



**Community Gateway Association**  
**2024-25 Value for Money Statement**

# Value for Money Statement

## Our Approach

CGA's objectives are set out in our 2024-30 Corporate Plan. The Plan has seven strategic themes:

- We will provide great customer service.
- We will provide safe, well-maintained homes.
- We will provide more affordable homes.
- We will make a difference in our communities.
- We will be a great place to work.
- We will manage our business to the highest standards.
- We will create a sustainable future.

Value for Money (VfM) runs through everything we do and is an integral theme across our corporate plan and objectives. VfM and continuous improvement underpins 'managing our business to the highest standards' objective. The Board use our VfM metrics as key measures to assess and understand our performance against our peer group and the sector as a whole.

To monitor performance across these seven strategic themes we have clearly defined Key Performance Indicators (KPIs) and targets by which the Board can track progress and ultimately assess delivery. This year's results allow us to assess our achievements against the first year of our Corporate Plan.

## Decision-making framework

Our effective decision-making process supports the delivery of VfM. It is important for us to know the impacts of decisions, whether these are about improvements to services or cost reductions, as this allows priorities to be set and agreement reached. Our decision-making framework includes:

- A robust corporate planning structure involving the Board, tenants, staff and wider stakeholders in the production of our corporate plan.
- Annual team plans are prepared by each service area which focus on service improvements. These provide a forward view of resource requirements, and therefore include VfM targets, alongside wider social and environmental gains.
- The collection of customer satisfaction feedback, coupled with committed tenant involvement ensures that our customers' views are used to shape services.
- Financial performance is reviewed monthly by the Executive Leadership Team and quarterly by the Board. This enables corrective action to be taken in a timely manner, including consideration of short- and medium-term implications.
- Our KPI's provide the Board, management and tenants with an understanding of current performance against target and how they compare to sector and peer group benchmarks.

## **Decision-making framework (continued)**

- A project management framework exists to assess and approve new business initiatives. This ensures each has been fully evaluated, appraised against the corporate objectives and is managed in a consistent manner.

## **Reporting on Performance and VfM**

We recognise the importance of measuring how the business is performing and use this knowledge to help us challenge whether the quality of our services could be improved or delivered more cost effectively. We set ourselves challenging targets to sustain or improve year-on-year.

The Board track progress in delivering the Corporate Plan through a bi-annual performance report which includes a number of KPIs across the nine main objectives. Board also receives regular reports throughout the year on our financial position (including the VfM Metric targets). Performance in 2024/25 against our suite of Corporate Plan KPI targets compared to our peers is set out below.

When comparing our performance against peers, we use HouseMark's North-West, North-East and Yorkshire & Humberside benchmarking group for all housing associations with more than 2,500 units.

This consists of 45 housing providers (including CGA), and these are listed in Table 3. This peer group was selected to represent similar housing associations, in the North of England and to provide the most meaningful and useful comparisons.

In addition, we also compare ourselves to live performance data compiled by HouseMark through their monthly pulse surveys. This helps us understand if sector wide issues are impacting on CGA to a greater or lesser extent. Where we have pulse survey information available, we have used this measure as the Upper Quartile benchmark.

