V2C

VALLEYS TO COAST
CYMOEDD I'R ARFORDIR

Raising Our Game

Strategic Plan

2009-2014

Contents

Introduction

This is the second year, and first review, of our Strategic Plan 2009/14. It sets out where we want to be as a business by 2014 and what we are going to do over the next couple of years to get there. But a word of caution is needed. This document is a guide rather than a blueprint.

Strategic planning is not about producing a document for the shelf. It is about constantly reviewing the business in light of progress to date, what is happening in the world around you and what you think might happen in the future. A Strategic Plan is simply a response to a set of external factors at a specific point in time. If the world around you changes, then you must be prepared to change your plans too.

When we were reviewing our Strategic Plan in the early months of 2010 we were awaiting the General Election and beginning to realise the scale of the national debt. The economy if not showing signs of recovery had stopped getting worse for a while and the banking sector had started to rebuild profits and reserves, even if this was at the cost of not lending.

By the time of writing this introduction in July 2010 we were getting used to the new Coalition Government and very quickly starting to understand the scale of the public sector cuts being introduced ahead of the Comprehensive Spending Review in the autumn. Globally BP was struggling to maintain its reputation (and business) as a result of the disastrous oil spill in the Gulf of Mexico and closer to home, Connaught (one of our key partners and a major player in the social housing contracting world) was teetering on the brink of collapse having fallen foul to the vagaries of the Stock Exchange.

Despite such turmoil and uncertainty the Board and Management Team is confident that with prudent financial management we can continue to invest in improving our homes and communities. In the face of some major challenges we will undoubtedly need to find new ways of working, but we see this as a positive opportunity. Indeed Erich Fromm, the German psychologist and philosopher, believed that *"Creativity requires the courage to let go of certainty".*

As a result of the risk analyses and operating audits carried out during the review process, opportunities and imperatives to change the way the business operates have been identified. In response the Board has developed and approved the Strategic Priorities set out in this document with the view to building upon our solid foundations and raising the business up a level.

Our Strategic Plan is a balanced and realistic response to where V2C finds itself right now and where it needs to be in the future if we really are to deliver outstanding service, create lasting social benefit and be recognised as a great employer.

Stephen Cook
Chief Executive

Roger Thomas
Chair

Our Vision

During 2009/10 the Board spent a good deal of time reviewing the essentials of the business: what we do, why we do it and how we do it.

Our mission is quite simple: *to provide homes in thriving communities where people feel safe and want to live.*

To achieve this we recognise that we need to be much more than just a good landlord.

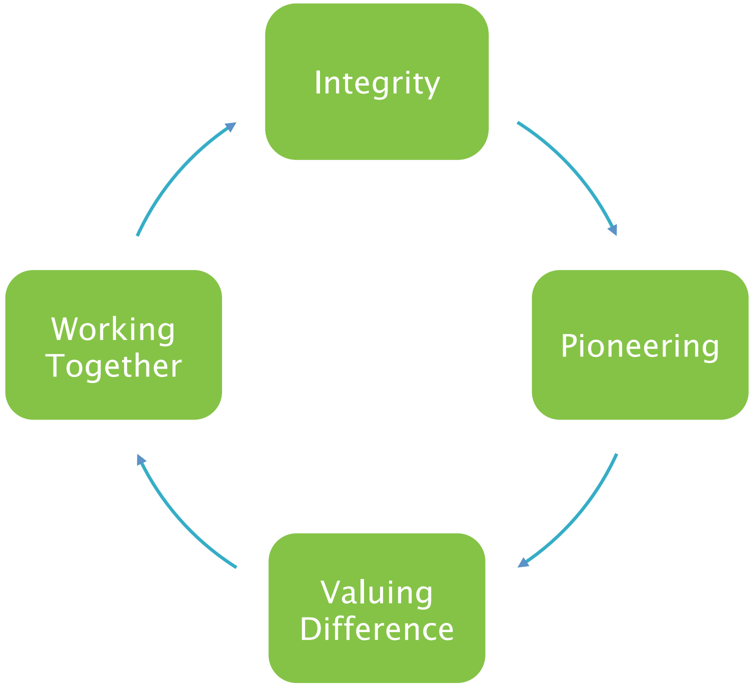
If we are to contribute to the development of successful communities then we need to provide new homes to meet changing needs and aspirations, improve the physical environment around our existing homes and build skills and create opportunities for residents. This must be underpinned by us being an effective and well run business, a competitive employer and an organisation committed to partnership working across the public and private sectors.

Our vision is based on three key objectives. By 2014 V2C will be:

- **Delivering outstanding housing and customer services;**
- **Creating significant social and community benefit;**
- **A great place to work – attracting and retaining the best people.**

Nine strategic priorities have been identified to help the organisation realise this vision and these are explained in more detail in the section entitled *Our Strategic Priorities.*

How we do things is equally as important as what we do and we have developed a set of values that reflect what is important to us within V2C.



In a little more detail we would describe our values as:

Integrity

- We accept only the highest standards of conduct and put service before self interest.
- We show others the care and respect we would wish to receive.
- We are honest with ourselves and others and will make difficult decisions for the right reasons.

Working Together

- We put customers and colleagues together at the heart of what we do.
- We seek to collaborate with others wherever a better result can be achieved.
- We support individuals and other organisations to achieve their goals.

Pioneering

- We constantly challenge the way we do things so that we can improve what we do.
- We actively take opportunities as they arise and relish being the first to do something.
- We are keen to share what has gone well – and not so well.

Valuing Differences

- We believe that every individual can make a difference.
- We celebrate the diversity of opinions, skills and life-experiences within our organisation and communities.
- We promote the many similarities and common aspirations we all share.

Our Short History

We are a housing association working in the social housing sector providing affordable homes primarily for rent, but we also facilitate access to low cost home ownership through shared equity schemes.

V2C was created as a new organisation on the 12th September 2003 following the transfer of the housing stock and other associated liabilities from Bridgend County Borough Council (BCBC). We took on ownership of over 6,500 homes, 700 leaseholder flats, a portfolio of community buildings, garage courts and 44 shops and various amenity and vacant land across the Borough. 200 staff joined V2C from the Council as part of the Transfer of Undertakings and Protection of Employment provisions (TUPE) and approximately 30 new staff were appointed, mainly to roles within the newly created central services functions such as Finance, HR and IT.

V2C was the first housing association in Wales to be formed by the large scale transfer (LSVT) of homes from a local authority. The very poor condition of the housing stock at the time of transfer resulted in a negative valuation, meaning that in practical terms we were taking on a liability rather than a sound asset base. In recognition of this the Welsh Assembly Government (WAG) provided a 'dowry' of approximately £16m. Capital funding to establish the business, renovate the stock and provide new homes was secured from a syndicate of funders headed by the Nationwide Building Society along with the Principality Building Society and the European Investment Bank.

V2C is a not for profit business, registered as a Charitable Organisation under the Industrial & Provident Societies Act 1965. As a housing association we are registered with, and regulated by, WAG. We are governed by a Board of Management of 12 unpaid volunteers with four tenants elected by the tenants of V2C, four council members nominated by BCBC and four independent members elected by the share membership.

At the time of transfer a number of 'promises' were made to tenants. During the first five years we undertook to upgrade windows, doors, heating systems and kitchens to their homes; and within ten years to have upgraded electrical wiring, insulation and bathrooms and to have attended to the external fabric and environment around the homes. Although the transfer proposal did not explicitly seek to meet WAG's Welsh Housing Quality Standards (WHQS), much of this planned work is essential to meet the main elements of the standard.

Since transfer we have spent over £61m on improvements and major repairs to our homes. With a further four years of planned investment we are confident that most of our homes will have reached the main elements of WHQS by 2014.

Our commitment to community regeneration has matched our investment in the properties. Recognising that the improvement works being carried out to our homes could be a catalyst to broader skills development and economic regeneration V2C was a key partner in setting up the Construction Training Centre in Maesteg. V2C's own in-house workforce, the Housing Repairs Service (HRS), and our partnering contractors carrying out the main improvement works host placements for trainees from the centre and V2C currently chairs the Training Centre Steering Group. Local labour clauses in our contracts have also ensured that a high percentage of the workforce on our programmes lives within 25 miles of Bridgend: the figure currently stands at over 91%.

