility with its financial resources and the Financial Rules permit virements between budget heads to enable the redirection of resources considering emerging pressures or opportunities. These virements are further controlled through the Management Agreement through which funding is provided with some requiring the agreement of the Council's s151 Officer (The Chief Financial Officer).

Financial monitoring and update reports are presented at each quarterly Finance and Development Committee meeting and formally to the Board on a quarterly basis.

### **Service Level Agreements**

Consequent upon the various disengagement issues negotiated at the time NPH was established by the Council, several support functions are still purchased from external suppliers. During 2023/24 most of these services were still provided by the Council under Service Level Agreements (SLAs) including – importantly – central back-office services. In addition to the terms stated in these SLAs, the Company places a level of assurance on the systems of internal control in place within the Council in respect of these services.

### **Policies and Procedures**

The Company's practices and activities are defined in its policies and procedures. These documents ensure that appropriate control and guidance is available to the Board and employees when undertaking the business of the Company. Policies and procedures are subject to approval of either the Board or delegated authority to a committee or an Executive Director. All policies and procedures are available to Board members and staff on the Company intranet.

## **Independent auditor's report to the members of Northamptonshire Partnership Homes Limited**

### **Opinion**

We have audited the financial statements of Northamptonshire Partnership Homes (the 'parent company') for the year ended 31 March 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Statement of Cash-flows and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of its loss for the year then ended; and
- have been properly prepared in accordance with UK-adopted international accounting standards; and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the group and the parent company 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company'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 directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Directors**

As explained more fully in the Statement of Board Directors responsibility set out on page 19, the directors are 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 directors determine 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 directors are responsible for assessing the group's and the parent company'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 directors either intend to liquidate the group parent company or to cease operations or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in

significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion subject to your revenue recognition significant fraud risk) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected, or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

### **Use of the audit report**

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

  
[David Hoose \(Aug 26, 2024 09:38 GMT+1\)](#)

David Hoose (Senior Statutory Auditor)  
for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor  
The Pinnacle  
160 Midsummer Boulevard  
Milton Keynes  
MK9 1FF

Date: Aug 26, 2024

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2024

	Notes	2023/24 £000's	2022/23 £000's
Revenue	2	74,305	65,387
<b>Total Revenue</b>		<b>74,305</b>	<b>65,387</b>
Employee benefit expenses	4 & 18	(14,360)	(14,667)
Other expenses	3 & 4	(59,373)	(51,335)
<b>Total expenses</b>		<b>(73,733)</b>	<b>(66,003)</b>
<b>Operating profit/(loss)</b>		<b>572</b>	<b>(616)</b>
Finance costs	11	-	(364)
Finance income	12	472	32
<b>Profit/(loss) before tax</b>		<b>1,044</b>	<b>(948)</b>
Taxation	13	(42)	(3)
<b>Profit/(loss) for the year</b>		<b>1,002</b>	<b>(951)</b>
<b>Other comprehensive income</b>			
Remeasurement of pension assets and liabilities	20	(1,043)	13,728
<b>Total comprehensive (expenditure)/income for the year</b>		<b>(41)</b>	<b>12,777</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	2023/24 £000's	2022/23 £000's
<b>ASSETS</b>			
<b><u>Non-current</u></b>			
Investment property	6	360	360
Fixed assets	7	465	749
Non-current assets		825	1,109
<b><u>Current</u></b>			
Trade and other receivables	8	4,416	8,269
Cash and cash equivalent	9	4,279	828
Current assets		8,695	9,097
<b>TOTAL ASSETS</b>		<b>9,520</b>	<b>10,206</b>
<b>LIABILITIES</b>			
<b><u>Current</u></b>			
Trade and other payables	10a	(8,008)	(8,373)
Lease liabilities	10b	(335)	(320)
Employee benefits accrual	19	(115)	(121)
Current liabilities		(8,458)	(8,814)
<b>NET CURRENT ASSETS</b>		<b>237</b>	<b>283</b>
<b><u>Non-current</u></b>			
Pension liability	20	-	-
Lease liabilities	10b	(33)	(320)
Non-current liabilities		(33)	(320)
<b>NET ASSETS</b>		<b>1,029</b>	<b>1,071</b>
<b>Equity and reserves</b>			
Pension reserve		-	-
Insurance reserve		138	138
Retained earnings		891	932
<b>TOTAL EQUITY</b>	15	<b>1,029</b>	<b>1,071</b>

These Financial Statements were approved by the Board and authorised for issue, signed for and on behalf of the Directors.

  
A H Woods (Aug 23, 2024 17:38 GMT+1)

A H Woods  
Chair  
Date: Aug 23, 2024

## COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	2023/24 £000's	2022/23 £000's
<b>ASSETS</b>			
<u>Non-current</u>			
Investment in subsidiary	5	-	-
Investment property	6	360	360
Fixed assets	7	465	749
Non-current assets		825	1,109
<u>Current</u>			
Trade and other receivables	8	4,359	8,240
Cash and cash equivalent	9	4,241	796
Current assets		8,600	9,036
<b>TOTAL ASSETS</b>		<b>9,425</b>	<b>10,145</b>
<b>LIABILITIES</b>			
<u>Current</u>			
Trade and other payables	10a	(7,995)	(8,370)
Lease liabilities	10b	(335)	(320)
Employee benefits accrual	19	(115)	(121)
Current liabilities		(8,445)	(8,811)
<b>NET CURRENT ASSETS</b>		<b>155</b>	<b>225</b>
<u>Non-current</u>			
Pension liability	20	-	-
Leasing liabilities	10b	(33)	(320)
Non-current liabilities		(33)	(320)
<b>NET ASSETS / (LIABILITIES)</b>		<b>947</b>	<b>1,014</b>
<u>Equity and reserves</u>			
Pension reserve		-	-
Insurance reserve		138	138
Retained earning		809	876
<b>TOTAL EQUITY</b>	15	<b>947</b>	<b>1,014</b>

Signed for and behalf of the Board of Directors.

