



NB
Housing

Homes that build community

Value for Money Statement

2022-2023



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Introduction

NB Housing is committed to providing services and managing its assets in ways that achieve Value for Money (VfM).

Value for Money is:

Making the most efficient use of our assets and resources to deliver high quality and innovative services that successfully meet customer needs and expectations at lowest possible cost”¹

For NB Housing, Value for Money is about becoming a modern and efficient business, improving our service quality and providing social housing for those in need. Value for Money is a relatively new concept to Northern Ireland and brings a new concentrated focus on how we can deliver better and more.

We take a comprehensive approach to self-assessment and use this information to drive business decisions, and develop our improvement plans. The information also highlights trends in expenditure and focuses our team’s approach to VfM.

This report includes a self-assessment demonstrating we are achieving value for money in meeting our business aims. We look forward to taking part in a standard benchmarking format with Housemark to enable us to compare each other’s performance and share knowledge where best value is achieved.

The information provided in this report is taken from a number of sources, financial information is taken from our Annual Audited Accounts, while other information has been collated from internal Key Performance Indicator reports and Tenant Feedback.

We are mindful that value is not always about cutting costs, but about getting better services and results. We are very mindful that tenant and customer satisfaction provides an independent assessment of our performance and I am glad to see the majority of tenants are satisfied with the quality of our service. Customer satisfaction is the paramount measurement of our success but we also must concentrate on all operational areas to ensure funds and resources are available to continue to provide the very valuable and important front line services.

In order to deliver value for money we use a number of mechanisms and business processes, ensuring budget decisions are made that support our operational plan, proper and effective procurement is undertaken to source services, business performance and operational plans are linked to staff reviews and frequent and appropriate performance monitoring is undertaken.

¹ English Regulatory Definition



Summary of Results 2023



£98.27
average rent (incl.
service charges)



