

Annual Report and Accounts 2023

Adra

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A word from the Chairman of Adra's Board – Hywel Eifion Jones

I'm delighted to be sharing our Annual Report for 2022/2023.

This has been yet another productive year where we have seen growth in our organisation.

It is an honour to chair an organisation that is forward-thinking, ambitious and with a clear direction of where it wants to be - at the heart of our communities. We also want to put tenants at the heart of everything that we do and the corporate priorities are all about improving the quality of life for tenants and communities.

In the past year, we have relaunched our tenant participation framework called 'Your Voice', to strengthen the way in which we involve tenants in Adra's work and we want to continue working with tenants to improve our services.

The past 12 months have been extremely busy for Adra and this report illustrates the good work taking place across the whole organisation.

We have continued to invest in improving the quality of our existing homes and have progressed with our ambitious development programme across large parts of North Wales.

Something which we are proud of is the on-going development of Tŷ Gwyrddfai, a pioneering decarbonisation hub that will help improve the local economy, create training opportunities for young people (as well as our own staff) and contribute significantly towards the efforts to decarbonise our homes. More on page 8.

The last twelve months have been challenging for tenants. The Cost of Living crisis has had an impact on our tenants and we continue to support tenants through dedicated outreach work, dedicated partnerships to help people financially and lots of support, advice and information networks.

There have also been some tough times for some of our contractors who have struggled financially and there has been an increasing spotlight on the housing industry and housing associations nationwide to ensure their homes are in good condition. We have responded positively to these challenges by reviewing and updating our plans and approaches.

The main driver behind all of our work is the Corporate Plan, which was adopted in 2022 and has set out clear priorities for Adra:

- Providing an excellent customer experience
- Providing better homes we can be proud of
- Decarbonising our homes
- Supporting people and communities to prosper
- Strengthening our business

We have made great strides in our work during 2022/2023- this report highlights some of the achievements we have made against these priorities.

I look forward to working with the Board and the Executive Team to progress with our priority areas of work. We cannot do it alone. We have a dedicated team of staff working in all kinds of roles to support us in our work and we have a range of partners we work closely with every single day of the year. This next year will see us forging new partnerships and strengthening our links with local communities.

We want to make a real difference and put people at the heart of everything that we do.





Priority 1: Providing an excellent customer experience

Customer Satisfaction

Our customers have always been at the heart of what we do – it is why we are here and why we will always look at ways to improve the customer experience.

We know that we need to do more so that we meet the expectations of all our customers. Our ethos will be to listen, understand and act on what our customers are telling us.

To this end, we launched Your Voice to provide a framework to how we improve the customer experience. One of our core values is that we are trusted as an organisation and this new way of working provides a flexible and inclusive model for engaging with our tenants.

Customer feedback:



90% tenants satisfied with our front facing services



82% tenants satisfied that they have the opportunity to participate in decision making



73% tenants satisfied that we listen and act on their views



78% tenants satisfied that we give them a say in how services are managed



88% tenants satisfied that we are trustworthy



In 2022/23 we continued with the recognised Customer Services Excellence status and received praise from assessors for going above and beyond for customers.

Priority 2: Providing quality homes to be proud of

Creating safe, quality homes

We provide homes that people can feel proud of, for both existing and new customers. A safe and secure home is the foundation for a fulfilling life. At Adra we believe that everybody has the right to have a roof above their heads and we can make that a reality.

As the largest housing association in North Wales, we are here for the long term. We want to make sure that we meet our regulatory and compliance obligations and manage all associated risks. We make sure that our homes are safe by assessing their compliance against the recognised 'Big 6' health and safety areas: legionella, gas safety, electrical safety, lift safety, asbestos and fire safety.

By 2025 we will have developed over **750** new homes and invested over **£60m** in our current stock. We have committed to making sure that our development activity includes new homes across all tenure types, with around **70%** affordable tenures and around **30%** market rent or sale.

During 2022/23 we carried out:

- Over **6,000** heating system compliance checks
- **14,000** fire safety checks and services
- **1,200** electrical condition repairs completed
- Over **220** fire risk assessments completed

Our performance:

- **98.96%** compliance with the Big 6 health and safety areas
- **100%** of fire risk assessments were carried out on time
- **99.13%** of homes had a valid heating certificate
- **100%** of homes were compliant with the Welsh Housing Quality Standard

In the last year we invested **£44 million**, completing 119 new homes: 35 in Gwynedd; 50 in Conwy; 2 in Denbighshire; 20 in Wrexham and 11 in Flintshire. All new build homes have an Energy Performance Certificate rating of B or above which means that these properties are cheaper to run for our tenants.

