

NORTHERN HOUSING CONSORTIUM

ANNUAL REPORT 2021

CHIEF EXECUTIVE'S INTRODUCTION

The period covered by this Annual Report must count as both the most tumultuous, but also I think one of the most successful, in the Northern Housing Consortium's near-50 year history.

In April 2020, the NHC staff team were two weeks into fully remote working and had just hosted our first webinar. As I write this in October 2021, we have closed our old offices, opened a dynamic new 'hub' office and now have over 230 virtual events under our belt.

I am hugely proud of the adaptability shown by the NHC team. But while we acted quickly in 2020/21 to maintain services; our response to the pandemic has not distracted us from the increasingly successful delivery of our core objectives.

In 2018, members asked us to develop a stronger, clearer voice on behalf of housing in the North and I hope that you have seen evidence of this – whether it's members of the team giving evidence to Parliamentary select committees, our work to influence the Spending Review, or the evidence base we've built around net zero and levelling-up. We have worked hard to build the evidence base, craft compelling messages and ensure those messages reach and connect with decision-makers and policy shapers.

Our commercial solutions continue to deliver value for members and contribute to the strong financial footing that enables us to perform our influencing and engagement functions for our membership. Through our ongoing partnership with the LHC, we can offer members access to a range of construction-related frameworks, complementing Consortium Procurement's traditional strengths in areas such as technology-enabled care and compliance solutions.

Independent research with NHC members over Summer 2021 found that 95% of our members are satisfied or very satisfied with their NHC membership and 90% think membership offers good value for money. This is very encouraging, but we are not complacent. These are results that we're seeking to build on in 2020/21, and as we work with our member-led Board to craft a new corporate plan for 2022 and beyond.

I would like to thank the Board and the entire NHC staff team for their collaborative, supportive and energetic approach to all our work – and huge thanks also go to you, our members, for your ongoing support for the NHC.



TRACY HARRISON
CEO, NORTHERN HOUSING CONSORTIUM



CHAIR'S FOREWORD

Welcome to our Annual Report, in which we report back to members on the NHC's activity in 2020/21 – a year of extraordinary challenges and change for all of us.

This is my first Annual Report as Chair of the Consortium, and I would like to begin by paying tribute to my predecessor Tom Miskell, who chaired the Board for 5 years. Tom has overseen the NHC growing in confidence, commerciality and credibility and I thank him on behalf of the whole sector in the North for that.

I would also like to thank my fellow Board members for their contributions to the Consortium's success. They all perform their Board duties in addition to demanding executive roles, and they do so with the interests of the sector in the North at heart.

Tracy and the NHC staff team have skilfully managed a transition of their services online over the last year – ensuring continuity and enhancement of NHC services that members rely on, whilst continuing to develop the Consortium's profile and influence on behalf of the sector.

The team have made excellent progress in implementing the Consortium's 2019-2022 Corporate Plan – this Annual Report details just some of the ways they have delivered on the objectives the Board worked with them to develop for the organisation back in 2019. I'm sure you will agree it is a record to be proud of, and I thank the whole team for their hard work.

Your Board is now working with the Consortium's executive team to develop a new Corporate Plan for 2022 and beyond, a Plan that will build on the significant advances we have seen the NHC make in recent years.

The Consortium belongs to every one of its members. It is a unique forum that brings together councils, housing associations, ALMOs and Combined Authorities – organisations that share a common collective interest in making the North an even better place to live.

When the Consortium is successful, we all share in its success; so I urge all members to get behind Tracy and the team and make the most of their NHC membership.



PAUL FIDDAMAN

CHAIR, NORTHERN HOUSING CONSORTIUM



OUR BOARD 2020/21



Tom Miskell OBE (Chair)
Consultant (left November 2020)



Paul Fiddaman (Current Chair)
Group Chief Executive, Karbon Homes
(Chair from November 2020)



Steve Close (Vice Chair)
Chief Executive, Together Housing Group



Lee Sugden
Interim MD, ALMO, Manchester City Council



Karen Lythe
Assistant Director Strategic Housing,
Doncaster Council



Barbara Spicer CBE
Chief Executive, Plus Dane Housing
(Left November 2020)



Yvonne Castle
Chief Executive, Johnnie Johnson
Housing



Nigel Wilson
Group Chief Executive, Gentoo



Paul Shevlin
Chief Executive, Craven District Council
(Joined November 2020)



Sarah Robson
Corporate Director for Growth, Enterprise and
Environment, Redcar and Cleveland Council
(Left November 2020)



Liz Haworth
Chief Executive, Halton Housing



Greg Robinson
Assistant Chief Executive Resources,
Incommunities (Left November 2020)



Ian Wardle
Chief Executive, Thirteen Group



Tony Reeves
Chief Executive, Liverpool City Council
(Joined April 2020)



Judith Furlonger
Head of Housing, West Yorkshire
Combined Authority
(Joined November 2020)



Léann Hearne
Chief Executive Officer, Livv Housing
Group (Joined March 2021)



Charlotte Norman
Group Chief Executive, Mossacre St
Vincent's Housing Group
(Joined March 2021)

YEAR IN NUMBERS 2020/2021

TOTAL NUMBER OF MEMBERS: 465

MEMBERS BY TYPE:

FULL 148

COUNCILS, HOUSING ASSOCIATIONS AND ALMOS IN THE NORTH OF ENGLAND.

AFFILIATE 156

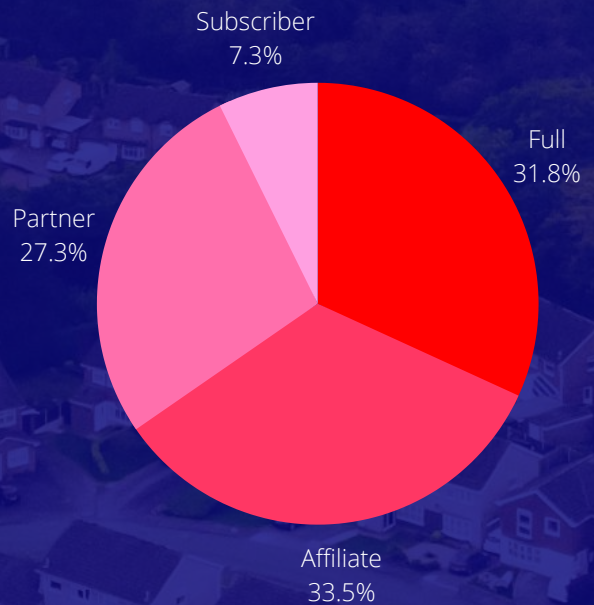
HOUSING ORGANISATIONS OUTSIDE THE NORTH WHO JOIN TO ACCESS OUR PROCUREMENT SOLUTIONS.

PARTNER 127

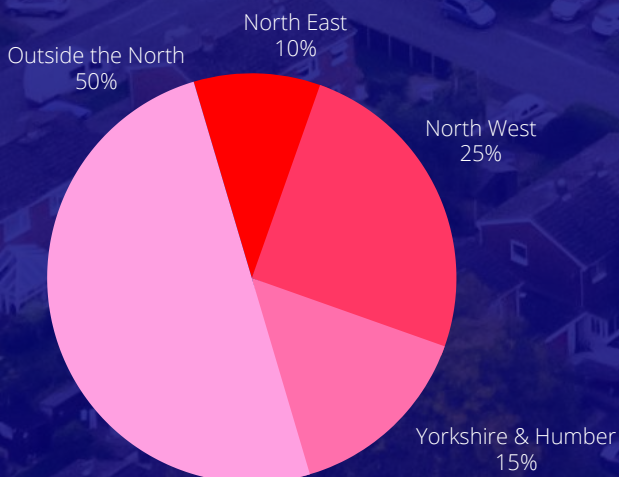
ORGANISATIONS WHO HAVE BEEN SUCCESSFUL IN BIDDING ON OUR FRAMEWORKS.

SUBSCRIBER 34

ALL OTHER ORGANISATIONS INTERESTED IN WORKING WITH US OR ACCESSING OUR SOLUTIONS INCLUDING THOSE FROM OTHER SECTORS



GEOGRAPHICAL BREAKDOWN:



NORTH EAST 10%

NORTH WEST 25%

YORKSHIRE & HUMBER 15%

OUTSIDE THE NORTH 50%

TOTAL NUMBER OF EVENTS: 149

Annual Report 2020-2021

In 2019 the Northern Housing Consortium adopted a new Corporate Plan for 2019/20–2021/22. Excellent progress has been made in implementing this plan and as we head towards 2022, work has already started on an ambitious new corporate plan and set of objectives which will build on the success of the last three years and drive an even more ambitious vision for housing in the North.

