

ncha Annual Report and Accounts

Nottingham Community Housing
Association Limited



for the year ended 31 March 2025

Nottingham Community Housing Association (NCHA) is a group of companies providing housing and Care and Support throughout the East Midlands.

Leading our group is Nottingham Community Housing Association – which is registered as a Community Benefit Society with charitable purpose. Founded with assistance from the charity Shelter in 1973, we remain committed to providing and managing housing for people in need and offering vital care and support services.

Our group also includes a commercial housing developer subsidiary (Pelham Homes) and almshouses. Through our joint venture partnerships we develop housing for sale and deliver training.

Whilst we have a clear commercial focus, providing care and support is an intrinsic part of what we do, through both our affordable homes and community services. Our Homes and Wellbeing team work across the region to help a diverse range of people build better lives.

We pride ourselves on being a different kind of housing association, one that has no ambition to be the biggest, but always aspires to be the best. At the heart of this philosophy are strong partnerships and a commitment to customer engagement, participation and influence.

Our vision

More homes,
great services,
better lives

Our mission

Homes and support
by people who care

Our culture

Being the best we can
be for our customers and
colleagues by always listening
and striving to improve,
in an environment that is
supportive, inclusive and
wellbeing focused.

Our values

Caring Learning Enthusiastic Accountable Resilient

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Board of Management



Callum Gillespie (Chair) BSc (Hons)

Appointed to the Board in 2016, Callum is a member of the Governance Committee. He brings skills and experience in housing regulation, risk management and assurance, and ICT and digitisation. Callum was appointed Chair of NCHA on 1 September 2022. **Shareholder.** Retired as Chair 31 August 2025.



Leanne Monger MPA, BA Hons, CIHCM

Appointed to the Board in 2021, Leanne also chairs the Care Committee and the Governance Committee. Leanne brings experience of strategic management, business continuity planning, care and support, and customer involvement.

Shareholder. Appointed NCHA Chair from 1 September 2025.



Sarah Battershall

Appointed, 27 September 2023, Sarah is also a member of the Care Committee. Sarah trained as a nurse supporting people with learning disabilities and has continued to work in Health and Social Care for 34 years. 28 of those have been in management and leadership roles. Sarah is currently working as a social care consultant, focusing on quality assurance, business development and training. **Shareholder.**



Natalie Robinson LL.B. (Hons), LL.M. LPC

Appointed, 27 September 2023, Natalie is also a member of the Customer Committee. Natalie is a solicitor and lecturer at Nottingham Law School. Natalie has a history of working in local and central government prior to and following her qualification as a solicitor. Natalie continues to engage in community volunteering and networking, largely based around law, politics and equality, diversity and inclusion. **Shareholder.**



David Harrison BA MCIH

Appointed to the Board in 2015, David also chaired the Care Committee and the Governance Committee until his retirement in the year. He brings skills and experience in housing regulation, property development and sales, and governance. **Shareholder.** Retired 18th September 2024.



Andrew Kilby FCCA

Appointed to the Board on 15 September 2021, Andrew is a qualified accountant. Andrew was appointed as Chair for the Audit and Risk Committee from 1 September 2022. He brings experience in social housing finance, treasury and ICT. **Shareholder.**



Nick Sedgwick

Appointed to the Board 25 September 2024, Nick is also a member of the Care Committee. He has over 35 years in social housing, delivering customer- focused services and developing communities having worked for local authorities and housing associations. Now a social housing consultant, Nick brings experience in housing management, care and support services and tackling homelessness. **Shareholder.**



**Mohammed Habib FCIH
MCIQB**

Appointed to the Board in 2021, Mohammed is also a member of the Customer Committee. Mohammed brings experience in housing services, asset investment and regeneration. **Shareholder.**



Lorelei Jarvis BSc (Hons)

Appointed to the Board in 2018, Lorelei is also a member of the Care Committee and the Customer Committee. Lorelei brings skills and experience in risk and assurance, care and support, and health and safety. **Shareholder.** Retired 17th September 2025.



**Paul Parkinson BA (Hons)
Dip.RSA FCIH**

Appointed to the Board in 2020, Paul is also a member of the Customer Committee. Paul brings experience in housing services, performance and digital service improvements as well as aspects of compliance and safety and governance. **Shareholder.**



Gill Callingham

Appointed to the Board in 2022, Gill is also a member of the Audit and Risk Committee. Gill brings experience of delivery in housing, economic and physical regeneration, sustainability and partnership working for the benefit of communities and business. **Shareholder.**



Raj Kambo BA (Hons) FCCA

Appointed to the Board 25 September 2024, Raj is a member of the Audit and Risk Committee. He holds various Board and Committee memberships, which includes several housing associations. Raj's background is in investment banking financial services, he also brings experience in risk management, regulation and governance. **Shareholder.**



Janet Glass

Appointed to the Board in 27 September 2023, Janet is also a member of the Audit and Risk Committee. Janet is an experienced housing and repairs professional, having held senior management roles in local authority and ALMO settings for the last 15 years and is currently Head of Landlord Services at Charnwood Borough Council. **Shareholder.**

All Board Members served for the whole year except Raj Kambo and Nick Sedgwick, who were appointed at the 2024 AGM.

Executive team



Paul Moat
DMS, MBA, MRICS,
BSc (Hons)
Chief Executive

- The NCHA Group Leadership
- Corporate Governance
- Risk
- Health and Safety
- Marketing Communications



Allan Fisher BSc
(Hons), PG (DIP),
MSc
**Director of
Development and
Sustainability**

- Development
- Sales
- Pelham Architects
- Environmental Sustainability



Holly Dagnall
BA (Hons), PG
(DIP), MSc
**Director of
Homes and
Wellbeing**

- Affordable Social Housing
- Sub Market Rent
- Shared Ownership
- Care and Support
- Almshouse Charity
- Equality, Diversity and Inclusion
- Social Impact



Naomi Dobraszczyk BA
(Hons) ACA
**Director of
Finance and
Resources**

- Finance
- People
- Technology
- Transformation
- Procurement
- Information and Intelligence
- Value for Money



David Langhorne
BSc (Hons) **Director
of Assets and
Property Services**

- Direct Maintenance Services
- Planned Investment
- Asset Management
- Work Planning and Operational Support
- Systems Improvement

Secretary:

Sylvia Hart BA(Hons) CPFA ACG

Registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014, Number 7104.

Registered with the Regulator of Social Housing, Number 4817.

Auditors:

External auditors – RSM UK Audit LLP
Internal auditors – Beever and Struthers

Principal Solicitors:

Freeths LLP, Cumberland Court, 80 Mount Street,
Nottingham, NG1 6HH

Principal Bankers:

Lloyds Bank plc, 25 Gresham Street, London, EC2V 7HN

Treasury Advisors:

MUFG, 65 Gresham Street, London, EC2V 7NQ
(Up to March 2025)

Savills Financial Consultants, 33 Margaret Street, London, W1G 0JD
(From March 2025)

Chair's Statement



Callum Gillespie
(Chair)

At the end of my third and final year as Chair of NCHA, I have never been prouder of our achievements. In July 2024, we received the outcome of our Inspection by the Regulator of Social Housing (RSH) who graded us V1, G1 and C1 under the newly expanded consumer regulation regime. Last Autumn, we moved into our new purpose built head office in Clifton, Nottingham. As part of the scheme we built 70 affordable homes whilst retaining extensive sporting facilities and green space which has enabled us to create a new community. In line with our environmental commitments, the office was designed to BREEAM excellent standards by our in-house architects and is in the top 10% of sustainable buildings worldwide. Across all our developments, we delivered over 400 affordable homes in the year and were assisted by the completion of a further £100m in loan funding from the Affordable Homes Guarantee Scheme.

Our repairs service has also undergone a significant transformation in the past year. In April 2024 we brought our responsive repairs service in-house, welcoming new colleagues and launching new systems to improve options for customers. This delivery model underpins our ability to respond to changing legislation (such as Awaab's law) and deliver our long term strategic property management aims. These changes have delivered improvements in the service's performance, along with an associated increase on our previous Tenant Satisfaction Measures (TSMs). Satisfaction has improved in most TSM areas. Highlights include overall satisfaction which now stands at 71.8%* (up 4.5 percentage points) and satisfaction with the time taken to complete a repair which increased to 73.2%* (up 26.4 percentage points). We still aim to reduce our complaint numbers, although satisfaction with complaint handling is also increasing. Satisfaction with complaints now stands at 41.3%* (up 11.3 percentage points), showing the impact of our new centralised complaint handling approach.

Customers remain at the heart of everything that we do. We achieved reaccreditation with TPAS (Tenant Participation and Advisory Service) in early 2025. In addition, our Scrutiny Panel delivered reports on our handling of Damp and Mould, as well as failed tenancies, during the year.

We are progressing our retrofit plans and have achieved a key milestone with over 90% of homes now rated at EPC C and above. We will continue our work to upgrade homes and are pleased to have been awarded over £2m from the Warm Homes Social Housing Fund, including funding for energy efficiency upgrades to many almshouses in the Group.

Our colleagues are crucial to the service we deliver and, for the first time, NCHA has been rated as a top workplace overall in the UK and a great place to work for women (Great Place To Work®). Headline colleague engagement scores have increased to 77% (up 8 percentage points), providing a strong foundation for our continued success. As I prepare to stand down from the Board and my role as Chair, I would like to thank my hard-working colleagues across NCHA and the partners we work with, who enable us to deliver such impactful services to our customers.


On 1st September I will be succeeded by Leanne Monger, who will take over as NCHA's Chair. Leanne has been a valued Board Member for the last four years and has Chaired the Care Committee and Governance Committee for the last year.

*TSM 2024/25 combined perception survey for Low Cost Rental Accommodation (LCRA) and Low Cost Home Ownership (LCHO) compared to 2023/24 combined perception survey

A large, stylized pink geometric shape, resembling a square with a smaller square inside, tilted at an angle, located in the top right corner.

Strategic Board Report

The Board presents its report and consolidated audited financial statements for the year ended 31 March 2025.

A blue geometric shape, resembling a parallelogram, tilted at an angle, located in the bottom left corner. It contains a pattern of small white dots.

Principal activities

Nottingham Community Housing Association Limited (NCHA) is registered as a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing. It was first registered on the 22 March 1973 for the benefit of the community. NCHA operates mainly within the East Midlands and has three regional offices and a number of satellite offices. Its head office is in Nottingham.

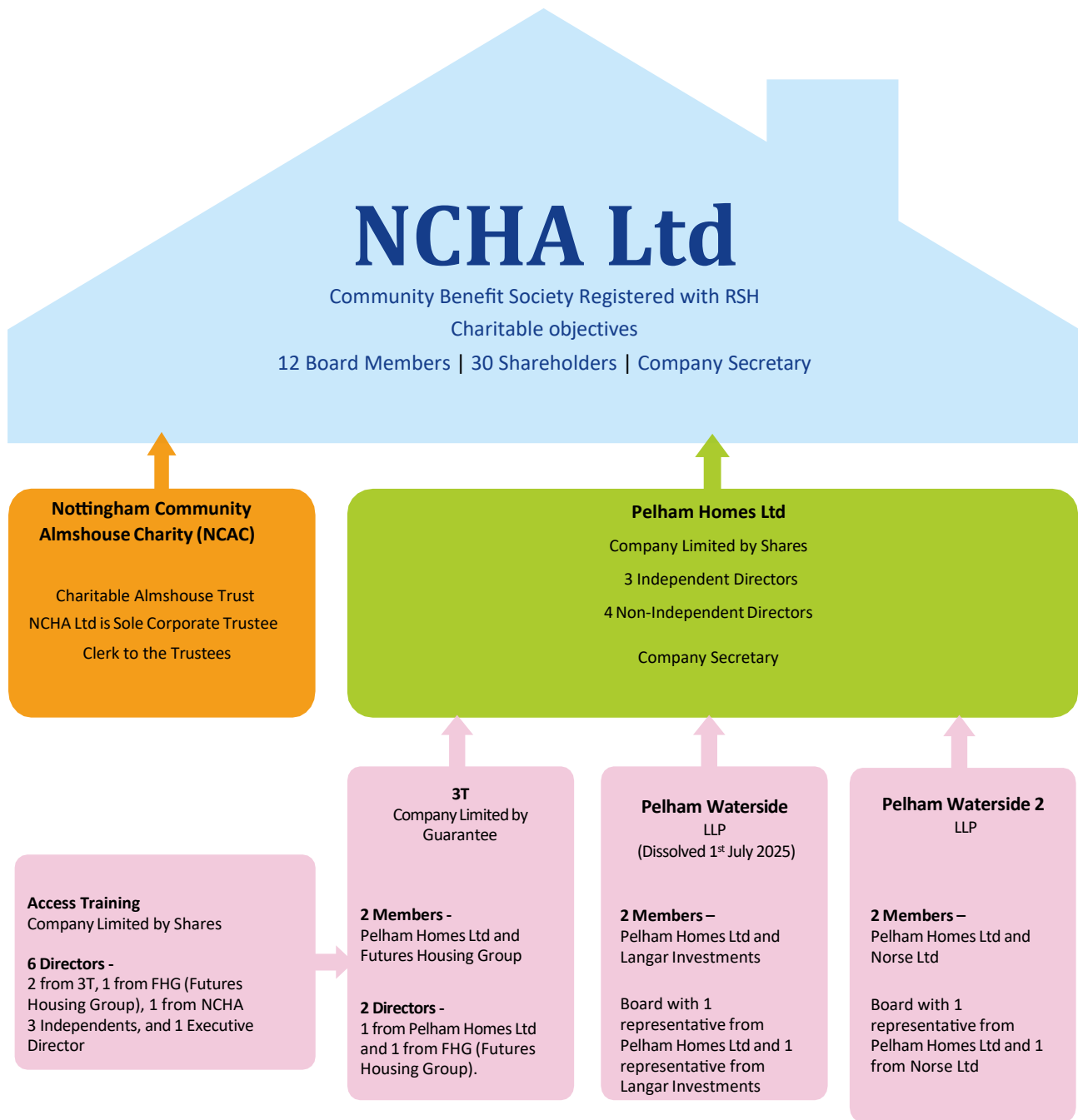
We operate in 32 local authority areas within six counties across the East Midlands.

County	General needs	Market rent	Housing with care and support	Shared ownership and leasehold	Almshouses
Derbyshire	✓	✓	✓	✓	✗
Leicestershire	✓	✓	✓	✓	✓
Lincolnshire	✓	✗	✓	✓	✓
Northamptonshire	✓	✓	✓	✓	✗
Nottinghamshire	✓	✓	✓	✓	✓
Rutland	✓	✓	✓	✓	✗
East Midlands	✓	✓	✓	✓	✓

NCHA's principal activities are the management, maintenance, improvement and development of social housing together with the provision of care and support services for those people within communities across the East Midlands with additional needs.

The Group structure is detailed overleaf. Details of Group entities are included in note 26 of the accounts.

Group structure as at 31st March 2025



Almshouses

NCHA is the sole corporate trustee of Nottingham Community Almshouse Charity. Over the next five years NCAC will continue to look for merger and acquisition opportunities to protect and grow the oldest form of social housing for the benefit of the homeless and poorly housed.

Pelham Homes Ltd

Our commercial subsidiary has the strategic objective of creating profit for reinvestment in the group's vision. Generating income from housing sales, architectural services, maintenance services and from a shareholding in Access Training (East Midlands). Pelham Homes develops properties to sell.

Value for Money (VFM) Standard

The Regulator of Social Housing has a Value for Money (VFM) Standard. This includes a requirement for Registered Providers to fully consider the costs and benefits of alternative commercial, organisational and delivery structures. Following a group structure review by NCHA Board in 2020, the structure has been rationalised and simplified in recent years. Looking ahead, we plan to achieve further group simplification by the closure of our development joint venture companies once they have successfully achieved their development plans. The joint venture Pelham Waterside LLP was wound up in June 2025.

In 2023, the Board considered an options appraisal on alternative delivery approaches for the responsive repairs service. As a result it was decided to bring the responsive repairs service in-house and end the previous contracted-out approach. The new in-house service went live in April 2024 with the objective of improving the economy, efficiency and most importantly the effectiveness of the service.

NCHA Board annually consider whether there is any case for merger by evaluation against a set of Board approved 'merger indicators'. The evaluation has been developed over the last year by encapsulating the 'active merger criteria' i.e. the considerations to be applied by the Board if approached to provide support to other organisations.

The most recent evaluation was undertaken in November 2024, with the key conclusions set out as follows:

Conclusions from latest merger indicator evaluation:

1. The Board has not identified any urgent issue or driver which would require NCHA to seek a merger partner in the short to medium term.
2. Based on this evaluation, NCHA is in a strong position to continue to prosper as an independent entity.
3. Should NCHA be approached by a third party with a merger agenda or proposal, NCHA Board would assess the approach against the active merger criteria.
4. NCHA will monitor the continued performance against merger indicators on an annual basis, in line with the biennial refresh of the five year Corporate Plan and the commitments of our Value for Money Strategy.
5. Where the evaluation of any merger indicators result in a red light, a set of mitigations will be agreed with the Board. It may be considered that specific indicators being amber in the short, medium or long term is an acceptable position.

Performance for the year

The NCHA Group turnover has increased from £99.3m to £103.2m. This is mainly as a result of increased rent and service charge income which are shown in Note 3. First tranche shared ownerships sales decreased during the year, due to development programme timings. First tranche sales are included in turnover and these schemes support our mission to provide **“More Homes”**.

The surplus (before disposals of property, plant and equipment and before exceptional items) has decreased from £18.0m to £17.5m. This surplus has mainly been delivered through social housing lettings where the impact of inflation, pay awards and market price increases on expenditure have been managed within additional lettings income. The surplus represents a solid result for the Group overall.

The Group has continued to secure significant gains on the disposal of property, plant and equipment in 2024/25, although these have fallen from £4.1m to £3.9m (Note 6). Taking these into account, the operating surplus (including disposals of property, plant and equipment) moved from £22.1m to £21.4m.

During the year we spent £31.5m (2024 – £27.0m) on maintaining and improving our existing housing stock in line with the Group’s objective of meeting the Decent Homes Standard, providing **“Great Services”** and contributing to **“Better Lives”** for our customers. Of this expenditure, £7.8m (2024 – £6.2m) was invested in capitalised improvements to our customers’ homes.

Investment in the provision of new homes amounted to £69.1m (2024 – £80.8m). This was funded by £57.5m of Social Housing Grant (SHG) (2024 – £30.9m), net proceeds from property sales, including first tranche sales, £4.4m (2024 – £5.2m), financing from newly secured loans of £100m (2024 – £50m) with the balance held as cash for future investment.

Group entity	Operating surplus/ (after exceptional item) £'000s
Nottingham Community Housing Association	21,585
Pelham Homes Limited	(338)
Nottingham Community Almshouse Charity	189
TOTAL	21,386

Review of the year

NCHA Group overall

The Group has had a very successful year taking a further step forward under the Corporate Plan. We have retained the highest ratings that the Regulator of Social Housing can give of V1 G1 and C1 for Viability, Governance and Consumer Standards.

NCHA’s 2024/25 results for Tenant Satisfaction Measures (TSMs) showed improvements in customer perception for overall satisfaction and in most other areas, including those where we have invested in new approaches and structures such as responsive repairs and our new centralised complaints handling team. Full details of TSM performance can be found on our website at [Our Performance - NCHA | NCHA](#)

Fire safety

The Building Safety Act came fully into force in 2023 requiring an enhanced safety management for Higher Risk Buildings, (buildings with two or more dwellings, measuring above 18M in height).

Acting as the Principal Accountable Person (PAP) for five Higher Risk Buildings, NCHA has appointed a Building Safety Manager to monitor and supervise building safety. This process includes providing a wide range of documentation and certification to populate Building Safety Case for each Higher Risk Building.

Building Safety Cases are being created for all NCHA's Higher Risk Buildings and this information is used to evidence the ongoing safety management process and will enable NCHA to apply for a 'Building Assessment Certificate' (BAC) for each Higher Risk Building. A BAC application is an extensive process that ultimately results in the approval of fire and building safety management in each building which lasts for five years.

NCHA undertakes annual Fire Risk Assessments (FRAs) on all our 393 'in scope' buildings. All FRAs were up to date as at the 31st March 2025.

