



Shareholder Committee

Agenda

Thursday, 30th October, 2025
at 9.30 am

in the

**Council Chamber, Town Hall and available
for the public to view on [WestNorfolkBC on
You Tube](#)**



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 61620

Wednesday 22nd October 2025

Dear Member

Shareholder Committee

You are invited to attend a meeting of the above-mentioned Task Group which will be held on **Thursday, 30th October, 2025 at 9.30 am** in the **Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. **Apologies for absence**
2. **Minutes of the previous meeting** (Pages 4 - 7)
3. **Declarations of Interest** (Page 8)

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

4. **Chair's correspondence**

5. Members present under standing order 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

6. Urgent Business

To consider any business, which by reason of special circumstances, the Chair proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

7. Report on West Norfolk Housing Company Financial Performance during 2024/2025 (Pages 9 - 39)

8. Approval of Shareholder Committee Annual Report to Audit Committee (Pages 40 - 61)

9. Committee Forward Plan (To Follow)

10. Date of future meeting

21st January 2026 at 10am in the Council Chamber, Town Hall.

To:

Shareholder Committee: A Beales, C Morley and S Ring

Officers

Alexa Baker, Monitoring Officer
Michelle Drewery, Deputy Chief Executive and Section 151 Officer
Duncan Hall, Assistant Director, Regeneration, Housing and Place
Carl Holland, Assistant Director for Finance and Deputy Section 151 Officer
Karl Patterson, Housing Development Officer

By Invitation:

Board Members of West Norfolk Housing Company.

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

SHAREHOLDER COMMITTEE

**Minutes from the Meeting of the Shareholder Committee held on Monday,
4th August, 2025 at 10.00 am in the Council Chamber, Town Hall, Saturday
Market Place, King's Lynn PE30 5DQ**

PRESENT:

Councillors A Beales (Chair), S Ring and J Rust

ALSO PRESENT:

Andy Walder – Board Member for West Norfolk Housing Company
Graham Woodcock – Board Member for West Norfolk Property Limited
Councillor Alex Ware – Board Member for West Norfolk Housing Company and
West Norfolk Property Limited

OFFICER PRESENT:

Alexa Baker – Monitoring Officer
Carl Holland – Assistant Director for Finance and Deputy Section 151 Officer
Duncan Hall – Assistant Director for Regeneration, Housing and Place
David Reason - Governance & Compliance Officer

1 APOLOGIES FOR ABSENCE

An apology of absence was received from Councillor Morley.

2 MINUTES OF THE PREVIOUS MEETING

RESOLVED: The Minutes of the meeting held on the 15th April 2025
were approved as a correct record.

3 DECLARATIONS OF INTEREST

There were none.

4 CHAIR'S CORRESPONDENCE

There was none.

5 MEMBERS PRESENT UNDER STANDING ORDER 34

Councillor A Ware was present under Standing Order 34.

6 **URGENT BUSINESS**

There was none.

7 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

Board Members of West Norfolk Property Limited left the meeting for items relating to West Norfolk Housing Company.

8 **WEST NORFOLK HOUSING COMPANY REPORT ON PERFORMANCE AGAINST BUSINESS PLAN**

The Monitoring Officer presented the report.

The Assistant Director for Regeneration, Housing and Place highlighted key points.

The Chair invited comments from Board Members of West Norfolk Housing Company

The Chair invited questions and comments from the Committee and Officers responded.

RESOLVED: The Shareholder Committee:

1. Delivery and performance by WNHC during 2024/2025 against the Business Plan Update 2024/2025 at Appendix 1 (exempt) was considered.
2. Approved the WNHC Company Business Plan Delivery Update for 2025/2026 as set out in Appendix 2 (exempt)
3. Agreed Key Performance Indicators for delivery against WNHC's Business Plan are to be formulated by the Shareholder to hold WNHC to account for performance and delivery.

REASON FOR DECISION: In furtherance of the Terms of Reference for the Shareholder Committee:

4.4 Approval of the Business Plan for each of the Council Companies on an annual basis.

4.5 Holding each of the Council Companies to account for their performance against the respective Business Plan.

9 **WEST NORFOLK HOUSING COMPANY FINAL BUSINESS DELIVERY PLAN FOR 2025/2026**

The Monitoring Officer and Assistant Director for Regeneration, Housing and Place introduced this item with item 8.

10 **WEST NORFOLK HOUSING COMPANY LOAN AGREEMENT PROPOSALS**

The Assistant Director for Finance and Deputy Section 151 Officer presented the report.

The Chair invited comments from Board Members of West Norfolk Housing Company.

The Chair invited questions and comments from the Committee and Officers responded.

RESOLVED: The Shareholder Committee

1. Noted the timescales for gaining agreement to a Loan Agreement for WNHL.
2. Reviewed the process and concept of the Loan Agreements and recommend provisions or amendments for consideration, to those with delegated authority to agree the final terms of the drawdown facility for the companies.

Reason for Decision

To deliver affordable and private rented housing for acquisition by the council's wholly owned housing companies to support the delivery of council corporate objectives.

11 **WEST NORFOLK PROPERTY LIMITED REPORT ON PERFORMANCE AGAINST BUSINESS PLAN**

Board Members of West Norfolk Housing Company left the meeting for the items in relation to West Norfolk Property Limited.

The Monitoring Officer presented the report.

The Assistant Director for Regeneration, Housing and Place highlighted key points.

The Chair invited comments from Board Members of West Norfolk Property Limited.

The Chair invited questions and comments from the Committee and Officers responded

RESOLVED:

1. Delivery and performance by WNPL since the previous update to Shareholder Committee against the Business Plan Update 2024/2025 dated September 2024 at Appendix 1 (exempt) was considered.
2. Approved the Business Plan Delivery Update 2025/2026 at Appendix 2 (exempt).
3. Agreed Key Performance Indicators for delivery against WNPL's Business Plan are to be formulated by the Shareholder to hold WNPL to account for performance and delivery.

REASON FOR DECISION: In furtherance of the Terms of Reference for the Shareholder Committee:

4.4 Approval of the Business Plan for each of the Council Companies on an annual basis.

4.5 Holding each of the Council Companies to account for their performance against the respective Business Plan

12 **WEST NORFOLK PROPERTY LIMITED FINAL BUSINESS DELIVERY PLAN FOR 2025/2026**

The Monitoring Officer and Assistant Director for Regeneration, Housing and Place introduced this item with item 11.

13 **COMMITTEE FORWARD PLAN**

RESOLVED: The Committee Forward Plan was noted.

14 **DATE OF FUTURE MEETING**

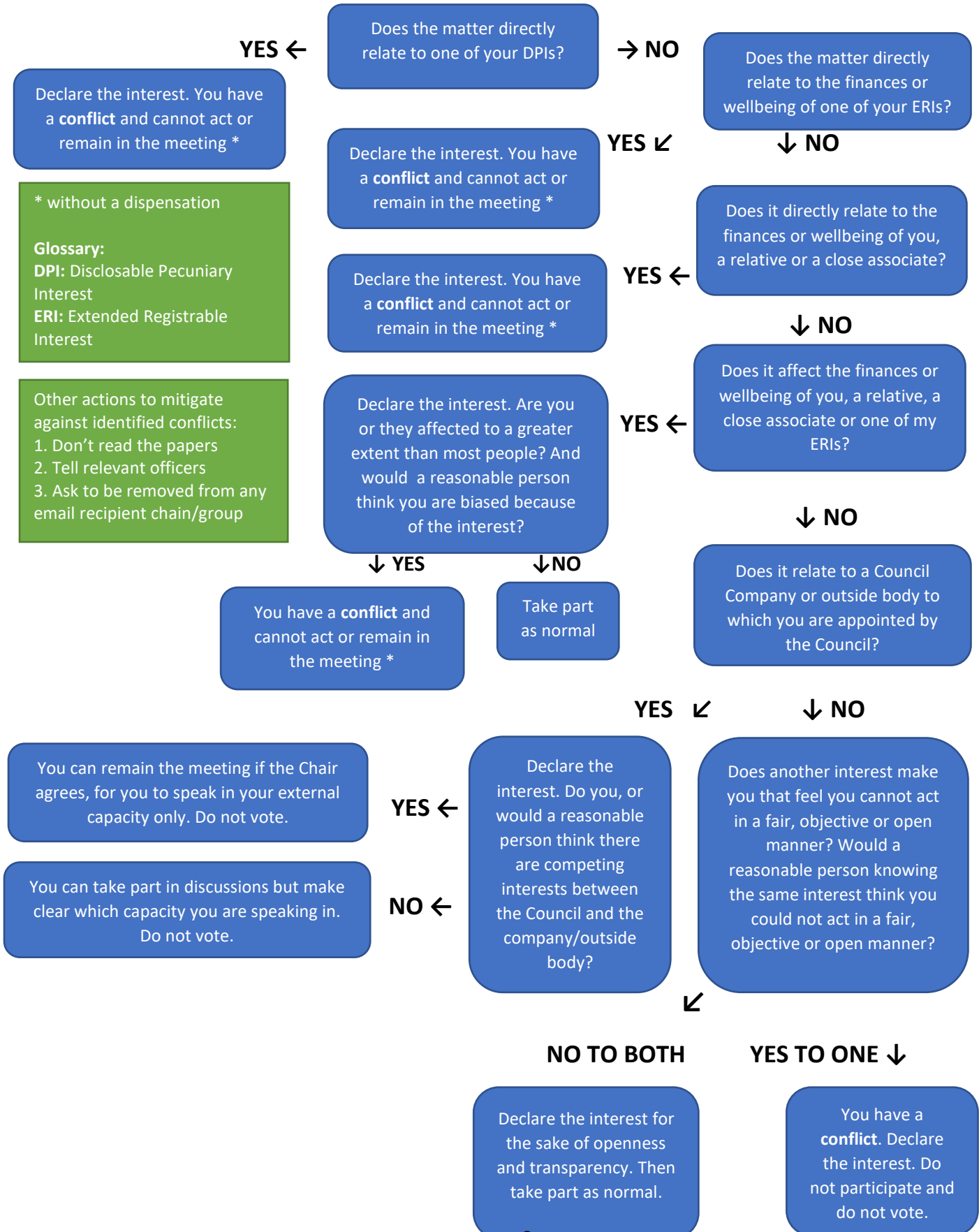
The next was to be scheduled for late October 2025.