Table 2 - Key Performance Indicators					24-25 Target	24-25 Performance		Quartile	Upper Quartile
Compliance									
Properties not meeting the Decent Homes Standard (%) (TSM)					0	0	✓	●	0
Homes with a valid gas safety record (LGSR) (%) (TSM)					100	100	✓	●	100
Homes with a valid Electrical Installation Condition Report (%) (EICR)					100	99.96	⚠	●	100
Homes for which all required fire risk assessments have been carried out (%) (TSM)					100	100	✓	●	100
Repairs Service									
Homes in Band C and above - energy rating (%)					80	81.31	✓	●	75.22
Emergency repairs completed within target timescale (%) (TSM)					99	98.86	⚠	●	98.7
Non-emergency repairs completed within target timescale (%) (TSM)					88	79.58	✗	●	90.4
DMC cases as a % of stock					2	1.49	✓	●	1.69
Housing Services									
Number of new homes developed or acquired (y/e forecast)					184	197	✓	n/a	-
Tenancy turnover (%)					7	6.88	✓	●	5.01
Complaints (Stage 1) (per 1,000 homes) (TSM)					28	24.00	✓	●	12.59
Complaints (Stage 2) - (per 1,000 homes) (TSM)					2.9	4.48	✗	●	1.32
Complaints (Stage 1) - responded to within Ombudsman's timescales (TSM)					100	98.19	✗	●	98.4
Complaints (Stage 2) - responded to within Ombudsman's timescales (TSM)					100	100	✓	●	100
ASB cases (per 1,000 homes) (TSM)					38.6	32.42	✓	●	11.41
Tenant Satisfaction									
Satisfaction with the overall service provided (TSM)					80	86.23	✓	●	84.00
Satisfaction with repairs service (if had a repair in the last 12 months) (TSM)					80	84.29	✓	●	84.90
Satisfaction with time taken to complete most recent repair (if had a repair in the last 12 months) (TSM)					75	79.00	✓	●	82.00
Satisfaction that home is well maintained (TSM)					78	84.34	✓	●	83.10
Satisfaction that the home is safe (TSM)					80	88.49	✓	●	88.80
Satisfaction that the landlord listens to tenant views and acts upon them (TSM)					68	76.31	✓	●	77.50
Satisfaction that the landlord keeps tenants informed about things that matter to them (TSM)					76	86.68	✓	●	84.00
Agreement that the landlord treats tenants fairly and with respect (TSM)					82	87.65	✓	●	88.20
Satisfaction with approach to handling complaints (if made a complaint in the last 12 months) (TSM)					45	50.00	✓	●	48.30
Satisfaction that landlord keeps communal areas clean and well maintained (TSM)					71	84.25	✓	●	77.90
Satisfaction that landlord makes a positive contribution to the neighbourhood (TSM)					67	80.09	✓	●	80.00
Satisfaction with landlord's approach to handling ASB (TSM)					60	62.34	✓	●	74.20
Finance									
Operating margin (%)					21.2	20.2	⚠	●	23.40
Rent loss through voids (%)					2.35	2.53	✗	●	1.2
Current arrears as a percentage of net rent debit					1.00	0.42	✓	●	2.84
Colleagues									
Colleague turnover					18.00	16.12	✓	●	12.1
Average number of days lost to absence per colleague					8.00	8.03	⚠	●	8.07
Colleagues very or fairly satisfied with CGA as a place to work (Annual)					85%	92.89	✓	●	85.85
Quartile Key	Upper Quartile	●	Lower Middle	●	Performance Key	Target Met	✓	Slightly off Target <1% of target	⚠
	Upper Middle	●	Lower Quartile	●		Off Target ≥1% of target	✗		

**Table 3 – Benchmarking Peer Group**

Accent Group	Irwell Valley Housing Association Limited	Regenda Limited
Beyond Housing	Leeds Federated Housing Association Limited	Rochdale Boroughwide Housing Limited
Bolton at Home Ltd	Lincolnshire Housing Partnership Limited	Salix Homes Limited
Broadacres Housing Association	Livv Housing Group	South Lakes Housing
Calico Homes	Magenta Living	South Liverpool Homes Ltd
Castles & Coasts Housing Association Ltd	Mosscaire St Vincent's Housing Group	South Yorkshire Housing Association
Cheshire Peaks and Plains Housing Trust	Muir Group Housing Association Limited	Southway Housing Trust (Manchester) Limited
Cobalt Housing		The Riverside Group
Community Gateway Association Ltd	One Manchester	Together Housing Group Limited
Connect Housing Association Limited	One Vision Housing Limited	Torus Group
ForHousing	Ongo	Wakefield and District Housing Limited
Golden Lane Housing Limited	Onward Group Limited	Weaver Vale Housing Trust Limited
Great Places Housing Group Limited	Plus Dane Housing Limited	Wythenshawe Community Housing
Halton Housing	Prima Housing Group Limited	Yorkshire Housing Limited
Inclusion Housing Community Interest Company	Progress Housing Group	Your Housing Group Limited
Incommunities Limited		

