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VIVID Quarterly Information and Business Update – December 2020

I'm pleased to attach the following information to assure you of VIVID's continued financial strength and covenant compliance:

- Quarterly Group management accounts and financial report
- Association accounts
- Covenant calculations
- Quarterly NROSH
- Quarterly CORS

In 2020-21, COVID 19 has reduced our group surplus by c£30m. Most of the impact is reduced sales activity and our operating surplus has not yet materially changed. In January 2021 we decided to restrict our repairs service to emergency/urgent works only. This will slightly increase our operating surplus but we'll also carry a backlog of repairs into 2021-22. We've set a budget for 2021-22 with an operating surplus of £82.4m. It's difficult to estimate the financial impact of this latest lockdown but I'm anticipating that it'll reduce next year's operating surplus to slightly below £80m. This doesn't materially affect our ability to meet our obligations, including complying with all financial covenants.

The VIVID Board approved an updated business plan for the group on 21 January 2021. This new plan includes, for the first time, our estimate of the costs to eliminate the carbon emissions from our homes and our business – a figure of £753m over the next 30 years. To absorb this cost, we've slightly reduced our overall development output and altered the tenure mix to cap our sales exposure. This allows us to have a fully-funded de-carbonisation programme and maintain our position as a major developer without diluting our financial strength.

You may have seen our press release last month about the appointment of a new Chair for the VIVID Board. Our Chair, Mike Kirk, reaches the end of his maximum term of office in July. The Board has appointed Charles Alexander as Chair Designate. Charles brings over 35 years of senior experience from a variety of global roles in several different sectors. He is currently chair of the Royal Marsden Hospital Trust. His fantastic mix of commercialism and social purpose will make a great addition to our board.

Finally, I'd just like to thank you for your ongoing support. If you need any more information from us, please contact Olu Oloruntuyi (olu.oloruntuyi@vividhomes.co.uk) or Caroline Stanley (caroline.stanley@vividhomes.co.uk)

Financial results for the year to 31st December 2020
In a Nutshell

	9 Months to December 2020				Financial Year 2020-21				2019-20 Actual	
							Variance			
	Budget £m	Actual £m	Variance £m	%	FY Budget £m	FY Forecast £m	£m	%	£m	Section
Core business surplus										
Rental income	135.2	136.1	0.9	0.7%	180.3	181.8	1.5	0.8%	174.1	2
Other income	6.8	6.9	0.1	0.8%	9.0	8.7	(0.2)	(2.8%)	10.2	2
Staff costs (excl repairs)	(14.0)	(13.9)	0.1	0.7%	(20.0)	(20.0)	-	-	(18.1)	3
Property costs	(25.0)	(24.1)	0.9	3.4%	(34.4)	(34.0)	0.4	1.0%	(37.0)	4
Other operating costs	(45.1)	(41.4)	3.7	8.2%	(59.5)	(58.2)	1.4	2.3%	(50.6)	5
	57.9	**63.5**	**5.6**	**9.7%**	**75.4**	**78.3**	**2.9**	**3.9%**	**78.6**	
Operating margin	40.8%	44.5%			39.8%	41.1%			42.6%	
Interest cover	192%	231%			186%	207%			216%	
Sales Profits	6.3	15.5	9.2	147.1%	9.1	18.6	9.5	104.6%	33.6	
Interest costs	(30.1)	(27.5)	2.6	8.6%	(40.6)	(37.9)	2.7	6.6%	(39.9)	7
Surplus before tax	**34.1**	**51.5**	**17.4**	**51.1%**	**43.9**	**59.0**	**15.1**	**34.4%**	**72.3**	
Tax & Investment FV	(2.0)	(0.1)	1.9	96.6%	(2.6)	-	2.6	100.0%	(2.1)	
Net Surplus	**32.1**	**51.4**	**19.3**	**60.1%**	**41.3**	**59.0**	**17.7**	**42.8%**	**70.2**	

We've entered a new period of COVID restrictions "Lockdown 3" and we've altered some of our services. We've not made any adjustment to our forecast for this at this stage. We'll assess the impact in the coming weeks.

1. Insight

We've not made any changes to the forecast as a result of Lockdown 3.

We've added £1.7m to sales profit forecast. We'd been assuming a drop in market values which has not been seen. Pre-Christmas we were also reviewing the repairs forecast, where we were struggling with sub-contractor performance on day to day repairs. We were planning to bring forward work from Q1 next year to free up capacity in next year's budget to deal with this and update the forecast accordingly. With Lockdown 3 we will now need to reassess this, agree our recovery plans and the impact this will have on the forecast and next year's budget.

COVID-19: We've incurred costs of £2.4m responding to COVID-19. £868k of the costs have impacted on the operating surplus across the last financial year and 2020/21. Taking into account sales, voids and bad debt costs, the full cost of COVID on our business has exceeded £30m.

1.1. The forecast surplus for the year is £18.9m (46%) better than budgeted mainly as a result of 5 factors:

- Service charge income – We budgeted to refund £1.5m of service charges but only needed to credited customers' accounts with £60k which has boosted the forecast by £1.2m.
- Repairs – We were starting to see a reduction in the volume of completed repairs due to issues with sub-contractors but haven't reflected this in the forecast as this is now further affected by Lockdown 3. We'll assess the in the coming weeks.
- Bad debt costs – With the furlough scheme extended again to March 2021, we're not expecting an increase in arrears during 2020-21. Arrears at March 2021 are forecast at 5.18% (compared to 4.6% in March 2020) which results in bad debt costs for the year of £2m which is £0.8m (28%) lower than budgeted.
- Sales – both the volume of sales and values have remained strong. We're forecasting an additional 149 completions, and we're no longer forecasting that values will drop (the budget assumed a 15% drop). Surplus will be £9.5m (102%) better.
- Interest costs – we've locked in very low fixed rates at the beginning of April, repaid RCF's and benefitted from low LIBOR rates compared to Budget, saving £2.7m (6%).

1.2. COVID costs

COVID-19 expenditure incurred	2019/20 £000's	2020/21 £000's	TOTAL £000's
Donations to foodbanks	250	-	250
Purchase of tablets for customers	92	-	92
Purchase of homeworking consumables (monitors, mice, headsets etc)	25	58	83
PPE for trade staff	25	158	183
Letters to customers	-	16	16
Capitalised development overheads	-	244	244
Total Operating Costs	**392**	**476**	**868**
Capitalised interest expense	388	884	1,272
Purchase of laptops for staff	118	153	271
Total costs to August 2020	**898**	**1,513**	**2,411**

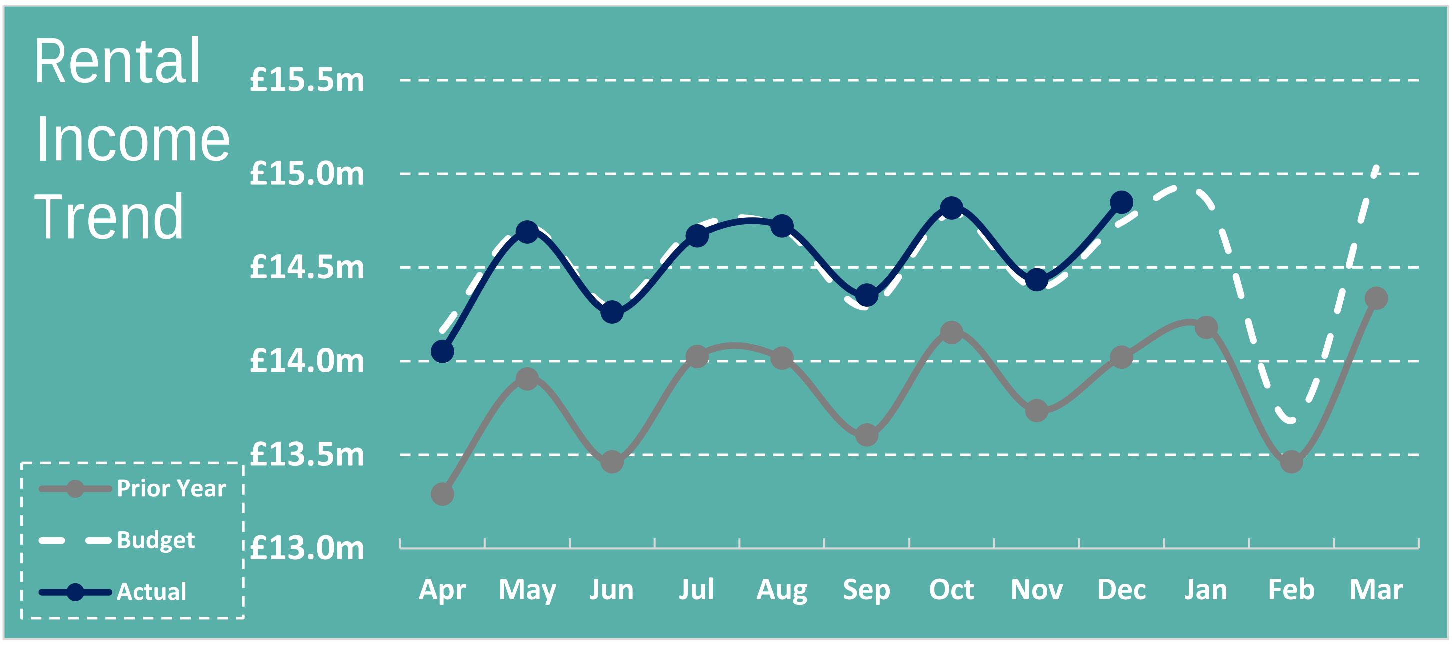
2. Income

Total Rent Income variance will be driven by the recovery from lockdown, handover of new units and the demand for lettings. Indications are that everything is as planned with the variance at 0.04% (£0.1m above budget).