A Community Development & Regeneration team has been established and integrated within the housing management teams to create a comprehensive and holistic approach to delivering neighbourhood services. External decoration, upgrading pathways, remodelling of communal areas and creating secure games areas have all contributed to some highly visible successes. Models for large scale redesign of streets and estates' public realm have also been developed and pilot projects are about to be launched. In addition the team manages V2C's own Community Support Fund: a scheme set up to provide small grants to existing or emerging community initiatives.

Working in partnership with tenants as well as communities has also been a priority for V2C. The Customer Services Panel, set up following transfer, has developed into the Community Forum which is currently reviewing the opportunities for tenants to influence how V2C does business: offering the chance to review policies and publications as well as test and monitor service delivery against jointly agreed targets and published service standards.

Our Operating Context

V2C's business is focussed upon the County Borough of Bridgend in South Wales, with housing stock concentrated in the four large settlements of Bridgend, Maesteg, North Cornelly/Pyle and Porthcawl and the three valleys of the Llynfi, Garw and Ogwr.

The population of Bridgend County Borough is estimated to be around 132,000 and housing data indicates that within the borough 79% of households are owner occupied, 14% are living in the social rented sector, with the remaining 7% in private (or other) rented accommodation.

Between 2001 and 2007 house prices in Bridgend were rising at a significantly higher rate than elsewhere in Wales, making home ownership an unrealistic option for many people. The local authority has identified a net affordable housing requirement of 560 properties per year: an equally unrealistic target.

Given these pressures on the supply side, the increasing demand for affordable rented homes and our competitive rents and tenancy services in relation to the private rented sector, V2C generally has a product that is much sought after.

There is however, still much to do to improve the condition of our homes. The housing stock we acquired in 2003 was in a very poor condition and despite a huge investment plan our programme of works will not be completed until 2014/15. This of course has an impact on our on-going, responsive repairs service and expenditure. In order to best meet and manage these challenges we directly employ our own Housing Repairs Service: 70 operatives working out of our centrally located depot in Bryncethin, close to J36 of the M4.

At the time of transfer we inherited over 420 empty homes, many requiring major work to bring them back to a habitable standard. The number of empty homes has been reduced to just over 60 at the end of March 2010, and plans are in place to clear this backlog completely by the end of 2010/11. This will help address the increasing housing demand as well maximising income levels within the business plan.

Income maximisation is also aided by good debt control and the management of rent arrears is given a high priority by the housing teams. With year on year reductions in rent owed, current arrears stood at 1.71% of the gross debit at year end 2009/10. Conscious however, of the severe economic difficulties facing many customers we have taken steps to maintain this level of performance: creating a small Financial Inclusion team and commissioning a full and independent review of our debt recovery services.

Work to review the 2009/14 Strategic Plan coincided with the preparations for the Westminster election. The possibility of a hung parliament and public sector cuts were considered, but the subsequent Conservative / Liberal Democrat Coalition, the sheer scale of cuts and the prospect of various reviews of welfare benefits, on top of a fragile economy to say the least, shed a whole new light on the operating context. The next couple of years from 2010 onwards will be very challenging indeed.

The risk analyses completed as part of the strategic planning review identified a number of these challenges facing V2C:

- The difficulty of raising new loan capital
- The increased risk of rent default through unemployment / benefit withdrawal
- The legislative programme of the new government
- Cuts to public spending (affecting direct expenditure or partner organisations)
- The possibility of one of our key contractors ceasing to trade (leaving us with serious operational difficulties in fulfilling our Asset Management Strategy)

At the same time the social housing sector in Wales is faced with equal measures of uncertainty and challenge as the new regulatory framework for housing associations is introduced. The aim is to enhance the role of internal governance, facilitate the delivery of more accountable services to tenants and ensure the financial viability of the movement.

With such challenging times ahead V2C needs to prepare itself for this change and change itself to survive these new challenges.

Our Last 12 Months (2009/10)

The last 12 months have seen some significant achievements and changes as we started to work towards the Strategic Objectives set in 2009:

- A refresh of our branding was completed: presenting a new logo and a completely revamped website;
- The refurbishment programme for our non-traditional properties was launched with the post-war prefabs in Pencoed, before moving onto Heol Degwm in North Cornelly;
- A full review of our empty homes policy made huge in-roads into our long-term void properties - reducing the number to just over 60 and putting plans in place to clear the backlog completely by the end of 2010/11;
- The housing and customer service teams were restructured: increasing the capacity of the customer facing team, and creating new posts to address tenancy sustainability and the management of public realm;
- A 12-month leadership / team building programme was launched for senior managers across the organisation;
- The Board Governance Working Group agreed proposals to amend V2C's rules to improve the selection process, reduce the number of Board Members and introduce fixed terms of office;
- The first homes built by V2C were let at Ffordd y Mynach, Pyle with work starting immediately afterwards on a further nine houses at Plumley Close, North Cornelly;
- The Dwr Cymru pilot and the MoneyLine Cymru projects have had a major, positive impact on financial inclusion across the borough, with the MoneyLine scheme scooping an award at the Chartered Institute of Housing's UK Housing Heroes ceremony.

And during the year there were a number of other memorable events.

In June 2009 Jocelyn Davies AM, the Housing Minister, visited North Cornelly to see first-hand the improvement works being undertaken by Connaught and to have a look around the new homes we had purchased at the end of April at *Nant y Coed*.

At the end of November at the Chartered Institute of Housing's Welsh Housing Awards our very own Community Caretakers won the Housing Hero award: fitting recognition from both tenants and housing professionals for the outstanding work they do.

In August the tenants' event was held at the Hi-Tide, Porthcawl, and in addition to plenty of hard work we were all entertained by Mike Doyle.

October saw the first ever Gala Dinner to present the tenants' awards; and what a night that was!

And on a wet day at the end of October we also celebrated the launch of our first ever housing scheme for shared ownership in partnership with Lovell.

And finally at the end of the year, the Mayor of Bridgend County Borough Council, Cllr Jefferson Tildsley, spent an afternoon visiting some of our new and improved homes in his ward; and took time out to speak to some very happy tenants.

All in all, a very busy and successful 12 months but we cannot rest on our laurels for too long. There is still a lot to achieve in the year ahead!

Our Strategic Priorities

The Strategic Priorities developed between November 2008 and March 2009 have been reviewed as a result of progress towards achievement and the changing external environment and have been recast or reaffirmed accordingly.

The Strategic Priorities have deliberately been limited to nine and for each priority an Action Plan has been developed establishing timescales and milestones and identifying the individual within the Executive Management Team (EMT) responsible for delivering the project. Progress against the Action Plan is monitored at each EMT meeting and reported to the Board at least twice a year.
None of these priorities is expected to run for the life of this five year plan, and some will be completed before others. Either upon completion or as part of the review process new priorities will be added, but there will only ever be around ten priorities at any one time. It is important that a business's strategy deployment remains focussed, manageable and realistic.

The following diagram gives a little more detail about each of the nine Strategic Priorities for the next year or so and shows them in the context of our main Strategic Objectives.

Creating Significant Social and Community Benefit

- **New Ventures** - successfully deliver the arbed low carbon programme and develop the Extra Care scheme in Kenfig Hill
- **Community Regeneration** - develop an Estate Management Strategy, complete the DIY Streets programmes (North Cornelly / Caerau) and launch the Marlas Gardens Project
- **Corporate Social Responsibility** - devise and publish a CSR Strategy setting out our aspirations with regard to equalities, the environment and the sustainability of our communities

A Great Place to Work- Attracting and Retaining the Best People

- **Marketing / PR** - develop and publish a Marketing / PR Strategy for the business
- **Staff Development** - implement the Corproate Health Standard and attain Investors in People accreditation
- **Governance** - effect Rule change at SGM, develop the methodology to complete the Self Assessment in line with WAG requirements and review the operation of the Board

Delivering Outstanding Housing and Customer Services

- **IT Strategy** - deliver new desktop solution across the business, complete business case for migration to new Housing Management system and devise an Information Storage Strategy
- **Tenant Influence** - conduct tri-ennial tenant survey, implement tenant led Mystery Shopping programme and develop tenant led scrutiny panel
- **Asset Management** - deliver the new build schemes at Nant y Coed and Chelsea Avenue, complete Phase 1 of the non-traditional refurbishment programme and develop an investement strategy for the shops portfolio

Our Financial Plan

Whether strategic or operational, the priorities outlined in this plan can only be delivered with the commitment of the whole organisation and adequate financial resources. This section of our Strategic Plan sets out the key assumptions that we have made; the key results arising from those assumptions and it explains how our plans will be funded.

