



Adra Self-Evaluation Report 2021-22

Submission to the Welsh Government

Regulatory Team

LEADERSHIP & GOVERNANCE

RS 1: The organisation has effective strategic leadership and governance arrangements which enable it to achieve its purpose and objectives

Adra has a strategy which reflects its vision, culture and values and sets out how the organisation will achieve its core purpose as a social landlord

Adra's key foundational strategy is its Corporate Plan, and sets out clearly the vision, values and objectives, and sets the tone for the culture of the organisation. The Corporate Plan provided a clear blueprint for delivering on Adra's priorities since the organisation was formed back in 2010, and given the pace of change in recent years, it now has a life cycle of 3 years. Having recently completed its 2019-22 Corporate Plan, significant strides have been made on delivery of all its key priority areas despite the challenges presented by the pandemic; and we are now embarking on the delivery of our new Corporate Plan 2022-2025. The Corporate Plan sits proudly on top of the Strategic Pyramid, and below it lies a number of key Strategic documents providing a roadmap on delivering on the organisation's core objectives.

Evidence of Assurance

- ❖ 3-year Corporate Plan reviewed and approved annually by the board with defined outputs and outcomes
- ❖ Corporate Portfolio Management Board overseeing the delivery of each of the 5 Corporate Plan priorities, with a number of Programme Boards sitting below it to guide the effective implementation of the Thematic Delivery Plans.
- ❖ 30-year Business Plan reviewed and approved annually by the Board
- ❖ Annual financial planning process to ensure the Corporate Plan and Business Plan is aligned.
- ❖ Gwna Wahaniaeth Workforce Development Strategy
- ❖ Comprehensive consultation framework for the formulation of the Corporate Plan to secure ownership and buy-in from key stakeholders including, customers, staff and Board Members.
- ❖ Currently in the process of developing an Expected Behaviour Framework linked to our Values for publication in the Autumn. The behaviour framework defines expected behaviours to bring our corporate values to life. All staff will be held accountable to these expected behaviour through the staff appraisal process.



We believe we fully comply with this standard

Adra Complies with its own governing documents and meets the requirements of an appropriate Code of Governance

Adra places significant importance on compliance with its own governance documents and seeks to ensure it reflects the best practice of the Sector Code of Governance. The Governance Team undertake an annual review of all of its key governance documentation (Standing Orders / Scheme of Delegation) and also reviews itself against the Sector Code of Governance. Any proposed changes to these foundational documents are taken to the Board for approval.

Following discussions with the Tenant and Resident Partnership on Adra's Rules of Association, with concerns expressed regarding an imbalance in the voting share provision for Shareholders, Adra commissioned external Legal expertise to undertake a review of the Adra Shareholder Model in consultation with the Partnership. As part of this work, Adra also reviewed and updated the Rules of the Association in line with the new Sector Model Rules whereby they were unanimously approved by Shareholders at a Special General Meeting in May 2022.

2021 saw significant improvements in our governance practices as the Group structure and its arrangements matured. Significant focus was given to the governance arrangements required to manage Group decision making

at Board, assurance at parent and subsidiary level, and ensuring both Boards have the correct skills and competencies to lead and oversee the Group's work.

The Governance Team lead on the development of a series of Technical Advice Notes to help manage the relationship between the parent and subsidiary company. The Notes have been developed to simplify complex legal, and governance documentation and procedure into an easy-read format to help manage intra-group arrangements within expected legal compliance and governance best practice.

Evidence of Assurance

- ❖ Adra Rules of Association reviewed and updated in line with the new Sector Model Rules
- ❖ Board and Committee Standing Orders and Scheme of Delegation reviewed annually.
- ❖ All key Governance Policies reviewed and updated at regular intervals in line with Adra's document control framework.
- ❖ Compliance with the Code of Governance with continuous improvements identified.
- ❖ Intragroup Agreement / Service Level Agreement between Adra and its Development subsidiary Medra Cyfyngedig.
- ❖ Technical Advice Notes in place to support the implementation of the Adra Group Development Strategy
- ❖ Medra Subsidiary Chair appointed from the Adra Board with explanation provided to the Regulation Team in line with requirements.
- ❖ Schedule 1 and Declaration of Interests monitored on an ongoing basis.
- ❖ Independent Board Effectiveness Evaluation undertaken in 2021.
- ❖ Board Training Programme formulated on basis of annual appraisals and emerging priorities.
- ❖ Board Remuneration Policy and Service Level Agreements in place
- ❖ Adra became one of the early adopters of the Environmental, Social and Governance (ESG) reporting framework, a voluntary disclosure in line with *The Good Economy White Paper* on standard reporting within the sector. This decision to publish was in line with our values of openness and transparency.



We believe we fully comply with this standard.

Adra sets and delivers measurable, evidence based commitments across all areas of its business in relation to equality, diversity and inclusion (including anti-racism and tackling hate crime) reflecting the diversity of the communities it works in and with.

Adra sets and delivers measurable commitments in relation to equality, diversity and inclusion considerations. The Board approve and monitor Adra's Strategic, Equality & Inclusivity Plan and receive an annual monitoring report updating on progress made or any challenges encountered. To elevate its importance as a strategic priority for the organisation, Adra's Strategic Equality Plan is now handled as a corporate project approved and monitored by the Board and sponsored by the Chief Executive.

During the year, Adra re-branded the Strategic Equality Plan under the banner of Prosiect PERTHYN (which translates to "Belonging"). The main aim of this re-brand exercise was to help embed the project further within the organisation, winning the hearts and minds of everyone connected with the company. Although we have always placed an emphasis on this area, we felt that the visibility needed to be enhanced so that the matter becomes front and centre of our thinking. As part of the PERTHYN Project, further best practice will be sought to ensure Adra is at the forefront of EDI considerations within the housing sector.

Project Perthyn's aim is to ensure that everyone in Adra feels that they belong in Adra without being prejudiced or discriminated against because of characteristics such as their religion, race, gender, sexuality, economic situation, background, identity and so on. This is true for our staff and our residents. This is why we have set up the project, to communicate and talk about the work we are already doing to achieve this and to do even more to make sure that no one is treated unfairly, or feel excluded. At Adra we want to involve everyone and celebrate

the diversity we have and make sure that everyone is aware of equality and diversity and that it's part of the decisions we make as a company every day. We also want to increase the diversity of our workforce.

We have some gaps on data concerning our residents which stop us from having a complete picture of our resident base so as to enable us to have full confidence that we offer fully inclusive services. We will continue to work on this data collation and analysis during the year to further improve service delivery for all. Rest assured however that Adra will always strive to respond to tenant needs and make adjustments as necessary.

Evidence and Assurance

- ❖ We commissioned Tai Pawb to undertake an Organisational Healthcheck of the way Adra handles equality, diversity and inclusion considerations across the board. The findings of the review concluded that Adra's approach and processes and procedures in relation to Equality and Diversity to be very robust and well embedded.
- ❖ Devoted web-page on the Adra Clic Intranet site introducing Project Perthyn and what it aims to achieve.
- ❖ Equality Impact Assessments for all new Policies and initiatives developed and designed by Adra.
- ❖ Compulsory Unconscious Bias and awareness training for all Adra staff
- ❖ Adra have an and Equality, Diversity and Inclusion group to address and discuss EDI matters and any concerns presented by staff, customers and Board members and monitor the progress of the SEP and Prosiect Perthyn.
- ❖ We are members of Tai Pawb Promoting housing equality.
- ❖ Along with other housing associations and other organisations, have committed to the 'Deeds Not Words' pledges developed by Tai Pawb. The pledges are expected to be implemented over the next 5 years. These are the first steps needed to begin the process of addressing the concerns of communities threatened by racial inequalities.
- ❖ Adra has signed up to the Hate Crime Charter to combat hate crime in our communities.
- ❖ Adra is a part of the Disability Confident Scheme that supports employers to make the most of the talents disabled people can bring to the workplace.
- ❖ Adra have signed the Pregnancy Loss Awareness Pledge in order to meet the pregnancy loss standards to ensure support for employees.
- ❖ Adra raise awareness of diverse characteristics, LBTQA+, disabilities and other matters relating to EDI by informing staff of events from the Housing Diversity Networks diversity Calendar.
- ❖ Equality Impact Assessment (EIA) training has been delivered to key staff
- ❖ Dementia training delivered to front line staff
- ❖ Gender pay gap carried out and the results published on our web-site
- ❖ Menopause policy developed and approved - SHR staff attended menopause awareness training
- ❖ All staff have had the opportunity on several occasions to attend sessions on mental health
- ❖ Equality and Diversity training delivered to members of the Board and the Tenants Partnership
- ❖ A Disability Campaign was held to collate information about our customers
- ❖ Gatekeeper roles introduced to ensure all policies/ changes have been through an EIA
- ❖ Equality and Diversity Policy reviewed and updated
- ❖ Front line staff have an icon on their tablets that informs them if a customer has a disability
- ❖ Customer Service Excellence accreditation achieved
- ❖ 'Getting to Know You' questionnaires developed to capture personal data during 'sign-ups' and other changes to tenancies.
- ❖ The annual Staff Satisfaction Questionnaire was amended to ascertain staff's perceptions on how inclusive Adra is as an employer and the results demonstrate that 84% of staff believe that Adra is an inclusive employer
- ❖ We are a Real Living Wage employer and is an active member of both WISH and NWREP



We believe we mostly comply with this standard.

Adra has a diverse Board, reflecting the communities the RSL works in and with, and has the skills and knowledge required to be effective

Adra recognises the importance of a diverse Board in terms of promoting inclusivity for minority groups, as well as the benefits of the diversity of thought as part of Board discussions and deliberations in designing services that meet the needs of the communities we serve. Adra has made significant progress over recent years in particular in relation to achieving a better gender balance and age profile; and have become much more effective in regard to tailoring our recruitment drives to promote inclusivity and diversity of applicants.

Adra also recognises the strategic imperative of achieving a skills-based Board to provide effective organisational stewardship and strategic leadership to the Group. Underpinning the Adra Board Member recruitment strategy is an independently verified Board Skills Matrix that seeks to align skills and competencies with the skills required to deliver on the Corporate Plan. This is reviewed on an annual basis by the Governance Team and is independently verified on a 3-year basis.

The Board recognises the importance of having the tenant voice at the heart of its strategic decision making with two Board seats reserved for our . The Adra Board also responded to the concern of tenants regarding a perceived unfairness in the way tenants and independent members were selected to join the Board. Following an in-depth consultation with tenants, a decision was taken to remove the outdated election process for tenants; and bring arrangements in line with the skills-based recruitment process for independent members. This saw the removal of the Board assessment process for tenants, and move to an interview-based process, akin to independent members.

During 2021, an in-depth collective Board Appraisal was conducted by external consultants (based on the 'Right Stuff' methodology) so as to help ensure effective decision-making; constructive challenge / scrutiny; and a positive culture. An action plan was produced to further enhance governance as Adra moves to the new normal, balancing the benefits of virtual working and in-person engagement as best as possible.