  
A H Woods (Aug 23, 2024 17:38 GMT+1)

A H Woods  
Chair  
Date: Aug 23, 2024



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Notes	Pension Reserve £000's	Insurance Reserve £000's	Retained Earnings £000's	Total Equity £000's
<b>Opening balance at 1 April 2023</b>	15 & 20	-	138	932	1,070
<u>Profit for the period</u>		-	-	1,002	1,002
<u>Other comprehensive income</u>					
Remeasurement of pension assets and liabilities	20	(1,043)	-	-	(1,043)
Transfers to pension reserve	20	1,043		(1,043)	
<b>Total comprehensive expenditure for the year</b>		-	-	(41)	(41)
<b>Balance at 31 March 2024</b>		-	138	891	1,029

For the year ended 31 March 2023

		Pension Reserve £000's	Insurance Reserve £000's	Retained Earnings £000's	Total Equity £000's
<b>Opening balance at 1 April 2022</b>	15 & 20	(12,651)	138	806	(11,707)
<u>Loss for the period</u>		-	-	(951)	(951)
<u>Other Comprehensive income</u>					
Remeasurement of pension assets and liabilities	20	13,728	-	-	13,728
Transfers to pension reserve	20	(1,077)	-	1,077	-
<b>Total comprehensive income for the year</b>		12,651	-	126	12,777
<b>Balance at 31 March 2023</b>		-	138	932	1,071

## COMPANY STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

	Notes	Pension Reserve £000's	Insurance Reserve £000's	Retained Earnings £000's	Total Equity £000's
<b>Opening balance at 1 April 2023</b>	<b>15 &amp; 20</b>	-	138	876	1,014
<u>Loss for the period</u>		-	-	976	976
<u>Other comprehensive income</u>					
Remeasurement of pension assets and liabilities	20	(1,043)	-	-	(1,043)
Transfers to pension reserve	20	1,043	-	(1,043)	-
<b>Total comprehensive income for the year</b>		-	-	(67)	(67)
<b>Balance at 31 March 2024</b>		-	138	809	947

For the year ended 31 March 2023

		Pension Reserve £000's	Insurance Reserve £000's	Retained Earnings £000's	Total Equity £000's
<b>Opening Balance at 1 April 2022</b>	<b>14 &amp; 20</b>	(12,651)	138	738	(11,775)
<u>Loss for the period</u>		-	-	(939)	(939)
<u>Other Comprehensive income</u>					
Remeasurement of pension assets and liabilities	20	13,728	-	-	13,728
Transfers to pension reserve	20	(1,077)	-	1,077	-
<b>Total Comprehensive income for the year</b>		12,651	-	138	12,788
<b>Balance at 31 March 2023</b>		-	138	876	1,014

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
for the year ended 31 March 2024

	Notes	2023/24 £000's	2022/23 £000's
<b>Cash flows from operating activities</b>			
Profit/(loss) after tax		1,002	(951)
Adjustments (non-cash items)	14	2,033	4,228
Contributions to defined benefit plans	20	(3,000)	(3,162)
Net increase/(decrease) in working capital	14	3,418	(5,895)
<b>Net Cash inflow/(outflow) from operating activities</b>		<b>3,453</b>	<b>(5,780)</b>
<b>Net cash increase/(decrease) in cash or cash equivalents</b>		<b>3,453</b>	<b>(5,780)</b>
<b>Cash, cash equivalents and bank overdrafts at the beginning of the year</b>		<b>826</b>	<b>6,606</b>
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>		<b>4,279</b>	<b>826</b>

**COMPANY STATEMENT OF CASH FLOWS**  
for the year ended 31 March 2024

	Notes	2023/24 £000's	2022/23 £000's
<b>Cash flows from operating activities</b>			
Profit/(loss) after tax		979	(939)
Adjustments (non-cash items)	14	2,033	4,228
Contributions to defined benefit plans	20	(3,000)	(3,162)
Net increase/(decrease) in working capital	14	3,433	(5,881)
Net Cash inflow/(outflow) from operating activities		3,445	(5,755)
<b>Net cash increase/(decrease) in cash or cash equivalents</b>		<b>3,445</b>	<b>(5,755)</b>
<b>Cash, cash equivalents and bank overdrafts at the beginning of the year</b>		<b>796</b>	<b>6,551</b>
<b>Cash, cash equivalents and bank overdrafts at the end of the year</b>		<b>4,241</b>	<b>796</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Summary of Accounting Policies

#### 1.1 General Information

Northamptonshire Partnership Homes is a private company limited by guarantee without share capital and was incorporated on 30 April 2014. Its registered address can be found on page 3.

#### 1.2 Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost basis. NPH has chosen not to disclose the company's own statement of comprehensive income under the exemption provided under Section 408 of the Companies Act 2006.

#### 1.3 Standard, amendments and interpretations in issue but not yet adopted.

The adoption of the following mentioned UK-adopted and EU-endorsed standards, amendments and interpretations in future years are not expected to have a material impact on the companies' financial statements.

The Group is however continuing to assess the full impact that adopting will have on future financial statements, and therefore the full effect is yet to be determined.

Effective date:

Accounting periods

on or after:

IFRS 16 Leases (Amendment): Lease Liability in a Sale and Leaseback 01 January 2024

IAS 1 Presentation of Financial Statements (Amendment): Classification of Liabilities as Current or Non-current and Classification of Non-current Liabilities with Covenants 01 January 2024

IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures (Amendment): Supplier Finance Arrangements 01 January 2024

#### 1.4 Revenue and Other Income Recognition

Revenue is recognised when the amount and associated costs can be measured reliably net of VAT.