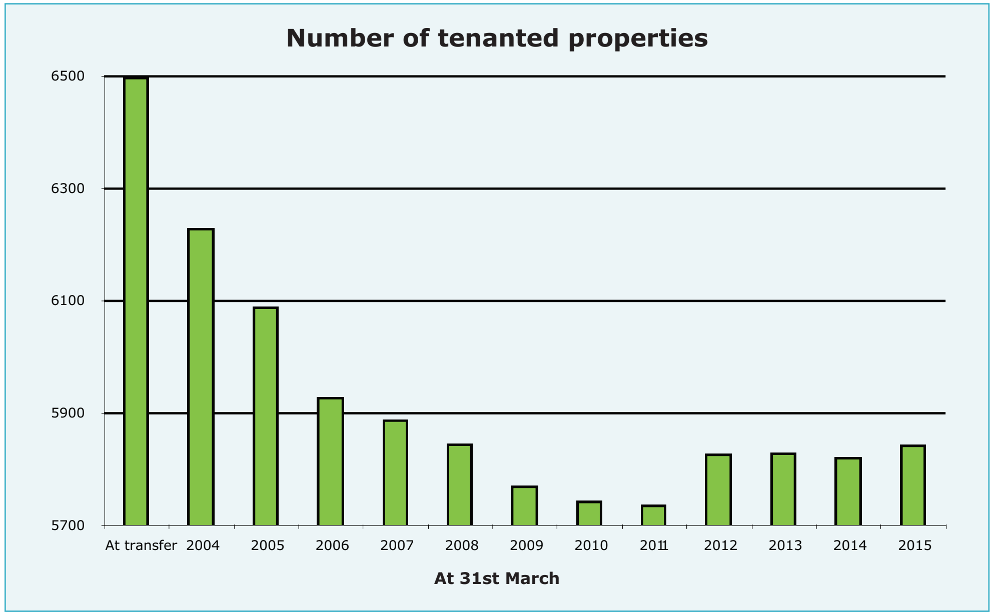
Key Assumptions

The assumptions used in the preparation of the five year Financial Plan are primarily based upon the updated 30 year Financial Plan, the previous five year Financial Plan to 31st March 2014 and the budget for the year ending 31st March 2011.

Adjustments have been made as a result of our experience during the first six years of operation, the development of the detailed programme for improvements and major repairs to the housing stock and the results of the updated stock condition surveys undertaken in the financial year ended 31st March 2009.

Stock Numbers

The Financial Plan is based on an actual opening stock of rented properties at 31st March 2010 of 5743 properties and includes the impact of Right to Buy sales, selective clearance or voluntary disposal of 48 properties, and the development of 100 new properties over the next five years. The projections on the number of Right to Buy sales, are based on the current level of Right to Buy activity.



Inflation and levels of activity

No inflation has been included for the first two years of the Financial Plan up to 31st March 2012. After that date a general inflation percentage of 2% per annum has been applied for the three years to 31st March 2015. In addition to this, the following real increases apply to specific items:

- Rents for new tenants are set at Welsh Assembly Government benchmark rents for each local authority and are increased by 1% per annum above inflation; the level of future increases indicated by the Assembly.

- Rents for the tenants who transferred from BCBC, will increase at the rates indicated in the formal Offer Document: that rents would not be increased by more than the rate of inflation plus 2% per annum. As a result there should be convergence of rents by the end of the fourth year – 31st March 2014.

- No inflation has been included for salary costs for the first two years of the Financial Plan up to 31st March 2012. After that date salary costs are forecast to rise at a rate of 1% higher than inflation in each of the following three years to 31st March 2015. For office based staff and staff based at sheltered schemes total salary costs are then adjusted to reflect the percentage change in tenanted stock numbers, to address the requirement to limit the increase in the Key Performance Indicator for Housing Management and Housing Services Costs per unit.

- Most management and service costs are forecast to rise at the rate of inflation, but adjusted to reflect the percentage change in tenanted stock numbers.

- Annual responsive and cyclical maintenance expenditure per unit is based on the stock condition survey undertaken by FPD Savills with an assumption of no real repairs cost growth inflation to 31st March 2012 and 0.5% thereafter.

- Major repairs and improvements expenditure is based upon the stock condition surveys undertaken by FPD Savills and Michael Dyson Associates Limited with an assumption of no real repairs cost growth inflation to 31st March 2012 and 0.5% thereafter.

Key Results

Income Projections
The Financial Plan is based on an actual opening stock of rented properties at 31st March 2010

- *Rents*
  In the first ten years after transfer, two levels of rent are charged dependant on whether tenancies transferred from BCBC or commenced after the transfer date. Those tenants who transferred from BCBC have the regime of rent increases set out in the Offer Document, with a rent increase limited to 2% above inflation. Actual convergence is scheduled in 2013/14.

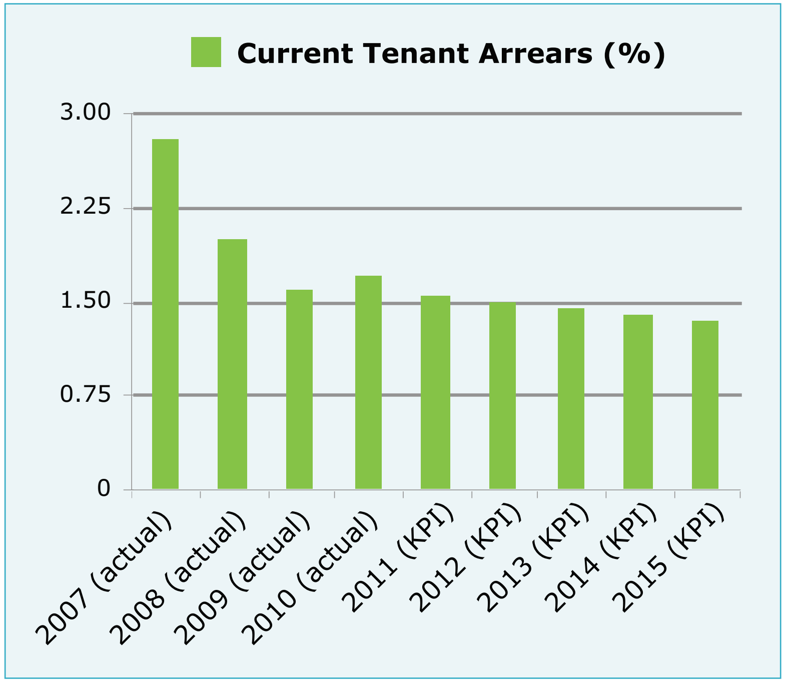
  The rents of new tenants who did not transfer from BCBC are based on the RSL rent benchmark guidance issued by the Assembly. Such calculations set the starting point at which new tenants' rents are levied with subsequent increases being made to cover inflation and general economic growth. The assumed rate of growth for rents for new tenants is 1% above inflation.

- *Re-lets*
  We have assumed that the average rate per annum of new lettings of properties previously let to tenants who transferred from BCBC across all types of property is 6.5%.