**Commentary on KPI's**

Table 2 shows that despite the challenges of the current operating environment, there have again been a number of positive areas of performance with 25 out of the 33 (76%) targets being achieved with a further 4 being narrowly missed. The KPI targets were stretching ones, to ensure that focus was given to areas of strategic priority to sustain or improve current performance.

**Property Compliance** KPIs ended the year in a very strong position with 3 of the 4 key indicators both being on target and top quartile. Performance on the remaining KPI – 'Electrical Installation Condition Reports', has dipped just outside of target during the final quarter due to 3 homes being without a valid 5-year EICR at the end of March due to access issues. Two of these have now been completed and the Tenancy Management Team are assisting in gaining access to carry out the outstanding inspection.

Investment in our existing housing stock remains strong as demonstrated by 100% of our properties meeting the minimum **"Decent Homes Standard"** and 81.31% of our homes being at a **'band C and above energy rating'** (slightly exceeding our target of 80%).

Performance on **non-emergency repairs** completed within the target time despite missing the target shows an improving trend during the year. Performance for Quarter 4 was 85.50% compared to 70.38% in Quarter 1 reflecting the positive impact of changes we have introduced including introducing an improved van stock to increase the number of repairs completed 'right first time' and rebalancing the trade operative mix through focused recruitment to drive improvements in this area. Performance on **emergency repairs** whilst just below target, continues to benchmark in the upper quartile. Our repairs service will continue to be an area of focus during 2025/26

Number of **new homes developed or acquired** – we exceeded our target with 197 homes having been built/acquired against the target of 184.

We achieved our **Tenancy Turnover** target of 7% with performance of 6.88%

Our Performance on **Stage 1 complaints responded to within Ombudsman timescale** improved when compared to the previous year and pleasingly **Stage 2 responses within timescale** remain at 100%. The 3 complaints outside the timescale occurred during quarter 1 and measures have been put in place by the Complaints Team to avoid this happening again in the future.

The number of **Stage 1 complaints received per 1,000 homes** is within target and in the upper middle quartile compared to our peers. However, **the number of Stage 2 complaints received** is not on target and is in the lower quartile. Reducing the number of Stage 2 complaints remains an area of focus for the organisation with ongoing support and training provided to investigating managers to improve handling of complaints.

The **Number of Anti-Social (ASB) cases received per 1,000 homes** is within target. However, over the last 12 months we have started to see an increase in the number of cases that include a safeguarding element, and this will be an area of focus during 2025/26. Satisfaction with our approach to handling ASB (TSM) gradually improved over the year with performance being 62.34% at year end, compared to 54.72% in 23/24, following the learnings and changes made from tenant feedback (e.g. complaints and focus groups).

**Tenant Satisfaction** as measured by the Tenant Satisfaction Measures (TSMs) is very positive with all 12 TSMs being on target and improved compared to the Quarter 4 2023/24 performance. 6 of the 12 indicators are in the top quartile, with a further 5 in the upper middle quartile. 'Satisfaction with landlord's approach to handling ASB' is in the lower middle quartile, however, has improved to 62.34% (target 60%) compared to 54.72% in Quarter 4 2023/24. Overall satisfaction is strong at 86.23% and targets for the coming year have been set to improve performance even further across all TSMs, recognising room for more improvement in some areas.