Void loss remains in line with our projections and plans are in place to achieve the target of 28 day turnaround by March.

	YTD Budget £m	YTD Actual £m	YTD Variance £m	YTD Variance %	FY Budget £m	FY Forecast £m	FY Variance £m	19/20 Actual £m
Rent & service charges	137.5	138.4	0.9	0.7%	183.3	184.7	1.4	176.5
Voids	(2.3)	(2.3)	-	-	(3.0)	(3.0)	-	(2.4)
Total Rental Income	**135.2**	**136.1**	**0.9**	**0.7%**	**180.3**	**181.7**	**1.4**	**174.1**
Other Income	2.6	2.6	-	-	3.3	3.1	(0.2)	4.6
Amortised Grant	4.2	4.2	-	-	5.6	5.6	-	5.6
Total Other Income	**6.8**	**6.8**	**-**	**-**	**9.0**	**8.7**	**(0.2)**	**10.2**
TOTAL TURNOVER	**142.0**	**142.9**	**0.9**	**0.7%**	**189.3**	**190.5**	**1.2**	**184.3**

*Other income includes £0.5m of furlough income claimed for Q1.



- Prior year February was a leap year and includes circa £0.4m for 29th.

2.1. **Rental income** (0.04% below budget) is broken down by tenure below:

Rental income	YTD Budget £m	YTD Actual £m	YTD Variance £m	Variance %	FY Budget £m	FY Forecast £m	FY Variance £m	19/20 Actual £m
General Needs	105.1	104.9	(0.2)	(0.2%)	140.1	140.0	(0.2)	133.3
Garages	1.2	1.2	-	-	1.6	1.6	-	1.7
Shared Ownership	9.4	9.1	(0.3)	(2.7%)	12.7	12.5	(0.1)	10.6
Market Rental	1.4	1.4	-	-	1.9	1.8	(0.1)	1.8
Intermediate Rental	2.2	2.1	(0.1)	(4.5%)	2.9	2.8	(0.1)	2.9
Commercial	0.8	1.1	0.2	26.6%	1.1	1.3	0.2	1.3
Residential Leasing	1.8	1.8	(0.1)	(3.1%)	2.4	2.3	(0.1)	2.5
Leaseholder & Sandgates	-	0.1	-	-	0.1	0.1	-	-
Sheltered	7.0	7.4	0.4	6.6%	9.3	9.9	0.6	9.3
Hostel & Temp accommodation	1.3	1.3	-	-	1.7	1.7	-	2.2
Managing agents	0.5	0.5	-	-	0.6	0.6	-	0.6
RENTAL INCOME	**130.8**	**130.9**	**0.1**	**0.04%**	**174.4**	**174.6**	**0.2**	**166.2**
SERVICE CHARGES	**6.7**	**7.5**	**0.8**	**11.8%**	**8.9**	**10.2**	**1.2**	**10.3**
TOTAL	**137.5**	**138.4**	**0.9**	**0.7%**	**183.3**	**184.7**	**1.4**	**176.5**

2.1.1. **Rental income** is £0.1m or 0.04% below budget. We have adjusted the budget by £0.5m in December to take account of the reduced income for Two Saints leases.

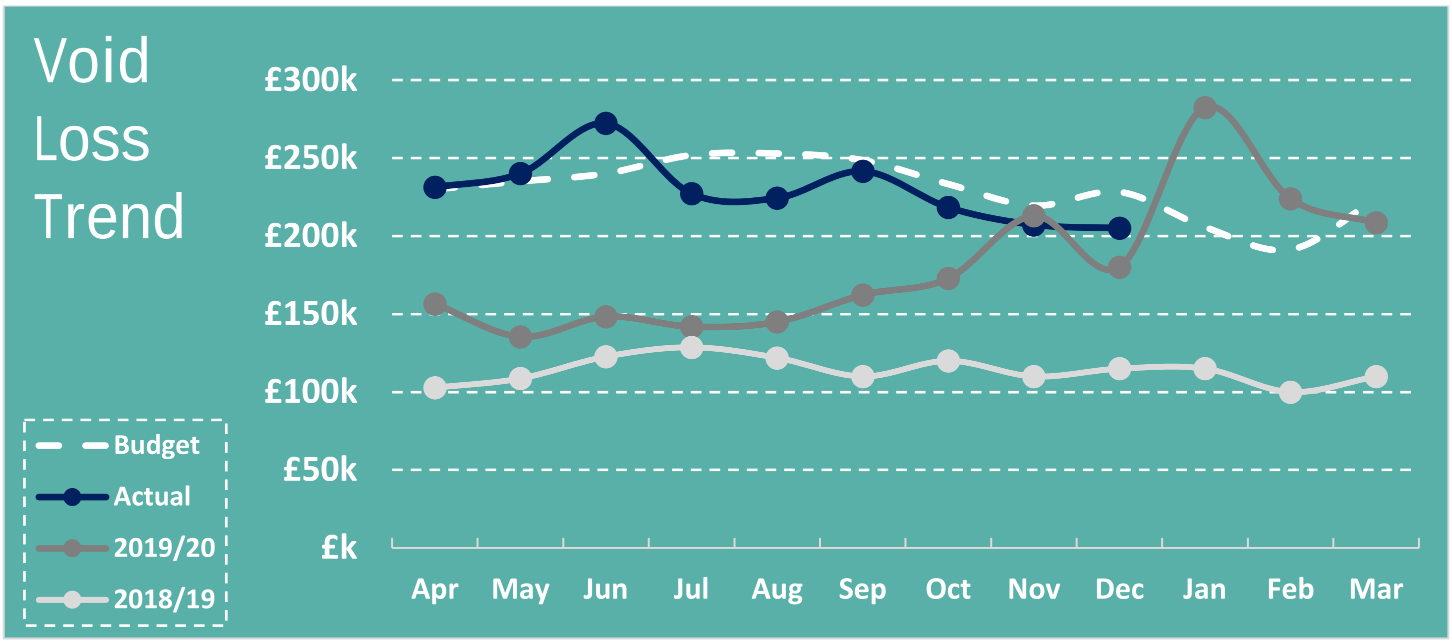
2.1.2. **Service charge** income is £0.8m above budget. The full year budget was reduced by £1.5m to allow for potential refund of charges to customers for services not delivered during lockdown. The real impact was £60k. We've released £1.2m into the forecast.

2.2. **Void loss** (on budget) is broken down by tenure below:

Void Loss	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Actual Void %	Budget Void %	Forecast Void %	19/20 Actual %
General Needs	774	1,057	(283)	1.0%	0.7%	0.7%	0.7%
Garages	191	176	15	14%	15%	15%	11%
Shared Ownership	47	2	45	0.0%	0.5%	0.5%	0.2%
Market Rental	175	118	57	9%	12%	12%	6%
Intermediate Rental	-	46	(46)	2%	0%	6%	1%
Commercial	124	200	(76)	19%	14%	29%	14%
Residential Leasing	292	130	162	7%	16%	0%	7%
TVHA	6	15	(9)	22%	14%	2%	64%
Sheltered	310	322	(12)	4%	4%	4%	4%
Hostel & Temp accommodation	385	181	204	14%	29%	29%	16%
Managing agents	8	22	(14)	5%	2%	2%	1%
VOID RENT LOSS	**2,312**	**2,269**	**43**	**1.7%**	**1.7%**	**1.7%**	**1.5%**

2.2.1. **Void loss** for the year to December is on budget. The revised budget assumes an average of 1.7% across the year, initially rising until September as the lettings process recovers and running below 1.5% for the remainder. Actual void performance is very close to the budgeted assumption with a loss of 1.7% from April to September and then dropping to 1.4% in December.