- *Empty Homes & Rent loss due to voids*
  The Financial Plan assumes that the number of empty properties at each year end and the rent loss due to voids as a percentage of the annual total rental income are as follows:

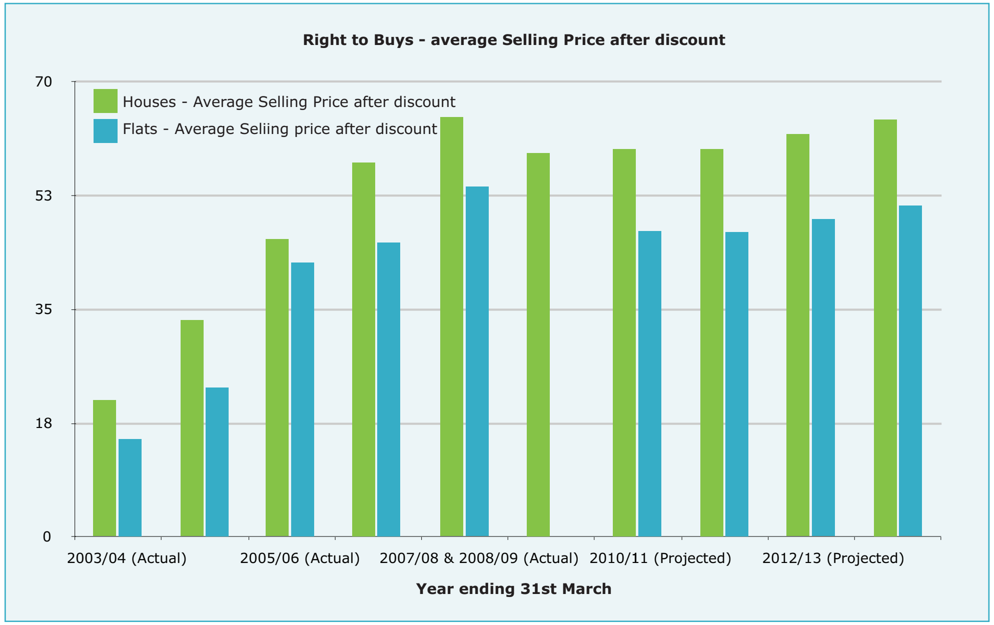
	Number	% for year ending
At 31st March 2010	154	2.700% (actual)
At 31st March 2011	60	1.000% (KPI)
At 31st March 2012	60	0.850% (KPI)
At 31st March 2013	55	0.750% (KPI)
At 31st March 2014	50	0.625% (KPI)
At 31st March 2015	40	0.500% (KPI)

- *Profile of net rent arrears*
  The key performance indicator for current tenant arrears as a percentage of the annual total rental income at each year end is as follows;



- *Rent loss due to bad debts*
  The financial projections assume that the rent loss due to bad debts as a percentage of the annual total rental income is as follows:

	% for year ending
Year Ending 31st March 2010	0.210% (actual)
Year Ending 31st March 2011	0.375% (KPI)
Year Ending 31st March 2012	0.350% (KPI)
Year Ending 31st March 2013	0.300% (KPI)
Year Ending 31st March 2014	0.275% (KPI)
Year Ending 31st March 2015	0.250% (KPI)



- *Right to Buy Sales*
  Prior to transfer a report on Right to Buy (RTB) sales (both in respect of numbers and values) was commissioned from Mazars Property Consultancy Limited (Mazars). We have updated Mazars' projection of the number of RTB sales per year based on V2C's experience of RTB completions since transfer and reflected the actual value of net sales proceeds as the basis for the assumption of average selling price after discount of £59,700 for houses and £47,100 for flats in the year ending 31st March 2011. In future years we have assumed no increase in property values to 31st March 2012 and a real increase of 1.0% per annum thereafter.

- *Other Income*
  Other income includes rental income on garages and shops, miscellaneous income, service charges for leaseholders and Supporting People Grant. The formal Offer Document stated that there was to be a three year moratorium on service charges to tenants to allow for detailed consultation. Service Charges have been levied since 2007/08 in respect of new leaseholders and new tenants only.

Expenditure Projections

- *Management & Administration costs*
  Management and administration costs are based on the budget for 2009/10 adjusted to reflect the percentage change in tenanted stock numbers.

- *Service Costs*
  All direct costs relating to the provision of an affective and efficient housing service are included in this section and reflect service improvements since transfer.

- *Repairs, Maintenance and Improvements*
  The Stock Condition Survey prepared by FPD Savills and the specialist non-traditional property survey carried out by Curtins have been used as the basis for repairs, maintenance and improvement costs.

- *Loan Charges (Interest and Repayment)*
  The financial projections include provision for principal and interest repayments under the loan finance package offered by the consortium of lenders led by Nationwide Building Society.

  These financial projections have been based on the following funding cost assumptions for variable and fixed rate loans throughout the five year period of the Financial Plan:

	Fixed Rate Loans			Variable Rate Loans		
	Average Fixed Rates (%)	Average Margin (%)	Average Total Rates (%)	Average LIBOR Rates (%)	Average Margin (%)	Average Total Rates (%)
3 Years Ending 31st March 2013	5.02% & 5.11%	0.36%	5.37% & 5.46%	0.9% to 3.0%	0.36%	1.26% to 3.36%
2 Years Ending 31st March 2015	5.02% & 5.11%	0.41%	5.40% & 5.49%	4.0% to 5.0%	0.41%	4.41% to 5.41%

- *Taxation*
  Value Added Tax has been included within the various items of cost as V2C is liable to VAT, other than costs included within the VAT mitigation scheme. Under this arrangement, V2C are able to recover the VAT on some elements of its expenditure where this relates to catch-up, planned maintenance and improvements in the first 10 years after transfer.

- *Cash-flow Summary*
  A summary of our cash-flow position and funding profile over the five year period is also included in the financial projections. This includes provision for major repairs and improvements programmes, the proposed development programme, and the effect of the RTB sales.

- *Loan Drawdown Profile*
  The graph below sets out the cumulative loan profile for the period up to the 2015 financial year end.

Sensitivity Analysis

A critical part of the Financial Plan is testing the impact of different assumptions or a sensitivity analysis. The main purpose of such testing is to establish how much margin for safety exists in the plan overall. It also serves to highlight the areas of greatest risk, to enable management effort to be directed to these, where they are controllable, or to at least ensure that they are carefully monitored where they are not.

The key sensitivities include the following:

- Development Programme
- RTB & Property Sales
- RPI increase/decrease
- Interest rate
- Voids and bad debts
- Rate of re-lets
- Building cost inflation
- Cost of repairs and improvements programme
- Management and administration costs
- Rent Benchmark Restructuring

Other sensitivities will measure the impact of a combination of selected factors that are outlined above.

The table overleaf sets out the results of the key sensitivity tests against:

- Number of tenanted properties at 31st March 2015;
- Peak debt & year at which peak debt occurs;
- Year in which loan will be fully repaid;
- Compliance with the two key financial loan covenants, as defined in the loan facility agreement with the Nationwide Building Society; and
- The net assets as at the end of five years (31st March 2015) in the projected balance sheet.

The compliance with loan covenants tests the maximum annual cash-flow deficit and the ratio of total income to total expenditure, assumes that there is a 10% margin over the loan covenants as calculated from the base five year Financial Plan.

	Sensitivity	Number of properties at 31.03.15	Peak Debt (£,000) & Year of Peak Debt	Year loan fully repaid	Compliance with loan covenants	Net Assets at 31.03.15 (£,000)
	Base	**5,843**	**44,984 (2017/18)**	**2028/29**	**Yes**	**9,477**
1	No new pipeline development programme after 2011/12	5,813	36,320 (2016/17)	2027/28	Yes	9,585
2	Combination of no new pipeline development programme & no Right-to-Buys (combination of scenario 1 and 14)	5,813	39,690 (2017/18)	2029/30	No (2011/12)	7,610
3	Interest rates and inflation both decreased by 0.5%	5,845	44,590 (2017/18)	2029/30	Yes	9,255
4	Re-lets (to tenants who did not transfer from BCBC) rate reduced by 1%	5,843	44,830 (2017/18)	2028/29	Yes	9,530
5	Interest rates and inflation both increased by 0.5%	5,843	45,390 (2017/18)	2029/30	No (2014/15)	9,700
6	Interest rates on variable rate loans increased by 0.5% (no increase in inflation)	5,843	45,450 (2017/18)	2029/30	No (2014/15)	9,275
7	Interest rates on variable loans increased by 1% (no increase in inflation)	5,843	45,920 (2017/18)	2029/30	No (2013/14)	9,065
8	Losses due to bad debts and voids increased by 0.5%	5,843	46,040 (2017/18)	2029/30	No (2013/14)	8,910
9	Losses due to bad debts and voids increased by 1%	5,843	46,480 (2017/18)	2030/31	No (2012/13)	8,870
10	Administration and management costs increased by 5%	5,843	46,590 (2017/18)	2030/31	No (2012/13)	8,610
11	Additional development programme of 40 units in 2012 to 2014	5,843	47,440 (2017/18)	2029/30	Yes	9,430
12	Real rent income inflation decreased from 1% to 0.5% (for all 30 years)	5,843	48,550 (2017/18)	Never	No (2012/13)	8,365
13	WHQS re-improvement programme increased by 5%	5,843	48,580 (2017/18)	Never	No (2011/12)	8,430
14	Additional development programme of 60 units in 2012 to 2014	5,903	48,670 (2017/18)	2029/30	Yes	9,410
15	No Right-to-Buys after 2010/11	5,875	49,110 (2017/18)	2031/32	No (2011/12)	7,500
16	Inflation on all repairs, maintenance & improvement costs increased by 1%	5,843	50,350 (2017/18)	Never	No (2013/14)	8,210
17	Real rent income inflation decreased from 1% to 0% (for first 10 years)	5,843	54,480 (2017/18)	Never	No (2011/12)	7,260
18	Rent freeze in 2011/12, followed by a 2.5% reduction in rent (real rent reduction of 4.5% taking inflation into account), then a real rent income inflation of 1% to year 10 & then 0.5% thereafter	5,843	55,340 (2017/18)	Never	No (2011/12)	4,490