Revenue is measured at the fair value of consideration received or receivable for services provided by the Company and defined as the Service Fee in the Management Agreement.

Other income relates to grant funding, interest received and other income generating activities and the Works Fee defined in the Management Agreement and is recognised in the accounts on the same basis as revenue.

#### 1.5 Expenditure

Expenditure is recognised in the accounts upon receipt of goods or services and the associated costs can be measured reliably net of VAT.

#### 1.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year from activities with parties other than the Council and relate principally to the generation of interest income from balances.

We have received confirmation from HMRC that our commercial service provision activities with the Council for NPH are deemed to be non-trading in nature and hence do not attract Corporation Tax.

#### 1.7 Investment Property

Investment property has been recognised at the net present value of the rental income in conjunction with benchmarking against similar HMO property values in Northamptonshire.

#### 1.8 Recognition of Capital Expenditure (de-minimis Policy)

In accordance with International Accounting Standard 16 (IAS 16), the Company recognises non-current assets when all four of the following tests are met:

1. Assets held for use in the production or supply of goods or services, rental to others, or for administrative purposes.
2. Assets expected to be used for more than one financial period.
3. Assets where it is expected that future economic benefit will flow to the Company.
4. Assets where the cost can be reliably measured.

The capital cost of an asset is recognised to be:

- Purchase price, construction cost, minimum lease payments or equivalent including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- For assets held under operating leases these are adopted as non-current assets per IFRS16 and included at the net present value of the lease payments on an individual agreement basis.
- Costs associated with bringing the asset to the location and condition necessary for it to be capable of operating in the manner required by management.
- Initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located, the obligation for which the Company incurred either when the asset was acquired or because of having used the asset during a particular period for purposes other than producing inventories during that period.
- Subsequent expenditure that will substantially increase the market value of the asset.
- Subsequent expenditure which substantially increases the extent to which the Company can use the asset for the purpose, or in conjunction with the functions of the Company.
- The Company has a general de-minimis level of £1,000 for capital expenditure purposes.

- Capital Assets are held on the Statement of Financial Position as non-current assets, unless otherwise stated.

#### 1.9 Depreciation

Assets are depreciated over their expected useful lives on a straight-line basis to write down the cost less the estimated residual value of the asset.

Depreciation is based as follows:

- ICT equipment for the economic useful life of 3 years
- Operating lease assets over the term of the respective motor vehicle or property lease agreement term
- Fixtures and fittings over 3 years

Gains or losses arising on the disposal of assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the Comprehensive Statement of Income within Other Income or Other Expenses as appropriate.

#### 1.10 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets and liabilities are measured at amortised cost.

Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is de-recognised when it is extinguished, discharged, cancelled, or expires. Any gains and losses that arise on de-recognition of an asset are credited/debited to the Comprehensive Income and Expenditure Account.

#### 1.11 Inventories

Inventory is stated at the lower of cost and net realisable value and relate to van stocks for the responsive repairs service.

#### 1.12 Trade and Other Receivables

All trade and other receivables are made based on normal credit terms and do not bear interest. The carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. IFRS9 – expected credit loss allowance is not material year on year and the movement is not material.

#### 1.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at the bank and in hand, and other short-term deposits held by the Company with maturities less than 3 months.

#### 1.14 Trade and other payables

Trade payables are recognised at fair value.

#### 1.15 Employee Benefits

Employee benefits such as wages, salaries, paid annual leave and sick leave and overtime are considered as an expense in the year in which the employee renders the service to the Company.

An accrual is made for the cost of holiday entitlement earned by employees but not taken before the year end, and which may be carried forward into the next financial year. These are included in current liabilities under the "employee benefits accrual". An accrual is measured at the undiscounted amount that the Company expects to pay because of the unused entitlement. Accruals are not made for costs in respect of outstanding car mileage claims.

Termination benefits are amounts payable because of a decision by the Company to terminate an officer's employment before the normal retirement date. These costs are required to be recognised immediately in the provision of service.

1.16 Leases

The Company has a tenancy at will and a lease from the Council in respect of the Westbridge Office Accommodation in addition to commercial vehicle leases. A significant proportion of the risk and reward of ownership are retained by the lessor and therefore are classified as operating leases but require no further recognition under IFRS 16. Payments made under these agreements are charges under Other Expenses in the Statement of Comprehensive Income.

Other operating leases have been capitalised following the adoption of IFRS16 at the net present value of the discounted lease commitments. Depreciation and finance costs for these contracts are shown in the Comprehensive Statement of Income under other expenses and finance costs respectively.

1.17 Estimation uncertainty

The Company operates a defined benefit pension scheme for its employees and the future obligations and asset returns are based on several estimates and assumptions. In recognising these liabilities, we take advice from specialist consultants.

We have reviewed the useful economic life of equipment and intangible assets and based depreciation and amortisation charges on these assumptions.

1.18 Pensions

Employees of the Company are members of the Local Government Pension Scheme administered by West Northamptonshire Council. The Scheme provides benefits to members (retirement lump sums and pensions) earned as employees of Northamptonshire Partnership Homes and in the majority of cases, prior to their transfer to NPH on 5 January 2015, of the Council.

The Local Government Pension Scheme is a defined benefit scheme. The liabilities of the scheme attributable to the Company are included in the Statement of Financial Position on an actuarial basis using the projected unit method i.e., an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of earnings for current employees.

Pension liabilities are measured using the projected unit method and discounted at the Statement of Financial Position date rate of return on high quality corporate bonds of equivalent term to the liabilities. The discount rate is the weighted average of spot yields on AA rated corporate bonds.