turnover
£7.7m
up 2.7%



70% of tenants
surveyed were satisfied
with the overall service
of NB Housing



£5,967,623
invested in
new housing



1108
homes



41
staff



**major repairs (incl
component replacements**
£514,890



92%
of anti-social behaviour
cases resolved



0.93% of properties
void at the end of March 2022



85% of tenants
surveyed said that
staff were able to
deal with their query



839 hours
invested in learning
and development



81.79%
of repairs were
completed on time



£2.011m
for reinvestment



21 adaptation
requests completed



55
allocations



76% of tenants
surveyed were
satisfied with their
accommodation



69 units
started on site

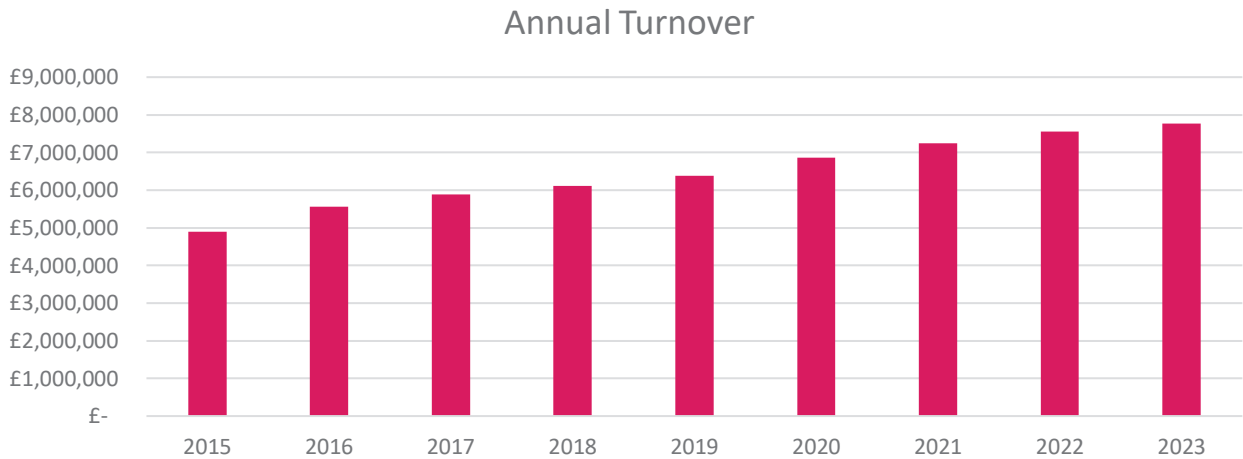


87% of tenants
surveyed said that they
found staff helpful



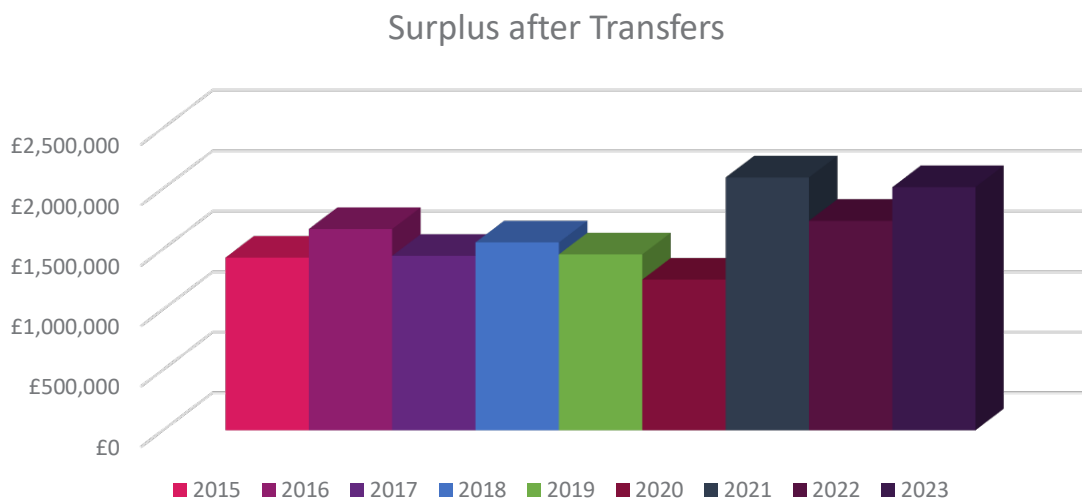
Financial Performance

Turnover



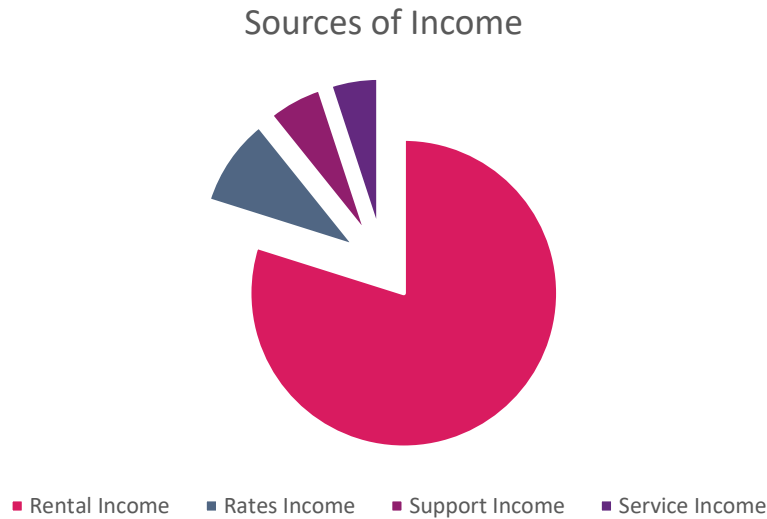
Since forming NB Housing in May 2014, we have consistently grown our annual turnover by just over £2.869m which represents a 63% growth since 2015. (£7.763m) This result is due to increases in property rental charges over the years and additional stock being added to our property portfolio bringing our total stock numbers to 1,108 with a capital value in the region of £85 m in value.