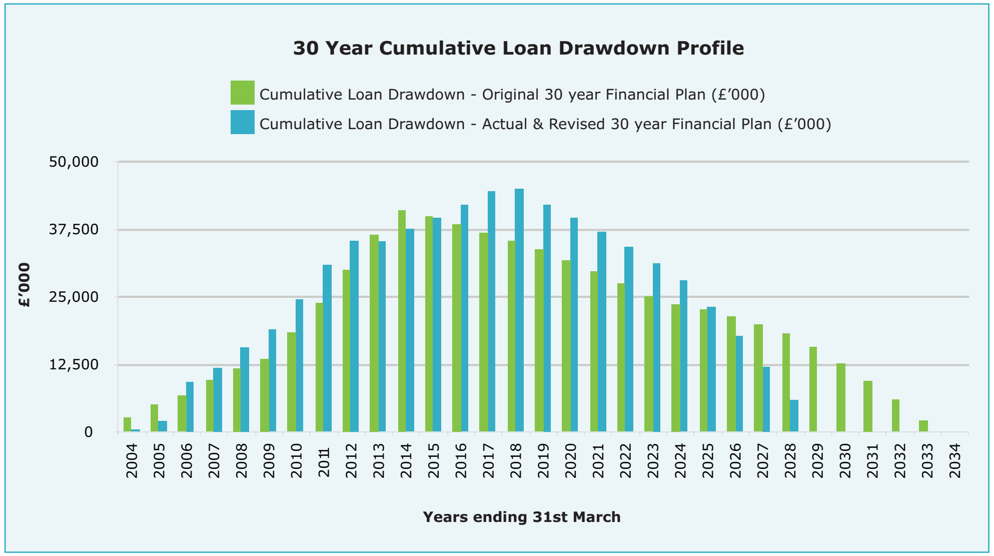
30 Year Projections

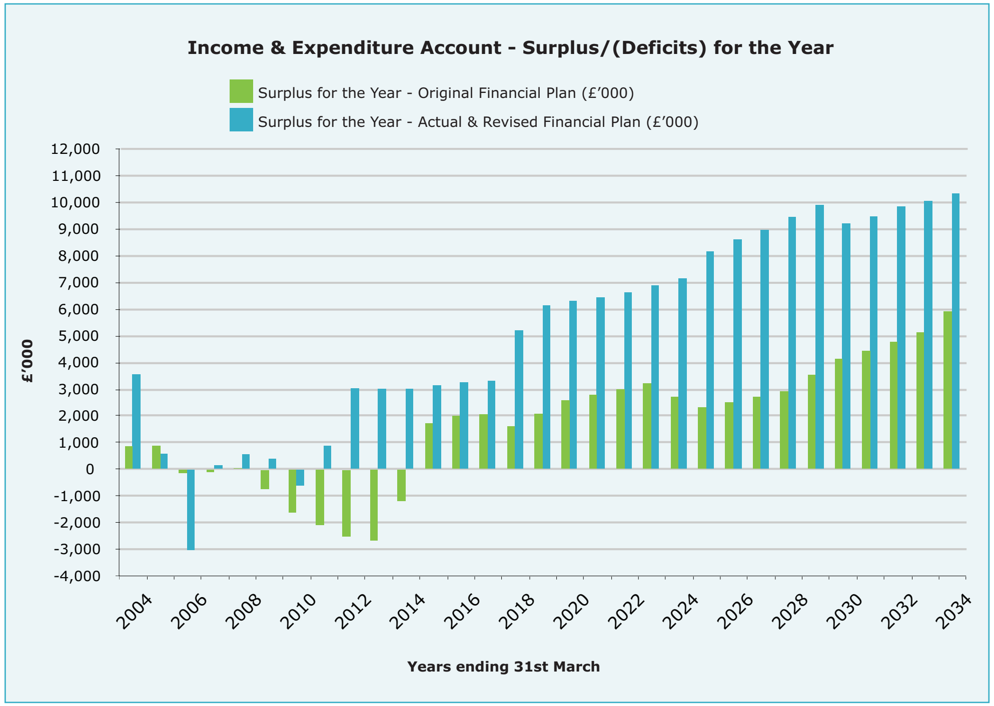
Funding Requirements

Based upon a revised 30 year financial plan, the maximum funding requirements for the planned programme of repairs and improvements and new development is £45.0 million. The model indicates that peak debt occurs at the end of the 2017/18 (year 8) with the debt being fully repaid by 2028/29 (year 19).

Cash-flow Forecasts

Due to profiling of the planned programme of repairs and improvements and new development, the revised 30 year Financial Plan show that, in respect of the cash-flows, V2C will have substantial cash outflows (before loan draw-downs) up to 2017/18 (year 8). After 2017/18 V2C there will be cash inflows as the expenditure on the planned programme of repairs and improvements and new development reduces.





Appendix 1 - Key Performance Indicators

Key Performance Indicator	10-11 (KPI)	11-12 (KPI)	12-13 (KPI)	13-14 (KPI)	14-15 (KPI)
Cost per Unit					
- Housing Management	£616	£590	£614	£635	£651
- Responsive Repairs	£806	£741	£689	£653	£614
Current Tenant Arrears (net of Housing Benefit) as a percentage of Rent and Service Charges Collectable	1.50%	1.45%	1.40%	1.35%	1.30%
Rent and Service Charges lost due to lettable properties being empty as a percentage of the total rent debit for the year	1.00%	0.85%	0.75%	0.625%	0.50%
Charge for write off of Bad Debts as a percentage of Rent and Service Charges Collectable	0.375%	0.35%	0.30%	0.275%	0.25%
Maintenance Response Times					
- Emergency (Average time to complete - days)	0.18 days	0.175 days	0.17 days	0.165 days	0.16 days
- Emergency (Percentage completed within target)	99.0%	99.1%	99.2%	99.3%	99.4%
- Urgent (Average time to complete - days)	2.4 days	2.35 days	2.3 days	2.25 days	2.2 days
- Urgent (Percentage completed within target)	98.5%	98.6%	98.7%	98.8%	98.9%
- Non-urgent (Average time to complete - days)	13 days	12.5 days	12 days	11.5 days	11 days
- Non-urgent (Percentage completed within target)	92.0%	93.0%	94.0%	95.0%	96.0%
Total time taken to re-let empty homes (that become void after 1st April 2010)	25 working days	15 working days	14 working days	13 working days	12 working days
Sickness Absence percentage	4.00%	3.80%	3.60%	3.40%	3.20%
Staff Turnover Percentage	13.5%	13.0%	12.5%	12.0%	11.50%
New Homes purchased or completed (number)	31	77	10	0	30
Valuation of Stock (£'m)	44.0	49.7	55.7	62.4	
Housing Stock at Year End	5,758	5,827	5,829	5,821	5,843
Loan Balance at Year End (£'000)	30,919	35,403	35,256	37,604	39,615
Surplus for the Year (£'000)	876	3,039	3,017	3,021	3,138