Analysis of our voids ready to let shows that the volume of general needs properties waiting to be let is back at pre-COVID levels. There are some challenges with Extra Care and Temporary accommodation that we are working with our LA partners on. Improvements to the overall void turnaround times continue and we expect to meet the 28 day target.



2.3. **Other Income** is on budget to December.
We're below budget on rechargeable repairs by £0.3m. We made the decision not to recharge former tenants for void clearances in April, since then we've recharged customers £46k for repairs. We are forecasting to be £0.35m below budget.

This is offset by receiving more income than budgeted from the VAT return, from insurance claims and from PV panels (£0.3m).

2.4. **Rent arrears** for current tenants are 4.90%, a slight increase on the March year end at 4.6% and an increase of 0.43% on last month. The budget assumption is that this will rise to 7.4% and we budgeted for an increase to our bad debt provision on this basis. So far we've not seen this level of arrears. Our latest analysis shows that fluctuation in arrears is almost entirely due to those claiming Universal Credit. We have 7,719 customers claiming UC and 82% of them are in arrears with an average of £872 per customer, which is lower than our predictions. We also saw a spike in those claiming UC during lockdown and but with the furlough scheme now extended to March we do not expect any further spike this financial year.
All of this suggests that arrears may peak at nearer £7.9m compared to the £10.5m predicted, which would reduce our bad debt provision by up £0.9m, which has been reflected in the latest forecast. We are monitoring the age of the UC debt and its likely recoverability. Additionally, we are reviewing customers with court issued Debt Recovery Orders where we are extremely unlikely to collect anything and will write off c.£0.3m of this.

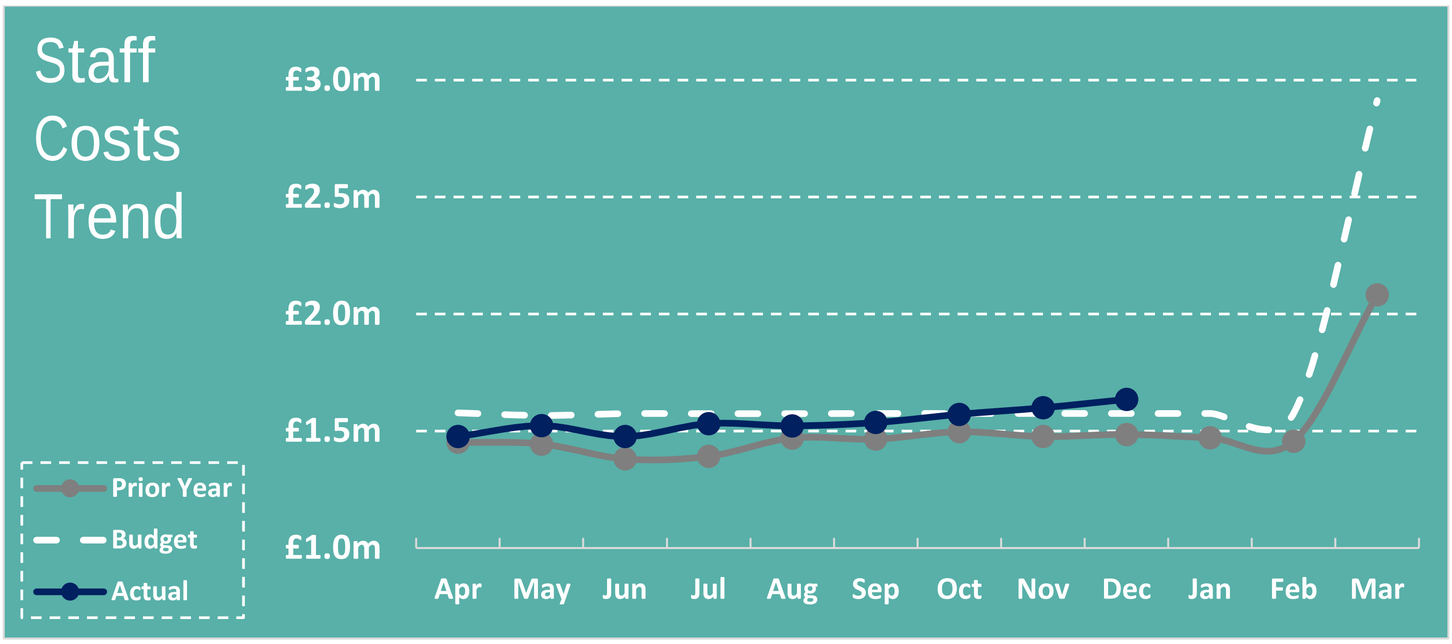
3. Staff costs

We're £0.7m (2.5%) below budget (including trade staff). Our current FTE is 852.3 (28.0 FTE below budget)

3.1. In repairs we have 11.6 few FTE than budgeted at the end of December of which 7.5 FTE are trade posts (down from 10.0 FTE last month). Included in the above figures are costs for the 2.8 FTE who are currently working in Operations and Repairs but are budgeted in Sales and Development. The impact of this is £52k for the year to date.

3.2. In addition to the headcounts shown above, we had 9.7 FTE on maternity leave and 12 FTE employed via agencies.

3.3. The budget assumed efficiency savings in Operations and Strategy totalling £209k which will not now be achieved due to our COVID response, contributing to the forecast overspends in these areas above. Reductions in non-staff costs have been included in the re-forecast in December which more than offset the staff cost overspends across these directorates.



4. Property Costs

We've not, at this stage, made any estimates of the impact Lockdown 3 may have on our repairs service.

We made a lot of assumptions at the start of the year on where the pandemic would take the service, and these were largely reliable. We'd started to see a growing underspend with net costs to December £5.8m below budget and had planned to bring work forward from Q1 next year to utilise this and create capacity within next years budget to absorb any backlog/delays from this year.

With Lockdown 3 we've had to largely pause this whilst we assess the impact, plan our way through and agree our recovery plans. This is likely to mean a backlog of day to day repairs as well as delays to some of the planned programmes where they require non-urgent replacements within the home. It's too early to quantify this and so we've not updated the forecast as yet, and over the coming weeks we will be assessing this and report to you.

Note: Grounds and Estates team costs have been removed as they are no longer managed as a repair cost, and can be seen as part of Service Costs in Section 5.

4.1. The tables below show repairs costs and repairs by category.

Repairs: Table 1	YTD Budget £m	YTD Actual £m	YTD Variance £m		FY Budget £m	FY Forecast £m	FY Variance £m	19/20 Actual £m
Salary costs	10.44	9.98	0.46		13.99	13.25	0.74	13.47
Supplies	5.59	4.31	1.28		8.22	6.89	1.33	7.28
Sub-Contractors (table 3)	17.81	15.04	2.77		26.96	26.45	0.51	24.34
Vehicle costs	1.69	1.54	0.15		2.27	2.25	0.02	2.20
Tools & PPE	0.26	0.38	(0.12)		0.34	0.48	(0.14)	0.36
Mileage & Expenses	0.07	0.07	-		0.10	0.10	-	0.08
Other Costs	0.16	0.09	0.07		0.21	0.19	0.02	0.46
Sub-Total	**36.02**	**31.41**	**4.61**		**52.09**	**49.61**	**2.48**	**48.19**
Cladding & Fire Safety	5.65	4.46	1.19		9.16	7.59	1.57	0.08
Total Repair Running Costs	**41.67**	**35.87**	**5.80**		**61.25**	**57.20**	**4.05**	**48.19**

4.2. The demand on our repairs service is broadly in line with budget expectations. We didn't see a big backlog of demand when we re-opened for routine appointments. And the productivity of our in-house team has been slightly better than expected, mainly because we didn't have restrictions on working practices or access problems to the extent we budgeted.

4.3. We had planned to recruit a small team of trades to deliver some technical BM work but suspended that in April. The work is now being delivered by contractors through responsive repairs. This year's decorating programme has been restricted due to COVID limiting the extent of survey works and resulting section20 consultation with leaseholders leading to a £0.4m forecast reduction in spend in cyclical works.

4.4. Our biggest challenge continues to be the productivity of subcontractors, with one of the main recovery contractors going into administration, leading to a spike in responsive repairs WIP. We've been working on plans to clear these jobs and cope with the winter period but will now need to assess the impact of Lockdown 3 and agree the recovery plans, adjustment to the forecast as well as next years budget.