The current Corporate Plan sets out:

Our mission: A member services organisation for northern housing providers.

Our vision: To use our collective voice to have unrivalled influence in achieving housing policy that works for the North and provide outstanding services that support our members to create great places to live.

We have five objectives which drive our work:

1. Connected to members at all levels
2. Unrivalled ability to shape and deliver services that add value for members
3. Craft messages and built an evidence base on the issues that matter to members
4. Ensure our messages reach and connect with decision makers and policy shapers
5. Solid financial footing

This year's annual report is organised around our objectives and sets out what we have done to deliver on these objectives in 2020/21.

Connected to members at all levels

At the heart of all the NHC's work is a deep understanding of members' needs, drawn from our extensive engagement activity. Our activity reaches members across a range of different roles and levels within our member organisations. This encompasses events, executive engagement and our online member portal, MyNHC - offering members an instant overview of their membership information. This year we rolled-out event recordings on MyNHC allowing members to access events at a time suitable to them.

In April 2020 we reacted swiftly to remote working by moving all of our events online.

Connecting with members through our ambitious events programme

The NHC continues to run a range of engagement events for our members targeted at a wide variety of roles within their organisations, and during 2020/21 our full programme ran online.

We also took the decision to remove all charges for our online engagement. Roundtables were always without charge, but from 2020 this applied to our conferences and seminars too. This has resulted in excellent engagement with our membership, with more members being able to attend now that time and travel costs have been removed.

Overall, we held 149 online conferences, seminars, roundtables and network meetings throughout the year. 90% of our full members attended at least one conference or seminar, and 87% attended at least one roundtable or network – this is a significant increase on previous years where our engagement programme was face-to-face.

Our programme of networks included Homelessness; Voids and Allocations; Disrepair; Shared Ownership and Leasehold; and regional Policy networks.

As part of the #OurNorth Net Zero programme we held one webinar per week during Autumn 2020, helping members build the confidence, knowledge and connections to effectively decarbonise their homes. We brought together expert speakers from our membership and institutions including United Nations Framework Convention on Climate Change, BEIS and NatWest, and explored the need to declare climate emergencies, unpacked the approaches to green finance and took an in-depth look at current approaches to home retrofit.

The Northern Housing Summit, our flagship event, ran online for the first time in 2020, attracting 145 delegates and an impressive programme of speakers including Lord Deben, Chairman of the Climate Change Committee, and Housing Minister, Christopher Pincher MP.

We have maintained excellent links with the Regulator for Social Housing, and the Housing Ombudsman Service, and facilitate regular meetings for members with both of these regulatory organisations.

Executive engagement through Influence North

Influence North is our executive engagement programme, designed to give executives in our membership the opportunity to hear from government officials and thought leaders from inside and outside the sector. We moved quickly to ensure these opportunities could continue online and ran a successful programme in 2020/21 including meetings with Homes

England, the Regulator of Social Housing, the Department for Business, Energy and Industrial Strategy (BEIS), and the Bank of England.

MyNHC - allowing members to access events, information and resources at a time that suits them

Our online portal, MyNHC, continues to be well-utilised by members. This is the primary route for members to book events and see an overview of their membership information, including procurement contracts and past engagement with us. In 2020 we rolled out the sharing of event recordings via MyNHC, allowing members to access these resources at a time that suits them. We continue to develop MyNHC in line with member needs.

Transition of services post-COVID

The coronavirus pandemic in early 2020 prompted major changes to all aspects of how the NHC operates. We already operated a successful staff agile working programme across over half of our staff, allowing them to work and engage with members from home or out and about, and the foresight that we'd already shown in 2019 in equipping all staff with mobile devices (laptops and phones) and Microsoft Teams functionality enabled us to successfully transition 100% of our colleagues to home working overnight without any service downtime across the whole organisation.

We have operated this way through the course of the pandemic, keeping our staff safe and engaging fully with members on a virtual basis. In fact, working this way has allowed us to spend less time travelling and more of our time connecting with members and making our services more accessible to those who live in more remote geographical areas.

We have recently embedded this way of working through our new agile working policy, whilst reintroducing a controlled level of value-added face-to-face engagement, obtaining optimal strength of engagement whilst also supporting our ongoing staff wellbeing, value for money and environmental objectives.

We took the decision not to renew our office lease at Loftus House and have recently opened a much smaller hub at Hope Street Xchange in Sunderland city centre which can support our team when they need a physical base or to collaborate, with 'virtual' working remaining the default. This is supporting us to drive even greater value for members.

We moved our entire events programme online, investing in digital platforms to make access simple for members. We had already committed to more digital engagement opportunities, and the transition to online events has made taking advantage of our engagement programme more cost effective and straightforward for members. In addition, it has reduced the carbon footprint of our events and has allowed us to reach even more members.

Digital working has also allowed us to meet with our members' senior teams more often. In 2020/21, we held over 70 meetings with Chief Executives and Executive Management teams, ensuring we understand our members' priorities and can communicate our work effectively.



#OurNorth

NET ZERO

Campaign Partners:



LIVERPOOL
CITY REGION
HOUSING ASSOCIATIONS



Halton
Housing



thirteen
Managing and building homes



Unrivalled ability to shape and deliver services that add value for members

Staff development and wellbeing

Our staff are at the heart of our unrivalled ability to shape and deliver services that add value for members. Our development and wellbeing programme this year has inevitably focussed on providing a safe, stable and supportive work environment for all our staff through the pandemic. Our IT infrastructure readiness in March 2020 allowed us to transition all staff to home working overnight, ahead of the enforced lockdown, without any gap in services or operations, and our pre-established remote working policy and communications channels proved an essential framework to keep our staff safe and well at home. As a leadership team, we continue to be immensely proud of the achievements and resilience shown by our small but agile staff body, supporting each other and championing the needs of members as a priority, not to mention the increase in the number of NHC pets we are now all familiar with!

For our staff development and wellbeing programme, we work on the ethos that one size does not fit all. We personalise training and development plans to ensure every staff member is empowered to be a subject matter expert in their field. We currently support around a quarter of staff in recognised academic or professional qualifications or affiliation to their respective professional member bodies, safeguarding our authenticity in housing sector knowledge, procurement services and operational support.

The NHC continues to support the sector's GEM Programme which aims to recruit and retain talent to the social housing sector. Our latest GEM recruit started in October 2020. This was a jointly funded post in conjunction with our Consortium Procurement Construction collaboration partners, LHC, specifically to boost engagement, education and solution development around Modern Methods of Construction in the North.

Training needs this year have focussed on mental health support, running full staff and line manager sessions with Mental Health in Business. We now have three accredited staff Mental Health First Aiders as well as a wealth of resources available to staff and line managers through our Benenden offer and via our staff Wellbeing Teams channel. Our monthly staff-led Wellbeing Working Group continues to thrive, providing an open forum for staff to bring any concerns to the table for general discussion.

Flexible Futures – determining how we work for the future

The largest internal initiative over the last year was our Flexible Futures project to determine how we will work in the future. This was an all-staff project to review our Future Workspace (where we work); Future Resources (who, when and how we work); Future Terms and Conditions, and Internal Comms and Wellbeing. Staff told us that they valued flexibility of both work location and working hours and were able to be more productive with less commuting and time spent travelling. This project led us to move from our office at Loftus House to open a smaller collaborative hub at Hope Street Xchange in Sunderland city centre where the team can collaborate. Staff can opt to work from home or collaborate in the office. Under our new agile working policy, staff work with their line managers to agree working hours to balance business needs with their other life commitments. We have been working hard to retain the advantages we have experienced from agile working whilst retaining our colleague relationships, camaraderie and culture through a modernised internal communications approach.