NCHA has completed a risk-based assessment of fire doors in all buildings with a communal area, resulting in a five-year project plan to remediate and replace communal and flat entrance fire doors, delivery of which is underway.

Health and Safety

The Board is aware of its responsibilities on all matters relating to Health and Safety (H&S) and receives several H&S related papers during the year including an Annual Health and Safety Performance Review and competency framework.

We have continued to implement the measures within our Compliance and Safety Strategy. The lone working system introduced in 2023/24 is monitored by the H&S team and performance is reported to line managers and the H&S Panel.

The MMS (Managers Managing Safely) process which identifies H&S risks to individual colleagues, was launched in 2023/24, compliance is reported to The Health and Safety Panel.

Our Board reviewed and approved our Corporate Health, Safety and Fire Policy in both June 2024 and June 2025, which has enhanced clarity over delegated responsibility for NCHA managers.

The Landlord Health and Safety Compliance Policy has been approved by NCHA Board in both June 2024 and June 2025. This policy explains how NCHA will protect all customers, contractors, colleagues, visitors and other relevant persons from health and safety risks associated with landlord compliance risks in all our properties.

We have consolidated our Gas Heating, Water, Asbestos and Electrical procedures into management plans. A new Damp, Mould, and Condensation (DMC) Policy was introduced in 2024.

Our Health and Safety Panel continues to oversee health and safety, reporting on progress quarterly to Audit and Risk Committee, and annually to the NCHA Board. Our health and safety fire risk map is now in place, and an in-depth review of the map is undertaken annually by the Panel. The Fire Forum which manages day to day fire related items meets prior to each Health and Safety Panel meeting and reports directly to it.

Facilities management services across all our office accommodation have been consolidated into a single service, and are now managed by our Property Services Team, to ensure consistent service standards and performance, as well as seeking better value for money.

Development and Sales

NCHA continues to be a strong housing developer with a clear strategy for growth. This supports our vision for 'More Homes'. Despite the challenges in the market, we are on track to meet our 5 year corporate plan target to deliver 1,850 new homes. We have continued to deliver our Strategic Partnership programme commitments, assisted by grant receipts from Homes England and local authority partners, and including RCGF (Recycled Capital Grant Fund). This reflects the mixed subsidy sources in the development programme.

During the year, 347 properties started on site and 421 new homes completed across the Group.

As a lead member of the Blue Skies Consortium, a collection of Housing Associations who work in partnership to deliver high-quality affordable housing, we continue to assist partners to deliver new homes across the region, enabling these organisations to access Homes England grant funding and providing fee income of £49k for NCHA in 2024/25.

The proceeds from property sales and the revenue surpluses made by the Group are a crucial source of funds necessary to enable us to continue a substantial development programme, with the Sales team delivering property sales from a range of sources and bringing in just under £15m of income into the NCHA Group. During the year 79 new shared ownership properties were sold, 45 stock disposals took place and 25 existing shared owners bought additional equity in their properties.

Environmental Sustainability

We continue to have sustainability embedded in our corporate strategy, and it is at the heart of what NCHA does. Of the 39 targets included in the Environmental Sustainability Strategy, 17 have been completed and 17 are on schedule. The remaining 5 have been reprogrammed by the Sustainability Steering Group. We have focused on protecting our customers from flood risks in the past year and continue to have a focus on reducing customer fuel poverty, improving biodiversity and decarbonisation of our stock.

As part of reducing our carbon footprint, we have continued to be successful in securing funds through the Department for Energy Security & Net Zero (DESNZ) Social Housing Decarbonisation Fund, with £3.5m received in year (2024 - £0.8m) and £5.0m in total at 31st March 2025 (2024 - £1.6m).

Asset Management

In April 2024, we brought our responsive repairs service in-house, ending our previous contracted out approach. On the transfer date, we TUPE transferred 23 new colleagues into NCHA, and we have continued to strengthen and grow the team over the year. We temporarily reassigned colleagues from the void and planned works teams to support with clearing the backlog in responsive repairs, which continued until May 2024. This has had an impact on void turnaround times and planned programme delivery. However, Decent Homes compliance was maintained and the focus on responsive repairs has helped to secure a transformation in the service during the year.

Prior to transition of the service in April 2024, we had over 2,825 overdue responsive repairs which had decreased to 300 by the end of the year and continues to fall. TSM Satisfaction with the time taken to complete the most recent repair has increased from 46.8% to 73.2% compared to last year. We also saw a significant increase in both non-emergency and emergency repairs completed in target timescales. Repairs is a key driver of both satisfaction and complaints and we are continuing to target future improvements.

We completed the first phase implementation of our MRI repairs system in February 2025, enabling more effective job scheduling and better self-service options for customers. In the coming year, we intend to implement the second phase of the system to secure further functionality and improvement.

We're in the process of restructuring the Assets and Property Services directorate to reflect our new service delivery model and future demands across asset management and compliance. The restructure will be completed later in 2025.

Through 2024/25 we worked hard to embed our new approach to responding to damp, mould and condensation cases ahead of the conclusion of Awaab's Law consultation and following the implementation of the Social Housing (Regulation) Act 2023. With the law due to come into effect with a broader scope in October 2025, we are reviewing all our processes to ensure we are ready to meet the new legislation's targets.

Our housing stock is 99.99% compliant with the Decent Homes Standard. For the one property which did not meet the standard at the year end, disposal of this property has been proposed. We continue to undertake full stock condition surveys on our five-year programme to ensure high levels of compliance are maintained. By the 2024/25 year end 93.24% of our properties had been surveyed within the last five years.

Good progress continues to be made in ensuring that we meet our commitment for 100% of our housing stock to achieve a minimum Band C by 2030. At the end of March 2025, 90.48% of all our homes were Band C or above.

We ensured overall compliance at 99.95% across the 'Big Seven' areas of landlord compliance at 31 March 2025.

We continue to invest in our future through our apprenticeships. This year we have celebrated our 4 apprentices who graduated to their Level 2 Property Maintenance Operative (PMO) Apprenticeship and have secured a new trade specific apprenticeship with NCHA Property Services. Along with the TUPE transfer of 4 apprentices from our former repair contractor and appointing 4 new PMO apprentices this brings the total number of trade apprenticeships to 12.

Homes and Wellbeing

Homes and Wellbeing consists of Care and Support, Communities, Housing Services and Home Ownership, Customer Experience, including the Customer Contact teams and Customer Resolution Team and the management of Nottingham Community Almshouse Charity.

Customer Accounts

Arrears for current customer across NCHA at the end of the 2024/25 year were:

- 2.11% Affordable and social housing customers
- 1.41% Intermediate rent
- 2.28% Leaseholders
- 2.5% Care and support.

Despite the cost of living inflationary increases, the improvement in National Minimum Wage rates and triple lock on the pension have enabled customers to keep on top of their rent payments. Evictions from rent arrears are very low and only undertaken as a last resort. Front line colleagues have access to a range of support and advice for customers who are financially vulnerable including specialist in house Debt advice and a tenancy support service.

Lettings Team

Affordable and social housing allocations increased from 464 to 544 and for Care and Support from 398 to 426. The team also let over 200 properties of other tenures including Almshouses and submarket rent.

We allocated 19.3% of our affordable and social allocations to homeless households against a target of 25%. (CORE form definitions of homeless)

Mutual exchanges have almost doubled with 99 in the year, all completed within the 42 day target.

Void times have increased in all areas in affordable and social housing tenures. This is largely due to major works and the condition of properties when handed back. In Care and Support voids are largely due to contract changes and commissioning challenges with Local Authorities.

Customer Experience

Our Customer Experience team that handles all Customer Contact at first point of call continues to experience high call volumes with c. 160k contacts in the year. There was a small shift to email contact from phone contact by c.10k. The average speed to answer is 2 minutes and 21 seconds which is better than our peer sector benchmark group of over 3 minutes.

Our Customer Wellbeing team who handle all out of hours calls from our Care and Support services, manage out of ours repairs and business continuity have successfully been awarded contracts to deliver mental health support telephone services through the NHS. This enables us to build on our expertise of delivering mental health support which extends to the broader offer of supporting NCHA vulnerable tenants.

Customer Resolution Team

2024/25 was the first year of our centralised customer resolution team created to improve performance in complaint handling, learning from complaints, driving customer satisfaction and ensuring compliance with the Housing Ombudsman Code. Complaint numbers have remained high in 2024/25, however, we have achieved good compliance with the complaint handling code in relation to dealing with complaints within the required timescales and satisfaction with dealing with complaints has increased by over 10% for both rented and home ownership customers.

The Ombudsman Complaint Handling Code requires NCHA to publish our self-assessment against the Code in our annual reports. NCHA's annual self-assessment against the Complaint Handling Code is reviewed by the Association's Customer Committee as well as its Board. The current self-assessment is available to customers on our website, through the following link [Performance report | NCHA](#)

Your Community (Tenancy and Estate Management and Community Safety / Anti-Social Behaviour)

Our Communities Team deliver a range of tenancy and home management services across our estates.

We have continued with our commitment to the 'Homes for Cathy' initiative delivering our action plan to reduce tenancy failure and meet the needs of those homeless or vulnerably housed. All failed tenancies are reviewed by our Homes for Cathy group to ensure any lessons are learnt and shared in relation to future tenancy sustainment practice. We continue to meet performance indicators for reducing the number of failed tenancies and evictions.

Our Community Support Team supports on average 30 customers at any given time to sustain their tenancy and improve their wellbeing through a time limited intensive tenancy support approach. Our Domestic Abuse coordinator continues to provide an important role in tackling domestic abuse in our homes and communities linked to our Domestic Abuse Housing Accreditation work and our specialist Domestic Abuse provision across Nottingham and Derbyshire.

In 2024/ 25 we completed the implementation of our 'Happy at Home' project which gives all tenants over 75 a visit from a Community Co-ordinator to review the home and wellbeing overall of tenants. The roll out has gone well and has enabled improved repairs reporting, resolution of aids and adaptations and referrals to supporting agencies.

Customer Involvement

The voice of the customer is heard strategically through our Customer Committee. The Customer Committee is supported by the Scrutiny Panel, whose role is to scrutinise areas of activity and performance selected by the Panel. It is also supported by the Homes and Neighbourhood Panel, whose role is to deliver oversight, challenge and co-production across services that affect the customer experience.

We have launched the Care and Support Customer Voice. This group works alongside the Scrutiny Panel and Homes & Neighbourhood Panel and is an engagement offer for our care and support services.

We also have a Virtual Policy Group made up of our customers. The Virtual Policy Group are consulted on all customer facing or high customer impact policies, with all feedback being reviewed and incorporated where possible. Any NCHA customers can apply to be a member of the Group through a simple email enquiry.

The Board included a customer within its membership, throughout the year.

Care and Support

Our Care and Support services are diverse across a range of client groups, primarily delivering services to NCHA tenants for whom local authorities have a statutory duty to provide care. We remain committed to our mission of providing services to those most in need.

The total turnover of Care and Support business excluding rent for 2024/25 was £26.6m (2023/24 – £26.9m) which represents 25% of NCHA's total turnover (2023/24 – 27%). In 2024/25 our Care and Support business delivered an operating surplus and met our golden rule for resilience.

Our quality and regulatory compliance performance was strong. The Care Committee provides oversight and assurance to the Board on performance across all regulated and non-regulated services.

Almshouse Services

Nottingham Community Almshouse Charity had a successful year continuing to deliver the stated public benefits of the individual schemes.

This year Nottingham Community Almshouse Charity paid annuities totalling £13k to 26 people in financial hardship (2024 – £12k to 23 people).

Resources Directorate

The centralised Resources Directorate delivers a range of core business functions and provides internal services to the teams across NCHA. The directorate comprises three separate departments: Corporate Services; People; and Finance.

Corporate Services

The Corporate Services function is made up of the following teams: Technology Services, Business Transformation, Information and Intelligence, and Procurement and Value.

Technology Services

Throughout this year Technology Services have continued to deliver improvements in line with our technology strategy as well as supporting the business projects to achieve our corporate strategies.

We have successfully migrated our desk-based colleagues from a Citrix desktop delivery model to a laptop and SASE VPN solution, which has improved our agile working capability, supported the move to the Clifton Office and improved the integration of our communication and collaboration platform with daily workflows.

We have taken the design work from the previous year and delivered the new network infrastructure for our new Head Office including migration of the primary data centre and the fit out of the desktop environment and meeting rooms.

The team have supported business projects to implement a new repairs and maintenance system deployed to our in-house repairs and contact centre teams, including an integrated mobile working solution and the implementation of a new Learning Management System.

Communications and Engagement

Our Communications and Engagement Team sit at the heart of our business and support our colleagues, customers and stakeholders to feel connected and well informed about the work of the Group.

Our team of digital specialists have supported the implementation and migration of our Customer Portal, MyNCHA to reflect new ways of working. They'll continue to improve this system to give our customers a great experience accessing our services online.

Aside from their usual activities, our Communications Team led on the engagement activities associated with our move to Clifton Place. This included a wide range of events, activities and information produced. In addition to this, the team produced our second Better Lives Awards which was streamed to colleagues and shown on Notts TV.

The team have continued support the delivery of a wide range of key corporate projects which support our customers and colleagues.

We continue to work closely with stakeholders, partner organisations and the media to raise the profile of our work, protect our reputation, improve recruitment and generate new business.

Following feedback from TPAS (the Tenant Participation Advisory Service), NCHA's Customer Involvement team have been rebranded to Customer Engagement, and now form part of the Communications and Engagement department. Their initial priorities are to deliver the Customer Engagement Strategic Bridge and recruit new members to strengthen existing customer panels.

Business Transformation

Through ongoing management of the Transformation Portfolio, the Team have provided governance, expertise, and processes to ensure the successful delivery of programmes, projects and process improvements to deliver NCHA's corporate strategies.

We have launched a reporting and governance structure to provide oversight over the delivery of NCHA's Corporate Ambitions. Ensuring the delivery of Transformation and non-transformation activity to deliver our Group Corporate Plan for our Customers, People, Places and Business.

During the year, the 'Where We Work' Programme concluded. We provided programme management to relocate colleagues to NCHA's new head office at Clifton Place.

We delivered the Programme to bring NCHA's repairs function in house, with continued support by delivering projects to drive improvements in operative health and safety, Customer Experience and Damp, Mould and Condensation management processes.

Large scale projects were delivered including:

- A new Learning Management system
- Fire safety process improvements
- Installing environmental sensors in customers' homes
- Decommissioning of old offices in preparation for sale
- Updates to NCHA website to signpost customers to 'Pathways to support'

Information and Intelligence

Data and business intelligence remain critical to understanding and improving performance across NCHA. During the year, our Information and Intelligence team have overseen:

1. Tenant Satisfaction Measure processes embedded and audited successfully.
2. Further work undertaken to expand the data warehouse, with interfaces now established with One Housing, FIX (Complaints) and IRIS (H&S).
3. Rent Change process now embedded and standardised with further improvements planned for next year.
4. Team extended further with additional resource to focus on data quality. Team structure to be updated and business partnership approach to be adopted in the coming year.
5. Data Driven Decision-Making programme established, comprising 15 Knowing Our Data groups and workstreams focusing on data quality across Regulatory Returns and Board measures. Each group has identified threats to data quality and have identified actions to address these as well as business-as-usual checks.

Procurement and Value

Driving value for money via compliant procurement remains a key focus of NCHA. We have developed a Procurement Plan to meet this aspiration which includes:

1. Recruitment of a new lead Procurement and Contract Manager which will strengthen organisational capability in relation to contract management.
2. New Strategic Risk developed for Procurement and Contract Management which reflects the current Geo-political and UK Housing Sector challenges. The focus on continuous improvement initiatives will support delivery of the Value for Money Strategy.
3. Enhanced engagement across NCHA between Procurement and Contract Owners includes updated Business Partner approach and improved forward planning.
4. Preparation completed for the new UK procurement regulations including accreditation for the Procurement team and updated procurement toolkit.
5. Procurement and Value Advisors part way through year 1 of level 4 CIPS qualifications.

People

Since 2023, we have conducted our employee survey through 'Great Place To Work' (GPTW). In July 2024, we ran our second annual GPTW survey and have seen some excellent results. Headline colleague engagement increased from 69% to 77% in the year. Scores increased across 59 out of the 60 questions in the survey. Based on these results, we are listed by Great Place To Work as the 41st workplace in the UK in 2025 and recognised for colleague wellbeing support and as a great employer for women. In the very latest survey completed in July 2025, we retained our status as a Great Place to Work.

The wider leadership and management of NCHA play a key role in achieving our GPTW results.

Additionally, the People Team deliver a wide range of activities and initiatives which also underpin our colleague experience. The People Team consists of: Learning and Organisational Development; Human Resources; and Wellbeing.

Learning and Organisational Development

During the year the Learning and Organisational Development team have successfully supported a number of activities including:

1. Continuing our planned leadership development programme to a number of business leaders, with a focus on supporting existing and aspiring managers.
2. Coordinating the continuation of formal coaching of colleagues to support individual development and performance.
3. Effectively supporting bespoke individual and team development solutions across all teams, as part of our business partnering learning approach.
4. Embedding a new e-learning platform and designing new e-learning solutions as part of our compliance training programme, as well as developing additional support modules in key areas.
5. Maintaining the use of apprentices throughout NCHA, ending the year at close to 100% usage of our apprenticeship levy funds, with a positive partnership with Access Training, our jointly owned apprenticeship provider.
6. Delivering core training interventions.

Human Resources

Recruitment and retention pressures have reduced over the year. Turnover has improved, as has the number of applicants. However, because of the size of our workforce, this Human Resources work remains vital to NCHA. The Human Resources team have successfully supported:

1. The continuing use of a managed service provider approach in relation to coordinating agency workers to support our services.
2. The continued benchmarking of our benefits, including pay, and applying a pay increase to ensure we remain an attractive employer.
3. The continued use of our sponsorship offer for migrant workers to ensure we are positioned to use all available recruitment channels. Because of shifting government approaches and support in this area, we plan to reduce our reliance on this approach in the coming year.
4. The streamlining of recruitment approaches to ensure we don't lose candidates with multiple employment offers.
5. The continuation of hybrid working approaches for office-based colleagues, as a means to ensure we maintain flexibility and attractiveness as an employer.

Wellbeing

To ensure we support colleagues to deliver effective services to our customers, we have an embedded wellbeing offer. In the last year this has included:

1. The continued development of our colleague wellbeing hub to ensure it supports colleague wellbeing based on five areas – emotional, physical, work, social and financial, with interventions and activities carried out throughout the year in relation to the areas.
2. Supporting our wellbeing champions' skills and broadening our peer support groups.
3. The continuation of our in-house counselling service and the fast-tracking of physiotherapy requirements. These approaches have ensured we remain committed to prevention of colleague absence and supporting necessary and targeted rehabilitation activities.

Finance

The Finance function plays a key role in underpinning the work of each of the directorates. To reflect business need it consists of the following three teams: Treasury Management, Finance Systems and Business Partnership.

Treasury

Following a tender process, Savills Financial Consultants were appointed as Treasury Advisors to the Group in March 2025.

In December 2024 we completed our new 10 year £100m fixed rate loan with Saltaire Finance Plc under the Affordable Homes Guarantee Scheme. Effective cash management and investment has been a key focus in the latter part of the financial year including new sustainable deposits to maximise the wider benefits of NCHA's liquidity.

Environmental, social and governance (ESG) linkage performance

NCHA's £70m Natwest Revolving Credit Facility includes two ESG KPIs. In support of our Environmental KPI NCHA has improved 794 homes to EPC C over the last four years since 1 April 2021. This has exceeded the target of 770 homes. Against our Social KPI, NCHA's managers reported Diverse Heritage diversity of 13.1% at 31 March 2025 (2024 – as 9.6%) which exceeds our stepped target of 11.5%. NCHA will achieve a saving in loan costs as a result.

Systems and Business Partnership

The Systems team continued to deliver core transactional services and payroll throughout the year. We recognise that the local economy and many of the local businesses would be adversely affected if we were to delay payments of invoices. Therefore, as part of its social responsibility we continue to endeavour to pay all agreed invoices within thirty days of the invoice date.

The Business Partnership team continues to ensure budgets and forecasts are updated to reflect the changing economic conditions and the environment we work in. The team has worked closely with our external auditors to improve the efficiency and effectiveness of the annual accounts audit.

