



**ONE VISION HOUSING LIMITED**

**Registered Social Housing Provider**

Report and Financial Statements

Year ended 31 March 2022

Co-operative and Community Benefit Society  
(FCA) number: 7072

Regulator of Social Housing registration number: 4804

# One Vision Housing Limited

## Report and Financial Statements for the year ended 31 March 2022

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## One Vision Housing Limited

### Executives and Advisors for the year ended 31 March 2022

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#### Board of management

Peter Crosby	Non-executive (chair)	
Alan Marshall	Non-executive	resigned 13 September 2021
Joe Connell	Non-executive	resigned 13 September 2021
Dawn Murray	Non-executive	
Andy Armstrong	Non-executive	
Tracey Gore	Non-executive	
Anne Lunden	Non-executive	resigned 14 March 2022
Michael Parkin	Non-executive	appointed 8 November 2021
Lelir Yeung	Non-executive	appointed 8 November 2021
Roy Williams	Executive	
Tracey Liggett	Executive	

#### Executive management

Roy Williams	Group Chief Executive Officer
Tracey Liggett	Chief Finance Officer
Ian Fazakerley	Chief Operating Officer
Ian Mitchell	Managing Director
Gaynor Robinson	Operations Director - Finance
Alan McAvoy	Operations Director - Housing Services
Paula Robinson	Operations Director - Support Services
Marcus Evans	Group Director - Governance and Compliance
Phil Hutchinson	Operations Director - Assets and Compliance

#### Company secretary and registered office

Marcus Evans  
One Vision Housing Limited  
The Sovini Group  
Unit 1  
Heysham Road  
Bootle  
Liverpool  
L30 6UR

#### Company number

Co-operative and Community Benefit Society (FCA) number	<b>7072</b>
Regulator of Social Housing registered number	<b>4804</b>

#### Auditors

BDO LLP  
5 Temple Square  
Temple Street  
Liverpool, L2 5RH

#### Principal solicitors

Weightmans  
100 Old Hall Street  
Liverpool  
L3 9QJ

#### Bankers

Royal Bank Of Scotland  
Merseyside Cheshire & North Wales, Corporate Banking  
1 Dale Street  
Liverpool  
L2 2PP

## One Vision Housing Limited

### Chair's Statement for the year ended 31 March 2022

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I am pleased to announce that this year we achieved a surplus of £10.7m. This money will be reinvested to help us to achieve our vision of "thriving, inclusive communities".

The current year has presented a challenging operating environment, the like of which we have not experienced before. I am therefore very pleased to be able to report a strong set of financial results based on sustained performance, further demonstrating our operational strength and financial resilience.

Our disciplined operating framework and the speed of management decision making and actions at the start of the pandemic and thereafter has ensured that 2021/22 has been another operationally and financially successful year for One Vision Housing (OVH).

Throughout the recent challenges the association has consistently demonstrated resilience and flexibility, reviewing and controlling management costs to ensure that we remain in a strong position to balance our priorities including re-investment in our existing housing stock and creating a strong pipeline of new affordable housing. I have no doubt that this has been driven by our strong sense of purpose and the ability to harness the benefits of our unique Sovini group structure.

We continue to do all that we can to support our customers and employees, including their wellbeing, ensuring that we prioritise their safety above all else. Equally we remain committed to employee development, not just because it is the right thing to do, but because it is fundamental to our long-term success. We want to attract and retain the best people. Our aim is to sustain our award winning reputation as a great place to work, founded on an open and honest culture. As a member of the Sovini Group we were named the UK's Number One Great Place to Work (large category) in 2021 and Number Two in 2022, as well as retaining UK Best Workplace for Women consecutively since 2018.

There are many achievements to be proud of during the last 12 months. Our customer satisfaction performance was confirmed at 95.1%, we collected 99.9% of our rent and kept our occupancy rates high. We were able to deliver a substantial part of our improvement programme, completing major component and other major repairs to our existing homes, as well as delivering our fire safety programme. We also built and let 251 new homes.

We worked hard to support our customers facing hardship or changes in employment and in doing so we also reduced our arrears. These achievements were delivered with the support and collaboration of our Sovini group commercial partners and with our local authority and community partnerships.

We also fully discharged our statutory compliance and emergency and responsive repair obligations whilst continuing to prepare for the Building Safety Bill and the Housing White Paper.

As we look ahead, there remains a number of challenges and risks which continue to impact upon the wider housing sector and threaten the UK and global economy. These include high inflation, a potential recession, cost of living crisis, ongoing supply chain risks, a newly awaited Decent Homes Standard, service and data quality, as well as achievement of the UK's net zero target. We recognise the ongoing contribution that we can make from our operations by reducing our emissions and carbon footprint, including the use of renewable energy in the delivery of our services and supply chain. This includes delivering low carbon homes with improved insulation, more efficient services and new low carbon technology, ensuring that our customers live in high quality, energy efficient homes which have a lower impact on the environment and are more affordable to run.

I believe we are in a strong position to continue to invest in our communities and support the provision of quality homes and services and I look forward to the future with anticipation of even greater success.



**Peter Crosby (chair of the board)**  
**1 September 2022**

## One Vision Housing Limited

### Report of the Board for the year ended 31 March 2022

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The board is pleased to present its report and audited financial statements for the year ended 31 March 2022.

#### Who are we?

One Vision Housing Limited is a co-operative and community benefit society with charitable status and a registered provider administered by a board and regulated by the Regulator of Social Housing.

The association became a partner of the Sovini Limited group (a non-registered, non asset holding co-operative and community benefits society) on 1 December 2011.

#### Principle Activities

One Vision Housing Limited is administered by a board of management. The association was established in October 2006 to provide homes and housing services to customers in Sefton, as part of a large scale voluntary transfer undertaking. The association continues to fulfil this need and has expanded its activities and stock holding into Chorley, St Helens, Chester, Cheshire East, Cheshire West, West Lancashire, Knowsley, Liverpool and Wirral, as well as remaining the largest landlord in Sefton.

The association has one trading subsidiary, Sovini Developments Limited, whose financial results are reported as part of the Sovini group financial statements. Sovini Limited remains the ultimate parent undertaking.

#### The Board and delegation

The board comprises of nine board members, seven of whom are remunerated (non-executive directors).

Board membership is strong and drawn from a diverse range of skills, knowledge and experience. Some board members hold Sovini group board responsibilities, as well as remuneration and risk and audit committee roles.

Board membership is summarised in note 10 to the financial statements.

The board is responsible for the strategic planning and policy framework. Implementation of this framework and day-to-day management is delegated to the executive management team, who regularly attend board meetings.

During the period, all board members were appraised and their training needs were identified. An ongoing board development programme is in place and specific training was provided to address any personal development needs.

#### Results

The surplus for the period, prior to taxation amounted to £10.7m (2021: £3.4m). This performance has been achieved after a £0.68m (2021: £1.97m) impairment relating to our Head Office and abortive refinancing fees.

#### Compliance with the 2015 NHF Code of Governance and RSH Regulatory Standards

A self-assessment against meeting the specific requirements of RSH regulatory framework and standards, including activity undertaken during 2021/22, has been undertaken and compliance was reported to board in July 2022.

Therefore, the board certify compliance with the Governance and Financial Viability standard.

As part of the certification process, the board has considered and approved its Value for Money (VFM) statement, which evidences the association's outcomes and best practice. The VFM statement can be found on pages 13 to 23 of the Strategic Report and a copy of the approved VFM statement can be obtained at: <http://ovh.org.uk/about-us/performance/value-for-money/>.

The board formally adopted the 2015 NHF Code of Governance in April 2016 and have completed an assessment against the 2020 Code, approving an action plan to ensure compliance from April 2022. The annual self-assessment of compliance, has been undertaken and submitted to board in July 2022 for approval. As a result, the board confirm full compliance with the requirements of the 2015 NHF Code of Governance.

Regular compliance update reports are referred to the board during the year for approval.

## One Vision Housing Limited

### Report of the Board for the year ended 31 March 2022 (continued)

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#### **Board members' responsibilities**

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

Co-operative and Community Benefit Society law and social housing legislation require the board members' to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing these financial statements, the board members are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice: Accounting by registered social housing providers 2018 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the association will continue in business.

The board members are responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time the financial position of the association and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. They are also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The board is responsible for ensuring that the report of the board is prepared in accordance with the Statement of Recommended Practice: Accounting by registered social housing providers 2018.

Financial statements are published on the association's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the association's website is the responsibility of the board members. The board members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

#### **Statement on internal control**

The board acknowledges its ultimate responsibility for ensuring that an effective system of internal control is in place. The system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved.

It is the board's responsibility to establish and maintain a system of internal control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. The board's approach to risk management includes regular evaluation of the nature and extent of the risks to which the association is exposed, and is consistent with best practice principles. Key elements include:

#### ***Identification and evaluation of key risks***

Management responsibility has been clearly defined for the identification, evaluation and control of corporate risks. There is a formal and ongoing process of management review in each area of the association's activities. The board regularly considers and receives reports on the corporate risks facing the association.

#### ***Control environment***

The board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance risks, including treasury strategy and new investments. Policies and procedures are in place and cover these issues, including delegated authority, segregation of duties, accounting policies, treasury management policy, health and safety policy, data and asset protection, fraud protection and detection, including whistleblowing. The risk and assurance committee (RAC) oversee the review of the control environment and the fraud register.

The control environment is regularly reviewed by our internal auditor, Beever and Struthers, who report to the RAC. Their annual review and assessment opinion of the internal control environment is reported to the board and the Sovini group board to provide assurance of its ongoing effectiveness.

## **One Vision Housing Limited**

### **Report of the Board for the year ended 31 March 2022 (continued)**

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#### **Statement on internal control (continued)**

##### ***Information and financial reporting systems***

Financial and performance reporting procedures include the preparation and stress testing of a 30 year business plan and approval and reporting against an annual budget. Detailed management accounts are produced monthly and reported quarterly to the board, alongside a key performance indicator (KPI) summary. Financial and organisational performance are reviewed by the executive management team monthly, with risk and improvement actions implemented as necessary.

Treasury performance, liquidity and covenant compliance is monitored and reported monthly to the executive management team and quarterly to the board.

##### ***Employee involvement***

The association employs 182 staff who are committed and motivated in the achievement of our corporate objectives. The board is appreciative of the efforts of staff, particularly in improving the outcomes achieved by the association and its wider reputation amongst the housing sector for innovation and improvement. The association is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The association maintains an intranet site that provides employees with information on human resources and matters of concern to them, including the financial and economic factors affecting their performance. This includes the ability for employees to express views on matters that affect them. The association also undertakes staff surveys to canvas views on significant matters.

##### ***Customer involvement***

Engaging and working with customers remains central to our vision "thriving, inclusive communities". It is a fundamental element in achieving excellence and providing a valued customer experience. To achieve this we understand that we need to have access to intelligence and insight about our current and future customers expectations of the services we deliver. We recognise the important role that our customers play in scrutinising of our services, actively shaping and challenging policy and assisting us to re-design our services and prioritise our scarce resources.

##### ***Political and charitable donations***

During the year, we made no political donations (2021: £nil) and £10.0k of charitable donations (2021: £11.2k).

##### ***Likely future developments in the business of the association***

Information on likely future developments in the association are included in the Strategic Report on pages 10 to 27.

##### ***Qualifying third party indemnity provisions***

The association has third party indemnity provisions in place for the board and the executive management team.

**One Vision Housing Limited**  
**Report of the Board**  
**for the year ended 31 March 2022 (continued)**

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**Going concern**

The board reviewed the association's financial plans during 2022, this included stress testing of the business plan prior to submission to the regulator as part of the in depth assessment (IDA) process, and were satisfied that these plans were affordable and that the accounts should be prepared on a going concern basis.

Having exited from the pandemic, we now find ourselves navigating unprecedented economic uncertainty including, a cost-of-living crisis and potential recession. As such, the executive management team and board have reviewed the financial forecasts to reflect any ongoing risks and financial impacts as relevant and proportionate to our business. This included an assessment of the year-end financial outturn position, underlying rent collection and letting performance (which exceeded forecasts), any immediate impact on the delivery of the improvement and development programmes and the potential impact of future economic recovery forecasts.

This has ensured that we can continue to provide our essential customer focussed services, remain compliant with regulatory and funder requirements (including Covenant tests) and a going concern. As a consequence of this our surplus in 2021/22 was £10.7m and our interest cover and gearing covenants were comfortably met, further evidencing our financial strength and resilience.

The association was quick to adapt and implement the Government guidance on social distancing, reviewing and adjusting the associated operating environment and processes and was able to fully utilise the Sovini group supply chain partners to ensure that repairs, investments and development programmes, were completed with minimal disruption to services / customers. Throughout the year, the association continued to gain access to customers homes, ensuring that they were safe and that all statutory compliance obligations were met.

Throughout this period, customer contact and support was maintained, allowing the association to continue to support and assist those customers who are vulnerable and benefit dependant. This assisted us to sustain our rent collection performance at 99.9% and re-let our homes within an average 5.8 days.

We also were able to continue our sales activity remotely, selling 30 homes in the year, with 6 stock plots at year-end. One home remained unsold for over six months (show house) and we achieved an average first tranche sales receipt 46% share.

As a key provider of affordable housing, we continue to self-deliver via the Sovini group commercial partners an increasing proportion of our development programme. In 2021/22, we achieved £28.5m of spend, 251 handovers. We also secured additional grant and sales receipts. During the year ahead we plan to spend circa £38.6m building 213 new homes and acquiring a land pipeline to facilitate this.

During 2021/22 we concluded our Accommodation Strategy review and commenced the decant and sale of our main headquarters at Atlantic House. This has delivered significant savings in management costs, which we have retained as contingencies within our Business Plan to assist us to manage and mitigate our key risks.

Our board continue to stress test the 30 year business plan (which continues to reflect prudent assumptions and £10.4m of contingencies). This includes various economic and cost impacts assessments (single, multi variant and perfect storm). Based on these outcomes the board have confirmed and communicated their strategic remedies and the priority in which, these should be executed in the event that these key risks crystallise.

Due to the Russian / Ukraine war, the level of global economic risk and uncertainty remains directly outside of our control, we continue to monitor the impact and deploy effective controls to minimise this impact on our operations where at all possible. This includes the deployment of daily processes to manage/monitor our cash flow and continue to review our financial stability and long-term viability. This includes a further funding review in conjunction with Savills (our independent Treasury Advisor).

Given the strength of our balance sheet, forecast surplus and availability and liquidity of undrawn loan facilities, the board believe that, whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the association's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.



## One Vision Housing Limited

### Report of the Board for the year ended 31 March 2022 (continued)

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#### Auditors

All of the current board members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue. A resolution for the re-appointment of BDO LLP as auditors of the association will be proposed at the forthcoming Annual General Meeting.

#### Approval

The Report of the Board was approved on 1 September 2022 and signed on its behalf by:



**Peter Crosby (chair of the board)**  
1 September 2022



**Michael Parkin (chair of RAC)**  
1 September 2022



**Marcus Evans (company secretary)**  
1 September 2022

# One Vision Housing Limited

## Strategic Report for the year ended 31 March 2022

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The board is pleased to present its Strategic Report and audited financial statements for the year ended 31 March 2022.

### Business overview

One Vision Housing Limited is a leading registered provider, managing 13,615 homes throughout Merseyside, West Lancashire and Cheshire. We have embarked on an ambitious development programme to build a further 1,062 homes in the coming years which, will include rent to buy as well as a continued commitment to shared ownership.

As a charitable co-operative and community benefit society, we reinvest our surpluses to improve our services and extend the provision of affordable housing for our customers.

In December 2011, we became a partner of the Sovini group. This encompasses a mixture of co-operative and community benefit societies, charities and commercial companies that collectively work in partnership with the sole purpose of generating additional financial capacity to increase the supply and quality of housing and related services.