We continued to invest in our existing stock of properties. **£12.1m** was spent on upgrading our existing properties and **494** homes received improvement works. Works included external work such as paths and fencing, internal work such as renewing kitchens, bathrooms and rewiring and external efficiency work – wall insulation, new UPVC windows and doors and new roofs.

We understand how important the housing we provide is for our tenants, and for us. We want to continue to invest and spend on our existing homes.

- We dealt with **19,281** repair request jobs – **94%** right the first time
- We reduced number of 'no access' repair jobs by **29%**



Priority 3:

Decarbonising our homes

The climate change challenge means we all need to take action to reduce carbon emissions wherever and whenever we can. As a business we know that most (over 90%) of our carbon emissions are emitted from our homes.

Our Asset Management Strategy focuses on improving the energy efficiency of our homes and, where possible, the installation of new green technologies as standard.

Work has been carried out on Tŷ Gwyrddfai, the new decarbonisation hub in Penygroes.

Adra is leading on the refurbishment of the former Northwood tissue factory which closed four years ago with the loss of nearly 100 manufacturing jobs.

The development is a collaborative project between Adra, Grŵp Llandrillo Menai and Bangor University and will transform the site into a decarbonisation hub that will ensure that North West Wales will be at the forefront of the decarbonisation agenda, working with communities and businesses to retrofit over **18,000** homes over the next 10 years.

We were delighted to open phase one of the development in 2022/23, with offices renovated to act as a base for Tîm Trwsio, our in-house contractors.

We continued to invest and improve the energy efficiency of our existing homes in 2022/2023. Highlights include:

- **12,416m²** of external wall insulation installed
- **1,240** double glazed windows installed
- **160** energy efficient boilers installed
- **118** new homes with an EPC B or above
- **50%** of staff given carbon literacy training
- **151** homes have received energy efficient works



Priority 4:

Supporting people and communities to thrive

Our social purpose means that as well as providing people with a quality home, we also look at how we can support people to find and take opportunities to improve their lives. We pride ourselves on the support we give to our customers and recognise that because of the cost of living crisis, this support could be more important than ever.

Reducing the impact of fuel poverty has been a major challenge for us. We want to support our customers who are impacted by poverty, an issue that is becoming more prominent with increasing inflation, interest rates, fuel costs and energy bills.

As part of the support package, we provided an energy warden service to our tenants, where advice is given on how to reduce energy use, how to switch to better tariffs and how to use their heating systems effectively. The wardens also provide support to apply for grants and benefits, eg Warm Home Discount, Winter Fuel Discount, DAF grants and Welsh Water discounts to maximise the household income.

At a glance:

- **229** customers received energy and advice through the wardens
- **504** Warm Homes Discount Grant claims were submitted, **£85,669** in support and savings generated for customers through targeted support
- **£100,000** Wales and West Utilities Grant received to employ two energy wardens.

Financial Inclusion

In reaction to the current cost of living crisis, Adra set up the Gwynedd Cost of Living Crisis Group which included a number of key partners, including Cyngor Gwynedd, Grŵp Cynefin, North Wales Housing, Citizens Advice Gwynedd, Department for Work and Pensions and the Money and Pensions Advice Service.

We also held a staff workshop with the Bevan Foundation to identify our key priorities within the area of poverty for the year to come.

To further support our tenants, we created a new Financial Well-being Co-ordinator role, whose role is to provide advice and information on money matters.

We also worked with partners across North Wales on the Warm Spaces initiative, to provide warm, safe spaces for people who were struggling to cope with rising energy costs last winter.



Prosiect Sero Net Gwynedd

Our commitment to reducing our environmental impact has been recognised nationally, as demonstrated by our Sero Net Gwynedd Project winning a category at the Northern Housing Awards.

The project's aim was to establish a way to meet and manage the decarbonisation challenges of Gwynedd's housing stock. Working with several key partners and community groups we focussed on raising awareness of energy conservation within communities, demonstrating the benefits of green technologies, strengthening supply chains through targeted training and support the establishment of Tŷ Gwyrddfai.

Adra led on the project, working closely with Datblygiadau Egni Gwledig, Partneriaeth Ogwen, Grŵp Cynefin and Grŵp Llandrillo Menai.