Future Housing developments

NCHA plans to develop 1,850 new homes across the Group over the next five years, including 250 for open market sale by Pelham Homes. We intend to improve key customer satisfaction measures through the delivery of a range of customer-focused projects. We are committed to measuring the social impact of our work and using this to drive decision-making and strategic priorities.

Board members and Executive Team

The board members and the Executive team of the Association are set out on pages 4 to 6.

The board members are drawn from a wide background and demonstrate a commitment to equality, diversity and inclusion particularly in relation to gender, gender reassignment, sexuality, race, age, disability and religious belief. They are required to bring together professional, commercial and local experience and include a customer member.

NCHA has a Board member recruitment and selection policy which requires that all Board member vacancies are openly advertised and against which all written applications for Board membership are considered.

The Board agreed at the last review, to maintain a target size of 12 members. All 12 Board Members were appointed Board Members at 31 March 2025.

The Board has identified the priority skill sets outlined below for representation across its membership.

We take this opportunity to thank all Board members, acknowledge those who have now stepped down and welcome new members to the Board.

- | | |
|---|--|
| 1. Strategic development & implementation | 7. Care and support |
| 2. Strategic Risk Management | 8. Compliance including Health & Safety |
| 3. Housing Regulation | 9. Strategic Asset Management |
| 4. Strategic Performance Management | 10. Development and Property Sales |
| 5. Equality & Diversity | 11. Finance and Treasury Management |
| 6. Customer Experience | 12. Sustainability and Net Zero |
| | 13. Cyber Security, Technology and Data Protection |

The above skill sets inform the Board's approved succession plan and are used to target recruitment activity. Following a successful recruitment campaign two new Board Members were recruited during the year who bring experience in care, support services and finance.

The Executive team comprises of the Chief Executive, the Director of Development and Sustainability, the Director of Homes and Wellbeing, the Director of Finance and Resources and, following creation of a new post in 2023/24, the Director of Assets and Property Services.

The Executive Team act as executives within the authority delegated by the Board. The Executive team complete a skills matrix each year confirming in October 2024, that they have the skills and/or knowledge and/or experience to carry out their role as lead officers of the Group.

The Group has insurance policies which indemnify its Board members and Executive team against liability when acting for the Group. The insurance cover does not extend to negligent or wrongful acts.

Remuneration policy

The Governance Committee reviews the level of payment to Board and Committee members every year.

To inform this process, the Committee commissions a biennial market review of member remuneration from an independent consultant. The Committee takes account of National Housing Federation (NHF) guidance, published surveys and salary settlements negotiated with staff before making a recommendation to Board on any changes to the package. The next review is due in December 2025. Based on the previous guidance, the Board agreed to implement the same pay increase to the Chief Executive as other colleagues (1.7%) in April 2025, however the Board did not apply any increase to Board and Committee positions for the second year running.

The Executive team has delegated authority to set pay, benefits and terms and conditions for NCHA employees. Pay is determined using a job evaluation scheme, which references market data to ensure salaries support recruitment and retention objectives. Changes to terms and conditions are dealt with via the Association's Joint Union Negotiating Group which meets regularly.

The differential between the salaries of the lowest and highest paid employed on a 35 hours full time equivalent basis is 9.1:1 (2024 – 9.5:1).

Pensions

NCHA participates in the Social Housing Pension Scheme (SHPS) on a Defined Contribution (DC) basis. At the time of our annual pensions report during 2024/2025, NCHA had 1,106 (2024 – 1,097) current employees participating in the Defined Contribution Scheme, after closing the Defined Benefits Plan in April 2022. All existing colleagues, regardless of position, receive access to the same pension benefits, with the maximum matched contribution under NCHA's DC scheme being 10%.

Executive Team members participate in the SHPS schemes on the same terms as all other eligible employees. The Association contributes to this scheme as well as to the National Health Service (NHS) Pension Scheme.

The NHS Pension Scheme is provided to six employees under TUPE (Transfer of Undertakings Protection of Employment) arrangements. The Association has previously participated in the Local Government

Pension Scheme due to historic TUPE arrangements. This is no longer the case.

Members of the Executive Team have permanent contracts of employment.

Employees

The strength of the Group and the Association lies in the quality and commitment of its employees which is reflected in our full employee engagement survey, undertaken in July 2024. For the second time, NCHA used the Great Place to Work survey, which recorded 77% (69% in 2024) of colleagues agreeing that NCHA is a Great Place to Work. This was a positive increase and enabled us to submit our details to be recognised as a great workplace in Great Place to Work literature. Our submission was successful, and we were placed 41st in the super-large employer category. The latest survey was completed in July 2025 and not only have we retained our Great Place To Work status but colleague participation in the survey also significantly increased.

The Group's ability to meet its objectives and commitments to customers in an efficient and effective manner depends on the contribution of employees throughout the organisation. We take this additional opportunity to thank them for their efforts in making this another successful year.

NCHA provides information on its objectives, progress and activities through regular office and departmental meetings and a monthly team brief. A performance management framework is in place and monitored through our HR system.

A Joint Union Negotiating Group comprised of the Executive Team and colleague representatives and officers of the two recognised trade unions Unite and UNISON meets formally to consult with colleagues and discuss issues relevant to employees approximately six times a year.

NCHA is committed to equal opportunities for all its employees. It has an Equality, Diversity and Inclusion Strategy and associated objectives are integrated into annual team plans which are designed to encourage progress against a number of targets including employment workforce statistics and allocations. Progress targets are reported to Board on an annual basis.

People with disabilities

The Group's policy is to give full and fair consideration to applications for employment made by people with disabilities, having regard to their particular aptitudes and abilities. We are proud to be signed up to the Government's Disability Confident Employer scheme. Reasonable adjustments are made for people who are or become disabled during their employment to allow them to continue working, including necessary retraining.

In addition to our stated commitment to the employment of people with disabilities, where local authority support can be secured, the organisation endeavours to include a number of properties that meet mobility space standards on new build schemes, and carries out a range of adaptations to its existing homes to enable customers with disabilities to continue living in their homes.

The Care and Support Strategy will improve our homes for people with disabilities and for older people, as well as ensuring pathways to support for customers as needed. NCHA's Care and Support teams deliver a range of housing and care and support services to people with disabilities across the East Midlands, typically under local authority or NHS contracts.

Social responsibility

Throughout our 50 year history NCHA has brought national resources into local housing provision. During the year, we brought £64.8m (2024 – £38.8m) of grants including revenue grants, Social Housing Grant and other capital grants into the local economy. We are very pleased to be able to combine these monies with the support of local authorities and statutory agencies to achieve a significant impact on local housing, social and community issues.

Volunteering

The Board continued to show their commitment to volunteering. We employ a Volunteering Coordinator to support colleagues to volunteer in different parts of the business. The Board see the initiative as both an appropriate use of the resources to assist people in need and to provide valuable personal development for colleagues involved. The past year has seen a continuation of colleague volunteering. The Board remain committed to this charitable initiative and look forward to continuing the commitment in future years.

Housing properties

Movement on housing properties is detailed in notes 13 to 13f and a summary of housing properties owned and managed is disclosed in note 28.

Over 50% of these properties are in Nottinghamshire. The Group owns properties in a total of 32 local authority areas across the East Midlands.

Nottingham Community Housing Association provides housing properties for shared ownership with first tranche sales leading to management until the properties are fully staircased. Additionally, it sells a small number of general needs stock based on agreed disposal criteria and also sells a small number of Rent to Homebuy properties, repossessed shared ownership properties, sales under Right to Acquire and voluntary sales of submarket rent stock

Other fixed assets

Details of additions to other fixed assets are set out in note 14 of the Financial Statements.

Governance

The Association agreed in January 2021 to adopt the NHF Code of Governance (2020) from 1 April 2021, having previously adopted the NHF Code of Governance (2015) up to 31 March 2021. Compliance with the code is assessed annually by the Governance Committee. The Association has a policy on terms of office for Board Members which reflects the tenure required by the NHF Code of Governance (2020). In compliance with this policy, no current members have served more than the maximum tenure of nine years, comprising of two terms of office plus three single year extensions. When individual members retire by rotation they are required, if seeking re-election, to identify their particular skills, knowledge and experience which are considered alongside the requirements of the Board as a whole. The current Chair retires on 31 August 2025, and a new Chair has been appointed from 1 September 2025. The Chair is re-elected annually.

The Board undertakes a self-evaluation of its own performance each year. The latest evaluation was in late 2024 and reported to Governance Committee and Board in early 2025; this review gave positive results across all areas of Board performance.

An independent review of governance was undertaken in late 2023. The review assessed NCHA's Board as 'high performing' and identified a few areas for further improvement to secure excellence. The 2023 review resulted in improvements in induction planning for Board members, new meetings between chairs of Boards and committees and a commitment to reviewing the voice of the customer heard at Board.

Board members achieved 82% (2024 – 86%) attendance during the year, on average against a target of 85% for average attendance.

The Board has decided not to formally adopt the NHF Code on Mergers and Partnerships as it does not feel the necessity to adopt a rigid code preferring to respond to opportunities or proposals on the merits of individual situations as it has successfully done over many years. NCHA Board does, however, undertake an annual assessment of merger indicators at its Away Day.

In 2015, the government passed an act to fight modern slavery, giving support and protection for the victims, and ensuring big businesses take responsibility for creating transparency in their business and supply chains.

NCHA is required to publish a statement that clearly states how we will improve our business activities to combat modern slavery and human trafficking in our corporate activities and supply chains.

As well as publishing our statement, we have also ensured that all our managers across the organisation received additional support to raise their awareness on modern slavery and human trafficking. We are also encouraging our employees to report any concerns they might have about a contractor, supplier or colleague being involved in modern slavery activities.

**Read our full statement
outlining our response to
the new modern
slavery legislation.
NCHA**

www.ncha.org.uk/modern-slavery

Transparency

NCHA carries out its work in an open, transparent and accountable manner. In order to be accountable to our customers and stakeholders we have set up sections on our website to help interested parties to see how we manage NCHA and deliver our services.

Responsibilities of the Board and its Committees

The Board meets formally at least six times a year and has conducted its meetings face to face throughout the year. It is responsible for setting the mission, vision, values, culture and ambitions for the Group, directing strategy and approving budgets and long term financial plans. The Board monitors performance and the delivery of the Group's Corporate Plans and strategies. The Board is also responsible for establishing and maintaining a system of internal control. The Board has delegated authority in particular areas to its Committees, as set out below.

The Group Audit and Risk Committee comprises a minimum of at least three NCHA Board members, supported by one independent member co-opted on the basis of their skills and experience. The Committee meets at least four times each year. It is responsible for overseeing external audit and the production of statutory accounts, the internal control framework, the internal audit function, the high level risk framework and other areas relating to regulation, governance and confidential reporting.

The Governance Committee comprises of three NCHA Board members and meets three times a year. The purpose of the Committee is to oversee all Board and Committee member remuneration, to oversee remuneration of the Chief Executive, to manage all Board and Committee nominations and succession planning, and to ensure good governance and compliance in related areas.

The Care Committee comprises four NCHA Board members and an independent member with care and support specialist knowledge. The Committee also has two experts by experience as members to provide a lived experience perspective. It meets four times a year to monitor and review the quality of care and support provided by the Association and to ensure the obligations and requirements of the Care Act 2014 are correctly discharged by the Association and the Board.

The Customer Committee is chaired by an Independent Chair and consists of three Board members and three customers. It meets four times a year. The Committee supports the work of NCHA's Board through the monitoring of performance relating to customer experience, across the NCHA Group, ensuring compliance with regulatory and other legislative standards, and to review and recommend to NCHA's Board appropriate policies and strategies related to the customer experience.

The Board and its Committees obtain external specialist advice from time to time as necessary. All Committees report directly into the NCHA Board.

Annual Compliance Statement on Governance

The Board has undertaken a self-assessment of compliance with the Regulator of Social Housing Regulatory Framework including the Governance and Financial Viability Standard and the Consumer Standards. The Board satisfied itself that the Association was fully compliant for the year ended March 2025. Compliance with the selected Code of Governance is also self-assessed on an annual basis. The Board also confirms that for the year ended March 2025 it was fully compliant with its chosen code: the NHF Code of Governance (2020).

Statement on the system of internal control

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

The Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests.

Identification and evaluation of key risks

The Board confirms that there is a long-term ongoing review process for identifying and managing significant risks faced by the Group covering the period up to the date of the annual report. Management responsibility has been clearly defined for the identification, evaluation and control of significant risks. There is a formal and ongoing process of management review in each area of the Group's activities. The Executive Team considers and receives reports on significant risks facing the Group and the Chief Executive is responsible for reporting to the Board any significant changes affecting key risks. All Board and Committee reports include a section detailing the risks arising or identified as a result of any information or recommendations included in the report.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within the normal management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the organisation is exposed. The Risk Panel, the Audit and Risk Committee and our Board of Management have continued to work together to assess the quantification of our risk appetite and have produced the following Risk Appetite statement.

“The Board recognise that the Group's activities involve risk and the taking of appropriately identified, evaluated and controlled risks in pursuit of business objectives is acceptable, particularly in pursuing business opportunities for the benefit of the Group and its customers.”

The risk-based approach is consistent with best practice across the sector.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework, includes the annual review of the Risk Management Framework and biannual review of strategic risk maps, which is an ongoing process for identifying and managing significant risks faced by the organisation. This process has been in place throughout the year under review, up to the date of the annual report and accounts and is regularly reviewed by the Board.

In addition, the Risk Panel annually reviews the Sector Risk Profile, and provides assurance throughout the year on key risks by way of presentations to Audit and Risk Committee.

Over the past five years the NCHA Group has developed and implemented a comprehensive Risk Management System, which clearly evidences how Board obtain assurance that the key risks have been managed and mitigated.

Over the past year, we have strengthened our procurement risk to capture the whole procurement lifecycle and contract management. We have added a new environmental risk regarding the preparation of customers and properties for extreme weather events. Following review of the operating environment and other strategic risks, we have closed two risks with the approval of the Audit and Risk Committee. These were:

- Protecting our rental income.
- Effectively managing our recruitment and retention challenges.

NCHA Group strategic risks

Our strategic risk map, reviewed biannually by NCHA's Board, addresses the risks associated with the following objectives, as outlined within our Group Corporate Plan:

- **Complying with legal requirements together with environmental and regulatory standards.**
- **Ensuring that our services meet our customers' needs and expectations.**
- **Managing our existing housing properties to deliver well maintained, safe, quality homes.**
- **Ensuring that the data we keep is accurate and of good quality.**
- **Adequately protecting NCHA systems and data from malicious attack, data breaches and hardware failure.**
- **Meeting property sales targets.**
- **Remaining competitive and viable in care and support markets.**
- **Delivering a development programme via our Strategic Partnership.**
- **Effectively managing loans, loan covenants and cash flows.**
- **Remaining financially viable as an organisation.**
- **Preparing for extreme weather events.**
- **Delivering compliant procurement, effective contract management and managing counterparty considerations.**

The following table sets out the high level impact of each Strategic risk and our response to mitigating these impacts.

Strategic Risks	Detail and Impact	Our Response
Customer Satisfaction		
Ensuring that our services meet our customers' needs and expectations.	<p>Poor customer satisfaction due to failure to overcome customer barriers to accessing services or failure to meet customer service standards.</p> <p>Failure to learn from complaints and hear the voice of the customer, leading to poor customer experience and reputational damage for NCHA.</p>	<p>Customer Involvement Structure with Customer Committee reporting to the Board to ensure strategic overview of customer satisfaction.</p> <p>New Customer Strategy approved by Board in 2024 and reviewed in 2025.</p> <p>New dedicated customer experience and complaints team and system in place from April 2024.</p>
Condition of Housing Stock		
<p>Managing our existing housing properties to deliver well maintained, safe, quality homes.</p> <p>Preparing our properties and customers for extreme weather events.</p>	<p>Poor quality and unsafe homes due to failure to comply with the Decent Homes Standard or poor landlord compliance performance including damp, mould, and condensation.</p> <p>Failure to adapt to emerging environmental legislation leading to a poor thermal standard in homes.</p> <p>Homes at risk of flooding and customers needing evacuation to temporary accommodation.</p>	<p>New Places Strategy approved by Board in 2024 and reviewed in 2025.</p> <p>Maintenance Task and Finish Group in Place with Board Members, Customers and Executive from March 2024 to December 2024 to sharpen focus on service delivery.</p> <p>Our Environmental Sustainability Strategy is approved by Board and reviewed biennially; progress, including performance against KPIs such as net carbon emissions, is reported annually.</p>
Operating Environment		
<p>Complying with legal requirements together with environmental and regulatory standards.</p> <p>Delivering compliant procurement, effective contract management and managing counterparty considerations.</p>	<p>Breaches of requirements resulting in regulatory downgrading, fines, tribunal action and legal action.</p> <p>Any non-compliance is likely to result in reputational damage and increased intervention from the regulator.</p> <p>Poor procurement can lead to legal challenges, fines, poor contract performance, and financial loss.</p>	<p>Review of legal changes performed with Anthony Collins Solicitors in May and November each year.</p> <p>Actively working with the regulator on self-referral. Full inspection in 2024 and awarded G1V1C1.</p> <p>Experienced and qualified team in place who support the business and ensure all procurements are conducted within the Procurement Regulations.</p>

Cyber Security and Data Protection		
<p>Ensuring that the data we keep is accurate and of good quality.</p> <p>Adequately protecting NCHA systems and data from malicious attack, data breaches and hardware failure.</p>	<p>Poor data records would result in core systems not meeting business requirements, leading to inaccurate reporting, poor customer voice and lack of assurance to the Board.</p> <p>A significant full or part system failure could result in a deterioration business performance, financial loss and reputational damage.</p>	<p>Data validation embedded in core systems where practical. Data standards being established for all key data sets along with responsibilities.</p> <p>New 2024 Data Quality Policy in place.</p> <p>Maintaining or improving our cyber security is a key part of our Board approved Technology Strategy and underpins all associated projects.</p>
Financial Resilience		
<p>Remaining competitive and viable in care and support markets.</p> <p>Remaining financially viable as an organisation.</p> <p>Effectively managing loans, loan covenants and cash flows.</p>	<p>Losing Care & Support business would result in loss of up to 30% of group's income.</p> <p>If performance in financial terms is significantly worse than target, it may lead to a regulatory breach for NCHA group.</p> <p>Breach in covenant would lead to regulatory and financial effects, potentially leading to reduction in core activities through an inability to borrow.</p>	<p>Quarterly reports to Board on Care and Support management accounts performance, and Board reviews tender opportunities and outcomes.</p> <p>Annual and 30-year financial plans are reviewed annually and approved by the Board. Stress testing is reviewed by members as part of each budget approval.</p> <p>Annual review of Group Treasury Strategy by external consultant.</p> <p>Board approved set of Golden Rules. Stress testing is submitted to members as part of the annual budget approval which includes agreed recovery plans.</p>
Development and Sales		
<p>Delivering a development programme via our Strategic Partnership.</p> <p>Meeting property sales targets</p>	<p>Failing to deliver the development plan will have a negative impact on NCHA customers, Homes England, Local Authority Partners, and Funders.</p> <p>Failing to meet sales targets would negatively impact the group finances.</p>	<p>Programme delivery and cash flow reviews carried out by Development Investment Group.</p> <p>Executive Team review the monthly sales report. Sales reporting is included in Development and Sales Board Report. Sales KPIs reported to Board via the monthly KPI dashboard.</p>

Environment and control procedures

The Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance issues including treasury strategy and material new investment projects. Policies and procedures cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.

Information and financial reporting systems

Financial reporting procedures include detailed budgets for the year ahead, detailed management accounts produced monthly and forecasts for the remainder of the financial year and for subsequent years. The Board also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

Monitoring and corrective action

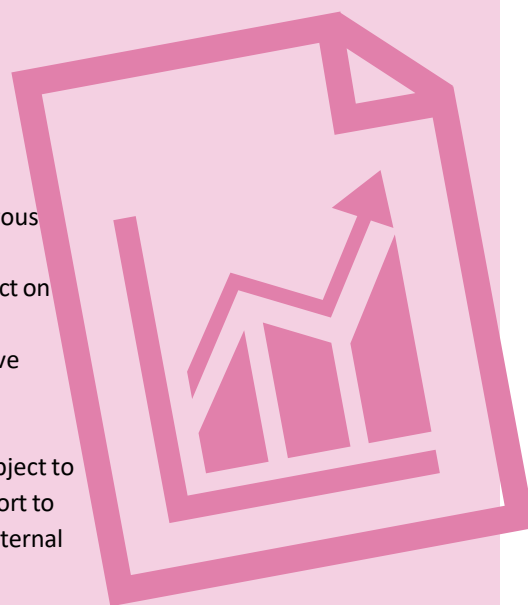
A process of regular management reporting on control issues provides assurance to senior management and to the Board. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services. A detailed system of performance indicators is monitored by the Executive Team and corrective action identified.