The change in the net pension liability is analysed into seven components:

1. Current service cost - the increase in liabilities as result of years of service earned this year - allocated in the Comprehensive Income and Expenditure Statement.
2. Past service cost - the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years debited to the Net Cost of Services in the Statement of Comprehensive Income as part of Non-Distributed Costs
3. Interest cost - the expected increase in the present value of liabilities during the year as they move one year closer to being paid - debited to finance costs in the Statement of Comprehensive Income.
4. Expected return on assets - the annual investment return on the fund assets attributable to the Company, based on an average of the expected long-term return - credited to finance income in the Statement of Comprehensive Income.
5. Gains/losses on settlements and curtailments the result of actions to relieve the Company of liabilities or events that reduce the expected future service or accrual of benefits of employees - debited to the Net Cost of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs
6. Actuarial gains and losses - changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions - debited to the Statement of Comprehensive Income and expenditure.
7. Contributions paid to the Northamptonshire Pension Fund – cash paid as employers' contributions to the Pension Fund.

1.19 Going concern.

The financial statements have been prepared on a going concern basis. Forecast profile of income and expenditure for 2024/25 indicate that cash flows for the year will be sufficient to meet all obligations as they become due, including due consideration of the detrimental impact of Covid, due to the strong HRA position. There has been an increase in tenants accessing Universal Credit and delays in receipt of rental income; however, these continue to be actively managed and are not considered to materially impact the strong HRA position.

The payment from WNC in respect of the Management Fee is made monthly in advance. This payment profile helps ensure adequate cash flow is maintained throughout the year.

NPH manages the Council budgets for Capital and Revenue Maintenance of the property portfolio. These are invoiced monthly in advance based on approved budgets and are then adjusted to actual at year end. In this way income is balanced to expenditure over the course of the full year.

By virtue of the Management Agreement with the Council, the Council guarantees the status of Northamptonshire Partnership Homes as a going concern. This agreement is for a period of 15 years and each year a 5-year fee indication is provided. Crucially, the agreement contains paragraphs 19.1 and 19.2 (see below) which guarantee the status of NPH as a going concern.

*19.1 The Council shall provide and evidence such support for NPH as shall be required to enable NPH's auditors to confirm from time to time to NPH's Board of directors that NPH*

*is and will continue to be able to meet its debts as they fall due and is otherwise a 'going concern'.*

- 19.2 *The Council agrees that whether through the Total Fee or otherwise it shall ensure that NPH is able to discharge its liabilities for the pension's costs attributable to NPH's past, present, and future employees.*

For clarity, this agreement, and the commitment to supporting NPH has continued following the newly formed West Northamptonshire Council.

#### 1.20 Key Judgements

The Company has responsibility to commission and project manage the Capital and Revenue repairs programme for Council homes. Contracts are issued in the name of Northamptonshire Partnership Homes Ltd and the Company recharges the Council in full for the reimbursement of these costs within the agreed Managed Budget Fee. We consider NPH to be the principal in this arrangement.

The IAS19 opening pension deficit on commencement of the scheme has not been charged to the Statement of Comprehensive Income as the Company's pension liability is supported by the Council as the ultimate parent (see above).

As a result of the triennial valuation the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date. This resulted in the plan having a notional surplus. As management do not consider that the Company and Group will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with IAS19.

The acquisition of the Company's activity from its parent is a transaction between entities under common control and consequently is outside the scope of IFRS 3 Business Combinations. In the absence of specific guidance in IFRS applicable to such transactions, the Company has considered guidance that is available under other similar conceptual accounting frameworks and accounted for the business transfer as a group reconstruction using merger accounting principles set out in FRS 6 Acquisitions and Mergers issued by the Accounting Standards Board.

The Directors consider that the application of acquisition accounting, and consequential recognition of goodwill, would fail to reflect the substance of the transaction. No consideration was paid for the business transfer; however, the Company did assume the defined benefit pension scheme obligation in relation to employees who transferred to the Company as part of the business transfer; no other assets or liabilities were transferred. The difference between the nil consideration and the assumed pension scheme obligation has historically been debited to reserves, as the assumption of the pension scheme obligation is in substance a distribution to its parent. There has been a full triennial valuation during 2021/22 reflecting the reduction in the pension scheme obligation and this improvement has been reflected in the pension reserves shown in the Statement of Financial Position.

#### 1.21 Government Grants

Grant income is recognised on receipt when the amount can be measured reliably, and the Company and its subsidiaries ensure that it meets any conditions associated with the grant funding.

1.22 Accruals Concept

Income is recognised in line with the provisions in the management agreement, when revenue can be measured reliably, and the future economic benefits are probable. Expenditure is recognised once goods or services have been received, rather than when cash payments are made.

Where income and expenditure has been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Statement of Financial Position respectively. Equally, where cash has been received or paid which is not yet recognised as income or expenditure, a creditor (income in advance) or debtor (payment in advance) is recorded in the Statement of Financial Position respectively and the Statement of Comprehensive Income adjusted accordingly.

1.23 Value Added Tax

Income and expenditure treated as either capital or revenue, excludes any amounts related to VAT. All VAT collected is payable to HM Revenue and Customs and all VAT paid is recoverable from it. Any amounts outstanding (payment or receipt) at the year-end date is held as a creditor or debtor after netting off the amounts due / owed.

1.24 Events after the Statement of Financial Position date

Where there is a material post Statement of Financial Position event, a disclosure in the notes to the accounts will be included. If this event provides additional evidence of conditions that existed at the Statement of Financial Position date, and materially affects the amounts to be included in the accounts; adjusting items will be shown in the accounts.

1.25 Exceptional and extraordinary items and prior period adjustments

Exceptional and extraordinary items will have been disclosed separately on the face of the Comprehensive Statement of Income and details will be disclosed in the notes to the accounts.