Evidence of Assurance

- ❖ We have a 57/43 male female gender split, up from 80/20 in 2020. We ensure gender diversity on our Standing Committees and have appointed a female Vice Chair in late 2021.
- ❖ 20% of our Board recognise themselves as having a disability, against a figure of 19% of our residents.
- ❖ The average age of our Board Members is 54 against an average age of 37 for our residents (adults over 16).
- ❖ 6 members of our Board are fluent Welsh Speakers with 4 currently learning the language.
- ❖ 3 of our Board Members / Co-optees are tenants who can provide valuable insights regarding Adra service delivery and community priorities.
- ❖ We currently don't have any ethnic minority groups serving on the Adra Board, although efforts will be made again during the year to promote a diverse shortlist of candidates.
- ❖ We have a Board with a wide range of experience and expertise in all the relevant fields aligned to our Corporate Plan.
- ❖ Board Members are subject to annual appraisals with the Chair, with any gaps in knowledge and skills feeding into a Board Training and Development Programme. Equality and Diversity training is arranged for the Board; with plans in place to extend the training to cover Unconscious Bias training.
- ❖ Adra undertakes skills-based recruitment process for Board, with interview and selection based on the skills and competencies required to address any gaps identified. During the year, four appointments were made with all 4 recruits being female. New skills were brought in to cover tenant insight; development and regeneration, community development and stakeholder management.

- ❖ Board Effectiveness Action Plan focusing on improvements to decision-making including meeting format, meeting times; report structures etc
- ❖ Adra takes a leading role in ensuring compliance with the Welsh Language Act, as well as the promotion of the language and culture within the communities we serve. Adra has a Welsh Language Working Group to co-ordinate activity in this field and is seeking to support the sector in gearing up for the roll-out of the Welsh Language standards.



We believe we fully comply with this standard.

Makes logical decisions based on clear, good quality information which includes assessment of risk and, where appropriate, the views of tenants

The Governance Team devotes significant time and effort to ensure Board decision making is based on clear, good quality information which includes an assessment of risk and where relevant, the views of tenants (based on the Right Stuff Framework). The Adra Board Cover Report is reviewed on a regular basis to ensure it effectively captures the key information required, including tenant views as part of any consultation process; risk considerations, financial implications etc. The Governance Team reviews reports as they come in, in advance of meetings, then share with the Executive and Senior Leadership Team for further collaboration and Corporate ownership. An annual Governance Review is undertaken to gain the views of Members on such matters with adjustments made accordingly.

We believe that we fully comply with this standard.

- ❖ Clear Standing Orders and Scheme of Delegation in place to guide the decision-making framework.
- ❖ Board reports include a specific cover page to summarise key matters of note and highlight any associated risks; or resident views.
- ❖ This year's annual governance review recognised 'Zoom fatigue' due to long virtual meetings whereby further adjustments were made to maximise Board level interaction on strategic matters and key business decisions. Agendas were reviewed to place time limits on virtual meetings with items for decision taking priority over for information items (which can be handled on the Microsoft Teams Portal in advance of meetings).
- ❖ A summary report of discussions held at all Standing Committees and Subsidiary Board are presented to the main Adra Board on a regular basis.
- ❖ Customer Feedback, Satisfaction and Complaints and Compliments are reported to Board as core and recurring matters within the annual calendar.
- ❖ Key Risks and risk appetite is reviewed annually by the Board, and a Strategy Day is held annually to home in on the PESTLE and SWOT Review to ensure that the operating context in which we work in is clear for all concerned.
- ❖ The Sector risks are considered annually when reviewing the strategic risks.
- ❖ Adra has a robust Programme and Project Management Framework in place to guide the implementation of all key projects to successfully deliver the Corporate Plan. Each project has its own suite of documents including risk management profiles.



We believe we fully comply with this standard.

Enables and supports tenants to influence strategic decision making

Our Customer Participation Strategy sets out our commitment to ensure our residents remain firmly at the heart of our work and can shape and influence our services. The framework offers a variety of participation opportunities which will suit the interests and the level of commitment that our customers are able, and willing to offer). We have a range of resident involvement opportunities which are fully inclusive, and Adra places significant emphasis on hearing the tenant voice at the strategic level so that services evolve to meet the needs of our customers.

- ❖ Adra has it enshrined in its Rules of Association that two Board seats will be reserved for tenant members, reflecting that the background, skills and experiences they bring are an important part of a skills based Board.
- ❖ For key strategic service-delivery issues going before the Board for decision (e.g. rent settlement; self-evaluation; introduction of Service Charges etc); Senior managers will consult widely with tenants so as to keep them informed of proposals and to gain their views and comments.
- ❖ Tenant views will be summarised in the Board reports for consideration, and this year we invited the Board Tenant Participation Champion to provide a summary of tenant views during the Strategy Day that looked specifically at rent setting.
- ❖ Where appropriate, Board and Tenant Partnership reports are available upon request to demonstrate input.
- ❖ Chair and Vice Chair of the Tenant and Resident Partnership are invited to attend every Board meeting; with members of the Board invited to attend the Partnership as observers.
- ❖ Adra's Board Tenant Participation Champion delivers a report on Tenant involvement considerations at each Board meeting, and reports back to the Partnership regarding key deliberations at Board.



We believe we fully comply with this standard.

Complies with all relevant legislation, regulatory requirements and statutory guidance and communicates in a timely manner with the regulator, including on material issues that relate to actual or potential non-compliance

Adra exercises appropriate day to day control and direction of the business to ensure that we comply with all relevant regulatory requirements and legislation. We have an open and honest relationship with the Welsh Government Regulation Team and are proactive in communicating any potential matters of regulatory interest. Adra has its own in-house legal team that has developed specialist knowledge of sector legislation and keep abreast of developments and advise accordingly.

We believe that we fully comply with this standard.

Evidence and Assurance

- ❖ Pro-active approach to moving across to the new Regulatory Framework undertaking an initial evaluation against the draft standards in late 2021, and embedding the process within Adra
- ❖ Submission of all Regulatory Returns in line with Welsh Government expectation.
- ❖ An open channel approach with the Regulatory Manager on any issues of Regulatory Interest or that could be deemed notifiable events.
- ❖ Skills-based recruitment and continuous professional development to ensure we meet all regulatory requirements.
- ❖ Specialist deep-dive audit work commissioned for high-risk areas such as Health and Safety compliance



We believe we fully comply with this standard.

Self-Assessment Judgement



We're performing well, and need to keep going

RISK MANAGEMENT

RS 2: Robust risk management and assurance arrangements are in place

Adra has an effective framework for risk management, internal controls and assurance that enables it to successfully identify and manage existing and emerging risks which threaten delivery of its strategy or compliance with legislative or regulatory requirements

Adra has a comprehensive framework for risk management in place which is supported by a raft of internal controls which serve to provide assurance to the Board. The overall accountability for risk management rests with the Board, with day-to-day operational responsibility managed by the Executive. We also have a UKAS accredited ISO Integrated Management System comprising of ISO 9001:2015 (Quality), ISO 14001:2015 (Environmental) and ISO 45001:2018 (Occupational Health and Safety). This framework supports our commitment to maintaining certification and we are committed to establishing and embedding in normal business practices, a framework of risk management that protects its officers, staff, customers, partners and the general public.

Evidence and Assurance

- ❖ Comprehensive [Risk Management Framework](#) in place that is taken to the Board annually for approval. Framework was revised and updated in March 2021 in line with sector best practice. Sector Risks are considered as part of the annual review and presented to Board.
- ❖ The Executive review Strategic Risks on a monthly basis with strategic risks reported to the Board on a 6 monthly basis.
- ❖ Board Risk Appetite is discussed as part of a Strategy Day Workshop on an annual basis to keep current and aligned with the opportunities and threats of the operating environment.
- ❖ The Audit and Assurance Committee reviews its audit plan on an annual basis to ensure the audit programme focuses on the key areas of risk to the organisation. Last year, one of the five strategic areas of focus included *Business Resilience and Staff Wellbeing* was included to consider the way Adra had responded to the pandemic.
- ❖ The risk appetite statement set by the Board for matters relating to Health and safety was as follows “*Avoidance of all work activity where any risk to the health and safety of staff or customers is possible. Maintenance of accreditation to ISO 45001 is a critical organisational objective.*”
- ❖ As part of our ISO9001 (quality) accreditation we undertake periodic PESTLE (political, environmental, social, technological, legal and economic) analysis, in addition the executive leadership reviews the strategic risk register on a monthly basis (or sooner if an emerging or existing issue has a potential impact on the organisations risk map), and the review includes updated environmental scanning aligned to PESTLE.
- ❖ The strategic risk map supports the development of scenarios to be used as part of the stress testing within the business plan and the financial recovery plans
- ❖ The in-house Audit Assurance Group was reviewed and refreshed during the year to place enhance emphasis on risk management (renaming the group to Risk and Quality Assurance Group). This included the appointment of risk champions within services to further promote an internal culture of risk management.
- ❖ Our Programme and Projects Portfolio approach ensures all key initiatives have a detailed risk management plan in place that’s subject to regular review.
- ❖ The Adra Business Plan is the subject of a comprehensive stress testing exercise and financial performance is reviewed regularly
- ❖ Intragroup Agreement mitigates any risk to Adra from its’ development subsidiary.
- ❖ The Development subsidiary has its own Boards, and the Chair is separate to the Adra Chair.
- ❖ Risk considerations are defined in all Board and Committee papers as part of the report.
- ❖ Professional and qualified staff operate effectively to ensure that mitigation measures are in place should risks crystallise.

- ❖ A centralised Performance and Risk Team that work with accountable officers on a regular basis to monitor operational risks. These are reported to the Senior Leadership Team on a quarterly basis.



We believe that we fully comply with this standard.

Adra does not put social housing assets or tenants at undue risk

Adra takes great care to ensure that its business strategy does not put our assets or customers at undue risk. The formulation of the annual Business Plan is subject to a robust stress testing exercise which considers a plethora of stress scenarios on different parts of the business, including a perfect storm scenario to test our response to such circumstances. A report is taken to Board to lead them through such scenarios, clearly explaining what emergency measures that would be invoked to protect our assets and customers.

We believe we comply fully with this Standard.

Evidence and Assurance

- ❖ Annual stress test of 30-year Business Plan
- ❖ Treasury Golden Rules ensure we stay within clear tramlines and don't come close to breaching any banking covenants
- ❖ We have a strong operating margin
- ❖ Development Schemes subject to a comprehensive viability assessment and risk consideration prior to taking for approval
- ❖ Programme and Projects portfolio approach provides a sound framework for considering all business improvement cases – high level scrutiny.
- ❖ Health and Safety compliance is reported to the Audit and Assurance Committee, with regular updates provided to the Tenant and Resident Partnership.
- ❖ Appropriate risk planning for new activities.
- ❖ Asset Management Strategy in place and robust asset appraisal process informs decisions to invest in homes.
- ❖ New home leaflet shared with tenants and explained in welcoming meeting.
- ❖ Housing Health and Safety Compliance Ltd commissioned to carry out in-depth thematic audit reviews.
- ❖ Regular compliance audits carried out by Mazars.
- ❖ The delivery of safety compliance works is undertaken through our in-house team, where we can manage quality of work performance.
- ❖ Pro-active and re-active site and scheme inspections/audits and principal contractors monitored for H&S performance on all major projects.
- ❖ Our resident satisfaction level on the question of the safety and security of Adra homes came in at 92%. Resident satisfaction in relation to overall service provided came out as 81% and level of trust in the organisation at 90%; a very positive outlook overall.



We believe that we fully comply with this standard.