The internal control framework and the risk management process are subject to regular review by Internal Audit who advise the Executive Team and report to the Audit and Risk Committee. The Audit and Risk Committee considers internal control and risk at each of its meetings during the year.

The Audit and Risk Committee conducts an annual review of the effectiveness of the system of internal control and has taken account of any changes needed to maintain the effectiveness of risk management and control process. The Audit and Risk Committee makes an annual report to the Board. The Board has received this report.

In the 2024/25 year, the annual report on internal audit concluded that a reasonable level of assurance was provided on the effectiveness of the framework of governance, risk management and controls.

The Board considers an annual self-assessment against the Regulator of Social Housing's Regulatory Framework to confirm compliance with regulatory requirements under the RSH economic and consumer standards.



NCHA Value for Money Statement

In delivering NCHA’s vision of “More homes, great services, better lives”, NCHA needs to ensure its resources are applied as efficiently and cost effectively as possible.

Introduction

The Regulator of Social Housing (RSH) sets out its requirements in relation to Value for Money within the Governance and Financial Viability Standard. This is supported by an associated Code of Practice, also published by the RSH. NCHA’s strategic approach seeks to maximise Value for Money (VFM) and to comply with RSH requirements and best practice.

NCHA’s reporting approach also takes account of the RSH review of VFM reporting published in March 2025 as an Annex to the 2024 Global Accounts.

NCHA’s Strategic Approach

In March 2024, NCHA’s Board approved the Group Value for Money Strategy 2024-2029. This strategy contributes to how Board members, colleagues and customers understand what VFM means to NCHA, how it will enable the Group to deliver more and better services and embed continuous improvement into the culture of the Group. The strategy looks across a range of indicators and activities to capture VFM performance across NCHA. These include:

- RSH VFM metrics
- Benchmarking our performance
- Social value
- Board indicators to drive performance
- Focus areas for 2025-2027.

This report comments on performance during the year, assessed against the VFM strategic areas.

VFM Standard – RSH Financial Metrics

In accordance with the requirements of the RSH Value for Money Standard, the RSH Financial Metrics are used to measure economy, efficiency and effectiveness and are reported on a consolidated basis for the Group.

The NCHA results for the current year, alongside the forecast for the next year and prior year comparison are shown on the following page benchmarked against peer median from our selected benchmarking group. A brief commentary on the results is presented. NCHA has also forecast its projected Regulatory Financial Metrics for the coming year 2025/26.

NCHA’s TSM results are summarized within our Annual Report to Customers and are reported in full on our website.

Metrics for the remuneration of the highest paid director, the aggregate amount of remuneration paid to Directors and the total management costs relative to the size of NCHA are also included in Note 12

Regulatory VFM Standard Metric		2025 NCHA Actual	2025 NCHA Forecast	2024 NCHA Actual	2024 Peer Median Actual	2024 Sector Median Actual	2026 NCHA Forecast
1	Reinvestment (%)	9.5%	11.3%	11.6%	7.4%	7.7%	10.0%
	NCHA targets high reinvestment, in line with our Group Corporate Plan, vision for 'More Homes' and status as a Homes England Strategic Partner. Development expenditure for the year ended 2025 was less than originally forecast as key site acquisitions at the end of the financial year moved further back. In addition, capital programme expenditure was also less than forecast due to the redeployment of the planned works team to support responsive repairs during the in-housing of the service. This impacted the component replacements completed during the year. Our performance remains very strong and ahead of peer and sector median performance.						
2A	New supply delivered: Social housing units (%)	4.1%	3.0%	3.6%	1.8%	1.4%	2.9%
	NCHA's Group Corporate Plan targets an average of 320 new social homes being developed each year. This equates to an average forecast of 3.0% in new social housing supply. However, due to profiles and timing in the development programme, this can vary considerably. We have seen high numbers of development completions in the last two financial years, with more than 400 in the year-ended 2025. This was balanced out by a smaller number in the year ended 2023 when 149 were completed. The cumulative position remains in line with targets.						
2B	New supply delivered: Non-social housing units (%)	0%	0%	0%	0%	0%	0.4%
	Development of properties for market sale in Pelham Homes continues but no new properties were completed in the year ended 2025. The forecast for 2026 reflects 47 development completions in Pelham Homes. In addition, and not included in the 2026 forecast in line with technical definitions, are 34 units that will be completed in Pelham Waterside Two LLP in the year. These are excluded as the Pelham Waterside Two LLP Joint Venture is not part of the consolidated NCHA Group.						
3	Gearing (%)	51.1%	45.0%	44.7%	49.6%	45.6%	45.7%
	NCHA's Gearing for the year ended 2025 is higher than the 2025 forecast. The completion of the AHGS £100m loan, which was planned in the business plan, was completed earlier than expected. Additionally, a significant proportion of the loan (£70m) was invested as current asset investments which are excluded from cash balances within the definition of the metric. Also, the value of Housing Properties was less than anticipated due to a lower development spend (see Metric 1 above). We forecast gearing in 2026 to remain in line with previous forecasts and also below peer group and sector median. This is achieved mainly due to the forecast level of Strategic Partnership Grant from Homes England that also supports the cost of housing properties being developed						
4	EBITDA(MRI) interest cover (%)	121%	109%	134%	110%	122%	118%
	NCHA's EBITDA (MRI) interest cover was forecast to decrease between 2024 and 2025. The metric has decreased, but actual performance was above the forecast and in line with the sector median. Performance in excess of forecast was mainly due to a lower capital programme spend and significant interest receivable following receipt of the AHGS £100m loan. Looking ahead we forecast a decrease in EBITDA (MRI) interest cover which is driven by increases in both the capital programme and interest payable whilst the AHGS loan is held for a full year.						
5	Headline social housing cost per unit (£)	£6,837	£6,940	£6,527	£5,792	£5,136	£6,982
	NCHA's cost per unit is significantly affected by the operating costs of non-accommodation based support (other social housing activities, contract income). This is a characteristic shared by some but not all of NCHA's selected peer group. Accordingly, NCHA's cost per unit is significantly higher than both the sector and peer median, but closer to the latter. The cost per unit has increased between 2024 and 2025 due to inflation and increased investment. Actual cost per unit was slightly below forecast due to savings in operational budgets and increased development completions. Our forecast for 2026 reflects inflationary increases.						
6A	Operating margin: Social housing lettings (%)	22.2%	24.2%	24.8%	23.4%	20.4%	22.5%
	NCHA's operating margin on social housing lettings is below that achieved in 2024 and below forecast for the year. Increased voids during the year, which exceeded budget, and higher revenue maintenance costs have both impacted. NCHA's performance is higher than the 2024 sector median score which is very positive given this metric includes the operating costs of supported housing and residential care homes. This is a characteristic shared by some but not all of NCHA's selected peer group. Forecast performance for 2026 remains in line with 2025 performance but also remains well above the 2024 sector median score.						
6B	Operating margin overall (%)	17.0%	18.3%	18.1%	19.8%	18.5%	18.0%
	NCHA's operating margin overall is below both that achieved in 2024 and forecast for 2025 mainly for the reasons set out for Metric 6A above. Operating margin falls below the peer group median. Historically NCHA's overall operating margin is low compared to peers noting that this is based on all activity including Care and Support contracts. Forecast performance for 2026 is slightly higher but remains below the 2024 peer median.						
7	Return on capital employed (%)	2.2%	2.9%	2.7%	2.8%	2.8%	2.8%
	NCHA's return on capital employed falls below that forecast for 2025 and the return achieved in 2024. The main reasons for this were that the total operating surplus in 2025 fell below budget due to a lower profit on property sale and total assets (less current liabilities) increased significantly following receipt of the AHGS £100m loan. The return achieved falls below both the per group and sector median but it is anticipated that the 2026 return will increase and be in line with the 2024 sector median.						

Corporate structure and delivery review

The NCHA Board and the Executive Team are committed to the delivery of the vision, values and objectives across the communities we serve, focused on delivering continued value for money (VFM) improvements for current and future customers.

NCHA's Board have considered the partnership and merger agenda and assessed whether any urgent issues or drivers exist in relation to a suite of agreed merger indicators. The latest assessment was carried out in November 2024 which concluded that merger was not required. Active merger considerations have also been agreed. These set out the considerations to be applied by the Board if approached to provide support to another organisation. Further details are set out on page 11.

Alternative structures and delivery methods are kept under review. Following a corporate structure review, the Group has been rationalised in recent years. The rationalisation is nearing completion and has taken another step forward with the dissolution of Pelham Waterside LLP on 1st July 2025.

Alternative approaches have been adopted for key customer service functions with the in-housing of responsive repairs and the establishment of a centralised complaint handling team, both in 2024.

Benchmarking services

NCHA used HouseMark during the year to compare its performance across a wide range of activity to its peers.

NCHA also identifies a peer group for benchmarking our Regulatory VFM Metrics. The peer group is kept under regular review to ensure it continues to consist of organisations sharing characteristics in common with NCHA.

The peer group takes account of the NCHA's key characteristics including: size, regional wage index, traditional funding type, levels of Care and Support activity and development programme activity, and is made up of the following 10 organisations:

1. Hightown Housing Association Limited
2. Plus Dane Housing Limited
3. East Midlands Housing Group Limited
4. Regenda Limited
5. Your Housing Group Limited
6. Mosscares St. Vincent's Housing Group Limited
7. Orwell Housing Association Limited
8. South Yorkshire Housing Association Limited
9. Paradigm Housing Group Limited
10. PA Housing Limited

This peer group has been created to calculate the peer median for 2024 for the Regulatory Financial Metrics, as set out on the preceding pages.

Social value

Social value is the additional, quantifiable value that our customers and stakeholders experience as a result of the activities of NCHA, in addition to the activity itself. Our social value results demonstrate not only the increased value for money that our services deliver, but also the positive impact that our homes and services have on customers' and colleagues' lives. This underpins the strategic objectives in our Group Corporate Plan. We capture social value by using measures from the industry standard HACT Social Value Bank.

Strict controls are used to strip out deadweight benefits, i.e. the positive outcomes which people would have achieved in their lives regardless of NCHA's intervention. Therefore we know that our results are the true impact of our homes and services.

Under **'More Homes'** we measure the social impact of gaining an NCHA tenancy and high quality repairs.

To support our **'Great Services'** we capture the social value of qualifications and apprenticeships. Under **'Better Lives'** we have identified the benefits of some of our Care and Support services and the benefits to our engaged customers of being involved with NCHA.

In 2024/25, NCHA created £4,506,434 of social value for our customers, communities and colleagues. This included the activities identified below.

	2025	2024
	£'000	£'000
Starting a tenancy with NCHA	3,062	3,206
Improved energy efficiency in customers' homes	225	1,481
Customers involved with NCHA	55	48
Qualifications and apprenticeships for colleagues	724	127
Supporting vulnerable young people	9	31
Support from our mental health services and learning disability services	87	143
Support from domestic abuse services	209	101
Homelessness prevention	135	24
Total social value reached in each year	4,506	5,161

Under our Social Impact Strategy, this year the focus of our social value measurement is on customer wellbeing.

Board indicators used to drive performance

During the year, NCHA's Board monitored performance against a range of measures recorded on the monthly KPI dashboard providing a regular focus on performance and progress against corporate objectives. The table and narrative below provide a summary of performance in key areas for 2024/25.

KPI performance summary for 2024/25

Indicator	Actual performance	Target performance	RAG Rating
Our Customers			
Customer satisfaction overall 2024/25 TSM Rental and Home Ownership	71.8%	70%	
Customer satisfaction Care and Support	98.3%	99%	
Complaints resolved within timescale	97.0%	100%	
Our Places			
New homes completed in year	421	363	
Percentage of homes at EPC C or above	91%	91%	
Overall health and safety compliance (big six)	99.95%	100.0%	
Our People			
Colleague satisfaction	77%	70%	
Colleague sickness absence average days per FTE	10.1	8.4	
Our Business			
Arrears	3.58%	3.25%	
Re-let days Affordable and Social Housing	70	26	

Performance is targeted to improve in the following red rated areas.

Complaints resolved within timescale

97% of complaints were resolved within timescale, which fell short of the 100% target. We have seen significant improvements in our performance in this area following the establishment of the centralised customer resolution team at the start of the year. In the prior year before the new team were set up, less than 70% of complaints were resolved within timescale.

We are continuing to target improved performance up to 100% and also a reduction in the complaints which are escalated to Stage 2.

Colleague sickness absence

Colleague sickness absence has improved in the last year. In 2024/25 sickness absence averaged 10.1 days per employee, which is our second-best annual outturn, and bettered 10.5 days achieved in the prior year.

We have continued to support colleagues in two key areas, both linked to high and long-term absence (musculoskeletal and mental health related).

Re-let days

Two major factors have impacted the time taken to re-let our Affordable and Social Housing homes, which worsened in the last year. We took the decision to redeploy colleagues in the re-let team onto responsive repairs, to support the in-housing of the service and to reduce the responsive backlog. As a result, re-let times were impacted. In addition, we have experienced more major works on property voids, which also compounded re-let times.

We accept that void times have generally lengthened in recent years due to a range of factors. In view of this we have set a new target going forward of 32 days. This is based on latest sector benchmarks. We have a range of initiatives in place to achieve this including a cross-departmental approach for managing long-term voids.

Key focus activities during the year 2024/25

During the year, key activities in relation to NCHA's Value for Money Strategy were:

- Launching our new responsive repairs in house
- Effective procurement practice
- Delivering on our development plans
- Developing a centralised complaints model
- Improved defects management
- Value for Money in new financing

Reporting VFM indicators

Each year the NCHA Group reports on VFM in its annual accounts, its annual report to customers and on the corporate website.

In the annual accounts the NCHA Group reports on performance against both internal targets and against its peer group using data from HouseMark.

Additionally, it reports on social value and plans to identify future targets and to address areas of current under-performance.

In the Annual Report to its customers the NCHA Group will summarise VFM and social value achievements in an accessible format.

On its corporate website each year the NCHA Group will publish a summary of VFM performance and achievements for the year along with a report on the social value it has generated that year.

Performance in Tenant Satisfaction Measures is published in full on NCHA's website and also forms a part of the overall VFM assessment.

Bringing responsive repairs in house

During the previous year, the Board approved plans to transfer our then contracted out responsive repairs service in-house. The new service aimed to improve customer experiences by reducing repairs completion times and reducing the repairs backlog. The transfer went live as planned in April 2024, marking the completion of phase 1 of the project. Phase 2 was delayed but completed in February of this year, with the implementation of a new system to improve efficiency and functionality in repairs management. We have seen significant reductions in both completion times and the backlog of overdue repairs and are now turning to the conclusion of restructuring our teams to be better enabled to build on this improvement further. Our recent tenant satisfaction measure results have justified this significant strategic decision.

Statistics which demonstrate the significant reduction in backlog repairs and improvements in tenant satisfaction since bringing the service in house are shown under the Asset Management section on Page 14.

Effective procurement practice

This year procurement at NCHA has focused on three key areas:

- 1) Strengthening the relationship between SLT, Contract, Budget holders and the Procurement Team as new structures were embedded following changes of personnel in the Procurement Team and the transfer of Property Repairs in house.
- 2) Preparing the organisation for the transition to the new UK Procurement Regulations which went live in February 2025.
- 3) Improved forward planning for key procurement activity bringing the key dates forward

The Procurement Panel ensures the effective management of procurement across NCHA. The panel includes senior leaders, who support best practice and ensure our governance through procurement is in place. The panel review NCHA's procurement plan alongside the previous quarter's spend compliance and the effectiveness of contractor/ supplier performance. Future plans to improve procurement are also reviewed by the panel.

During 2024/25, Central Resources delivered on several key procurements with VFM being a focal point:

- Appointment of a new energy broker to lead on the new contracts for gas and electricity which included the switch to full Green electricity supply.

- Renewal of the Passive Fire Works contracts following competitive tender to support replacement and refurbishment programmes across our property portfolio.
- Supporting the Fleet Transformation Project to establish new contracts for repairs and maintenance with improved SLA's and commercial pricing delivered. The awarded suppliers are local to NCHA Head Office which reduces the environmental impact of the Fleet
- Several contracts awarded to support facilities and technology requirements for our move to the new Clifton Head Office including vending services, waste management services and various software and hardware services.

During 2024/25, plans were agreed to transform NCHA approach to Contract Management to include:

- Centralising Contract Management which will see the appointment of a new Lead Procurement and Contract Manager.
- Revised Contract Management Policy and supporting processes
- New Training packages for SLT, Contract and Budget Holders

These plans will be delivered through 2025/26 and embed further good practice into the organisation ensuring our VFM strategy outcomes are delivered.

NCHA continues to review and develop our supply chain through compliant procurement routes. Some procurements currently being undertaken are:

- External Works
- CCTV
- Roofing Repairs and Replacement
- Drainage Works
- Heritage Properties Repairs
- Access Control Services

As members of EEM (Efficiency East Midlands), NCHA receives a percentage of spend back as a portion of EEM's surplus; which is reinvested into communities through their Community Donation scheme.

In relation to 2025 NCHA received a rebate of £7k (2024: £7k)

NCHA's in-house Property Services team completed 40.79% of the works orders for maintenance and programmed works, providing a direct saving in VAT of approximately £1.71m

Delivering on our development plans

During the year, our development completions for affordable homes was ahead of target, with 421 completions. We also made a start on site for 347 new homes including 42 new homes for sale for Pelham Homes.

Developing a centralised complaints model

Following a review by NCHA's Scrutiny Panel and in response to increasing complaints and falling satisfaction, a new target operating model was approved for complaints handling. From April 2024, all complaints were handled by a single centralised team, with increased resource to respond to rising demand.

Improved defects management

We have implemented a new aftercare and defects management policy and process to ensure the delivery of safe, sustainable, and quality homes. We are seeing improvements and will continue to build on these to deliver against our Corporate Plan targets. Performance in 2024/25 was as follows:

- 1,023 defects in total.
- 722 defects completed on time (70.6%).
- 301 defects completed late.

VFM in new financing

During the year, NCHA completed on a new 10 year £100m loan agreement under the Affordable Homes Guarantee Scheme. The Scheme provides guaranteed lending to the registered provider sector at competitive rates of interest and provides excellent value for money in comparison to other alternative forms of finance.

Future value for money plans and strategy 2024-29

In the coming year we will continue to progress the objectives within our 2024-29 Value for Money Strategy. The objectives for 2025/26 focus on:

- Progressing data quality management improvements from the Knowing Our Data Project and strengthened data driven decision making
- Reviewing our benchmarking approach including new membership of Vantage Performance Clubs
- Improvements and consistency in Contract Management
- Reducing the impact of voids and achieving shorter re-let times
- Delivering on our development programme
- Further improvements in targeted areas including emergency repairs within timescale, reductions on Stage 2 complaints, improved learning from complaints

Statement of the responsibility of the Board and the financial statements

The Co-operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and Association and of the results of the Group and Association for that period of account.

In preparing those financial statements the Board is required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the Association will not continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Association and enable it to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019. It has general responsibility for taking reasonable steps to safeguard the assets of the Group and Association and to prevent and detect fraud and other irregularities.

The Association complies with the Regulator of Social Housing's requirements on fraud. In particular, there is a clear policy on fraud that has been approved by the Audit and Risk Committee and distributed to all colleagues. The policy requires a register to be maintained of all actual and attempted fraud. All such cases are reported to the Committee. All cases in excess of £5k or any case involving senior management or Board irrespective of the amount must be reported promptly to the Regulator of Social Housing. The Association's policy on fraud covers the prevention and detection of fraud, the internal and external reporting requirements and the recovery of assets which include legal resolution. Furthermore, the Association also has a Whistleblowing Policy, which has also been approved by the Audit and Risk Committee.