4.5. The cladding replacement for our 2 high-rise ACM buildings is progressing well, and expected to complete by March, c£2m less than budgeted which is reflected in the forecast. We're going through consultation and tendering for the replacing the HPL cladding at our 3 Southampton blocks so it's unlikely any significant cost will be incurred in 2020-21.

Accounting Treatment of Repairs Costs Repairs: Table 2	YTD Budget £m	YTD Actual £m	YTD Variance £m		FY Budget £m	FY Forecast £m	FY Variance £m	19/20 Actual £m
Routine day to day repairs	11.40	10.18	1.22		15.93	15.59	0.34	12.53
Void repairs	4.21	4.03	0.18		5.78	5.59	0.19	5.11
Cyclical repairs	2.49	2.22	0.27		3.80	3.43	0.37	3.01
Major repairs	15.58	13.01	2.57		23.22	21.64	1.58	24.44
Cladding & Fire Safety	5.65	4.46	1.19		9.16	7.59	1.57	24.44
Service repair costs	2.26	1.84	0.42		3.25	3.25	-	2.95
Office & external	0.08	0.13	(0.05)		0.11	0.11	-	0.15
Total cost of repairs	**41.67**	**35.87**	**5.80**		**61.25**	**57.20**	**4.05**	**48.19**
Major repairs capitalised	(11.60)	(7.62)	(3.98)		(17.89)	(16.21)	(1.67)	(15.88)
Cladding & Fire Safety capitalised	(5.04)	(4.02)	(1.02)		(8.20)	(6.62)	(1.58)	-
Add back sinking fund	-	-	-		(0.70)	(0.24)	(0.46)	(0.14)
Add back Vestal PV	-	-	-		0.02	-	0.02	-
Less: Office & external	(0.08)	(0.13)	0.05		(0.11)	(0.11)	-	(0.15)
Total cost of revenue repairs	**24.95**	**24.10**	**0.85**		**34.38**	**34.02**	**0.36**	**32.02**

5. Other operating costs

We're £3.7m below budget for the year to December. Depreciation (£1.5m) will catch up as our major repairs activity gets back to bau and we write off old components. Bad debt is performing better than expected and the forecast has been updated based on the latest arrears data discussed in Section 2 above. Other Management Cost underspends provide capacity for each directorate to absorb any unbudgeted costs and still remain within their overall budget.

Area of Expenditure	YTD Budget £m	YTD Actual £m	YTD Variance £m Better/ (Worse)	YTD Variance % Better/ (Worse)		FY Budget £m	FY Forecast £m	FY Forecast Variance £m	FY 19/20 Actual £m	Forecast Commentary
Service costs (non repairs)	7.4	7.6	(0.2)	(3.4%)		9.9	10.2	(0.3)	5.5	Above budget on utilities (£0.2m) and Grounds (£0.1m). Partly offset on Estates (£0.1m below).
Management Other Costs	6.6	5.6	1.0	14.9%		8.5	7.8	0.8	7.7	See table below
Depreciation	26.4	24.9	1.5	5.8%		35.4	35.4	-	32.8	Due to underspend on planned programmes (components)
Bad debts	2.5	1.2	1.3	51.6%		2.7	2.0	0.8	1.5	See comments in section 2
Rent payable	2.0	2.0	-	2.2%		2.6	2.6	-	2.7	
Redundancy & Other Costs	0.2	0.1	0.1	61.1%		0.4	0.2	0.1	0.4	
TOTALS	**45.1**	**41.4**	**3.7**	**8.2%**		**59.5**	**58.2**	**1.4**	**50.6**	

6. Sales performance

A focus on reservations during lockdown, an early relaxing of measures and a relatively stable market has helped sales surpass the budget expectations at this point in the year. The near future is still uncertain as we enter a third national lockdown but our expectation is that sales will continue. We'd been forecasting a 7.5% drop in values, but we've not seen this and so we've updated the forecast accordingly.

The year so far	Budget				Actual				19/20
	Units	Proceeds £m	Surplus £m	Margin %	Units	Proceeds £m	**Surplus £m**	Margin %	Surplus £m
Chapel Gate – Open Market	-	-	-	-	62	10.2	**-**	0%	
Other Vestal Open Market	64	14.1	0.3	2%	75	25.1	**3.7**	15%	6.9
S/O First tranche	115	10.8	1.7	16%	229	24.4	**5.5**	22%	12.3
RTB / RTA	-	-	-	-	7	1.2	**0.7**	56%	1.1
Staircasing	74	6.2	1.9	29%	81	7.2	**2.9**	40%	4.0
Other Sales*	-	-	-	-	3	0.4	**0.3**	-	0.0
Bargate Profit **	78	30.2	2.4	8%	53	24.6	**2.5**	10%	9.3
Total	**331**	**61.2**	**6.3**	**10%**	**510**	**93.1**	**15.5**	**17%**	**33.6**

* includes Income from lease extensions. ** Bargate's margin includes operating costs of £2.5m

6.1. As we enter a third lockdown, measures remain more relaxed regarding construction and sales. We saw the completion of a further 74 new build sales in December. We are still not envisaging the steep drop off in Market values that was predicted in the budget (a 15% reduction in market value). We are now forecasting no drop to Market Values for the rest of the year, in line with the business plan assumption.

6.2. The sales team now have only 19 units in stock (7 unreserved, 6 at the White building and 1 at Green Acre Farm) and are expecting around 90 units to hand over in January, of which 67 are already reserved. Most of these unreserved units are at Whiteley.

6.3. PAC agreed in June for VIVID to dual market 30 of these outright sale units at Stoneham as shared ownership. This will maintain cash flow for Vestal (as it will either sell direct to a customer or to VIVID for full value) and mitigate any sales risk from the large number of outright sales handing over in the area. This does however create a risk to the group sales budget although some of these units have already been reserved at full market value due to a temporary dedicated staffing allocation within the sales team. There have been 19 complete as shared ownership so far with a further 14 reserved.

6.4. Bargate have had a slower start than expected but are now seeing a return to budgeted sales profit margins with 4 completions in December. The profit shown is after overheads, which are all treated as a cost of sale. They have updated their forecast to show fewer sales but have removed the drop in sales price assumptions to maintain sales proceeds and profit levels.

6.5. Vestal have forecast the loss on sales at Chapel gate this financial year due to the under-allocation of land costs on sales in prior years this has caused zero profit margin on all sale this year and next, plus a c.£1.1m loss to be recognised this year. This will go through the accounts this year as the scheme costs begin to be finalised.

6.6. Sales have not felt the impact of COVID as hard as originally predicted at the beginning of the year, and the forecast reflects this, with a slight scepticism on future sales considering the third national lockdown. It assumes no drop in market values on future sales (instead of the 15% in the budget), minimum tranche sales % on new build shared ownership and a sales delay of 1 month. Given the current circumstances, sales are on track to exceed their budgeted proceeds target by £35m.

Full year	Budget				Forecast			
	Units	Proceeds £m	Surplus £m	Margin %	Units	Proceeds £m	**Surplus £m**	Margin %
Open Market	84	19.9	0.4	2%	157	38.8	3.3	8%
S/O First tranche	206	17.1	2.7	16%	306	33.2	8.1	24%
RTB / RTA	-	-	-	-	-	-	-	-
Staircasing	110	9.3	2.8	29%	110	10.0	3.6	36%
Other Sales*	-	-	-	-	-	-	-	-
Bargate Profit	112	40.2	3.1	8%	88	39.5	3.7	13%
Total	**512**	**86.5**	**9.0**	**10%**	**661**	**121.5**	**18.6**	**15%**

7. Treasury

Net financing costs are 8.6% below budget for Period 9 as a result of locking in very low fixed rates at the beginning of April, Repayment of RCF's and low LIBOR rates compared to Budget.

	YTD Budget £m	YTD Actual £m	YTD Variance £m		FY Rev Budget £m	FY Forecast £m	FY 19/20 Actuals £m
Gross interest charge	33.7	31.4	2.3		45.7	43.6	47.8
Capitalised Interest	(4.8)	(4.7)	(0.1)		(6.8)	(6.8)	(8.4)
Net interest charge	28.9	26.7	2.2		38.9	36.8	39.4
Bargate	1.2	0.8	0.4		1.7	1.1	1.2
Total Financing cost	**30.1**	**27.5**	**2.6**		**40.6**	**37.9**	**40.6**

7.1. Net financing costs are £2.6m under budget due to the fixes implemented at the beginning of the financial year and the continued low LIBOR rate.

7.2. Bargate £21m RCF has been fully repaid and matured in December. The new facility with RBS has been increased to £30m effective from January 21. Loan documentation is being completed.