We were originally established in October 2006, to provide quality homes and housing services to those in need and particularly from the Sefton area in Liverpool. We have since expanded our portfolio, acquiring over 1,300 in Liverpool and the Wirral in 2015 and our extensive development programme has increased our social, affordable, shared ownership and rent to buy stock holding in Chorley, St Helens, Chester, Cheshire East and West, West Lancashire, Knowsley and the Wirral.

As our business has grown we have continued to develop new partnerships with other local service providers and build upon our corporate social responsibilities to ensure that we maximise our environmental, social and economic impacts.

Our customers and people are placed at the heart of everything that we do, actively engaging, listening and involving them and the wider communities that we serve. We recognise that people need to feel they belong and that they can contribute, influence and make their own choices, with support as necessary. This is integral to our neighbourhood sustainability approach and a primary driver for our continued success and financial viability.

Being a large registered provider within the Merseyside area, we are committed to making a positive contribution to a number of local and regional strategies aimed specifically at environmental, economic regeneration and sustainability via the Liverpool City Region Combined Authority.

We recognise our obligations to maximise use of our resources and to evidence compliance with the Value For Money (VFM) standard. Further details of our VFM compliance can be found on pages 13 to 23 of this Strategic Report.

We also recognise our obligations to assist our external partners, to meet their objectives, which we believe will result in safer, more inclusive and healthier communities.

We continue to support our customers and deliver our neighbourhood and repairs services through our accredited and award winning customer service centre, supported by our specialist housing and back office support staff, who work from home on agile contracts of employment.

### Objective and Strategy

Despite the relative state of the UK and worldwide economy, demand for affordable housing remains strong and evident. As such, the objective of the association, to generate financial and operational capacity has never been greater. We continue to respond positively to the remaining challenges in our operating environment, by out-performing our budget and business plan targets, generating additional surpluses and through the efficiency and effectiveness of our subsidiaries and the Sovini group commercial partners. Attaining value for money and high levels of performance and customer satisfaction.

Our strategic plan for 2022 to 2026 sets out how our vision "thriving, inclusive communities" will be achieved through pursuance of the following key aims:

- To provide homes that meet demand, in safe, secure and sustainable neighbourhoods
- To provide excellent services that meet or exceed customer and stakeholder expectations
- To make a positive impact in the communities in which we operate, and
- To provide the environment to deliver business success.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Objective and strategy (continued)**

This approach is underpinned by upholding our core organisational values:

- Passion - we love what we do
- Authenticity - we do what we say we will do
- Enterprise - we never stand still
- Courage - we dare to be different, and
- Success - we will be the best.

Delivery of the strategic plan will assist to achieve the following key priorities, which have been informed by the results of our latest survey of tenants and residents (STAR):

- The maximisation of income and efficiencies
- The retention of excellence in governance and viability
- The provision of effective allocation and neighbourhood management services
- Improvements in our asset value
- Delivery of our development programme
- Modernisation of our service offer and delivery methods
- Provision of support to facilitate sustainable tenancies and independent living
- Improving our market rent and home ownership service offer, including rent to buy
- Provision of effective customer engagement opportunities
- Managing performance and using our business and customer insight intelligence to continuously improve
- Improving our environmental performance
- Developing key partnerships to deliver our wider community benefit activities
- Maintaining a positive organisational culture, that leads to personal fulfilment and success
- Providing corporate services and infrastructure that underpins business success, via our service level agreements (SLA's), and
- Ensuring consistent service delivery and legal compliance.

**Strong and accountable governance and scrutiny arrangements**

We have reviewed our corporate governance framework. We have also reviewed our board membership, which comprises of nine board members from an independent, officer and tenant background. We have also retained TPAS landlord accreditation (<http://www.tpasawards.org.uk/>) and embedded our scrutiny processes to help us to improve and streamline service delivery.

We continue to face a period of change and uncertainty in the housing sector and wider global economy. However, we remain strong, accountable and resilient as an organisation, focussed on managing and mitigating our key risks and ensuring that we continue to embed and retain regulatory excellence.

**Review of the year**

2022 has been an excellent year for the association, not only have we achieved a surplus of £10.7m (2021: £3.4m), we also achieved £10.5m of efficiency savings (page 18). Turnover for the year was £66.6m (2021: £65.0m). Operating costs for the year were £50.0m (2021: £51.3m). This performance has been achieved after a £0.47m impairment to our Head Office (2021: £1.97m).

Our operating costs reflect that during the period we invested £28.5m (2021: £26.7m) improving our homes and ensuring safety compliance, thus enabling 100% (2021: 100%) of our units to continue to meet our property standard.

We completed £11.3m (2021: £5.8m) of improvements to existing homes, which we capitalised to the Statement of Financial Position, and spent £28.1m (2021: £40.5m) building/acquiring 251 new homes (2021: 280 homes) which improved our gearing position. At 31 March 2022, our housing assets had a net book value of £305m (2021: £276m).

We incurred £8.5m (2021: £8.9m) financing costs and are currently completing refinancing of our existing loans with Barclays and Royal Bank of Scotland which, will help us to deliver a further £69.5m (500 new homes) sustainable development programme.

We managed and mitigated our in year welfare reform risks, collecting 99.90% of our rental income and managed the impact of our routine empty properties to 0.3%. We also accelerated our fire safety programme, fitting sprinklers and replacement fire doors where required.

## One Vision Housing Limited

### Strategic Report for the year ended 31 March 2022 (continued)

#### Our key achievements

- Overall customer satisfaction was 95.8%
- We completed our In Depth Assessment (IDA) and retained our regulatory judgement of G1 for governance and regraded back up to V1 for financial viability
- Maximised our income and continue to overcome the threats to our collection performance including universal credit
- The % of emergency repairs completed within 24 hours was 100% and property compliance performance was sustained at in excess of 99.9%, with minimal no access cases reported
- Was awarded No. One place in the 2021 UK Great Place to Work (Large Category) as part of the Sovini group and No. Two in 2022, whilst retaining UK Best Workplace for Women consecutively since 2018
- Outperformed our budget and business plan target, achieving £10.5m of efficiency savings (page 18)
- Built 251 new homes, with six available stock plots reported at year end within our sales programme
- Many of our performance indicators are achieving top quartile performance.

#### How we performed

Financial performance in the year	2022	2021
Turnover	66,571	64,968
Cost of sales	(2,053)	(2,692)
Operating costs	(50,008)	(51,312)
Surplus on disposal of fixed assets	3,239	300
<b>Operating surplus</b>	<b>17,749</b>	<b>11,264</b>
Net financing costs	(8,156)	(8,484)
Gift aid	8	65
Other	1,085	552
<b>Surplus for financial year (before tax)</b>	<b>10,686</b>	<b>3,397</b>
<b>Statement of financial position</b>	<b>2022</b>	<b>2021</b>
Fixed asset housing properties	304,612	276,428
Other fixed assets	13,332	13,307
<b>Fixed assets</b>	<b>317,944</b>	<b>289,735</b>
<b>Net current assets</b>	<b>15,522</b>	<b>8,305</b>
Creditors greater than one year	(267,539)	(242,592)
Pensions liabilities and provisions	(1,281)	(1,626)
<b>Reserves</b>	<b>64,646</b>	<b>53,822</b>
<b>Margins and performance</b>	<b>2022</b>	<b>2021</b>
Operating costs as a % of turnover	75.12%	78.98%
Operating margin	26.66%	17.34%
Net margin (excluding gift aid and 'other')	14.41%	4.28%
Debt per unit	£17,905	£16,617

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**How we performed (continued)**

<b>Units in management</b>	<b>2022</b>	<b>2021</b>
General needs housing	11,405	11,355
Supported housing	1,209	1,217
Low cost home ownership	301	277
Non social housing	86	85
Leaseholder properties	614	611
<b>Total</b>	<b>13,615</b>	<b>13,545</b>
<b>Key performance</b>	<b>2022</b>	<b>2021</b>
Rent collected as a percentage of rent available (excluding arrears b/fwd.)	99.90%	100.73%
Rent arrears of current tenants as a proportion of the rent roll	2.74%	3.50%
Rent loss due to routine void properties	0.30%	0.45%
Void re-let average days	5.8 days	12.0 days
Average days to complete a repair	10.56 days	11.36 days
% of our homes with a valid gas safety certificate	99.99%*	99.99%**
Days lost through sickness	2.60%	2.03%
Customer satisfaction with our services	95.80%	96.00%
% dwellings failing the decent homes standard	0.00%	0.00%

\*There was only 1 service overdue at 31 March 2022 due to a tenants refusal to grant access to complete necessary works. Access was gained immediately post year end and works completed 1 April 2022

\*\*There was only 1 service overdue at 31 March 2021 due to a customer self-isolating because of Covid-19

**Value for money**

***Introduction from the Chair of the Board and Chief Executive***

At One Vision Housing Limited (OVH), Value for Money (VFM) sits at the very heart of everything we do. Ever since our inception in 2006 we have strived to be one of the best registered providers in the country, offering excellent VFM, in the services we offer to our customers. Our strategic approach to VFM is intertwined into all of our service planning and delivery, this can be demonstrated via our VFM objectives that are strategically linked to the overarching objectives of OVH. This VFM self-assessment, provides a year-end position statement for 2021/22 in achieving the following VFM objectives for OVH:

- Maximising our social value
- Best use of our assets and resources
- Cooperation and collaboration through self-delivery
- Regulatory compliance and customer involvement
- Maximising opportunities through procurement
- Excellent performance and customer satisfaction.

To date we have developed and deployed a robust and challenging approach to the pursuit of VFM. During 2021/22 the association delivered £10.5m of efficiency savings (£134m cumulative since 2006) as well as delivering high quality services that meet our customers expectations and improve our services to them. This can be demonstrated by the high levels of customer service achieved in 2021/22. Overall customer satisfaction taken from the Survey of Tenants and Residents (STAR) shows a slight decrease during 2021/22 from 95.7% to 94.3%. However, this is top quartile performance when compared with our peers. The target for the association is to remain top quartile in all areas of service delivery.

Our strong financial position and refinancing has underpinned our ambitious development programme, with £163m committed to delivering 1,137 new homes from 2021 to 2026. During 2021/22 251 homes were developed against a forecast of 324 homes in the year, unfortunately we were unable to achieve our targeted level of completions as delays were incurred whilst we sourced a new contractor to replace one who entered liquidation during the year. This is a significant achievement made possible through our partnership with Sovini Construction Limited, who assist us to self deliver a significant proportion of our development programme.

We continue to be committed to our corporate social responsibilities - to maximise our social value reduce our impact on the environment and use our position to make our neighbourhoods a positive place to live.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Value for money (continued)**

**Introduction (continued)**

As a modern, innovative employer, we are delighted to be recognised for our investment in our people by winning second place in the 2021 Great Places to Work - large category (as part of the Sovini group), and being in the top 3 employers for the last 5 consecutive years as well as achieving the Investors in People platinum award standard. VFM is fully embedded within our organisational culture, with 93% of our staff saying that the organisation has set clear targets and objectives. This assists us to ensure we maximise the achievement of our strategic aims and objectives, and in doing so manage and mitigate the risks, challenges and opportunities that we face.

Details of the outcomes achieved in delivering our VFM objectives can be found within this VFM self-assessment. In our view, this self-assessment does more than simply demonstrate our compliance with the Regulator of Social Housing (RSH) VFM standard. We believe this self-assessment demonstrates that VFM sits at the very heart of everything that we do and that it remains a key component of our continuing success.

***What is Value for Money (VFM) at One Vision Housing Limited?***

Within OVH we are clear that VFM is about:

- an excellent customer experience
- clear outcomes directly linked to the way we spend our money, and
- using the innovative Sovini group business model to drive efficiency through our Sovini group commercial partners.

Due to our clear strategic approach to VFM planning and transparency in reporting VFM to key stakeholders, we believe that the association is compliant with the VFM standard.

***What is our vision?***

Our vision is 'thriving inclusive communities'. The way we use our resources is a crucial foundation in our Strategic Plan 2021-26 that allows us to progress our strategic aims and objectives, and therefore the associations VFM objectives are specifically linked to delivering the associations overall strategic aims:

- Provide the environment to deliver business success
- Provide homes that meet demand, in safe, secure and sustainable neighbourhoods
- Provide excellent services that meet or exceed customer and stakeholder expectations, and
- Make a positive impact in the communities in which we operate.

We are clear that value and excellent customer service are closely entwined. We always aim to excel in the way we deliver services, which runs alongside our Performance Management Framework (PMF), which details the mechanisms for monitoring and reporting performance, costs and outcomes for our customers. We use our Risk Management Framework (RMF) to assess and where possible mitigate our risks and our board regularly stress test our business plan.

The associations approach to VFM is embedded and applied consistently at group level, linking directly to the Sovini group ethos 'success through collaboration'. The VFM Strategy sets out how the activities of the wider Sovini group commercial partners drive efficiency, VAT and other productivity savings through the provision of 'shared' and 'self-delivered' services and in doing so part fulfil our social, economic and environmental responsibilities. The VFM Strategy also outlines how our group commercial partners strive to seek and secure new, profitable external contracts to generate additional financial capacity. The VFM Strategy sets out how the organisation will drive efficiency. The VFM objectives as set out in our strategy are:

- Maximising our social value
- Best use of our assets and resources
- Cooperation and collaboration through self-delivery
- Regulatory compliance and customer involvement
- Maximising opportunities through procurement
- Excellent performance and customer service.

We want to use the VFM savings we make to deliver the highest quality social housing services to our customers and to extend this offer to new customers by building new homes.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

**Our Board**

The board have a strong focus on, and joint understanding of VFM. Through the business planning process they establish a budget and through regular review and scrutiny throughout the year, they assess the quality of service and the performance against budget. The board consider and make business decisions with VFM in mind, with a full understanding of how this contributes to the achievement of the strategic aims of the association. This is supported by a robust business planning process which considers key risks, scarce resource allocation, priorities as well as economic and underlying performance assumptions to ensure sufficient headroom to manage and mitigate risk.

Our vision of having 'thriving inclusive communities' is delivered through 'sustainable neighbourhoods, supported by quality services which meet the needs of our customers'. The board regularly receive business intelligence and assurance which, allows them to understand and deliver these needs, ensuring that sustainability is maximised where at all possible and that, the association can respond (as necessary) to changes in a timely and effective way.

The 2022/23 base budget set more stretching financial performance targets than the approved business plan. This is produced using zero based budgeting to ensure that our core operating costs are affordable and to determine what additional resources are available for growth and service improvement priorities as identified in our service delivery plans.

A revised VFM Strategy (2022-27) has been approved by board and bi annual VFM update reports are produced and considered to track progress. These provide the board with assurance that we continue to achieve our VFM objectives. They also receive bi annual service delivery plan update reports, and quarterly KPI reports.

**VFM Objective - Maximising our Social Value**

OVH measures its impact on society and the social value it has generated via the HACT social value calculator. This information is reported to board in detail and certified on an annual basis.

The HACT precertification below, confirms that the association has generated over 22 million pounds of social value during 2021/22. This provides a £17.43 return on every £1 invested. A summary of the relevant activities can be found in Table One.

**Table One – Social Value Activity (HACT definition) 2021/22**

Description of activity	Budget for this activity	Number of beneficiaries	Social value generated	Social value return
Clear rent accounts - able to pay for housing	£793,687	548	£3,279,492	1 : 4.13
OVH home contents insurance scheme	£12,000	755	£2,598,529	1 : 216.54
Decoration allowance - afford to keep house maintained	£38,120	76	£368,745	1 : 9.67
Secure housing from temporary accommodation / rough sleeping	£361,128	334	£3,468,079	1 : 9.60
OVH involved tenants – active tenant groups	£1,450	10	£64,448	1 : 44.45
OVH employee training	£20,000	283	£364,423	1 : 18.22
OVH financial inclusion officers	£32,000	1,267	£7,582,329	1 : 236.95
OVH community projects: Christmas activities	£6,998	1,495	£3,873,235	1 : 553.49
OVH community projects: kindness coffee club	£1,532	350	£450,699	1 : 294.17
We're all in the same boat - supporting mental health on the Pride of Sefton	£2,700	144	£82,512	1 : 30.56
	£1,269,615	5,262	£22,132,491	1 : 17.43

Full details of the final, certified activities and outcomes generated will be reported in OVH's 2021/22 Annual Report, which will be published to all stakeholders in September 2022. Details will also be included on the OVH website.