The meeting closed at 11.50 am

DECLARING AN INTEREST AND MANAGING ANY CONFLICTS FLOWCHART



START



REPORT TO SHAREHOLDER COMMITTEE

Open/Exempt		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Shareholder Committee powers to decide YES			
	Discretionary /	Need to be recommendations to Council NO			
	Operational	Is it a Key Decision NO			
Lead Member: E-mail:		Other Cabinet Members consulted: N/A			
		Other Members consulted: N/A			
Lead Officer: Carl Holland E-mail: carl.holland@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: N/A			
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications NO	Equality Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications NO	Environmental Considerations NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: Thursday 30th October 2025

Summary

This report provides a brief overview of the financial performance of the Councils Wholly Owned Company, West Norfolk Housing Company Ltd, for the financial year ended 31st March 2025, alongside the audited financial statements.

Recommendation

To review the financial performance of the Councils Wholly Owned Company, West Norfolk Housing Company Ltd for the financial year ended 31st March 2025

Reason for Decision

To ensure West Norfolk Housing Company Ltd financial performance is deemed appropriate and assess the going concern of the company.

1 Background

West Norfolk Housing Company Ltd was set up by the Council and incorporated on 12th September 2016. The Council is 100% shareholder of the company.

2 Options Considered

N/A

3 Policy Implications

N/A

5 Personnel Implications
N/A

6 Environmental Considerations
N/A

7 Statutory Considerations
N/A

8 Equality Impact Assessment (EIA)
(Pre screening report template attached)
N/A

9 Risk Management Implications
N/A

10 Declarations of Interest / Dispensations Granted
N/A

11 Background Papers

West Norfolk Housing Company audited Financial Statements

West Norfolk Housing Company Ltd
Financial Performance for Year ended 31st March 2025

This report provides a summary of the financial performance of West Norfolk Housing Company Ltd, for the financial year ended 31st March 2025. A copy of the audited Financial Statements is included alongside this report for reference.

As at 31st March 2025, West Norfolk Housing Company Ltd owned 47 properties, made up of the following tenure mix:

Affordable rents: 35
 Shared Ownership: 12

The company also manage 7 other properties owned by the Council on Broad Street, Kings Lynn.

In the financial year, 1 Shared Ownership property was acquired into the portfolio.

Statement of Comprehensive income

	Note	2025 £	2024 £
Turnover	3	629,721	595,823
Operating costs	3	(488,195)	(473,039)
Other income	3	48,293	242,640
Operating surplus		189,819	365,424
Interest and financing costs	7	(25,284)	(318,974)
Surplus before tax		164,535	46,450
Taxation	9	8,550	5,116
Surplus for the year		173,085	51,566
Unrealised (loss)/gain on housing properties at revaluation	8	(86,491)	374,331
Deferred taxation on the above	9	21,623	(93,583)
Total comprehensive income for the year		108,217	332,314

Turnover:

West Norfolk Housing Company has seen an increase in turnover from £595k to £630k in the financial year ended 31st March 2025. This increase primarily relates to inflationary increases to rents charged. The company also received a full year's rental income for the 7 properties acquired within the prior financial year.

Operating costs:

Operating costs have increased from £473k to £488k in the financial year. This primarily relates to inflationary increases to property management costs.

Other income:

Other income relates to grants and has decreased from £242k to £48k in the financial year.

£48k received in year, relates to the Homelessness Prevention Grant, which is paid by the Council to fund the deficit generated on the Broad Street properties.

In the prior financial year, S106 monies was granted to fund the acquisition of two properties. There was no S106 monies received in the current financial year.

The breakdown of Turnover, Operating costs and other income can be found on pages 16/17 of the Financial Statements under note 3

Interest and financing costs:

There has been a significant decrease in the interest and financing costs incurred by the company during the financial year, decreasing from £319k to £25k. This decrease is applicable to the impact of the Deed of Variation to correct the loan agreement.

A breakdown can be found on page 18 of the Financial Statements, under note 7

Statement of Financial Position

	Note	2025 £	2024 £
Fixed Assets			
Housing properties	10	5,289,318	5,328,316
		5,289,318	5,328,316
Current assets			
Properties held for sale		-	-
Trade and other debtors	11	109,429	340,623
Cash and cash equivalents		88,454	101,698
		197,883	442,321
Creditors: Amounts falling due within one year	12	(776,256)	(1,063,668)
Net current assets/(liabilities)		(578,373)	(621,347)
Total assets less current liabilities		4,710,945	4,706,969
Creditors: Amounts falling due after more than one year	13	(3,357,705)	(3,439,437)
Provisions for liabilities			
Deferred tax liabilities	16	(184,723)	(207,232)
Total net assets		1,168,517	1,060,300
Reserves			
Income and expenditure reserve		612,185	439,100
Revaluation reserve		556,232	621,100
Share capital	17	100	100
Total reserves		1,168,517	1,060,300

Fixed Assets:

Total fixed assets have decreased from £5.32m to £5.28m, despite there being an acquisition of a Shared Ownership property.

The property portfolio is independently valued by Wilkes Head and Eve. In the financial year there has been a decrease of £86k in the valuations of the properties.

Further detail can be found on page 20 of the Financial Statements, under note 10.

Trade and other debtors:

There has been a significant decrease in Trade and other debtors, from £340k to £109k. The majority of the decrease is applicable to the S106 monies granted in the prior financial year, being received by the company.

A breakdown can be found on page 21 of the Financial Statements, under note 11.

Creditors due within one year:

There has also been a significant decrease in Creditors, from £1m to £776k. £200k of the decrease relates to the settlement of the acquisition of two properties in the prior financial year, with the remaining decrease relating to the impact of the Deed of Variation on the outstanding loan balances.

A breakdown can be found on page 21 of the Financial Statements, under note 12.

WEST NORFOLK HOUSING COMPANY LTD REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Regulator of Social Housing Registration No: 5057
Company Registration No: 10368299

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

COMPANY INFORMATION

Regulator of Social Housing registration number	5057
Company registration number	10368299
Registered office	King's Court Chapel Street King's Lynn United Kingdom PE30 1EX
Directors	Ms. AL Goddard-Gill Mr. D Hall Mr. M Spittle Ms AM Ware Mr AJ Walder Mr M Eldridge Mrs L Gore
Bankers	Barclays Bank 1 Churchill Place Leicester LE87 2BB
External auditors	Ensors Saxon House Moseley's Farm Business Centre Fornham All Saints Bury St Edmunds Suffolk IP28 6JY

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

REPORT OF THE BOARD

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities

The principal activities of the company is the management of social housing in and around King's Lynn and West Norfolk.

Results and dividends

The results for the year are set out in the Statement of Comprehensive Income.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements are as follows:

Ms. AL Goddard-Gill	
Mr. D Hall	
Mr. M Spittle	
Ms AM Ware	
Mr. HS Bhondi	(Resigned 9 th September 2024)
Ms. J Ratcliffe	(Resigned 6 th May 2025)
Mr. R Harding	(Resigned 23 rd July 2024)
Mr AJ Walder	(Appointed 27 th August 2025)
Mr M Eldridge	(Appointed 27 th August 2025)
Mrs L Gore	(Appointed 27 th August 2025)

Value for money

The board is committed to embedding a culture that ensures value for money for all stakeholders.

The board considers value for money when all decisions are made and when specific areas of the business are reviewed.

The boards approach to procurement ensures they can demonstrate value for money. This includes ensuring that they can demonstrate value for money in instances when they are purchasing from the parent organisation, in such cases they will ensure that:

- Loans to the company will not exceed the market rate for loans on the same terms
- Homes will not be purchased at more than their market value

The board is responsible for setting the value for money targets of the company and has reviewed the following metrics against these targets. The board does not consider a comparison of the metrics to that of company peers to be beneficial at this time, due to the length of time the company has been trading, however, they will be mindful of it in future years as the company's portfolio grows.