Performance and Wellbeing System (PAWS)

At the heart of the Flexible Futures project is our new Performance and Wellbeing System (PAWS). Conceptualised and developed in-house, it is designed to link together regular performance and wellbeing checks with annual objectives and performance and development reviews. Each staff member has objectives which link directly to the Corporate Plan and through a single system we are then able to ensure we remain focussed on these overarching objectives as we carry out our day-to-day work. We successfully launched the first phase of PAWS in April 2021 and plan to launch the remaining phase by the end of 2021/22.

As we move forwards, we will continue to travel less, work smarter, support each other, and collaborate to achieve the best results.

Consortium Procurement – offering a simple, trusted, and compliant route to procurement.

Consortium Procurement continues to support our members with expert advice from our Account Executives and engagement around our Frameworks and Dynamic Purchasing Systems (DPS). Virtual consultations this year have proved successful and our range of offerings have expanded across the course of 2020/21, with the following new solutions now live:

- Asbestos, Legionella and Mould Framework
- Cleaning Services DPS
- HVAC+R (Heating, Ventilation, Air Conditioning and Refrigeration), Drainage and Plumbing DPS

Working with some of the UK's leading suppliers, our aim is to take away the complexity of procurement for our members by providing them with a simple, trusted, and compliant route to procurement.

We fast-tracked development of our Cleaning Services solution during the year, partly in response to Covid, and have already seen a good uptake from members. Similarly, we have seen significant demand for our new Heating offering. This is a refresh of an existing offering but now includes services focussed on a wider range of low-carbon alternatives including air, ground and water source heat pumps, biomass boilers and solar thermal heating systems. This provides members with a full range of options and brings our offering in line with our policy and influencing focus on decarbonisation and supporting members to reach net zero. Furthermore, the DPS system potentially provides greater access for local and regional supply chains to compete against national suppliers, helping members to drive value locally in their communities.

Further solutions have been in development between April 2020 to March 2021:

- Stairlifts and Lifting Equipment, including Adaptations Product Catalogues, Framework (launching April 22)
- Tenants Contents Insurance Framework (launching April 22)
- Grounds Maintenance DPS (new- launched September 21)

TOTAL SAVINGS BY MEMBERS USING OUR FRAMEWORKS

£8MILLION

AVERAGE SAVING PER MEMBER

£15,000

**NUMBER OF MEMBERS USING
OUR FRAMEWORKS:**

278

**NUMBER OF LIVE CONTRACTS AS
AT 31ST MARCH 2021:**

421

**NUMBER OF ACCOUNT EXECUTIVE
CONSULTATIONS DURING THE YEAR:**

884

**NUMBER OF CALL OFFS COMPLETED
/AWARDED DURING THE YEAR:**

168

**NUMBER OF ATTENDEES AT
PROCUREMENT EVENTS:**

175

FULL LIST OF CURRENT CP AND CPC FRAMEWORKS

- Asbestos, Legionella and Mould (framework)
- Cleaning Services (DPS)
- Commercial Insurance Broker (DPS)
- Electronic Payment Services (framework)
- Fire Safety (framework)
- Furniture Services (framework)
- Grounds Maintenance (DPS)
- Heating, Ventilation, and Air Conditioning (HVAC) + Refrigeration, Drainage and Plumbing (DPS)
- Passenger Lifts (framework)
- Property Safety and Security (framework)
- Residential Property Development and Asset Management (DPS)
- Stairlifts and Lifting Equipment (framework)
- Technology Enabled Care Services (framework)
- Tenants' Contents Insurance (framework)
- Whole House Refurbishment and Associated Works (WH2)
- Offsite Construction of New Homes (NH2)
- Modular Buildings (MB2)
- Public Buildings Construction and Infrastructure (PB3)
- Doorsets, Fire Doors and Communal Entrance Doors (C8)
- Roofing Systems and Associated Works (RS4)
- Windows and Doors – Aluminium (A7) / PVC-U (U10) / Timber (T4)
- Asbestos Services (AS2)
- Fire Safety (FS1)
- Vacant Property Protection & Associated Services (V7)
- Supply of Kitchen Units & Worktops (K6)
- Heating Services (HS1)
- Energy Efficiency Measures & Associated Works (N8)
- Consultancy – Offsite Project Integrator (OPI-1)
- Energy Efficiency Consultancy Services (N8C)
- Engineering Inspection Services (EIS1)
- Whole House Refurbishment (DPS) (WH)

Consortium Procurement Construction (CPC) – our partnership with LHC

Our collaboration with LHC to offer Consortium Procurement Construction (CPC) is continuing to grow, providing our members with access to a full suite of solutions in construction, refurbishment and maintenance of social housing and public buildings (including offsite construction). LHC are a like-minded, not-for-profit consortia with a vast wealth of technical expertise in the construction space. We have worked closely with them for many years. We will be partnering with LHC in their next Fire Safety offering as the regulations in this space rightly become more onerous and inextricably linked to building safety.

CPC launched their Energy Efficiency and Energy Efficiency Consultancy frameworks during the year and we anticipate these solutions will prove integral in supporting our members to achieve their decarbonisation targets.

Other projects

Telecare and supporting independent living remains a very significant part of our procurement offering, and an area in which we've led procurement in the social housing sector for over 30 years. We have been working closely with suppliers alongside the TSA (TEC Services Association) to build awareness among the membership around the forthcoming Digital Switchover. We will continue this campaign over the coming year to ensure our members are ready for the change and have the correct solutions in place.

We've continued to provide consultancy services which offer members expert advice to support with those specific projects where an existing framework or DPS perhaps isn't the right answer and a more bespoke solution is required. We have undertaken a variety of exercises on behalf of our members including HR, Payroll Services, Call Monitoring Services, Capital Works Programmes, Housing Management, and Repairs and Maintenance. This is an efficient and cost-effective method of procurement, and we encourage our members to contact us regardless of the requirement.

Increasing knowledge and sharing best practice with our Procurement Roundtables

We recognise that our members value the opportunity to share best practice and we continue to run our well-established Procurement Roundtables - now of course held virtually. These events provide a forum for procurement professionals from our membership to network, discuss current and emerging procurement issues, help shape our framework development plan, and explore opportunities for collaboration.

Free to attend, they cover a wide range of topics across the year, flexing agendas to be able to discuss emerging issues, which this year have included Covid impact and supply chain issues. In addition to our roundtables, we continue to run a range of topical webinars, covering subjects such as: Brexit, the Transforming Public Procurement Green Paper, Mould and Damp, and the Analogue to Digital Switchover.

Our reach continued to grow through the year, expanding our membership in England, Scotland, Wales, and Northern Ireland. We have also grown across sectors, notably in education, where we collaborated with the Southern Universities Purchasing Consortium.

We are extremely proud of our business model which allows us to keep subscriptions low and sees the income we generate through our national Consortium Procurement service

reinvested into our member services and influencing work for housing in the North. By using our procurement and business improvement services, members are investing in our ability to help make the North an even greater place to live.

Unlocking Success Tenant Bursary Scheme - helping our members support their tenants in learning and skills development

During 2020/21, we continued to operate our Unlocking Success tenant bursary scheme which helps our members to be able to support their tenants in their learning and skills development, increasing their future employment potential. The scheme, funded through the Northern Housing Consortium Charitable Trust, awards bursaries of up to £500 which can be used to pay for course fees, books, equipment, travel costs, childcare or living costs. The scheme gives priority to students falling into vulnerable groups who might need a greater level of support to enable them to continue to participate in their learning.

We saw a huge growth in demand for the grant in its second round during 2020, with many applicants citing a need for support to purchase laptops or cover wifi costs to be able to continue with their studies that had been switched online during the pandemic - many of whom were also studying in addition to increased caring commitments.

This scheme is funded solely by donations and, having been unable to run our annual fundraising event due to Covid restrictions, we would like to express again our thanks for the generosity of our 2020 sponsors: Storm Tempest, MCP, Secureshield, Campbell Tickell, Tunstall, Tersus, Doro, PPP Taking Care, Enovation, MediaWorks, Erith, Ward Hadaway and Legrand, as well as Livin Housing for matched funding, in allowing us to continue with this important work to support tenant learning.

We were delighted to make fourteen grant awards to tenants from ten different member organisations in Autumn 2020, and we brought forward our 2021 run of the scheme to Spring 2021 so that we were able to make a further twelve awards this summer to tenants from seven different member organisations.

We are looking forward to resuming more conventional fundraising activities this year to secure funding to support even more tenants in 2022.