Adra maintains accessible and up-to-date business continuity, contingency and disaster recovery plans

Adra has in place a business continuity and resilience team which includes members from all service areas within the business. The team are responsible for ensuring appropriate and up to date business continuity plans are in place, which includes testing those plans as appropriate. Emergency plans cover such areas as loss of offices, fires, floods, Loss of IT systems and adverse weather. The business continuity team are contactable 24/7 to respond to any emergency which might put the health and safety of tenants at risk

During the Covid pandemic, the group met regularly to review the organisations position in light of emerging threat levels and revisions to national legislation and/or guidance. Regular internal communication was put in place to update staff of changes in response to the national lockdowns, together with communication to tenants and other relevant parties.

Evidence and Assurance

- ❖ Business Continuity and Resilience Team in place
- ❖ Up to date Business Continuity plans in place
- ❖ This area was subject of an in-depth strategic audit during Quarter 3, and it was very pleasing to see a positive report providing adequate assurance for the way Adra manages business continuity and resilience. Certain aspects for further improvements are noted below.
- ❖ Business continuity plans are reviewed annually or as necessary.
- ❖ Each Recovery Team Leader has the authority to manage their element of incident management or business recovery.
- ❖ Teams take part in scenario exercises to test their plans.
- ❖ We have successfully navigated through the pandemic by deploying our remote working infrastructure and business continuity planning.
- ❖ Business Resilience Response meetings held when issues arise.



We believe we comply fully with this Standard.

Self-Assessment Judgement



We're performing very well and need to keep going

HIGH QUALITY SERVICES

RS 3: High quality services are delivered to tenants

Keeps tenants safe in their homes and promptly identifies and corrects any under-performance or non-compliance on landlord matters

As a provider of quality homes, the safety of our customers is our main priority and we ensure that we meet our regulatory and compliance obligations and manage all associated risks. We devote significant time and resources to help ensure that our homes are safe for our residents, and have an in-house Health, Safety and Environmental team to oversee and co-ordinate activity in this key area. We have several layers of auditing activity in place, from key control health checks to specialist deep dive audits in areas of higher risk (The Big 6 Areas). Adra has also achieved accreditation in ISO 45001:2018 (Occupational Health and Safety) and works hard year on year to keep systems up to date thus retaining the accreditation.

Evidence and Assurance

- ❖ To ensure our homes are kept safe, we undertake regular safety checks which complies to current legislation, standards and best practice. Over a typical year we undertake over 20,000 safety checks and servicing which includes the following:
 - Over 6000 heating services and safety checks to ensure our heating systems are safe for our tenants.
 - Over 1200 Electrical Condition Reports which ensure the safety of our electrical installations.
 - Over 200 Fire Risk Assessments on our blocks with communal areas and offices.
 - Over 11,000 Fire safety checks and services.
 - Over 600 lift servicing and Thorough examinations.
 - Over 40 Automatic doors testing & servicing.
 - Over 1500 Asbestos surveys, samples, re-assurance air testing and communal re-inspections.
 - Over 250 Legionella safety and temperature checks.
- ❖ To ensure that these safety checks are completed within timescales highlighted in legislation/regulation/best practices, we report every month by using a Key Performance Indicator suit agreed with our Board. This is reviewed and challenged every quarter by a sub-committee of the Board.
- ❖ To ensure that our tenants are kept aware of the safety arrangements we have in place, safety information and their responsibilities, we will communicate through our website, social media accounts and newsletters. We also provide a compliance overview presentation in our Tenants and Residents partnership meeting on a quarterly basis which highlights our approach as a landlord and the legislation we have to follow.
- ❖ Adra has a Health and Safety Board Champion in place who will regularly meet with the HSE Manager and attend Quarterly H&S Meetings as and when required.
- ❖ A quarterly Health and Safety report is presented to the Audit and Assurance Committee providing an overview of the latest position at Adra (including information concerning near misses etc)
- ❖ Adra has separated the Internal Audit function into two distinct parts so as to provide enhanced focus on Health and Safety audit reviews. Specialist companies have been brought in since 2019 to undertake deep dive audits of the big 6 risk areas, ensuring that our systems and controls are not only in line with sector best practice, but are delivered accordingly

- ❖ A specialist audit of our Asbestos Management arrangements was carried out by Housing Health and Safety Compliance UK Ltd in October 2021. We received a “Substantial Assurance” grading of our performance
- ❖ Adra has a health and safety committee made up from staff from various departments. The committee meets at quarterly intervals and facilitates a structured approach to consultation where management and employees can work together review health and safety performance and resolve any health and safety issues.
- ❖ Adra has working groups specific to fire safety, legionella, and asbestos management. The groups usually meet at 6 monthly intervals and are made up of relevant persons within the organisation who have responsibilities under the relevant policies. Amongst other things the meeting provides the opportunity to report on key performance indicators, policy and process reviews, incident or investigation results and contractor performance.
- ❖ Adra has teams of skilled teams for both Corporate and Landlord Compliance health and safety.
- ❖ Adra has Health and Safety Policies in place that detail responsibilities and arrangements for managing key risks that are approved by the Audit and Assurance Committee.
- ❖ Health and safety is a fundamental focus for Board Members which is included in induction processes. Board members have also received bespoke training designed around the Health & Safety Executives guidance for directors and board members *INDG 417 Leading Health and Safety at Work*.
- ❖ Adra has a Safeguarding Policy in place and a Safeguarding Action Plan. The performance of Adra on safeguarding matters is reported to the Board on an annual basis giving board members the opportunity to challenge performance.
- ❖ As part of our Corporate Plan for 2022-2025 Adra has committed to achieving ISO 45003 certification in managing psychosocial risks in the workplace. This compliments training, we have provided to several members of our staff in mental health and awareness and mental health first aiders which will potentially contribute to the well-being of staff and tenants.
- ❖ Overall customer satisfaction rates with safety and security of Adra homes came in at 92%.



We believe we comply fully with this Standard

Delivers services which meet the diverse needs of residents

“Providing an excellent customer experience” has been identified as Priority 1 of our Corporate Plan 2022-25. Our customers have always been at the heart of what we do – it’s why we are here and why we will always look at ways to improve the experience that we provide to our customers. Adra customers rightly expects the organisation to deliver a broad range of services to meet their needs. This is reflected in our service delivery plans in terms of the broad range of work Adra undertakes to improve current homes; build new homes and provide services and support to our customers to establish and sustain their tenancies. Further to this, another cornerstone of our Corporate Plan priorities is “Supporting People & Communities to Thrive” – beyond providing our customers with a quality home, we always seek to go the extra mile to support our resident to improve their lives.

Our new Corporate Plan sets ambitious targets over the next 3 years, and we want to continue to be trusted by our residents and seen as a business that actively listens to their needs. We are committed to tailoring our services

to meet the diverse needs of our customers, who will be at the heart of all that we do. We always strive to make sure our services are inclusive and accessible, meeting the standards they have come to expect from us. We also devote a significant amount of time and effort in working with external partners on initiatives to help meet the wider needs of tenants.

As mentioned previously, we do have some gaps in our data concerning our residents which stop us from having a complete picture of our resident base and we will continue to build on this aspect to ensure we can be confident in providing fully inclusive services.

Evidence and Assurance

- ❖ Adra collect and continually updates data about our tenants. We seek to ensure this data is updated via a wide range of channels. Holding up to date data in fields including sex; age; ethnicity; disability; locations; property type and housing needs helps Adra shape and deliver its services.
- ❖ Adra has a detailed Community Strategy in place that seeks to consider the holistic needs of our residents and the communities in which they live in; with thematic areas detailing what interventions will be made to improve the quality of life of all.
- ❖ As part of Adra's response to the pandemic, a team of our officers carried out welfare calls to over 1800 customers aged 70 or over, or who were categorised as vulnerable, ensuring that we listened to their needs and responded proactively.
- ❖ Adra has an Adaptations Policy in place for meeting the needs of any of our residents with a disability or special needs. An Occupational Therapist will visit to assess their needs prior to making recommendations on what adaptations need to be made.
- ❖ Within our Supported Living Schemes all residents have an initial person-centred needs and risk assessment completed to identify how the service can support their safety and wellbeing.
- ❖ Adra is committed to building Lifetime Homes that can adapt to the needs of the customers.
- ❖ Adra is committed to minimising evictions by adopting a better problem-solving approach working with partners and agencies to help customers sustain their tenancies.
- ❖ We secured £578k for new decarbonising technology to support and train our customers to understand and benefit from new technology.
- ❖ Academi Adra was launched to support customers into work and provides a range of employment support; training and skills; work experience; apprenticeships; traineeships; Board training.
- ❖ Various changes to service delivery including reviewing communication processes; introducing technology including a new core business system; noise apps to monitor noise nuisance and adapting working practices to ensure services continued to be delivered during the pandemic.
- ❖ We hold Diversity and Inclusion training for all Board Members and Staff which is refreshed on a periodic basis.

Partnership working underpins all of Adra's efforts in order to deliver services to meet customer needs. Some examples of this includes:

- ❖ Support during Covid. Adra played a key role in community resilience groups with partners including Local Authorities; other registered social landlords; Betsi Cadwaladr University Health Board; Citizens Advice Bureau and community organisations to support people in their communities during Covid. Work undertaken by Adra included support to ensure supplies of food and delivery of donations to foodbank; supply and delivery of PPE to care workers and volunteers, matching individuals to local volunteer support, baby box projects.
- ❖ Homeless support. Funding secured for a new build supported accommodation at 137 High Street, Bangor. Additional funding secured for Adra to support Gwynedd Council's homeless clients.

- ❖ Mental health support service level agreements. Formed closer working relationships with local support agencies to provide in-depth support to customers suffering from low-level mental health support issues.
- ❖ Service Level Agreement with CAB Gwynedd to provide in-depth support to customers to minimise debts and maximise any entitlements.
- ❖ Bwyd Da Bangor. Adra has played a role as part of a multi-agency project to tackle food poverty in Bangor. A café has recently opened formed on links between food poverty, food waste and local food production.
- ❖ Since the approval of the Strategic Equality Plan in 2015, Adra have addressed issues of inequality within society through providing affordable housing and investing in our communities and our staff. The Black Lives Matter and #MeToo movements have recently electrified the debate around discrimination, while the coronavirus crisis has highlighted the serious health impacts of inequality.

Adra commissioned external consultants, Afallen, to evaluate the social impact and social value of Adra’s work during 2015-2021. This review concluded that utilising the *Six Economies Model* Adra’s outputs and outcomes during this period in terms of contribution to social impact is £286m. The report concludes that Adra’s impact on the communities it serves is profound and recognised by the majority of its tenants and stakeholders. The report also concludes that Adra is an effective and important anchor organisation in the provision of services linked to well-being, such as supporting vulnerable customers in the communities it serves.



We believe we comply fully with this Standard

Achieves and maintains high levels of tenant satisfaction with services

Adra places customer satisfaction at the forefront of its considerations and continually monitors customer feedback to respond to any changes in satisfaction levels. All customer surveys are co-ordinated through a single process of telephoning customers 1 month following a service being provided. In-depth surveys are undertaken with circa 20% of Adra tenants per annum. The drivers of satisfaction and dissatisfaction are discussed in team workshops facilitated by Mustard, an independent market research company on a 6-monthly basis. The findings from these workshops are built into service delivery plans. Over the years, we have analysed additional services.