Metric 1: Reinvestment (%)

This metric looks at the investment in properties (existing stock as well as New Supply) as a percentage of the value of total properties held.

As of 31st March 2025, the company had a reinvestment percentage of 2% (2024:15%).

Metric 2: New supply delivered (%)

The new supply metric sets out the number of new social housing that have been acquired or developed in the year as a proportion of total social housing units owned at period end. During the financial year the company delivered 1 (2024:7) new social housing units resulting in a new supply delivered percentage of 2% (2024:15%).

Metric 3: Gearing (%)

This metric assesses how much of the adjusted assets are made up of debt and the degree of dependence on debt finance.

As of 31st March 2025, the company had a gearing percentage of 58% (2024: 58%). This is deemed acceptable as all debt has been obtained from the parent organisation. The company will ensure its debt and gearing levels are monitored sufficiently and deemed appropriate, to protect the long-term viability of the company.

Metric 4: EBITDA MRI - Interest Cover (%)

The EBITDA MRI interest cover measure is a key indicator for liquidity and investment capacity.

For the year ended 31st March 2025 the company's EBITDA was £156,104 and interest payable and financing costs were £212,389. This resulted in an EBITDA MRI – interest cover of 73% (2024:43%), at this stage this is deemed acceptable as all interest payable is due to the parent organisation.

REPORT OF THE BOARD (CONTINUED)

Metric 5: Headline social housing cost per unit (£)

The company's headline social housing cost per unit is £3,086 (2024: £3,042). The major contributing factor to the high cost per unit is the managed property costs and increased costs due to high inflation. The company is keeping this under close review.

Metric 6A: Operating Margin – social housing lettings (%)

For the year ended 31st March 2025 the company had an operating surplus of £141,526 and turnover of £629,721 from social housing lettings. This gave the company an operating margin from social housing lettings of 22% (2024: 21%).

Metric 6B: Operating Margin – overall (%)

The overall operating margin of the company was 30% (2024: 61%).

Metric 7: Return on capital employed (%)

This metric compares the operating surplus to total assets less current liabilities and is a common measure in the commercial sector to assess the efficient investment of capital resources. The return on capital employed for the company was 4% (2024: 8%).

Compliance with governance and financial viability standard

The Board certifies that it meets the requirements of the Housing Regulator's Governance and Financial Viability Standard.

The Board have adopted an internal policy which ensures compliance with the standard.

The internal Governance and Governance and Financial Viability policy sets out the roles, responsibilities and accountabilities of the Board; these take into account the concepts within the ecoDa Code of Governance that are deemed to be the foundations of good governance.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Directors responsibility statement

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

REPORT OF THE BOARD (CONTINUED)

Auditors

On 1 September 2025 our auditors, Ensors Accountants LLP, merged with Azets Audit Services Limited. Accordingly Ensors Accountants LLP formally resigned as the company's auditors with the directors duly appointing Azets Audit Services Limited, trading as Ensors to fill the vacancy arising.

The auditor, Azets Audit Services Limited, trading as Ensors will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

On behalf of the board

Duncan Hall

Duncan Hall (Sep 25, 2025 09:58:22 GMT+1)

Mr. D Hall
Director

Date: 25/09/2025

REPORT OF THE INDEPENDENT AUDITOR

Opinion

We have audited the financial statements of West Norfolk Housing Company Limited (the 'company') for the year ended 31 March 2025 which comprise the statement of comprehensive income, the statement of changes in reserves, the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of the income and expenditure of the company for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 (as amended), the Social Housing (Regulation) Act 2023, and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

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

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

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 (as amended by the Social Housing (Regulation) Act 2023) requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has been maintained

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

'Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud. This included work on areas where we consider there is a higher risk of fraud including revenue recognition, management override of systems and control, transactions with related parties, accounting estimates, commitments and contingencies.

We also obtained an understanding of the applicable laws and regulations that the company has to abide by, through discussions with management and those charged with governance, as well as commercial knowledge of the sector and statutory legislation. We paid particular focus to those laws and regulations that had the potential to materially impact the amounts and disclosures within the financial statements.

REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)

After our initial risk assessment, we performed the following procedures to detect material misstatements in respect of irregularities arising due to fraud or error:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company are complying with the legal and regulatory framework both at the planning stage and reminded to remain alert throughout the audit;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;
- assessed key accounting estimates within the financial statements in order to assess their reasonableness and determining whether there were any indications of management bias in the estimates;
- reviewed financial statement disclosures and testing these against supporting documentation to assess compliance with applicable laws and regulations;
- reviewed of minutes of those charged with governance

All audit team members were made aware of the applicable laws and regulations, as well as potential fraud risks during the planning stage of the audit and this was discussed at the audit team planning meeting. It was therefore determined that team members all had the relevant awareness and competence to identify any instances of non-compliance with relevant laws and regulations or fraud.

There are, however, inherent limitations to our above audit procedures. Auditing standards only require us to enquire of the directors and management regarding non-compliance with laws and regulations, as well as review regulatory and legal correspondence (if there is any). It is therefore possible that instances of non-compliance could be missed, particularly where the law in itself is far removed from any financial transactions

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to him in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Zoe Plowman
For and on behalf of Ensors
Statutory Auditor
Chartered Accountants

Date: 26/09/2025

Saxon House
Moseley's Farm Business Centre
Fornham All Saints
Bury St Edmunds
Suffolk
IP28 6JY

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF COMPREHENSIVE INCOME

	Note	2025 £	2024 £
Turnover	3	629,721	595,823
Operating costs	3	(488,195)	(473,039)
Other income	3	48,293	242,640
Operating surplus		<hr/> 189,819	<hr/> 365,424
Interest and financing costs	7	(25,284)	(318,974)
Surplus before tax		<hr/> 164,535	<hr/> 46,450
Taxation	9	8,550	5,116
Surplus for the year		<hr/> 173,085	<hr/> 51,566
Unrealised (loss)/gain on housing properties at revaluation	8	(86,491)	374,331
Deferred taxation on the above	9	21,623	(93,583)
Total comprehensive income for the year		<hr/> 108,217	<hr/> 332,314

The results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF CHANGES IN RESERVES

	Income and expenditure reserve £	Revaluation reserve £	Share Capital £	Total £
As at 1 April 2023	387,534	340,352	100	727,986
Surplus for the year	51,566	280,748	-	332,314
Other comprehensive income for the year				
Balance at 31 March 2024	439,100	621,100	100	1,060,300
Surplus for the year	173,085	(64,868)	-	108,217
Other comprehensive income for the year				
Balance at 31 March 2025	612,185	556,232	100	1,168,517

The accompanying notes form part of these financial statements.

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF FINANCIAL POSITION

	Note	2025 £	2024 £
Fixed Assets			
Housing properties	10	<u>5,289,318</u>	<u>5,328,316</u>
		5,289,318	5,328,316
Current assets			
Properties held for sale		-	-
Trade and other debtors	11	109,429	340,623
Cash and cash equivalents		<u>88,454</u>	<u>101,698</u>
		197,883	442,321
Creditors: Amounts falling due within one year	12	<u>(776,256)</u>	<u>(1,063,668)</u>
Net current assets/(liabilities)		(578,373)	(621,347)
Total assets less current liabilities		<u>4,710,945</u>	<u>4,706,969</u>
Creditors: Amounts falling due after more than one year	13	<u>(3,357,705)</u>	<u>(3,439,437)</u>
Provisions for liabilities			
Deferred tax liabilities	16	(184,723)	(207,232)
Total net assets		<u>1,168,517</u>	<u>1,060,300</u>
Reserves			
Income and expenditure reserve		612,185	439,100
Revaluation reserve		556,232	621,100
Share capital	17	100	100
Total reserves		<u>1,168,517</u>	<u>1,060,300</u>

The accompanying notes form part of these financial statements.

The financial statements were issued and approved by the Board on 25/09/2025.

Duncan Hall
Duncan Hall (Sep 25, 2025 09:58:22 GMT+1)

Mr. D Hall
Director

Lorraine Gore
Lorraine Gore (Sep 25, 2025 16:56:22 GMT+1)

Mrs L Gore
Director

NOTES TO THE FINANCIAL STATEMENTS

1. Legal status and principal activities

The company is registered company in England under the Companies Act 2006 limited by shares and is a registered provider of social housing. The principal activity is the management of social housing in and around King's Lynn and West Norfolk.

2. Accounting policies

2.1 Basis of accounting

The financial statements of the company are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers 2022. (Applied to the extent that it does not conflict with IFRS and FRS 101)

West Norfolk Housing Company Ltd is a public benefit entity in accordance with FRS 101.

The financial statements are presented in Sterling (£).

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;

Where required, equivalent disclosures are given in the group accounts of Borough Council of King's Lynn and West Norfolk. The group accounts of Borough Council of King's Lynn and West Norfolk are available to the public and can be obtained from <https://www.west-norfolk.gov.uk/>.