Adding further value to members with our Business Improvement Services

We continue to support our member organisations through our Business Improvement Services offer, providing independent, critical-friend analysis and consultancy. Our reviews are offered directly by the NHC using our own in-house team, complemented by the specialist expertise of our high-quality associates.

As many of our reviews are carried out in person at members' premises (due to the nature of the services being reviewed), our activity during 2020/21 was somewhat curtailed. We started to see some more activity as the lockdown restrictions eased and have been active again in the current year. This quieter period allowed us the opportunity to build on our practitioner networks and to understand how the pandemic affected delivery of services. In particular, we hosted frequent network meetings on:

- Voids and allocations
- Repairs and Maintenance
- Regulation

Craft messages and build an evidence base on the issues that matter to members

The NHC has built substantial evidence on the key issues that matter to members. On the net zero agenda the NHC worked with a range of organisations and agencies to build the evidence base for decarbonising the North's housing stock. Northern Powerhomes set out a costed pathway to decarbonise the North's homes, and highlighted the significant opportunity to create good, green jobs.

Further evidence included Lockdown, Rundown, Breakdown, a rapidly-mobilised study which spoke to residents across the North enduring poor housing conditions during lockdown, and Net Zero and New Homes, housing in the North's offer to government on economic recovery from Covid.

The NHC, as secretariat, supported an inquiry by the APPG for Housing in the North into conditions in the North's Private Rented Sector. Evidence emerging from these projects has been used as we have connected with decision makers and policy shapers throughout the year.

Northern Powerhomes - decarbonising the North's existing homes

As part of [#OurNorth Net Zero](#) the NHC supported work by IPPR North to set out a clear pathway to decarbonise the North's existing homes, making them warmer and healthier along the way.

[Northern Powerhomes](#) published in November 2020 sets out a roadmap to decarbonise the North's housing, starting within the social housing sector as a route to scale up the supply chain, building up skills and technology.

The research provides detail of the scale of the retrofit challenge to improve energy efficiency in over 5 million Northern homes, but also describes the scale of the opportunity for a green recovery through the job-creation potential of a Home Improvement Plan in the North, creating 77,000 direct jobs in the North by 2035, and generating £3.85bn in GVA direct.

Lockdown, Rundown, Breakdown

In the early part of lockdown, between March and July 2020, the NHC with support from the Nationwide Foundation rapidly mobilised research from the University of Huddersfield to find out how people were coping while living with poor housing conditions in the North of England. The findings set out in the report, [Lockdown, Rundown, Breakdown](#), were stark and unsettling.

The study found that the state of some homes was causing increased distress and costing more to run and maintain. People, particularly in private rental properties, felt increasingly insecure in their tenancies. This meant that 'Stay at home' guidance took on a different meaning for some people with existing health problems being exacerbated by damp and cold homes. This was a recurring factor in the lives of those people on low incomes. Many respondents reported that they were paying for housing costs ahead of food and other outgoings.



Lockdown. Rundown. Breakdown.

The COVID-19 lockdown and the impact of poor-quality housing on occupants in the North of England

Net Zero and New Homes: Housing's role in the North's recovery

During the first Covid lockdown, the NHC moved quickly to ensure that the North's housing sector had a clear offer to assist in the North's recovery. Working online and at pace, consultation with members highlighted the role the sector could play in job-creation through the decarbonisation of existing homes and in getting the housing market moving. This work underpinned our activity in the run-up to the planned 2020 Spending Review, which was later cancelled due to the ongoing Coronavirus pandemic.

Building on our evidence base in 2021

In early 2021 the NHC commissioned the housing and data consultancy arc4 to produce the very first [Northern Housing Monitor](#) and [Northern Housing Databank](#) with the support of our partner organisation Ward Hadaway. The Monitor is an analysis of Northern housing data and from that analysis we have been able to produce a 'State of the Region' report highlighting emerging trends and identifying the developments which have the most significant impacts on people, homes and neighbourhoods in the North. The Monitor is accompanied by an interactive geographic look-up tool – the Databank, providing a level of local analysis underpinning the regional data described in the Monitor.

In 2020/21 we began work to instigate a unique [Social Housing Tenants' Climate Jury](#), which in Summer 2021 saw tenants deliberating and providing a set of clear recommendations to the sector on their views, as social housing tenants, as to how tenants, social landlords, and other place-based organisations can work together to tackle climate change in our homes and neighbourhoods.

NO HOME LEFT BEHIND

**AN INQUIRY INTO STANDARDS IN THE
NORTH'S PRIVATE RENTED SECTOR**

TO LET

SALE

NOVEMBER 2020

Ensure our messages reach and connect with decision makers and policy shapers

Our extensive member engagement activity and evidence base ensures that the NHC has clear messages to deliver to decision makers and policy shapers. In 2020/21, we used a range of methods to ensure that our messages reached and connected with those who shape the operating environment for housing in the North.

APPG Housing in the North

The [APPG for Housing in the North](#) is a Parliamentary group of Northern MPs and Peers, supported by the NHC as Secretariat. 2020-2021 has been a year of marked growth for the APPG for Housing in the North.

Inquiry into Standards in the Private Rented Sector

The APPG for Housing in the North was supported by the NHC in their year-long inquiry into standards in the North's private rented sector.

The final report – [No Home Left Behind](#) - represents 18 months of working in close collaboration with Local Authorities, Housing Associations, Combined Authorities, those representing both tenants and landlords, and third sector organisations, and makes recommendations to end the conditions which inadvertently allow poor property standards to continue despite efforts to root out these poorly managed properties.

Over 50 submissions were received as part of the Call for Evidence, online stakeholder meetings were arranged in the North East, North West, and Yorkshire and the Humber, and oral evidence sessions were arranged in Westminster with contributions made by organisations such as Citizens' Advice, the Chartered Institute of Environmental Health, and National Energy Action.

The inquiry concluded and final report launched in November 2020 at a meeting which saw speeches made by Paul Dennett, Salford City Mayor and GMCA portfolio holder for housing, homelessness and infrastructure; Lord Shipley, and Paul Howell MP, Chair of the APPG for 'Left Behind' Neighbourhoods. In January 2021, the APPG met with the Housing Minister, Chris Pincher MP, to brief him on the inquiry's findings.

APPG for Housing in the North – further activity

In January, the APPG welcomed The Rt Hon Christopher Pincher MP, Minister for Housing, for what would become the first of two engagements. At this session the NHC, in our role as Secretariat, guided the Minister through a presentation outlining the APPG's recent work and future priorities; the APPG's Inquiry into property standards in the North's Private Rented Sector (summarised by the report [No Homes Left Behind](#)) and forthcoming events centring around the job creation potential of housing retrofit, and local and regional development. The Minister would return in May 2021 for a follow up Q&A with Parliamentarians and attendees from the NHC membership. Topics discussed included the distribution of funding for affordable housing and infrastructure, planning reform, Local Authority capacity, and the decarbonisation of existing homes.

The APPG for Housing in the North continues to provide a forum for Parliamentarians to discuss and advance housing and related policy across the three northern regions and

seeks to ensure the needs and ambitions of northern communities are addressed in national housing policy development. Chief Executives and Senior Leaders within the NHC membership receive invitations to attend APPG meetings as observers.

Environmental Audit Committee Inquiry into the Energy Efficiency of Existing Homes

Parliamentary Select Committees continue to provide a valuable route to ensure our messages reach and connect with decision-makers. In November 2020 the NHC was invited to give oral evidence to the Environmental Audit Committee as part of their inquiry into home energy. Karen Brown, the NHC's Senior Policy Advisor, appeared as a witness and the final report published in March 2021: *Energy Efficiency of Existing Homes* cited the NHC's evidence in several places. This included evidence on funding for home improvement such as the operation of the Energy Company Obligation and the Green Homes Grant, the capacity of local authorities to coordinate funding and also evidence in relation to the cost of retrofitting existing homes. This evidence was taken into account in the final recommendations from the Committee which included schemes such as the Home Upgrade Grants, Social Housing Decarbonisation Fund and phase two of the Green Homes Grant Local Authority Delivery Scheme should all have their funding front-loaded and the schemes rolled out without delay.