1.26 Prior period adjustments

The prior period adjustment relates to an IFRS 16 lease modification and is disclosed in note 23.

1.27 Contingent assets and liabilities

Where the Council has a contingent asset or liability this will be disclosed as a note to the accounts.

1.28 Group Boundary

HTH was incorporated on the 18 July 2018. HTH is wholly owned by NPH, with its own Board of Directors. It is a Company Limited by Guarantee and is a not-for-profit organisation. HTH is a subsidiary of Northamptonshire Partnership Homes for accounting purposes and have been consolidated into the Company's group accounts.

1.29 Intra Group Transactions

During 2023/24 NPH provided services to HTH for £83,800 (2022/23: £77,103). As of 31 March 2024, there was a debtor balance of £5,983 due payable to NPH by HTH (2022/23: £6,150). Also, there was a creditor balance of £23,100 due to HTH from NPH (2022/23: £Nil).

1.30 Basis of consolidation

The Consolidated Financial Statements includes NPH and its subsidiary HTH (together the Group). The result of the subsidiary is included in the Consolidated Statement of Comprehensive Income

from the date of the formation. All intra-group transactions, balances, surpluses, and deficits are eliminated in full on consolidation.

1.31 Accounting Policies

In preparing the Group Accounts the accounting policies of HTH have been aligned with those of the parent, NPH.

## 2. Revenue

Income is derived wholly from within the United Kingdom from the Company's principal activity of housing management.

	<b>Group</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Management fee paid by West Northamptonshire Council	73,993	65,047
Other revenue	311	340
	<b>74,305</b>	<b>65,387</b>

### **Analysed as:**

Management fee - Housing Revenue Account	16,950	15,691
Management fee - General Fund	399	478
Management fee - Repairs & Maintenance	16,267	13,858
Management fee - Capital	39,950	34,617
Management fee - Other	427	402
Investment property income	31	31
Happy to Help - Revenue	191	187
Miscellaneous income	89	123
<b>Total revenue</b>	<b>74,305</b>	<b>65,387</b>

	<b>Company</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Management fee paid by West Northamptonshire Council	74,064	65,110
Other Revenue	121	153
	<b>74,184</b>	<b>65,263</b>

### **Analysed as:**

Management fee - Housing Revenue Account	16,950	15,691
Management fee - General Fund	399	478
Management fee - Repairs & Maintenance	16,267	13,858
Management fee - Capital	39,950	34,617
Management fee - Other	498	465
Investment property income	31	31
Miscellaneous income	89	135
<b>Total Revenue</b>	<b>74,184</b>	<b>65,276</b>

### 3. Other Expenses

Other expenses comprise of (excluding salaries):

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
Management fee - Housing Revenue Account	4,899	4,448	4,899	4,448
Management fee - General Fund	367	456	367	456
Management fee - Repairs & Maintenance	10,261	8,613	10,261	8,613
Management fee - Capital	40,025	34,701	40,025	34,701
Management fee - Special Services	3,653	2,905	3,653	2,905
Safer Streets Project	-	11	-	11
Investment Property	6	1	6	1
Happy to Help	163	201	-	-
	<b>59,373</b>	<b>51,335</b>	<b>59,210</b>	<b>51,135</b>

### 4. Operating Profit

The operating profit is reported after charging the following costs:

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
<b>External audit fees</b>				
– Audit services	37	28	31	24
– Other services	16	13	13	13
<b>Internal audit fees</b>	43	42	43	42
<b>Depreciation</b>	403	475	403	475
<b>Accelerated depreciation re IFRS 16</b>	-	1,525	-	1,525
<b>The following table analyses the nature of expenses as follows:</b>				
Staff costs	14,360	14,667	14,360	14,667
Other operating costs	59,373	51,335	59,281	51,198
	<b>73,733</b>	<b>66,003</b>	<b>73,641</b>	<b>65,865</b>

**These costs are further analysed as follows:-**

Management fee - Housing Revenue Account	10,630	10,213	10,630	10,213
Management fee - Special Services	5,627	5,273	5,627	5,273
Management fee - General Fund	401	494	401	494
Management fee - Repairs & Maintenance	16,887	15,132	16,887	15,132
Management fee - Capital	40,019	34,677	40,019	34,677
Other	168	213	76	75
	<b>73,733</b>	<b>66,003</b>	<b>73,641</b>	<b>65,865</b>

## 5. Investment in subsidiary

The table below presents the Company's subsidiary:

	Country of incorporation	Registered Address	Holding	Principal activity
Happy to Help (Northampton) CIC	England and Wales	The Guildhall St. Giles Square Northampton NN1 1DE	100%	Social Enterprise

The results of the subsidiary, Happy to Help (Northampton) CIC are as follows:

	2023/24 <u>£000's</u>	2022/23 <u>£000's</u>
Revenue	191	187
Profit/(loss)	22	(14)
Aggregate of reserves	79	57

## 6. Investment Property (Group and Company)

	2023/24 <u>£'000</u>	2022/23 <u>£'000</u>
Investment Property as at 31 March	360	360

The investment property has been recognised at the net present value of the rental income in conjunction with benchmarking against similar HMO property values in Northamptonshire.

## 7. Fixed Assets (Group and Company)

	Office refurbishment	Vehicles	Right of Use Assets Westbridge site	Employee Vehicle Lease	Total
	£'000	£'000	£'000	£'000	£'000
Cost as at 1 April 2023	163	1,129	2,645	-	3,937
Additions	64	-	-	55	119
Disposals	-	-	-	-	-
<b>Cost as at 31 March 2024</b>	<b>227</b>	<b>1,129</b>	<b>2,645</b>	<b>55</b>	<b>4,056</b>
Accumulated depreciation as at 1 April 2023	54	1,129	2,005	-	3,188
Depreciation charge for the year	76	-	320	7	403
<b>Accumulated depreciation as at 31 March 2024</b>	<b>130</b>	<b>1,129</b>	<b>2,325</b>	<b>7</b>	<b>3,591</b>
<b>Net Book Value as at 31 March 2024</b>	<b>97</b>	<b>-</b>	<b>320</b>	<b>48</b>	<b>465</b>
Net Book Value as at 31 March 2023	109	-	640	-	749

In November 2021 a formal lease was provided to NPH by WNC in respect of the Westbridge site covering the remaining duration of the current management agreement (January 2030).