We again achieved outstanding **rent collection performance** at 100% for the year resulting in a low level of **arrears as a percentage of net debt** at 0.42%; this is an excellent achievement in a challenging environment. This demonstrates the impact of the financial wellbeing support we provide and is further evidenced with just 2.31% of customers leaving their tenancy due to affordability issues compared to our target of 5%. This is an increase when compared to the 2023/24 performance of 1.7%. We achieved our excellent performance by continuing to support customers to obtain welfare benefits/grants equating to annualised gains of £4.67m. The introduction of Rent Sense software also played a crucial role in enhancing efficiency by using predictive analytics to manage caseloads, reducing reliance on manual processes, and improving communication methods. We also launched the Discretionary Assistance Fund (DAF) to support vulnerable tenants, providing essential financial assistance where other support avenues were insufficient.

Looking ahead, we will continue to focus on maintaining high performance and supporting tenants through various initiatives. The ongoing utilisation of RentSense and CX systems will streamline case management and improve service delivery.

**Void Rent Loss** ended the year 0.18% higher than target due to the impact of the earlier than expected handover (and phased letting) of The Atrium. Managing our voids has been targeted as a key area of focus for improvement during 2025/26 through more streamlined processes, improving performance management and enhancing visibility of the various stages of works to help ensure that any potential blockages are identified, understood and addressed.

**Colleague turnover** has been a challenge for everyone in recent years, and it is pleasing to note that turnover of 16.12% is within our target of 18% and has improved since 2023/24 (21.41%). We are keen to build on this and seek further improvements over the next 12 months.

Average number of days lost to absence per colleague ended the year at 8.03 days, marginally above the target of 8 days. This is an increase compared to our record performance of 6.51 in 2023/24 and reflects the range, severity and complexity of colleague absences during the year.

Colleague engagement remains strong with 92.89% of colleagues very or fairly satisfied with CGA as a place to work exceeding our target of 85%. We were also thrilled to win the 'Excellence in Company Culture and Employee Development' award at the Northern Housing Awards in May 2025, providing external validation of our positive approach to supporting our employees and fostering an environment where they can thrive.

























We continue to gather feedback from our employees at all stages of the employment lifecycle to target our approach to attendance, retention and engagement.








## VfM Regulatory Metrics – our current performance

The VfM Standard and supporting code of practice requires Registered Providers to annually publish evidence to understand the provider's performance against its own VfM targets and the metrics set out by the RSH, alongside how that performance compares to peers.

Table 4 below provides VfM performance in 2024/25 and provides a comparison against the target for the year, the previous two years and our peer group (detailed in Table 3) - and the sector (based on data provided in the 2024 VfM Global Accounts).

## VfM Regulatory Metrics – our current performance

Table 4	22-23	23-24	24-25 Target	24-25 Actual Group	Comparison to CGA's Peer Group median (Based on 2024 data)		Comparison to Sector Consolidated median (Based on 2024 data)	
					Peer Group Median	CGA Quartile	Sector Median	CGA Quartile
<b>Metric 1 - Reinvestment %</b> Investment in properties (existing stock as well as New Supply) as a % of the value of total properties held.	12.78%	14.44%	10.31%	6.41% 	10.4%		7.70%	
<b>Metric 2a - New supply delivered (Social Housing Units)</b> No. of new units as a % of total units.	1.59%	2.27%	2.64%	2.56% 	1.30%		1.40%	
<b>Metric 2b New supply delivered (Non-Social Housing Units)</b> No. of new units as a % of total units.	0%	0%	0%	0%	0%	n/a	0%	n/a
<b>Metric 3 - Gearing %</b> The proportion of assets that are made up of debt.	42.54%	46.83%	47.72%	44.51% 	43.00%		45.60%	
<b>Metric 4 - EBITDA MRI %</b> Measurement of liquidity.	241%	202%	178%	192% 	111%		122%	
<b>Metric 5 - Headline Social Housing Cost per Unit £</b> Cost per unit for social housing activities.	£3,056	£3,685	£4,140	£4,231 	£4,950		£5,136	
<b>Metric 6a - Operating margin % (Social Housing Lettings)</b> Measurement of financial efficiency.	31.39%	26.41%	28.6%	27.00% 	15.5%		20.4%	
<b>Metric 6b - Operating margin % (Overall Margin)</b> Measurement of financial efficiency.	26.86%	22.96%	21.24%	21.37% 	15.5%		18.50%	
<b>Metric 7 - Return on Capital Employed %</b> Measurement of efficiency of investment.	4.10%	3.32%	3.17%	4.02% 	2.90%		2.80%	