Consultation responses

The NHC continues to respond to consultations and calls for evidence on behalf of our members. Significant submissions in 2020/21 included:

- Our response to the [Planning for the Future](#) White Paper
- BEIS' consultation on enhanced [Minimum Energy Efficiency Standards](#) in the Private Rented Sector
- Our representation to HM Treasury for the aborted [2020 Spending Review](#).

Engagement with officials

The NHC has traditionally enjoyed strong relationships with the Ministry of Housing, Communities and Local Government (now the Department for Levelling Up, Housing and Communities), and agencies like Homes England. During 2020/21 we developed a strong relationship with the Department for Business, Energy and Industrial Strategy, reflecting the importance to our members of this Department's role in energy efficiency and decarbonisation. In December 2020 NHC members joined Ben Golding, Director of Energy Efficiency and Local at BEIS, at a virtual roundtable to discuss the decarbonisation of the North's homes. Ben received a briefing on the Northern Powerhomes report, and NHC members shared their thoughts on the challenges and opportunities involved in the decarbonisation of homes in a discussion chaired by NHC Chief Executive, Tracy Harrison.

As a result of our strengthened relationship with BEIS, Tracy Harrison has joined BEIS' Social Housing Decarbonisation Consultative Group, giving the North a seat at the table in these important discussions, and leading to several further engagement opportunities for members in 2021/22

In Spring 2020, we were active in influencing the development of the Brownfield Housing Fund; £276m of which was allocated directly to the North's Combined Authorities. We welcomed a further £100m for local authorities to access for brownfield development at the

2020 Spending Round and have remained engaged on brownfield funding through 2020 and 2021.

Further examples of our continued engagement with the-then MHCLG and related agencies in 2020/21 include introductory meetings and a member roundtable with Homes England's new Chair, Peter Freeman, a high-level workshop with Homes England on local government capacity and the role the Agency's proposed local government Centre of Excellence might play in the North.

The Ministry of Housing, Communities and Local Government recognised the NHC's long-standing expertise in the quality of our existing homes by inviting the NHC to join the Ministry's Decent Homes Review Sounding Board, established to assist officials and ministers implement the commitment made in the 2020 Social Housing White Paper.

Media coverage

The NHC continues to seek coverage in the trade and regional media for our work, where we feel this will assist in delivering our messages to decision-makers and policy-shapers. The Northern Powerhomes report was featured extensively in regional media, including on the front page of the Yorkshire Post. The Lockdown, Rundown, Breakdown report attracted similar coverage in the regional press and was also subject of a feature on Radio Four's You and Yours programme. We have maintained a strong profile in the trade press.

Solid Financial Footing

Our objectives around a solid financial footing are focused around maintaining our operating model that drives the best value for members within our day-to-day services whilst underpinning the sustainability of the organisation to continue to support members long into the future.

In the two years preceding 2020/21, we had invested significantly in developing our online portal, MyNHC, to provide members with digital access to our services, and had also embarked on an ambitious investment in our Consortium Procurement operation to increase the breadth of our portfolio of solutions and drive geographic and sectoral penetration. Alongside these investments, we were well underway in driving efficiencies into our internal operations, tooling our staff for agile working, building their financial knowledge and understanding, and driving greater accountability for their service areas.

This planning became more critical than ever as the coronavirus pandemic struck, and our readiness meant that we were able to switch all of our staff to homeworking overnight in March 2020, and all of our operations and services to digital platforms, without any gap in operations. Far from constraining us, our IT infrastructure, as well as the resilience of our people, allowed us to interact even more with our members than previously (and at the point that they perhaps needed us most), whilst being able to keep our staff safe at home.

We saw some level of drop in procurement-related income through Quarter 1 as the sector as a whole saw lockdowns reducing contract activity which could be attributed to factors such as reduced supplier capacity, limited access to properties or delays to scheduled works. However, we saw a bounce-back of activity from Quarter 2 onwards which was sustained through the rest of the year and into 2021/22.

As a management team we have monitored our financial performance closely through this period as well as having undertaken our Flexible Futures project to reshape the way we work for the future. As a result, we have exited our previous office at Loftus House, opting for a permanent policy of agile working where staff can move between home working and our new collaborative hub at Hope Street Xchange in Sunderland city centre.

Additionally, the success of our virtual engagement activities in reaching more members has driven our desire to engage predominantly 'online first' on an ongoing basis with face-to-face collaboration only where we see particular added benefit. The reduction in office and travel costs alone has allowed us to cut our overheads by around 10%, allowing us to focus spending and member value on having the right people with the right tools and knowledge to deliver our services. The additional time costs saved from staff no longer travelling on a regular basis has allowed us to use that capacity to engage more with members on an ongoing basis.

We have also continued to focus our ongoing efforts in automating systems, improving monitoring and reporting, and reviewing our procedures to ensure that we are efficient and that we seek to minimise any risks, remaining fully committed to compliance and to our members compliance needs as a priority.

Our cash balance as well as our working capital position remains strong following an operational surplus financial result during 2020/21 of £87k (excluding pension accounting adjustments), and our membership retention beyond the year end into 2021/22 remains consistently strong to the present.

We have seen, however (as have many other organisations in our sector), a significant increase in our pension liability disclosure at 31st March 2021 arising from our participation

within the West Midlands Pension Fund, which is up to £4.4m (from £2.4m as at 31st March 2020). Whilst we had already proactively taken the step to move any new starters onto a defined contribution scheme to stem longer term future accrual and liability build up, inevitably (and partly as a result of this decision) we will see this liability increase over the shorter term. With the help of pension experts, our Audit and Risk Committee and Board of Management, we are actively reviewing how we can work with the Fund to meet our liability whilst reinvesting surplus for the benefit of member services, and in doing so, ensure NHC's sustainability so that we can continue supporting our members long into the future.

NORTHERN HOUSING CONSORTIUM LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Northern Housing Consortium Limited

Contents

Company Information	1
Directors' Report	2 to 8
Statement of Directors' Responsibilities	9
Independent Auditor's Report	10 to 12
Income Statement	13
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Notes to the Financial Statements	17 to 28
Detailed Income Statement	29 to 31

Northern Housing Consortium Limited

Company Information

Directors

P Fiddaman
S R Close
I P Wardle
Y J Castle
K J Lythe
C E Haworth
A R Reeves
L J Sugden
N Wilson
C L Norman
L Hearne
J M Furlonger
P F Shevlin

Company secretary C R Wilmot

Registered office Loftus House
Colima Avenue
Sunderland Enterprise Park
Sunderland
SR5 3XB

Bankers The Cooperative Bank Plc
PO Box 101
1 Balloon Street
Manchester
M60 4EP

Auditor MHA Tait Walker
Chartered Accountants & Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors of the company

The directors who held office during the year were as follows:

T M Miskell (resigned 19 November 2020)

P Fiddaman

S R Close

G M Robinson (resigned 19 November 2020)

B Spicer (resigned 19 November 2020)

I P Wardle

S E Robson (resigned 19 November 2020)

Y J Castle

K J Lythe

C E Haworth

A R Reeves (appointed 20 April 2020)

L J Sugden

N Wilson

C L Norman (appointed 12 March 2021)

L Hearne (appointed 12 March 2021)

J M Furlonger (appointed 19 November 2020)

P F Shevlin (appointed 19 November 2020)

Principal activity

The principal activity of the company is a membership organisation whose principal purposes are to represent members' interests, being predominantly social housing landlords in the North and to assist them by offering support and services, which are offered nationally and across sectors. This assistance is provided in many forms, including policy advice, information and support, influencing and campaign work, networking opportunities, conferences, training and exhibitions, research, procurement solutions and advice and business improvement services.

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Review of the year

Our main drivers this year have again been to drive a strong representation of members' needs, notably continuing our prominent role in supporting our members' priorities around decarbonisation through our #OurNorth Net Zero campaign work, alongside continued development of compliant procurement solutions, services and support, and improved engagement with the membership. Our links with key local, devolved and central government, and other housing sector stakeholders have continued to strengthen and we have retained a strong membership base through the year. We continue to act as Secretariat for the All-Party Parliamentary Group for Housing in the North. Since the year-end we have continued to broaden our policy and public affairs work through commencing member-funded projects to develop a Social Housing Tenants' Jury, a Northern Housing Monitor, and we have commissioned research on Retrofit Demand.