Evidence and Assurance

Welsh Government have recently published benchmarking data on the Welsh Government social landlord tenant satisfaction questions. Adra perform very strongly overall in comparison with other Welsh landlords in terms of customer satisfaction levels, and customer dissatisfaction levels. This is demonstrated in the tables below.

- ❖ The following table provides a summary of:
- ❖ Adra’s performance
- ❖ average performance of the 46 social landlords in Wales
- ❖ % difference between Adra’s performance and the average landlord performance
- ❖ Adra’s ranking for the individual question

Summary - % of tenants that are satisfied or very satisfied

Question	Adra’s Performance	Average social landlord performance	Difference +/-	Ranking (out of 46)
Overall service provided by social landlord	82%	81%	+1%	21 st

Overall quality of home	81%	81%	0%	28 th
Dealing with repairs and maintenance	80%	75%	+5%	15 th
Neighbourhood as a place to live	86%	81%	+5%	11 th
Rent as value for money	85%	80%	+5%	11 th
Service charge as value for money	60%	65%	-5%	32 nd
Listens to views and acts upon them	80%	67%	+13%	6 th
Safe and secure home	93%	85%	+8%	6 th
Dealing with anti-social behaviour	76%	65%	+11%	9 th
Participation in decision making	81%	61%	+20%	4 th
Have a say in how services are managed	77%	61%	+16%	5 th
Trust social landlord	90%	77%	+13%	6 th

Summary - % of tenants that are dissatisfied or very dissatisfied

Question	Adra's Performance	Average social landlord performance	Difference +/-
Overall service provided by social landlord	5%	12%	+7%
Overall quality of home	6%	13%	+7%
Dealing with repairs and maintenance	7%	17%	+10%
Neighbourhood as a place to live	6%	11%	+5%
Rent as value for money	5%	9%	+4%
Service charge as value for money	24%	18%	-6%
Listens to views and acts upon them	9%	17%	+8%
Safe and secure home	2%	9%	+7%
Dealing with anti-social behaviour	13%	17%	+4%
Participation in decision making	5%	12%	+7%

Have a say in how services are managed	9%	13%	+4%
Trust social landlord	4%	9%	+5%

The benchmarking tables show that Adra's tenants are significantly more satisfied and significantly less dissatisfied than the average results for Welsh RSL's. Adra achieve top quartile performance in 8 out of the 12 measures. These results are discussed and scrutinized at Committee and Board level within Adra.

The following table shows the latest full set of performance figures for individual departments within Adra and provide a comparison with previous results. Despite a challenging year, Adra teams have achieved some incredibly high levels of service satisfaction:

	2017/18	2018/19	2019/20	2020/21	2021/22
Trwsio	87%	87%	90%	92%	91%
Lettings	84%	92%	95%	94%	88%
Gas Servicing	94%	90%	94%	97%	97%
Anti-Social behaviour service	57%	80%	73%	67%	82%
Assets	85%	79%	81%	79%	No data
Rents	91%	92%	95%	96%	99%
New Build	No data	100%	100%	90%	90%
Inspections Service	-	-	85%	78%	85%
Adaptations	-	-	-	97%	98%
Aros Adra	-	-	-	100%	100%
Supported Housing	-	-	-	97%	87%
Affordable Tenures and Market Rentals	-	-	-	100%	97%

Adra established a corporate **Customer Service Excellence** project in 2018 and this has enabled Adra to provide a clear focus on improving customer satisfaction over a number of years. The project has delivered several outcomes which Adra are extremely proud of, including:

- ❖ A continual improvement in Adra customer satisfaction results.
- ❖ Retaining the Customer Service Excellence accreditation, with 4 Compliance+ awards in the latest assessment as a result of our partnership working and communication work during Covid.
- ❖ During 2020, Adra was given a substantial assurance rating by our auditors, Mazars who reviewed our arrangements for customer engagement. No recommendations were made for further actions.
- ❖ Adra won the TPAS Cymru Recognition Award for supporting customer wellbeing in 2021.
- ❖ Adra won the "Excellence in Customer Services" award at the CIH Cymru awards in 2021. This award reflects the work undertaken by all Adra staff.

Adra's new Corporate Plan for 2022-2025 makes firm commitments in terms of:

- Reviewing our repair timescales.
- Investing £60m in our current homes over the lifetime of the corporate plan.

In response to the above, Adra will implement a corporate project “**Repairs Demand Project**” implemented from June 2022 which will review and implement several different workstreams within Adra; including:

- Reviewing all repair and maintenance timescales. This will include detailed consultation with customers and staff.
- Reviewing all repair customers journeys and customer communication touchpoints within Adra. This involves reviewing all repair workstreams from beginning to end and introducing efficiencies/additional communication touchpoints with our customers where required.
- Relaying the last 3 years repairs data against Adra’s planned maintenance schemes to determine if additional planned maintenance schemes should be delivered within Adra where there are areas of repeat repairs.
- Reviewing Adra’s Complaints Policy and associated procedures to ensure all lessons learnt from complaints are embedded as part of Service Delivery Plans.
- Ensuring Adra’s Customer and Assets Committee Board and Tenant Partnership have full visibility of this work.



We believe we mostly fully with this standard.

Adra makes performance information available to residents

To coincide with our core value of being ‘open’ we regularly provide updates on our performance against key performance indicators; this is usually done as part of our annual Self-Evaluation process, our Annual Accounts and our annual Sustainability Report that reports against the newly adopted Sustainability Reporting Standard seen as best practice within the sector. These reports are all made available to our customers and the public alike via our corporate website. Further, we also provide half yearly updates on our corporate performance indicator suite to our Tenant Partnership to help keep them informed and have a positive influence on future discussion within the forum.

Whilst we provide performance information to our customers, we recognise that this is an area that we could improve upon. Discussion is now being held at senior management level as to the type and number of performance indicators we, as a business, should be making publicly available via our website and at what frequency of reporting. Over the next twelve months we expect to make inroads in better visibility of our corporate performance both internally and externally.

Evidence and Assurance

- ❖ In November 2020, Adra became an early adopted of the new Sustainability Reporting Standard (reporting against Environmental, Social and Governance indicators) being introduced into the housing sector and published our first Sustainability Report in July 2021. To date, over 100 organisations have signed up to the standard and Adra are one of 7 housing associations in Wales who continue to report against it. Our latest Sustainability Report (looking back across 2021/22) has been formally adopted by our Board in early July 2022 and will be made available on the website by the end of July 2022.
- ❖ Tenant Satisfaction Questionnaire results are published both on the website and in the tenant newsletter.
- ❖ Our social impact report, looking at Adra’s performance in relation to social, economic, health and wellbeing impact of our work during 2016-2021 has been published on our website. We are also in the process of developing a video of case studies to accompany the report, as a means of providing information to tenants in a different format.
- ❖ A performance update report is presented to the Tenant and Resident Partnership on a regular basis, including an annual update as part of the Self-evaluation consultation session
- ❖ Our Self-Evaluation report is available for all tenants to see on our website.
- ❖ Our annual report is available for all tenants to see on our website.

- ❖ Performance is reported regularly to the Tenant Partnership, sessions include annual TSQ/KPI overviews. Further updates are provided throughout the year by relevant manager and Heads of service, relating to specific services areas as requested by members e.g. most recent examples include Trwsio update, and Voids update. This provides participating members to question the performance and contribute to suggestions on how to improve satisfaction and service performance.
- ❖ Performance data is shared with our Quality for Tenants Team, who are a group of tenants who work with us to undertake reviews on specific service areas. The team are currently working on a review of our communal cleaning service.



We believe we mostly comply with this Standard.

Self-Assessment Judgement



We're performing well, but have identified some additional improvements to get even better

RESIDENT VOICE

RS 4: Tenants are empowered and supported to influence the design and delivery of services

Adra creates a culture which values and promotes tenant involvement

Our customers have always been at the heart of what we do – it's why we are here and why we will always look at ways to improve the experience that we provide to our customers. We work tirelessly to create a culture that not only values and promotes tenant involvement, but one which also empowers and supports tenants to partake and contribute. We have a strong ethos of involving customers in our decision-making processes, listening to their views and acting on their feedback. Our Customer Participation strategy sets out our commitment to involving and empowering tenants to participate with Adra and within their communities.

Evidence and assurance

- ❖ Last year, we consulted with approximately 1700 customers to seek their views. This was done through various methods such as tenant satisfaction questionnaires, estate visits, online and telephone consultation, face to face events and by working closely throughout the year with our tenant partnership.
- ❖ Our Tenant Partnership group has approx. 20 members who participate with us on a regular basis, with 4 new members having joined during the last year. Members include Adra tenants (general needs and supported housing), residents and leaseholders of varying ages and from different geographical locations. Membership also includes individuals with disabilities. The Partnership work with us to review services, develop policies and influence key decision making such as annual rent setting and the home investment program. We ensure that a representative from the Executive Leadership Team is present at all Partnership meetings.
- ❖ The Partnership annually elect 5 tenants from their membership to become 'Partnership Officers', who work closely with us on matters relating to tenant participation. The officers include the role of Chair and Vice-chair, who take on the role of Chairing the Partnership meetings.
- ❖ There are clear and established processes in place which facilitate feedback between the Board and Partnership. Board report templates asks officers to detail how tenants have been consulted on relevant matters, which helps ensure that the views of tenants are considered as part of the Board's decision-making process.
- ❖ We have representation on the Board from 3 tenants (2 filling the tenant seat and one as an additional co-optee).
- ❖ Adra has a Tenant Participation Champion role on the Board. The TP Champion and Board members have an open invitation to attend partnership meetings, and Partnership members are also invited to observe at Board meetings.
- ❖ Our Participation Strategy and Framework was developed with the support and guidance of TPAS Cymru, who also carried out a mid-term review of our framework to ensure it was fit for purpose and to see what we had learned from undertaking participation during the pandemic. Performance against the strategy is reported regularly to the Partnership.
- ❖ We are in the process of reviewing our current strategy and framework, and have set up a task and finish group made up of Partnership members to work with us on developing a new strategy.
- ❖ Consultation - recent consultation topics have included Renting Homes, WHQS 2023, Shareholder policy, Customer Participation Strategy, Repairs and Maintenance, PIV and ventilation, Dealing with Persistent and Unreasonable Complainants, Adra Self- evaluation, Lettings and Voids, Annual Rent setting, Corporate Plan and many more.
- ❖ We annually visit approximately 600 homes as part of our estate visits programme. Board members, ELT/SLT, partnership members and staff from across the whole organisation take part in these visits and value the opportunity to meet tenants face to face in their homes to receive feedback about Adra on our services.