Appendix 2 - V2C 5 Year Financial Plan

Summary Income & Expenditure Accounts for the years ending 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's
Turnover	20,225	21,014	21,935	22,783	23,562
Operating Costs	-18,767	-16,881	-17,645	-18,353	-18,832
Operating Surplus	**1,458**	**4,133**	**4,290**	**4,430**	**4,730**
Surplus on Sale of Fixed Assets	527	449	466	484	503
Interest Receivable	36	2	3	6	7
Interest Payable	-1,145	-1,545	-1,742	-1,899	-2,102
Surplus for the Year	**876**	**3,039**	**3,017**	**3,021**	**3,138**
Accumulated Surplus Deficit Brought Forward	**-3,614**	**-2,738**	**301**	**3,318**	**6,339**
Accumulated Surplus Deficit Carried Forward	**-2,738**	**301**	**3,318**	**6,339**	**9,477**

Detailed Income & Expenditure Accounts for the years ending 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's
Income from Lettings					
Rent Receivable	19,305	20,015	20,842	21,588	22,286
Service Charge Income	467	525	594	661	709
Charges for Support Services	99	99	100	102	105
Gross Rental Income	**19,871**	**20,639**	**21,536**	**22,351**	**23,100**

Detailed Income & Expenditure Accounts for the years ending 31st March (continued:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's
Less Voids	-197	-176	-164	-142	-122
Net Rental Income	**19,674**	**20,463**	**21,372**	**22,209**	**22,978**
Other Income	196	196	200	204	208
Total Turnover From Social Housing Lettings	**19,870**	**20,659**	**21,572**	**22,413**	**23,186**
Management Costs	3,844	3,416	3,581	3,701	3,795
Service Costs	1,552	1,565	1,603	1,637	1,676
Care and Support Costs	98	96	98	101	104
Routine Maintenance	4,696	4,290	4,003	3,801	3,578
Planned Maintenance	846	855	879	901	923
Major Repairs	6,743	5,503	6,207	6,849	7,278
Bad Debts	73	72	65	61	58
Depreciation of Housing Properties	564	759	875	960	1,069
Total Operating Costs	**18,416**	**16,556**	**17,311**	**18,011**	**18,481**
Surplus on Social Housing Lettings	**1,454**	**4,103**	**4,261**	**4,402**	**4,705**
Other Activities	4	30	29	28	25
Surplus on Sale Of Properties	527	449	466	484	503
Surplus before Interest	**1,985**	**4,582**	**4,756**	**4,914**	**5,233**
Interest Receivable	36	2	3	6	7
Interest Payable	-1,145	-1,545	-1,742	-1,899	-2,102
Surplus for the Year	**876**	**3,039**	**3,017**	**3,021**	**3,138**

Cash Flow Forecasts for the years ending 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's
Operating Activities					
Cash Received from Customers	20,152	20,942	21,870	22,722	23,960
Cash Paid to Suppliers	-15,599	-13,969	-14,492	-15,025	-15,337
Cash Paid to Employees	-1,860	-1,819	-1,871	-1,925	-1,980
Net Cash from Operating Activities	**2,693**	**5,154**	**5,507**	**5,772**	**6,643**
Returns on Investments and Servicing of Finance					
Interest Received	36	2	3	6	7
Interest Paid	-1,145	-1,545	-1,742	-1,899	-2,102
Net Cash from Investment Returns and Finance Servicing	**-1,109**	**-1,543**	**-1,739**	**-1,893**	**-2,095**
Investing Activities					
Fixed Assets	-16,070	-10,367	-3,921	-8,834	-9,370
Investments	-620	-300	-306	-312	-318
Asset Sales	531	452	470	488	506
Grants	2,160	2,133	150	2,445	2,635
Net Cash from Investment Activities	**-13,999**	**-8,082**	**-3,607**	**-6,213**	**-6,547**
Net Cash before Financing	**-12,415**	**-4,471**	**161**	**-2,334**	**-1,999**
Financing					
Debt Draw Down	3,600	3,500	2,600	2,000	1,100
Capital Repayments					-2,200
Working Capital Loan	2,819	984	-2,747	348	3,111
Net Cash From Financing	**6,419**	**4,484**	**-147**	**2,348**	**2,011**
BALANCE BROUGHT FORWARD	6,298	302	315	329	343
INCOME LESS PAYMENTS	-5,996	13	14	14	12
CLOSING BANK POSITION	**302**	**315**	**329**	**343**	**355**

Balance Sheets as at 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's
Housing Assets					
Housing Properties at cost	54,587	64,951	68,868	77,698	87,065
Social Housing Grants	-16,519	-18,652	-18,802	-21,247	-23,882
Other Capital Grants	-1,509	-1,509	-1,509	-1,509	-1,509
Depreciation	-1,889	-2,648	-3,523	-4,482	-5,551
Net Book Value Of Housing Properties	**34,670**	**42,142**	**45,034**	**50,460**	**56,123**
Other Fixed Assets	813	852	816	746	677
Total Fixed Assets	**35,483**	**42,994**	**45,850**	**51,206**	**56,800**
Current Assets	2,552	2,564	2,578	2,591	2,146
Current Liabilities	3,924	3,924	3,924	3,924	3,924
Net Current Assets	**-1,372**	**-1,360**	**-1,346**	**-1,333**	**-1,778**
Total Assets Less Current Liabilities	**34,111**	**41,634**	**44,504**	**49,873**	**55,022**
Outstanding Loan Balance	**30,919**	**35,403**	**35,256**	**37,604**	**39,615**
Other Long Term Creditors	5,930	5,930	5,930	5,930	5,930
Net Assets	**-2,738**	**301**	**3,318**	**6,339**	**9,477**
Share Capital and Reserves					
Total Stockholders Equity	0	0	0	0	0
Retained Surplus	-2,738	301	3,318	6,339	9,477
Net Assets	**-2,738**	**301**	**3,318**	**6,339**	**9,477**

Appendix 3 - V2C 30 Year Financial Plan

Summary Income & Expenditure Accounts for the years ending 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's	2016 £000's	2017 £000's	2018 £000's	2019 £000's	2020 £000's	2021 £000's	2022 £000's	2023 £000's	2024 £000's	2025 £000's
Turnover	20,225	21,014	21,935	22,783	23,562	24,387	25,113	25,928	26,773	27,582	28,146	28,796	29,463	30,227	30,855
Operating Costs	-18,767	-16,881	-17,645	-18,353	-18,832	-19,331	-19,871	-18,727	-18,661	-19,304	-19,887	-20,489	-21,056	-21,646	-21,535
Operating Surplus	**1,458**	**4,133**	**4,290**	**4,430**	**4,730**	**5,056**	**5,242**	**7,201**	**8,112**	**8,278**	**8,259**	**8,307**	**8,407**	**8,581**	**9,320**
Surplus on Sale of Fixed Assets	527	449	466	484	503	522	541	562	521	382	395	410	425	348	361
Interest Receivable	36	2	3	6	7	10	10	11	10	10	11	11	11	11	11
Interest Payable	-1,145	-1,545	-1,742	-1,899	-2,102	-2,326	-2,477	-2,564	-2,503	-2,362	-2,230	-2,094	-1,954	-1,790	-1,534
Surplus for the Year	**876**	**3,039**	**3,017**	**3,021**	**3,138**	**3,262**	**3,316**	**5,210**	**6,140**	**6,308**	**6,435**	**6,634**	**6,889**	**7,150**	**8,158**
Accumulated Surplus Deficit Brought Forward	**-3,614**	**-2,738**	**301**	**3,318**	**6,339**	**9,477**	**12,739**	**16,055**	**21,265**	**27,405**	**33,713**	**40,148**	**46,782**	**53,671**	**60,821**
Accumulated Surplus Deficit Carried Forward	**-2,738**	**301**	**3,318**	**6,339**	**9,477**	**12,739**	**16,055**	**21,265**	**27,405**	**33,713**	**40,148**	**46,782**	**53,671**	**60,821**	**68,979**