Operationally during the current year, we have built upon our successful transition of services and operations online due to Covid-19 in March 2020. With events and interactions moving online we have been able to reach more members than previously, and continued to be agile in development of our events and networking programme in responding to emerging member need. We have been able to continue all operations working remotely, retain all staff roles, and work more efficiently, ultimately providing better value for money for members.

In July 2018, the Board approved an investment programme to grow our procurement solutions via increasing the breadth of solutions available to members, expansion of geographical and sectoral access, and to enable better support for members, including our affiliate membership beyond the North. Through the long lifecycle of procurement development, the current year results now start to show a financial return following two years of planned investment generating an overall deficit.

We also continue to collaborate with LHC to offer our members a range of construction procurement solutions under the brand of CPC, Consortium Procurement Construction. These solutions also help to support our members' decarbonisation and modern methods of construction objectives.

During the prior year, the Board agreed a phased closure of our Homekind service which provided member tenants with access to affordable furniture and white goods. Given the cost of administering a materially different service to our other member support servicing our core objectives, a decision was made that better member value could be gained for the wider membership through pointing to alternative supply chains including procurement solutions.

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Reserves

In order to fulfil the company's objective around a solid financial footing to support our membership, we strive to make a surplus to continually grow and develop our services, and at the same time build up a level of reserves to enable us to compete in the marketplace and offset our pension liabilities.

The company has a total of £1,536,177 (2020 - £1,448,884) in reserve (before pension liability) which has increased due to the surplus in the year. The pension deficit of £4,416,000 (2020 - £2,386,000) has impacted on total reserves this year decreasing the total balance on reserves to £(2,879,824) (2020 - £(937,116)). Whilst the Board are currently exploring options to reduce and manage down this pension deficit, our aim is to use any future surplus generated to reinvest for the benefit of member services to ensure our ongoing sustainability.

Strategic Priorities

In 2018/19 we undertook a strategic review to focus our priorities for the three-year period to 2021/22, and our priorities, having been reviewed by the Board during the current year, remain unchanged.

Our mission remains for us to be a member services organisation for Northern Housing Providers.

Our vision is to use our collective voice to have unrivalled influence in achieving housing policy that works for the North and provide outstanding services that support our members to create great places to live.

Our strategic objectives to deliver this vision are:

1. Connected to members at all levels.
2. Unrivalled ability to shape and deliver services that add value for members.
3. Craft messages and build an evidence base on the issues that matter to members.
4. Ensure our messages reach and connect with decision makers and policy shapers.
5. Solid financial footing.

Underpinning our strategic objectives, our employee-lead company values are:

- We are Member Focused.
- We are Collaborative.
- We are Innovative.
- We are Supportive.

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Principal Risks and Uncertainties

We consider the principal risks and mitigations to be:

- Loss of income due to reduced membership subscriptions and loss of Northern membership penetration, mitigated through regular member engagement, interaction monitoring, ensuring our events, campaigns and networking remain relevant and targeted, and ensuring members are aware of our offer and the value of their membership.
- Loss of income due to lost procurement business, mitigated through ensuring frameworks developed support members compliance needs and are fit for purpose based on pre-tender engagement, ensuring regular account management, supporting members with re-procurement, and broadening our offer in terms of framework, geographic and sector reach.
- Inability to meet commitments around defined benefit pension, mitigated through holding sufficient cash to adequately service annual requirements and no immediate expectation of crystallisation of the deficit given our ongoing participation in the Scheme.
- Risk around changes to general procurement market due to Brexit, mitigated through diversification of procurement book and close monitoring of member requirements and relevant legislation.

We consider additional internally controllable key risks and mitigations to be:

- Staff and Board retention, replacement, development and capacity, mitigated in numerous ways including good communication, training and development plans, a robust performance management system, and regular reviews around capacity and succession planning.
- Cyber security and data protection risks, mitigated through external hosting, back-ups, multi-factor authentication, various other IT tools, plus regular staff training and awareness raising.
- Operational inefficiency, mitigated through training, performance monitoring and monthly management accounts review.
- Financial fraud, mitigated through Financial Regulations which are reviewed annually and multi-level authorisation payment processes and controls.
- Credit Risk, mitigated through the large level of cash assets, timely payments to suppliers and proactive credit monitoring.
- Health and Safety risk, mitigated through support from an external qualified consultant, regular Board level review and clearly communicated policies.
- Covid-19 operational risk, mitigated through continuity planning and regular performance and financial monitoring.

Health & Safety

It is the company's policy to give the greatest importance to the health, safety and welfare of its employees. To this end, the company makes every reasonable effort to provide safe and healthy working conditions in its offices. Similarly, it is the duty of all employees to exercise responsibility and to do everything to prevent injury to themselves and to others. This policy is communicated to employees through contracts of employment and staff handbooks and policies available by intranet and hard copy.

Mental Health and Wellbeing

The company recognises its role in supporting the mental health and wellbeing of our staff and we have strengthened our employee physical and mental wellbeing strategy as well as raised general awareness around mental health through regular communications. We have trained Mental Health First Aiders within the staff body, and offer support to staff through provision of training, line manager training, links to resources, Benenden Healthcare, and we convene a staff-lead wellbeing group monthly.

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Committee structure

The company has established procedures for all service and business units to regularly appraise, review and operate appropriate and effective risk management. To ensure the company's approach is shared by all employees, on-going training takes place.

Risk management

The Board has established two committees with delegated powers, these are the Audit & Risk Committee and Remuneration & Governance Panel.

Corporate governance

The company has accepted the principles of good governance and related internal procedures. The Board of Directors have received briefings on governance issues throughout the year and will continue to do so in the future. The Board has met on five occasions during the year. It is responsible for company strategy and dealing with key business issues. In addition to formal Board meetings, a further Board event is held each year at which Directors and the Executive look at ways of constantly improving the business, its positioning and performance. Board members also undergo an annual appraisal of their performance on the Board. The company is a non-political organisation, and its Board of Directors is made up of officers from full member organisations.

Relations with members

The company is committed to maintaining good communications and the provision of services and support to its members. Apart from using the variety of media to communicate with members, the Consortium's Annual General Meeting, to which all members are invited, allows matters of interest to be raised with the Board. The company's website at www.northern-consortium.org.uk also contains up to date information about the company and the services and solutions it provides, and members have access to their membership records via MyNHC online portal. In addition, members receive regular e-mail newsletters which provide information updates, including relevant developments and related websites.

Pensions

The company is an admitted body of the West Midlands Pension Fund which is a defined benefit final salary pension scheme. The company has also set up an auto-enrolment compliant defined contribution scheme through Standard Life and all new staff are enrolled in this scheme.

Employee involvement

It is the company's policy to have effective communication and consultation with staff. Staff involvement is achieved through regular update meetings, briefings, e-mail, online messaging, and other correspondence which help ensure that staff are fully aware of the organisation goals and results.

Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Going concern

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations.

The company's forecasts and projections for the next twelve months show that the company would be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of Covid-19. This also considers the effectiveness of available measures in mitigating the impact. The company holds sufficient cash reserves to meet all normal operating obligations and to continue trading over the next twelve months under all scenarios modelled.

The company has not deferred any statutory payments as a result of Covid-19 and has not been reliant on any Government Covid-19 related funding schemes or reliefs to operate on a normal basis. The company has continued to operate all services on a virtual basis without any downtime.