7.3. Vestal Interest has been reduced by £200k due to low LIBOR rates and reduced drawdowns this year.

7.4. At the end of December, we had £378m of immediately available liquidity and we complied with all our golden rules. 93% of our debt was on fixed rates with 7% variable.

7.5. **Vestal cashflow and inter-company**

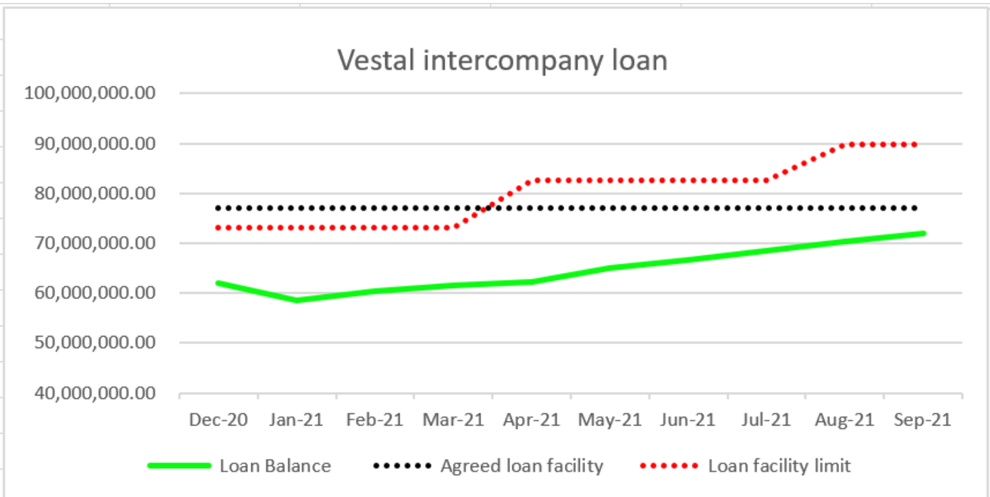
7.5.1. The loan facility is currently £77m, however we remain restricted to £73.1m currently based on covenant that calculates on-lending capacity based on our 2019/20 statutory accounts net assets position. The currently drawn loan stands at £62.0m and Vestal holds £6.9m of cash at the end of December 2020.

7.5.2. A loan drawdown of £9.5m was made on the 2nd December to fund strategic land acquisitions at Brook Lane and Hordle, increasing the loan balance to £62.0m at the end of December. We also paid gift aid to VIVID Plus Ltd of £5.2m in December relating to 2019/20 profits.

7.5.3. We expect the covenant on-lending restriction to Vestal to increase once Bargate have repaid their former shareholder loans in early FY22, and again on approval of the FY21 statutory accounts in July 2021.

Vestal Cashflow forecast @ 31st Dec 2020 (£k)	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Net Cash inflow/(outflow)	(828)	(1,790)	(1,160)	(790)	(2,645)	(1,809)
Cash balance before loan funding	5,435	210	840	1,210	(645)	191
Funding required from/(repaid to) VIVID	(3,435)	1,790	1,160	790	2,645	1,809
Cash balance	2,000	2,000	2,000	2,000	2,000	2,000
Opening loan balance	62,000	58,565	60,354	61,514	62,303	64,948
Loan from/(repaid) to VIVID	(3,435)	1,790	1,160	790	2,645	1,809
Closing loan balance	58,565	60,354	61,514	62,303	64,948	66,757

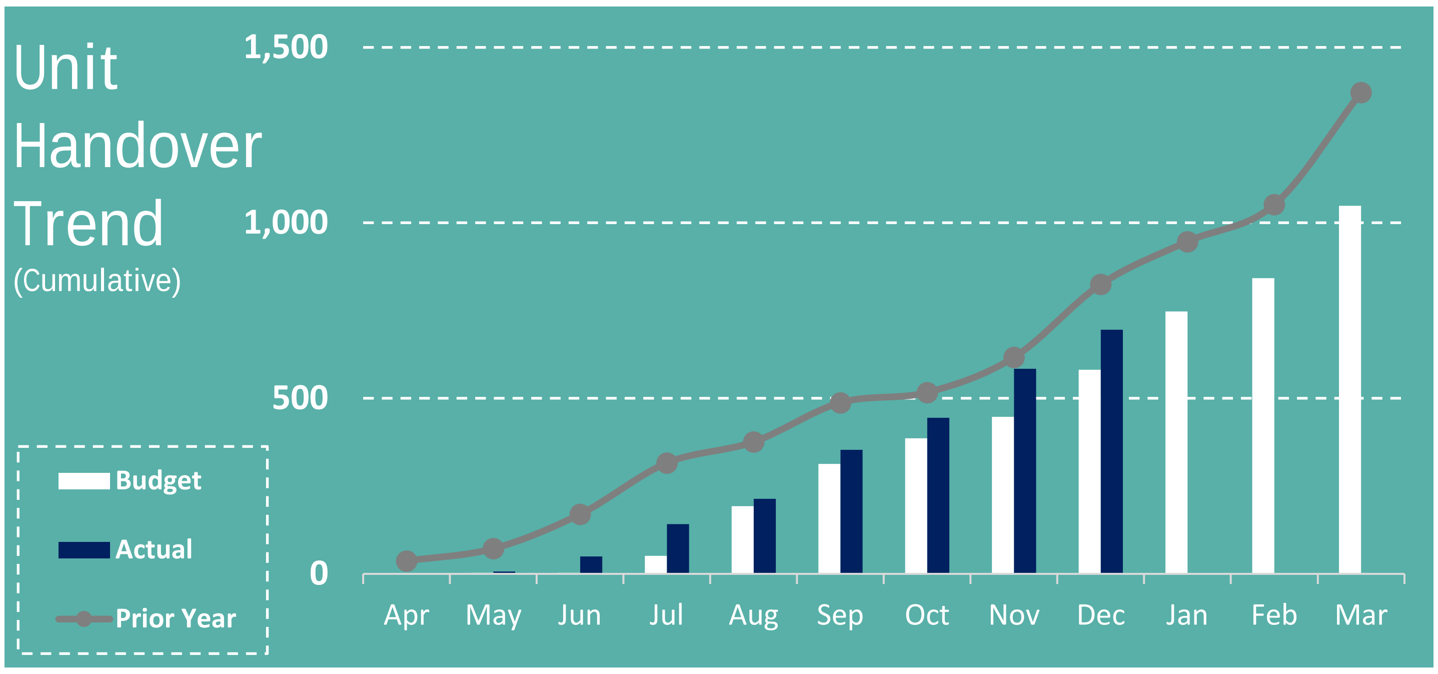
7.5.4. To coincide with Board approval of the 2021/22 budget in January, treasury will be working with the Development directorate to ensure we are correctly forecasting the intercompany cashflow movements for new land acquisitions.



7.5.5. Vestal also have £8.3m and £11.2m loan facilities with Heritable Development Finance in relation to Beech Tree Close and Botley Road respectively. These loans have a net drawn down position of £3.3m at the end of December 2020.

8. Capital costs

We've spent £188m on building new homes and completed 696 out of our target of 1,049 homes, 53 of which have been delivered through Bargate. Offsetting this is cash receipt of just over £43m grant funding from VIVIDs strategic partnership bid.



Handover unit numbers	YTD Budget (Units)	YTD Actual (Units)	YTD Variance (Units)	FY Budget (Units)	FY Forecast (Units)
Social Rent	129	163	34	221	221
Affordable Rent	142	101	(41)	282	294
Shared Ownership	199	197	(2)	286	298
Outright Sale	68	111	43	104	104
Market Rent	44	71	27	44	44
Bargate *	-	53	53	112	88
Total	**582**	**696**	**114**	**1,049**	**1,049**

(*) Bargate also delivered 41 units for VIVID

As we enter Lockdown 3, the biggest risk would be further restrictions introduced causing the sites to shut down again and delaying the programme.

The Other Capital Projects are detailed below:

Project	YTD Budget £m	YTD Actual £m	YTD Variance £m		FY Budget £m
IT systems and infrastructure	0.9	0.6	0.3		1.2
Investment in customer experience	1.4	-	1.4		1.8
Communal furniture replacement (SRVC Assets)	0.2	-	0.2		0.2
JV investment	0.3	0.1	0.2		0.4
Grounds Maintenance Equipment	0.1	-	0.1		0.1
	2.9	**0.7**	**2.2**		**3.7**

9. Group entities

This is the technical bit showing how the group surplus is comprised. It shows the profit from each subsidiary and the consolidation adjustments.