- ❖ We feature articles on participation/ engagement in each edition of our tenant newsletter, which is distributed to all tenants and leaseholders e.g. experience of a partnership member, you said we did articles etc to demonstrate our commitment to participation as part of our culture of putting tenants at the heart of what we do.
- ❖ We have developed a new website for tenants, *Cymuned Adra*, which shares news, stories and opportunities from Adra and their communities. The website contains articles which celebrate involvement and promote opportunities for customers to participate with Adra and within their local communities.
- ❖ Local engagement- we facilitate and encourage participation and engagement at a local level, by financially supporting Tenant and resident associations with an annual grant and supporting residents to establish new groups and apply for funding to deliver local initiatives. We also provide funding to support local participation and community initiatives through our Community Investment Fund, which provides up to £20k of funding to local projects annually.
- ❖ Academi adra- Our new initiative was launched in 2021 to provide opportunities for tenants to develop their skills and employability. Through Academi Adra, we have provided various opportunities for our tenant through Adra and our partners. 8 customers took part in our Board academy last year. The aim of the training was to empower and prepare customers to consider applying for board membership and provide them with an opportunity to gain accredited training through the 'Preparing for the Board' programme. During the first year of Academi Adra, over 70 tenants were supported with training, apprenticeships, traineeships, work experience and employment.
- ❖ We also have a training budget to support participating members with attending networks, conferences and training to increase their learning and understanding of housing and community matters and to empower them to fully participate with Adra and within their community.
- ❖ We once again achieved the Customer Service Excellence accreditation during the year, as well as achieving four compliance plus ratings. The achievement of this award further reinforces the findings of our most recent Customer Engagement audit by our external auditors, Mazars, where Adra achieved 'Substantial Assurance' with zero recommendations for improvements.



We believe that we fully comply with this standard

Enables tenants to understand the organisation's approach to tenant involvement, how they can get involved and how the organisation will listen to and act on tenants' feedback and learns from complaints.

We offer a range of methods for customers to participate with Adra at different levels of involvement, to suit individual preferences and circumstances. These are promoted to tenants through various channels, from the very start of their tenancy and thereafter through our various communication channels and engagement events and activities.

We provide feedback from our consultations and are open and transparent about our tenant satisfaction results, consultation findings and any follow-on actions are shared on our website and through the tenant newsletter. As part of our complaint management process, we have monthly meetings with services to discuss open and closed complaints to identify lessons learnt and identify any actions required to improve the customer experience and our service delivery.

Evidence and assurance

- ❖ Satisfaction that Adra provides customers with the opportunities to participate in landlord's decision-making processes (81% positive/ 5% negative for 2021/22). This is the 4th highest satisfaction level out of 46 landlords in Wales.

- ❖ Participation opportunities are promoted through the tenants handbook, tenant newsletter, Adra website and through various campaigns and engagement activities e.g. social media campaign, recruitment campaign as part of our estate visits.
- ❖ We have a consultation page on our website, which encourages online engagement. We consult on Adra services and local community matters, but also encourage involvement from tenants on regional and national consultations which affect them as tenants, their homes and communities e.g. we have promoted the Gwyrdd Ni Community Climate assembly (Community Assemblies on the Climate in your area. - Adra Community Website), undertaken extensive consultation on different elements of the Renting Homes (Wales) Act, and we are currently seeking feedback on the draft WHQS 2023 standard ([Consultations - Adra](#)).
- ❖ Through our online consultation page we also publish consultation results i.e. feedback received and what changes will be made as a results, so that tenants understand how their involvement has had an impact on Adra services or their community, and how Adra has listened to their views and acted upon them.
- ❖ We share 'you said, we did' articles in every edition of our tenant newsletter. These include feedback we receive from our tenant satisfaction questionnaires and estate visit programme.
- ❖ We have recently started a 'Board Blog', where the Chair of the Board shares updates with wider tenants about the work of the Board and decisions that have taken place which are of interest to tenants. The purpose of this is to increase awareness of the work of the Board, how decisions are made at a strategic level and how the Board considers the views and interests of tenants when making decisions.
- ❖ Tenant newsletter- we continue to produce two editions of our tenant newsletter annually. Through the newsletter we share examples of how we have listened and acted on feedback and promote opportunities for customers to participate with Adra. We also publish articles from participating members, sharing their experiences of taking part with Adra.
- ❖ The Customer care Co-ordinator (Complaints) meets with relevant services on a monthly basis to discuss complaints and review lessons learnt.
- ❖ We provide complaints updates to the Tenant Partnership, detailing any trends or issues which need further action and to have a discussion around these.
- ❖ In May 2021, we launched Cymuned Adra (Homepage - Adra Community Website), our new website for tenants which is home to the latest information, stories and opportunities from their area. Cymuned Adra facilitates the sharing of information and promotion of opportunities with our customers.



We believe that we fully comply with this standard

Provides opportunities for tenants to be involved, can demonstrate that tenants are satisfied with them and can demonstrate the difference involvement is making

The views of our customers are important to us, and we know that listening and acting on feedback helps us to drive improvements in services and customer satisfaction. We provide a variety of opportunities for people to participate and share their views with us. Feedback tells us that tenants are reporting a high level of satisfaction with opportunities to be involved and that we are listening to their views and acting upon them.

Evidence and Assurance

- ❖ The latest benchmarking result for TSQs published by Welsh Government places Adra:
 - 4th out of 46 landlords in Wales on tenant satisfaction with the opportunities to participate in landlord's decision-making processes (81% positive/ 5% negative for 2021/22).
 - 5th out of 46 landlords in Wales on tenant satisfaction that the landlord gives you a say in how services are managed (77% positive/ 9% negative for 2021/22)
 - 6th out of 46 landlords in Wales on tenant satisfaction with how their landlord listens to their views and acts upon them (80% positive/ 9% negative for 2021/22)

- ❖ Adra was the best performing landlord in north Wales on all the above measures.
- ❖ Our latest external audit on Customer engagement provided Adra with a *substantial assurance* rating, with no recommendations for improvement.
- ❖ We once again achieved the Customer Service Excellence accreditation during the year, as well as achieving four compliance plus ratings.
- ❖ We were successful in achieving a CIH award in *Customer Service Excellence*.
- ❖ “You Said We Did” approach adopted with consultations to ensure those participating customers were kept informed on how their feedback was influencing decisions and services.
- ❖ In addition to the Partnership meetings, various other opportunities were provided for our customers to participate, including Task and Finish Groups, Focus Groups, Grant Review and Scoring Panels and various methods of consultations which included online, SMS, postal, telephone and face to face estate visits. We held our first hybrid meeting for our Tenant Partnership this year, which was a great success and ensures inclusivity i.e. doing this allowed one member with caring responsibilities to be able to attend virtually.



We believe that we fully comply with this standard.

Can demonstrate diverse tenant views and expectations inform the development and review of housing and related services, and the response to any under-performance

Adra has a range of ways to ensure we have an involvement approach that allows us to engage, listen and act on the views of a diverse range of residents and communities whereby we provide homes and services. Residents are able to directly influence and challenge our decisions and hold us to account if we under-perform in certain areas.

Evidence and Assurance

- ❖ During 2021, we were able to recommence our estate visits programme with face-to-face visits with tenants on the doorstep. In total, we knocked on 412 doors, with Board Members, the Senior Leadership team and a range of other staff across the organisation taking part. The main focus of our walkabouts this year was to consult on satisfaction with VFM on rents. The feedback of which was considered and shared with the Board as part of our annual rent setting process.
- ❖ TPAS Cymru – the main Tenant Advisory Body in Wales, were hired to conduct a mid-term review of our Customer Participation Strategy, to ensure that our participation activities were relevant, current and representative. An action plan developed as a result of the review and regular updates on progress provided at Tenant and Resident Partnership meeting. As a result of this piece of good practice work, TPAS Cymru have gone on to develop the Tenant Engagement Standards assessment (TESA) as a service they provide to other landlords in Wales.
- ❖ Tenants are members of our steering group to review our Customer participation strategy, they were also involved in the development of the previous strategy and our participation framework.
- ❖ We have targeted specialist groups to gain specific feedback on certain areas of work, such as our Adra Staff who are tenants who were consulted on our Customer Portal, our tenants who pay intermediate rent were consulted on our Intermediate Rent Policy and working with tenants who pay a service charge for communal cleaning for our Quality for tenants team review on the communal cleaning review.
- ❖ Corporate Plan consultation- We have been consulting on our new corporate plan through a variety of methods e.g. workshops with students in local Secondary Schools, online consultation through our website and targeted over the phone consultation with a representative sample of tenants. The aim of this was to gather diverse views from different categories, to include potential tenants of the future.
- ❖ As an organisation, we have been proactive in our consultation work with the preparation of the Renting Homes (Wales) Act, and undertook a comprehensive consultation exercise at the end of 2020. We

contacted all tenants and leaseholders to consult on proposed changes to our tenancy agreement terms and conditions. Results of the consultation were published on our website earlier this year, demonstrating where we had listened and acted on feedback and suggestions received.

- ❖ Task and finish groups are established as and when required which allows co-production work e.g. we are currently working with a group of tenants on developing a new Ventilation Policy.



We believe we mostly comply with this standard

Self-Assessment Judgement



We're performing very well and need to keep going

RENTS AND SERVICE CHARGES

RS 5: Rents and service charges are affordable for current and future tenants

Adra ensures all applicable rules and statutory guidance (including the current rent agreement) are complied with.

Adra undertakes significant work every year to ensure that rent and service charges are affordable and conform with statutory rules and guidance. Adra sets its rents in accordance with the Welsh Government social rent agreement. Adra also looks to comply with the wider principles set out in the current social rent agreement, including strengthening our approaches to ensure we minimise evictions and not to evict into homelessness; undertaking a standardised tenant satisfaction survey; and meet grant funding standards for all new developments.

Evidence and Assurance

- ❖ To ensure compliance with the Welsh Government's social rent agreement for 2022-2023, Adra's rent increase was capped at 3.1% across all social housing stock, using the level of CPI from September 2021 as the baseline.
- ❖ Adra conducted a thorough review of its social rent policy. Consultation took place with tenants, staff, and Board members as part of this process. The revised policy incorporated affordability measures including the Joseph Rowntree Foundation (JRF)'s living rent model to ensure rents remain affordable for current and future tenants. This culminated in the Board's approval of the most rent increase decision in December 2021.
- ❖ We undertook a thorough review of affordability in Gwynedd and North Wales as part of its rent setting process on an annual basis. The following elements are evaluated in detail:
 - Adra rents in comparison to other registered social landlords/private sector rents/local housing allowance and Welsh Government target rent band measures.
 - Local and national employment; unemployment; earnings and economic forecast data including future projections.
 - JRF and Bevan Foundation research into affordability and poverty in Wales.
 - National living wage; benefits; pensions; future wage growth and inflation data and trends.
 - Adra internal data including debt profiles throughout its housing stock. This includes an in-depth assessment of tenancy debt patterns across all its housing stock.
 - Customer feedback and customer satisfaction levels.
 - Community Housing Cymru (CHC)'s rent affordability tool.
 - Research into various reports and publications from a range of sources including Welsh Government; Stats Wales; Estate Agents.