2.2 Going concern

The company's business activities are set out within the report of the board. The company has in place long-term debt facilities with its shareholder which provide adequate resources to finance committed reinvestment and development programmes, along with the company's day to day operations. The company also has a long-term business plan which shows that it is able to service these debt facilities as they fall due. The company also has the support of its shareholder to ensure it is able to meet its obligations as and when they fall due.

On this basis, the board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.3 Significant judgements and estimates

Judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income, and expenses is provided below. Actual results may be substantially different.

Critical judgements

Valuation of housing properties

Housing properties, disclosed in note 10, are valued at existing use value in respect of social housing, with the movement being recognised in the Income Statement. The directors obtain third party valuations of housing properties at regular intervals to ensure that the fair value of these properties is kept up to date.

2.4 Turnover and revenue recognition

Turnover comprises rental income receivable in the year and other services included at the invoiced value (excluding VAT where recoverable) of goods and services supplied in the year and grants receivable in the year.

Revenue from rental income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue from tenancy agreements for housing properties on a calendar monthly basis in line with the terms of the tenancy agreements.

2.5 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable surplus for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.6 Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed. Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the company is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax relating to housing properties that are measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset, except for housing property that has a limited useful life and is held in a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on an undiscounted basis.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in income and expenditure, other comprehensive income or reserves depending on the transaction that resulted in the tax expense (income).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.7 Interest payable

Interest is capitalised on borrowings to finance the development of qualifying assets to the extent that it accrues in respect of the period of development if it represents

- (a) interest on borrowings specifically financing the development programme after deduction of related grants received in advance; or
- (b) a fair amount of interest on borrowings of the company as a whole after deduction of SHG received in advance to the extent that they can be deemed to be financing the development programme.

Other interest payable is charged to income and expenditure in the year.

2.8 Financial assets

Financial assets are recognised in the company's Statement of Financial Position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through the Statement of Comprehensive Income are measured at fair value and any transaction costs are recognised in the Statement of Comprehensive Income. Financial assets not classified as fair value through the Statement of Comprehensive Income are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets

Financial assets, other than those measured at fair value through the Statement of Comprehensive Income, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

2.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through the Statement of Comprehensive Income' or 'other financial liabilities.'

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Financial liabilities at fair value through the Statement of Comprehensive Income

Financial liabilities are classified as measured at fair value through the Statement of Comprehensive Income when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through the Statement of Comprehensive Income are stated at fair value with any gains or losses arising on remeasurement recognised in the Statement of Comprehensive Income.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

2.10 Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally available for rent and are stated at valuation.

Housing properties are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Housing properties – right of use asset: over the term of the lease

Properties whose fair value can be measured reliably are valued annually on an existing use value – social housing basis. The surplus or deficit on revaluation is recognised as other comprehensive income.

Completed housing and shared ownership properties are stated at fair value at the date of valuation, less subsequent accumulated impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amount does not materially differ from the fair value of the properties as at the year end.

Expenditure on shared ownership properties is split proportionally between current and fixed assets based on the element relating to expected first tranche sales. The first tranche proportion is classed as a current asset with related sales proceeds included in turnover, and the remaining element is classed as fixed asset and included in housing properties at cost, less any provisions needed for impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.11 Government grants

Government grants include grants receivable from local authorities. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received.

Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants received for housing properties are subordinated to the repayment of loans by agreement with the Homes England. Government grants released on sale of a property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position in creditors.

If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to income and expenditure.

2.12 Impairment

Housing properties are assessed annually for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the company, its recoverable amount is its fair value less costs to sell.

2.13 Leases as lessee

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability – initial measurement

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Lease liability – remeasurement

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Statement of Comprehensive Income if the carrying amount of the right-of-use asset has been reduced to zero.

Low value assets and short term

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the lease term.

2.14 Leases as lessor

When the company acts as a lessor, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees, over the major part of the economic life of the asset. All other leases are classified as operating leases. If an arrangement contains lease and non-lease components, the company applies IFRS 15 to allocate the consideration in the contract. When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately, classifying the sub-lease with reference to the right-of-use asset arising from the head lease instead of the underlying asset.

3. Particulars of turnover, cost of sales, operating costs and operating surplus

Continuing activities

	Turnover	2025 Operating costs	Other income	Operating surplus
	£	£	£	£
Social housing lettings				
Other social housing activities:				
Management services	529,721	(360,150)	-	169,571
First tranche low cost home ownership	100,000	(128,045)	-	(28,045)
	629,721	(488,195)	-	141,526
Non-social housing activities				
Grant income	-	-	48,293	48,293
	629,721	(488,195)	48,293	189,819
	Turnover	2024 Operating costs	Other income	Operating surplus
	£	£	£	£
Social housing lettings				
Other social housing activities:				
Management services	474,323	(322,839)	-	151,484
First tranche low cost home ownership	121,500	(150,200)	-	(28,700)
	595,823	(473,039)	-	122,784
Non-social housing activities				
Grant income	-	-	242,640	242,640
	595,823	(473,039)	242,640	365,424

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Particulars of income and expenditure from social housing lettings

	2025			
	General housing needs	Intermediate	Low cost home ownership	Total
	£	£	£	£
Rent receivable net of identifiable service charges	278,933	203,818	46,970	529,721
Turnover from social housing lettings	278,933	203,818	46,970	529,721
Management	(97,405)	-	(4,407)	(101,812)
Service charge costs	(945)	(13,672)	(808)	(15,425)
Bad debts	-	(6,068)	-	(6,068)
Other costs	-	(213,670)	-	(213,670)
Operating costs on social housing lettings	(98,350)	(233,410)	(5,215)	(336,975)
Operating surplus on social housing lettings	180,583	(29,592)	41,755	192,746
Void losses	-	(7,488)	-	(7,488)

	2024			
	General housing needs	Intermediate	Low cost home ownership	Total
	£	£	£	£
Rent receivable net of identifiable service charges	248,359	186,852	39,112	474,323
Turnover from social housing lettings	248,359	186,852	39,112	474,323
Management	(80,513)	-	(8,971)	(89,484)
Service charge costs	-	(13,112)	-	(13,112)
Bad debts	-	-	-	-
Other costs	-	(190,906)	-	(190,906)
Operating costs on social housing lettings	(80,513)	(204,018)	(8,971)	(293,502)
Operating surplus on social housing lettings	167,846	(17,166)	30,141	180,821
Void losses	-	(4,073)	-	(4,073)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Accommodation in management and development

At the year-end, accommodation in management for each class of accommodation was:

	2025 No. of properties	2024 No. of properties
Social housing		
General housing:		
Affordable rent	35	35
Low cost home ownership	12	11
	<hr/>	<hr/>
Total owned	47	46
	<hr/>	<hr/>
Accommodation managed for others	7	7
	<hr/>	<hr/>
Total managed	54	53

The company manages accommodation for the Borough Council of Kings Lynn West Norfolk.

The company owns 47 supported housing units (2024: 46) that are managed on its behalf, under management agreements, by other bodies who carry the financial risk relating to the supported housing units.

5. Operating surplus

The operating surplus is arrived at after charging/(crediting):

	2025	2024
	£	£
Depreciation of fixed assets	14,578	14,578
Fees paid to the company's auditors for the following:		
Audit of the financial statements	11,100	10,200
Taxation and other services	2,100	1,800

6. Employees

During the period the company had no employees

7. Interest and financing costs

	2025 £	2024 £
Loans	10,712	305,121
Finance charge unwinding discount on lease liability	13,330	13,853
Interest on Corporation Tax	1,242	-
	<hr/>	<hr/>
	25,284	318,974

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Other gains and losses

	2025 £	2024 £
Changes in the fair value of housing properties	(86,491)	374,331
	<u>(86,491)</u>	<u>374,331</u>

9. Tax on surplus on ordinary activities

	2025 £	2024 £
Current tax:		
UK corporation tax on surplus for the year	3,395	11,059
Adjustments in respect of prior year adjustment	(11,059)	(16,175)
Total current tax	(7,664)	(5,116)
Deferred tax:		
Net origination and reversal of timing differences	15,129	93,583
Adjustments in respect of prior years	(37,638)	-
Total deferred tax	(22,509)	93,583
Total tax on results on ordinary activities	(30,173)	88,467

The actual charge for the year can be reconciled to the expected charge for the year based on the surplus and the standard rate tax as follows:

	2025 £	2024 £
Surplus / (deficit) on ordinary activities before tax	164,535	46,450
Tax at UK corporation tax rate of 25% (2024: 25%)	41,133	11,612
Marginal Relief	(987)	(553)
Revalued capital assets	(21,623)	93,583
Under/(over) provision in prior years	(48,696)	(16,175)
Total tax charge	(30,173)	88,467

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Housing properties

	Right of use asset	Social housing properties held for letting	Completed shared ownership housing properties	Total housing properties
	£	£	£	£
Valuation				
At 1 April 2024	313,431	4,251,500	836,275	5,401,206
Additions	-	-	123,331	123,330
Disposal	-	-	(61,259)	(61,259)
Revaluation	-	(66,000)	(20,491)	(86,491)
At 31 March 2025	313,431	4,185,500	877,856	5,376,786
Depreciation and impairment				
At 1 April 2024	72,890	-	-	72,890
Depreciation charge for the year	14,578	-	-	14,578
Net book value	87,468	-	-	87,468
At 31 March 2025	225,963	4,185,500	877,856	5,289,318
At 31 March 2024	240,541	4,185,500	836,275	5,328,316

Housing properties include properties which have been purchased for the purpose of providing a service.