Surplus after Transfers



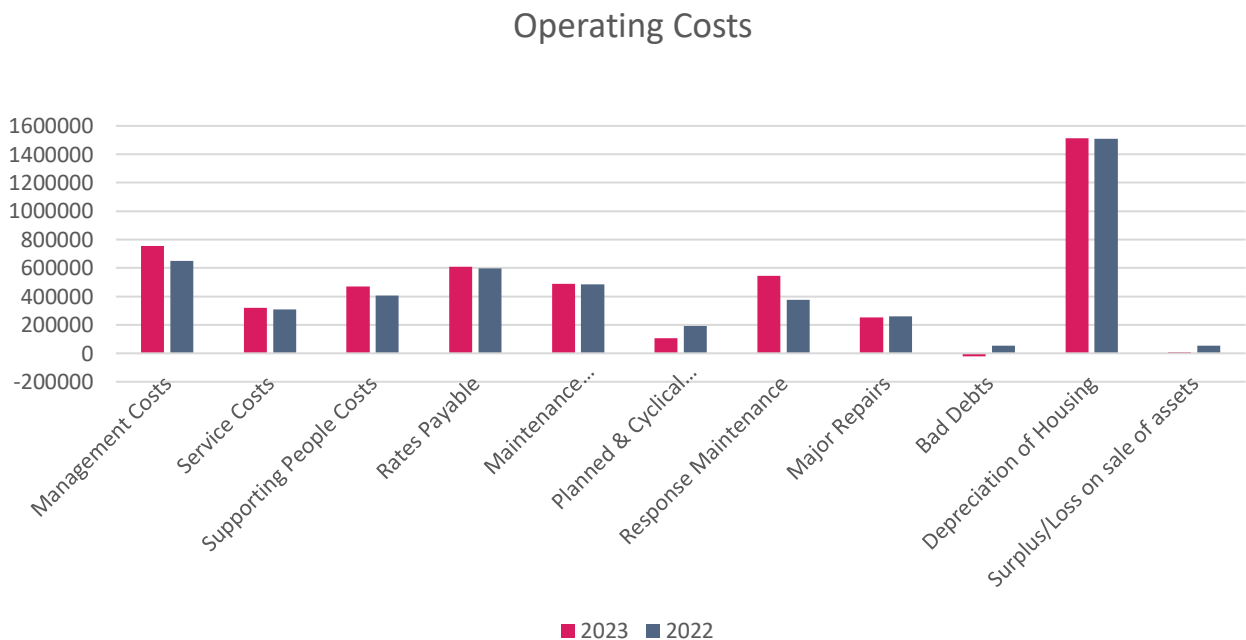
Surplus for the year was £2,011,290 representing an increase from the previous year. It should be noted in the preparation of the 2022/2023 Statutory Accounts there was a change to the accrual treatment as the association was overly prudent in accrual preparation.

Sources of Income



The majority of our income over £5.02m comes from rental charges. Support income increased to £359,548 from £334,533 the previous year after a successful bid submission made to our funder the NIHE Supporting People department to cover one off costs for the Foyer Connect project to help residents recover after Covid-19. Service Income grew to £317,221 reflecting services provided in apartment schemes and annual increases. It is good to see overall income increasing by 3.86%.

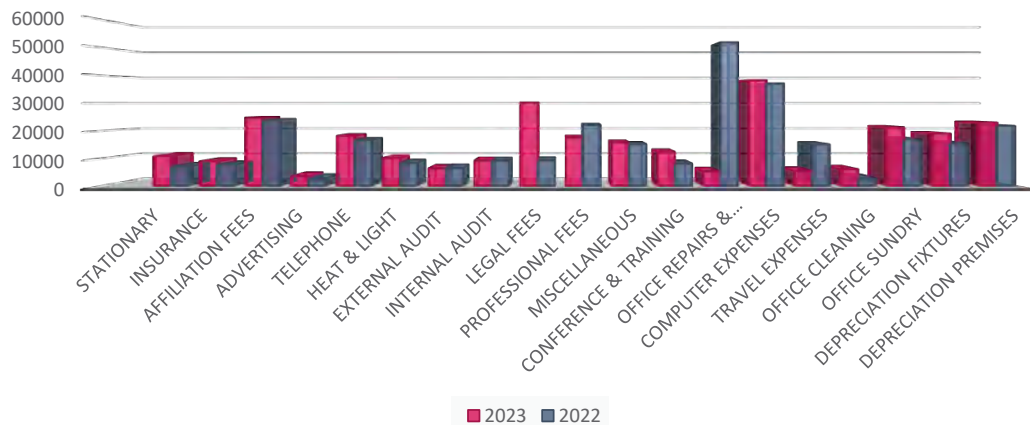
Operating Expenses



The above chart provides an illustration of operating expenditure broken down into activity with a comparison to the previous year. Generally, costs increased particularly to reflect higher salary costs and costs increases.

Administration Costs

Other Administration Costs



Legal Fees increased from the previous year reflecting legal advice on a number of ASB cases, amending the revolving credit facility and advice dealing with JMC liquidator.

Costs generally increased across most areas due to the inflationary increases being reflecting in actual costs incurred.

Office Salaries

	2023	2022	2021	2020	2019	2018	2017	2016
Salaries and National Insurance	£1,124,512	£1,061,020	£1,035,915	£955,041	£793,203	£691,088	£686,930	£651,764
Costs per Unit	£1,015	£971	£957	£910	£790	£704	£715	£699

Head office salary costs increased during the last financial year reflecting movement in scales and cost of living increases.