The review concluded the following:

- Adra rents are in-line with and within the main public measures of affordability. This includes the JRF living rent model; and the various affordability scenarios within the CHC rent affordability tool.
 - Adra's rents are both competitive and amongst the lowest in Wales. Adra rents compare favourably with other registered social landlords; in relation to Welsh Government target rent bands (although currently suspended it still provides a proxy of local and national marked conditions) and compared to local housing allowance rates.
 - Wages, benefits and the national living wage have all risen within the past 12-month period. Unemployment is reducing in Gwynedd and North Wales.
 - Adra's tenancy arrears are amongst the lowest in Wales and are significantly below the Wales and UK averages. This is partly linked to the fact that Adra's rents are amongst the lowest in Wales.
- ❖ Adra's affordability review places tenant engagement central to the process. Adra consults with its tenants utilising the following methods:

- 20% of Adra tenants undertake an in-depth tenant satisfaction survey over the phone every year. This survey includes questions about “rent value for money” and from 2021-2022 onwards a question in relation to “service charges value for money”.
 - 85% of Adra tenants are satisfied that their rents offer value for money, and only 5% are dissatisfied. These results are verified by Mustard, an independent market research company. These results place Adra in the top quartile of performers in accordance with the Welsh Government social landlord tenant survey results published in May 2022.
 - Adra’s Tenant Partnership discuss the options available to Adra in terms of rent setting. They are presented with a broad range of information from the affordability assessment to have an informed discussion around the subject.
 - Feedback from the satisfaction surveys and from the Tenant Partnership is presented in turn to Adra’s Board to allow them to make an informed decision about Adra’s rent policy and annual rent increase.
- ❖ Feedback received from tenants plays a central part in Adra’s rent setting process. This has helped ensure Adra’s rents are amongst the lowest in Wales. **Adra has the lowest average rent in North Wales. This is the greatest vindication that Adra rents are affordable.** This is verified within CHC’s rent affordability tool/Welsh Government target rent bands. Adra have not historically applied the highest possible rental increase available year-on-year and tenant involvement has played a key role in the decision-making process within Adra.
 - ❖ Adra undertakes a pre-tenancy affordability assessment with all prospective tenants to ensure the property they are applying for is affordable. The assessment tool used ensures all benefits they are entitled to are maximised. Support is provided to those in debts via a Service Level Agreement Adra has implemented with Citizens Advice Bureau.
 - ❖ 60% of Adra tenants are satisfied that Adra’s service charges offer value for money. 24% of tenants are dissatisfied with this measure. Adra will implement several actions to improve these results in future.
 - ❖ Adra’s rents and budgets for the forthcoming year are approved by Adra’s Board at the same time. When approving the rent increase, the Board have a holistic view of all elements of Adra’s finances. As part of the process of setting the annual budgets, Adra undertakes an annual “budget challenge” process. This aims to ensure that we work as efficiently as possible. The process requires the service to outline:
 - Budgets not fully utilised.
 - Efficiency measures to increase cost efficiency.
 - Spend to save initiatives.
 - Workforce planning issues.
 - ❖ These budgeting processes have meant Adra have been able to identify revenue savings of £3m over the past 5 years, and further savings of over £300k were identified when the 2021-2022 budget was set.



We believe we fully comply with this standard

Self-Assessment Judgement



We’re performing well, but have identified some additional improvements to get even better

VALUE FOR MONEY

RS 6: The organisation has a strategic approach to value for money which informs all its plans and activities

Adra determines its strategic approach to value for money, ensuring the approach relates to its social purpose, and makes strategic and operational decisions in line with it

Delivering Efficiency and Value for Money is a fundamental part of ensuring that the best outcome is achieved for current and future customers, and that Adra's Business Plan remains viable. Failing to deliver VFM could potentially jeopardise core business objectives. One of the Corporate Plan's key principles is Value for Money and it states that one of its main goals is *"to ensure that our business is strong and financially viable"*.

Adra has played a key role in national conversations on VFM within the sector, and Community Housing Cymru publication "A practical guide ... on how to define, deliver and demonstrate VFM" includes a quote from Adra - this quote encapsulates our overall ethos and approach to efficiency and VFM, namely: *"VFM is about ensuring that every pound spent delivers the maximum impact possible in terms of quality and / or quantity. Without VFM as an overarching principle, you will inevitably spend more than you need to achieve your objectives. Nobody likes throwing money away and our tenants certainly can't afford for us to do so."*

Adra appreciates that any business can look to derive further value from its service provision and will never rest on its laurels on this subject matter. Significant further focus will be placed on our commercial activities over the coming year to ensure the minimisation of financial leakage and maximising efficiencies. Further, additional focus will be placed on our social value commitments, in particular the implementation of the Thrive SV system.

Evidence and Assurance

- ❖ Adra's **Value for Money Strategy** defines what we mean by value for money, notes areas for development and improvement, and explains our approach to Benchmarking, Performance Monitoring, Procurement and Culture Change in respect of Value for Money. The strategy was first put in place in 2015 and has been regularly updated since then. A full review of the Strategy will happen in the second half of 2022 as part of the ongoing work of the **Financial Transformation** Project and the **Commercial Strategy**.
- ❖ The Commercial Strategy itself has five themes, one of which has VFM at its core, namely "**Efficiencies and Minimised Financial Leakage**" – this theme focuses on the potential efficiency gains to be made to our existing services, minimising the money that leaves the business, and creating value for money through effective procurement. The five areas identified for specific focus under this theme are:
 - More effective / improved use of ICT
 - Value for money through effective procurement
 - Increased grant funding
 - Internalise new development project management
 - In-sourcing of currently outsourced contracts
- ❖ The objectives of Adra's "Financial Transformation" project include keeping us financially safe and ensuring that we use our resources as efficiently as possible and has a theme of "**Embedding Value for Money** i.e. ensuring that we live and breathe VFM, rather than just considering it as an afterthought. This complements the work of the VFM theme in the Commercial Strategy.

- ❖ The main delivery mechanism for implementing the VFM Strategy noted above is the “**VFM Action Plan**” which details specific measures and work to be progressed to achieve VFM. The annual “Budget Challenge” round is a constant theme of this Action Plan – a recent example was the £175k savings achieved via the re-tendering of Adra’s insurances.
- ❖ Adra uses a range of methods to evaluate progress against the VFM performance standard, including tracking the increase in our Operating Margin and comparing ourselves with others, i.e. “benchmarking”. The most recent example of this was our participation in the CHC / Housemark “**Sector Scorecard**” VFM pilot, and the results of this exercise, together with the results of the annual **Global Accounts** exercise were reported to the Audit Committee. The report noted that we generally perform well compared to peers and noted: *“The two benchmarking exercises in total contain 28 indicators. Adra’s performance in respect of these indicators can be summarised as following:*
 - *Strong (or very strong) performance – 13 indicators (or 46%)*
 - *Close to average – 8 indicators (or 29%)*
 - *Below average of require further attention – 7 indicators (or 25%)”*
- ❖ Adra uses the HACT Social Value tool to assist with monitoring the social impacts of our investments. Such intelligence helps us to improve our targeting of financial investments to ensure that both financial and social value are considered in tandem. The “Social Value” strand of the “Financial Transformation” project is assessing our use of the HACT tool and has also considered other systems to measure TOMs (Themes, Outcomes and Measures); this helps ensure that our investment programmes deliver VFM. Following the appointment of Adra’s first Social Value Co-ordinator early in 2022, and after consideration of the different SV systems available on the market, it has been decided that we will implement the “Thrive” SV system.
- ❖ Further recent Social Value (SV) initiatives include the publishing of Adra’s first SV charter, the inclusion of a 10% SV assessment as part of the procurement of relevant tenders, and the publication of Adra’s SV guide for contractors. All these measures help ensure that we use our resources and influence in a manner that maximises the benefits for our tenants and communities, thus helping to deliver VFM.
- ❖ A new Procurement Strategy was approved by the Audit Committee in 2021/22 and is now known as the “Sustainable Procurement Strategy”. It covers the period 2021-2025, and a number of its themes have VFM related issues at their core, specifically Theme 1: “Value for Money, Commercialisation, Efficiency and Growth”, Theme 3: “Supporting the Local Economy”, Theme 4 “Maximising Social Value” and Theme 5 “Supporting the Circular Economy and ‘Sustainability as standard’”
- ❖ As noted in our RS6 summary: *“85% of Adra tenants are satisfied that their rents offer value for money, and only 5% are dissatisfied. These results are verified by Mustard, an independent market research company. These results place Adra in the top quartile of performers in accordance with the Welsh Government social landlord tenant survey results published in May 2022.”*
- ❖ As detailed in the RS7 and RS8 summaries, a lot of work has happened and is ongoing in respect of securing VFM from Adra’s loan facilities – the main highlights are the £30m additional Private Placement at a very competitive rate secured in October 2021, and new Revolving Credit Facility (RCF) arrangements totalling £65m (£30m additional funding, £35 refinancing) agreed in July 2022 at very attractive margins / terms



We believe that we mostly comply with this standard

Can demonstrate to stakeholders, including tenants, that it achieves value for money in delivering its strategy and services

Adra can demonstrate to its stakeholders that it achieves value for money in delivering its strategy and services. Adra undertakes an annual Budget Challenge process to ensure the most efficient use of our resources, with any identified savings re-directed to other areas to achieve more for our customers. We engage in a meaningful way with our residents to review our services and improve performance.

Examples of how we comply include:

- Extensive consultation with tenants (including the Tenants' Participation Panel) on any changes in services provided e.g. the grounds maintenance / grass-cutting service was recently reviewed
- Significant data gathering of tenants' views on the value for money provided by rents and service charges (further details on previous page)
- Consultation with tenants in respect of implementing carbon reduction initiatives
- The mainstreaming of Social Value, as summarised on the previous page.



We believe we mostly comply with this standard.

Self-Assessment Judgement



We're performing well, but have identified some additional improvements to get even better

FINANCIAL MANAGEMENT

RS 7: Financial planning and management is robust and effective

Sets financial plans which enable it to deliver its strategy and achieve its social purpose, and there is appropriate reporting to the Board against these plans

Adra has a sound financial planning framework which helps ensure it delivers on the Corporate Plan objectives and achieve its social purpose.

Evidence and Assurance

- ❖ The latest “Budget Challenge” process was concluded in December 2021 with Board approval of the Revenue and Capital budgets. This annual “Budget Challenge” process assesses each service’s budget requirement, scope for efficiency and potential improvement in service delivery. A specific feature of the 2022/23 round was to recognise the additional resource required to deal with Adra’s growth, and so additional posts were approved. The budget also reflected the need to address Major Repair “covid catchup” works, i.e. reprofiling budgets so that works delayed in 2020 and 2021 could be progressed.
- ❖ Another significant factor in the latest round was the uncertainty of the rent increase – given that CPI was outside the 0% to 3% band outlined in Welsh Government’s rent policy, the budget setting process was influenced by the wait for the Minister’s judgement in respect of the April 2022 rent increase – this was eventually confirmed as 3.1%.
- ❖ Adra continues to work towards setting an overall revenue budget that promotes VFM and achieves an Operating Margin target of 30% - this helps with driving efficiency and provides funding towards continuing to invest in capital works that improve the condition of our homes.
- ❖ By Spring 2022 it was apparent (mainly due to the upward trajectory of inflation) that achieving the 2022/23 budget would be challenging. A further paper was therefore approved by Board with relatively minor changes to the budget, e.g. an additional £225k (net) allocated towards Repairs & Maintenance
- ❖ A 30-Year Business Plan (with Year 1 based on the annual budget) is approved by Board every Spring. It is then also submitted to Funders and Welsh Government. The Business Planning process includes detailed Stress Testing, which looks at the main factors that would stress the Business Plan, together with potential mitigations to counter the stressors.
- ❖ Monthly management accounts continue to be produced, with the service accountants meeting with heads of service and budget holders to discuss significant variances, year-end projections etc. Options to streamline budget monitoring process to make it more efficient and effective are being assessed. (See last bullet in this section)
- ❖ The “Financial Monitoring Report” continues to be presented to the Audit and Assurance Committee on a quarterly basis – this summarises Adra’s financial position (e.g. performance against budget) and gives updates on other relevant financial issues, e.g. the impact inflation and increased repairs demand. This report also addresses Welsh Government’s requirements in respect of financial regulation and is sent to them.
- ❖ The Medra (development subsidiary) budget and Business Plan is approved annually by the Medra Board and is aligned with the market sale targets included in the Adra Group’s Development Strategy. Regular monitoring reports on progress with the Business Plan are presented to the Medra Board.
- ❖ Systems and processes to support the business plan and to monitor financial performance have been further developed e.g. development of financial systems (eBis, Openaccounts etc) to further facilitate working from home. A new project ledger has been put in place and a new component accounting system will be ready for 2023. Systems (bank account, ledger etc) have also been set up for the subsidiary Medra. The take-up of electronic payslips for staff is also increasing. (All the work outlined under this bullet point is part of our “Financial Transformation” project.)