**VFM Objective - Making the best use of our assets**

As at 31st March 2022 the total value of OVH's housing assets, including market rent investment units, was £314.3m, up from £285.1m on the 31st March 2021. This reflects an increase of £29.2m in the asset value. Other fixed assets are valued at £3.6m (2021: £4.7m), this reflects the impairment of Atlantic House of £467k.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

**VFM Objective - Making the best use of our assets (continued)**

The association increased its low cost social / affordable housing to 12,614 (42 net increase) and its non-social housing to 1,001 (28 net increase) during 2021/22 (refer to **Table Two** below). This reflects the completion and handover of 251 new homes during 2021/22, less 180 net property sales and high rise decants.

**Table Two:** OVH Stock figures and changes during 2021/22.

Stock Type	2018	2019	2020	2021	2022	Change from 2021 to 2022
General Needs	10,915	10,907	10,917	10,803	10,654	- 149 units
Intermediate Rent	14	13	13	13	12	- 1 units
Rent to Buy	-	57	115	173	181	+ 8 units
Affordable Rent	293	319	398	552	751	+ 199 units
Supported Housing	1,035	1,041	1,031	1,031	1,016	-15 units
<b>Total low cost social / affordable housing</b>	<b>12,257</b>	<b>12,337</b>	<b>12,474</b>	<b>12,572</b>	<b>12,614</b>	<b>+ 42 units</b>
Stock Type	2018	2018	2020	2021	2022	Change from 2020 to 2021
Shared Ownership	142	204	235	277	301	+ 24 units
Leasehold	604	602	605	611	614	+3 units
Market rent	90	92	93	85	86	+1 units
<b>Total non-social housing</b>	<b>836</b>	<b>898</b>	<b>933</b>	<b>973</b>	<b>1,001</b>	<b>+ 28 units</b>

Source: Figures are taken from the OVH 2022 SDR

Fifty RTB sales were completed during 2021/22 with £844k paid to Sefton MBC under the terms of the RTB Sharing Agreement. Fifteen RTA sales occurred generating £1,500k of sales proceeds.

In 2021/22 251 new homes were developed, 73 less than forecast. The total grant secured in 2021/22 was £6.0m. Total grant tranches received from prior and current years in 2021/22 was £4.2m.

In 2021/22 30 First Tranche sales three outright staircasing sale completed and one additional staircasing was completed, generating receipts totalling £3.1m, falling just under the sales budget by 146k. There were six unsold shared ownership properties, one of these units have been in OVH's possession for longer than six months which is show home property. This sale completed in April 2022.

The development programme will continue to be reviewed from a contractual / non-contractual perspective to assess cash flow, key risks, and available headroom.

The Asset Management Strategy (2022-27) sets out our approach taken to maximise the long term sustainability of the housing stock, focusing particularly on the financial and social returns they generate now and in the future. The sustainability index is fundamental to active asset management, in that it facilitates financial evaluation of the housing stock at an individual property level. It enables us to monitor the long term performance of each home by establishing a 30 year net present value (NPV) of the income and expenditure derived from each home.

The Sustainability Index (2018-2021) currently contains 12,521 properties with a calculated NPV of £657m (average of £52k per property). 99.1% of properties have a positive NPV, leaving 109 properties (0.9% of all homes) that have a negative NPV.

This process of information based appraisal and review is key to understanding our stock base and making sure it is sustainable over the next 30 years. The sustainability index is due to be updated in Quarter One 2022/23, and will undergo analysis and review by the Asset Management Steering Group.



**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Value for money (continued)**

***VFM Objective - Making the best use of our assets (continued)***

The association has strived to maximise its stock occupancy during 2021/22 with void loss (routine and long term) at 0.48% (£280k). Routine void loss was at 0.30% during the year, which is top quartile performance when compared to our peers. The reletting of properties that became void during the year was completed on an average of 5.8 days (top quartile performance) with 47% of lettings completed with no void loss.

The association continues to maximise its income and manage its resources effectively through improved operational performance and proactive budget management and review throughout the year. Continued emphasis on maximising income through embedding arrears prevention and tenancy sustainability, remains to be a key priority. Rent collection performance during 2021/22 was 99.90%. The business plan prudently reflects 98.75% (1.25% - £0.8m bad debts). The association will continue to strive to maximise income collection and reduce arrears/bad debt. This has been demonstrated by achieving 99.90% of rent collection despite the ongoing economic impact on tenants cost of living, further to this the board have set a stretching rent collection target of 100.52% for financial year 2022/23.

Proactive budget management and review throughout the year has resulted in strong in year efficiency savings. Performance during 2021/22 is detailed in **Table Three** overleaf and this reports that the association realised £353k of procurement cost savings, and £10.5m of total efficiency savings, including grant income from Homes England.

***Our savings***

The association considers and approves an annual budget within the context of a 30 year business plan. Actual performance is tracked and monitored against the budget and business plan during the year to quantify and report the additional financial capacity generated and any adverse financial impacts. The business plan is submitted annually to the RSH.

At the end of the year, an efficiency statement (please refer to **Table Three**) is produced which quantifies the financial capacity generated based on outperformance of key targets and assumptions.

In 2021/22, the association collected an additional £1m of income, in excess of business plan, in rent and service charges by proactively supporting customers and sign posting for advice and support. The association also generated £1.458m savings relating to market rented properties and sales, £352k savings on interest and refinancing costs. In addition, a further £184k of development programme management fee savings were realised due to actual abortive and marketing costs falling under the 4% target.

The association received £7.2m of grant income from Homes England and £8k gift aid from Sovini Development Limited.

This additional financial capacity has been reinvested by the association to improve services and build new homes.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

***Our savings (continued)***

**Table Three:** Annual Efficiency Savings 2021/22

Stock Type	How Achieved	Cash releasing £'000	Non-cash £'000	Total AES £'000
Improved Rent Collection, Void Loss and Bad Debt	Improved rent collection and void loss performance compared to the Business Plan	1,000	-	1,000
Development Programme	Efficiency generated from actual fees under 4% target. All efficiencies relating to abortive costs and marketing held for the second half of the year	184	-	184
Other Savings	Lower Hardship Fund, Reorganisational costs and Pension Strategy	205	-	205
VAT shelter income	Additional VAT Shelter Recovery	43	-	43
Financing Costs	Lower interest and refinancing costs	352	-	352
Other Activities	Market rent, proceeds on sales and exceptional	1,458	-	1,458
Gift Aid	Gift Aid payment from Sovini Development Limited	8	-	8
HE Grant	In year grant receipts relating to completed and on-going development schemes	7,214	-	7,214
<b>Operating Activity Gains</b>		<b>7,222</b>	<b>-</b>	<b>7,222</b>
<b>Total 2021/22 AES Gains</b>		<b>10,464</b>	<b>-</b>	<b>10,464</b>

Source: OVH 2021/22 Provisional Outturn Financial Statement

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

***VFM Objective - Maximising opportunities through procurement***

Table Four below, details the procurement activity savings achieved by OVH during 2021/22. These have been generated from tender reviews and Dynamic Purchasing System (DPS) Mini Competitions. This has resulted in £353K savings.

**Table Four:** OVH Procurement Savings (2021/22)

<b>2021/22 Project/Activity</b>	<b>Savings £000</b>
Mill Spring Court - Lift Replacement	22
Asset Management - Specialist Project - 11a Duke Street	71
Asset Management - Specialist Project - Coral Drive	42
Asset Management - Specialist Project - Nelson Street	52
Net Carbon Feasibility Study	1
Architect Services - OVH Planning Services (Conservation Area Consent)	9
Whimbrel and Alexander House - Architecture Services	52
Assistive Technology Services - Call Monitoring	19
Supply of Aid and Adaptations	8
GIS Garage service	1
Planning Application consultant. - Chapel House Demolition	28
11 St. Edmonds Road - Structural Roof Survey	1
Clerk of Works Services at Station Lane	1
Chapel House Demolition - Planning Application Consultancy	28
Structural Surveys for Lowton Cubit construction properties	18
<b>Total</b>	<b>353</b>

***VFM Objective - Cooperation and collaboration through self-delivery***

**Term Partnering Agreement (TPA)**

In 2018 the association undertook an Asset Management Tendering process included works comprising of repairs, planned, voids, services and new build. These works were awarded to Sovini Commercial Partners as part of a Term Partnering Agreement (TPA). The TPA arrangements were reviewed by the board during 2020/21 to ensure they continue to meet the long term requirements of the association. The TPA allows for closer collaborative working with other entities within the Sovini group to deliver VFM services through:

- Greater visibility (interfacing systems & real time reporting)
- More flexibility (access to a wider supply chain network)
- Greater certainty leading to improved customer service & life cycle costs
- Better emergency and demand planning (rapid mobilisation and resumption of services post lockdown)
- Reduced theft / fraud (normally built into contract price "risk" by external contractors)
- Control of asset management specification / standardisation, which will reduce future repairs and maintenance costs
- Continuity of supply in unstable operating environment
- Added value through collaboration leading to innovative system development (Bistrak), local labour, reduced carbon footprint, social value pledges to local communities

## One Vision Housing Limited

### Strategic Report for the year ended 31 March 2022 (continued)

#### Value for money (continued)

##### **VFM Objective - Cooperation and collaboration through self-delivery (continued)**

The Performance of the TPA is monitored by officers via the monthly Asset Management Contract Core Group meetings. OVH's Asset Management team continue to benchmark performance through HouseMark, HQN and Liverpool City Region Benchmarking Club to ensure it continues to deliver VFM for the association. The TPA also evidences VFM through the following:

- An independent benchmark was carried out by RAND Associates' based on national average SOR's
- Recently dispensation has been approved on the basis that OVH are achieving Value for Money and evident to the tenants
- Greater certainty leading to improved customer service & life cycle costs
- The contractors are within the same VAT group, and
- The contractors have their own set of financial regulations to adhere to when sub-contracting works outlining VFM and transparency through the supply chain, which again procurement can access all information.

As at 31st March 2022, £32.6m (95%) of OVH's Asset Management Programme (£34.2m) has been completed "in house" via SPS, Amianto and Sovini Construction. In addition Sovini Construction, via Sovini Developments, have completed £21.9m of New Build Development works for OVH, with Sovini Land Acquisition obtaining planning permission for 5 sites. This enabled the association to be able to continue to provide emergency and responsive repairs and fulfil its statutory compliance obligations, protecting its customers and wider stakeholders. It also facilitated the prompt mobilisation of our construction sites, maximising the number of new home completions and allowed us to fulfil housing need. In doing so, the association was able to overcome significant disruption to the development programme during the intermittent lockdowns of the pandemic. It also ensured the prompt claiming of grant income from Homes England at year end.

##### **VFM Objective - Regulatory Compliance and Customer Involvement**

In May 2021 OVH were subject to an In-Depth Assessment (IDA) undertaken by the RSH. The outcome of this assessment was that OVH continued to meet all the regulatory requirements, including those relating to the VFM Standards. Subsequently OVH were graded 'G1' for Governance and 'V1' for Viability, and this was published by the RSH in August 2021. A further stability check was undertaken by the RSH in December 2021, which confirmed both G1 and V1 straplines had been retained. During 2021/22 no regulatory issues have been raised or identified against OVH.

Quarterly self-assessments of compliance against the Regulatory Standards (including the VFM Standard) have been completed throughout 2021/22 for OVH which has confirmed no areas of non-compliance. A full detailed 2021/22 year-end assessment is being undertaken and will be reported to Board in July allowing OVH Board to certify compliance with the Regulatory Standards.



During 2021/22 an internal review of our Customer Empowerment Framework and engagement mechanisms has taken place to ensure we continue to meet the Government's agenda relating to improving the 'Customers Voice', following publication of 'The Housing White Paper'. This is supported by a tenant/board approved Customer Voice Strategy during 2021/22 that is aligned to both the White Paper and the 2020 NHF Code of Governance.

















As at the 31 March 2022 OVH continue to provide their complaints service aligned to the requirements of the 2021/22 Housing Ombudsman's Complaints Code, and are currently working towards the new Housing Ombudsman Code which must be in place by October 2022.

In the most recent STAR survey, satisfaction with OVH as a landlord had decreased from 95.7% (2019/20) to 94.3% (2021/22). A STAR survey is scheduled to begin in 2022/23.

##### **VFM Objective - Excellent Performance and Customer Satisfaction**

During 2021/22, the association has continued to maintain high levels of performance with four out of six benchmarked KPI's achieving top quartile performance compared to our peers. These KPI's and targets have been chosen by the board for being identified as business critical, linked to customer priorities and a key measure of delivering VFM.

**Key**  
 Target achieved  
 Target not achieved

Performance Indicator	Year-end 2021/22					Housemark Quartile
	Value	Target	Status	2021 Value	Trend	
Rent collected as a % of rent due (social rent)	99.90%	102.00%		100.73%		3
Satisfaction with the lettings service (%)	95.8%	100%		99.00%		2
Sickness - % of hours lost	2.6%	2%		2.00%		2
Satisfaction with completed response repairs (%)	96.4%	99%		99.00%		1
Satisfaction with improvement works (%)	94.7%	99%		99.00%		n/a
Satisfaction with ASB case handling (%)	88.5%	94%		91.00%		1
Rent loss due to void properties (social rent)	0.30%	0.30%		0.45%		1
Property Compliance	99.99%	100%		99.90%		n/a

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

**VFM objective - Excellent performance and customer satisfaction (continued)**

*Rent collection*

In year rent collection has seen a decrease year on year reflecting the impact of prior year collection of more than 100% and the subsequent refund on some accounts of high advances. In the current year we have issued £0.3m of refunds accounting for 0.5% of the rent collection shortfall.

*Satisfaction*

Though OVH saw a reduction in some satisfaction surveys in 2021-22 overall satisfaction remained above the 95% target. Furthermore House Mark stated that within the sector "Satisfaction across the board has seen a decrease. Satisfaction is falling year-on-year, with a median now four percentage points lower than before the pandemic.". Despite the lower satisfaction in the sector OVH have set plans in motion to rebuild satisfaction levels with several new initiatives.

*Sickness*

The lasting impacts of the pandemic can be seen within our sickness data where approximately one third of sickness throughout 21/22 is attributable to Covid-19 related symptoms. Though we see this as a short-term impact we are further developing our Health & Wellbeing programme, are holding absence management workshops with all line managers and further promoting the Employee Assistance Programme with the intention of reducing sickness levels for 22/23.

**Performance and cost benchmarking**

The association is a member of House mark which provides benchmarking of core services using performance and cost of our peers as a comparison. Services are scored with the aim of being **good performance/low cost** to demonstrate VFM. The most recently published validated peer outputs for 2020/21 shows that the majority of the associations core services are demonstrating **good performance/low cost** compared to our peers as shown by table six below.

**Table Six - Housemark VFM assessment**

<b>Service</b>	<b>Housemark VFM assessment</b>
Responsive repairs	good performance/low cost
Void repairs and lettings	good performance/low cost
Rent arrears and collection	good performance/low cost
Tenancy management	Poor performance/very low cost*
Customer involvement	good performance/low cost
Customer services	good performance/high cost
Neighbourhood management	good performance/high cost

Back office services provided to OVH as part of Service Level Agreements have also been benchmarked by Housemark and these show these services are delivering Value for Money and are less than the average costs of our peers. In addition satisfaction with the services provided via the SLA are continuously monitored and this shows high levels of satisfaction (90%+ across all services).