The Board considers the following points to be critical in support of our going concern conclusion:

- Stable base of core membership who are mainly registered providers, which themselves are countercyclical and financially robust.
- Membership subscriptions are collected annually in advance each April, providing early oversight of membership retention for the year ahead, and our member engagement opportunities have increased during Covid-19 through virtual working.
- Forward book of procurement contracts provides a level of assurance over future income levels.
- Diversity of procurement business over multiple sectors, geographies and frameworks, the latter many of which are in areas of supporting landlord ongoing legislative requirements.
- No reliance on Covid-disrupted income streams.
- Return to operational surplus run rate since Quarter 2 in the current reporting year, demonstrating returns now being generated from our 2018 procurement investment programme.
- £1.1m of cash assets held at year end, which rose to £1.6m during May 2021 after year end demonstrating cash availability far in excess of our ongoing working capital requirements.
- Removal of all operational fixed overhead commitments, with all expenditure being agreed on a flexible basis going forward allowing us agility to respond to any emerging external issues impacting income generation.
- Business continuity plan in place and a stable and robust IT infrastructure to service virtual operations.
- Robust reporting, monitoring, forecasting and governance arrangements to facilitate timely awareness and resolution of any arising performance issues.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

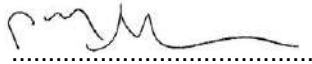
Northern Housing Consortium Limited

Directors' Report for the Year Ended 31 March 2021 (continued)

Small companies' provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Approved by the Board on23.7.21..... and signed on its behalf by:



.....
P Fiddaman
Director



.....
S R Close
Director

Northern Housing Consortium Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Northern Housing Consortium Limited

Independent Auditor's Report to the Members of Northern Housing Consortium Limited

Opinion

We have audited the financial statements of Northern Housing Consortium Limited (the 'company') for the year ended 31 March 2021, which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Northern Housing Consortium Limited

Independent Auditor's Report to the Members of Northern Housing Consortium Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 9), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Northern Housing Consortium Limited

Independent Auditor's Report to the Members of Northern Housing Consortium Limited (continued)

- Enquiry of management and those charged with governance around any known or suspected instances of non-compliance with laws, regulations or fraud and any actual or potential litigation or claims;
- Reviewing board minutes;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Challenging assumptions and judgements made by management in their significant accounting estimates,
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business'.


Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive) and compliance with the UK Companies Act.

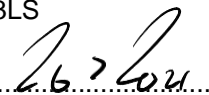
Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date:  26.7.2024

MHA Tait Walker is a trading name of Tait Walker LLP.

Northern Housing Consortium Limited

Income Statement for the Year Ended 31 March 2021

	Continuing operations 31 March 2021 £	Discontinued operations 31 March 2021 £	Total 31 March 2021 £	Continuing operations 31 March 2020 £	Discontinued operations 31 March 2020 £	Total 31 March 2020 £
Note						
Turnover	2,052,807	-	2,052,807	2,066,655	129,300	2,195,955
Cost of sales	<u>(106,840)</u>	-	<u>(106,840)</u>	<u>(194,139)</u>	<u>(111,801)</u>	<u>(305,940)</u>
Gross surplus	1,945,967	-	1,945,967	1,872,516	17,499	1,890,015
Administrative expenses	<u>(1,853,721)</u>	-	<u>(1,853,721)</u>	<u>(2,033,494)</u>	<u>(33,780)</u>	<u>(2,067,274)</u>
Operating surplus/(deficit)	92,246	-	92,246	(160,978)	(16,281)	(177,259)
Interest payable and similar expenses	<u>(56,000)</u>	-	<u>(56,000)</u>	<u>(31,000)</u>	-	<u>(31,000)</u>
Surplus/(deficit) before tax	36,246	-	36,246	(191,978)	(16,281)	(208,259)
Tax on profit/(loss)	<u>46</u>	-	<u>46</u>	-	-	-
Surplus/(deficit) for the financial year	<u><u>36,292</u></u>	<u><u>-</u></u>	<u><u>36,292</u></u>	<u><u>(191,978)</u></u>	<u><u>(16,281)</u></u>	<u><u>(208,259)</u></u>

The notes on pages 17 to 28 form an integral part of these financial statements.

Northern Housing Consortium Limited

Statement of Comprehensive Income for the Year Ended 31 March 2021

	2021 £	2020 £
Surplus/(deficit) for the year	36,292	(208,259)
Remeasurement gain/loss on defined benefit pension schemes	<u>(1,979,000)</u>	<u>(992,000)</u>
Total comprehensive income for the year	<u><u>(1,942,708)</u></u>	<u><u>(1,200,259)</u></u>

The notes on pages 17 to 28 form an integral part of these financial statements.

Northern Housing Consortium Limited

(Registration number: 04361009)

Statement of Financial Position as at 31 March 2021

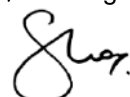
	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	38,998	68,728
Tangible assets	6	<u>5,453</u>	<u>13,783</u>
		<u>44,451</u>	<u>82,511</u>
Current assets			
Stocks	7	315	315
Debtors	8	617,789	455,737
Cash at bank and in hand		<u>1,127,962</u>	<u>1,098,540</u>
		1,746,066	1,554,592
Creditors: Amounts falling due within one year	9	<u>(254,341)</u>	<u>(188,219)</u>
Net current assets		<u>1,491,725</u>	<u>1,366,373</u>
Net assets		<u>1,536,176</u>	<u>1,448,884</u>
Pension liabilities			
Net pension liability		4,416,000	2,386,000
Capital and reserves			
Profit and loss account		<u>(2,879,824)</u>	<u>(937,116)</u>
Net assets		<u>1,536,176</u>	<u>1,448,884</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 23/2/21 and signed on its behalf by:



.....
P Fiddaman
Director



.....
S R Close
Director

The notes on pages 17 to 28 form an integral part of these financial statements.

Northern Housing Consortium Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Profit and loss account £	Total £
At 1 April 2019	263,143	263,143
Deficit for the year	(208,259)	(208,259)
Other comprehensive income	<u>(992,000)</u>	<u>(992,000)</u>
Total comprehensive income	<u>(1,200,259)</u>	<u>(1,200,259)</u>
At 31 March 2020	<u>(937,116)</u>	<u>(937,116)</u>
	Profit and loss account £	Total £
At 1 April 2020	(937,116)	(937,116)
Surplus for the year	36,292	36,292
Other comprehensive income	<u>(1,979,000)</u>	<u>(1,979,000)</u>
Total comprehensive income	<u>(1,942,708)</u>	<u>(1,942,708)</u>
At 31 March 2021	<u>(2,879,824)</u>	<u>(2,879,824)</u>

The notes on pages 17 to 28 form an integral part of these financial statements.

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is Loftus House, Colima Avenue, Sunderland Enterprise Park, Sunderland, SR5 3XB.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management consider that the estimates and judgements in respect of the defined benefit pension scheme are a key estimate and judgement. Management have worked with the actuary to form a set of assumptions which fit the company's circumstances. Management considers that the assumptions used by the actuary are within the normal range for the company's circumstances and its sector.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis, even though the company has net liabilities of £2,879,824 as this is only as a result of the £4,416,000 defined benefit multi employer pension scheme liability. The scheme is closed to new members and the directors continue to explore avenues to reduce this pension deficit going forward. As there is no intention by the directors to immediately withdraw from the scheme or to remove existing members from the scheme (which would trigger the cessation of the scheme liability and crystallise it) then this liability is unlikely to crystallise within 12 months of signing the financial statements. As a result the directors continue to adopt the going concern basis having set budgets and prepared cashflow forecasts which demonstrates as much.

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

The company acts as an intermediate for an agent in respect of one procurement deal, re-invoicing total costs onto the end user. In this circumstance the company is only recognising the commission paid (from the agent) as revenue, not total amounts invoiced. Similarly with all other procurement arrangements, where the company is the direct agent, it only invoices the commissions due and the service supplier invoices the end user.

Membership is charged annually, and entitles the member the right to use procurement deals and other services provided. The company therefore allocates income across the year.

Additional income from members to specifically fund particular NHC-lead projects in policy research and campaigning is recognised across the period of the project to which the funding relates and in line with the corresponding expenditure profile of those funds.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	33% straight line
Fixtures and fittings	33% straight line

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

2 Accounting policies (continued)

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Client Portal - CRM System	Straight line over 3 years

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. If they are due after more than 12 months they are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

2 Accounting policies (continued)

Defined benefit pension obligation

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Changes in the net defined benefit asset or liability arising from employee service are recognised in profit or loss as a current service cost where it relates to services in the current period and as a past service cost where it relates to services in prior periods. Costs relating to plan introductions, benefit changes, curtailments and settlements are recognised in profit or loss in the period in which they occur.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 35 (2020 - 33).

4 Auditors' remuneration

	2021	2020
	£	£
Audit fees	<u>6,750</u>	<u>6,750</u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

5 Intangible assets

	Client Portal Software development costs £	Total £
Cost or valuation		
At 1 April 2020	103,092	103,092
Additions	6,951	6,951
At 31 March 2021	<u>110,043</u>	<u>110,043</u>
Amortisation		
At 1 April 2020	34,364	34,364
Amortisation charge	36,681	36,681
At 31 March 2021	<u>71,045</u>	<u>71,045</u>
Carrying amount		
At 31 March 2021	<u><u>38,998</u></u>	<u><u>38,998</u></u>
At 31 March 2020	<u><u>68,728</u></u>	<u><u>68,728</u></u>

Individually material intangible assets

Client Portal CRM System

The carrying amount of this asset is £38,998 (2020 -£68,728) and the remaining amortisation period is 1 year. The new CRM was developed internally with specialists and the company has capitalised the expenditure incurred.