There were no reported cases of material fraud during the year ended 31 March 2025 (2024: none).

The Board and Executive Team who held office at the date of approval of this Annual Report confirm that, so far as they are aware, there is no relevant audit information of which the auditors are unaware. The Board and Executive Team have taken all steps they ought to have taken as a Board and Executive Team in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Post balance sheet events

We consider that there have been no events since the financial year end which have a material effect on the financial position of the Association.

Going concern

Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for 12 months from approval of the accounts. Current forecasts and business plans show that the Group has sufficient financial resources to meet its obligations as they fall due from the date that these financial statements were approved. Accordingly the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have concluded that forecasts show the Group has sufficient financial resources to meet its obligations as they fall due for a period of not less than 12 months from the date that these financial statements were approved.

We therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

Statement of compliance

The Board confirms that this Strategic Report has been prepared in accordance with the principles set out in 2018 SORP (Statement of Recommended Practice) for Registered Social Housing Providers.

Annual General Meeting

The Annual General Meeting will be held on 24 September 2025.

Auditors

A resolution to re-elect the Association's auditors RSM UK Audit LLP will be made at the Annual General Meeting on 24 September 2025.

The report of the Board was approved on 17 September 2025 and signed on its behalf by:



Leanne Monger
Chair





Report of the Independent Auditors to the Members of NCHA Limited



Opinion

We have audited the financial statements of Nottingham Community Housing Association (the 'parent society') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statements of Comprehensive Income, the Statements of Financial Position, the Consolidated Statements of Changes in Reserves, the Consolidated Cash Flow Statements and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102

"The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Group's and Association's affairs as at 31 March 2025 and of the income and expenditure of the Group and the income and expenditure of the Association for the year then ended; and
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014, Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

Matters on which we are required to report by exception

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

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

Responsibilities of the Board

As explained more fully in the Statement of Responsibilities of the Board set out on page 24, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the group's and the parent society'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 Committee of Management either intends to liquidate the group or the parent society 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 these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Report of the Independent Auditors to the Members of Nottingham Community Housing Association

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent society operates in and how the group and parent society are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, the Social Housing Act 2023 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures and reviewing legal and professional costs incurred during the period.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Health and Safety at Work Act 1974, the Regulator of Social Housing Regulatory Standards (both Economic and Consumer Standards) and the General Data Protection Regulations as set out in the Data Protection Act 2018. We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations.

The group audit engagement team identified the risk of management override of controls and other revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and detailed substantive sample testing for other revenue.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at:

[http://www.frc.org.uk/ auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)

This description forms part of our auditor's report.

Use of our report

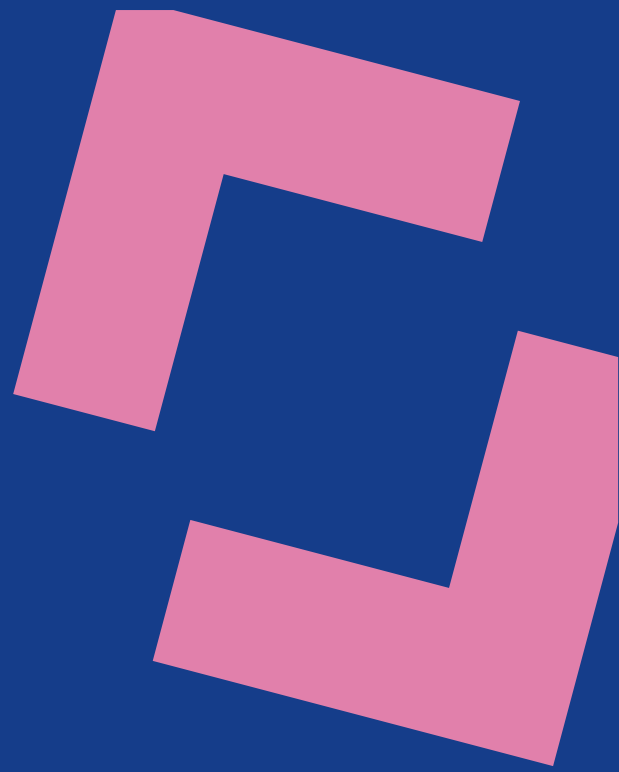
This report is made solely to the Society's members, as a body, in accordance with the provisions of section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them 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 Society and the Society's members as a body, for our audit work, for this report or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
10th Floor
103 Colmore Row
Birmingham
B3 3AG

Date: 22/09/25





Consolidated Statements of Comprehensive Income



For the year ended 31 March 2025

	Note	Group		Association	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
Turnover	2	103,238	99,271	102,785	98,628
Operating expenditure	2	(85,734)	(81,306)	(85,132)	(80,760)
Gain on disposal of property, plant and equipment (fixed assets)	6	3,882	4,101	3,882	4,101
Operating surplus		21,386	22,066	21,535	21,969
Exceptional item	20b	-	(756)	-	(756)
Operating surplus after exceptional item		21,386	21,310	21,535	21,213
Interest receivable	7	3,165	1,088	2,542	812
Interest and financing costs	8	(15,022)	(13,366)	(15,022)	(13,355)
Share of profit in joint ventures		46	30	-	-
Revaluation gain		10	32	-	-
Gift Aid receivable		-	-	183	23
Surplus before tax	9	9,585	9,094	9,238	8,693
Taxation refund / (charge)	9a	11	(2)	11	(2)
Surplus after tax		9,596	9,092	9,249	8,691
Actuarial gain / (loss)	10	990	(2,268)	990	(2,268)
Total comprehensive income for the year		10,586	6,824	10,239	6,423

The consolidated and parent results relate wholly to continuing activities and the notes on pages 54 to 105 form an integral part of these accounts.

The financial statements on pages 46 to 105 were approved and authorised for issue by the Board on 17th September 2025 and signed on its behalf (see page 49).



Statements of Financial Position



As at 31 March 2025

	Note	Group		Association	
		2025	2024	2025	2024
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets (housing properties)	13	806,254	750,450	802,737	746,879
Tangible fixed assets (other fixed assets)	14	13,728	9,630	13,728	9,630
Investment properties	13f	37	31	-	-
Investment in subsidiaries	15	-	-	2,000	2,000
Investment in joint ventures	15	973	974	-	-
Other fixed asset investments	15	868	862	25	26
		821,860	761,947	818,490	758,535
Current assets					
Stock	16	27,644	18,576	16,686	12,666
Trade and other debtors	17	17,811	17,959	21,344	16,704
Current asset investments	18	70,750	-	70,750	-
Cash and cash equivalents	18	56,240	39,028	54,607	37,792
		172,445	75,563	163,387	67,162
Creditors					
Amounts falling due within one year	19	(32,247)	(28,908)	(31,556)	(28,485)
Net current assets		140,198	46,655	131,831	38,677
Total assets less current liabilities		962,058	808,602	950,321	797,212
Creditors					
Amounts falling due after more than one year	20	799,140	653,314	799,140	653,314
Long term provision for SHPS	10	6,797	9,748	6,797	9,748
Provision for liabilities	20a	2,395	2,400	2,395	2,400
Capital and reserves					
Non equity share capital		-	-	-	-
Income and expenditure reserves		153,726	143,140	141,989	131,750
Total		962,058	808,602	950,321	797,212

The notes on pages 54 to 105 form part of these accounts.

The financial statements on pages 46 to 105 were approved and authorised for issue by the Board 17th September 2025 and signed on its behalf by:



Leanne Monger
Chair



Andrew Kilby
Board member

Sylvia Hart

Sylvia Hart
Secretary



Consolidated Statements of Changes in Reserves

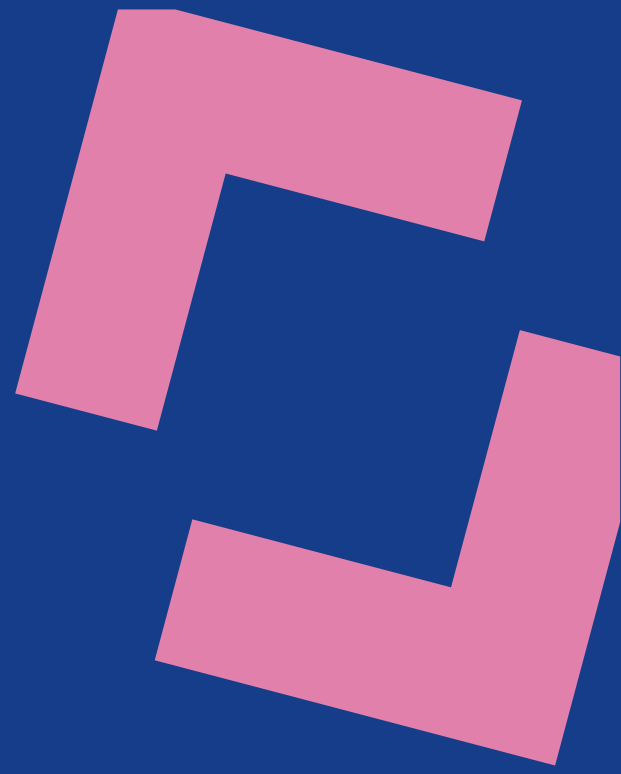


For the year ended 31 March 2025

	Group	Association
	Income and Expenditure £'000	Income and Expenditure £'000
Balance at 31 March 2023	136,316	125,327
Surplus from Statement of Comprehensive Income	9,092	8,691
Actuarial loss	(2,268)	(2,268)
Balance at 31 March 2024	143,140	131,750
Surplus from Statement of Comprehensive Income	9,596	9,249
Actuarial gain	990	990
Balance at 31 March 2025	153,726	141,989

The notes on pages 54 to 105 form an integral part of these accounts.





Consolidated Cash Flow Statement



For the year ended 31 March 2025

	2025	2024
	£'000	£'000
Net cash generated from operating activities	13,927	15,070
Cash flow from investing activities		
Acquisition and construction of housing properties	(73,340)	(82,375)
Proceeds from sale of housing properties (less selling costs)	13,775	16,319
Proceeds from sale of other fixed assets	1,804	-
Purchase of other fixed assets	(6,870)	(4,389)
Capital grants received	58,887	19,805
Interest received	2,348	1,257
Received from jointly controlled entities	45	41
Sub total	(3,351)	(49,342)
Cash flow from financing activities		
Interest paid	(16,350)	(15,319)
Newly secured loans	100,000	51,000
Repayment of borrowings	(6,275)	(16,262)
Investment deposits (made) / withdrawn	(70,750)	24,007
Tax refunded / (paid)	11	(2)
Sub total	6,636	43,424
Net change in cash and cash equivalent	17,212	9,152
Cash and cash equivalents at beginning of the year	39,028	29,876
Cash and cash equivalents at end of year	56,240	39,028
Cash flow from operating activities		
Surplus for the year	10,586	6,824
Adjustments		
Actuarial gain / loss	(990)	2,268
Pension costs less contributions payable	(2,301)	(2,204)
Depreciation and impairment charges	12,705	12,092
Amortisation of capital grants	(3,548)	(3,399)
Profit on sale of properties	(4,096)	(5,164)
(Release from) / increase in provisions	(5)	541
Increase in stock	(9,068)	(4,439)
Increase in trade and other debtors	(2,225)	(2,405)
Increase / (decrease) in trade and other creditors	1,500	(1,368)
(Profit) / loss on disposal of other fixed assets	(286)	106
Movement in fair value of financial instruments	(12)	(32)
Taxation (refunded) / charged	(11)	2
Interest and financing costs	14,889	13,366
Interest receivable	(3,166)	(1,088)
Profit share from jointly controlled entities	(45)	(30)
Net cash generated from operating activities	13,927	15,070

The notes on pages 54 to 105 form an integral part of these accounts.



Notes to the Financial Statements



Legal status

The Association is incorporated in England under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Regulator of Social Housing as a Private Registered Provider of Social Housing. The registered office is Clifton Place, 9 Fairham Brook Drive, Clifton, Nottingham, NG11 18PY.

The Group comprises of the following entities as at 31 March 2025

Name	Incorporation	Registration status with the Regulator of Social Housing (RSH), National Almshouse Association (NAA) and Charity Commission (CC)
Nottingham Community Housing Association Ltd	Co-operative and Community Benefit Societies Act 2014	Registered RSH
Pelham Homes Limited	Companies Act 2006	Non-registered
Nottingham Community Almshouse Charity	Unincorporated charity	Registered CC

Notes

1. Principal accounting policies

(a) Basis of accounting

The Group's financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Principles (UK GAAP) and Statement of Recommended Practice for Registered Housing Providers: Housing SORP 2018. The financial statements for Nottingham Community Almshouse Charity have been prepared in accordance with applicable UK GAAP and Statement of Recommended Practice for Charities: Charities SORP 2019 (FRS 102). The Group is required under the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969 to prepare consolidated Group accounts.

The financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008, and the Accounting Direction for Private Registered Providers of Social Housing 2019. The accounts are prepared on the historical cost basis of accounting except as modified by the revaluation of investments and are presented in pounds sterling.

1. Principal accounting policies (continued)

(a) Basis of accounting (continued)

The Group's financial statements have been prepared in compliance with FRS 102. In applying FRS 102 the Group meets the definition of a public benefit entity.

Parent Association Disclosure Exemptions

In preparing the separate financial statements of the parent association, advantage has been taken of the following disclosure exemption available in FRS 102.

No separate Statement of Cash Flows has been presented for the parent association. No separate disclosure has been given for the aggregate remuneration of the key management personnel of the parent association as all colleagues are employed by the parent association and their remuneration is included in the totals for the Group as a whole.

(b) Basis of consolidation

The Group financial statements consolidate the accounts of the Group entities listed on page 55 using the appropriate method of accounting.

Where Nottingham Community Housing Association has become sole corporate trustee for Almshouse Charities, it has updated their accounting policies to become consistent with Nottingham Community Housing Association. Where required, properties have been reinstated at cost with the removal of property revaluation reserves. Group accounting and depreciation rules have been applied to all almshouse properties and designated reserves have been transferred to unrestricted reserves to reflect NCHA policies.

The principal accounting policies for the Association are those of the Group except on depreciation where no charge is made against Pelham Homes Limited as the properties are held on an investment property basis (see policy o).

An entity is treated as a joint venture where the Group holds an interest and shares control under a contractual arrangement with one or more parties external to the Group. The only joint ventures the Group is involved with are: Three Together, Pelham Waterside (dissolved 1st July 2025) and Pelham Waterside Two which are controlled through Pelham Homes Limited.

An entity is treated as an associated undertaking where the Group has a participating interest and exercises significant influence over its operating and financial policies.

1. Principal accounting policies (continued)

(c) Going concern

The Group's financial statements have been prepared on a going concern basis which assumes an ability to continue operating for 12 months from approval of the accounts. Current forecasts and business plans show that the Group has sufficient financial resources to meet its obligations as they fall due from the date that these financial statements were approved. Accordingly the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have concluded that forecasts show the Group has sufficient financial resources to meet its obligations as they fall due for a period of not less than 12 months from the date that these financial statements were approved. We therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

(d) Judgements and key sources of estimation uncertainty

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

- i. The Group capitalises development expenditure on the basis outlined below (see policies o and q). Initial capitalisation of costs is based on management's judgement that development scheme is confirmed, usually when Board approval has taken place including access to the appropriate funding. In determining whether a project is likely to cease, management monitors the development and considers if changes have occurred that may result in impairment.
- ii. The Group has reviewed the economic useful lives of its housing properties and depreciates the property cost, less freehold land, for all housing properties other than those held on an investment basis. All non-housing property fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets to write off the cost, less related land values, over their useful economic lives.
- iii. Review for the potential impairment of housing properties is carried on an annual basis taking account of when any triggers for impairment have occurred. Any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. The Group has identified a cash generating unit for impairment assessment purposes at a development scheme level. Following the identification of any impairment following annual review, the Group perform impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from sales transactions in an arm's length transaction on similar cash generating units (development) or observable market prices less incremental costs for disposing of the properties. The value in use calculation is based on either a depreciated replacement cost or a discounted cash flow model. The depreciated replacement cost is based on available data of the cost of constructing or acquiring replacement properties to provide the same level of service potential to the Association as the existing property.

1. Principal accounting policies (continued)

(d) Judgements and key sources of estimation uncertainty (continued)

The discounted cash flows are derived from the business plan for the next 30 years and do not include restructuring activities that the Group is not yet permitted to do or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, estimates of the expected future cash flows and the growth rate used for extrapolation purposes.

- iv. The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate management considers the interest rates of AA rated corporate bonds in the respective currency, with maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific sector. Future salary increases and pension increases are based on expected future inflation rates for the respective sector. Further details are given in note 10.
- v. Valuation of stock. NCHA is holding stock under construction in relation to its active development sites. The valuation of the stock has been reviewed with reference to latest scheme appraisals for the developments. This review has concluded that the valuation of stock is supported.
- vi. Recoverability of investments in jointly controlled entities. NCHA has assessed the recoverability of its development joint venture investments at Pelham Waterside (dissolved 1st July 2025) and Pelham Waterside Two. This assessment has been made with reference to latest scheme appraisal, available sales data for these developments and residual assets and liabilities. Management have concluded that the investment amounts are fully recoverable.

1. Principal accounting policies (continued)

(e) Turnover and revenue recognition

Turnover represents rental income (less loss of rent due to voids) and other charges receivable, amortised capital grant, revenue grants from local authorities, Homes England, first tranche sales of shared ownership stock, sale of Rent to Homebuy properties, outright sales of properties for Pelham Homes Limited and other income and is recognised in relation to the period when the goods and services have been supplied.

Rental income, including service charges, are recognised when the property is available for let, net of voids. Revenue in weeks that fall across the year end is apportioned based on the days which fall in each year.

There were 52 full rent weeks and 1 day recognised in 2024/25 (2023/24 had 52 rent weeks).

Sales of properties developed for outright sale are included in turnover and cost of sales. Income from property sales is recognised on legal completion.

(f) Contract income and related costs

Contract income received from administering authorities is accounted for as contract income in turnover in note 2.

Contract income is recognised under contractual arrangements. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the Statement of Comprehensive Income from social housing lettings (notes 3 and 4) and matched against the relevant costs.

(g) Service charges

Service charge income and costs are recognised on an accruals basis. The Group operates both fixed and variable service charges annually on a scheme by scheme basis in full consultation with the customers.

Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to the residents by a reduced charge and a deficit being recovered by future higher charges. Until these are returned or recovered they are held as service charge sinking funds debtors or creditors (as applicable) due within one year in the Statement of Financial Position.

(h) Leaseholders funds

Amounts are collected from leaseholders, where agreed, for future repairs and the replacement of furniture and equipment.

Where periodic expenditure is required a provision may be built up over the years, in consultation with residents; until these costs are incurred this liability is held in the Statement of Financial Position within long-term creditors.

(i) Loan interest costs

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

1. Principal accounting policies (continued)

(j) Loan finance issue costs

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

(k) Provision for bad debts

A provision for affordable and social housing and supported housing debts becoming irrecoverable is made against 100% of former customer arrears and 50% of current customer arrears for all customers more than six weeks in arrears.

No provision is made against shared ownership arrears as it is assumed that action will be taken to recover arrears against the owner's equity in the property in the event of significant levels of arrears.

Provisions are made against all other debts, 50% of overdue debts over three months old and 100% of overdue debts over six months old.

(l) Retirement benefits

The Association participates in the Social Housing Pension Scheme operated by the Pensions Trust and the NHS pension. These are final salary pension schemes and retirement benefits to the Association's employees are funded by contributions from all participating employers and employees in the scheme. Payments are made in accordance with periodic calculations by consultant actuaries and are based on pension costs applicable across the various participating associations taken as a whole.

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services, as more fully explained in note 10.

The disclosures in these financial statements follow the requirements of Section 28 of FRS 102 in relation to multi-employer funded schemes in which the Group has a participating interest.

Contributions payable under an agreement with the Social Housing Pension Scheme to fund past deficits are recognised as a liability in the Group's financial statements calculated by the repayments known, discounted to the net present value at the end of the financial year using the required market rate discount factor. The unwinding of this discount is recognised as a finance cost in the Statement of Comprehensive Income in the period incurred.

(m) Corporation taxation

The Association has charitable status and is exempt from UK Corporation Tax on primary purpose trading. However, UK Corporation Tax is payable on profits retained in Pelham Homes Limited.