During 2022/23, the company reached an agreement with its landlord whereby it will terminate its property lease agreement in 2025 (in advance of moving to a new property) rather than in 2030 as per its original lease. Management have not applied an effective interest rate when calculating the carrying value of its property lease liability as it is immaterial to the financial statements.

## 8. Trade and Other Receivables

The primary debtors at year-end relate to central government and the management fee due from the council. Therefore, credit losses are expected to be immaterial.

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
West Northamptonshire Council	2,091	7,817	2,091	7,817
Payments in advance	237	201	237	201
HMRC - VAT	1,771	-	1,771	-
Happy to Help (CIC)	-	-	23	-
Sundry debtors	317	251	237	221
<b>Total</b>	<b>4,416</b>	<b>8,269</b>	<b>4,359</b>	<b>8,239</b>



## 9. Cash and Cash Equivalents

	Group		Company	
	2023/24 £000's	2022/23 £000's	2023/24 £000's	2022/23 £000's
Bank current account	4,279	828	4,241	796
<b>Total cash and cash equivalents</b>	<b>4,279</b>	<b>828</b>	<b>4,241</b>	<b>796</b>

## 10. Current Liabilities

### 10a. Trade and Other Payables

	Group		Company	
	2023/24 £000's	2022/23 £000's	2023/24 £000's	2022/23 £000's
Trade payables	3,131	1,886	3,114	1,886
West Northamptonshire Council	178	2,847	178	2,847
Happy to Help (CIC)	-	-	3	6
Other creditors (HMRC VAT)	-	202	-	202
Taxation and social security	40	6	40	6
Accruals	4,659	3,432	4,659	3,423
<b>Total trade and other payables</b>	<b>8,008</b>	<b>8,373</b>	<b>7,995</b>	<b>8,370</b>

### 10b. Lease Liabilities (right of use assets)

	Group		Company	
	2023/24 £000's	2022/23 £000's	2023/24 £000's	2022/23 £000's
Less than 1 month	28	27	28	27
1-3 months	84	80	84	80
Over 3 months	224	213	224	213
<b>Total lease liability less than one year</b>	<b>335</b>	<b>320</b>	<b>335</b>	<b>320</b>
<b>Total lease liability greater than one year</b>	<b>33</b>	<b>320</b>	<b>33</b>	<b>320</b>
<b>Total lease liabilities</b>	<b>368</b>	<b>640</b>	<b>368</b>	<b>640</b>

## 11. Finance Costs

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
Pensions interest	-	(357)	-	(357)
Interest on lease liabilities	-	(6)	-	(6)
Other finance costs	-	(1)	-	-
<b>Total lease liabilities</b>	<b>-</b>	<b>(364)</b>	<b>-</b>	<b>(363)</b>

## 12. Finance Income

	Group and Company	
	2023/24	2022/23
	£000's	£000's
Investment income from cash and cash equivalents	146	32
Pension income	326	-
<b>Total</b>	<b>472</b>	<b>32</b>

## 13. Taxation

HMRC have confirmed that the activities and transactions between the Council and wholly owned subsidiaries of Northamptonshire Partnership Homes Ltd do not amount to trading and as such any surpluses in respect of these activities are not taxable nor any losses relievable for corporation tax purposes. It follows that taxable profits or losses should only arise on activities carried out with external organisations.

The tax currently payable by NPH is based on taxable profit for the year from activities with parties other than the Council and therefore relates principally to the generation of interest income from balances of £146k (2022/23: £32k).

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
Profit/(loss) on ordinary activities before tax	1,002	(948)	979	(933)
Tax on profit on ordinary activities at standard CT rate -25%	261	(180)	245	(177)
Income and expenses not taxable	(218)	183	(208)	183
Marginal relief	(1)	-	-	-
<b>Total tax charge payable for the year</b>	<b>42</b>	<b>3</b>	<b>37</b>	<b>6</b>

The subsidiary undertaking, HTH is subject to Corporation Tax on profits raised. It therefore seeks to maximise the use and impact of the CSR and other income streams to the benefit of Council tenants and the local community across Northampton.

#### 14. Cash Flow adjustments and changes in working capital

	Group		Company	
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
<u>Adjustments (non-cash items)</u>				
Current service costs	2,283	3,882	2,283	3,882
Net pension interest costs	(326)	357	(326)	357
Depreciation	76	-	76	-
Net adjustment - adoption of IFRS 16	-	(11)	-	(11)
<b>Total adjustment</b>	<b>2,033</b>	<b>4,228</b>	<b>2,033</b>	<b>4,228</b>
	2023/24	2022/23	2023/24	2022/23
	£000's	£000's	£000's	£000's
<u>Net changes in working capital</u>				
Change in trade and other receivables	3,853	1,175	3,881	1,153
Change in trade and other payables	(365)	(6,914)	(378)	(6,879)
Change in employee benefits accrual	(6)	(46)	(6)	(46)
Capital expenditure	(64)	(109)	(64)	(109)
<b>Net changes in working capital</b>	<b>3,418</b>	<b>(5,895)</b>	<b>3,433</b>	<b>(5,881)</b>

#### 15. Reserves

The Pension Reserve absorbs the timing differences arising from the different arrangements for post-employment benefits and for funding benefits in accordance with statutory provisions. Historically the balance on the Pensions Reserve has shown a shortfall in the benefits earned by past and current employees and the resources set aside to meet them. As a result of the triennial valuation the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, resulting in the plan having a notional surplus. As management do not consider that the Company and Group will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with IFRS102.