Quartile Key	Upper Quartile		Lower Middle		Performance Key	Target Met		Slightly off Target	
	Upper Middle		Lower Quartile			Off Target			



## Commentary on the metrics

Despite missing 4 VfM metric targets, with 1 target being narrowly missed, our metrics for the year show a strong position, with 6 out of the 8 applicable metrics in the upper quartile, 1 in the lower-middle quartile and just 1 metric in the lower quartile when compared to our peer group. Similarly, when compared to the sector as a whole, 5 out of the 8 metrics are in the upper quartile, 2 in the upper-middle quartile and just 1 metric in the lower-middle quartile. There is no measure for metric 2b as all our new supply was Social Housing.

**Metric 1- Reinvestment %:** this metric has dropped into the lower quartile when compared to our peer group and lower-middle quartile when compared to the sector. This is due to timing of commencing new schemes on the Development programme, which have been delayed due to a combination of seeking planning, confirming grant funding and reviewing the costs of schemes. This metric is forecast to increase to 11.32% in 2025/26 (based on planned Development programme spend) and if achieved would place us in the upper middle quartile when compared to our peer group and the sector

**Metric 2a - New Supply Delivered (Social housing Units):** This metric has increased steadily to 2.56% in 2024/25 and places us in the upper quartile when compared to both our peer group and the sector. Unfortunately, we narrowly missed our target due to the timing of handing over some new homes.

**Metric 3 - Gearing %** - at 44.51% this ratio is marginally below the median when compared to our peer group and places us in the lower-middle quartile. However, when compared to the sector it is marginally above the median and places us in the upper-middle quartile. This means we have more borrowing capacity than approximately half of the other associations in the sector. The ratio has improved from 2023/24 due to an increase in our asset base compared to our net debt.

**Metric 4 - EBITDA-MRI** This metric performed strongly at 192% with the target of 178% being exceeded. This places us in the upper quartile when compared to the sector and our peer group and indicates a strong financial position.

**Metric 5 - Headline Social Housing Cost:** this indicator has remained consistently strong and places us in the upper quartile when compared to our peer group and the sector. Included within our Headline Social Housing Cost per unit of £4,231 are management costs which equate to £1,068 per unit (2023/24: £1,011).

**Metric 6a/6b - Operating Margin %:** Despite the planned increase in expenditure on our repair and maintenance service approved as part of the revised budget for the year our overall operating margin target was achieved with a year-end margin of 21.37% placing us in the upper quartile when compared to our peer group and upper middle quartile when compared to the sector. Our Operating margin (social housing lettings) of 27% place us in the upper quartile when compared to both our peer group and sector.

This strong position reflects our income maximisation, with excellent rent collection performance of 100% and low level of arrears at 0.42%. It is worth noting our turnover per social housing unit of £6,426<sup>1</sup> is in the lower quartile of the sector because of the low rental values within the Preston area. This clearly adversely impacts both our EBITDA-MRI and Operating margin metrics and means that our Headline Social Housing Cost per unit needs to be low in comparison to others to achieve a strong performance in these areas.

This reflects the continued focus on managing our cost base. Despite our cost control, we continue to deliver effective outcomes, with the percentage of customers satisfied with the service provided in the upper quartile at 86.23% (based on TSM survey data).

**Metric 7 – Return on Capital Employed %:** At 4.02%, this compares favourably to our peer group and to the sector, being in the upper quartile.

#### **VfM Regulatory Metrics – our Business Plan forecasts**

We recognise the need to maintain this strong position and the metrics calculated from our future financial plans are shown in Table 5 below.

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<sup>1</sup> Based on data provided by the Regulator of Social Housing (RSH) Global accounts 23/24.