*\*This is based on benchmark data for 2020/21 that showed costs were low but tenancy turnover was high at 8.69% against a top quartile position of 5.43%. Reasons for properties becoming void (turnover) have been assessed to minimise turnover, where this is possible, however the majority of tenancy turnover relates to deaths and moving to care/residential homes. A clear focus has been placed on sustaining tenancies in the first 12 months of their tenancy. Performance for 2021/22 has improved from 8.69% to 7.1%.*

**Customer Satisfaction**

Cumulative satisfaction from the transactional surveys in 2021/22 (refer to table seven) was 95.8%. Five of the twelve surveys exceeded their targets, the other seven almost met their targets (several of these had high performance against very high targets).

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Value for money (continued)**

**VFM Objective - Excellent Performance and Customer Satisfaction (continued)**

**Table Seven** – Transactional Survey Performance 2021/22

Tenant satisfaction with:	2021/22	Target	Performance
% of tenants satisfied with repairs	96%	99%	▲
% of tenants satisfied with their gas service	99%	99%	●
% tenants satisfied with their gas repair	98%	98%	●
% of tenants satisfied with the adaptations service	96%	98%	▲
% of tenants satisfied with improvement works	95%	99%	▲
% of tenants satisfied with cleaning services	91%	92%	▲
% of tenants satisfied with grounds maintenance	96%	95%	●
% of complainants satisfied with ASB case handling	88%	94%	▲
% of customers satisfied with the complaints process	61%	75%	▲
% of customers satisfied with the CSC	99%	96%	●
% of tenants satisfied with the lettings process	96%	100%	▲
% tenants satisfied with the out of hours service	100%	95%	●
<b>Overall Satisfaction</b>	<b>95%</b>	<b>95%</b>	●

**Table Eight** overleaf, confirms OVH's 2021/22 current year VFM performance as reported within the VFM metrics scorecard. It compares our 2021/22 performance against our initial forecast and against our 2020/21 (prior year) performance (including the National Median). It also provides a forecast of our expected performance during 2022/23.

**Table Eight** – OVH VFM Performance 2021/22

Indicator	National Median 2020-21	Prior year Actual 2020-21	Current year forecast 2021-22	Current year Actual 2021-22	Next year Forecast 2022-23
1 Reinvestment %	5.80%	17.26%	16.49%	13.42%	13.28%
2 Operating margin	23.90%	17.80%	37.49%	32.60%	24.90%
3 EBITDA MRI (as a percentage of interest)	183.00%	145.82%	195.30%	195.03%	167.73%
4 Units developed (as a percentage of units owned)	1.30%	2.20%	2.50%	1.90%	1.40%
5 Gearing	43.90%	76.16%	75.59%	74.12%	72.21%
6 Return on capital employed (ROCE)	3.30%	3.78%	6.50%	5.32%	4.79%
7 Headline social housing cost per unit	£3,730	£3,521	£3,857	£3,946	£4,016
8 Management cost per unit	n/a	£645	£772	£753	£830
9 Service Charge cost per unit	n/a	£353	£351	£351	£377
10 Maintenance cost per unit	n/a	£1,058	£1,153	£1,195	£1,151
11 Major Repairs cost per unit	n/a	£1,431	£1,525	£1,595	£1,591
12 Other cost per unit	n/a	£34	£56	£53	£66

**Additional Value for Money Metrics**

13 Operating margin (Social Housing Lettings)	26.30%	17.60%	31.94%	21.36%	23.37%
14 Units developed (Social Housing units)	n/a	280	324	251	182
15 Customers satisfied that their rent provides value for money	n/a	95.00%	95.00%	95.00%	95.00%
16 Ratio of responsive repairs to planned	n/a	0.15	0.17	0.26	0.16
17 Rent collected	n/a	100.73%	102.00%	99.90%	100.52%

- 1 Reinvestment reflects the improvements made to existing homes as part of the investment programme, as well as new homes built as part of the approved development programme. Development expenditure in 2021/22 was £28.1m (251 new homes) and £11.1m lower than the approved budget. This underspend is primarily due to 73 units lower than the forecast figure of 324, and expected land purchases now due to complete post year end. Expenditure within the investment programme, was £20.5m and this was £0.6m lower than budget.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Value for money (continued)**

**VFM Objective - Excellent Performance and Customer Satisfaction (continued)**

- 2 & 13** Operating surplus (£17.8m) is £3.3m lower than anticipated. This is mainly attributable to increased costs relating to the following: a loss on disposal of fixed assets, £2m, relating to the disposal of IT software and two high rise flat blocks; impairment charges, £0.7m, charged on market rental properties and the Atlantic House office building; and higher property maintenance costs £0.8m, due to increased routine and planned maintenance, £0.3m, and property investment, £0.5m.
- 3** EBITDA MRI is lower than forecast mainly due to lower operating surplus than anticipated as explained above coupled with delays within the development programme causing the asset value to be lower than forecast, the forecast development works will be completed in 2022/23.
- 4 & 14** 251 homes were completed in 2021/22 (£28.1m gross development programme). It is forecast that £38.6m will be spent building 213 new homes in 2022/23.
- 5** This reflects that OVH assets are held at historic cost, and whilst the 2021/22 gearing ratio is slightly lower than forecast, it reflects the significant achievement by the Association to complete the majority of its major works programme during the pandemic. This slight reduction against forecast is primarily due to the 73 units delay within the development programme. As such OVH's asset cost increased by £27.3m as at 31 March 2022.
- 6** 5.32% reflects an operating surplus of £17.8m currently over a capital employed of £333.5m (total assets less current liabilities).
- 7** The headline social housing CPU is £89 higher than forecast, reflecting slightly higher maintenance costs, £43 and major repair costs, £69, offset by the positive impact of lower management costs, £20, and other costs, £3.
- 8** Management CPU is £20 lower than forecast out turn for the year, this is due to certain accommodation savings being maintained throughout the year.
- 9** The service charge CPU is in line with forecast, reflecting the current estimated service charge debit of £4.563m in 2021/22.
- 10** The maintenance CPU is £43 higher, mainly as a consequence of the year end overspend of £366k on routine and planned maintenance.
- 11** The major repairs CPU is £7 lower than reforecast, as a consequence of the £202k underspend, this is due to programme delays and the works will be completed in the next financial year.
- 12** Other costs CPU is £3 lower than expected, reflecting the consistent strong rent collection performance at 31 March 2022 (99.90%) and the consequential lower bad debt provision (£89k lower).
- 15** Last STAR survey finalised 2019/2020. Current Survey ongoing and due for completion May 2021/2022
- 16** Responsive repairs as a ratio of planned preventative maintenance spend, is slightly lower than anticipated forecast by £6k whilst improvement programme works were lower by £202k.
- 17** Rent collection performance for year end was 99.90% which was 2.10% below the stretching target of 102.0%. Void loss (routine and long term) was 0.48% (£280k) and this is 0.02% (£10k) lower than budget.

We continue to work with all our stakeholders including our board members, Risk and Audit Committee (RAC), customers, Sovini group commercial partners, the RSH and our funders in the pursuit of our VFM objectives and priorities.

The board will continue to prioritise the services that matter most to our customers, whilst ensuring that as an organisation we continue to manage our income and investment to ensure we remain a viable and a well governed organisation.

The content of this VFM self-assessment statement is aligned and assessed against the RSH VFM standard and the board will certify compliance with the VFM standard at the July 2022 board meeting.

## One Vision Housing Limited

### Strategic Report for the year ended 31 March 2022 (continued)

#### Looking ahead

#### Treasury strategy and treasury management policy

We commissioned and approved our annual independent treasury strategy and treasury management policy in February 2022. We procure group treasury management functions from the Sovini group and received assurance during the year that our treasury activities are being managed effectively within our strategic policy directions. Our board have stress tested our business plan and received assurance that we can continue to meet the RSH liquidity requirements.

#### Loan structure

At 31 March 2022, the association held total loan facilities of £331.45m of which, £233.45m was drawn and £98m was undrawn. Of the drawn loans, fixed rate were £181.45m (77.7%), and variable rate were £52.0m (22.3%). This is within the thresholds of our treasury management policy.

Funder	Type	Drawdown Date	Maturity Date	Amount £m	Interest Rate %
THFC	Fixed	05/10/2011	05/10/2043	3.00	5.20%
Orchardbrook	Fixed	01/04/2000	31/03/2041	0.95	10.91%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2042	13.00	4.85%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2044	13.00	4.85%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2046	14.00	4.85%
RBS - Facility A	Fixed	18/07/2014	18/07/2024	22.50	4.88%
RBS - Facility B	Fixed	18/07/2014	30/10/2041	30.00	7.45%
RBS - Facility C	Fixed	11/05/2021	13/05/2024	10.00	2.05%
RBS - Facility C	Fixed	11/05/2021	13/05/2024	10.00	2.05%
M&G Note Purchase - 2016	Fixed	01/04/2016	01/04/2048	15.00	4.19%
M&G Note Purchase - 2017 (Tranche 1)	Fixed	06/04/2017	06/04/2036	10.00	3.30%
M&G Note Purchase - 2017 (Tranche 2)	Fixed	06/04/2017	06/04/2036	10.00	3.40%
M&G Note Purchase - 2018	Fixed	21/12/2018	21/12/2043	30.00	3.70%
Barclays (RCF)	Variable	22/03/2022	22/06/2022	15.00	1.76%
Barclays (RCF)	Variable	23/03/2022	23/06/2022	3.00	1.78%
Barclays (RCF)	Variable	11/01/2022	11/04/2022	4.00	1.50%
Barclays (RCF)	Variable	07/02/2022	07/05/2022	3.00	1.59%
Barclays (RCF)	Variable	10/03/2022	10/06/2022	3.00	1.65%
Barclays (RCF)	Variable	10/03/2022	10/06/2022	8.00	1.65%
Barclays (RCF)	Variable	15/02/2022	15/05/2022	2.00	1.61%
Barclays (RCF)	Variable	30/03/2022	30/06/2022	4.00	1.81%
RBS - Facility B	Variable	18/07/2017	30/10/2041	10.00	2.17%
Capitalised Loan Refinancing Costs*				(0.66)	
<b>Total</b>				<b>232.79</b>	

\*Capitalised refinancing costs on undrawn facilities

#### Debt repayment profile

The value and duration of our loans is summarised below. The weighted average cost of capital was 3.97% at 31 March 2022 and 100.00% of the debt relates to bank loan financing.

Repayment Profile	Orchardbrook £'000	RBS £'000	M & G £'000	THFC £'000	Barclays £'000	Total £'000
< 1 yr	17	1,250	-	-	-	1,267
1-2 yrs	18	1,250	-	-	-	1,268
2-5 yrs	69	42,500	-	-	42,000	84,569
> 5 yrs	846	37,500	105,000	3,000	-	146,346
<b>Total</b>	<b>950</b>	<b>82,500</b>	<b>105,000</b>	<b>3,000</b>	<b>42,000</b>	<b>233,450</b>

Note: the above excludes the release of any capitalised refinancing costs (£0.66m)



**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

**Credit risk**

Credit risk is the risk of financial loss to the association if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The association is mainly exposed to credit risk from the non-receipt of rent and service charge payments. Each new customer is risk assessed to ensure that they are able to sustain the tenancy. Rent and service charge arrears are monitored and court pursuance actioned in accordance with policy and procedures. In certain circumstances, customers will be evicted and former tenant arrears recovered where possible.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. The following financial institutions were used and the credit ratings were acceptable to the board.

	Rating at 31 March 2022	Balance at 31 March 2022 £'000	Rating at 31 March 2021	Balance at 31 March 2021 £'000
RBS	P-1/A-1/F1	3,179	P-1/A-1/F1	3,382
Lloyds	P-1/A-1/F1	113	P-1/A-1/F1	113
Barclays	P-1/A-1/F1	2,819	P-1/A-1/F1	726
Santander	P-1/A-1/F1	302	P-1/A-1/F1	102
Nationwide	P-1/A-1/F1	332	P-1/A-1/F1	132
THFC - interest reserve	P-1/A-1/F1	171	P-1/A-1/F1	170
<b>Total</b>		<b>6,916</b>		<b>4,625</b>

**Cash flow and liquidity risk**

Liquidity risk arises from the association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the association will encounter difficulty in meeting its financial obligations as they fall due.

Rolling cash flow projections are prepared and cash balances are monitored regularly, together with the value of the association's cash investments. At the end of the financial year, these projections indicated that the association expect to have sufficient liquid resources to meet its medium term obligations under all reasonably expected circumstances and do not require additional financing. The association has also reduced liquidity risk by fixing interest rates on 77.7% of its current borrowings. Post year end a new £75m Revolving Credit Facility has been put in place with Barclays (previously £50m) and a further £140m of restructured and new funding is in the process of being arranged with Royal Bank of Scotland (expected July 2022).

**Loan covenant compliance**

Our primary loan covenants are: interest cover, gearing and asset cover ratios, with the latter based on the value of our social housing assets. Each covenant is monitored monthly and reported to the management team and board via a KPI. All covenants were met during the reporting period and are forecast to continue throughout the life of the business plan.

**Future prospects**

This remains a time of major challenge for the wider housing sector, which is helped by our strong operating margin and low cost base. The continuing impact on the UK and global economy will test aspects of our operating environment, but we remain strong and financially resilient. We have embarked on five business transformation projects which, will when fully implemented revolutionise what we do and how we do it, especially in the provision of our housing management and back office support systems. This enhanced automation and virtual technology will assist us to further reduce our operating costs whilst, improving our overall efficiency and effectiveness. Our priority remains to provide a safe working environment for all of our employees and to protect our customers and those who work alongside us within our supply chain, especially as we continue to manage the risks inherent in our current operating environment.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Future prospects (continued)**

We continue to strive to attain world class performance and standards of service provision. In doing so, we assist our customers to act responsibly, thereby ensuring that rent payment is prioritised and that in return their homes are protected and safeguarded for the future. Our homes remain to be in high demand, with the time taken to relet our homes often resulting in zero days. We have also accelerated our fire safety programme to protect our customers post Grenfell, retro fitting sprinklers, replacing fire doors, removing and replacing defective cladding and decanting three of our high rise blocks which, are of large panel construction. We continue to review our high rise strategy and have retained contingencies in our business plan to assist us to deal with any ongoing risks / challenges.

We have a significant development programme to deliver in the coming years and are mindful of the need to ensure that this is achieved within time and cost assumptions, which is challenging given the global increase in material cost and availability. We also understand that we must keep any sales risk exposure within the board's risk appetite, including the new shared ownership product and the right of all affordable home customers to become shared ownership homeowners in the future. Being part of the Sovini group allows us the opportunity to self deliver an increasing proportion of our development programme and to mitigate the impact of some of the above risks. We continue to actively engage with Homes England regarding CME grant funding under the new grant regime and funding agreement.

We recognise the contribution that we can make to the UK's net zero target, by reviewing our operations and reducing our emissions and carbon footprint, including that of our supply chain. This includes using renewable energy in the delivery of our services to our customers. This includes delivering low carbon homes for our customers through better insulation, more efficient services and the use of new low carbon technology. This sustainable approach means that our tenants and affordable home owners will live in high quality, low carbon, energy efficient homes which have a lower impact on our environment and are cheaper to run.

Despite these very considerable challenges, we believe this is a positive time for the association.

**Risk and uncertainty**

The board regularly reviews the risks faced by the association and monitors the top risks at each meeting. A risk management culture is embedded within our operational processes and is linked to KPIs, key service improvement actions and internal controls. It is the board's opinion that the following key risks are the most likely to affect our future performance and ability to achieve our corporate objectives.