The fair value of the properties has been arrived at based on a valuation carried out by B Kirby, BSc (Hons) MRICS, a RICS registered Valuer of Wilkes Head and Eve LLP, who are not connected with the company.

The historic cost equivalent for revalued properties totals £5,041,994 (2024: £4,919,476).

The valuation performed by the valuer was reviewed internally by Senior Management, and other relevant people within the business. This process included discussions of the assumptions used by the valuer, as well as a review of the resulting valuations. The valuation used the year end 31st March 2025 as the valuation date.

The valuation was first completed on the open market value. Then a fair value was calculated using the existing use value for social housing adjustment factor of 55%. This adjustment factor measures the difference between private open market rented and socially rented property at a regional level and is therefore considered a fair value methodology for the valuation of housing in the public sector.

The company is not aware of any events or circumstances which indicate that the amount stated in the Statement of Financial Position for properties may not be realisable, as at 31/03/2025.

Social housing assistance

	2025 £	2024 £
Total accumulated social housing grant received or receivable at 31 March:		
Recognised in the Statement of Comprehensive Income	-	197,000
Held in deferred income	14,840	14,840
	14,840	211,840

Impairment

The company considers individual schemes to be separate Cash Generating Units (CGU's) when assessing for impairment, in accordance with the requirements of Financial Reporting Standard 101 and SORP 2018. No impairment charge has been made this year (2024: £nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Debtors

	2025	2024
	£	£
Rent and service charges receivable	10,608	17,300
Less: provision for bad and doubtful debts	(-)	(-)
	<u>10,608</u>	<u>17,300</u>
Prepayments and accrued income	91,077	323,323
Corporation tax receivable	7,744	-
	<u>109,429</u>	<u>340,623</u>

All debtors are recoverable within one year.

12. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	83,912	-
Amount due to parent undertaking	492,669	605,717
Debt (note 15)	29,349	9,387
Corporation tax payable	-	68,469
Rent and service charges received in advance	1,213	1,213
Deferred grant income (note 14)	14,840	14,840
Accruals and deferred income	143,053	353,372
Lease obligation (note 18)	11,220	10,670
	<u>776,256</u>	<u>1,063,668</u>

13. Creditors: amounts falling due after more than one year

	2025	2024
	£	£
Debt (note 15)	3,112,163	3,182,675
Lease obligation (note 18)	245,542	256,762
	<u>3,357,705</u>	<u>3,439,437</u>

14. Deferred grant income

	2025	2024
	£	£
At 1 April 2024	14,840	-
Grants received in the year	48,293	257,480
Released to income in the year (note 3)	(48,293)	(242,640)
Grants expired in the years	-	-
At 31 March 2025	<u>14,840</u>	<u>14,840</u>
Amounts to be released within one year	-	14,840
Amounts to be released in more than one year	<u>14,840</u>	<u>-</u>
	14,840	14,840

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. Debt analysis

Borrowings:

	2025 £	2024 £
Due within one year		
Local authority loans (see below)	29,349	9,387
Due after more than one year		
Local authority loans (see below)	3,112,163	3,182,675
Total borrowings	3,141,512	3,192,062

Security

Local authority loans are secured by fixed charges on individual properties.

Terms of repayment and interest rates

The other loans from local authorities are repaid in quarterly instalments, over the 40-year term on which the loan is secured, at fixed rates of interest of 4.5% above the base rate on the date of drawdown.

Based on the lender's earliest repayment date, borrowings are repayable as follows:

	2025 £	2024 £
Within one year or on demand	29,349	9,387
One year or more but less than two years	30,926	10,347
Two years or more but less than five years	103,244	37,879
Five years or more	2,977,993	3,134,449
	3,141,512	3,192,062

16. Provisions for liabilities – deferred tax

	Deferred taxation £
At 1 April 2024	207,232
Deferred tax charged to the Statement of Comprehensive Income arriving at the surplus for the year	(22,509)
At 31 March 2025	184,723

17. Share capital

	2025 £	2024 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

Called up share capital represents the nominal value of shares that have been issued.

Ordinary shares have full rights in the company with respect to voting, participating in dividends and participating in the distribution of capital in the event of winding up.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. Leases as lessee

The company has one lease for properties which are sublet under tenancy agreements. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 2.13).

The lease for these properties has a lease term of 22 years. Lease payments are generally fixed however the lease agreement does include tri-annual rent reviews.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Company is prohibited from selling or pledging the underlying leased assets as security. The Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

Lease liabilities are presented in the statement of financial position as follows:

	2025	2024
	£	£
Current	11,220	10,670
Non-current	245,542	256,762
	256,762	267,432

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at 31 March 2025 is as follows:

	Within 1 year £	1-2 years £	2-3 years £	3-4 years £	4-5 years £	6-10 years £	11-25 years £	Total £
Lease payments	24,000	24,000	24,000	24,000	24,000	120,000	132,000	372,000
Finance charges	(12,779)	(12,201)	(11,593)	(10,953)	(10,280)	(40,032)	(17,400)	(115,238)
Net present value	11,221	11,799	12,407	13,047	13,720	79,968	114,600	256,762

19. Leases as lessor

The company owns housing property, which includes real estate properties in the United Kingdom. Housing properties are held on an existing use valuation basis. Note 10 sets out how the fair value of the housing properties has been determined.

Housing properties valued at £3,719,430 (2024: £3,737,388) are pledged as security for related borrowings of £3,141,512 (2024: £3,192,062). Housing properties are either leased to third parties on operating leases or are vacant. Rental income of £529,721 (2024: £474,323) is shown within revenue and includes variable lease payments not dependent on an index or rate. Direct operating expenses of £360,150 (2024: £322,839) are reported within other expenses, of which £7,488 (2024: £4,073) is incurred on vacant properties that did not generate rental income. The properties are rented for social housing benefit and are leased at daily rates. Therefore, there are no rental income commitments.

WEST NORFOLK HOUSING COMPANY LTD
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Related parties

During the year the company entered into the following transactions with related parties:

	Loan Interest		Recharges	
	2025	2024	2025	2024
	£	£	£	£
Parent company	10,711	305,113	111,192	83,716
	=====	=====	=====	=====

The following amounts were outstanding at the reporting end date:

	2025	2024
	£	£
Amounts due to related parties		
Parent company	3,761,300	4,114,237
	=====	=====
Amounts due from related parties		
Parent company	-	211,840
	=====	=====

21. Capital commitments

The company has capital commitments of nil (2024: nil) in respect of the acquisition of property to be held for shared ownership purposes.

SHAREHOLDER COMMITTEE REPORT

REPORT TO:	Shareholder Committee		
MEETING DATE:	30 October 2025		
TITLE:	Annual Report to the Audit Committee from the Shareholder		
REPORT AUTHOR:	Monitoring Officer		
OPEN/EXEMPT	Open	WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

REPORT SUMMARY

SUMMARY:
A draft 'Annual Assurance Report on Council-Owned Companies' from the Shareholder to the Audit Committee is attached as Annex 1 for Shareholder Committee's consideration and approval for onwards submission to Audit Committee, to be considered at their meeting on 17 November 2025.
KEY ISSUES:
<p>The purpose of the Annual Assurance Report is to set out how the Shareholder has been holding the Council's wholly-owned Companies ("Council Companies") to account, to provide assurance that there is sound system of internal control and risk management in place with regards to the Council's Companies, and that where there are gaps, these have been identified for action.</p> <p>The purpose of the Annual Assurance Report is not to scrutinise the business of the Council Companies; it is to set out the governance framework within which the Council Companies operate to provide assurance to the Audit Committee that there is a sound system of internal control and risk management in place.</p>
OPTIONS CONSIDERED:
Officers will be available to answer Shareholder Committee Members questions at the meeting, to include expanding or developing any areas of the Annual Assurance Report.
RECOMMENDATIONS:
<ol style="list-style-type: none"> 1. Approve the Annual Assurance Report to the Audit Committee from the Shareholder attached as Annex 1, subject to any approved amendments by the Shareholder Committee. 2. Delegate to the Monitoring Officer authority to make approved amendments to the Annual Assurance Report plus any non-material amendments to reflect operational updates between the Shareholder Committee meeting and submission of the report to Audit Committee. 3. That the final Annual Assurance Report be submitted to Audit Committee for their consideration.
REASONS FOR RECOMMENDATIONS:
To fulfil the Shareholder Committee's Terms of Reference and enable Audit Committee to complete their Terms of Reference in providing assurance over the Council Companies and forms a key part of risk mitigation of the following corporate risk:

R12 Council owned companies *Managing performance, finances, liabilities and the relationship between the Council and its wholly owned companies in accordance with the governance agreements*



ANNUAL ASSURANCE REPORT ON COUNCIL-OWNED COMPANIES

FROM THE SHAREHOLDER TO THE AUDIT COMMITTEE

1. PURPOSE AND SCOPE

- 1.1 The purpose of this report from the Shareholder is to set out how it has been holding the Council's wholly-owned Companies ("**Council Companies**") to account, to provide assurance that there is sound system of internal control and risk management in place with regards to the Council's Companies, and that where there are gaps, these have been identified for action.
- 1.2 This annual report is presented as part of the Audit Committee's Terms of Reference.
- 1.3 The report covers: West Norfolk Housing Company Ltd (WNHC), West Norfolk Property Limited (WNPL) plus Alive West Norfolk (AWN).
- 1.4 The purpose of this report is not to scrutinise the business of the Council Companies; it is to set out the governance framework within which the Council Companies operate to provide assurance to the Audit Committee that there is a sound system of internal control and risk management in place.