For completeness, it should also be noted that Adra's work and approach to Social Value is shown in our RS6 (VFM) summary. (Details not replicated here.)



We believe we fully comply with this standard

Is financially viable in the short, medium and longer-term, and maintains sufficient funding and liquidity to support this

Evidence and Assurance

Full details of how we do this are included elsewhere in the narrative of this RS7, but in summary this is achieved via:

- ❖ Maintain financial viability (see above) – set the budget, monitor it, set the business plan, stress test it, continually review the operating environment etc.
- ❖ Ensure adequate funding (see below) – close monitoring of existing loans and liquidity, review capital projections (specifically in relation to new-build spend), set (and implement) the annual Treasury Strategy, regularly monitor cashflow projections and arrange additional funding



We believe we fully comply with this standard

Monitors, reports on and complies with all covenants it has agreed with funders

Since early 2020, a separate quarterly "Treasury Management report" has been presented to the Audit and Assurance Committee which details compliance with our 9 key treasury risks. (This report is also sent to the Welsh Government and a version to our 4 lenders). One of the key areas of focus of this report is **compliance with covenants**, specifically the Interest Cover covenant and Gearing. Since Adra's refinancing, there is significant headroom in respect of this compliance.

Evidence and Assurance

- ❖ We have set ourselves Golden Rules – these act as an early warning system to ensure that covenant headroom remains comfortable.
- ❖ As part of the year-end audit of the annual Financial Statements, the external auditors produce reports confirming the correctness of the year-end covenant calculations. These reports are shared with the funders.
- ❖ Training was provided to the Board (late 2020) and the ELT / SLT (spring 2021) on covenants, emphasising that everyone has a role in ensuring that we always comply.
- ❖ Covenants are also reviewed at other specific points in the year, e.g. at the points of agreeing the annual budget and the 30-year business plan, and when we review our Development Strategy targets.



We believe we fully comply with this standard

Identifies and effectively manages risks to the delivery of financial plans including appropriate stress testing, scenario planning and use of internal thresholds

Evidence and Assurance

- ❖ The processes outlined above are closely aligned with Adra's Strategic and Operational Risk Registers, e.g. the main risks from the Strategic Risk Register are used as part of the Stress testing of the Business Plan.

- ❖ Other financial risks are also taken into consideration as part of this process, namely specific financial risks identified by our Treasury advisers, decarbonisation funding risks and macro-economic shock modelling
- ❖ The Audit Committee has approved a “Stress Testing Framework” which shows how all the elements noted above (budget, business plan etc) inter-relate and affect each other. This framework also includes a section on “recovery planning mitigations”, i.e. various recovery options that could be followed if Adra started to become financially stressed. This detail assesses the financial savings that could be generated, the impact on services and how soon these savings could be realised.



We believe we fully comply with this standard

Adra has an effective treasury management strategy and associated processes

Following the conclusion in late 2019 of the refinancing process, 2020 saw the bedding down of the new treasury compliance regime, and 2021 (and beyond) is seeing us arranging additional borrowing to carry on with the momentum of the Development Strategy.

Evidence and Assurance

- ❖ At the start of 2021, Adra had loan facilities totalling **£157.8m**, with 4 lenders and the Welsh Government. (A further £1m was secured from WG in Spring 2022.) The overall average interest rate of 2.8% is significantly lower than the pre-refinancing interest rate and is generating significant interest cost savings.
- ❖ In March 2021, the Board approved the **Treasury Strategy for 2021/22** – one of the main components of this strategy was the planning to increase borrowing.
- ❖ The June 2021 Board approved the setting up on a Treasury Task and Finish Group. This group met in July 2021 and agreed the detail of how this additional borrowing would be raised - partly via additional long-term funding and partly via additional revolving credit funding.
- ❖ The first part of this additional funding was secured in October 2021 when an additional £30m in long-term funding was agreed. (Adra therefore then had borrowing facilities totalling £188.8m.) This funding was drawn-down in two tranches in 2022.
- ❖ Whilst the above was happening, Board approval was also obtained to move our existing bank loans from the LIBOR rate of interest to the SONIA rate of interest plus a Credit Adjustment Spread. (LIBOR ended on 31st December 2021.) Amending agreements in respect of both loans were finalised in Autumn 2021.
- ❖ The Board approved the **2022/23 Treasury Strategy** in March 2022, and the second part of the additional funding process (i.e. additional revolving credit funding) started. The Treasury Task and Finish group met to discuss the process in the early summer and the July 2022 Board approved net additional revolving credit (RCF) funding of £30m. Once all work has concluded, Adra will have total borrowing facilities of **£218.8m**.

It should also be noted that Treasury Management was reviewed by Mazars as part of the Internal Audit Programme, and their report to the May 2021 Audit Committee gave “Substantial” assurance, i.e. the highest possible level of assurance. Two housekeeping recommendations were made which have subsequently been implemented.



We believe we fully comply with this standard

Self-Assessment Judgement



We’re performing well, and need to keep going

ASSETS AND LIABILITIES

RS 8: Assets and liabilities are well managed

Adra has an accurate and up to date understanding of its assets and liabilities

Adra maintains an up-to-date record of all of its Assets and Liabilities, whether they are reflected on Adra's Statement of Financial Position (Balance Sheet) in the annual Financial Statements or otherwise. The A&L register provides the reader with sufficient information to gain a good understanding of the organisation's income generating resources but perhaps more importantly it also highlights areas of risk that could affect Adra's ability to achieve its financial objectives. The Register plays a valuable role in both short and long-term business planning.

Evidence and Assurance

- ❖ Adra has a comprehensive Assets and Liabilities Register in place that's updated on a Regular basis.
- ❖ This Assets and Liabilities Register is used to inform the stress testing undertaken ahead of the Board's approval of the Business Plan.
- ❖ Our Assets Management Strategy 2021-2031 (Adra Properties – Your Homes) was reviewed and updated, and approved by the Board in March 2021
- ❖ One of Adra's most significant liabilities is its Loan Portfolio (further details in RS7) and this receives regular attention, e.g. via the quarterly Treasury Management report to the Audit Committee, and via the approval of the annual Treasury Management Strategy by the Board. (Most recent approval – March 2022.)
- ❖ A Treasury Task and Finish Group has been established to advise the Board on significant changes to this Loan Portfolio. This culminated in an additional Private Placement facility of £30m agreed in October 2021, and revised Revolving Credit Facility (RCF) arrangements of £65m (£35m refinancing and £30m additional finance) agreed in July 2022. These new RCF arrangements will be put in place in Autumn 2022.
- ❖ Appropriate advisers are appointed where necessary to ensure that we properly manage our Assets and Liabilities, e.g. Chatham Financial advise us on Treasury matters
- ❖ The Procurement Team continuously update the company-wide contracts register so that there is visibility on these contracts affect Adra's Assets and Liabilities



We believe that we fully comply with this standard.

Maximises the use of assets to achieve its social purpose and the objectives of the organisation

Adra devotes significant time and resource to make sure it maximises its assets to achieve its social purpose. A cornerstone of our 2022-25 Corporate Plan is a priority to Strengthen our Business, whereby we embrace a commercial mindset into that culture so that we can look at new and different ways to bring in income and not be reliant on just the same sources. We'll continue to do this as we move forward - allowing us to reinvest surpluses in the business to improve services, meet our social purpose, and build more affordable homes.

We want to maximise the asset base for the benefit of our customers, and are passionate about pushing boundaries to achieve more, extending our reach to meet the unprecedented demand for housing across all of North Wales. Beneath the Corporate Plan sits three key strategies that combine together to achieve this aim, namely the Asset Management Strategy, the Development Strategy and the Commercial Strategy.

Evidence and Assurance

- ❖ Adra's Development Strategy 2020-25 sets out our ambitions to meet the increasing demand for housing across North Wales for all different tenures. In doing so, it considers the changing national policy and funding context, especially the increased expectation to increase the supply of affordable homes, limited future grant availability and increasing competition for funding allocation. The creation of our development subsidiary (Medra Cyfyngedig) has the explicit aims of generating surpluses to be re-invested back in the parent company to meet our social goals. The Development Strategy contains the target of providing an additional 1,400 homes over the period 2020-25. This will mean that Adra will be managing over 7,500 homes by 2025.
- ❖ A Commercial Strategy was launched in 2021 with a view of developing additional surpluses to re-invest in activities that will help Adra to meet its social responsibilities and continue to provide additional services of quality to our customer base. Creating additional surplus will strengthen and support us to deliver our core function as a social landlord with this strategy seen as leading the way in getting the balance right between having a social heart and a commercial head.
- ❖ The Commercial Strategy has four key thematic areas including: 1) Efficiencies and Minimised Financial Leakage 2) Commercialisation of Core Services 3) New Developments 4) Growth through non-core services.
- ❖ As part of our Asset Management Strategy, Adra has developed an **Asset Performance Model (APM)** to assess and understand our assets and liabilities. A subgroup of officers namely 'The Active Asset Management Group (AAMG)' meets regularly to consider individual Asset Investment Appraisal (AIA) data. Options for poorly performing properties are dealt with in accordance with the Scheme of Delegation for ratification. There are two elements to the model:
 - **Financial** - Net Present Value (NPV) of the property over 30 years based on the Capital / Revenue cost in order to maintain the asset versus the rental income generated.
 - **Demand and Sustainability (D&S)** - this is a score for the property based on five criteria, namely: Void Frequency / SAP score / Property Age / Demand / Index of Multiple Deprivation (IMD)
- ❖ The APM data is reviewed on an annual basis and assists in strategic planning, ensuring maintenance and investment works are more targeted. It also helps ensure more informed conclusions about the long-term sustainability and cost viability of our properties. Surplus made from the disposal of unviable properties are re-invested in modern new-build properties in areas of high demand for housing.
- ❖ A new Corporate Plan (for the period 2022-25) was launched last Spring, and it contains 5 priority areas. A number of these relate to making the best use of our Assets, e.g. Priority Area 2 "Providing Quality Homes to be Proud of" and Priority Area 3 "Decarbonising Our Homes"



We believe that we fully comply with this standard.

Uses accurate information about assets and liabilities to inform strategic and financial decisions

The Board and Executive base their strategic and financial decisions on assets and liabilities on a range of data and information gathered across all parts of the business. Adra has robust systems in place to monitor its stock condition with data collated as business intelligence for informed decision-making.