***Future rent setting policy***

Rising inflation and its link to affordability are key considerations when evaluating any future rent increases. We have continued to reflect prudent rent increases in our business plan, as we understand the significant impact of large rises on our customers, who like many others are on low incomes and directly impacted upon by the current cost of living crisis. We understand that we need to levy rental increases to protect our future financial viability and balance our priorities, but we also accept that changes by the government to future rent policy from April 2023 are a key risk to our business. We have completed stress testing of these risks and put in place proportionate mitigations to minimise the impact of lower income and rising costs on our business plan. Whilst recognising that being a member of the Sovini group, with our integrated supply chain capabilities, affords us some protection to also mitigate this risks.

***Ongoing welfare reform***

We have reviewed our customer profile data and understand which, of our customers are most affected by welfare reforms and potentially future unemployment. Our business plan continues to contain prudent collection assumptions and a number of contingencies in the early years to help us to manage and mitigate these risks. Our focus remains on assisting our customers to cope and overcome these transitional impacts.

***Delivery of our development programme and maximising the grant available for starter and shared ownership homes***

We have confirmed our development programme and are mindful of the need to ensure that this is delivered within time and cost assumptions, in an environment of increasing material and labour costs and a global shortage of certain construction items e.g. timber, brick, plaster etc. We are also mindful that we must continue to contain our sales risk exposure within the board's risk thresholds. We believe we are in a strong position, and will soon conclude our funding review which will allow us to release a further £69.5m (500 additional homes) as a continued development pipeline beyond 2023/24. We also continue to work in partnership with our supply chain partner Sovini Construction Limited, to reach agreement on the short to medium term interventions we can put in place to ensure continuity within the programme, minimising the impact on the number of completed homes at each year end and securing suitable land sites via Sovini Land Acquisitions Limited.

**One Vision Housing Limited**  
**Strategic Report**  
**for the year ended 31 March 2022 (continued)**

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**Zero Carbon**

We have compiled our Nat Zero Carbon and Environmental Strategy and our initial base line assessment to understand our investment requirements for EPC C by 2030. This allocation will be reflected in our Business Plan from June 2022 and will continue to be updated as we continue to validate our data, obtain up to date costs access any future decarbonisation or green homes grant allocations from Wave Two onwards.

**Pensions**

We have completed an independent review of our SHPS Defined Benefit Scheme closing this arrangement to future accrual and reducing the risk of volatility in our current deficit. We are aware of the current benefit calculation court case and will continue to monitor any potential impacts upon our employees and updated our board accordingly.

**Accounting policies**

We have reviewed our accounting policies and these are contained in note 2 of the financial statements.

**Statement of compliance**

This Strategic Report has been prepared in accordance with the principles of the 2018 statement of recommended practice (SORP) for registered providers.

**Approval**

This Strategic Report was approved by the board on 1 September 2022.



**Peter Crosby (chair of the board)**  
**1 September 2022**



**Michael Parkin (chair of RAC)**  
**1 September 2022**



**Marcus Evans (company secretary)**  
**1 September 2022**

## One Vision Housing Limited

### Independent Auditor's Report to the Members of One Vision Housing Limited for the year ended 31 March 2022

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#### Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2022 and of the Association's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

We have audited the financial statements of One Vision Housing Limited ("the Association") for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

#### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remain independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The board are responsible for the other information. Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

## One Vision Housing Limited

### Independent Auditor's Report to the Members of One Vision Housing Limited for the year ended 31 March 2022

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

We have nothing to report in respect of the following matters where we are required by the Co-operative or Community Benefit Societies Act 2014 or the Housing and Regeneration Act 2008 to report to you if, in our opinion:

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is not consistent with the financial statements;
- adequate accounting records have not been kept by the Association; or
- a satisfactory system of control has not been maintained over transactions; or
- the Association's financial statements are not in agreement with the accounting records and returns; 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 board members responsibilities statement set out on page 6, 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 members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Association and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to their registration with the Regulator of Social Housing, and we considered the extent to which non-compliance might have a material effect on the Association's Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with the Accounting Direction for Private Registered Providers of Social Housing 2022.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

## One Vision Housing Limited

### Independent Auditor's Report to the Members of One Vision Housing Limited for the year ended 31 March 2022

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#### Auditor's responsibilities for the audit of the financial statements (continued)

The audit procedures to address the risks identified included:

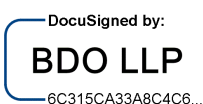
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions made by management in their significant accounting estimates and judgements in particular in relation to the impairment of tangible and intangible fixed assets, net realisable value of properties developed for sale, the defined benefit pension liability, useful economic lives, rent arrears provisioning, valuation of investment properties and classification of leases;
- Identifying and testing journal entries, in particular any unusual account postings, any journal entries posted with specific key words and any journals posted by directors;
- Discussions with management and Directors, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Considered recognition of income throughout the year and around year end to gain assurance over cut-off and percentage sold recorded correctly;
- Review of minutes of Board meetings throughout the period; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

#### Use of our report

This report is made solely to the members of the Association, as a body, in accordance with in accordance with the Housing and Regeneration Act 2008 and the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the members as a body, for our audit work, for this report, or for the opinions we have formed.



**BDO LLP**  
**Statutory Auditor**  
**Liverpool, UK**  
Date: 05 September 2022

*BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).*

## One Vision Housing Limited

### Statement of Comprehensive Income for the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Turnover	4	66,571	64,968
Cost of sales	4	(2,053)	(2,692)
Operating costs	4,5	(49,325)	(49,343)
Non-recurring	4,5	(683)	(1,969)
Total operating costs	5	(50,008)	(51,312)
Surplus on disposal of housing properties	4,11	3,239	300
<b>Operating surplus</b>	4,7	17,749	11,264
Other interest receivable and similar income	12	386	394
Interest and financing costs	13	(8,542)	(8,878)
Movement in fair value of investment properties	17	1,085	552
Gift aid received from subsidiary	18	8	65
<b>Surplus before taxation</b>		10,686	3,397
Taxation on surplus on ordinary activities		-	-
<b>Surplus for the financial year</b>		10,686	3,397
Actuarial gains/(losses) on defined benefit pension scheme	26	138	(1,089)
<b>Total comprehensive income for year</b>		10,824	2,308

*The notes on pages 34 to 63 form part of these financial statements.*

## One Vision Housing Limited

### Statement of Financial Position as at 31 March 2022

Company number: 7072

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Tangible fixed assets - housing properties	14	304,612	276,428
Tangible fixed assets - other	15	3,330	3,749
Intangible fixed assets	16	275	918
Investment properties	17	9,727	8,640
Investments	18	-	-
		317,944	289,735
<b>Current assets</b>			
Stocks	19	1,993	1,608
Debtors - receivable within one year	20	10,743	13,696
Debtors - receivable after one year	20	11,000	7,000
Cash at bank and in hand		6,998	4,626
		30,734	26,930
<b>Creditors: amounts falling due within one year</b>	21	(15,212)	(18,625)
<b>Net current assets</b>		15,522	8,305
<b>Total assets less current liabilities</b>		333,466	298,040
Creditors: amounts falling due after more than one year	22	(267,539)	(242,592)
Pension liability	26	(1,281)	(1,626)
<b>Net assets</b>		64,646	53,822
<b>Capital and reserves</b>			
Non-equity share capital	27	-	-
Revaluation reserve		2,577	1,492
Income and expenditure reserve		62,069	52,330
		64,646	53,822

The notes on pages 34 to 63 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 1 September 2022.



**Peter Crosby (chair of the board)**  
1 September 2022



**Michael Parkin (chair of RAC)**  
1 September 2022



**Marcus Evans (company secretary)**  
1 September 2022



## One Vision Housing Limited

### Statement of Changes in Equity for the year ended 31 March 2022

	Share capital	Revaluation reserve	Income and expenditure reserve	Total equity
	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2021</b>	-	1,492	52,330	53,822
Surplus for the year	-	1,085	9,601	10,686
Actuarial gains on SHPS defined benefit pension scheme (note 25)	-	-	138	138
<b>Other comprehensive income for the year</b>	-	-	138	138
<b>Balance at 31 March 2022</b>	-	2,577	62,069	64,646

### Statement of Changes in Equity for the year ended 31 March 2021

	Share capital	Revaluation reserve	Income and expenditure reserve	Total equity
	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2020</b>	-	940	50,574	51,514
Surplus for the year	-	552	2,845	3,397
Actuarial losses on SHPS defined benefit pension scheme (note 25)	-	-	(1,089)	(1,089)
<b>Other comprehensive income for the year</b>	-	-	(1,089)	(1,089)
<b>Balance at 31 March 2021</b>	-	1,492	52,330	53,822

*The notes on pages 34 to 63 form part of these financial statements.*

# One Vision Housing Limited

## Notes Forming Part of the Financial Statements for the year ended 31 March 2022

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## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 1 Legal status

The association is registered with the Financial Conduct Authority under the Co-operative and Community Benefits Societies Act 2014 and is registered with the Regulator of Social Housing as a social housing provider with charitable objects.

#### 2 Accounting policies

The financial statements have been prepared in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice) which for One Vision Housing (OVH) includes the Co-operative and Community Benefit Societies Act 2014 (and related group accounts regulations), the Housing and Regeneration Act 2008, FRS 102 "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2018 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies. One Vision Housing Limited is a Public Benefit Entity (PBE) and has applied the provisions of FRS 102 specifically applicable to PBEs.

#### *Financial reporting standard 102 - reduced disclosure exemptions*

The association has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d)
- the requirements of Section 11 Basic Financial Instruments
- the requirements of Section 33 Related Party Disclosures paragraph 33.7

This information is included in the consolidated financial statements of Sovini Limited as at 31 March 2022 and these financial statements may be obtained from their registered office at Unit 1, Heysham Road, Liverpool, L30 6UR.

#### *Going concern*

The board reviewed the association's financial plans during 2022, this included stress testing of the business plan prior to submission to the regulator as part of the in depth assessment (IDA) process, and were satisfied that these plans were affordable and that the accounts should be prepared on a going concern basis.

Having exited from the pandemic, we now find ourselves navigating unprecedented economic uncertainty including, a cost-of-living crisis and potential recession. As such, the executive management team and board have reviewed the financial forecasts to reflect any ongoing risks and financial impacts as relevant and proportionate to our business. This included an assessment of the year-end financial outturn position, underlying rent collection and letting performance (which exceeded forecasts), any immediate impact on the delivery of the improvement and development programmes and the potential impact of future economic recovery forecasts.

This has ensured that we can continue to provide our essential customer focussed services, remain compliant with regulatory and funder requirements (including Covenant tests) and a going concern. As a consequence of this our surplus in 2021/22 was £10.7m and our interest cover and gearing covenants were comfortably met, further evidencing our financial strength and resilience.

The association was quick to adapt and implement the Government guidance on social distancing, reviewing and adjusting the associated operating environment and processes and was able to fully utilise the Sovini group supply chain partners to ensure that repairs, investments and development programmes, were completed with minimal disruption to services / customers. Throughout the year, the association continued to gain access to customers homes, ensuring that they were safe and that all statutory compliance obligations were met. Throughout this period, customer contact and support was maintained, allowing the association to continue to support and assist those customers who are vulnerable and benefit dependant. This assisted us to sustain our rent collection performance at 99.9% and re-let our homes within an average 5.8 days.

We also were able to continue our sales activity remotely, selling 30 homes in the year, with 6 stock plots at year-end. One home remained unsold for over six months (show house) and we achieved an average first tranche sales receipt 46% share.

As a key provider of affordable housing, we continue to self-deliver via the Sovini group commercial partners an increasing proportion of our development programme. In 2021/22, we achieved £28.5m of spend, 251 handovers. We also secured additional grant and sales receipts. During the year ahead we plan to spend circa £38.6m building 213 new homes and acquiring a land pipeline to facilitate this.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 2 Accounting policies (continued)

##### *Going concern (continued)*

During 2021/22 we concluded our Accommodation Strategy review and commenced the decant and sale of our main headquarters at Atlantic House. This has delivered significant savings in management costs, which we have retained as contingencies within our Business Plan to assist us to manage and mitigate our key risks.

Our board continue to stress test the 30 year business plan (which continues to reflect prudent assumptions and £10.4m of contingencies). This includes various economic and cost impacts assessments (single, multi variant and perfect storm). Based on these outcomes the board have confirmed and communicated their strategic remedies and the priority in which, these should be executed in the event that these key risks crystallise.

Due to the Russian / Ukraine war, the level of global economic risk and uncertainty remains directly outside of our control, we continue to monitor the impact and deploy effective controls to minimise this impact on our operations where at all possible. This includes the deployment of daily processes to manage/monitor our cash flow and continue to review our financial stability and long-term viability. This includes a further funding review in conjunction with Savills (our independent Treasury Advisor).

Given the strength of our balance sheet, forecast surplus and availability and liquidity of undrawn loan facilities, the board believe that, whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the association's ability to continue as a going concern. The board, therefore, consider it appropriate for the accounts to be prepared on a going concern basis

##### *Basis of Consolidation*

The association is a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 99 of the Co-operative and Community Benefits Society Act 2014. These financial statements therefore, present information about the association as an individual undertaking and not about the group headed by the Association.

##### *Income Recognition*

Income will be recognised and measured in the financial statements at the fair value i.e. the point at which it is received or receivable. The association generates the following material income streams:

- Rental income receivable (after deducting lost rent from void properties available for letting);
- First tranche sales of Low Cost Home Ownership housing properties developed for sale;
- Stair casing sales of Low Cost Home Ownership housing properties;
- Service charges receivable;
- Revenue grants and proceeds from the sale of land and property; and
- Any other income generated in the period.

Rental income for properties under development or sale is recognised from the point of practical completion and letting. Income from first tranche and other property sales is recognised at the point of legal completion of the sale.

##### *Supported housing schemes*

The association receives Supporting People grants from Wirral Borough Council. The grants received in the period as well as costs incurred by the association in the provision of support services have been included in the Statement of Comprehensive Income. Any excess of cost over the grant received is borne by the association where it is not recoverable from tenants.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 2 Accounting policies (continued)

##### *Service charges*

The association adopts fixed and variable methods for calculating and charging service charges to its tenants and leaseholders. Expenditure is recorded when a service is provided and charged to the relevant service charge account. Income is recorded based on the estimated amounts chargeable.

##### *Current and deferred taxation*

One Vision Housing Limited is a Co-operative and Community Benefit Society, registered with the Regulator of Social Housing and has charitable status for tax purposes and is therefore, exempt from Corporation Tax in respect of income under Section 505 ICTA 1988.

##### *Value Added Tax*

The association charges Value Added Tax (VAT) on some of its income and is able to recover part of the VAT it incurs on expenditure. The financial statements include VAT to the extent that it is suffered by the association and not recoverable from HMRC. Recoverable VAT arises from partially exempt activities and is credited to the Statement of Comprehensive Income.

The association has an approved VAT Shelter Scheme with HMRC. As a result, eligible VAT incurred on the investment programme is recovered. The balance of VAT recoverable at the year-end will be included as a current asset in the Statement of Financial Position.

##### *Finance costs*

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Interest is capitalised on borrowings to finance developments up to the date of practical completion if it represents either:

- a) interest on borrowings specifically financing the development programme after deduction of interest on social housing grant in advance; or
- b) interest on borrowings of the Association as a whole after deduction of interest on SHG in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to the income statement in the year.

##### *Pension costs*

Contributions to the group's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

- SHPS

The association participates in the multi-employer defined benefit Social Housing Pension Scheme (SHPS). For financial years ending on or after 31 March 2019, the way in which the defined benefit pension obligation in SHPS is stated in the financial statements has changed. Previously there has been insufficient information available to account for these obligations on a defined benefit basis (i.e. stating assets and obligations). As a result, and as required by FRS 102, the obligation has been accounted for by stating the present value of agreed future deficit repayment contributions. For financial years ending on or after 31 March 2019 sufficient information is available to account for the obligations on a defined benefit basis.