9.1. The surplus of the Group stands at £51.4m this is broken down by entity below:

Year to date Actual	VIVID £m	VIVID Build £m	Vestal £m	Bargate Homes £m	VIVID Plus £m	Consolidation Adjustments £m	Total £m
Surplus	50.2	0.0	(1.7)	2.6	5.2	(4.9)	51.4

Year to date Budget	VIVID £m	VIVID Build £m	Vestal £m	Bargate Homes £m	VIVID Plus £m	Consolidation Adjustments £m	Total £m
Surplus	37.1	0.0	(3.2)	2.3	-	(4.1)	32.1

The consolidation adjustments represent:

Adjustment	Entity	Actual £m	Budget £m
Elimination of profit and management charge on intra-group sales	Vestal	1.9	(0.2)
Elimination of profit on intra-group sales	Bargate	0.9	2.2
Amortisation of goodwill on investment	Bargate	2.1	2.1
Total Consolidation Adjustment		**4.9**	**4.1**

9.2. **Vestal Developments**

Vestal made a pre-tax profit of £3.6m to the end of December. This is mainly due to maintaining a 15% margin on the YTD sales at Stoneham and Beech Tree as the housing market holds and the reservations, that were secured during lockdown, complete. This is also despite zero profit recorded on Chapel Gate sales, which are forecast to make a loss this year as the scheme costs are finalised. Vestal paid £5.2m of gift aid to VIVID+ for the year ended March 2020, resulting in a net loss for this year of £1.7m.

9.3. **Bargate Homes Ltd**

The reported profit after tax from Bargate Homes for the year to December is £2.6m. They have completed 94 units, 53 for market sale and 41 for VIVID.

	Adj's £m	Actual £m	Adj's £m	Budget £m
Bargate reported net profit/(loss)		2.6		2.3
Elimination of profit on Bargate intra-group sales	0.9		2.2	
Amortisation of goodwill on investment	2.1		2.1	
Total Consolidation Adjustment		(3.0)		(4.3)
Total Group Loss from Bargate		**(0.4)**		**(2.0)**

How the group profit is recorded in the management accounts	Actual £m	Budget £m
Profit on sale	2.5	2.4
Depreciation (Goodwill)	(2.1)	(2.1)
Interest	(0.8)	(1.3)
Tax	-	(1.0)
Total Group Loss from Bargate	**(0.4)**	**(2.0)**

9.4. **VIVID Plus Ltd**

VIVID+ was formally registered on 24th December 2020 (Registration Number 8540). It received from Vestal its first gift aid payment of £5.2m. This is currently being held on account by VIVID in a separate bank account, pending opening its own bank account which is expected to be completed by the end of January.

Statement of Comprehensive Income 2020/21 - Association results

December 2020

	Budget £m YTD	Actual £m YTD	Variance £m YTD	Variance % YTD	Budget £m FY	Forecast £m FY	Variance £m
Rent	130.8	130.9	0.1	0.0%	174.4	174.6	0.2
Service Charges	6.7	7.5	0.8	11.8%	8.9	10.2	1.3
Voids	(2.3)	(2.3)	0.0	1.8%	(3.0)	(3.0)	-
Other Income	2.5	3.2	0.7	27.2%	3.1	3.1	0.0
Amortised Grant	4.2	4.2	0.0	0.4%	5.6	5.6	-
Total Income	**142.0**	**143.5**	**1.6**	**1.1%**	**189.0**	**190.5**	**1.5**
Services	7.4	7.6	(0.3)	(3.4%)	9.9	10.2	(0.3)
Management - Staff Costs	14.0	13.9	0.1	0.7%	20.0	20.0	(0.0)
Management - Other Costs	6.5	5.6	0.9	14.5%	8.4	7.7	0.7
Responsive Repairs	11.4	10.2	1.2	10.7%	15.9	15.6	0.3
Void Repairs	4.2	4.0	0.2	4.4%	5.8	5.6	0.2
Cyclical Repairs	2.5	2.2	0.3	11.0%	3.1	3.2	(0.1)
Service Charge Repairs	2.3	1.8	0.4	18.3%	3.3	3.3	(0.0)
Major Repairs	15.6	13.0	2.6	16.5%	23.2	21.6	1.6
Major Repairs Capitalised	(11.6)	(7.6)	(4.0)	(34.3%)	(17.9)	(16.2)	(1.7)
Cladding	5.7	4.5	1.2	21.1%	9.2	7.6	1.6
Cladding Capitalised	(5.0)	(4.0)	(1.0)	(20.2%)	(8.2)	(6.6)	(1.6)
Housing Depreciation	23.1	21.6	1.6	6.7%	30.8	30.8	-
Other Assets Depreciation	1.3	1.3	(0.0)	(0.6%)	1.7	1.8	(0.1)
Bad Debts	2.5	1.2	1.3	51.6%	2.7	2.0	0.8
Rent Payable to Owners	2.0	1.9	0.0	2.2%	2.6	2.6	0.0
Redundancy Costs	0.2	0.0	0.2	95.3%	0.4	0.2	0.2
Other Costs	-	0.1	(0.1)	-	-	0.0	(0.0)
Total Operating Expenditure	81.8	77.2	4.6	5.6%	110.8	109.3	1.5
Operating Surplus	**60.1**	**66.3**	**6.2**	**10.3%**	**78.2**	**81.2**	**3.0**
EBITDA - MRI	67.4	76.0	8.6	12.8%	85.4	90.1	4.7
Outright Sales - Receipts	-	-	-	-	-	-	-
LCHO Sales - Receipts	10.8	24.4	13.7	127.2%	17.2	33.2	16.1
Outright Sales - Cost of Sale	-	-	-	-	-	-	-
LCHO Sales - Cost of Sale	(9.0)	(19.0)	(9.9)	(110.0%)	(14.4)	(25.2)	(10.8)
Surplus on Other Sales	1.9	3.9	2.0	107.6%	2.7	3.6	0.8
Profit from Bargate	-	-	-	-	-	-	-
Surplus on Property Sales	**3.6**	**9.4**	**5.8**	**159.7%**	**5.5**	**11.6**	**6.1**
Financing Cost	26.7	25.5	1.2	4.5%	35.9	35.1	0.9
Surplus	**37.1**	**50.3**	**13.2**	**35.6%**	**47.7**	**57.7**	**10.0**
Pension Provision	-	-	-	-	-	-	-
Fair Value Loan Adj	-	-	-	-	-	-	-
Fair Value Invest. Prop. Adj	-	-	-	-	-	-	-
Tax	-	0.1	(0.1)	-	-	-	-
Group Restructure Adjustments	-	-	-	-	-	-	-
Net Surplus	**37.1**	**50.2**	**13.1**	**35.4%**	**47.7**	**57.7**	**10.0**

VIVID

Statement of financial position **December 2020**

	2021 VIVID Opening balance £m	2021 VIVID Balance at Dec £m	2021 Movement Year to Dec £m	2021 Budget Full Year £m
Fixed Assets				
Housing Properties at Cost	2,524.0	2,701.5	177.5	2,430.6
Depreciation & Impairment	(280.6)	(301.7)	(21.2)	(294.3)
Net Book Value	**2,243.5**	**2,399.8**	**156.4**	**2,136.3**
Other Fixed Assets	17.0	15.9	(1.1)	22.8
Long Term Investments	73.0	73.1	0.1	34.6
Total Fixed Assets	**2,333.5**	**2,488.8**	**155.4**	**2,193.7**
Current Assets/ Liabilities				
Stock and Work in Progress	43.2	0.8	(42.4)	99.9
Rent Arrears	9.1	3.9	(5.2)	7.6
Other Debtors & Prepayments	24.6	62.2	37.6	23.8
Cash	43.7	52.8	9.2	3.3
Creditors Due < 1 Year	(42.4)	(34.2)	8.2	(39.1)
Net Current Assets	**78.2**	**85.6**	**7.4**	**95.4**
Creditors Due > 1 Year				
Housing Loans	1,272.5	1,297.1	24.6	1,126.2
Recycled Capital Grant Fund	9.9	10.7	0.8	9.6
Disposal Proceeds Fund	-	-	-	0.4
Grant	520.4	609.4	89.0	495.7
Other Creditors & Accruals	0.1	0.1	-	20.2
Total Long Term Creditors	**1,802.9**	**1,917.3**	**114.4**	**1,652.2**
Pension & Other Provisions	**16.3**	**14.5**	**(1.8)**	**23.2**
Total Net Assets	**592.5**	**642.6**	**50.2**	**613.7**
Capital & Reserves				
Revenue Reserves	590.6	640.8	50.2	612.8
Revaluation Reserves	1.9	1.9	(0.0)	0.9
Total Reserves	**592.5**	**642.6**	50.2	**613.7**