Evidence and Assurance

- ❖ The Keystone Asset Management Database (KAM) provides for planned maintenance, component accounting, asbestos register etc. To ensure KAM is kept current, Adra aims to undertake a 20% survey of the stock annually ensuring that all properties are reviewed once every 5 years. This information also feeds in to Adra's Asset Performance Model (APM)
- ❖ During the year, Adra's Property Surveying capability has been enhanced in order to meet the objectives of the Asset Management Strategy. The scope of work for Property Surveyors has been enhanced to include formal Stock Condition Surveys (SCS) on Garages, Shops, and Related Assets. This will better inform our KAM and facilitate Adra's future business decision making.
- ❖ Adra has been an active participant in the Welsh Government's "Optimised Retrofit Programme" and has secured funding totalling over £1.4m to date. We are also confident that further funding will be secured. This ORP pilot is making a tangible difference to the energy efficiency of our homes and is part of the first few important steps in our decarbonisation journey, for example, Adra has upskilled eight Property Surveyors so that they can conduct **Whole Home Surveys (WHS)** on our stock. This is in collaboration with Sero who are leading on ORP. Conducting WHS forms a critical part in informing our decarbonisation related Investment Planning on the journey towards meeting WG's aim of zero carbon.
- ❖ Assets have been working closely with the New Development Team in order to ensure that the data held within KAM meets with the requirements of new properties. To this end, a bespoke stock condition survey template has been developed that incorporates the component / equipment installs e.g. White Goods across all different tenure types. These surveys will be conducted by the New Development Team and will form part of the data load in to Adra's Asset Management Systems prior to occupying the properties.
- ❖ In order to further validate the asset stock condition data, Adra has been conducting formal documented reviews of the data held within KAM. The Assets Team has sought to ensure that the review process is as efficient as possible and has worked closely with the IT Department in order to develop an automated process on a dynamic platform within Power BI. The Power BI environment provides the Asset Team with a far more efficient process for conducting these reviews.



We believe that we fully comply with this standard.

Self-Assessment Judgement



Overall for this thematic area, our self-evaluation concluded that we're performing well, but have identified some additional improvements to get even better

RS 9: Adra provides high quality accommodation

Ensures publicly funded homes meet all applicable standards, rules and statutory guidance issued in connection with quality of accommodation, including the current Welsh Housing Quality Standard

A key priority of Adra's Corporate Plan 2022-23 is to provide quality homes to be proud of; for existing and new customers. Adra is passionate about being considered as a leading provider of quality homes which are affordable, safe and well maintained. We ensure all of our homes meet the required standards for all tenures, and continue to invest to ensure they meet with WHQS Compliance standards.

We want to be part of the solution to the housing crisis by meeting the demand for more housing - creating and providing high quality, safe and affordable homes that people can be proud of. Over the next three years we are committed to investing in our current homes so that their quality is comparable with those of our new build properties. We'll aim to achieve all of this by complying with the new Welsh Housing Quality Standard and improving the energy efficiency of our current homes

Further, Adra is passionate about playing its part in addressing the climate change challenge and this is reflected on our Corporate Plan by having it's own priority theme within it. We recognise as a business that we need to take action to reduce carbon emissions wherever, and a business we know that most of our carbon emissions are emitted from our homes. Over the next three years our Asset Management Strategy will focus on improving the energy efficiency of our homes and, where possible, install new green technologies as standard. To do this we will also increase our use of sustainable materials, particularly in our repairs and maintenance schemes, to further reduce our impact on the environment.

As a provider of quality homes, the safety of our customers is of the utmost priority and we ensure that we meet our regulatory and compliance obligations and manage all associated risks. We devote significant time and resources to help ensure that our homes are safe for our residents, and have an in-house Health, Safety and Environmental team to oversee and co-ordinate activity in this key area (see further information in RS3A on this topic).

Evidence and Assurance

- ❖ Adra launched its new Asset Management Strategy (AMS) in 2021 with a view of meeting its Corporate objective of becoming a "leading provider of quality homes". The new strategy will cover all forms of tenures that Adra are involved in including social, intermediate, private market rent, rent to own and shared ownership tenures. The AMS is an all-encompassing document that will provide a clear steer on the management of capital investment works, Responsive Maintenance, Void Properties, Compliance, Adaptations, Disposals, Shops, Garages, Leaseholders and land related assets.
- ❖ The Asset Management Strategy is supplemented by a series of thematic Technical Advice Notes (TAN) which will support the delivery and management of the strategy. The TANs will expand on the detail of the strategy in respect of the following themes: 1) Homes and Services Guidance 2) Compliance Services Guidance 3) Performance Standards Guidance 4) Commercial Land and Facilities Service Guidance 5) Assets Disposal Guidance
- ❖ In terms of existing stock, Adra continues to invest in our homes ensuring all properties still meet with WHQS Compliance. Adra's current detailed investment plan provides a financial commitment to invest in over £250m of Planned Maintenance (Capital) improvements over the next 30 years. These works will include, for example: Kitchen and Bathroom renewals, Electrical works, Windows and Doors, Roofing, External wall rendering and Wall Insulation.

- ❖ Welsh Government have recently announced that the WHQS 2.0 guidance will be available for consultation in 2022 with the ambition of going live in 2023. Adra will attend future consultation events that will help influence the final version of the WHQS 2.0 standards.
- ❖ Adra develop new homes mainly utilising Welsh Government's Social Housing Grant. These homes will meet the requirement of DQR and the new WDQR, as well as the requirements of Lifetime Homes and building regulations.
- ❖ Adra has a team of experienced Inspectors to monitor the quality of work on site. Our Inspectors work closely with the Contractors and Designers to ensure specifications and workmanship are to standard.
- ❖ **Development Strategy** - during 2021, Adra reached the milestone of completing the 505th new build property, and approved the revised Development Strategy which will see the Group building 1400 new affordable homes by 2025. This target will be achieved by building across the North Wales region, working with local authorities to provide a variety of affordable housing tenures in the areas of need.
- ❖ **Decarbonisation** has been high on the agenda during the year with the recent launch of the Carbon Footprint and Decarbonisation Strategy which will provide strategic direction to enable Adra to meet Welsh Government's ambitious decarbonisation targets. Our ambition remains to provide our customers with quality, low carbon, energy efficient homes and be net zero by 2030. Further details can be found in Adra's Asset Management and Decarbonisation Strategy.
- ❖ Adra has committed to ensure that all new build developments will reach EPC A or near zero carbon. Similar to many RSL's, Adra is still on this journey but has already completed a few EPC A schemes with a couple of near zero carbon schemes now on site.
- ❖ Adra participated in Welsh Government funded schemes such as *Optimised Retrofit Programme (ORP)*. to test new approaches to decarbonising Welsh homes. This includes consideration of the fabric or materials our homes are made from; the way we heat and store energy in our homes and the way energy is supplied to our homes.
- ❖ Gwynedd Net Zero project – Adra was successful in drawing down £589,203 from the WG Local Regeneration Fund. Coupled with our own match funding of £195,000, the total project cost amounted to £784,203. This is a partnership project led by Adra, and aims to create the right conditions to work collaboratively to plan for the housing stock decarbonisation programme, making sure that the local spin-offs are maximised within the circular economy. Partner organisations include Grŵp Llandrillo Menai /CIST, Grŵp Cynefin, Datblygiadau Egni Gwledig, a nifer o grwpiau cymunedol fel Partneriaeth Ogwen a'r Dref Werdd.
- ❖ Our new homes are not just affordable homes, they are completed to a very high quality, using modern methods of construction, and are completed by working with local contractors to minimise our carbon footprint. One of our recent developments, Plas Farrar in Bangor Gwynedd (block of 38 mixed tenure flats), included a photovoltaic panel system to power lighting within all communal area thus improving the energy efficiency of the building whilst reducing the service charge on customers.
- ❖ To ensure our homes are kept safe, we undertake regular safety checks which complies to current legislation, standards and best practice. Over a typical year we undertake over 20,000 safety checks and servicing. To ensure that these safety checks are completed within timescales highlighted in legislation/regulation/best practices, we report every month by using a Key Performance Indicator suit agreed with our Board. This is reviewed and challenged every quarter by a sub-committee of the Board.

- ❖ Medra Cygyngedig – our commercial subsidiary has two schemes planned to commence on site during 2022. Due to the unprecedented increase in material costs in the construction industry, a future pipeline is difficult to source as viabilities of schemes are under threat, nevertheless, we hope that these Medra schemes can help meet the increasing demand in the private market with benefits coming back to the Adra Group and its stakeholders.
- ❖ Adra is part of the Energy Wardens scheme and our wardens give impartial energy saving advice to our residents. During the year, a total of 616 residents were assisted leading to cost savings amounting to £77,000 on their energy bills.
- ❖ Resident satisfaction with overall quality of your home is 78% and Satisfaction for thinking specifically about the building you live in, how satisfied or dissatisfied are you that Adra provides a home that is safe and secure is 92%



We believe that we fully comply with this standard.

Self-Assessment Judgement



We're performing well, but have identified some additional improvements to get even better

APPENDIX B – 2021/22 YEAR END KEY PERFORMANCE INDICATORS SUMMARY

	Indicator	Past Performance (previous 3 years)			Target 2021/22	Performance 2021/22
		Performance 2018/19	Performance 2019/20	Performance 2020/21		
Tenant Satisfaction	KPI: % of our tenants that are satisfied or very satisfied that their rent provides value for money	87%	85%	84%	89%	86.3%
	KPI: % of our tenants that are satisfied or very satisfied with our overall service	80%	81%	83%	90%	80.7%
	KPI: % of our tenants that are satisfied or very satisfied with how we deal with repairs and maintenance	79%	82%	81%	90%	79%
	KPI: % of our tenants that are satisfied or very satisfied that we listen to them and act on their views	82%	83%	80%	85%	80%
	KPI: % of our tenants that believe we a trustworthy or very trustworthy	87%	87%	90%	90%	90.3%
	KPI: % of our tenants that are satisfied or very satisfied with the quality of their home	82%	81%	81%	87%	77.6%
	KPI -% of our tenants that are satisfied or very satisfied with their neighbourhoods	89%	84%	86%	90%	85.9%
	KPI -% of our tenants that are satisfied or very satisfied with the way we deal with anti-social behaviour (ASB)	79%	74%	75%	80%	76.2%
Health and Safety	KPI - Overall compliance with landlord health and safety requirements for the 'big six' (heating certificates, competition of fire risk assessments, water hygiene, electrical testing, asbestos review, and safety testing of lifts)	New KPI	98.57%	99.79%	100%	98.22%
Governance and Finance	KPI - Welsh Government Judgement of our financial viability	Standard	Standard	Standard	Standard	Standard
	KPI -Welsh Government Judgement of our Governance and Services	Standard	Standard	Standard	Standard	Standard
Assets Management	KPI: % of stock compliant with Welsh Housing Quality Standard (WHQS)	100%	100%	100%	100%	100%
	KPI: Average time taken to renovate and re-let vacant homes	68.5 days	57.4 days	107.1 days	n/a	80 days

	Indicator	Past Performance (previous 3 years)			Target 2021/22	Performance 2021/22
		Performance 2018/19	Performance 2019/20	Performance 2020/21		
	KPI: Loss from empty properties and uncollected rent as a % of rental income	-	2.23%	4.33%	n/a	3.49%
Growth	KPI: Number of new homes constructed (performance for 2018/19 includes acquisitions)	44	78	170	500**	502

* Average annual performance provided where relevant.

** Target is total three year target 2019 – 2022 with the 'annual average' column showing cumulative total 2019 – 2022 year to date