Summary Income & Expenditure Accounts for the years ending 31st March:	2026 £000's	2027 £000's	2028 £000's	2029 £000's	2030 £000's	2031 £000's	2032 £000's	2033 £000's	2034 £000's	2035 £000's	2036 £000's	2037 £000's	2038 £000's	2039 £000's	2040 £000's	Total £000's
Turnover	31,579	32,323	33,177	33,882	34,699	35,542	36,500	37,292	38,200	39,131	40,190	41,065	42,069	43,098	44,266	949,802
Operating Costs	-22,136	-22,756	-23,395	-24,035	-25,571	-26,275	-26,997	-27,736	-28,494	-31,822	-32,733	-33,665	-34,622	-35,602	-36,566	-723,390
Operating Surplus	**9,443**	**9,567**	**9,782**	**9,847**	**9,128**	**9,267**	**9,503**	**9,556**	**9,706**	**7,309**	**7,457**	**7,400**	**7,447**	**7,496**	**7,700**	**226.412**
Surplus on Sale of Fixed Assets	374	285	210	218												7,983
Interest Receivable	12	12	12	16	86	213	346	487	633	727	755	787	817	847	878	6,788
Interest Payable	-1,215	-891	-545	-173												-33,091
Surplus for the Year	**8,614**	**8,793**	**9,459**	**9,908**	**9,214**	**9,480**	**9,849**	**10,043**	**10,339**	**8,036**	**8,212**	**8,187**	**8,264**	**8,343**	**8,578**	**208,092**
Accumulated Surplus Deficit Brought Forward	**68,979**	**77,593**	**86,566**	**96,025**	**105,933**	**115,147**	**124,627**	**134,476**	**144,519**	**154,858**	**162,894**	**171,106**	**179,293**	**187,557**	**195,900**	**-3,614**
Accumulated Surplus Deficit Carried Forward	**77,593**	**86,566**	**96,025**	**105,933**	**115,147**	**124,627**	**134,476**	**144,519**	**154,858**	**162,894**	**171,106**	**179,293**	**187,557**	**195,900**	**204,478**	**204,478**

Balance Sheets as at 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's	2016 £000's	2017 £000's	2018 £000's	2019 £000's	2020 £000's	2021 £000's	2022 £000's	2023 £000's	2024 £000's	2025 £000's
Housing Assets															
Housing Properties at cost	54,587	64,951	68,868	77,698	87,065	96,660	106,489	116,365	121,248	126,682	132,252	137,964	143,814	149,809	155,231
Social Housing Grants	-16,519	-18,652	-18,802	-21,247	-23,882	-26,583	-29,351	-32,189	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331
Other Capital Grants	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509
Depreciation	-1,889	-2,648	-3,523	-4,482	-5,551	-6,735	-8,036	-9,455	-10,990	-12,628	-14,376	-16,236	-18,213	-20,308	-22,517
Net Book Value Of Housing Properties	34,670	42,142	45,034	50,460	56,123	61,833	67,593	73,212	76,418	80,214	84,036	87,888	91,761	95,661	98,874
Other Fixed Assets	813	852	816	746	677	668	688	709	724	739	753	766	782	797	811
Total Fixed Assets	35,483	42,994	45,850	51,206	56,800	62,501	68,281	73,921	77,142	80,953	84,789	88,654	92,543	96,458	99,685
Current Assets	2,552	2,564	2,578	2,591	2,146	2,159	2,170	2,182	2,195	2,207	2,215	2,225	2,235	2,246	2,256
Current Liabilities	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924
Net Current Assets	-1,372	-1,360	-1,346	-1,333	-1,778	-1,765	-1,754	-1,742	-1,729	-1,717	-1,709	-1,699	-1,689	-1,678	-1,668
Total Assets Less Current Liabilities	34,111	41,634	44,504	49,873	55,022	60,736	66,527	72,179	75,413	79,236	83,080	86,955	90,854	94,780	98,017
Outstanding Loan Balance	30,919	35,403	35,256	37,604	39,615	42,067	44,542	44,984	42,078	39,593	37,002	34,243	31,253	28,029	23,108
Other Long Term Creditors	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930
Net Assets	-2,738	301	3,318	6,339	9,477	12,739	16,055	21,265	27,405	33,713	40,148	46,782	53,671	60,821	68,979
Share Capital and Reserves															
Total Stockholders Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retained Surplus	-2,738	301	3,318	6,339	9,477	12,739	16,055	21,265	27,405	33,713	40,148	46,782	53,671	60,821	68,979
Net Assets	-2,738	301	3,318	6,339	9,477	12,739	16,055	21,265	27,405	33,713	40,148	46,782	53,671	60,821	68,979

Balance Sheets as at 31st March:	2026 £000's	2027 £000's	2028 £000's	2029 £000's	2030 £000's	2031 £000's	2032 £000's	2033 £000's	2034 £000's	2035 £000's	2036 £000's	2037 £000's	2038 £000's	2039 £000's	2040 £000's
Housing Assets															
Housing Properties at cost	160,788	166,485	172,325	178,311	185,329	192,522	199,895	207,452	215,199	225,662	236,388	247,381	258,650	270,200	282,038
Social Housing Grants	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331	-32,331
Other Capital Grants	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509	-1,509
Depreciation	-24,836	-27,267	-29,814	-32,480	-35,276	-38,215	-41,300	-44,534	-47,922	-51,494	-55,278	-59,279	-63,503	-67,956	-72,601
Net Book Value Of Housing Properties	**102,112**	**105,378**	**108,671**	**111,991**	**116,213**	**120,467**	**124,755**	**129,078**	**133,437**	**140,328**	**147,270**	**154,262**	**161,307**	**168,404**	**175,597**
Other Fixed Assets	828	843	859	878	895	913	932	950	969	989	1,007	1,027	1,047	1,069	1,089
Total Fixed Assets	**102,940**	**106,221**	**109,530**	**112,869**	**117,108**	**121,380**	**125,687**	**130,028**	**134,406**	**141,317**	**148,277**	**155,289**	**162,354**	**169,473**	**176,686**
Current Assets	2,267	2,278	2,291	2,918	7,893	13,101	18,643	24,345	30,306	31,431	32,683	33,858	35,057	36,281	37,646
Current Liabilities	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924	3,924
Net Current Assets	**-1,657**	**-1,646**	**-1,633**	**-1,006**	**3,969**	**9,177**	**14,719**	**20,421**	**26,382**	**27,507**	**28,759**	**29,934**	**31,133**	**32,357**	**33,722**
Total Assets Less Current Liabilities	**101,283**	**104,575**	**107,897**	**111,863**	**121,077**	**130,557**	**140,406**	**150,449**	**160,788**	**168,824**	**177,036**	**185,223**	**193,487**	**201,830**	**210,408**
Outstanding Loan Balance	**17,760**	**12,079**	**5,942**												
Other Long Term Creditors	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930	5,930
Net Assets	**77,593**	**86,566**	**96,025**	**105,933**	**115,147**	**124,627**	**134,476**	**144,519**	**154,858**	**162,894**	**171,106**	**179,293**	**187,557**	**195,900**	**204,478**
Share Capital and Reserves															
Total Stockholders Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retained Surplus	77,593	86,566	96,025	105,933	115,147	124,627	134,476	144,519	154,858	162,894	171,106	179,293	187,557	195,900	204,478
Net Assets	**77,593**	**86,566**	**96,025**	**105,933**	**115,147**	**124,627**	**134,476**	**144,519**	**154,858**	**162,894**	**171,106**	**179,293**	**187,557**	**195,900**	**204,478**