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

6 Tangible assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2020	36,270	96,575	132,845
Additions	-	1,190	1,190
Disposals	(26,802)	(26,923)	(53,725)
At 31 March 2021	<u>9,468</u>	<u>70,842</u>	<u>80,310</u>
Depreciation			
At 1 April 2020	27,480	91,582	119,062
Charge for the year	2,895	3,534	6,429
Eliminated on disposal	(23,711)	(26,923)	(50,634)
At 31 March 2021	<u>6,664</u>	<u>68,193</u>	<u>74,857</u>
Carrying amount			
At 31 March 2021	<u>2,804</u>	<u>2,649</u>	<u>5,453</u>
At 31 March 2020	<u>8,790</u>	<u>4,993</u>	<u>13,783</u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

7 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	<u>315</u>	<u>315</u>

8 Debtors

	2021	2020
	£	£
Trade debtors	546,642	411,738
Prepayments	<u>71,147</u>	<u>43,999</u>
	<u>617,789</u>	<u>455,737</u>

9 Creditors

Creditors: amounts falling due within one year

	2021	2020
	£	£
Due within one year		
Trade creditors	27,632	68,205
Taxation and social security	99,273	76,486
Accruals and deferred income	<u>127,436</u>	<u>43,528</u>
	<u>254,341</u>	<u>188,219</u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

10 Defined benefit pension schemes

West Midlands Pension Fund

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

The administering authority for the Fund is Wolverhampton City Council. The Pension Fund Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

West Midlands Pension Fund, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which will determine the termination contribution due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

10 Defined benefit pension schemes (continued)

The date of the most recent comprehensive actuarial valuation was 31 March 2019. To assess the value of the Employer's liabilities at 31 March 2021, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2020, using financial assumptions that comply with FRS102.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2021 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2021 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

Valuation of the Employer's assets

To calculate the asset share at 31st March 2021, we have rolled forward the assets allocated to the Employer at 31 March 2020 allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the Fund by and in respect of the Employer and its employees.

A full actuarial valuation of the West Midlands Metropolitan Authorities Pension Fund was carried out at 31 March 2019 by a qualified actuary. An actuarial valuation report as at 31 March 2021 has been prepared exclusively for the company. The pension charges in the accounts reflect the advice given in the actuarial valuation report at 31 March 2021.

In addition, as many unrelated employers participate in the West Midlands Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2021 £	2020 £
Fair value of scheme assets	7,447,000	6,169,000
Present value of defined benefit obligation	<u>(11,863,000)</u>	<u>(8,555,000)</u>
Defined benefit pension scheme deficit	<u><u>(4,416,000)</u></u>	<u><u>(2,386,000)</u></u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

10 Defined benefit pension schemes (continued)

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2021
	£
Present value at start of year	8,555,000
Current service cost	179,000
Interest cost	208,000
Benefits paid	(147,000)
Contributions by scheme participants	45,000
Change in demographic assumptions	(103,000)
Change in financial assumptions	3,242,000
Experience loss/(gain) on defined benefit obligation	(116,000)
	<u>11,863,000</u>
Present value at end of year	<u>11,863,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2021
	£
Fair value at start of year	6,169,000
Interest income	152,000
Return on plan assets, excluding amounts included in interest income/(expense)	1,044,000
Employer contributions	188,000
Contributions by scheme participants	45,000
Benefits paid	(147,000)
Administration costs	(4,000)
	<u>7,447,000</u>
Fair value at end of year	<u>7,447,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2021	2020
	£	£
Cash and cash equivalents	445,000	221,000
Equity instruments	4,387,000	3,512,000
Property	538,000	549,000
Other	1,049,000	912,000
Other bonds	286,000	258,000
Gilts	742,000	717,000
	<u>7,447,000</u>	<u>6,169,000</u>

Return on scheme assets

	2021	2020
	£	£
Return on scheme assets	<u>1,196,000</u>	<u>(261,000)</u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

10 Defined benefit pension schemes (continued)

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2021	2020
	%	%
Discount rate	2.05	2.45
Future salary increases	2.10	2.00
Future pension increases	<u>2.80</u>	<u>1.85</u>

Post retirement mortality assumptions

	2021	2020
	Years	Years
Current UK pensioners at retirement age - male	21.60	21.90
Current UK pensioners at retirement age - female	23.90	24.10
Future UK pensioners at retirement age - male	23.40	23.80
Future UK pensioners at retirement age - female	<u>25.80</u>	<u>26.00</u>

11 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Retained earnings	Total
	£	£
Remeasurement gain/loss on defined benefit pension schemes	<u>(1,979,000)</u>	<u>(1,979,000)</u>

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Retained earnings	Total
	£	£
Remeasurement gain/loss on defined benefit pension schemes	<u>(992,000)</u>	<u>(992,000)</u>

Northern Housing Consortium Limited

Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the statement of financial position

The total amount of financial commitments not included in the statement of financial position is £Nil (2020 - £44,989).

Northern Housing Consortium Limited

Detailed Income Statement for the Year Ended 31 March 2021

	2021 £	2020 £
Turnover	2,052,807	2,195,955
Cost of sales	<u>(106,840)</u>	<u>(305,940)</u>
Gross surplus	<u>1,945,967</u>	<u>1,890,015</u>
Gross surplus (%)	94.8%	86.07%
Administrative expenses		
Employment costs	(1,513,489)	(1,577,252)
Establishment costs	(75,524)	(72,510)
General administrative expenses	(218,791)	(363,467)
Depreciation costs	(43,110)	(54,265)
Other expenses	<u>(2,807)</u>	<u>220</u>
	<u>(1,853,721)</u>	<u>(2,067,274)</u>
Operating surplus/(deficit)	92,246	(177,259)
Interest payable and similar charges	<u>(56,000)</u>	<u>(31,000)</u>
Surplus/(deficit) before tax	<u><u>36,246</u></u>	<u><u>(208,259)</u></u>

This page does not form part of the statutory financial statements.

Northern Housing Consortium Limited

Detailed Income Statement for the Year Ended 31 March 2021 (continued)

	2021 £	2020 £
Turnover		
Conferences	23,862	128,055
Subscriptions	761,895	712,312
Procurement	1,191,475	1,148,793
Business Improvement	38,176	77,495
Homekind	-	129,300
Research and policy support	32,510	-
Grants and subsidies	4,889	-
	<u>2,052,807</u>	<u>2,195,955</u>
Cost of sales		
External advisors' and consultants	29,957	51,420
Conferences	9,503	94,369
Business Improvement	34,970	48,350
Homekind	1,900	111,801
Research and policy support	30,510	-
	<u>106,840</u>	<u>305,940</u>
Employment costs		
Wages and salaries	1,334,489	1,386,252
Staff pensions (Defined benefit)	179,000	191,000
	<u>1,513,489</u>	<u>1,577,252</u>
Establishment costs		
Rent and rates	71,524	68,510
Pension administration costs	4,000	4,000
	<u>75,524</u>	<u>72,510</u>
General administrative expenses		
Supplies and services	140,691	239,456
Travel expenses	51,829	101,123
Accountancy fees	6,400	6,910
Legal and professional fees	19,871	15,978
	<u>218,791</u>	<u>363,467</u>
Depreciation costs		
Amortisation of development costs	36,681	34,364
Depreciation of office equipment	6,429	19,901
	<u>43,110</u>	<u>54,265</u>

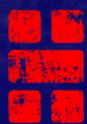
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Northern Housing Consortium Limited

Detailed Income Statement for the Year Ended 31 March 2021 (continued)

	2021 £	2020 £
Other expenses		
Losses/(Gains) on disposal of property, plant and equipment	<u>2,807</u>	<u>(220)</u>
Interest payable and similar expenses		
Pension scheme finance income/costs	<u>56,000</u>	<u>31,000</u>

This page does not form part of the statutory financial statements.



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