At a glance:

- **11** new jobs were created, with **10** people being registered for new qualifications.
- We engaged with over **2,000** homes in Gwynedd on how to save energy.
- **116** energy audits in homes were carried out.
- Over **100** local companies engaged with the project, with **47** benefiting from new training provision to improve skills and knowledge in the decarbonisation field.
- **5** community hubs have benefitted from moderate investment in new technology to reduce carbon emissions such as solar panels and double glazing.

Academi Adra

Academi
Adra

Supporting our customers into training or employment has been the focus for Academi Adra over the past 12 months. Our goal is to support 500 people into employment and training between 2022 and 2025.

134 people were supported into employment or training in 2022/23.

- **80** of those were supported through targeted recruitment and training through our contracts
- **43** received vocational training through Academi Adra
- **8** were supported with apprenticeships and traineeships within Adra and we appointed **3** of our tenants into work. Currently there are **24** tenants directly employed by Adra



Mental health support

We also had agreements in place with 3 community mental health hubs in Gwynedd: at Tan y Maen (Blaenau Ffestiniog); Abbey Road, Bangor and Felin Fach, Pwllheli. **70** referrals were made for support over the past 12 months.

Partnership working

We want all our tenants to live in a safe and pleasant environment. We work in partnership with our tenants, police and local councils, as well as many other organisations to tackle anti-social behaviour, resolve issues and improve the quality of life for our tenants and residents.

In 2022/2023, we dealt with **607** anti-social behaviour cases and **90%** of our tenants said they felt safe or very safe in their neighbourhoods.

We worked on a number of projects during the past year, including Prosiect Carn where Adra worked with partners to refresh a mural at Llwybr y Plas in Caernarfon. The aim was to help young people take pride in their local area, as this path had a history of criminal activity.

Adra worked in partnership with the Tir Allotment and Orchard group in Dyffryn Ardudwy to create community gardens within the local allotments. Adra provided the group with a piece of unused land and over **30** separate allotments have now been set up by the group - with all the work done by volunteers.



We also worked on a project called Not Just for Boys, to encourage females, as well as other under-represented groups to apply for jobs with us. An event was held at Ysgol Dyffryn Nantlle, Penygroes where 65 girls were given a taster on working in the housing and construction sectors.



Priority 5: Strengthening our business

We are a dynamic business with a strong and healthy workplace culture. Against a backdrop of significant economic turbulence, we have worked hard to 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 the same sources. We will continue to do this as we move forward – allowing us to reinvest surpluses into the business to improve services, meet our social purpose and build more affordable homes.

By 2025: We will have produced a surplus of **£600k** through new commercial activities.

This year, we have:

- Introduced the 'Thrive' system to help us measure the social value and impact of our activities
- Approved a Value for Money strategy to ensure all money spent delivers efficient, quality outcomes
- The Staff Satisfaction Survey carried out during the year showed that **95%** of staff were happy with Adra as an employer. This is higher than the **90%** target included in the Corporate Plan
- We reviewed our portfolio of offices and closed our bases in Caernarfon and Porthmadog, whilst opening offices in Pwllheli and Tŷ Gwyrddfai, Penygroes. This was done to provide best value for money, to work closely with our main partners and in the Pwllheli example to provide a better presence for our customers in the Dwyfor area
- Prosiect Perthyn, the initiative to promote equality, diversity and inclusion continues to go from strength to strength, to ensure that Adra deals with its customers and staff with respect through the delivery of the Strategic Equalities Plan
- We continue to receive accreditation to international quality standards, ISO 90001, ISO14001, ISO 45003
- **£166k** operating surplus generated through commercial activity



Welsh Language

Adra has a Welsh Language scheme in place with the core principle of ensuring that we treat the English and Welsh languages equally.

At the end of 2022/2023, **92%** of Adra's staff could speak Welsh and we train and encourage non-Welsh speaking staff to learn the language to ensure that the bilingual principle is used within every service we provide.

Our activity included vocational taster courses for staff, a language fair at Ysgol Dyffryn Nantlle, a roadshow to five North Wales schools with the 1Miliwn project, a Welsh taster session at Llys Dewi Sant (Bangor) and St David's Day Celebrations at Maes Padarn.



Cymru Materials Framework

In 2022/2023, we launched a new national framework to deliver a one stop shop for materials with Travis Perkins Managed Services. Six members joined the framework, which is managed by Adra, including ydi Isle of Anglesey County Council, Cartrefi Conwy, ClwydAlyn, Grŵp Cynefin and Tai Calon, with the framework being open to all housing associations, local authorities, and wider public sector bodies in Wales. Travis Perkins Managed Services won the service provider tender and has committed dedicated branches for framework members across Wales, supplying materials.