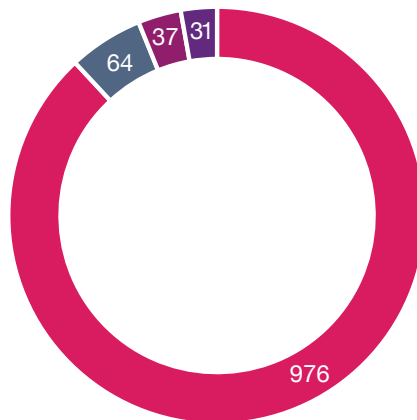
Housing Management

Stock Profile

NB Housing is determined to provide homes for families in need of social housing by continuing to be a developing association. During the year development progress was limited as we added 17 units.

Stock Numbers								
2023	2022	2021	2020	2019	2018	2017	2016	2015
1108	1091	1082	1049	1004	981	961	933	903

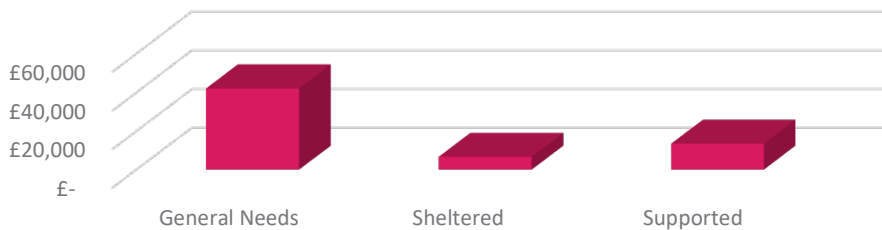
Stock by tenure 2023



■ General Needs ■ Sheltered Housing ■ Directly Managed Supported Housing ■ Partnered Supported Housing

Loss on Voids

Void Loss by Tenure



Losses as a result of void properties reduced substantially during the year. Overall void losses in 2023 was £65,578 compared to £65,019 in 2022.

Re-Let Times

The re-let time is measures from the time a property has become available to let (all repairs completed) to allocation.

KPI Summary: Allocation times of available properties

2022/23	Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Average re-let times for general needs	2 weeks	1.29 wks	1.17 wks	0.29 wks	0 weeks
Average re-let times for general needs Apartments	5 weeks	2.17 wks	2.5 wks	2.5 wks	4.25 weeks
Average re-let times for Sheltered	5 weeks	3.5 wks	1 week	0 wks	1.5 weeks
Average re-let times for Supported housing (Foyer)	5 weeks	1.14 wks	3 wks	0.8 wks	0.45 weeks
Average re-let times for difficult to lets		N/A	N/A	N/A	N/A

The average re-let time for all available properties were allocated within the time frames regardless of tenure type which is a very good performance indicator, demonstrating void loss is reduced and time taken from a void being brought back to a lettable standard and to allocation is short. It is also important to consider many of the voids would be apartments and would be considered more difficult to let than standard homes.

Arrears Management Performance

Year	2023	2022	2021	2020	2019	2018	2017	2016
Total Arrear	£240,960	£244,533	£203,179	£196,472	£168,936	£124,750	£139,261	£130,306

Arrears decreased slightly from the previous year by just over £3.5k. This reported figure is the actual rent arrears due to the association at a date in March 2023. This figure will be higher than the provision for bad debts reported in our annual accounts as this figure allows for technical debt due after the report was run.

Tenant Satisfaction Feedback 2022-2023

2022/2023					
	Very Satisfied	Fairly Satisfied	Neither	Fairly Dissatisfied	Very Dissatisfied
1. NB Housing overall service	35%	35%	8%	8%	13%
2. Rent represents good value	37%	37%	14%	4%	7%
3. Your accommodation	31%	45%	5%	11%	8%
4. Area/ location	40%	36%	9%	10%	5%
5. Service charges provide value for money	33%	37%	16%	3%	11%

% of Tenants Very/Fairly Satisfied				
	2019/ 20	2020/21	2021/22	2022/23
1. NB Housing overall service	93%	84%	74%	70%
2. Rent represents good value	90%	75%	71%	74%
3. Your accommodation	84%	79%	75%	76%
4. Area/ location	88%	74%	78%	76%
5. Service charges provide value for money	90%	74%	64%	70%

Tenant satisfaction levels across 3 of the 5 categories listed increased slightly during 2022-2023 but are far behind the pre-pandemic levels of 2019-2020. It is very evident the impact the pandemic had had on tenant satisfaction levels which has been replicated across the wider social housing service providers and other services. We have developed an action plan and will focus attention and energy on getting back to the basics of more frequent tenant contact and improved repair delivery. Both of which has been a particular challenge during the pandemic.