1. Principal accounting policies (continued)

(n) Value Added Tax

Although the Association is registered for VAT, most of its activities are exempt. It charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in these accounts are inclusive of VAT to the extent that it is suffered by the Group and is irrecoverable.

(o) Housing properties, depreciation and impairment

Social housing

The Group has reviewed the useful economic lives of its housing properties and depreciates the property cost, less freehold land and residual value, for all housing properties other than those held on an investment basis.

Future estimated lives have been determined as follows:

New build houses	100 years
New build flats and rehabilitated houses	75 years
Rehabilitated flats and care homes	60 years
Leasehold properties	The remaining lease period

Where a housing property consists of two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged in equal annual instalments over the assets' expected useful economic lives. The useful economic lives for the identified components are as follows:

Freehold land	Not depreciated
Structure: New build houses	100 years
Structure: New build flats and rehabilitated houses	75 years
Structure: Rehabilitated flats and care homes	60 years
Roof	50 years
Lifts	50 years
Windows and doors	40 years
Alternative energy systems	25 years
Bathroom	25 years
Kitchen	20 years
Heating system	20 years
Disabled adaptations	20 years
Energy works – property insulation	30 years

Donated land is included in cost at its valuation on donation, with the donation treated as a capital grant. In the case of Section 106 land, the valuation takes account of all the conditions of sale imposed by the local authority and its value in use to the registered provider.

Housing properties in the course of construction are stated at cost and are not depreciated, and transferred to completed properties on practical completion.

1. Principal accounting policies (continued)

(o) Housing properties, depreciation and impairment (continued)

All invoices and architects' certificates relating to capital expenditure incurred in the year are included in the financial statements for the year. All invoices and architects' certificates relating to capital expenditure dated after the year end are also accrued on a pro-rata basis for the portion of work completed up to the year end.

Expenditure on schemes which are subsequently aborted is written off in the year in which it is recognised that the schemes will not be developed to completion.

Schemes constructed for shared ownership are included in housing property costs only to the extent that the proportion of the scheme is expected to be retained.

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the Statement of Comprehensive Income.

Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property but is more normally a development scheme (group of properties) whose income and expenditure can be separately identified.

Investment properties

Investment property is the housing property stock of Pelham Homes Limited. It is not held for the social benefit of the Group. Investment property is measured at cost on initial recognition, which includes purchase cost and any directly attributable expenditure, and subsequently at fair value at the reporting date. Pelham Homes Limited carries its investment properties at fair value. No depreciation is provided. The changes in fair value are recognised in the Statement of Comprehensive Income.

(p) Shared ownership and Rent to Homebuy properties

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

Rent to Homebuy properties are held as Tangible Fixed Assets (Housing Properties) on the Statement of Financial Position until sold.

(q) Capitalisation of interest and administration costs

The NCHA Group elects to capitalise interest and other on-costs insofar as costs are identifiable as attributable to the development and sales of housing properties (note 13d). Interest on loans financing development is capitalised up to the date of completion of the scheme and only when development activity is in progress.

Administration costs relating to development activities are capitalised only to the extent that they are incremental to the development process and directly attributable to bringing the properties into their intended use.

1. Principal accounting policies (continued)

(r) Property managed by agents

The Association considers it carries the financial risk on property managed by agents and accordingly all the income and expenditure arising from the property is included in the Statement of Comprehensive Income. The assets and liabilities are included in the Group's Statement of Financial Position.

(s) Non-housing property fixed assets, depreciation and impairment

All non-housing property fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all non-housing property fixed assets to write off the cost, less related land values, over their useful economic lives on the following methods:

Offices:

Freehold offices	Equal annual instalments over 75 years
Leasehold offices	Equal annual instalments over the life of lease

Property, plant, machinery and fixtures:

Office equipment and plant	Equal annual instalments 4 and 5 years
Scheme equipment	Equal annual instalments 7 to 25 years
Care and Support project set-up costs	25% pa on a reducing balance basis

Vehicles:

Vans and cars	50% pa on a reducing balance basis
ICT equipment (purchased pre-1 April 2020)	Equal annual instalments 4 and 5 years
ICT equipment (purchased post-1 April 2020)	Equal annual instalments over 3, 4 or 5 years

The useful economic lives of tangible fixed assets are reviewed annually.

Consideration is given each year as to whether or not there is a trigger for an impairment review. Where any impairment is identified it would be recognised by a charge to the Statement of Comprehensive Income.

(t) Fixed asset investments

Valuation of investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment. The fixed asset investment held by the parent association in Pelham Homes Limited as shares is measured at cost. There is no accumulated impairment. The parent association intends to hold these shares on a continuing basis.

The parent association also holds a fixed asset investment in the Nottingham Credit Union. These are shown at cost.

The Almshouse Charities hold fixed asset investments. These are shown at full market valuation at each Statement of Financial Position date.

Any gains and losses on re-measurement are disclosed in the Statement of Comprehensive Income for the period.

1. Principal accounting policies (continued)

(u) Current asset investments

Current asset investments include cash and cash equivalents invested for periods of more than 90 days. They are initially recognised at cost and subsequently at fair value at the reporting date. Any change in valuation between the reporting dates is recognised in the Statement of Comprehensive Income.

(v) Stock of materials and properties held for sale

Stocks of materials are included in the Statement of Financial Position in current assets at the lower of cost and realisable value, that being the estimated selling price less any costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

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

At each reporting date both stock of materials and properties held for sale are assessed for impairment. If there was evidence of impairment the carrying value would be reduced to the recoverable value. The impairment would be recognised immediately in the Statement of Comprehensive Income.

(w) Short-term debtors and creditors

Debtors and creditors without any stated interest terms which are receivable or payable within one year are recorded at the transaction price. Should any losses be incurred as a result of impairment, these would be immediately recognised as other operating expenses in the Statement of Comprehensive Income.

(x) Social housing and other government grants

Where developments have been financed wholly or partially by social housing and other government grants, the amount of the grant received has been included as deferred income and recognised in turnover over the estimated useful life of the associated asset structure, under the accruals model.

The Social Housing Grant received for the costs non-land items written off in the Statement of Comprehensive Income, including that which relates to a proportion of the development and design administration costs, is matched against those costs as part of turnover.

When the Social Housing Grant in respect of housing properties in the course of construction exceeds the total cost to date of those housing properties, any excess is shown as a current liability.

The Social Housing Grant must be recycled by the Group under certain conditions, if a property is sold or if another relevant event takes place. In these cases, the Social Housing Grant can be used for projects approved by Homes England. However, the Social Housing Grant may have to be repaid if certain conditions are not met.

In certain circumstances the Social Housing Grant may be repayable and, in that event, is a subordinated unsecured repayable debt.

(y) Recycling of capital grant

Where the Social Housing Grant is recycled, as described above, the Social Housing Grant is credited to a fund which appears as a creditor until spent. Where the recycled grant is known to be repayable, it is shown as a creditor within one year.

1. Principal accounting policies (continued)

(z) Investments in Joint Ventures

Investments in jointly controlled entities are accounted for using the equity method of accounting. Under this method an investment in a jointly controlled entity is initially recognised at cost and is subsequently adjusted to reflect the Group's share of the profits or losses of the joint controlled entity. Distributions received or receivable from the jointly controlled entity are recognised as a reduction in the carrying value of the investment. The profits generated by joint ventures are recognised on a received basis and shown in the Statement of Comprehensive Income.

(aa) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the date of the Statement of Financial Position and is carried forward to the next financial year. This is measured at the undiscounted salary costs of this future holiday entitlement and so is accrued at the date of the Statement of Financial Position.

(ab) Provisions

The Association recognises a provision where it has an obligation at the reporting date as a result of a past event, and it is probable that it will be required to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably.

(ac) Financial instruments

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

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

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction.

In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

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

We have treated all Group bonds and loans as basic financial instruments, including those that have two-way break clauses in line with paragraph 11.9(b) of FRS 102. There are no contractual provisions that could, by their terms, result in the holders (the lenders) losing the principal amount or any interest attributable to the current period or prior periods. The fact that a debt instrument is subordinated to other debt instruments is not an example of such a contractual provision.

1. Principal accounting policies (continued)

(ac) Financial instruments (continued)

Financial instruments held by the Group are classified as follows:

- i. Financial liabilities such as bonds and loans are held at amortised cost using the effective interest method.
- ii. Loans to or from subsidiaries including those that are due on demand are held at amortised cost using the effective interest method.
- iii. An investment in another entity's equity instruments other than non-convertible preference shares and non-puttable ordinary and preference shares are held at fair value.

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

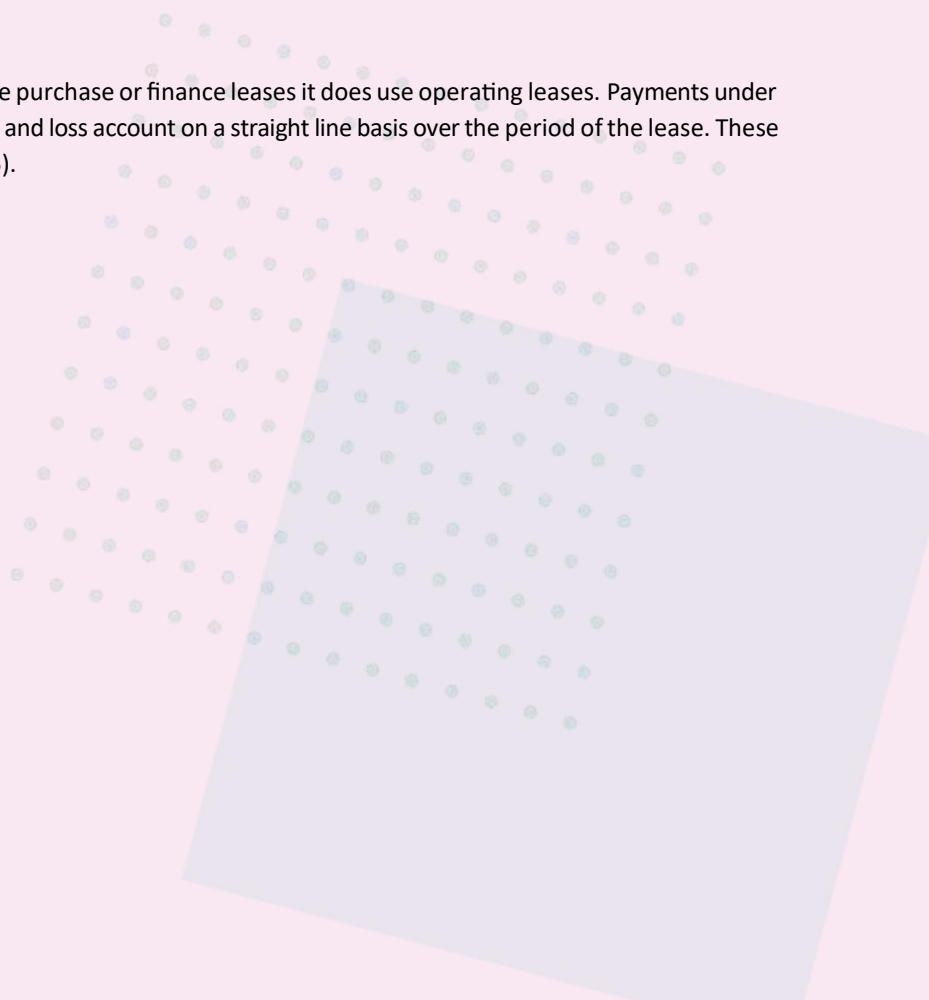
- i. The best evidence of fair value is a quoted price in an active market.
- ii. When quoted prices are unavailable, the price of a recent transaction for an identical asset, adjusted to reflect any circumstances specific to the sale, such as a distress sale, if appropriate.
- iii. Where there is no active market or recent transactions then a valuation technique is used to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

(ad) Reserves

The Association's reserves are held for general purposes.

(ae) Hire purchase and leases

Whilst the NCHA Group does not use hire purchase or finance leases it does use operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease. These are shown in the years affected (note 25).



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

	2025				2024			
	Turnover	Operating expenditure	Cost of sales	Operating surplus/ (deficit)	Turnover	Operating expenditure	Cost of sales	Operating surplus/ (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Group								
Social housing lettings (note 3)	88,173	(68,639)	-	19,534	81,803	(61,496)	-	20,307
Other social housing activities								
Contract income	6,522	(6,763)	-	(241)	6,866	(7,132)	-	(266)
Development services	503	(685)	-	(182)	715	(773)	-	(58)
Shared ownership first tranche sales	7,116	-	(6,746)	370	9,481	-	(8,418)	1,063
Rent to Homebuy first tranche sales	440	-	(309)	131	156	-	(107)	49
Other	69	(2,381)	-	(2,312)	163	(3,202)	-	(3,039)
Activities other than social housing (note 5)								
Market rentals/ shared ownership	236	(194)	-	42	37	(80)	-	(43)
Other	179	(26)	-	153	50	(140)	-	(90)
Open Market Sales	-	-	9	9	-	-	42	42
Total	103,238	(78,688)	(7,046)	17,504	99,271	(72,823)	(8,483)	17,965
Association								
Social housing lettings (note 4)	87,592	(68,248)	-	19,344	81,247	(61,128)	-	20,119
Other social housing activities								
Contract income	6,522	(6,763)	-	(241)	6,866	(7,132)	-	(266)
Development services	802	(685)	-	117	715	(773)	-	(58)
Shared ownership first tranche sales	7,116	-	(6,746)	370	9,481	-	(8,418)	1,063
Rent to Homebuy first tranche sales	440	-	(309)	131	156	-	(107)	49
Other	313	(2,381)	-	(2,068)	163	(3,202)	-	(3,039)
Total	102,785	(78,077)	(7,055)	17,653	98,628	(72,235)	(8,525)	17,868

3. Turnover and operating expenditure from social housing lettings (Group)

						2025	2024
	General needs housing	Supported housing and housing for older people	Residential care homes	Shared ownership housing	Submarket lettings	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Rents receivable net of identifiable service charges	47,941	4,788	6,054	4,502	2,108	65,393	58,924
Service charge income	1,374	5,215	90	927	2	7,608	7,755
Support charges	-	4,227	21	-	-	4,248	3,871
Amortised government grants	2,774	424	25	272	54	3,549	3,399
Other grants from local authorities and other agencies	1,097	5,836	291	26	125	7,375	7,854
Total turnover from social housing lettings	53,186	20,490	6,481	5,727	2,289	88,173	81,803
Operating expenditure							
Management	6,352	5,244	1,045	1,062	789	14,492	11,808
Service charge costs	2,171	3,026	814	403	259	6,673	6,156
Support	-	7,487	4,409	-	-	11,896	11,408
Routine maintenance	9,961	1,035	77	15	283	11,372	14,313
Cyclical maintenance	2,133	217	7	2	24	2,383	2,563
Major repairs	8,467	905	162	118	298	9,949	3,922
Rent losses from bad debts	208	149	(24)	3	10	347	423
Rents payable to landlords	28	45	-	4	-	76	40
Depreciation of housing properties	9,182	1,063	56	778	372	11,451	10,863
Impairment of housing properties	-	-	-	-	-	-	-
Total operating expenditure on social housing lettings	38,502	19,172	6,545	2,385	2,035	68,639	61,496
Operating surplus on social housing lettings	14,684	1,319	(64)	3,342	254	19,534	20,307
Void losses (being rental income lost as a result of property not being let, although available for letting)	759	1,303	387	-	281	2,730	2,422

4. Turnover and operating expenditure from social housing lettings (Association)

	2025						2024
	General needs housing	Supported housing and housing for older people	Residential care homes	Shared ownership housing	Sub-Market lettings	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Rents receivable net of identifiable service charges and net of voids	47,078	4,788	6,054	4,502	2,108	64,530	58,112
Service charge income	1,374	5,215	90	927	2	7,608	7,755
Support services	-	4,227	21	-	-	4,248	3,871
Amortised government grant	2,774	424	25	272	54	3,549	3,399
Other grants from local authorities and other agencies	1,379	5,836	291	26	125	7,657	8,110
Total turnover from social housing lettings	52,605	20,490	6,481	5,727	2,289	87,592	81,247
Operating expenditure							
Management	6,291	5,244	1,045	1,062	789	14,431	11,758
Service charge costs	2,066	3,026	814	403	259	6,568	6,051
Support	-	7,487	4,409	-	-	11,896	11,408
Routine maintenance	9,895	1,035	77	15	283	11,305	14,211
Cyclical maintenance	2,123	217	7	2	24	2,373	2,550
Major repairs	8,434	905	162	118	298	9,917	3,938
Rent losses from bad debts	206	149	(24)	3	10	344	418
Rents payable to landlords	28	45	-	4	-	77	41
Depreciation of housing properties	9,068	1,063	56	778	372	11,337	10,753
Impairment of housing properties	-	-	-	-	-	-	-
Total operating expenditure on social housing lettings	38,111	19,171	6,546	2,385	2,035	68,248	61,128
Operating surplus on social housing lettings	14,495	1,319	(65)	3,342	311	19,344	20,119
Void losses (being rental income lost as a result of property not being let, although available for letting)	726	1,303	387	-	281	2,697	2,402

5. Turnover from activities other than social housing

Non-social housing activity	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Lettings	236	37	-	-
Open Market Sales	-	-	-	-
Other	179	50	-	217
Total	415	87	-	217

6. Sale of properties not developed for outright sale

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Shared ownership staircasing sales				
Proceeds of sales	2,253	1,464	2,253	1,464
Less cost of sales	(1,672)	(924)	(1,672)	(924)
Sub total	581	540	581	540
Sales of market rented stock				
Proceeds of sales	1,842	-	1,842	-
Less cost of sales	(1,556)	-	(1,556)	-
Sub total	286	-	286	-
Sales of social housing lettings stock				
Proceeds of sales	5,127	6,057	5,127	6,057
Less cost of sales	(2,112)	(2,496)	(2,112)	(2,496)
Sub total	3,015	3,561	3,015	3,561
Total	3,882	4,101	3,882	4,101

7. Interest receivable and similar income

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
On financial assets measured at amortised cost				
Interest receivable from current accounts	243	270	244	270
Interest receivable from fixed assets investments	713	222	-	-
Interest receivable from other sources	2,453	866	2,542	812
Sub total	3,409	1,358	2,786	1,082
Transferred to RCGF	(244)	(270)	(244)	(270)
Total	3,165	1,088	2,542	812

8. Interest payable and similar charges

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank loans and overdrafts wholly repayable within five years	139	734	139	723
Loans repayable after more than five years	17,280	14,688	17,280	14,688
Amortisation of THFC Bond Premium	-	(1)	-	(1)
Amortisation of AHF Bond Premium	(34)	(34)	(34)	(34)
Sub total	17,385	15,386	17,385	15,375
Deferred benefit pension charge	420	400	420	400
Sub total	17,805	15,786	17,805	15,775
Less interest capitalised	(2,783)	(2,420)	(2,783)	(2,420)
Total	15,022	13,366	15,022	13,355

The weighted average rate of interest on borrowings over the course of the year of 4.21% (2024 - 4.28%) was used for calculating the association's capitalised interest.

9. Surplus for the year before taxation on ordinary activities

The operating surplus is stated after charging.	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Auditors' remuneration (excluding VAT)				
Audit of the Group financial statements	56	47	56	47
Audit of the subsidiaries	35	32	-	-
Fees payable to the company's auditor for other services to the Group				
Service charge certification	20	25	10	12
Governance framework review	-	-	-	-
Other		5		5
Operating leases				
Land and buildings	228	81	228	81
Other operating leases	966	31	966	31
Total	1,194	112	1,194	112
Amortised Social Housing Grant				
Grant total	3,548	3,399	3,548	3,399
Depreciation				
Depreciation of housing properties	10,831	10,422	10,724	10,317
Component write-offs	621	441	613	436
Sub total	11,452	10,863	11,337	10,753
Depreciation of other fixed assets	1,254	1,233	1,254	1,233
Total	12,706	12,096	12,591	11,986

9a. Taxation

The Association is a charitable social landlord under the Co-operative and Community Benefit Societies Act 2014. The Board knows of no circumstances that will affect this taxation status in the future. The taxation receipt in the accounts £11k (2024 - £2k Charge) is based on the assessable surplus of the Association for the year & tax refunds for the financial years 2021 to 2024. Pelham Homes Limited is liable for Corporation Tax and the charge for the year is £nil after taking advantage of relief in respect of gift aid (2024 - £nil).