Cashflow statement - Association results
Dec-20

	2020/21 Actual VIVID HA YTD £m
Net Cash inflow from Operating Activities	**91.4**
Returns on Investment/Interest Received	0.1
Servicing of Finance/Interest Paid	(30.8)
Net Cash Inflow/(Outflow) from above activities	**60.7**
First Tranche Sales Proceeds	24.4
Properties Developed for Outright Sale	-
Sales of Housing Properties and Other Assets	8.7
SHG/Other Grants Received	43.0
New development expenditure	(142.5)
Capitalised Major Repairs Expenditure	(11.6)
Purchase of Other Fixed Assets	(0.7)
Investment in subsidary	-
Investment in Joint Venture	(0.1)
Net Cash Inflow/(Outflow) from Investing Activities	**(78.8)**
Net Cash Inflow/(Outflow) before Financing	**(18.1)**
Loans (Repaid) / Received	27.2
Net Cash Inflow/(Outflow) from Financing	**27.2**
Increase/(Decrease) in Cash and Cash Equivalents	**9.2**
Opening Balance - Cash and Cash Equivalents	43.7
Closing Balance - Cash and Cash Equivalents	52.8
Net Change in Cash	**9.2**
Reconciliation of Operating Surplus to Net Cash Flow from Operating Activities	
Operating Surplus	66.3
Gift Aid / Tax Paid	(0.1)
Depreciation & Impairment	22.9
Grant Amortisation	(4.2)
Net Movement in Short-Term Debtors and Creditors	6.5
Net Cash Inflow From Operating Activities	**91.4**

Interest cover ratios

Measures	2019-20 actual	2020-21 Year to date	2020-21 Forecast	2019-20 Rolling 3yrs actual	Rolling 3 yrs forecast	Notes
Adjusted EBITDA MRI	191.33%	238.81%	199.31%	217.38%	204.59%	Operating surplus adjusted to remove the impact of Depreciation of Housing Properties, Capitalised Components & Major Repairs, FVA Financial Instruments or Pension Fund Liabilities, Surplus/Deficit on Property Sales, Income from Gift Aid Payments and Amortised Grant, to the extent included in Operating Surplus
Adjusted EBITDA MRI net of pension interest	194.14%	238.81%	199.31%	218.69%	205.53%	As (1) but Interest payable definition excludes the unwinding of Pension provisions
Adjusted operating surplus	217.96%	238.81%	199.31%	254.03%	229.28%	Operating surplus adjusted to remove Depreciation of Housing Properties, Sales of Investments or Fixed Assets, Capitalised Components & Major Repairs, Non-cash movements on Financial Instruments or Pension Fund Liabilities, Capitalised Pension Deficit Payments, Income from Gift Aid Payments and Amortised Grant
Adjusted operating surplus excluding property sales	199.13%	246.32%	207.87%	232.75%	219.51%	Operating surplus adjusted to add back Interest Received and Depreciation of Housing Properties, deduct Capitalised Major Repairs, and exclude the Surplus/Deficit on Property Sales
Operating surplus including capex	267.02%	291.51%	267.27%	303.60%	286.48%	Operating surplus adjusted to add back Depreciation and Impairment of Housing Properties, interest payable excludes Capitalised Interest
Operating surplus including capex and cap interest	326.49%	345.32%	319.36%	371.60%	346.48%	Operating surplus adjusted to add back Depreciation and Impairment of Housing Properties, interest payable includes Capitalised Interest

Gearing ratios

Measures	At 31.3.20	2020-21 quarter-end results Q1	Q2	Q3	Q4	Notes
Gross Debt to Valuation	54.10%	52.76%	53.43%	55.28%		Annual Valuation carried out on EUV SH basis
Net Debt to Valuation	52.68%	51.94%	52.44%	53.70%		Annual Valuation carried out on EUV SH basis
Net Debt to Valuation incl derivatives	52.68%	51.94%	52.44%	53.70%		Financial Indebtedness includes m2m on derivatives
Total Debt to Net Assets	50.51%	50.68%	48.79%	49.41%		Total Debt (>1 yr) to Total Assets Less Current Liabilities

Asset cover ratios

Facility	Drawn debt in £m	Mininum Value in £m	Asset cover %
AHF	£164.7	£201.8	123%
Barclays BUK	£125.6	£177.5	141%
Barclays BI	£0	£83.8	
Harbour	£75	£145.5	194%
Lloyds	£198.3	£248.3	124%
MUFG	£0	£55.9	
Orchardbrook	£1.7	£3.1	188%
Private placements	£508	£611.5	120%
RBS	£100	£177.2	177%
Santander	£38.6	£149.9	386%
THFC	£10	£12.2	122%
Yorkshire BS	£47.7	£57.7	121%

NROSH+

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RP Number : 4850

RP Name : Vivid Housing Limited

Survey Status : Signed Off

Regulator of Social Housing - Quarterly Financial and Risk Survey December 2020

Section A FINANCE MARKET

Current facilities and cash	Bank loans £000s	Capital markets £000s	Other £000s	Cash £000s	Total £000s
A1. Total agreed	840221	811678	23245		**1675144**
A2. Total drawn	510309	761678	12751		**1284738**
A3. Available cash				43650	
A4. Total undrawn and cash	**329912**	**50000**	**10494**	**43650**	**434056**
A4b. Amount of undrawn facilities and cash unavailable to draw within five days	0	50000	10494	0	**60494**
A5. Total value of new finance agreed this quarter	0	50000	11192		**61192**
A6. Are there any non-standard funding sources, for example sale/lease and lease back arrangements, retail bonds?					Yes
A7. If the response to A6 is yes, please advise the total value of such funding and include details in finance market comments.					13745
A8. Please confirm that the funding reported at A7 is included in facilities at A1.					Yes
A9. Do any of the facilities reported at A1 include revolving credit facilities?					Yes
A10. If the response to A9 is yes, what is the value of the agreed revolving credit facility included at A1?					398933
A11. If the response to A9 is yes, what is the value of the drawn revolving credit facility included at A2?					69021
A12. Length of period (in months) before financing is required					27
Security					

A13. Facilities with security required and in place	1615644
A14. Facilities where security is not required	9500
A15. Facilities where security is required but not yet in place	50000
A16. Total agreed facilities	**1675144**
A17. Do you expect to discuss a potential loan covenant breach (or any other event of loan default) with your lenders in the next 36 months?	No

A18. Finance market comments	The £50m increase in Capital Markets agreed facilities is a standby liquidity offer with MORhomes, we have not drawn on this and would have 12 months to provide security if we decide to go to market. Included within 'Other' are a £2.5m and a £11.2m Development Finance loans to Vestal from Heritable and £9.5m which is a loan from Bargate to it's shareholders. We had a £21m RCF expire in the period which has reduced the Bank Loan agreed facilities, we are currently in negotiations to replace this with a new £30m facility that shoul be in place by the en dof Q4.

Section B CASHFLOW

Quarterly cashflow information should be provided for the next 12 months. Net cash inflows should be entered as positive numbers, net cash outflows as negative numbers.

	Actual	Forecasts			
	1 Oct 2020 to 31 Dec 2020	1 Jan 2021 to 31 Mar 2021	1 Apr 2021 to 30 Jun 2021	1 Jul 2021 to 30 Sep 2021	1 Oct 2021 to 31 Dec 2021
	£000s	£000s	£000s	£000s	£000s
B1. Net cashflow from operating activities excluding sales	23315	25074	24092	25006	25392
B2. Capitalised repairs and maintenance costs	-5580	-5910	-7833	-7833	-7833
B3. Interest received	13	9	1	1	2
B4. Interest paid	-10044	-10076	-11544	-10302	-11202
B5. Payments to acquire/develop housing properties (committed)	-79533	-56954	-55954	-56552	-58249
B6. Payments to acquire/develop housing properties (uncommitted)		-21000	-23700	-23700	-23700
B7. Current asset sales receipts (committed)	33293	28819	25907	27058	23286
B8. Current asset sales receipts (uncommitted)		0	0	0	0
B9. Receipts from disposals of housing fixed assets	3130	2000	2000	2000	2000
B10. Other net cashflow before financing	230	-33500	0	0	0
B11. Net capital grants received/(repaid) (committed)	15446	0	0	28953	5000
B12. Net capital grants received/(repaid) (uncommitted)		0	0	0	0

B13. Cashflows (to)/from joint ventures and associates	0	0	0	0	0
B14. Loan repayments	-6290	-984	-14031	-1945	-10481
B15. Loan drawdowns from facilities secured and available	132682	0	0	0	0
B16. Loan drawdowns from facilities agreed but not yet secured	0	0	0	0	0
B17. Loan drawdowns from facilities not yet agreed		0	0	0	0
B18. Net drawdowns/(repayments) of revolving credit facility	-88412	59912	40000	30000	50000
B19. Other financing cashflows	-385	-300	-300	-300	-300
B20. Available cash, bank and short term investments brought forward	25785	**43650**	**30740**	**9378**	**21764**
B21. Increase/(decrease) in cash, bank and short term investments	**17865**	**-12910**	**-21362**	**12386**	**-6085**
B22. Available cash, bank and short term investments carried forward	**43650**	**30740**	**9378**	**21764**	**15679**
B23. (Increase)/decrease in cash secured against a derivative position or otherwise unavailable for use	--	--	--	--	--
B24. Cash held in secured accounts or held against any potential/contingent obligation	19857	**19857**	**19857**	**19857**	**19857**

B25. Cashflow comments	The £33.5m in B10 relates to a pension payment. We are transferring out of the Social Housing DB Pension Scheme (into our own VIVID scheme) 31 January and willl be making this payment shortly after to eliminate the deficit and enable the investments to be de-risked.