As part of this innovative partnership, members of the Cymru Materials Framework will drive social value, with Travis Perkins committing **1.5%** of the framework's total spend into a community investment fund to support local initiatives, including offering trainee and apprenticeship opportunities.



Social Value

As a business, we are now two years into our social value journey. A Social Value Co-ordinator is in place to mainstream social value across the organisation and embed it into everything that we do. Our aim is to continue that journey and improve the way we capture the added benefit that our activities create for our tenants and partners, year on year.

Our total social value in 2022/2023 was **£5,751,074**. See below a breakdown of our social value activity in numbers.

People	Communities	Homes	Environment
134 people supported into employment and training	£16,916 of grants given to local community groups	93% satisfied with the way we repair and maintain their homes	151 of our homes received energy efficiency work
£724,000 invested on adaptations within our homes	52% of our suppliers based in North Wales	118 new homes built	9 green spaces developed
419 victims of anti-social behaviour and domestic abuse supported	£208,166 of social value generated through contracts with our sub-contractors	£12.1m invested in major works and improvements to properties	3 electric charging points installed for staff vehicles
81 people supported via our Tenancy Support service	90% of our tenants feel safe or very safe in their communities	19,281 repair requests completed in our homes	10% of our fleet fully electric or hybrid



Corporate Governance

Our Board Members set our priorities and strategic direction so that we remain solvent, well-run, and deliver results in accordance with the society's purpose. We have a non-executive Board with a flexible size of between 9 and 12 Members (not including Co-opted Members). Our Rules provide that two of the Board Members are to be Tenant Members, and up to 24% are nominated by the Local Authority. The rest are Independent Board Members.

The Board may also appoint up to three Co-opted Members. There are important responsibilities associated with being a member of the Board. We carry out annual appraisals of our Board Members – offering training and support where needed.

Our Board presently has a wide range of professional and commercial expertise and local knowledge. We undertake collective Board skills appraisals, and succession planning.

Our Board is supported by two Committees: Audit & Assurance, and Customer & Assets. These have delegated powers to make

decisions and scrutinise specific issues. There is an Appointment, Remuneration, & Disciplinary Panel of the Board which meets as necessary. We are fully committed to achieving good governance and complying with the Community Housing Cymru Code of Governance.

The Board's remuneration levels are set in accordance with the 'Board Remuneration Policy'. As with all Registered Social Landlords in Wales, the Welsh Government assesses us through an on-going co-regulatory relationship between the Regulator and the society. The Welsh Government gives a Regulatory Judgement – the purpose of the judgement is to give the Association, our customers, and other stakeholders an understanding of our performance in terms of Governance & Service Delivery, and Financial Management.

Following our Regulatory Judgement in October 2022, Adra retained the highest rating of 'Compliant – Green' for Governance & Service Delivery, and Financial Viability.

Our Board Members during 2022/23

Tenants		
Lynn Rowlands (retired December 2022)	Sharyn Williams	
Independent		
Hywel Eifion Jones	Berwyn Parry Jones (retired July 2022)	
Sasha Davies	Cai Larsen	
Huw Gareth Pritchard	Dawn Jones (appointed July 2022)	
Robert Lewis	Co-opted Members	
Selwyn Hayward (retired September 2022)	Gwen Crawford	
Mark Jones	Denise Stone	
William Nixon	Dafydd Edwards (appointed September 2022)	

Shareholders

We had **27** Shareholders at the end of 2021/22 2022/23. Shareholders influence decisions at Adra by voting at General Meetings.

Financial Report 2022/2023

2023
£'m

2022
£'m

Income and Expenditure Account

Turnover	42.9	40.1
Operating Surplus	9.2	10.8
Surplus for the Year	5.2	9.8
Interest Payable	-4.1	-3.6

Cash Flow

Net Cash Generated from Operating Activities	23.8	20.4
Net Cash Inflow / (Outflow)	-1.9	-2.7

Balance Sheet

Net Tangible Fixed Assets	299.7	252.4
Net Long Term Loans	-154.0	-139.0
Net Assets	86.0	71.3

Turnover

Rent of Houses, Garages and Other Property	35.2	32.9
Service Charges	0.9	0.9
Welsh Government Grant	4.1	4.1
Other	2.7	2.1
Total	42.9	40.1

Expenditure

Services	2.3	2.2
Management	11.6	9.7
Repairs & Maintenance	10.9	10.0
Improvements to Housing Stock	11.6	8.6
New Developments	44.8	39.4
Interest	4.1	3.6
Housing Depreciation	8.6	6.9
Total	93.9	80.4