The Insurance Reserve is held to manage future liabilities in respect of insurance claims.

Retained earnings of the Company represents the accumulated profit.

#### 16. Related Party Transactions

Northamptonshire Partnership Homes Ltd is an Arms-Length Management Company wholly owned by the Council. The Company was established with no share capital and is limited by guarantee.

In the event that the Company is wound up, the Council undertakes to contribute such amounts as may be required for the payment of the debts and liabilities of the Company. After the satisfaction of all debts and liabilities, the remaining assets will transfer to the Council's Housing Revenue Account.

The Council has delegated the responsibility for overseeing the management and maintenance of its Housing stock to Northamptonshire Partnership Homes Ltd in accordance with the current Management Agreement effective from 5 January 2015.

Details of the status of the Company and the composition of the Board of Directors are given on page 3.

The Council pays the Company a management fee, monthly in advance in accordance with the Management Agreement. The Company has invoiced a total of £17m for management services to the Council relating to 2023/24 (2022/23: £15.7m). In addition to this the Company invoices the Council monthly in advance to fund the repairs and maintenance and capital programs. At each quarter end the balance owing/owed is adjusted so that the income equates to the expenditure incurred. The Company invoiced the Council £16.3m and £40.0m for the repairs and maintenance and capital fee respectively (2022/23: £13.9m and £34.6m). As at 31 March WNC owed NPH £2,091k (2022/23: £7,817k) shown in debtors and NPH owed WNC £178k (2022/23: £2,847k) shown in creditors.

The net balance claimed by the Company from the Council at the end of the year is nil (2022/23: £5.0m). The balance is payable on normal commercial terms and does not bear any interest.

There have been no transactions, excluding remuneration, with key management personnel or Board members during the year (2022/23: £Nil).

#### **17. Contingent Liabilities**

There are no contingent liabilities at the 31 March 2024 (2023: £Nil) for the Company and the Group.

#### **18. Employee Benefit Expense**

The average number of full-time equivalents for the year was 300 (2022/23: 285). Key management of the Company comprise of the Executive Management Team as detailed on page 3.

Expenses recognised for employee benefits are analysed as follows:

	<b>Group and Company</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Wages and salaries	10,356	9,654
Social security cost	1,026	992
Pension cost	2,283	3,851
Temporary Staff	695	171
<b>Total</b>	<b>14,360</b>	<b>14,668</b>

Key management personnel remuneration is as follows:

	<b>Group and Company</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Wages and salaries	755	719
Social security cost	102	90
Pension cost	142	92
<b>Total</b>	<b>1,000</b>	<b>901</b>

The Directors of the Company are detailed on page 3. Directors' remuneration is as follows:

	<b>Group and Company</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Wages and salaries	31	25
<b>Total</b>	<b>31</b>	<b>25</b>

There are no pension contributions for Directors' (2022/23 £Nil).

## 19. Employee Related Benefit Accrual

The current liabilities recognised for employee remuneration in the Statement of Financial Position related to accrued costs in respect of untaken holiday entitlement for employees as of 31 March 2024.

	<b>Group and Company</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Employee related benefit accruals	115	121

## 20. Retirement Benefit Obligations

The Company is a member of the Local Government Pension scheme administered originally by Northamptonshire County Council until 31 March 2021 and is now administered by West Northamptonshire Council. This is a funded defined benefit scheme which provides index linked retirement benefits to employees who choose to join.

The scheme was opened on 5 January 2015 when employees of Northamptonshire Partnership Homes Ltd transferred from the Council under Transfer of Undertakings (Protection of Employment) (TUPE). At the time of admission, the Company scheme was fully funded under the actuarial valuation assumptions made. However, the figures presented in these financial

statements are reported under the requirements of IAS19, which are prepared on a different basis to the actuarial valuation.

Employees and the Company pay contributions to the fund. During 2023/24 the employer's rate remained at 19.6%, (2022/23: 16.4%) and employees contribute variable rates which increase on banded salary ranges. As of 31 March 2024, the scheme had 318 (2023: 258) active members.

A comprehensive actuarial valuation is undertaken every three years and the latest review was undertaken as of 31 March 2022 by the actuary Hymans Robertson LLP.

**Movements in the present value of the defined benefit obligation are as follows:**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Opening balance at 1 April	37,953	55,790
Current service cost	2,283	3,882
Interest cost on pension liabilities	1,857	1,588
Contributions by scheme participants	640	604
Benefits Paid	(630)	(457)
Remeasurment – gain on financial assumptions	(1,865)	(23,454)
<b>Closing balance at 31 March</b>	<b>40,238</b>	<b>37,953</b>

**For determination of the pension obligation the following actuarial assumptions have been used:**

<u>Inflationary assumptions</u>	<b>2023/24</b>	<b>2022/23</b>
	<b>End of</b>	<b>Start of</b>
	<b>Period</b>	<b>Period</b>
	<b>%</b>	<b>%</b>
Rate of Inflation (CPI)	2.75	2.95
Rate of Inflation (RPI)	3.10	3.20
Rate of increase in salaries	3.25	3.45
Rate of increase in pensions	2.75	2.95
Discount rate	4.85	4.75

Mortality assumptions:

	<b>2023/24</b>	<b>2023/24</b>
	<b>End of</b>	<b>Start of</b>
	<b>Period</b>	<b>Period</b>
	<b>years</b>	<b>years</b>
Life expectancy for current pensioners aged 65:		
Men	20.7	20.8
Women	23.5	23.7
Life expectancy for future pensioners aged 65		
Men	21.5	21.7
Women	25.5	25.7