Section C DERIVATIVES

C1. Do you have any standalone derivative instruments?		No
	Total limit	**Drawn**
	£000s	**£000s**
C2. What is the notional value of all the standalone derivatives?	--	--
	Calculation date	**£000s**
C3. What is the current gross mark to market exposure?	--	--
	Total available	**Total employed**
How has this MTM exposure been collateralised?	**£000s**	**£000s**
C4. Property collateral	--	--
C5. Cash collateral	--	--
C6. Unsecured thresholds	--	--

C7. Total	**0**	**0**
		Months
C8. What is the weighted average term of the derivatives?		--

C9. Derivatives comments	--

Section D AFFORDABLE HOMES PROGRAMMES

Questions D1 to D5 relate to conversions from social rent to Affordable Rent or Affordable Home Ownership. Conversions are only permissible where formally agreed with Homes England or GLA as part of an affordable housing delivery contract. Questions D6 to D8 relate to completions under agreed programmes.

Responses to these questions (including supporting comments) will be shared with Homes England and GLA as applicable. Please make sure that responses are correctly recorded under 'Inside London' or 'Outside London'.

Please enter figures for the CURRENT QUARTER ONLY, 01.10.2020 to 31.12.2020, for section D questions.

Number of re-lets converted	Inside London	Outside London	Total
D1. Affordable Rent	0	0	**0**
D2. Affordable Home Ownership	0	0	**0**
D3. Total re-lets converted	**0**	**0**	**0**

Aggregate annualised increase in rent compared to social rent	£000s	£000s	£000s
D4. Affordable Rent	0	0	**0**

Average percentage of market rent charged on conversions			
D5. Affordable Rent	0	0	

Number of units completed			Units
D6. Affordable Rent	0	137	**137**
D7. Affordable Home Ownership	0	112	**112**
D8. Total units completed	**0**	**249**	**249**

D9. Affordable homes programme comments	--

Analysis of units developed for AHO/LCHO or market sale

The questions below refer to initial sales of AHO/LCHO and outright market sales. In the case of AHO/LCHO, it does not refer to any additional staircasing of the properties. Therefore when the first tranche is sold this should be counted as 1 unit regardless of the proportion sold. The number of unsold properties should also be whole numbers - referring to the number of properties where the first tranche has not been sold.

Please enter figures for the CURRENT QUARTER ONLY, 01.10.2020 to 31.12.2020, for section E questions.

Section E ALL PROPERTY SALES

	AHO/LCHO units	Market sale units
E1. Total units acquired/developed in the quarter	112	62
E2. Number of sales achieved in the quarter	93	79
E3. Net transfer of units (to)/from other tenures in the quarter	0	0

Analysis of unsold units		
E4. Total number of unsold units at the end of the quarter	55	19
E5. Number of units (included at E4) unsold for more than 6 months	0	11

Pipeline units		
E6. Number of units due to be completed in the next 18 months: committed	798	337
E7. Number of units due to be completed in the next 18 months: uncommitted	84	20
E8. Number of units due to be completed in the next 18 months: total	**882**	**357**

Total asset sales (All asset sales in the quarter not just those resulting from development programmes).	Sales value £000s	Surplus £000s
E9. AHO/LCHO - First tranche	9762	1849
E10. AHO/LCHO - Staircasing	2298	804
E11. RTB/VRTB/RTA sales	598	390
E12. Other social housing sales	234	189
E13. Non-social housing sales	24150	2402
E14. Total	**37042**	**5634**

E15. All property sales comments	Total sales in E14 are higher than those reported in the cashflow in B7/B9. This is primarily due to receiving sales receipts net of loan repayments on an outright sales development scheme that was primarily funded by a third party investor (Heritable). 75% of cash sales receipts are distributed directly to Heritable until the project funding is repaid.

Section F INCOME COLLECTION

F1. Current tenants' gross rent arrears as a percentage of rent receivable for the year	5.86
F2. What percentage of rent receivable has been collected in the year to date?	101.36
F3. What percentage of rent receivable was lost through voids in the year to date?	1.68

F4. Is the current level of arrears, rent collection and voids within the assumptions and forecasts of your business plan?	Yes

F5. Income collection comments --

Section G NOTIFICATIONS OF DISPOSALS

The three questions in Section G relate to statutory notifications of disposals, required under the Housing and Regeneration Act 2008.

G1. Did you make any disposals in the quarter which are required to be notified to the Regulator?	Yes
G2. If G1 is 'Yes', have all such disposals been notified to the Regulator?	Yes

G3. Notifications of disposals comments 1 sale submitted on the 20/21 Q3 Disposal notification form from VIVID.

NROSH+

Export Date and Time: 04-12-2020 17:09:20

RP Number : 4850

RP Name : Vivid Housing Limited

Survey Status : Submitted

Coronavirus Operational Response Survey - CORS

1. Current repairs performance

Is the organisation currently able to deliver:	a) All emergency repairs within a reasonable timescale
Identify the key constraints, risks and mitigating actions. Indicate the scale of any backlog and whether this has increased or decreased since the last survey collection date.	All emergency repairs continue to be completed with a reasonable timescale. Our target is for emergency repairs to be resolved within 24-hrs. Still with no backlog on this priority. Our DLO continues to maintain productivity at 4.2 jobs per day per trade, being back to pre-Covid performance. Contractor completion performance has plateaued, with one of our recovery contractors having gone into administration. We're looking to supplement this with extra temporary in-house resources. All repairs that were raised before 1st April 2020 have now been completed. We're now working on reducing appointment wait times, which vary according to trade, and started in earnest during October. We're targeting for no new repair to have an appointment more than 8-weeks in the future by the end of December, with the majority appointed within 3 weeks.

2. Statutory gas compliance

Is the organisation completing:	b) Most statutory gas checks without a material backlog developing
Identify the key constraints, risks and mitigating actions. Indicate the scale of any backlog and whether this has increased or decreased since the last survey collection date.	One of our 22,677 boilers currently has an out of date gas check, the customer is extremely vulnerable and the situation is complex, compounded with lockdown. We continue to closely track the programme and planning for possible future increases that could occur and continue to retain records of access issues due to track and tracing/self isolating/quarantine etc. We are also seeing a trend in courts no longer giving enforced action which means properties can go for longer without us being able to gain access legally.

3. Statutory fire compliance

Is the organisation completing:	a) All statutory fire checks

Identify the key constraints, risks and mitigating actions. Indicate the scale of any backlog including critical FRA actions and whether this has increased or decreased since the last survey collection date.	All FRA's are taking place and actions being followed up.

4. Asbestos, electrical, legionella and lift safety checks

Is the organisation completing:	a) All asbestos, electrical, legionella and lift checks
Identify the key constraints, risks and mitigating actions. Indicate the scale of any backlog and whether this has increased or decreased since the last survey collection date.	We're not building up a material backlog across these areas however this may change as we move into the winter months with the main challenge now being maintaining social distancing in busy communal areas and loss of skilled staff due to isolating or infection.

5. Care, supported and other accommodation for vulnerable people, where the provider is the landlord

Is the organisation:	a) Maintaining safe staffing levels and essential service delivery
Identify the key constraints, risks and mitigating actions	We do have extra care and supported accommodation for vulnerable people for which we are the landlord but we are not the support or care provider. However we remain in regular contact with the commissioner of those services and the care and support providers themselves and have not been made aware of any staffing issues. In our extra care schemes we have increased the cleaning to touchable surfaces to daily and make weekly welfare calls to residents who have asked for this to continue.

6. Details of an individual to deal with queries relating to the responses to this survey

Name:	Sarah Phillips
Email:	sarah.phillips@vividhomes.co.uk
Telephone:	01256 587767