Under defined benefit accounting the Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of Financial Position. The current service cost and costs from settlements and curtailments are charged to operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 2 Accounting policies (continued)

##### *Schemes managed by agents*

Income is shown as rent receivable and management fees payable to agents are included in operating costs.

##### *Holiday pay accrual*

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

##### *Tangible fixed assets - Housing Properties*

Housing properties constructed or acquired (including land) on the open market are stated at cost less depreciation and impairment (where applicable). The cost of housing land and property represents their purchase price and any directly attributable costs of acquisition which may include an appropriate amount for staff costs and other costs of managing development.

Directly attributable administration costs include capitalised interest calculated, on a proportional basis, using finance costs on borrowing which, has been drawn in order to finance the relevant construction or acquisition. Where housing properties are in the course of construction, finance costs are only capitalised where construction is on-going and has not been interrupted or terminated.

Expenditure on major refurbishment to properties is capitalised where the works increase the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in the net rental income, a reduction in future maintenance costs, or a subsequent extension in the life of the property. All other repair and replacement expenditure is charged to the Statement of Comprehensive Income.

Mixed developments are held within PPE and accounted for at cost less depreciation. Commercial elements of mixed developments are held as investment properties.

Housing properties in the course of construction, excluding the estimated cost of the element of shared ownership properties expected to be sold in first tranche, are included in PPE and held at cost less any impairment, and are transferred to completed properties when ready for letting.

##### *Depreciation of housing property*

Housing land and property is split between land, structure and other major components that are expected to require replacement over time.

Land is not depreciated on account of its indefinite useful economic life.

The portion of shared ownership property retained or expected to be retained is not depreciated on account of the high residual value. Neither the depreciable amount nor the expected annual depreciation charge for such assets is considered material, individually or in aggregate.

Assets in the course of construction are not depreciated until they are completed and ready for use to ensure that they are depreciated only in periods in which economic benefits are expected to be consumed.

Housing properties are split between the structure and the major components which require periodic replacement. The costs of replacement or restoration of these components are capitalised and depreciated over the determined average useful economic lives as follows:

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### *Depreciation of housing property (continued)*

Description	Economic Useful Life (years)
Structure	60
Kitchen	20
Bathroom	30
Roofs	60
Boiler installations	20
Central heating	20
External windows	30
Communal	15 to 30
External cladding	50
Lifts	25
Sprinkler systems	25
Fire doors	25

Leasehold properties are depreciated over the length of the lease except where the expected useful economic life of properties is shorter than the lease, when the lease and building elements are depreciated separately over their expected useful economic lives.

##### *Shared ownership properties and staircasing*

Under low cost home ownership arrangements, the association disposes of a long lease on low cost home ownership housing units for a share ranging between 20% and 75% of value. The Buyer has the right to purchase further proportions and up to 100% based on the market valuation of the property at the time each purchase transaction is completed.

Low cost home ownership properties are split proportionately between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset and related sales proceeds included in turnover. The remaining element, "stair casing element", is classed as PPE and included in completed housing property at cost and any provision for impairment. Sales of subsequent tranches are treated as a part disposal of PPE. Such stair casing sales may result in capital grant being deferred or abated and any abatement is credited in the sale account in arriving at the surplus or deficit.

Low cost home ownership properties are not depreciated on the expectation that the net realisable value at the time of disposal will be in excess of the historical cost. Maintenance of shared ownership properties is the responsibility of the shared owner. Any impairment in the value of such properties is charged to the Statement of Comprehensive Income.

##### *Allocation of costs for mixed tenure and shared ownership developments*

Costs are allocated to the appropriate tenure where it is possible to specify which tenure the expense relates to. Where it is not possible to relate costs to a specific tenure costs are allocated on a floor area or unit basis depending on the appropriateness for each scheme.

##### *Tangible fixed assets – Other*

Other tangible fixed assets, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The association adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the association. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 2 Accounting policies (continued)

##### *Depreciation of other tangible fixed assets*

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Description	Economic Useful Life (years)
Freehold buildings – other	50
Leasehold land and buildings	Lease term
Plant, machinery and vehicles	5 to 15
Fixtures, fittings, tools and equipment	4
Computers	3

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted respectively as appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

##### *Intangible fixed assets*

Costs directly attributable to the development of computer software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, there is an intention and ability to complete and use the software, the costs can be measured reliably and it is capable of generating future economical benefits. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project. Research costs are recognised as an expense when incurred.

##### *Amortisation of intangible fixed assets*

Amortisation is charged so as to write off the cost of computer software assets less their residual value over their estimated useful lives, using the straight-line method. Adjustments will be made for any impairment.

Description	Economic Useful Life (years)
Computer software	10

##### *Government grants*

Grant received in relation to newly acquired or existing housing properties is accounted for using the accrual model set out in FRS 102 and the Housing SORP 2018. Grant is carried as deferred income in the Statement of Financial Position and released to the Statement of Comprehensive Income on a systematic basis over the useful economic life of the asset for which it was received. In accordance with Housing SORP 2018 the useful economic life of the housing property structure has been selected (see table of useful economic lives above).

Where social housing grant (SHG) funded property is sold, the grant becomes recyclable and is transferred to a recycled capital grant fund until it is reinvested in a replacement property. If there is no requirement to recycle or repay the grant on disposal of the assets, any unamortised grant remaining within creditors is released and recognised as income within the Statement of Comprehensive Income.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once performance related conditions have been met.

Grants due from government organisations or received in advance are included as current assets or liabilities.



## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 2 Accounting policies (continued)

##### ***Recycled Capital Grant Fund***

On the occurrence of certain relevant events, primarily the sale of dwellings, Homes England can direct the association to recycle capital grants or to make repayments of the recoverable amount. The association adopts a policy of recycling, for which a separate fund is maintained. If unused within a three-year period, it will be repayable to Homes England with interest. Any unused recycled capital grant held within the recycled capital grant fund, which it is anticipated will not be used within one year is disclosed in the Statement of Financial Position under "creditors due after more than one year". The remainder is disclosed under "creditors due within one year".

##### ***Investment properties***

Investment properties consist of commercial properties and other properties not held for social benefit or for use in the business. Investment properties are measured at cost on initial recognition and subsequently carried at fair value determined annually by an external valuer 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. No depreciation is provided. Changes in fair value are recognised as income or expenditure.

##### ***Valuation of investments***

Investments in subsidiaries are measured at cost less accumulated impairment.

##### ***Impairment of fixed assets***

The housing property portfolio for the association is assessed for indicators of impairment at each Statement of Financial Position date. Where indicators are identified then a detailed assessment is undertaken to compare the carrying amount of assets or cash generating units for which impairment is indicated to their recoverable amounts. An option appraisal is carried out to determine the option which produces the highest net realisable value. Valuations on rental return or potential sale proceeds are obtained and used to inform the options.

The association looks at the net realisable value, under the options available, when considering the recoverable amount for the purposes of impairment assessment. The recoverable amount is taken to be the higher of the fair value less costs to sell or value in use of an asset or cash generating unit. The assessment of value in use may involve considerations of the service potential of the assets or cash generating units concerned or the present value of future cash flows to be derived from them appropriately adjusted to account for any restrictions on their use.

The association defines cash generating units as schemes except where its schemes are not sufficiently large enough in size or where it is geographically sensible to group schemes into larger cash generating units. Where the recoverable amount of an asset or cash generating unit is lower than its carrying value an impairment is recorded through a charge to income and expenditure.

##### ***Impairment of intangible assets***

Management assess the intangible assets at the end of each financial reporting period for any indicators of impairment. Any impairment of intangible assets required will be charged to the Statement of Comprehensive Income as and when they arise.

##### ***Stock***

Stock represents shared ownership properties, where the value held as stock is the estimated cost to be sold as a first tranche.

Stock is stated at the lower of cost and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sales proceeds after allowing for all further costs to completion and selling costs.

##### ***Financial instruments***

###### ***Debtors and creditors***

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

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### **2 Accounting policies (continued)**

##### ***Financial instruments (continued)***

###### *Recoverable amount of rental and other trade receivables*

The association estimates the recoverable value of rental and other receivables and impairs the debtor by appropriate amounts. When assessing the amount to impair it reviews the age profile of the debt, historical collection rates and the class of debt.

###### *Rent and service charge agreements*

The association has made arrangement with individuals and households for arrears payments of rent and service charges. These arrangements are effectively loans granted at nil interest rate.

###### *Loans, Investments and short term deposits*

All loans, investments and short term deposits held by the association are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost), FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the Association has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the Statement of Financial Position at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

##### ***Financial liabilities and equity***

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

##### ***Cash and cash equivalents***

Cash and cash equivalents in the Statement of Financial Position consists of cash at bank, in hand, deposits and short term investments with an original maturity of three months or less.

##### ***Leased assets: lessee***

Where assets are financed by leasing agreements that give rights approximately to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

##### ***Leasehold Sinking Funds***

Unexpended amounts collected from leaseholders for major repairs on leasehold schemes and any interest received are included in creditors.

##### ***Contingent liabilities***

A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation exists that could lead to an outflow of resources; or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 2 Accounting policies (continued)

##### *Reserves*

The revaluation reserve is created from accumulated surplus/(deficit) arising from asset revaluation.

#### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, key judgements have been made in respect of the following:

- Whether there are indicators of impairment of the association's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The board have considered the measurement basis to determine the recoverable amount of assets where there are indicators of impairment based on Existing Use Value – Social Housing (EUUV-SH) or depreciated replacement cost. The board have also considered impairment based on their assumptions to define cash or asset generating units.
- The anticipated costs to complete on a development scheme based on anticipated construction cost, legal costs and other costs. Based on the costs to complete, they then determine the recoverability of the cost of properties developed for outright sale and/or land held for sale. This judgement is also based on the board's best estimate of sales value based on economic conditions within the area of development.
- The critical underlying assumptions in relation to the estimate of the pension defined benefit scheme obligation such as standard rates of inflation, mortality, discount rate and anticipated future salary increases. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense.
- Whether leases entered into by the association either as a lessor or a lessee are operating lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- The appropriate allocation of costs for mixed tenure developments, and furthermore the allocation of costs relating to shared ownership, between current and fixed assets.
- The categorisation of housing properties as investment properties or property, plant and equipment based on the use of the asset.
- What constitutes a cash generating unit when indicators of impairment require there to be an impairment review.

##### *Other key sources of estimation uncertainty*

- Rental and other trade receivables (debtors)

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

- Government grant

Government grant is amortised over the useful economic life (UEL) of the asset apart from grant on shared ownership properties which is not amortised, as it is recycled on staircasing. Where this to be amortised over the UEL of the asset this would result in increased income in the comprehensive income statement.

- Capitalised overhead on developments

Overheads are capitalised up to maximum of 3% of works and acquisitions costs of 100% of development salaries and related overheads.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 3 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

##### *Other key sources of estimation uncertainty (continued)*

- Tangible fixed assets

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, these factors will be taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

For housing property assets, the assets are broken down into components based on management's assessment of the properties. Individual useful economic lives are assigned to these components.

Though these estimates are subject to fluctuations in the life of asset, sensitivity testing shown below indicates no material impact on the charge that would be recognised in the Statement of Comprehensive Income.

Statement of Comprehensive Income Charge Adjustment	Current useful expected life (years)	Sensitivity: 10% increase in UEL £'000	Sensitivity: 10% reduction in UEL £'000
Bathroom	30	62	(62)
Boilers / Heating	20	161	(161)
Kitchen	20	199	(199)
Lift	25	11	(11)
Roofs	60	42	(42)
Structure	60	99	(99)
External cladding	50	16	(16)
Windows / External doors	30	70	(70)
Sprinkler systems	25	37	(37)
Fire door	25	10	(10)
		707	(707)
		<i>Credit</i>	<i>Charge</i>

Investment properties are professionally valued annually using a Market Value valuation basis. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself. Key inputs into the valuations were:

- income to grow to market rental in year one then thereafter at RPI plus 1%,
- costs of 25% of gross income, and
- a discount rate of 7.5%

Sensitivity testing is detailed below indicating the potential impact that fluctuations in valuation would have on the charge that would be recognised in the Statement of Comprehensive Income;

Statement of Comprehensive Income Charge Adjustment	Current valuation £'000	Sensitivity: 10% increase in valuation £'000	Sensitivity: 10% reduction in valuation £'000
Investment properties	9,727	973	(973)
		973	(973)
		<i>Credit</i>	<i>Charge</i>

- Judgements used in preparation of pension fund accounts

Pension figures in these accounts are prepared by independent actuaries. In preparing the figures the actuaries use a number of judgements based on information provided to them by the Institute and Faculty of Actuaries.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 4 Particulars of turnover, cost of sales, operating costs and operating surplus

	Turnover	Cost of sales	Operating costs	Surplus on disposal of fixed assets (note 11)	Operating surplus
	2022 £'000	2022 £'000	2022 £'000	2022 £'000	2022 £'000
<b>Social housing lettings (note 5)</b>	63,060	-	(49,590)	-	13,470
<b>Other Social Housing Activities</b>					
First tranche low cost home ownership sales	2,770	(2,053)	-	-	717
Staircasing activity on low cost home ownership	-	-	-	56	56
Right to buy sales	-	-	-	600	600
Right to acquire sales	-	-	-	1,461	1,461
	2,770	(2,053)	-	2,117	2,834
<b>Activities other than social housing activities</b>					
Commercial properties	100	-	(26)	-	74
Non social housing units	641	-	(392)	-	249
Other	-	-	-	1,122	1,122
	741	-	(418)	1,122	1,445
	66,571	(2,053)	(50,008)	3,239	17,749

	Turnover	Cost of sales	Operating costs	Surplus on disposal of fixed assets (note 11)	Operating surplus
	2021 £'000	2021 £'000	2021 £'000	2021 £'000	2021 £'000
<b>Social housing lettings (note 5)</b>	60,621	-	(50,970)	-	9,651
<b>Other Social Housing Activities</b>					
First tranche low cost home ownership sales	3,362	(2,692)	-	-	670
Staircasing activity on low cost home ownership	-	-	-	35	35
Right to buy sales	-	-	-	383	383
Right to acquire sales	-	-	-	491	491
	3,362	(2,692)	-	909	1,579
<b>Activities other than social housing activities</b>					
Commercial properties	169	-	(24)	-	145
Non social housing units	657	-	(195)	-	462
Furlough	64	-	-	-	64
Other	95	-	(123)	(609)	(637)
	985	-	(342)	(609)	34
	64,968	(2,692)	(51,312)	300	11,264

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 5 Income and expenditure from social housing lettings

	General needs	Supported housing	Total	Total
	2022	2022	2022	2021
	£'000	£'000	£'000	£'000
<b>Income</b>				
Rents net of identifiable service charges	53,629	4,156	57,785	55,404
Service charge income	2,752	1,776	4,528	4,567
Amortised government grants (note 23)	375	-	375	194
<b>Net rental income</b>	<b>56,756</b>	<b>5,932</b>	<b>62,688</b>	<b>60,165</b>
Rechargeable works	22	-	22	22
Other grants	-	-	-	-
Other income	350	-	350	434
<b>Turnover from social housing lettings</b>	<b>57,128</b>	<b>5,932</b>	<b>63,060</b>	<b>60,621</b>
<b>Expenditure</b>				
Management	(8,787)	(741)	(9,528)	(8,119)
Other management costs	(181)	(15)	(196)	(221)
Service charge costs	(2,752)	(1,776)	(4,528)	(4,567)
Routine maintenance	(6,941)	(589)	(7,530)	(6,750)
Planned maintenance	(7,627)	(278)	(7,905)	(6,937)
Development programme	(255)	-	(255)	(85)
Major repairs expenditure	(8,941)	(376)	(9,317)	(14,007)
Bad debts	(394)	(34)	(428)	(350)
Depreciation of housing properties				
annual charge	(7,587)	(440)	(8,027)	(7,065)
accelerated on disposal of components	(739)	(104)	(843)	(629)
Depreciation of other tangible fixed assets	(280)	(24)	(304)	(271)
Amortisation of intangible assets	(42)	(4)	(46)	(1,969)
Exceptional costs	(629)	(54)	(683)	-
<b>Operating expenditure on social housing lettings</b>	<b>(45,155)</b>	<b>(4,435)</b>	<b>(49,590)</b>	<b>(50,970)</b>
<b>Operating surplus on social housing lettings</b>	<b>11,973</b>	<b>1,497</b>	<b>13,470</b>	<b>9,651</b>
<b>Void losses</b>	<b>242</b>	<b>101</b>	<b>343</b>	<b>533</b>

Other management costs included reorganisation costs of £11k (2021: £54k), hardship funding of £182k (2021: £158k), and pension bond/strategy costs of £3k (2021: £9k). The exceptional item costs include £683k of impairment (2021: £1.97m) relating to impairment of head office (£467k) and abortive refinancing costs (£216k), both are one off and non recurring. The impairment charges to the head office building occurred in both 20/21 and 21/22 due to market information giving rise to an impairment indicator in both financial years, in June 2022 the head office building has been sold (note 31).