**Movements in the fair value of plan assets are as follows:**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Opening balance at 1 April	44,475	43,139
Interest on plan assets	2,183	1,231
Remeasurements (assets)	2,519	(3,204)
Employer contributions	3,000	3,162
Benefits paid	(630)	(457)
Contributions by members	640	604
<b>Closing balance at 31 March</b>	<b>52,187</b>	<b>44,475</b>

**Amounts included in the Statement of Financial position in respect of defined benefit scheme are as follows:**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>
Fair value of plan assets	52,187	44,475
Present value of funded obligation	(40,238)	(37,953)
Less notional surplus not recognised	(11,949)	(6,522)
<b>Surplus / (Deficit) in scheme</b>	<b>-</b>	<b>-</b>

**Analysis of plan assets as follows:**

<b><u>Fair value of plan assets</u></b>	<b><u>2023/24</u></b> <b><u>£000's</u></b>	<b><u>2022/23</u></b> <b><u>£000's</u></b>
<u>Equity securities</u>		
Consumer	551	-
Manufacturing	486	-
Energy & utilities	225	-
Financial institutions	470	-
Health care	367	-
Information technology	939	-
Other	94	-
<u>Debt securities</u>		
UK Government	7,648	3,651
<u>Private Equity</u>		
All	3,879	3,336
<u>Real Estate</u>		
UK property funds	2,769	2,570
Overseas property Funds	380	349
Infrastructure	3,257	3,132
Other		
<u>Investment funds and unit trusts</u>		
Equities	22,538	26,379
Bonds	7,601	4,387
<u>Cash and cash equivalents</u>		
All	983	672
<b>Total</b>	<b>52,187</b>	<b>44,475</b>

**Amounts recognised in the Statement of Comprehensive Income in respect of the defined benefit scheme are as follows:**

	<b><u>2023/24</u></b> <b><u>£000's</u></b>	<b><u>2022/23</u></b> <b><u>£000's</u></b>
Current service cost	(2,283)	(3,882)
Interest cost on pension liabilities	(1,857)	(1,588)
Interest on plan assets	2,183	1,231
<b>Total charged to the Statement of Comprehensive Income</b>	<b>(1,957)</b>	<b>(4,239)</b>

Current service costs are recognised in Employee Benefit Expenses. Interest cost and administration expenses are recognised in Finance Cost.



IAS19 requires the disclosure of the sensitivity of the results to the methods and assumptions used. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<b>Changes in assumptions at 31 March 2024</b>	<b>Approximate % increase to Employee Liability</b>	<b>Approximate monetary amount £000's</b>
0.1% decrease in Real Discount Rate	2%	924
1 year increase in member life expectancy	4%	1,610
0.1% increase in the Salary Increase Rate	0%	82
0.1% increase in Pension Increases Rate	2%	859

Estimated Employer's contributions for the period to 31 March 2025 will be approximately £3,000,000.

## 21. Financial Instruments

### Assets

The table overleaf analyses the Company's financial assets held for managing liquidity risk which are considered to be readily saleable or are expected to generate cash inflows to meet cash outflows on financial liabilities.

		<b>Group</b>		<b>Company</b>	
		<b>Current 2023/24</b>	<b>Current 2022/23</b>	<b>Current 2023/24</b>	<b>Current 2022/23</b>
	<b>Notes</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Trade and other receivables	8	2,328	8,269	2,328	8,240
Cash and cash equivalents	9	4,279	828	4,241	796
<b>Total</b>		<b>6,607</b>	<b>9,097</b>	<b>6,569</b>	<b>9,036</b>

There are no long-term Group or Company assets.

### Liabilities

The table overleaf analyses the Company's current and long-term financial liabilities on a contractual gross undiscounted cash flow basis at the reporting date up to the contractual maturity date.

## Current liabilities

	Notes	Group		Company	
		Current		Current	
		2023/24	2022/23	2023/24	2022/23
		£000's	£000's	£000's	£000's
Trade and other payables	10a	8,008	8,373	7,995	8,370
Leasing liability	10b	335	320	335	320
Employee benefits accrual	20	115	121	115	121
<b>Total</b>		<b>8,458</b>	<b>8,814</b>	<b>8,445</b>	<b>8,811</b>

## Long-term liabilities

		Group and Company	
		Long Term	
		2023/24	2022/23
		£000's	£000's
Leasing liability	10b	33	320
<b>Total</b>		<b>33</b>	<b>320</b>

## Cash Flow

The Company's primary source of revenue is from the Council through the Management, Capital, and Repairs & Maintenance Fees. These are invoiced monthly in advance and then adjusted on a quarterly basis to reflect actual expenditure incurred across each area. The timing of these cash inflows ensures the Company can meet its financial obligations.

## Credit and Liquidity Risk

The Company ensures that all liabilities are met as they fall due. As stated above the nature of cash inflows gives a safeguard that the Company is exposed to low credit and liquidity risk.

The Company is exposed to liquidity and credit risk principally in the event that the Council were to experience cash flow difficulties. However, based on the Council's own high credit rating this is assessed to be an unlikely scenario and therefore low risk.

## Interest Rate Risk

The Company has no borrowing and no long-term investments. Short term deposits are limited to cash held at the bank and interest received from these short-term investments is not critical to the Company's revenue. We therefore consider that the Company is not exposed to interest rate risk in relation to its financial instruments.

## 22. Prior year adjustments

There are no prior year adjustments.

**23. Post reporting date events**

There have been no adjusting events between the reporting date and the date of authorisation.

**24. Ultimate parent company**

The Company is a wholly owned subsidiary of West Northamptonshire Council (formerly Northampton Borough Council) and the accounts have been consolidated into the Council's financial statements. These statements are available on the council website.