2. WHOLLY OWNED COMPANIES

- 2.1 For the benefit of Audit Committee Members, a brief background is set out of each Council Company in order to provide relevant context.
- 2.2 West Norfolk Housing Company Ltd (WNHC):

- 2.2.1 WNHC was established for the purpose of holding and managing social housing in the area of King's Lynn and West Norfolk. WNHC is a Registered Provider of Social Housing and registered as such with the Regulator of Social Housing.
- 2.2.2 WNHC currently own the freehold for 47 affordable homes purchased using loans with the Council of £3.2m secured against the properties and grant funding. These properties are currently valued at £5m.
- 2.2.3 WNHC is due to acquire approximately 58 affordable homes in the next 6 months by way of a mixture of drawing down on loan facilities with the Council (once agreements are entered) and grant funding.
- 2.2.4 The properties are managed on behalf of WHNC by a housing association - Broadland Housing Association - in respect of which there is a formal agreement in place.
- 2.2.5 WNHC does not directly employ any staff but a number of Council officers undertake work for the company including those appointed as directors of the company under a Service Level Agreement (SLA) with the Council. The Council provides various support services to WNHC under the SLA.

2.3 West Norfolk Property Limited (WNPL)

- 2.3.1 West Norfolk Property Limited holds and manages properties to rent on a commercial basis, which are currently leased from the Council. The portfolio currently totals 78 properties, with further units expected from new schemes.
- 2.3.2 WNPL's current pipeline of future properties consists of the private rented sector units on the Council's remaining housing development sites.
- 2.3.3 The properties are managed on behalf of WNPL by a property management company – Touchstone Property Management - in respect of which there is a formal agreement in place.

2.3.4 WNPL does not directly employ any staff but a number of Council officers undertake work for the company including those appointed as directors of the company under a Service Level Agreement (SLA) with the Council. The Council provides various support services to WNPL under the SLA.

2.4 Alive West Norfolk (AWN)

2.4.1 The Council established Alive West Norfolk (AWN) in 2018 as a company limited by guarantee. It has been trading as a Local Authority Controlled Company since July 2019, when AWN commenced provision of leisure and cultural services as part of a management agreement with the Council

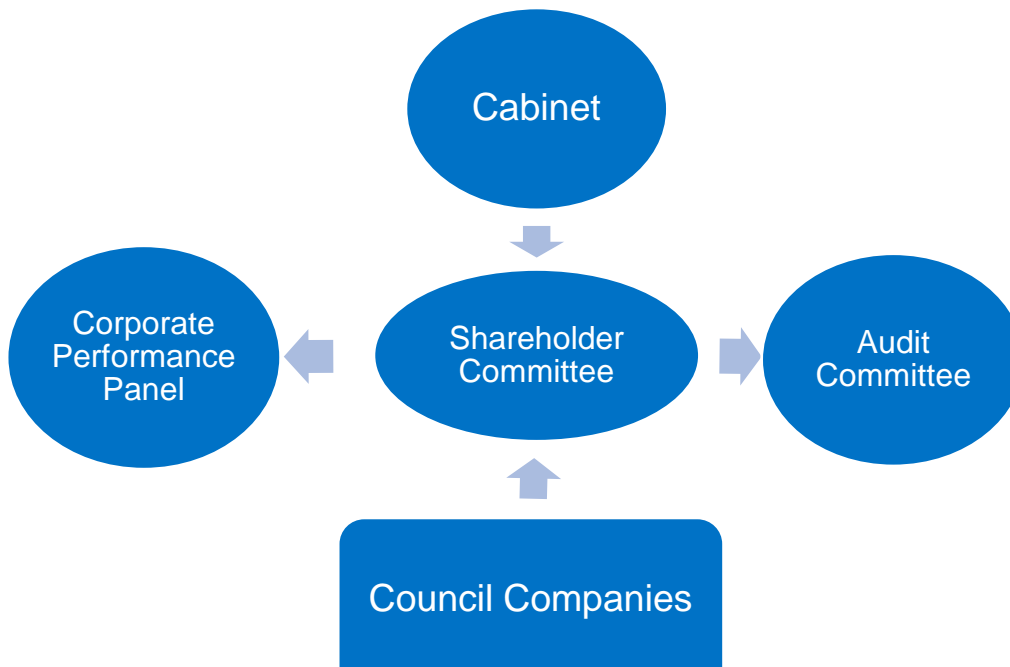
2.4.2 In July 2024, Cabinet resolved to transfer the leisure and cultural services from Alive West Norfolk (AWN) to an in-house function of the Council.

2.4.3 This transfer took effect from April 2025.

2.4.4 AWN has resolved to wind itself up, but is still navigating relevant due diligence before the company can be closed.

3. GOVERNANCE FRAMEWORK

3.1 Summary



3.2 Shareholder Governance Framework

- 3.2.1 The Council may establish companies which are wholly-owned by the Council (hereafter “Council Companies”). Council Companies are separate legal entities, governed by their own Boards and subject to company law.
- 3.2.2 Any company established by the Council in which the Council exercises the majority control – whether limited by shares or limited by guarantee – shall be considered a Council Company.
- 3.2.3 The Shareholder Function is an executive function. The Shareholder Function is exercised via a sub-committee of Cabinet known as the Shareholder Committee, with terms of reference approved by Cabinet and officer delegation set out in the Scheme of Delegation.

Shareholder role

- 3.2.4 The Terms of Reference for the Shareholder Committee are attached as Appendix 1, and include approving business plans, holding companies to account for delivery, approving governance documents and other reserved matters.

Accountability for the Shareholder

- 3.2.5 Scrutiny: As a sub-Committee of Cabinet, any item on the Shareholder Committee agenda can be called into the Policy Review and Development Panels. The Forward Work Programme for the Shareholder Committee appears in the agenda for review at each Panel meeting.
- 3.2.6 Audit: The Shareholder Committee's Terms of Reference specifies that Audit Committee is to receive assurance on internal control and risk management for each company. Audit Committee's Terms of Reference within the Council's Constitution state that they receive assurance that there is a sound system of control and risk management in place by means of an annual report from the Shareholder Committee for the wholly owned companies. Audit Committee also has authority to approve the Statement of Accounts which include the Group Accounts of the Companies.

Shareholder Committee Work programme

- 3.2.7 The most up to date Shareholder Committee Work Programme is attached as Appendix 2, which demonstrates the cyclical nature of the governance and internal control assurance processes for holding the Council Companies to account.

Governance Document Framework

- 3.2.8 WNPL and WNHC operate within a defined Governance Document Framework which sets out how it is managed, controlled, and overseen by the Council as Shareholder.
- 3.2.9 This framework ensures clarity of roles, transparency in decision-making, and compliance with both company law and public sector governance standards.
- 3.2.10 The key governance documents are:
- a. Shareholder Agreement: Defines the relationship between the Council (as Shareholder) and the Council Company. Sets out reserved matters, reporting requirements and decision-making rights retained by the Council.
 - b. Business Plan: Sets out the Council Company's strategic direction, financial forecasts and delivery priorities. Approved annually by the Board and Shareholder Committee to ensure alignment with Council's objectives.
 - c. Articles of Association The company's constitution, which sets out governance rules, director roles, quorum, voting rights and other statutory provisions under the Companies Act.
 - d. Service Level Agreements (SLAs) Formal agreements covering the provision of corporate and support services (e.g. Finance, Legal, ICT) by the Council to the company, including performance standards and cost recovery arrangements.
 - e. Scheme of Delegation Details the levels of authority within the Company, distinguishing decisions reserved for the Board, management or the Shareholder. Ensures accountability and clarity of decision-making.
 - f. Reserved Matters Specifies the key strategic or financial decisions that require formal Shareholder approval (e.g. borrowing, director appointments, major investments). Provides a control mechanism for the Council while allowing operational independence.