10. Pension contributions

Nottingham Community Housing Association participates in the Social Housing Pension Scheme, and the National Health Service Pension Scheme.

Social Housing Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to non-associated employers. The scheme is classed as a defined benefit scheme in the UK. It has previously accounted for the scheme as a defined contribution scheme.

Following a number of changes that have been made to the systems and process, sufficient information is now available that will allow the company to account for the scheme as a defined benefit scheme.

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

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

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the surplus/deficit in the scheme using the defined benefit approach. The surplus/deficit is calculated using the difference between the present value of the defined benefit obligation and the fair value of the scheme assets as detailed in these disclosures.

Present value of defined benefit obligation, fair value of assets and defined benefit asset (liability)	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets	40,414	41,099
Present value of defined obligation	47,211	50,847
Surplus (deficit) in plan	(6,797)	(9,748)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(6,797)	(9,748)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	(6,797)	(9,748)

10. Pension contributions (continued)

Reconciliation of the impact of the asset ceiling	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Impact of asset ceiling at start of period	-	-
Effect of the asset ceiling included in the net interest cost	-	-
Actuarial losses (gains) on asset ceiling	-	-
Impact of asset ceiling at end of period	-	-

Reconciliation of opening and closing balances of the defined benefit obligation	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Defined benefit obligation at start of period	50,847	50,959
Current service cost	-	-
Expenses	45	44
Interest expense	2,432	2,440
Contribution by plan participants	-	-
Actuarial losses (gains) due to scheme experience	2,693	99
Actuarial losses (gains) due to changes in demographic assumptions	-	(563)
Actuarial losses (gains) due to changes in financial assumptions	(6,172)	(349)
Benefits paid and expenses	(2,634)	(1,783)
Liabilities acquired in a business combination	-	-
Liabilities extinguished on settlements	-	-
Losses (gains) on curtailments	-	-
Losses (gains) due to benefit changes	-	-
Exchange rate changes	-	-
Defined benefit obligation at end of period	47,211	50,847

On 1 April 2022 all DB members were transferred into the DC Scheme. The current service cost has been nil since this date.

10. Pension contributions (continued)

Reconciliation of opening and closing balances of the fair value of plan assets	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Fair value of plan assets at start of period	41,099	41,622
Interest income	2,012	2,040
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	(2,489)	(3,081)
Contributions by the employer	2,426	2,301
Contributions by plan participants	-	-
Benefits paid and expenses	(2,634)	(1,783)
Assets acquired in a business combination	-	-
Assets distributed on settlements	-	-
Exchange rate changes	-	-
Fair value of plan assets at end of period	40,414	41,099

Defined benefit costs recognised in Statement of Comprehensive Income (SOCI)	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Current service costs	-	-
Expenses	45	44
Net interest expense	420	400
Losses (gains) on business combinations	-	-
Losses (gains) on settlements	-	-
Losses (gains) on curtailments	-	-
Losses (gains) due to benefit changes	-	-
Defined benefit costs recognised in Statement of Comprehensive Income (SOCI)	465	444

10. Pension contributions (continued)

Defined benefit costs recognised in Other Comprehensive Income (OCI)	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Experience on plan assets (excluding amounts included in net interest cost) – (loss) / gain	(2,489)	(3,081)
Experience gains and (losses) arising on the plan liabilities	(2,693)	(99)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain / (loss)	-	563
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain / (loss)	6,172	349
Total actuarial (losses) and gains (before restriction due to some of the surplus not being recognisable)	990	(2,268)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-	-
Total amount recognised in Other Comprehensive Income – (loss) / gain	990	(2,268)

Key assumptions	31 March 2025 % per annum	31 March 2024 % per annum
Discount rate	5.85	4.91
Inflation (RPI)	3.09	3.14
Inflation (CPI)	2.79	2.78
Earnings increases	3.79	3.78
Allowance for commutation of pension for cash retirement	75% of maximum	75% of maximum

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies	Life expectancy at age 65 (years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.7
Female retiring in 2044	24.5

10. Pension contributions (continued)

Assets	Period ending	
	31 March 2025	31 March 2024
	£'000	£'000
Global equity	4,527	4,096
Absolute return	-	1,605
Distressed opportunities	-	1,449
Credit relative value	-	1,347
Alternative risk premia	-	1,304
Fund of hedge funds	7,494	-
Emerging markets debt	-	532
Risk sharing	-	2,406
Insurance-linked securities	125	212
Property	2,024	1,650
Infrastructure	7	4,151
Private Equity	36	34
Private debt	-	1,617
Real Assets	4,838	-
Opportunistic illiquid credit	-	1,606
Private Credit	4,946	-
Credit	1,546	-
Investment Grade Credit	1,244	-
High yield	-	6
Opportunistic credit	-	-
Cash	549	811
Corporate bond fund	-	-
Liquid credit	-	-
Long lease property	12	265
Secured income	674	1,227
Liability driven investment	12,240	16,726
Currency hedging	65	(16)
Net current assets	87	71
Total assets	40,414	41,099

None of the fair values of the assets shown above include any direct investments in NCHA's own financial instruments or any property occupied by, or other assets used by NCHA.

10. Pension contributions (continued)

Review of benefits provided by the Trustee

The Association has been notified by the Trustee of the Scheme that it has performed a review comparing the benefits provided to scheme members over recent years with the requirements of the Scheme documentation. Due to uncertainty as to the effect of some benefit changes, the Trustee has been advised by lawyers to seek clarification from the Court on potential changes to the pension liability. It is recognised that this could potentially impact the value of Scheme liabilities, but until the outcome of the ongoing Court process is known, it is not possible to calculate the impact on the liabilities of this issue with any accuracy, particularly on an individual employer basis, for the purposes of the 31 March 2025 financial statements. Accordingly, no adjustment has been made in these financial statements in respect of this potential issue.

Nottingham Community Housing Association is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the SHPS scheme trustees, and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

National Health Service Pension Scheme

Nottingham Community Housing Association Limited participates in the National Health Service Pension Scheme, a defined benefit final salary scheme.

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

The Directors are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of a contracted-out-pension scheme between 6 April 1997 and 5 April 2016. The judgement means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation s.37 of the Pension Schemes Act 1993 was not obtained.

On the 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefits changes met the necessary standards. However, details of the legislation have not been announced. Subject to the Directors being able to comply with the legislation and the pension scheme obtaining the required written actuarial confirmation(s), the Directors do not expect the valuation of the schemes liability to change.

10. Pension contributions (continued)

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

(a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes.

The valuation of the scheme liability as at 31 March 2023 is based on valuation data as at 31 March 2022 and updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

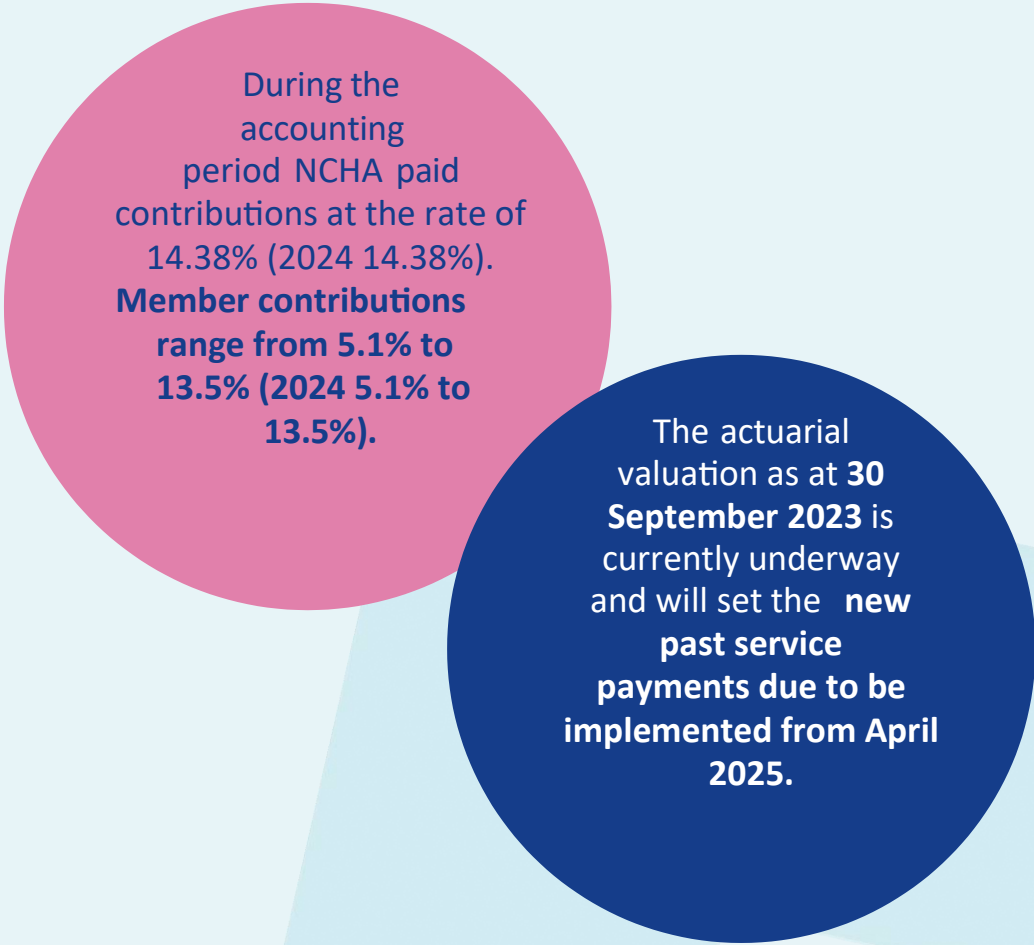
The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

10. Pension contributions (continued)

(b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.



During the accounting period NCHA paid contributions at the rate of 14.38% (2024 14.38%).
Member contributions range from 5.1% to 13.5% (2024 5.1% to 13.5%).

The actuarial valuation as at **30 September 2023** is currently underway and will set the **new past service payments due to be implemented from April 2025.**

11. Board and Executive Team emoluments

Group	2025	2024
The aggregate emoluments paid to or received by Board Members	109	114
The aggregate emoluments paid to or receivable by Executive team members (key management personnel) as listed on page 6	873	684
The aggregate amount of Executive team members pensions	70	59
Total	1,052	857
The emoluments paid to the highest paid Executive team member of the Association: Chief Executive excluding pension contributions	190	180

In January 2024 the Executive Team increased in size from 4 to 5 members with the addition of the Director of Assets and Property Services (David Langhorne).

Board Members	2025	2024
	Emoluments	Emoluments
	£	£
Callum Gillespie (NCHA Chair)	15,726	15,726
Andrew Kilby (NCHA Audit Committee Chair)	10,136	10,136
David Harrison	5,068	10,136
Christopher Blackburn	-	3,277
Donna Edwards	-	3,277
Michael Finister-Smith	-	6,553
Lorelei Jarvis	6,553	6,553
Pradeep Khuti	-	3,277
Paul Parkinson	6,553	6,553
Mohammed Habib	6,553	6,553
Leanne Monger	8,345	6,553
Gillian Callingham	6,553	6,553
Janet Glass	6,553	3,811
Sarah Battershall	6,553	3,811
Natalie Robinson	6,553	5,051
Nick Sedgwick	3,811	-
Raj Kambo	3,811	-
Total	92,768	97,820

Board members expenses during the year were £307. (2024 - £262)

11. Board and Executive team emoluments (continued)

Board Members – Pelham Homes	2025	2024
	Emoluments	Emoluments
	£	£
Paul Adams (Chair)	10,136	10,136
Paul High	2,964	2,964
Gary Reynolds	2,964	2,964
Total	16,064	16,064

Other Committee Members	2025	2024
	Emoluments	Emoluments
	£	£
Independent Audit & Risk Members		
Rebecca Slack	-	1,482
Donald Sadler	2,964	2,964
Independent Customer Committee Members		
Raj Kumar (Chair)	10,136	10,136
Lesley Renton	619	619
Angela Miller	2,964	2,964
Helen Dunne	-	1,291
Sharon Borrett	2,964	2,964
Simon Leyden	2,964	-
Steven Malcherczyk	2,964	-
Independent Care Committee Members		
Helen Van Ristell	2,964	2,964
Sarah Wood	2,964	2,964
Kristin Shury	675	-
Total	32,178	28,348

All Board and Committee Member emoluments are salaries.

The pension payments on behalf of the Executive team members exclude the SHPS Closed Scheme Surcharge and the SHPS annual deficit contribution. The full cost of both the deficit contribution and surcharge are detailed in note 12a.

The Chief Executive is an ordinary member of the Social Housing Pension Scheme detailed in note 10. The cost to the Association for the year was £18,019 (2021 - £17,161). No enhancements or special terms apply, nor does the Association make any other pension contributions on his behalf.

12. Employee information

Aggregate number of full-time equivalent colleagues whose remuneration exceeded £60,000 in the period excluding pension.

Salary band	Group	
	2025	2024
	No.	No.
£60,001 to £70,000	11	5
£70,001 to £80,000	3	4
£80,001 to £90,000	4	6
£90,001 to £130,000	4	-
£130,001 to £140,000	-	-
£140,001 to £150,000	4	3
£150,001 to £160,000	-	-
£160,001 to £170,000	-	-
£170,001 to £180,000	-	-
£180,001 to £190,000	1	1
Total	27	19

The remuneration of the highest paid director and the aggregate amount of remuneration paid to all Directors in 2024/25, relative to the size of NCHA, were £17.68 per unit (2024 – £17.51) and £89.91 (2024 – £76.78) per unit respectively. The total management cost relative to the size of NCHA was £1,351 per unit (2024 – £1,143).

12a. Employee numbers

	Group	
	2025	2024
	No.	No.
The average weekly full-time equivalent number of persons (including the Chief Executive) employed during the year.	1,036	998

Weekly full-time hours are 35 hours for office staff and 37, 39 or 40 hours for non-office based colleagues. NCHA also employs colleagues on a zero hours basis.

12b. Employee costs (for the above persons)

	Group	
	2025	2024
	£'000	£'000
Wages and salaries	27,873	30,667
Social security costs	3,134	2,755
Other pension costs	2,033	1,863
Total	33,040	35,285

Other pension costs of £2,033 in 2025 (2024 – £1,863k) comprise employer's contributions for the SHPS DC scheme of £2,004 (2024 – £1,829k) and the NHS pension scheme of £29k (2024 – £34k). NCHA's pension contribution rate across all schemes, represents 7.32% (2024 – 6.60%) of pensionable pay.

13. Tangible fixed assets: housing properties (Group)

	Completed social housing properties	Completed shared ownership housing properties	Assets in the course of construction – social housing	Assets in the course of construction – shared ownership	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2024	702,501	99,372	64,577	16,638	883,088
Works to existing properties	7,781	-	-	-	7,781
Additions to new properties	466	368	45,596	22,713	69,143
Schemes completed in the year	58,175	18,776	(58,175)	(18,776)	-
Disposal of components	(1,804)	-	-	-	(1,804)
Disposal of properties	(2,507)	(7,934)	-	-	(10,441)
Transfers	84	(84)	(27)	27	-
As at 31 March 2025	764,696	110,498	51,971	20,602	947,767
Depreciation and impairment					
At 1 April 2024	125,580	7,058	-	-	132,638
Depreciation charge for the year	10,673	778	-	-	11,451
Depreciation on disposal of components	(1,804)	-	-	-	(1,804)
Impairment on disposal of properties	-	(9)	-	-	(9)
Depreciation on disposal of properties	(643)	(120)	-	-	(763)
Depreciation transfer	14	(14)	-	-	-
As at 31 March 2025	133,820	7,693	-	-	141,513
Net book value at 31 March 2025	630,876	102,805	51,971	20,602	806,254
Net book value at 31 March 2024	576,921	92,314	64,577	16,638	750,450

There were 8,390 units pledged as security for liabilities as of 31 March 2025 (2024 – 8,049).

13a. Tangible fixed assets: housing properties (Association)

	Completed social housing properties	Completed shared ownership housing properties	Assets in the course of construction – social housing	Assets in the course of construction – shared ownership	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
As at 1 April 2024	697,742	99,370	64,577	16,638	878,327
Works to existing properties	7,721	-	-	-	7,721
Additions to new properties	466	368	45,596	22,713	69,143
Schemes completed in the year	58,175	18,776	(58,175)	(18,776)	-
Disposal of components	(1,785)	-	-	-	(1,785)
Disposal of properties	(2,507)	(7,934)	-	-	(10,441)
Transfers	84	(84)	(27)	27	-
As at 31 March 2025	759,896	110,496	51,971	20,602	942,965
Depreciation and impairment					
As at 1 April 2024	124,389	7,059	-	-	131,448
Depreciation charge for the year	10,559	778	-	-	11,337
Depreciation on disposal of components	(1,785)	-	-	-	(1,785)
Impairment on disposal of properties	-	(9)	-	-	(9)
Depreciation on disposal of properties	(643)	(120)	-	-	(763)
Depreciation transfer	14	(14)	-	-	-
As at 31 March 2025	132,534	7,694	-	-	140,228
Net book value at 31 March 2025	627,362	102,802	51,971	20,602	802,737
Net book value at 31 March 2024	573,353	92,311	64,577	16,638	746,879

There were 8,390 units pledged as security for liabilities as of 31 March 2025 (2024 – 8,049).

13b. Housing properties

Housing properties cost	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Freeholds	933,894	868,406	929,129	863,673
Long leaseholds	13,468	14,286	13,431	14,255
Short leaseholds	405	399	405	399
Total	947,767	883,091	942,965	878,327

13c. Social Housing Grant

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deferred SHG in SFP (note 21)	337,888	285,073	337,888	285,073
SHG recognised in SOCI to date	71,248	67,700	71,248	67,700
The total accumulated SHG received or receivable at 31 March	409,136	352,773	409,136	352,773

13d. Capitalised interest and other on-costs

Additions to fixed assets during the year	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Capitalised interest	2,626	2,341	2,626	2,341
Capitalised improvements	7,782	6,191	7,722	6,063
Design costs	1,014	750	1,014	750
Development costs	892	1,236	892	1,236
Total	12,314	10,518	12,254	10,390

13e. Total major maintenance works

Total major maintenance works for the year	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Income and expenditure account planned works	9,976	3,922	9,906	3,938
Capitalised improvements	7,782	6,191	7,722	6,063
Total	17,758	10,113	17,628	10,001

13f. Investment properties

Investment properties held for letting	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
At start of year	31	31	-	-
Revaluation	6	-	-	-
Disposals	-	-	-	-
At end of year	37	31	-	-

Investment properties are measured at fair value at the reporting date, determined annually by valuation and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

Any changes in fair value are recognised in the Statement of Comprehensive Income.
No depreciation is provided.