## VfM Regulatory Metrics – our Business Plan forecasts

<b>Table 5</b>	<b>24-25 Actual</b>	<b>25-26 Forecast</b>	<b>26-27 Forecast</b>	<b>27-28 Forecast</b>	<b>28-29 Forecast</b>	<b>29-30 Forecast</b>	<b>Peer Group Median</b>	<b>Sector Median</b>
<b>Metric 1 - Reinvestment %</b>	6.41%	11.32%	15.72%	5.56%	1.79%	2.87%	9.63%	7.70%
<b>Metric 2a - New supply delivered (Social Housing Units)</b>	2.56%	0.45%	0.90%	3.66%	0.00%	0.00%	1.30%	1.40%
<b>Metric 2b New supply delivered (Non-Social Housing Units)</b>	0%	0%	0%	0%	0%	0%	0%	0%
<b>Metric 3 - Gearing %</b>	44.51%	48.45%	50.30%	50.23%	47.17%	46.02%	43.51%	45.60%
<b>Metric 4 – EBITDA-MRI %</b>	192%	155.79%	144.43%	155.04%	210.47%	159.30%	111.18%	122.00%
<b>Metric 5 - Headline Social Housing Cost per Unit £</b>	£4,231	£4,681	£4,687	£4,679	£4,632	£5,331	£5,100	£5,136
<b>Metric 6a - Operating margin % (Social Housing Lettings)</b>	27.0%	29.51%	32.11%	31.33%	32.59%	32.44%	15.5%	20.4%
<b>Metric 6b - Operating margin % (Overall Margin)</b>	21.37%	23.45%	26.32%	24.91%	25.11%	27.11%	15.78%	18.50%
<b>Metric 7 - Return on Capital Employed %</b>	4.02%	3.39%	3.57%	3.53%	4.56%	3.87%	2.84%	2.80%

Our latest Business Plan has provision to grow to own almost 7,300 homes by March 2030. This will see us increase our **Reinvestment %** to 15.72% in 2026/27 and **New supply delivered** metric to a peak of 3.66% in 2027/28, demonstrating strong upper quartile performance when compared to our peer group and the sector (based on 2023-24 Global Accounts VfM data). The new homes we develop will help us meet a range of housing needs, including those for Independent Living alongside many for families, in a variety of locations in and around Preston.

We will draw on finances we have secured to deliver a long-term sustained return. This increased level of debt funding means our **Gearing** ratio will begin to rise and our **EBITDA-MRI** reduces in the short-term. The reduction in our **EBITDA-MRI** in 2025-26 and 2026-27 reflects the interest costs of the additional borrowing and higher interest rates combined with increased investment in existing homes as reflected by our stock condition data.

Our approved business plan assumes continued increases in capital investment in our existing homes. This impacts the **Headline Social Housing Cost per unit** which shows a downward trend when compared to 2024/25.

**Operating margin and Return on Capital Employed** remains relatively stable over the forecast period as we continue to focus on managing our operational costs and identify efficiencies where possible.

2024/25 was the first year of new Corporate Plan to 2030. Following a review of delivery against this Plan, we have considered our targets to ensure they remain appropriate and help us to maintain or improve our record of strong operational and financial performance.

Our priority plans for 2025/26 include:

- Continuing to focus on the delivery of a more effective and efficient repairs and maintenance service with improved performance levels and increased tenant satisfaction.
- Improved financial resilience through a more efficient delivery of our repair and maintenance programmes, combined with continued maximised income recovery, including rent loss from empty homes.
- Greater use of tenant data and insight to deliver more cost-effective services that contribute to sustaining strong levels of tenant satisfaction.

In developing our strategic priorities beyond 2024/25 we have considered how we manage the cost pressures for both CGA and our customers arising from the current challenging macro-economic operating environment. We will continue to ensure that our plans remain appropriate and affordable within the Business Plan.

Due to the evidence set out in this report, the Board believes it fulfils the requirements of the RSH's Value for Money standard.