Appendix 3 - V2C 30 Year Financial Plan

Cash Flow Forecasts for the years ending 31st March:	2011 £000's	2012 £000's	2013 £000's	2014 £000's	2015 £000's	2016 £000's	2017 £000's	2018 £000's	2019 £000's	2020 £000's	2021 £000's	2022 £000's	2023 £000's	2024 £000's	2025 £000's
Operating Activities															
Cash Received from Customers	20,152	20,942	21,870	22,722	23,960	24,327	25,051	25,864	26,707	27,514	28,076	28,725	29,390	30,152	30,779
Cash Paid to Suppliers	-15,599	-13,969	-14,492	-15,025	-15,337	-15,715	-16,103	-14,769	-14,514	-14,978	-15,376	-15,788	-16,161	-16,550	-16,241
Cash Paid to Employees	-1,860	-1,819	-1,871	-1,925	-1,980	-2,037	-2,095	-2,155	-2,217	-2,282	-2,348	-2,417	-2,487	-2,560	-2,635
Net Cash from Operating Activities	**2,693**	**5,154**	**5,507**	**5,772**	**6,643**	**6,575**	**6,853**	**8,940**	**9,976**	**10,254**	**10,352**	**10,520**	**10,742**	**11,042**	**11,903**
Returns on Investments and Servicing of Finance															
Interest Received	36	2	3	6	7	10	10	11	10	10	111	11	11	11	11
Interest Paid	-1,145	-1,545	-1,742	-1,899	-2,102	-2,326	-2,477	-2,564	-2,503	-2,362	-2,230	-2,094	-1,954	-1,790	-1,534
Net Cash from Investment Returns and Finance Servicing	**-1,109**	**-1,543**	**-1,739**	**-1,893**	**-2,095**	**-2,316**	**-2,467**	**-2,553**	**-2,493**	**-2,352**	**-2,219**	**-2,083**	**-1,943**	**-1,779**	**-1,523**
Investing Activities															
Fixed Assets	-16,070	-10,367	-3,921	-8,834	-9,370	-9,599	-9,833	-9,879	-4,886	-5,436	-5,573	-5,714	-5,852	-5,996	-5,424
Investments	-620	-300	-306	-312	-318	-325	-331	-338	-345	-351	-359	-366	-373	-380	-388
Asset Sales	531	452	470	488	506	525	545	565	524	384	397	412	426	350	362
Grants	2,160	2,133	150	2,445	2,635	2,701	2,768	2,838	142						
Net Cash from Investment Activities	**-13,999**	**-8,082**	**-3,607**	**-6,213**	**-6,547**	**-6,698**	**-6,851**	**-6,814**	**-4,565**	**-5,403**	**-5,535**	**-5,668**	**-5,799**	**-6,026**	**-5,450**
Net Cash before Financing	**-12,415**	**-4,471**	**161**	**-2,334**	**-1,999**	**-2,439**	**-2,465**	**-427**	**2,918**	**2,499**	**2,598**	**2,769**	**3,000**	**3,237**	**4,930**
Financing															
Debt Draw Down	3,600	3,500	2,600	2,000	1,100		10,000								
Capital Repayments					-2,200		-10,000	-1,800	-3,500	-3,400	-3,900	-4,000	-2,800		-700
Working Capital Loan	2,819	984	-2,747	348	3,111	2,452	2,475	2,242	595	914	1,310	1,241	-190	-3,224	-4,221
Net Cash From Financing	**6,419**	**4,484**	**-147**	**2,348**	**2,011**	**2,452**	**2,475**	**442**	**-2,905**	**-2,486**	**-2,590**	**-2,759**	**-2,990**	**-3,224**	**-4,921**
BALANCE BROUGHT FORWARD	6,298	302	315	329	343	355	368	378	393	406	419	427	437	447	460
INCOME LESS PAYMENTS	-5,996	13	14	14	12	13	10	15	13	13	8	10	10	13	9
CLOSING BANK POSITION	**302**	**315**	**329**	**343**	**355**	**368**	**378**	**393**	**406**	**419**	**427**	**437**	**447**	**460**	**469**

Cash Flow Forecasts for the years ending 31st March:	2026 £000's	2027 £000's	2028 £000's	2029 £000's	2030 £000's	2031 £000's	2032 £000's	2033 £000's	2034 £000's	2035 £000's	2036 £000's	2037 £000's	2038 £000's	2039 £000's	2040 £000's	Total £000's
Operating Activities																
Cash Received from Customers	31,500	32,243	33,095	33,798	34,613	35,453	36,409	37,199	38,105	39,034	40,090	40,963	41,964	42,990	44,156	947.843
Cash Paid to Suppliers	-16,647	-17,064	-17,495	17,922	-19,229	-19,689	-20,160	-20,642	-21,136	-24,165	-24,746	-25,341	-25,950	-26,573	-27,212	-554,588
Cash Paid to Employees	-2,712	-2,792	-2,875	-2,960	-3,048	-3,140	-3,234	-3,331	-3,431	-3,534	-3,640	-3,749	-3,862	-3,977	-4,097	-83,070
Net Cash from Operating Activities	**12,141**	**12,387**	**12,725**	**12,916**	**12,336**	**12,624**	**13,015**	**13,226**	**13,538**	**11,335**	**11,704**	**11,873**	**12,152**	**12,440**	**12,847**	**310,185**
Returns on Investments and Servicing of Finance																
Interest Received	12	12	12	16	86	213	346	487	633	727	755	787	817	847	878	6,788
Interest Paid	-1,215	-891	-545	-173												-33,091
Net Cash from Investment Returns and Finance Servicing	**-1,203**	**-879**	**-533**	**-157**	**86**	**213**	**346**	**487**	**633**	**727**	**755**	**787**	**817**	**847**	**878**	**26,303**
Investing Activities																
Fixed Assets	-5,559	-5,698	-5,841	-5,987	-7,018	-7,194	-7,373	-7,557	-7,747	-10,464	-10,725	-10,994	-11,269	-11,550	-11,839	-243,569
Investments	-396	-404	-412	-420	-428	-437	-446	-455	-464	-473	-483	-492	-502	-512	-125	-11,861
Asset Sales	375	286	211	218												8,027
Grants																17,972
Net Cash from Investment Activities	**-5,580**	**-5,816**	**-6,042**	**-6,189**	**-7,446**	**-7,631**	**-7,819**	**-8,012**	**-8,211**	**-10,937**	**-11,208**	**-11,486**	**-11,771**	**-12,062**	**-11,964**	**-229,431**
Net Cash before Financing	**5,358**	**5,692**	**6,150**	**6,570**	**4,976**	**5,206**	**5,542**	**5,701**	**5,960**	**1,125**	**1,251**	**1,174**	**1,198**	**1,225**	**1,761**	**54,451**
Financing																
Debt Draw Down																22,800
Capital Repayments	-2,500	-2,500	-2,500	-2,500												-42,300
Working Capital Loan	-2,848	-3,181	-3,637	-3,442												-4,999
Net Cash From Financing	**-5,348**	**-5,681**	**-6,137**	**-5,942**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-24,499**
BALANCE BROUGHT FORWARD	469	479	490	503	1,131	6,107	11,313	16,855	22,556	28,516	29,641	30,892	32,066	33,264	34,489	6,298
INCOME LESS PAYMENTS	10	11	13	628	4,976	5,206	5,542	5,701	5,960	1,125	1,251	1,174	1,198	1,225	1,761	29,952
CLOSING BANK POSITION	**479**	**490**	**503**	**1,131**	**6,107**	**11,313**	**16,855**	**22,556**	**28,516**	**29,641**	**30,892**	**32,066**	**33,264**	**34,489**	**36,250**	**36,250**

Appendix 4 - Board Member & Executive Management Team

BOARD MEMBERS

INDEPENDENT BOARD MEMBERS:

C Roger Thomas (Chair)
Nia H Roblin
Helen Wooldridge
Brian A Williams (appointed 21st September 2009)
Joy Kent (resigned 21st September 2009)

TENANT BOARD MEMBERS:

Susan M Rhodes (Vice-Chair)
Margaret A MacIntyre
Elwyn J Dunster
Barry B Highcock (appointed 21st September 2009)
Tanya V Hicks (resigned 18th May 2009)

COUNCIL BOARD MEMBERS:

Stephen Smith
Gary Thomas
Clive J James
John C Spanswick (appointed 18th May 2010)
Beverley I Quennell (resigned 18th May 2010)

CO-OPTEES:

Rosemary Martin
Mike Brough

EXECUTIVE MANAGEMENT TEAM

CHIEF EXECUTIVE:

Stephen Cook - BA (Hons), FCIH, DMS

FINANCE DIRECTOR (COMPANY SECRETARY):

Alun P Rawlins - FCA, BSc (Hons)

HEAD OF NEIGHBOURHOODS:

Nigel Draper

HEAD OF I.T:

Nick Meyrick

HEAD OF CORPORATE SERVICES:

Claire Murphy

HEAD OF ASSETS & PROCUREMENT:

Andrew Smith - BSc (Hons), MCIH.

HEAD OF FINANCE:

David Stoneman - CIMA

HEAD OF PROPERTY SERVICES:

Rob Thomas - BSc (Hons), MBA

VALLEYS TO COAST
CYMOEDD I'R ARFORDIR

Valleys to Coast Housing Limited
1 Court Road
Bridgend CF31 1BE
Tel: 01656 762400 Fax: 01656 762583
www.v2c.org.uk