Property Management & Development

Number of MTC Response Repair Orders Raised

KPI 2022-23	No of Orders	% On Time	% Late	2021-22
Emergencies	1669	81.5%	18.5%	97.4%
Urgent	931	74.0%	26.0%	87.2%
Routine	1571	74.6%	25.4%	81.7%

Performance completing repairs within timescales was a challenge during the year.

Expenditure by Category

Repair Category	Actual	Budget	% Variance	Average per Property 2023	Average per Property 2022
Response Repair Expenditure	£439,976	£360,000	122%	£397	£301
Cyclical Costs	£104,900	£412,582	25%	£95	£177
Expensed Major Repairs	£133,632	£616,358	21%	£120	£75

Adaptations

No of Requests	Expenditure	Adaptation Grant Received	Grant as a proportion of Expenditure
21	£41,644	£104,446	250%

Some grant income relates to large adaptations commenced in previous year.

Boiler Servicing Record

Heating Type	No of Units	No Outstanding	% Outstanding
Gas	999	1	0.1%
Oil	79	0	0%
Solid Fuel	1	1	100%

Investment Activity

	2023	2022	2021	2020	2019	2018	2017
Additions to fixed asset values (Excluding sales)	£4,989,057	£3,338,194	£3,976,686	£6,354,074	£7,099,518	£3,568,924	£3,494,068
Capital Grants received	£3,969,386	£2,159,591	£2,415,626	£2,946,452	£3,801,199	£2,036,058	£1,800,204
Value of Fixed Assets	£85,256,777	£80,265,720	£78,918,425	£76,905,864	£72,461,195	£66,798,487	£64,576,710
Long Term Borrowing	£5,906,662	£6,412,915	£7,178,333	£7,937,854	£7,700,641	£6,031,062	£6,949,311
Debt per Unit	£5,331	£5,878	£6,634	£7,567	£7,670	£6,148	£7,231

Debt per unit is a useful measurement of the financial health of the association. The above information highlights the increase in development activity and expenditure and a decrease in debt to fund development activity as repayments are made. This low level of debt per unit ensures our ability to seek additional finance to fund development activity well into the future.

Human Resources

Staff Absences

	2023	2022	2021	2020	2019	2018	2017
% Absence Head Office	5.63%	8.52%	3.55%	1.23%	0.96%	0.34%	1.92%
% Absence Support & Other	6.0%	9.49%	6.18%	10.7%	2.48%	6.3%	6.59%
Total Days	602	955	484.5	489.5	141.5	247	357
Overall % Absence	5.76%	8.91%	4.48%	5.03%	1.41%	3.06%	4.21%

A reduction in staff absence was experienced compared to the previous year. This was after conclusions were reached in a number of long-term absences and with a small employee base this impacts the statistics.

Staff Training

	2023	2022	2021	2020	2019	2018	2017
Training Spend	£12,080	£8,236	£5,854	£11,240	£14,034	£15,480	£12,000

NB Housing supports personal development and appreciates how training is fundamental to the successful delivery of a first class services. The cost of training increased during the year taking advantage of on line virtual courses. 839 training hours were provided with 271 attendees.

How we compare with others

Housing Association	Year	Units	Turnover	Operating Costs	Surplus	Nett Surplus	Surplus per Unit
Association A	2022	1,119	£6,389,335	£4,264,412	£2,124,923	£536,063	£479
Association B	2022	1212	£7,487,039	£5,008,832	£2,478,207	£1,452,886	£1,199
Association C	2022	705	£4,088,990	£2,757,783	£1,331,209	£797,530	£1,131
Association D	2022	2457	£17,411,205	£15,571,869	£1,839,336	£683,526	£278
Association E	2022	6592	£60,575,521	£52,956,696	£7,618,825	-£2,505,808	-£380
Association F	2022	5685	£42,414,269	£29,291,888	£13,122,381	£9,265,261	£1,630
NB Housing	2023	1108	£7,763,903	£5,219,627	£2,544,276	£2,011,290	£1,815

For the purposes of this comparison we have reviewed information contained in the listed associations reported annual accounts. Please note all the information for the other providers relates to year end Annual Accounts 2022 which is the latest set of figures available on the Charities Commission's website. Of the associations listed NB Housing returned the highest surplus per unit.