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

6 Units of housing stock	2022 £'000	2021 £'000
General needs housing		
social	10,654	10,803
affordable	751	552
Low cost home ownership	301	277
Supported housing	1,016	1,031
Intermediate		
buy back properties	12	13
rent to buy	181	173
<b>Total social housing units</b>	<b>12,915</b>	<b>12,849</b>
Market rent	86	85
Leaseholder properties	614	611
<b>Total owned and managed accommodation</b>	<b>13,615</b>	<b>13,545</b>
Units under construction	409	376

Reconciliation of unit numbers:	Opening unit numbers	New stock acquired/ developed	Stock sold / demolished	Other movements	Closing unit numbers
General needs housing					
social	10,803	17	(177)	11	10,654
affordable	552	199	-	-	751
Low cost home ownership	277	27	(3)	-	301
Supported housing	1,031	-	(2)	(13)	1,016
Intermediate					
buy back properties	13	-	-	(1)	12
rent to buy	173	8	-	-	181
Market rent	85	-	-	1	86
Leaseholder properties	611	-	-	3	614
<b>Total</b>	<b>13,545</b>	<b>251</b>	<b>(182)</b>	<b>1</b>	<b>13,615</b>

## 7 Operating surplus

	2022 £'000	2021 £'000
This is arrived at after charging:		
Depreciation of housing properties		
annual charge	8,027	7,065
accelerated depreciation on replaced components	658	788
Depreciation of other tangible fixed assets	304	271
Amortisation of intangible assets	46	-
Auditors remuneration (excluding VAT)		
fees payable to the auditor for the audit of the association's annual	42	35
fees for audit-related assurance	12	10

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 8 Employees

	2022	2021
	£'000	£'000
Staff costs (including executive management team) consist of:		
Wages and salaries	5,467	5,598
Social security costs	548	532
Cost of defined contribution scheme	342	342
	6,357	6,472

The average number of employees (including executive management team) expressed as full time equivalents (calculated based on a standard working week of 36 hours) during the year was as follows:

	2022	2021
	Number	Number
Executive Management team	7	7
Customers and neighbourhoods	136	134
Assets and regeneration	39	38
<b>Total</b>	182	179

One Vision Housing Limited employees have access to a defined contribution pension scheme, which is operated by the Sovini group on behalf of all group entities. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable to the fund and amounted to £342k (2021: £342k).

#### 9 Directors and senior executives remuneration

The directors are defined as the members of the board of management, the chief executive and the executive management team as disclosed in note 10.

	2022	2021
	£'000	£'000
Directors' emoluments	801	862
Amounts receivable under long-term incentive schemes	65	101
Company contributions to money purchase pension schemes	68	48
<b>Total</b>	934	1,011

The total amount payable to the chief executive, who was also the highest paid director in respect of emoluments was £176k (2021: £166k).



## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 9 Directors and senior executives remuneration (continued)

The remuneration paid to staff (including Executive Management Team) earning over £60,000 upwards:

	2022 Number	2021 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	2
£80,000 - £89,999	3	1
£90,000 - £99,999	-	1
£100,000 - £109,999	1	-
£120,000 - £129,999	1	1
£160,000 - £169,999	-	1
£170,000 - £179,999	1	-

#### 10 Board members

Board member	Remuneration £'000	One Vision Housing Limited Board	Sovini Limited Board	Risk and Audit Committee	Remuneration Committee
Alan Marshall (resigned 13 September 2021)	4	✓			
Joe Connell (resigned 13 September 2021)	3	✓			
Dawn Murray	2	✓			
Andy Armstrong	4	✓	✓		✓
Peter Crosby	9	Chair		✓	✓
Roy Williams	-	✓	✓		
Tracey Liggett	-	✓	✓		
Tracey Gore	4	✓			
Anne Lundon (resigned 14 March 2022)	5	✓			
Lelir Yeung (appointed 8 November 2021)	2	✓		✓	
Michael Parkin (appointed 8 November 2021)	1	✓		Chair	

#### 11 Surplus on disposal of housing properties

	Staircasing activity 2022 £'000	Right to buy 2022 £'000	Right to acquire 2022 £'000	Other disposals 2022 £'000	Total 2022 £'000	Total 2021 £'000
Housing Properties						
Disposal proceeds	298	2,027	1,571	3,898	7,794	4,466
Cost of sales	(242)	(583)	(110)	(2,776)	(3,711)	(3,422)
Loss due to RTB sharing agreement	-	(844)	-	-	(844)	(744)
Surplus on disposal of housing properties	56	600	1,461	1,122	3,239	300

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 12 Interest receivable and income from investments

	2022	2021
	£'000	£'000
Interest receivable and similar income	2	10
Interest receivable from group undertakings	384	384
	386	394

#### 13 Interest payable and similar charges

	2022	2021
	£'000	£'000
Bank loans and overdrafts	9,958	9,922
Capitalisation of interest	(1,498)	(1,052)
Refinancing costs	90	466
Capitalisation of refinancing costs	(40)	(473)
Net interest on net defined benefit liability (SHPS - note 25)	32	15
	8,542	8,878

One Vision Housing Limited

Notes Forming Part of the Financial Statements  
for the year ended 31 March 2022 (continued)

14 Tangible fixed assets – housing properties

	Shared ownership completed	Supported housing completed	General needs completed	Shared ownership works under construction	General needs works under construction	Total
	£'000	£'000	£'000	£'000		£'000
<b>Cost</b>						
<b>At 1 April 2021</b>	24,399	9,422	259,194	5,060	32,977	331,052
Additions						
Construction costs	-	-	-	3,543	24,572	28,115
Replaced components	-	668	10,609	-	-	11,277
Completed schemes	1,584	-	29,690	(1,584)	(29,690)	-
Disposals						
stair-casing sales	(242)	-	-	-	-	(242)
right to buy/acquire sales	-	-	(726)	-	-	(726)
commercial disposals	-	-	(2,549)	-	-	(2,549)
replaced components	-	(172)	(1,531)	-	-	(1,703)
Reclassification of housing tenure	-	1,277	(1,277)	-	-	-
<b>At 31 March 2022</b>	<b>25,741</b>	<b>11,195</b>	<b>293,410</b>	<b>7,019</b>	<b>27,859</b>	<b>365,224</b>
<b>Depreciation</b>						
<b>At 1 April 2021</b>	-	(3,485)	(51,139)	-	-	(54,624)
Charge for the year	-	(440)	(7,587)	-	-	(8,027)
Eliminated on disposals						
commercial disposals	-	-	994	-	-	994
replaced components	-	68	977	-	-	1,045
Reclassification of housing tenure	-	(111)	111	-	-	-
<b>At 31 March 2022</b>	<b>-</b>	<b>(3,968)</b>	<b>(56,644)</b>	<b>-</b>	<b>-</b>	<b>(60,612)</b>
<b>Net book value at 31 March 2022</b>	<b>25,741</b>	<b>7,227</b>	<b>236,766</b>	<b>7,019</b>	<b>27,859</b>	<b>304,612</b>
<b>Net book value at 31 March 2021</b>	<b>24,399</b>	<b>5,937</b>	<b>208,055</b>	<b>5,060</b>	<b>32,977</b>	<b>276,428</b>
					<b>2022</b>	<b>2021</b>
					<b>£'000</b>	<b>£'000</b>
<b>Works to properties</b>						
Improvements to existing properties capitalised					11,277	5,771
Major repairs expenditure to income and expenditure account					9,317	14,007
					<b>20,594</b>	<b>19,778</b>
<b>Total Social Housing Grant received or receivable to date</b>						
Capital grant – housing properties					37,079	32,474
					<b>37,079</b>	<b>32,474</b>

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 15 Other tangible fixed assets

	Long leasehold land and buildings £'000	Other fixed assets £'000	Total £'000
<b>Cost</b>			
<b>At 1 April 2021</b>	6,670	1,644	8,314
Additions	-	352	352
Disposals	-	(725)	(725)
<b>At 31 March 2022</b>	<b>6,670</b>	<b>1,271</b>	<b>7,941</b>
<b>Depreciation</b>			
<b>At 1 April 2021</b>	3,570	995	4,565
Charge for year	133	171	304
Disposals	-	(725)	(725)
Impairment	467	-	467
<b>At 31 March 2022</b>	<b>4,170</b>	<b>441</b>	<b>4,611</b>
<b>Net book value</b>			
<b>At 31 March 2022</b>	<b>2,500</b>	<b>830</b>	<b>3,330</b>
<b>At 31 March 2021</b>	<b>3,100</b>	<b>649</b>	<b>3,749</b>

The impairment loss recognised on long leasehold land and building in the period was £467k (2021: £1,969k) and is included in non-recurring administrative expenses. It arose as a result of the head office building being written down to its recoverable amount. The head office building is being marketed for sale.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 16 Intangible fixed assets

	Software £'000	Total £'000
<b>Cost</b>		
<b>At 1 April 2021</b>	918	918
Additions	428	428
Disposals	(1,025)	(1,025)
<b>At 31 March 2022</b>	<b>321</b>	<b>321</b>
<b>Amortisation</b>		
<b>At 1 April 2021</b>	-	-
Charge for year	46	46
Disposals	-	-
<b>At 31 March 2022</b>	<b>46</b>	<b>46</b>
<b>Net book value</b>		
<b>At 31 March 2022</b>	<b>275</b>	<b>275</b>
<b>At 31 March 2021</b>	<b>918</b>	<b>918</b>

Software includes £229k (2021:£918k) which relates to the ongoing development of a housing management IT system, of which £1,025k (2021: £nil) costs were disposed of during the year in relation to the housing management system.

#### 17 Investment properties

	Market rent £'000
<b>At 1 April 2021</b>	8,640
Additions	2
Revaluations	1,085
<b>At 31 March 2022</b>	<b>9,727</b>

"Jones Lang LaSalle Limited", is a general practice firm providing surveying and valuation services across the country. The valuer is "external" and the valuation is as at 31 March 2022 and has been carried out in accordance with the current RICS Red Book.

The Aggregate of the Individual Market Values of the 86 market rented units for accounts purposes is £9,727k as per the JLL valuation. It should be noted that future growth in both capital and rental values may not occur and values can fall as well as rise.

The gain on revaluation of investment property arising of £1,085k (2021: £666k gain) and the other movements of £nil (2021: £114k) have been credited to the Statement of Comprehensive Income for the year.

If investment property had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2022 £'000	2021 £'000
Historic cost	7,540	7,538
Accumulated depreciation	(1,349)	(1,198)
<b>Total</b>	<b>6,191</b>	<b>6,340</b>

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 18 Fixed asset investments

##### *Details of Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings in which the association has an interest in are as follows:

Name of subsidiary undertaking	Country of incorporation or registration	Proportion of voting rights	Ordinary share capital held	Nature of business	Nature of entity
Sovini Developments Limited	England	99.35%	154 £1 Ordinary Shares	Provision of design and build services	Incorporated company
Sovini Environmental Limited	England	99.35%	154 £1 Ordinary Shares	Dormant company	Incorporated company

Gift aid of £8k was received in the year from Sovini Developments Limited (2021: £65k).

#### 19 Stock

	First tranche shared ownership properties 2022 £'000	First tranche shared ownership properties 2021 £'000
Assets under construction	1,755	1,265
Completed properties	238	343
	1,993	1,608

Properties developed for sale include capitalised interest of £nil (2021: £nil).

#### 20 Debtors

	2022 £'000	2021 £'000
Due within one year		
Rent and service charge arrears	4,748	5,030
Less: Provision for doubtful debts	(3,186)	(3,135)
	1,562	1,895
Amounts owed by group undertakings	5,543	7,278
Trade receivables	616	416
Tenant rechargeable works	14	19
Other debtors	667	930
Prepayments and accrued income	2,166	1,215
Grant receivable	-	1,650
Other taxation and social security payable	175	293
	10,743	13,696
Due after one year		
Amounts owed by group undertakings	11,000	7,000
	21,743	20,696

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 20 Debtors (continued)

Included within amounts owed by group undertakings are two £3.5m term loans (Sovini Commercial Limited and Pine Court Housing Association), and a £4.0m revolving credit facility (Sovini Commercial Limited).

Both term loans are 10 years, with interest paid quarterly in arrears (3.4% and 3.71%), and capital repayment at the end of the term (June 2026 and September 2028).

The revolving credit facility is a £5.0m facility, with £4.0m drawn. Variable rate interest, ranging from 3.25% to 3.75%, and non-utilisation fees are paid monthly in arrears, and the facility expires in March 2028.

All other amounts owed by group undertakings are interest free and repayable on demand.

#### 21 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Loans and borrowings (note 25)	1,093	4,093
Trade creditors	198	182
Rent and service charges received in advance	3,292	3,107
Amounts owed to group undertakings	5,510	5,811
Taxation and social security	211	218
Other creditors	610	903
Recycled capital grant fund (note 24)	54	18
Deferred capital grant (note 23)	416	273
Accruals and deferred income	3,828	4,020
	15,212	18,625

All amounts owed to group undertakings are interest free and repayable on demand.

#### 22 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Loans and borrowings (note 25)	231,696	210,836
Deferred capital grant (note 23)	35,843	31,756
	267,539	242,592

#### 23 Deferred capital grant

	2022	2021
	£'000	£'000
<b>At 1 April 2021</b>	32,029	25,346
Grants received during the year	4,605	6,877
Released to income during the year	(375)	(194)
<b>At 31 March 2022</b>	36,259	32,029
Grants due for release less than one year (note 21)	416	273
Grants due for release more than one year (note 22)	35,843	31,756
	36,259	32,029

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 24 Recycled capital grant fund

	2022	2021
	£'000	£'000
<b>At 1 April 2021</b>	18	-
Recycling of grant Recycled in year	36	18
<b>At 31 March 2022</b>	54	18
<b>Amounts 3 years or older where repayment may be required</b>	54	18

In line with section Chapter 16, Section 5.6.3 of the Capital Funding Guide, as a floor of 0% is applicable to notional interest calculations, then no interest has been charged in either year.