- g. Risk Register: Sets out how risks are identified, monitored, and mitigated. Integrates with the Council's corporate risk management arrangements and supports transparent reporting.
 - h. Financial Protocols: Establish reporting cycles and audit requirements to ensure financial probity and consistency with the Council's group accounting standards.
 - i. Internal Audit Programme: Delivered through the Council's Internal Audit function to provide independent assurance on financial controls, governance compliance, and risk management within the companies.
 - j. Policies and Codes of Conduct Cover ethical behaviour, probity, conflicts of interest, whistleblowing, procurement, and data protection – ensuring companies adhere to the same standards as the Council.
- 3.2.11 The revised and updated SLA for WNHC is still to be reviewed and completed.
- 3.2.12 KPIs between the Shareholder and WNHC and WNPL need to be developed for inclusion in the Business Plans.
- 3.2.13 Otherwise, the Governance Document Framework for WNPL and WNHC is now well established and embedded.

**The remainder of this report will now consist of
a deep dive into each Council Company**

4. WEST NORFOLK HOUSING COMPANY LTD

4.1 Overview

The Shareholder has access to WNHC's minutes and agendas as part of the Shareholder Agreement. In this section the Shareholder will set out its assessment of the work of the WNHC Board with regards to the principles of good governance, internal control and risk management.

The Board has met 9 times since September 2024 and routinely engages together as the Board by email with the support of officers working under the SLA. The Board has also established an Audit and Risk sub-Committee.

WNHC is operating within a sound and maturing governance framework.

There is consistent Board-level attention to statutory duties, performance, financial control and risk management. Meeting structures are well-established, papers are comprehensive and discussions show clear challenge, accountability, and follow-up on agreed actions.

Key agenda items include:

- Audit and Accounts – including attendance of external auditors and presentation of findings;
- Operational and Financial Updates;
- Business Plan development;
- Risk Register Updates;
- Statutory/Governance Updates – covering compliance, training, indemnity, and policy adherence;
- Complaints and Tenant Assurance; and
- Work Plan and Forward Planning.

This consistent approach provides strong assurance that governance and internal control systems are embedded and functioning effectively.

4.2 The Board

The Board is made up of five independent Directors, one officer Director and one elected member Director.

Key governance features of the Board include:

- Declarations of Interest are routinely recorded, ensuring transparency and compliance with the Companies Act 2006.
- A Combined Board Skills Matrix is maintained and is up to date as of May 2025 when the latest appointment to the Board was made. This Skills Matrix enables gaps to be identified to formulate direction for future appointments.
- Officer Support and Capacity – the Board has actively discussed and recognised the need for dedicated officer resource to support the Board with its work, particularly around the Company Secretary function. Officer support is provided via the SLAs and recharged to WNHC.
- New Appointments and Induction process - new Board members have been appointed following interview and skills assessment. An Induction Pack has been adopted for new Directors which includes:
 - Code of Conduct
 - Governance Handbook
 - Probity Policy
 - Board Terms of Reference
 - Roles and Responsibilities
 - Professional Boundaries
 - Board Effectiveness Policy
 - Board Membership and Removal Policy
 - Whistle Blowing Policy
 - Risk Management Policy
 - Gifts and Hospitality Policy
- Director Indemnity Insurance – Directors' insurance is obtained through the Council and the Council additionally provides an indemnity to each Board Member in respect of any losses incurred in undertaking Director duties which are not covered by the insurance policy. Appropriate caveats are in place to disclaim any such indemnity where there has been deliberate wrongdoing by the Board Member.

4.3 Risk Management and Assurance

Risk management is a well-established feature of the company's governance cycle, with the Risk Register presented and discussed as a standing item.

Effective Risk Oversight includes:

- Audit & Risk Committee Integration: Risk discussions at committee level are fed back to the Board for visibility and assurance.

- **Dynamic Risk Register:** New and emerging risks are captured (e.g. Local Government Reorganisation, pipeline delivery, funding dependencies, judicial reviews), and mitigations are updated regularly.
- **Risk Movements and Downgrades:** Risks have been adjusted in line with control improvements or external changes.
- **Governance Risks:** Skills matrix review and governance capacity issues addressed through Board appointments and officer support discussions.
- **Financial and Delivery Risks:** Key risks around interest rate movements, funding agreements and cashflow are actively monitored with planned mitigations.

The Board's proactive engagement and regular review cycle indicate embedded risk governance and a culture of risk management.

4.4 Financial Management and Internal Controls

WNHC exhibits strong financial awareness, with extensive Board scrutiny of budgets, cashflow and investment decisions.

Ensors are appointed as the external financial auditor of WNHC's financial accounts.

Effective Financial Management includes:

- **Audit and Accounts Oversight:** External auditors, Ensors, attend meetings, providing assurance on financial statements and control effectiveness.
- **Budget and Forecasting:** The Board reviews annual budgets and medium-term (four-year) financial forecasts, with requests for enhanced reconciliation, variance analysis and narrative context.
- **Funding Arrangements and Heads of Terms:** The Board is in a negotiation process on loan facilities from the Council. The Board engages its own Solicitors and financial modelling consultants to advise it independently of the Council.
- **Cashflow Management:** Regular updates ensure liquidity risks are understood and mitigated. Scenario modelling and forward planning support decision-making.
- **Rent Setting:** Annual rent reviews are considered by the Board based on policy compliance and affordability.

This consistent attention to financial governance provides substantial assurance over the adequacy of internal financial control and stewardship.

4.5 Operational and Compliance Assurance

Operational updates are standing items, with the Board addressing day-to-day service delivery and compliance performance.

Examples include:

Regulatory Compliance: Fire Risk Assessments are obtained and actions monitored, upcoming changes to Social Housing regulation are monitored with regular assurance sought from Broadland Housing on compliance.

Repairs and Maintenance: Performance issues reviewed, improvement plans requested, and service provider.

Contract Management: Areas of improvement are identified within the arrangement with Broadland Housing.

Complaints Handling: WNHC is now fully compliant with the Housing Ombudsman Complaint Handling Code, and the Board has strengthened oversight by retaining direct involvement in Stage 2 reviews.

Code of Governance: WNHC have adopted the National Housing Federation's Code of Governance 2020 as recommended by the Regulator of Social Housing and approved by the WNHC Board.

4.6 Health and Safety Governance

Regular updates are provided to the Board.

Health & Safety training for Board members was arranged via the Council's Corporate Health & Safety Team.

WNHC has approved adding Health & Safety to the SLA for expert support, ensuring technical assurance and policy compliance.

The Shareholder wishes to see the WNHC's approach to Health and Safety mature in line with the Council's risk management actions in place regarding Health and Safety.

4.7 Business Planning and Strategic Governance

The Board maintains oversight of long-term direction and portfolio growth through regular business plan updates.

Key examples:

- **Business Plan Delivery:** cyclical assessment, planning and development of the Business Plan and Delivery Plans is in place.

- Development Pipeline: Oversight of housing development schemes, including management of delays, cost impacts and funding dependencies.
- Section 106 Acquisitions: Board consideration of opportunities balanced with prudence around financial and cashflow risks.
- Local Authority Housing Fund: Delivery phasing, costs, and completion milestones actively tracked, with risk of delay recognised and mitigated.
- Strategic Policy Context: The Board engages with wider housing and homelessness strategies, recognising WNHC's contribution to Council and regional objectives.

WNHC exists to address a delivery gap in the Council's Corporate Strategy and it is necessary that both the Council and WNHC regularly review WNHC's relevance and role in addressing that delivery gap. The direction of the Council's Corporate Strategy and the impact of Local Government Reorganisation will need to be conveyed to WNHC to enable it to strategically review its Business Plan.

4.8 Assurance Enhancement Shareholder Recommendations

- a. Engagement with the Council on future strategic direction and the Council's delivery gap against the Corporate Strategy to support development of WNHC's future Business Plan.
- b. The full suite of Governance documents between the Council and WNHC are due for a deep dive review.
- c. Continue to develop the Board make-up against the Skills Matrix.
- d. Adopt KPIs with the Shareholder to improve accountability of WNHC to the Shareholder.
- e. Continue strengthening officer governance capacity and officer support.
- f. Continue embedding health and safety assurance reporting and KPIs with the management company.
- g. Fully utilise the Internal Audit function of the Council within the agreed resource available to strategically audit key aspects of the business.

5 WEST NORFOLK PROPERTY LTD

5.1 Overview

The Shareholder has access to WNPL's minutes and agendas as part of the Shareholder Agreement. In this section the Shareholder will set out its assessment of the work of WNPL Board with regards to the principles of good governance, internal control and risk management.

The Board has met 6 times since September 2024 and routinely engages together as the Board by email with the support of officers working under the SLA.

WNPL is operating within a sound and maturing governance framework.

There is consistent Board-level attention to statutory duties, performance, financial control and risk management. Meeting structures are well-established, papers are comprehensive and discussions show clear challenge, accountability, and follow-up on agreed actions.

Key features:

- Governance processes are formalised and consistent.
- Adoption of a complete suite of Governance documents.
- Financial management and audit arrangements are transparent.
- Risk management is embedded and dynamic.
- Operational oversight and housing delivery monitoring are active.
- Decision-making is properly delegated and recorded.

This consistent approach provides strong assurance that governance and internal control systems are embedded and functioning effectively.