14. Tangible fixed assets: other fixed assets (Group)

	Freehold offices	Property plant, machinery and fixtures	Vehicles	ICT equipment	Under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2024	3,881	4,612	2,593	3,961	4,113	19,160
Transfers	4,113	-	-	-	(4,113)	-
Additions	4,989	918	-	905	58	6,870
Disposals	(1,793)	(198)	(581)	(326)	-	(2,898)
As at 31 March 2025	11,190	5,332	2,012	4,540	58	23,132
Depreciation						
At 1 April 2024	1,229	3,078	2,234	2,989	-	9,530
Depreciation charge for the year	106	460	184	504	-	1,254
Disposal depreciation	(336)	(146)	(572)	(326)	-	(1,380)
As at 31 March 2025	999	3,392	1,846	3,167	-	9,404
Net book value at 31 March 2025	10,191	1,940	166	1,373	58	13,728
Net book value at 31 March 2024	2,652	1,534	359	972	4,113	9,630

14a. Tangible fixed assets: other fixed assets (Association)

	Freehold offices	Property plant, machinery and fixtures	Vehicles	ICT equipment	Under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2024	3,881	4,612	2,593	3,961	4,113	19,160
Transfers	4,113	-	-	-	(4,113)	-
Additions	4,989	918	-	905	58	6,870
Disposals	(1,793)	(198)	(581)	(326)	-	(2,898)
As at 31 March 2025	11,190	5,332	2,012	4,540	58	23,132
Depreciation						
At 1 April 2024	1,229	3,078	2,234	2,989	-	9,530
Depreciation charge for the year	106	460	184	504	-	1,254
Disposals	(336)	(146)	(572)	(326)	-	(1,380)
As at 31 March 2025	999	3,392	1,846	3,167	-	9,404
Net book value at 31 March 2025	10,191	1,940	166	1,373	58	13,728
Net book value at 31 March 2024	2,652	1,534	359	972	4,113	9,630

15. Fixed asset investments

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Investment in Subsidiaries	-	-	2,000	2,000
Investments in Joint Ventures	973	974	-	-
Other fixed asset investments				
Nottingham Credit Union	25	26	25	26
National Almshouse Association Common Investment Fund Income Shares	486	474	-	-
National Almshouse Association Common Investment Fund Accumulation Shares	104	97	-	-
COIF Income Units	7	7	-	-
COIF Investment Fund	246	258	-	-
Total	868	862	25	26

16. Shared ownership properties for sale and other stock

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Stock of properties for outright sale: under construction	10,958	5,910	-	-
Stock of shared ownership properties for sale: completed schemes	3,188	2,025	3,188	2,025
Stock of shared ownership properties for sale: under construction	13,313	10,573	13,313	10,573
Sub total	27,459	18,508	16,501	12,598
Stock of materials	185	68	185	68
Total	27,644	18,576	16,686	12,666

17. Debtors

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Rent arrears	1,996	1,169	1,973	1,143
Less provision for bad debts	(545)	(491)	(529)	(475)
Sub total	1,451	678	1,444	668
SHG receivable	-	140	-	140
Amounts owed by Group undertakings	-	-	109	133
Other debtors	14,561	15,639	8,781	12,261
Prepayments	1,799	1,502	1,799	1,502
Total within one year	17,811	17,959	12,133	14,704
Amounts falling due after one year				
Pelham Homes Limited loan	-	-	9,211	2,000
Total after one year	-	-	9,211	2,000
Total debtors	17,811	17,959	21,344	16,704

18. Cash and cash equivalents and current asset investments

Cash at bank and in hand	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Mortgaged against specific loans				
Charged funds to lenders	5,721	4,627	5,721	4,627
Unmortgaged				
Deposits for service users (note 19)	1,239	1,164	940	902
Other unmortgaged bank accounts	49,280	33,237	47,946	32,263
Total	56,240	39,028	54,607	37,792
Current asset investments				
Short term money market investment	70,750	-	70,750	-

Amounts mortgaged against specific loans are restricted cash and not available liquid resources. Deposits for service users represent funds held on behalf of service users.

19. Creditors amounts falling due **within one year**

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Housing loans (note 20)	5,297	6,275	5,297	6,275
Loan administration fees	(300)	(260)	(300)	(260)
Loan interest accruals	4,743	3,350	4,743	3,350
Premium on debenture issue	34	34	34	34
Trade creditors	2,026	1,220	2,026	1,947
Funds held for others	323	286	22	22
Rents and service charges paid in advance	2,110	1,902	2,089	1,880
Taxation and Social Security payable	779	756	779	756
Deferred Capital Grants (note 21)	3,803	3,463	3,803	3,463
Recycled Capital Grant Fund (note 22)	684	734	684	734
Other creditors	12,748	11,148	12,379	10,284
Total	32,247	28,908	31,556	28,485

20. Creditors amounts falling due **after more than one year**

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Housing loans	462,137	367,433	462,137	367,433
Loan administration fees	(2,175)	(1,734)	(2,175)	(1,734)
Premium on debenture issue	548	583	548	583
Sub total	460,510	366,282	460,510	366,282
Deferred Capital Grant	334,085	281,610	334,085	281,610
Health Grant Fund	-	-	-	-
Recycled Capital Grant Fund (note 22)	3,519	4,138	3,519	4,138
Other creditors falling due after more than one year	1,026	1,284	1,026	1,284
Social Housing Decarbonisation Fund	-	-	-	-
Total	799,140	653,314	799,140	653,314

20a. Provision for liabilities

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
As at 1 April	2,400	1,859	2,400	1,711
Release of provision in year major works obligation	(5)	(94)	(5)	(67)
Increase in provision due to major works obligation	-	756	-	756
Increase in provision due to development obligation	-	-	-	-
As at 31 March	2,395	2,400	2,395	2,400

20b. Exceptional items

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Net provision released	(5)	(1,644)	(5)	(1,644)
Provision charged	-	2,400	-	2,400
Total charge to the SOCI	(5)	756	(5)	756
Movement in exceptional item provisions:				
Opening balance	2,400	1,667	2,400	1,667
Fire safety work	-	-	-	-
Expenditure	(5)	(23)	(5)	(23)
Release of fire safety provision	-	(1,644)	-	(1,644)
Gas safety work	-	2,400	-	2,400
Total	2,395	2,400	2,395	2,400

In 2024 a provision of £1.667 million was made for estimated fire safety costs at the Pinnacle building potentially not fully conforming to current building safety regulations. Subsequently fire compartmentation at the Pinnacle has been confirmed to be satisfactory for now and the provision, net of a small cost for gas safety checks, has been released.

During 2024 issues with the gas installation at the Pinnacle were identified which we have been informed by the gas transporter (GTC) are non-compliant and have now been reported to the building safety regulator (BSR). As a result a provision for the costs expected totalling £2.4 million was included in 2023/24 based on the latest estimate of those costs prepared by external advisors.

Given the nature of the works it has been assumed that the liability across the whole building, both freehold and leasehold flats, falls within NCHA.

21. Deferred capital grant

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Opening balance 1 April	285,073	258,692	285,073	258,692
Grants received in year	57,524	30,922	57,524	30,922
Grants disposals in year	(1,161)	(1,142)	(1,161)	(1,142)
Released to income in year	(3,548)	(3,399)	(3,548)	(3,399)
Closing balance 31 March	337,888	285,073	337,888	285,073
Due to be released in less than one year	3,803	3,463	3,803	3,463
Due to be released in more than one year	334,085	281,610	334,085	281,610
Closing balance 31 March	337,888	285,073	337,888	285,073

22. Recycled capital grant

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Opening balance 1 April	4,872	7,683	4,872	7,683
Inputs: grants recycled to RCGF: NCHA	1,505	1,500	1,505	1,500
Inputs: interest accrued	244	270	244	270
Recycling: investment in new build stock: NCHA	(2,418)	(4,581)	(2,418)	(4,581)
Closing balance 31 March	4,203	4,872	4,203	4,872
RCGF due in less than one year	684	734	684	734
RCGF due in more than one year	3,519	4,138	3,519	4,138
Total	4,203	4,872	4,203	4,872

23. Called up share capital

Group and Association	2025	2024
	£	£
Ordinary shares of £1 each allotted, issued and fully paid at the start of the year	30	27
Issued during the year	2	3
Written back during the year	(2)	-
At the end of the year	30	30

The ordinary shares have full voting rights. They do not have any right to distributions or capital and are not redeemable.

24. Capital commitments

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Capital expenditure that has been contracted for, but has not been provided for in the financial statements	120,823	76,351	101,988	58,255
Capital expenditure that has been authorised by the Board, but has not yet been contracted for	110,082	126,544	106,600	123,125
Investment in jointly owned entities that has been authorised by the Board, to fund capital expenditure that has not been contracted for	1,586	1,586	-	-
Investment in jointly owned entities that has been contracted for, but has not been provided for in the financial statement	208	208	-	-
Total	232,699	204,689	208,588	181,380

The Association expects to finance the expenditure above by:				
Social Housing Grant receivable and other grants receivable	66,107	61,700	66,107	61,700
Sales proceeds	67,557	59,682	45,240	38,167
Distribution from jointly controlled entities, resulting from sales proceeds	1,794	1,794	-	-
New loan finance (including refinancing)	97,241	81,513	97,241	81,513
Total	232,699	204,689	208,588	181,380

25. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

Group and Association	2025	2024
	£'000	£'000
Land and buildings		
Leases expiring within the next year	75	77
Leases expiring in the second to fifth year	153	20
Leases expiring in more than five years	-	-
Sub total	228	97
Others		
Expiring within the next year	418	266
Expiring in the second to fifth year	548	548
Expiring in more than five years	-	-
Total	1,194	911

26. Subsidiary undertakings

The Association is the parent organisation in a group that also includes Pelham Homes Limited and Nottingham Community Almshouse Charity. Blyth Cottages Charity was a separate charity that was part of the group until 28 March 2023 when it transferred into Nottingham Community Almshouse Charity.

Pelham Homes Limited

The Association owns 100% of the shares in Pelham Homes Limited, which is a wholly owned commercial subsidiary. Its principal activities are the development and sales of residential properties, the provision of property related services and the management of leasehold properties. Pelham Homes Limited transfers surpluses by Gift Aid to NCHA.

The transactions that have occurred between the two organisations apart from the Gift Aid are as follows below.

	2025	2024
	£'000	£'000
Loan interest	470	42
Management fee	208	200
Design fee	264	152
Maintenance fee	54	54
Property sales	-	-
Development fees	35	48

There is an intercompany loan available from NCHA to Pelham Homes of up to £25m is secured by a security trust deed over all present and future assets of Pelham Homes Limited. The interest rate is based on Bank of England Base Rate + 3.7%. The management fee is determined by an intercompany Agreement for services agreed by both Boards. The design fee and maintenance fee are determined by the works carried out. Any intercompany amounts due to / from Pelham Homes from / to NCHA at the balance sheet date are disclosed in Note 30.

26. Subsidiary undertakings (continued)

Almshouse and other organisations

Nottingham Community Almshouse Charity is now the sole Almshouse organisation consolidated into these group accounts; Nottingham Annuity Charity merged into Nottingham Community Almshouse Charity on the 19 August 2021 and Blyth Cottages Charity transferred into Nottingham Community Almshouse Charity on 28 March 2023. Management fees were paid to NCHA as follows:

	2025	2024
	£'000	£'000
Nottingham Community Almshouse Charity	141	133

The Association also carried out maintenance works which were charged to the charities as follows:

	2025	2024
	£'000	£'000
Nottingham Community Almshouse Charity	31	34

Any intercompany amounts due to / from NCAC from / to NCHA at the balance sheet date are disclosed in Note 30.

Joint Ventures

Pelham Waterside LLP was a jointly owned by Langar Investments Limited and Pelham Homes Limited, a wholly owned subsidiary of Nottingham Community Housing Association Limited (NCHA). Pelham Waterside was dissolved on 1st July 2025.

Pelham Waterside Two LLP is jointly owned by Norse Homes (Trent Lane) Limited and Pelham Homes Limited, a wholly owned subsidiary of Nottingham Community Housing Association Limited (NCHA).

Access Training is jointly owned by Futures Housing Group and Pelham Homes Limited, a wholly owned subsidiary of Nottingham Community Housing Association Limited (NCHA).

	2025	2024
	£'000	£'000
Share of profit/loss in Joint Ventures - Pelham Waterside	521	509
Share of profit/loss in Joint Ventures - Pelham Waterside Two	-	-
Share of profit/loss in Joint Ventures - Access Training	133	99

27. Post balance sheet events

We consider that there have been no other events since the financial year end which have had a material effect on the financial position of the group.

28. Units/bedspaces

	Group		Association	
	2025	2024	2025	2024
	No.	No.	No.	No.
Social housing under development at end of year				
Housing accommodation	769	782	769	782
Shared ownership	398	354	398	354
For sale	94	78	-	-
Total	1,261	1,214	1,167	1,136

28. Units/bedspaces (continued)

Group	2024	Additions	Disposals	Other movements	2025
	No.	No.	No.	No.	No.
Social housing under management at end of year					
Housing accommodation	5,669	35	(43)	1	5,662
Intermediate rent	383	-	(3)	(2)	378
Affordable rent	1,854	299	-	1	2,154
Supported housing	514	62	(4)	(1)	571
Care homes	79	1	-	-	80
Housing for older people	492	-	-	-	492
Shared ownership	1,332	112	(12)	(4)	1,428
Freehold interest only	135	5	-	5	145
Sub total	10,458	514	(62)	-	10,910
Non social housing under management at end of year					
Market rented	-	-	-	-	-
Sub total	-	-	-	-	-

Key drivers of 'other movements' are mergers into the Group and tenure conversion.

Association	2024	Additions	Disposals	Other movements	2025
	No.	No.	No.	No.	No.
Social housing under management at end of year					
Housing accommodation	5,669	35	(43)	1	5,662
Intermediate rent	383	-	(3)	(2)	378
Affordable rent	1,854	299	-	1	2,154
Supported housing	514	62	(4)	(1)	571
Care homes	79	1	-	-	80
Housing for older people	332	-	-	-	332
Shared ownership	1,331	112	(12)	(4)	1,427
Freehold interest only	135	5	-	5	145
Sub total	10,297	514	(62)	-	10,749
Non social housing under management at end of year					
Market rented	-	-	-	-	-
Sub total	-	-	-	-	-

The key driver of 'other movements' is tenure conversion.

29. Accommodation managed by agents

The Association owns units excluded from note 28 above which are managed by other bodies, as follows below. Housing accommodation is managed by High Peak Council and other housing by a range of other care and support organisations including P3 and Women's Aid (Nottinghamshire, Newark and Midlands).

Group and Association	2025	2024
	No.	No.
Housing accommodation	21	21
Supported housing, care homes and housing for older people	102	102
Total	123	123

30. Related parties

During the year, the Board had one customer member who held a shared ownership lease. Rent charged to the Board member was £3.3k (2024 - £3.9k). Customers cannot use their position on the Board to their advantage.

Nottingham Community Housing Association is the sole Corporate Trustee for Nottingham Community Almshouse Charity.

As at 31 March 2025 the following balances detailed below were owed.

	Amounts owed to Trustee	Amounts due from Trustee	Amounts owed to Trustee	Amounts due from Trustee
	£'000	£'000	£'000	£'000
Nottingham Community Almshouse Charity	26	-	-	27
Total	26	-	-	27

As at 31 March 2025 there was also an inter-group loan from NCHA to Pelham homes which totalled £9.2 million (2024 - £2m).

31. Financial instruments and risk management

Risk management

In addition to its own accumulated resources and position, the NCHA Group makes use of bank loans and bonds to finance its development activity. Financial control forms a key part of the internal system of internal control and risk management system. In line with the Board's annually approved standing orders and financial regulations which includes the scheme of delegated authority for treasury matters, the Board holds the ultimate responsibility for the annual review and update of the treasury management strategy and the treasury management policy.

NCHA's standing orders, financial regulations, treasury strategy and treasury management policy are approved by the Board annually.



31. Financial instruments and risk management (continued)

Liquidity

The Group had total external bank loan/bond borrowing facilities of £537.4m (2024 - £442.7m) of which £70m (2024 - £69m) were undrawn.

The parent company NCHA holds all but a tiny proportion of these facilities. These can be summarised as:

Name	Facility	Drawn	Undrawn	Maturity	Rate	Type
	£'000	£'000	£'000		%	
Bank of Scotland	27,500	27,500	-	2042-2043	4.77	Variable
Bank of Scotland	40,000	40,000	-	2042-2043	5.02	Fixed
Scottish Widows	17,400	17,400	-	2038-2039	5.96	Fixed
Scottish Widows	62,250	62,250	-	2037-2038	5.02	Fixed
Orchardbrook (NCHA) – RBS	1,131	1,131	-	2028-2029	10.61	Fixed
Orchardbrook (LQHA) – RBS	153	153	-	2042-2043	10.53	Fixed
AHG Bond Issue	10,500	10,500	-	2042-2043	3.80	Fixed
European Investment Bank	18,500	18,500	-	2045-2046	2.52	Fixed
Private Equity Investor	55,000	55,000	-	2048-2049	3.55	Fixed
Private Equity Investor	30,000	30,000	-	2054-2055	3.60	Fixed
NatWest Bank	70,000	0	70,000	2027-2028	-	Variable
Saltaire Finance – AHGS 1	55,000	55,000	-	2052-2053	2.71	Fixed
Saltaire Finance – AHGS 2	50,000	50,000	-	2033-2034	4.82	Fixed
Saltaire Finance – AHGS 3	100,000	100,000	-	2036-2037	4.82	Fixed
Total	537,434	467,434	70,000			

During the year NCHA arranged a loan third facility under the Affordable Homes Guarantee Scheme (AHGS) of £100m. The borrowing has been drawn down and will be repaid over a loan period of 12 years. The Saltaire Finance – AGHS 3 loan has an additional rate of 0.1% on the unsecured element of £12.6m.

Nottingham Community Almshouse Charity holds no facilities as at 31st March.

As at 31 March 2025 the NCHA Group held cash and cash equivalents of £56m (2024 - £39m).

31. Financial instruments and risk management (continued)

Debt analysis	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Loan repayable by instalments				
Within one year	5,297	5,275	5,297	5,275
In one year or more but less than two years	6,340	5,297	6,340	5,297
In two years or more but less than five years	21,476	20,085	21,476	20,085
In five years or more	133,821	141,550	133,821	141,550
Loan not repayable by instalments				
Within one year	-	1,000	-	1,000
In one year or more but less than two years	-	-	-	-
In two years or more but less than five years	-	-	-	-
In five years or more	300,500	200,500	300,500	200,500
Sub total	467,434	373,707	467,434	373,707
Less loan issue costs	(2,175)	(1,734)	(2,175)	(1,734)
Total loans	465,259	371,973	465,259	371,973

Loans are secured by specific charges on the Group's housing properties. Some loans are repayable half yearly/ annually at varying rates of interest and are due to be repaid in 2054/55.

Refinancing risk is managed through the Group Treasury Management Policy.

A Board Task and Finish Group was operating during the year working closely with external partners and the Treasury team to conclude the arrangement of new facilities in line with the approved treasury strategy for the year.

31. Financial instruments and risk management (continued)

Managing market risk

Interest rate risk

Interest rate risk is managed through the active application of the Treasury Management Policy.

The Interest Rate Profile of the Group at 31 March 2025 is detailed below.

	Total	Variable rate	Fixed rate	Weighted average rate	Weighted average term
	£'000	£'000	£'000	%	Years
Instalment loans	166,934	27,500	139,434	1.64	4.0
Non-instalment loans	300,500	-	300,500	2.60	11.0
Total	467,434	27,500	439,934	4.24	15.0

Currency risk

Currency risk is the risk that currency exchange rates impact on the Group's cash / investments assets or income returns. The NCHA Group only trades in sterling, other than where required for insubstantial incidental minor day to day purchases. It has no offices outside of the United Kingdom.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument fails to discharge an obligation to the Group. Credit risk policy is governed by the application of the Treasury Management Policy.

Covenant compliance

Covenant compliance is monitored regularly by the Resources Directorate and reported to board as per the requirements of the board approved Group Standing Orders and Financial Regulations. There were no breaches identified in the year.

Financial assets and liabilities at book value and fair value

The book value of all financial assets and financial liabilities at 31 March 2025 and 31 March 2024 are deemed to be equal fair value.

31. Financial instruments and risk management (continued)

Financial instruments

The financial instruments of the Group are summarised below.

	Group		Association	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Assets measured at amortised cost				
Investments in subsidiaries	-	-	2,000	2,000
Investments in joint ventures	973	974	-	-
Fixed assets investments	868	862	25	26
Trade debtors	14,559	15,639	8,781	12,261
Current assets investments	70,750	-	70,750	20,626
Cash at bank and in hand	56,240	39,028	54,607	17,166
Total	143,390	56,503	136,163	52,079
Liabilities measured at amortised cost				
Loans	465,259	371,973	465,259	371,973
Leases	773	869	773	869
Trade creditors	2,026	1,947	2,026	1,947
Recycled Capital Grant Fund	4,203	4,872	4,203	4,872
Total	472,261	379,661	472,261	379,661


32. Analysis of changes in net debt

	Group At 1 April 2024	Cash flows	Other non-cash movements	Group At 31 March 2025
	£'000	£'000	£'000	£'000
Cash at bank and in hand	39,028	17,212	-	56,240
Borrowings				
Debt due within 12 months	(6,275)	6,275	(5,297)	(5,297)
Debt due greater than 12 months	(367,433)	(93,726)	(978)	(462,137)
Total net debt	(334,680)	(70,239)	(6,275)	(411,194)





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 /NottinghamCommunityHousingAssociation

An electronic version of this report can be found on our website,
www.ncha.org.uk

Nottingham Community Housing Association Limited is a
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