Analysis of Private Finance drawn and debt per unit

Housing Association	Year	Units	All Loans	Debt per Unit
Association A	2022	1119	£36,538,487	£32,653
Association B	2022	1212	£24,202,926	£19,969
Association C	2022	705	£17,758,823	£25,190
Association D	2022	2457	£48,465,136	£19,725
Association E	2022	6592	£275,708,820	£41,825
Association F	2022	5685	£174,686,064	£30,728
NB Housing	2023	1108	£5,906,662	£5,331

Our debt per unit is the lowest by a large margin of all providers selected. This is reflective of our ability not to borrow against all schemes reducing the need for private finance as well as paying finance off quickly. We have adequate security to continue to fund an expansive development programme.

How we compare with others

Housing Association	Year	Units	Management Costs	Per Unit	Maintenance Costs	Per Unit
Association A	2022	1119	£943,132	£843	£1,607,406	£1,436
Association B	2022	1212	£487,981	£402.62	£1,843,046	£1,520.67
Association C	2022	705	£656,186	£930.76	£777,175	£1,102.38
Association D	2022	2457	£2,062,628	£839.49	£2,660,490	£1,082.82
Association E	2022	6592	£10,712,299	£1,625.05	£5,693,837	£863.75
Association F	2022	5685	£3,813,207	£670.75	£3,279,560	£576.88
NB Housing	2023	1108	£756,401	£682.67	£810,295	£731.31

Conclusion

It has been yet another very difficult and challenging year for the association.



We had hoped that by moving out of the worst pandemic we would be able to see many improvements across all activities but unfortunately this was not the case. The main downward trends were experienced in tenant satisfaction and the lack of maintenance activity during the year.

Tenant satisfaction scores increased slightly across 3 of the 5 main indicators with reduction in the other two. But overall satisfaction levels are far behind the previous scores experienced pre-pandemic. From our research this trend has been witnessed across other social landlords and could reflect people's attitudes post pandemic. Tenants have and still struggle more than ever as the cost of living and in particular fuel and energy costs rise. This combined with high inflation requires government intervention to help the worst-off families as they strive to provide good family homes for their children.

However, we must be critical that we were unable to deliver our maintenance as expected. After the MTC contractor went into administration the previous year, we entered a contract procured by another association. It quickly became realised that this contractor may not have had the capability to deliver the service we required or expected. The contractor experienced challenges with staff recruitment and retention and continuity of service. This led to a break in the standards of service expected by NB Housing and relations deteriorated, resulting in the contract being terminated before

its natural end date. Performance did suffer as can be seen in the performance reports both on response times and lower expenditure on repairs and maintenance service.

We did however learn from this experience and commenced a tender exercise to find replacement contractors during the year with new contract in place for 2023-2024. A proposal was presented to board on how we could manage the risk to service delivery and the board supported a number of contracts across geographical lots and lots. This resulted in a number of contracts being in place with a greater number of providers which will hopefully improve service delivery.

On a positive note we managed to reduce the number of days absent due to sickness which helps with service delivery, staff workload and job satisfaction. We have continued to grow our revenue and our financial performance remains very good. The association has the ability to source private finance and has security available to fulfil our long-term maintenance plans.

During the year we had commenced 69 new units to add to our portfolio and commenced a number of competitive design and build contracts. The association is well placed to grow and expand across Northern Ireland where opportunities arise and offer value for money.

The past year was the first year of our new corporate strategy 2022-2025 supported by an

annual business plan designed to support the delivery of our strategic aims. The business plan contained a total of 83 objectives of which we achieved 73, partially achieved 3 and did not achieve 7.

It is essential we focus our attention to the delivery of key services, involve and offer tenants more choice and encourage better satisfaction levels. We plan to invest in tenant engagement and attract more tenants to our tenant panels and take a more active role in tenant participation.

NB Housing appreciates that being an efficient and effective business is essential to delivering on our business aims and objectives. This is a strategic priority for the board who consider it an obligation to deliver services that are of good quality and at a competitive rate. This is more fundamental than ever, given the uncertain economic environment we are currently operating with factors such as interest rates, inflation and the cost of living largely beyond the associations control. The association will continue to monitor our performance against other similar associations and focus efforts where performance is of concern. The board remains committed to a robust assessment of performance annually to improve business sustainability, viability and opportunity.

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Chief Executive



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