#### 25 Loans and borrowings

##### *Loan Structure*

Funder	Type	Drawdown Date	Maturity Date	Amount £m	Interest Rate %
THFC	Fixed	05/10/2011	05/10/2043	3.00	5.20%
Orchardbrook	Fixed	01/04/2000	31/03/2041	0.95	10.91%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2042	13.00	4.85%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2044	13.00	4.85%
M&G Note Purchase - 2014	Fixed	17/07/2014	17/07/2046	14.00	4.85%
RBS - Facility A	Fixed	18/07/2014	18/07/2024	22.50	4.88%
RBS - Facility B	Fixed	18/07/2014	30/10/2041	30.00	7.45%
RBS - Facility C	Fixed	11/05/2021	13/05/2024	10.00	2.05%
RBS - Facility C	Fixed	11/05/2021	13/05/2024	10.00	2.05%
M&G Note Purchase - 2016	Fixed	01/04/2016	01/04/2048	15.00	4.19%
M&G Note Purchase - 2017 (Tranche 1)	Fixed	06/04/2017	06/04/2036	10.00	3.30%
M&G Note Purchase - 2017 (Tranche 2)	Fixed	06/04/2017	06/04/2036	10.00	3.40%
M&G Note Purchase - 2018	Fixed	21/12/2018	21/12/2043	30.00	3.70%
Barclays (RCF)	Variable	22/03/2022	22/06/2022	15.00	1.76%
Barclays (RCF)	Variable	23/03/2022	23/06/2022	3.00	1.78%
Barclays (RCF)	Variable	11/01/2022	11/04/2022	4.00	1.50%
Barclays (RCF)	Variable	07/02/2022	07/05/2022	3.00	1.59%
Barclays (RCF)	Variable	10/03/2022	10/06/2022	3.00	1.65%
Barclays (RCF)	Variable	10/03/2022	10/06/2022	8.00	1.65%
Barclays (RCF)	Variable	15/02/2022	15/05/2022	2.00	1.61%
Barclays (RCF)	Variable	30/03/2022	30/06/2022	4.00	1.81%
RBS - Facility B	Variable	18/07/2017	30/10/2041	10.00	2.17%
Capitalised Loan Refinancing Costs				(0.66)	
<b>Total</b>				<b>232.79</b>	

*\*Capitalised refinancing costs on undrawn facilities*



## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 25 Loans and borrowings (continued)

##### *Maturity of debt*

	Total Loan balance	Total Refinancing cost	Total	Total
	2022	2022	2022	2021
	£'000	£'000	£'000	£'000
In one year or less, or on demand	1,267	(174)	1,093	4,093
In more than one year but not more than two years	1,268	(174)	1,094	1,191
In more than two years but not more than five years	84,569	(141)	84,428	41,110
In more than five years	146,346	(172)	146,174	168,535
	233,450	(661)	232,789	214,929

	Loan balance outstanding	Split	Weighted Average Cost of Capital	Average Interest Rate
	2022	2022	2022	2022
	£'m	%	%	%
Fixed	181.45	77.73%		4.60%
Variable	52.00	22.27%		1.79%
	233.45	100.0%	3.97%	

	Loan balance outstanding	Split	Weighted Average Cost of Capital	Average Interest Rate
	2021	2021	2021	2021
	£'m	%	%	%
Fixed	165.96	76.85%		4.99%
Variable	50.00	23.15%		1.48%
	215.96	100.0%	4.18%	

Note: the above excludes the release of any capitalised refinancing costs of £659k (2021: £1,036k).

Loans are secured by specific charges on the housing properties of the association. The loans bear interest at fixed and variable rates ranging from 1.50% to 10.91%.

At 31 March 2022, the association had undrawn loan facilities of £98m (2021: £120m).

#### 26 Pensions - SHPS

<i>Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)</i>	Year ended 31 March 2022	Year ended 31 March 2021
	£'000	£'000
Fair value of planned assets	7,844	8,093
Present value of defined benefit obligation	(9,125)	(9,719)
<b>Net defined benefit (liability) to be recognised</b>	<b>(1,281)</b>	<b>(1,626)</b>

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 26 Pensions - SHPS (continued)

<i>Reconciliation of opening and closing balances of the defined benefit obligation</i>	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Defined benefit obligation at start of period	9,719	7,926
Current service costs	-	7
Expenses	5	5
Interest expenses	206	186
Contributions by plan participants	-	4
Actuarial losses/(gains) due to scheme experience	217	(54)
Actuarial (gains)/ losses due to changes in demographic assumptions	(147)	36
Actuarial (gains)/ losses due to changes in financial assumptions	(639)	1,807
Benefits and expenses paid	(236)	(198)
<b>Defined benefit obligation at end of period</b>	<b>9,125</b>	<b>9,719</b>

<i>Reconciliation of opening and closing balances of the defined benefit assets</i>	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Fair value of plan assets at start of period	8,093	7,168
Interest income	174	171
Experience on plan assets (excluding amounts included in interest income) - (loss)/gain	(431)	700
Contributions by employer	244	248
Contributions by plan participants	-	4
Benefits paid and expenses	(236)	(198)
<b>Fair value of plan assets at end of period</b>	<b>7,844</b>	<b>8,093</b>

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2021 to 31 March 2022 was (£257,000).

<i>Defined benefit costs recognised in statement of comprehensive income (SOCl)</i>	Year ended 31 March 2022	Year ended 31 March 2021
Current service costs	-	7
Expenses	5	5
Net interest expense	32	15
<b>Defined benefit costs recognised in statement of comprehensive income (SoCl)</b>	<b>37</b>	<b>27</b>

<i>Defined benefit costs recognised in other comprehensive income</i>	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Experience on plan assets (excluding amounts included in interest income) - (loss)/gain	(431)	700
Experience gains and losses arising on the plan liabilities - (loss)/gain	(217)	54
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain/(loss)	147	(36)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain/(loss)	639	(1,807)
<b>Total amount recognised in other comprehensive income - gain/ (loss)</b>	<b>138</b>	<b>(1,089)</b>

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 26 Pensions - SHPS (continued)

<b>Assets</b>	<b>Year ended 31 March 2022 £'000</b>	<b>Year ended 31 March 2021 £'000</b>
Global equity	1,505	1,290
Absolute return	315	447
Distressed opportunities	281	234
Credit relative value	261	255
Alternative risk premium	259	305
Fund of hedge funds	-	1
Emerging market debt	228	327
Risk sharing	258	295
insurance - linked securities	183	194
Property	212	168
Infrastructure	559	539
Private debt	201	193
Opportunistic illiquid credit	263	206
High Yield	68	242
Opportunistic Credit	28	222
Cash	27	-
Corporate bond funding	523	478
Liquid credit	-	97
Long lease property	202	159
Secure income	292	336
Liability driven investment	2,188	2,056
Currency Hedging	(31)	-
Net current assets	22	49
<b>Total assets</b>	<b>7,844</b>	<b>8,093</b>

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

<b>Key assumptions</b>	<b>Year ended 31 March 2022 % per annum</b>	<b>Year ended 31 March 2021 % per annum</b>
Discount rate	2.79%	2.15%
Inflation (RPI)	3.62%	3.29%
Inflation (CPI)	3.21%	2.86%
Salary growth	4.21%	3.86%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	<b>Life Expectancy at age 65 (Years)</b>
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 26 Pensions - SHPS (continued)

Active Members	Number	Total earnings (£'000 p.a)	Average age (unweighted) (Years)
Males	-	-	-
Females	2	63	53
<b>Total</b>	<b>2</b>	<b>63</b>	<b>53</b>

Deferred members	Number	Total earnings (£'000 p.a)	Average age (unweighted) (Years)
Males	6	31	54
Females	15	46	51
<b>Total</b>	<b>21</b>	<b>77</b>	<b>52</b>

Pensioners	Number	Total earnings (£'000 p.a)	Average age (unweighted) (Years)
Males	12	139	69
Females	10	75	67
<b>Total</b>	<b>22</b>	<b>214</b>	<b>68</b>

#### *Defined Contribution Scheme*

A defined contribution scheme is operated by the Sovini Group on behalf of all subsidiary undertakings. The assets of the scheme are held separately from those of the association in an independently administered fund. The pension charge represents contributions payable by the group to the fund, which is detailed in note 8 to the accounts.

#### 27 Non-equity share capital

	2022 £	2021 £
<b>At 1 April</b>	<b>8</b>	<b>9</b>
Shares issued in the year	2	2
Shares cancelled in the year	(3)	(3)
<b>At 31 March</b>	<b>7</b>	<b>8</b>

The share capital of the association consists of shares with a nominal value of £1 each, which carry no rights to dividends or other income. Shares in issue are not capable of being repaid or transferred. When a shareholder ceases to be a member, that share is cancelled and the amount paid thereon becomes the property of the association. Therefore, all shareholding relates to non-equity interests.

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 28 Capital commitments

	2022	2021
	£'000	£'000
Commitments contracted but not provided for		
Construction	75,912	79,839
Commitments approved by the board but not contracted for		
Construction	57,059	45,450
	132,971	125,289

Capital commitments for the group and association will be funded as follows:

	2022	2021
	£'000	£'000
Social housing grant	15,012	11,593
New and existing loans	109,661	103,854
Sales of properties	8,298	9,842
	132,971	125,289

#### 29 Related party disclosures

##### *Related party transactions with group subsidiaries*

The ultimate controlling party of the group is Sovini Limited – Co-operative and Community Benefit Society.

- ***Sovini Property Services Limited***

During the year, One Vision Housing Limited had transactions with Sovini Property Services Limited. One Vision Housing Limited made purchases of £31.9m (2021: £26.3m) from Sovini Property Services Limited. £9.1m (2021: £4.6m) has been capitalised within tangible fixed assets and £22.8m (2021: £21.7m) has been expensed to the income and expenditure account as development costs, responsive, planned & cyclical repairs and regeneration programme expenses.

Included within debtors are amounts owed by Sovini Property Services Limited of £2.6m (2021: £1.5m). Included within creditors are amounts owed to Sovini Property Services Limited of £3.3m (2021: £2.1m).

- ***Sovini Limited***

During the year, One Vision Housing Limited had transactions with its parent entity Sovini Limited. One Vision Housing Limited incurred corporate service charges of £5.7m (2021: £5.2m) which have been expensed to the income and expenditure account and have purchased development services of £1.0m (2021: £0.9m) which have been fully capitalised. Sovini Limited have also recharged expenses of £943k (2021: £471k) of which £40k (2021: £321k) have been capitalised within intangible fixed assets and £904k (2021: £150k) have been expensed to the income and expenditure account. The SLA charges incurred are as follows:

	2022	2021
	£'000	£'000
Corporate service costs	5,349	4,932
Investment programme	338	247
	5,687	5,179

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

#### 29 Related party disclosures (continued)

The recharges issued via Sovini Limited include:

	2022 £'000	2021 £'000
Corporate service costs	943	471
	943	471

Included within creditors are amounts owed to Sovini Limited of £339k (2021: £30k) and included within debtors are amounts owed from Sovini Limited of £765k (2021: £752k).

- **Sovini Trade Supplies Limited**

During the year One Vision Housing Limited recharged costs of £28k (2021: £8k) to Sovini Trade Supplies Limited a fellow subsidiary in the Sovini Limited group. Included within creditors are amounts owed to Sovini Trade Supplies Limited of £211k (2021: £nil). Included within debtors are amounts owed from Sovini Trade Supplies Limited of £97k (2021: £nil).

- **Sovini Development Limited**

During the year, One Vision Housing Limited had transactions with its subsidiary Sovini Development Limited. One Vision Housing Limited made purchases of £21.6m (2021: £24.3m) from Sovini Developments Limited of which has been capitalised within tangible fixed assets with £0.3m (2021: £0.03m) expensed to the income and expenditure account. Included within creditors are amounts owed to Sovini Development Limited of £1.6m (2021: £3.2m) and within debtors are amounts owed from Sovini Development Limited of £0.3m (2021: £nil).

- **Sovini Construction Limited**

During the year One Vision Housing Limited made purchases of £0.3m (2021: £3.0m) from Sovini Construction Limited a fellow subsidiary in the Sovini Limited group which has been expensed to the income and expenditure account as development costs, responsive, planned & cyclical repairs and regeneration programme expenses. Included within creditors are amounts owed to Sovini Construction Limited of £nil (2021: £0.3m) and included within debtors are amounts owed from Sovini Construction Limited of £1.6m (2021: £2.0m).

- **Sovini Waste Solutions Limited**

During the year, One Vision Housing Limited recharged expenses of £5k (2021: £nil) to Sovini Waste Solutions Limited a fellow subsidiary and incurred expenses totalling £nil (2021: £1k). Included within debtors are amounts owed from Sovini Waste Solutions Limited of £24k (2021: £nil).

- **Sovini Land Acquisition Limited**

During the year, One Vision Housing Limited incurred expenses totalling £364k (2021: £72k). Included within creditors are amounts owed to Sovini Land Acquisition Limited of £nil (2021: £1k). Debtors and creditors were £nil at year end in relation to Sovini Land Acquisition Limited.

- **Sovini Commercial Limited**

During the year, One Vision Housing Limited received loan interest of £254k (2021: £254k) and other income of £nil (2021: £20k). Included within debtors are amounts owed from Sovini Commercial Limited of £7m (2021: £7m) in relation to commercial on-lending.

- **Amianto Services Limited**

During the year One Vision Housing Limited made purchases of £1.1m (2021: £0.9m) from Amianto Services Limited a fellow subsidiary in the Sovini Limited group. Included within debtors are amounts owed from Amianto Services Limited of £59k (2021: £31k) and within creditors are amounts owed to Amianto Services Limited of £23k (2021: £91k).

## One Vision Housing Limited

### Notes Forming Part of the Financial Statements for the year ended 31 March 2022 (continued)

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#### 29 Related party disclosures (continued)

- **Pride of Sefton**

During the year, One Vision Housing Limited recharged expenses of £1k (2021: £4k) to Pride of Sefton and donated £nil (2021: £4k), debtors and creditors were £nil at year end in relation to Pride of Sefton (2021: £nil).

- **Sovini Charities Limited**

During the year, One Vision Housing Limited donated £3k (2021: £nil) to Sovini Charities Limited, debtors and creditors were £nil at year end in relation to Sovini Charities Limited (2021: £nil).

- **Teal Scaffold Limited**

During the year, One Vision Housing Limited paid expenses of £26k (2021: £8k) to Teal Scaffold Limited a fellow subsidiary in the Sovini Limited group. Included within creditors are amounts owed to Teal Scaffold Limited of £nil (2021: £nil).

- **Pine Court Housing Association**

During the year One Vision Housing Association had transactions with Pine Court Housing Association, a fellow subsidiary in the Sovini Limited group. One Vision Housing Association recharged expenses of £111k (2021: £143k) and SLA charges of £60k (2021: £59k) to the income and expenditure statement.

Included within debtors are amounts owed from Pine Court Housing Association of £3,500k (2021: £3,512k), of which £3,500k relates to an intercompany loan and within creditors are amounts owed to Pine Court Housing Association of £nil (2021: £8k).

#### **Related party transactions with board members**

The One Vision Housing board includes one tenant member who holds a tenancy agreement on normal terms and cannot use their position to their advantage. The rent charged for the year for the member was £4,878 (2021: £4,806) and the tenant had a year end rent account credit balance of £494 (2021: £494 credit).

#### 30 Contingent liabilities

##### **Grants on amalgamation**

As a result of the amalgamation with Venture Housing Association Limited (30 January 2015), properties were brought in at their fair value and therefore £34,173,556 of Social Housing Grant (SHG) was not recorded in the Statement of Financial Position. In the event that a property acquired on amalgamation is disposed the associated SHG released on completion may be repayable, but is normally available to be recycled and credited to a recycled capital grant fund or disposal proceeds fund and included in the statement of financial position in creditors.

##### **Social Housing Pension Scheme**

We have been notified by the Trustee of the Social Housing Pension Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee has been advised to seek clarification from the Court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities, but until Court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

#### 31 Events after the end of the reporting period

On 1 June 2022 the association sold its head office building for a consideration of £2.9m, as at 31 March 2022 the office building was held as long leasehold land and building (note 15) at a value of £2.5m.

Post year end the association has obtained a £75m revolving credit facility with Barclays, of this £50m is refinancing of existing facilities and £25m of new financing, the company has access to this RCF from June 2022 to June 2027, with extension options available to June 2029.