5.2 The Board

The Board is made up of two independent Directors, one officer Director and two elected member Director.

Key governance features of the Board include:

- Declarations of Interest are routinely recorded, ensuring transparency and compliance with the Companies Act 2006.

- A combined Board Skills Matrix is maintained and is up to date as of May 2025 when the latest appointment to the Board was made. This Skills Matrix enables gaps to be identified to formulate direction for future appointments.
- Officer Support and Capacity – the Board has actively discussed and recognised the need for dedicated officer resource to support the Board with its work, to include the Company Secretary function. Officer support is provided via the SLAs and recharged to WNPL.
- There is scope to develop WNPL's Induction Pack in line with the comprehensive pack adopted by WNHC.
- Director Indemnity Insurance – Directors' insurance is obtained through the Council and the Council additionally provides an indemnity to each Board Member in respect of any losses incurred in undertaking Director duties which are not covered by the insurance policy. Appropriate caveats are in place to disclaim any such indemnity where there has been deliberate wrongdoing by the Board Member.

5.3 Governance Documents

Key corporate documents have been finalised or updated this year, including:

- Articles of Association
- Shareholder Agreement
- Scheme of Delegation
- Service Level Agreement (SLA) with the Council with KPI framework
- Probity Policy (Nolan Principles embedded)

Together, these provide a comprehensive constitutional and governance framework, reflecting mature corporate governance consistent with best practice for Local Authority Controlled Companies.

5.4 Risk Management and Assurance

The Risk Register is a standing item at every Board meeting.

Risks are updated regularly, with clear rationale for rating changes.

Risks are linked to operational and financial issues such as loan facility arrangements, housing delivery and legislative change.

Accountability is clear, with named officers presenting updates and tracking completion of mitigations.

This provides substantial assurance of an embedded and responsive risk management process.

5.5 Financial Management and Internal Controls

Detailed Budgets and Cashflow Forecasts for 2025–2029 have been agreed, incorporating CPI-based service charge adjustments and rent increases.

Financial updates presented at each meeting include analysis of income, expenditure, profit position, and the impact of voids and repair costs.

Underspends and overspends are transparently reported.

Shareholder capital requests are approved via formal Board resolution, with documentation provided to the Shareholder Committee.

These arrangements evidence strong financial control and accountability.

5.6 Operational Oversight and Performance Management

Regular Stock Performance updates are provided to the Board which include detailed metrics on voids, repairs, and tenancy demand.

Performance against KPIs with the Property Management Company are regularly considered.

Updates provided on housing delivery and the pipeline, including lease completion progress and cost management are provided.

The Board agreed to use in-house legal services where possible to reduce costs but supplemented with external legal advice where required.

These arrangements provide reasonable to substantial assurance over operational control and delivery monitoring.

5.7 Health and Safety Governance

WNPL monitor compliance with Health and Safety matters such as gas and electrical safety via real time data provided by Touchstone Property Management. This is reported to the board quarterly.

There is scope for improvements on how health and safety reporting is interrogated, including via contract management and relevant training.

5.8 Business Planning and Strategic Governance

The Business Delivery Plan was developed approved by the Board.

It includes long-term financial forecasts, housing delivery assumptions, and links to the Council's housing objectives.

Statutory impacts on tenancy management and company operations were considered during plan approval.

The Board maintains oversight of long-term direction and portfolio growth through regular business plan updates.

WNPL exists to address a delivery gap in the Council's Corporate Strategy and it is necessary that both the Council and WNPL regularly review WNPL's relevance and role in addressing that delivery gap. The direction of the Council's Corporate Strategy and the impact of Local Government Reorganisation will need to be conveyed to WNPL to enable it to strategically review its Business Plan.

5.9 Assurance Enhancement Shareholder Recommendations

- a. Engagement with the Council on future strategic direction and the Council's delivery gap against the Corporate Strategy to support development of WNPL's future Business Plan.
- b. Continue to develop the Board make-up against the Skills Matrix.
- c. Adopt KPIs with the Shareholder to improve accountability of WNHC to the Shareholder.
- d. Continue strengthening officer governance capacity and officer support.
- e. Develop and embed health and safety assurance reporting and KPIs with the property management company.
- f. Develop and refine contract management of the property management company.
- g. Fully utilise the Internal Audit function of the Council within the agreed resource agreed to strategically audit key aspects of the business.

6 ALIVE WEST NORFOLK

Alive West Norfolk is currently progressing through an agreed winding-up process, with the intention to formally cease trading by December 2025 and submit the Companies House strike-off application (DS01) by March 2026, in line with the procedural framework outlined to the Board. The Board has considered clear administrative, governance and legal steps for this process, including director responsibilities, communication with stakeholders, asset and liability transfer and compliance with statutory notice requirements.

Given that the company is in the process of closure, a full governance and assurance review is not appropriate at this stage. However, assurance can be provided that AWN is operating within a compliant governance framework for winding up. Board oversight remains active through final meetings and decision-making is being conducted in accordance with the company's Articles of Association, ensuring that quorum and director composition requirements are maintained.

Key governance and compliance measures being followed include:

- Formal cessation of trading and settlement of accounts prior to dissolution.
- Board approval of closure timetable and confirmation of administrative responsibilities.
- Compliance with Companies House guidance for voluntary strike-off (DS01 process).
- Notification to all relevant parties, including shareholders, creditors, and statutory bodies (HMRC, DWP, pension trustees).
- Maintenance of transparency with the Shareholder Committee throughout the closure.

Accordingly, governance assurance for Alive West Norfolk is considered satisfactory for the purposes of winding up, with appropriate procedural compliance and director oversight evidenced through the Board's documented actions and approved timetable.

TERMS OF REFERENCE OF THE BCKLWN SHAREHOLDER COMMITTEE

SUB-COMMITTEE OF CABINET

1. Definitions

Council Companies	means the private limited companies in which BCKLWN is the sole shareholder/owner
Governance Documents	means, as the context requires, the Articles of Association, Business Plan, Shareholder Agreement and/or Intragroup Agreement
Shareholder Function	Means the functions set out in paragraph 4 of these terms of reference (and for ease of reference is intended to equally apply to any company limited by guarantee)

2. Overview

- 2.1 The Shareholder Committee is a sub-committee of Cabinet, the purpose of which is to fulfil the Council's Shareholder Function in relation to the Council Companies, this being an executive function.
- 2.2 The Shareholder Committee will exercise the Council's Shareholder Function in any company, limited by shares or guarantee, wholly owned by the Council for the purposes of service provision and/or trading activities.
- 2.3 The Shareholder Committee will exercise the functions delegated to it by Cabinet as set out in paragraph 4 below

3. Composition & Operation

- 3.1 The Shareholder Committee shall comprise of three Cabinet Members, to be appointed by the Leader.
- 3.2 Members of the Shareholder Committee can only be substituted by other Cabinet Members who are not Directors of the Council Companies.
- 3.3 The Shareholder Committee shall appoint its own Chair and Vice-Chair annually at the first meeting of the municipal year.
- 3.4 Quorum is three voting Members.

- 3.5 A Shareholder Committee meeting shall be held no less than 4 times per annum.
- 3.6 The Chief Executive, Section 151 Officer and Monitoring Officer (or their nominees) will support the Shareholder Committee.
- 3.7 Any decisions made by the Shareholder Committee must be notified to the Company Directors as soon as reasonably practicable following such decision being taken.
- 3.8 Advisors may be invited to attend the Shareholder Committee as required.

4 Functions delegated to the Shareholder Committee

The Shareholder Committee will have responsibility for the following:

- 4.1 Any decisions identified as being reserved to the Shareholder within the Governance Documents, subject to paragraph 4.3 below.
- 4.2 Any decisions that the Shareholder is required by legislation to make, subject to paragraph 4.3 below.
- 4.3 In respect of paragraphs 4.1 and 4.2, decisions may be taken provided that where a proposed recommendation is outside the Council's budgetary or policy framework, the Shareholder Committee will consider the recommendation and provide a recommendation to Full Council.
- 4.4 Approval of the Business Plan for each of the Council Companies on an annual basis.
- 4.5 Holding each of the Council Companies to account for their performance against the respective Business Plan.
- 4.6 Approval of Shareholder Agreements with the Council Companies, including any variations thereto.
- 4.7 Responsibility for holding the Council Companies to account for compliance with the respective Shareholder Agreements.
- 4.8 Reviewing the Governance Documents on an annual basis with a view to making any changes to improve governance and/or performance requirements of the Council Companies.

5 Scrutiny of the Shareholder Committee

- 5.1 All decisions of the Shareholder Committee are subject to the call-in arrangements set out in the Council's Standing Orders.
- 5.2 The Review and Development Panels may otherwise scrutinise the performance of the Shareholder Committee and require that it reports to them on the status and progress in relation to any of the Council Companies and how the Shareholder Function is being performed.
- 5.3 Audit Committee are to receive assurance that there is sound system of internal control and risk management process in place for each of the Council's companies.

6 Review

- 6.1 The Shareholder Committee will review the Terms of Reference annually