

Sustainability Report

2023



Adra

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Introduction

Adra is the largest housing association in North Wales and is very influential in respect of making a significant positive impact on people's lives and the surrounding environment. We own and manage over 7,000 homes across North Wales and know that we can make a significant contribution to the reduction of Welsh carbon emissions whilst developing alternative and sustainable delivery models for the future. We are committed to improving our environmental credentials, strengthening our social impact, and ensuring that we have robust governance processes in place to support sustainability.

Adra became an early adopter of the social housing sector's Sustainability Reporting Standard (SRS) in November 2020, and was one of the first in Wales to do so. Reporting against the standard aligns to one of our core values of being open with our customers, partners, and investors and allows us to report on Environmental, Social and Governance (ESG) performance in a transparent, consistent, and comparable way.

This is our third annual Sustainability Report and re-emphasises our commitment as a company to improving our long-term impact on the environment and aligns well to our business priorities over the coming years. Our 2022/25 Corporate Plan highlights our commitment to reducing the impact that we have on the environment, with one of our main priorities being the decarbonisation of our homes. This will be supported by our ambition to minimise our carbon footprint by seeking alternative delivery models, embracing innovation, and truly demonstrating our green appetite.

Whilst this report allows us to demonstrate to a wider audience of stakeholders and investors, through key metrics and case studies / assessments / analysis the true extent of our social impact and on the wider environment, we also try to demonstrate how our activity places our customers central to all that we do.



UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) adopted by all UN member states in 2015 have become a powerful rallying call and set of common global goals that demand investors (along with governments, business and civil society) to do more to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

Affordable housing is recognised as a universal social good within the SDGs. “Access to adequate, safe and affordable housing” is a core target for SDG 11 Sustainable Cities and Communities. Housing though is not just about “bricks and mortar”. There is strong evidence that good housing contributes to other positive outcomes, particularly in relation to health and wellbeing and improved life chances.

Having a decent, affordable home is an important determinant of people’s health and wellbeing (SDG 3), has a positive knock-on effect on children’s education (SDG 4), can help people into decent work (SDG 8), can contribute to reducing inequalities (SDG 10) and can provide a route out of poverty (SDG 1). Housing’s carbon footprint can also be reduced through the right energy efficiency and construction measures (SDGs 7 and 13).

At Adra we believe that we have a direct or indirect positive impact on 13 of the 17 SDGs.



Well-being of Future Generations (Wales) Act 2015

Whilst the Sustainability Reporting Standard aligns to the UN Sustainable Development Goals, as a Welsh Housing Association we also consider our contribution towards achieving the 7 Well-being Goals identified within the Well-being of Future Generation (Wales) Act 2015. The Well-being of Future Generations (Wales) Act is about improving the social, economic, environmental, and cultural well-being of Wales.

The Act was created with the intention of making the public bodies listed in the Act think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. To ensure that everyone is working towards the same vision, the Act puts in place seven well-being goals. The work we carry out at Adra contributes greatly towards achieving these goals - be that through our decarbonisation activities, to supporting our customers get access to support services, to helping to get people back into employment or training.



A Prosperous Wales

An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.



A Resilient Wales

A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change.



A More Equal Wales

A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic circumstances).



A Healthier Wales

A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.



A Wales of Cohesive Communities

Attractive, safe, viable and well-connected communities.



A Wales of Vibrant Culture and Thriving Welsh Language

A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.



A Globally Responsible Wales

A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

SOCIAL

Having a long term, sustainable and positive impact on communities and the people who live in them has always been a priority for Adra. With over 7,000 properties providing a home that is suitable, safe, and affordable for over 16,000 people, we are in a prominent position to be able to have a positive impact and lifelong influence on the lives and wellbeing of our tenants.

One of our key priorities is to “Support People and Communities to Thrive”, and one way of doing this is by making sure that our tenants have a home that meets their needs today and for the future. Indeed, another of our priorities is to “Provide Quality Homes to be Proud Of” which meets our tenants’ needs in terms of quality, safety and affordability.

The support needed by people in 2022/23 changed from dealing with a global pandemic to dealing with part of its aftermath in the cost-of-living crisis faced by many. Coupled with a turbulent UK economy and a very real housing crisis, the challenges we have faced as a company and a society have been diverse in their nature and shape the way in which we work and interact with each other.

Good housing is seen as key to ensuring good, long-term health and wellbeing of people and to increasing their life chances, with studies showing that households in homes of good quality have lower hospital admissions for cardiovascular, respiratory, and injury emergency problems. Poor quality housing has also been shown to reduce school attendance and knock back educational achievement, while in contrast, good-quality homes can improve education and facilitate learning, and narrowing inequalities in the future. Acknowledging these connections is the key to approaching the question of health on a society-wide scale.

According to the Health Foundation, three critical factors link housing and health:



Quality and condition: relating to non-decent homes and the physical characteristics of homes, such as disrepair (for example, damp is associated with health problems, including respiratory issues); overcrowding and the impact of well-designed accommodation, internal and external space/gardens upon mental health and wellbeing.



Stability and security: relating to the extent to which people have control over how long they live in their homes, and how secure they feel, maintain community connections and a sense of belonging.



Affordability: relating to the financial pressure caused by housing payments – both for housing itself and for utilities and maintenance, and everyday living expenses.

Theme 1: Affordability & Security

This theme addresses the extent to which Adra provides homes that are affordable to people on low incomes. We will look at Adra’s position and performance in many key areas e.g. affordability, different tenure types offered and our efforts in positively impacting on those living in fuel poverty.

We are committed to providing affordable housing for all and helping to reduce the clear housing inequalities that has emerged in society.

The waiting list for affordable housing (to purchase or rent) across North Wales is around 10,000 people. The highest demand is within towns and the most populated areas. Smaller one and two-bedroom houses and flats are desirable for those applicants needing to downsize and for creating sustainable tenancies in our stock. There is historically high demand for three-bedroom family homes in the towns and most populated areas. Meeting this demand whilst ensuring affordability is a key priority.

As well as focusing on providing quality homes that are safe, as a social landlord Adra also provides affordable rents.

£101.04

Average social housing weekly rent in Wales in 2022/23
+3% Increase in comparison to 2021/22

£189.46

Average private sector weekly rent in Wales in 2022/23
+10.9% Increase in comparison to 2021/22

There continued to be a slight increase (1%) in social housing in Wales with 237,395 social housing units (including bedsits and bed spaces) at 31 March 2022, compared with 235,399 in the previous year.

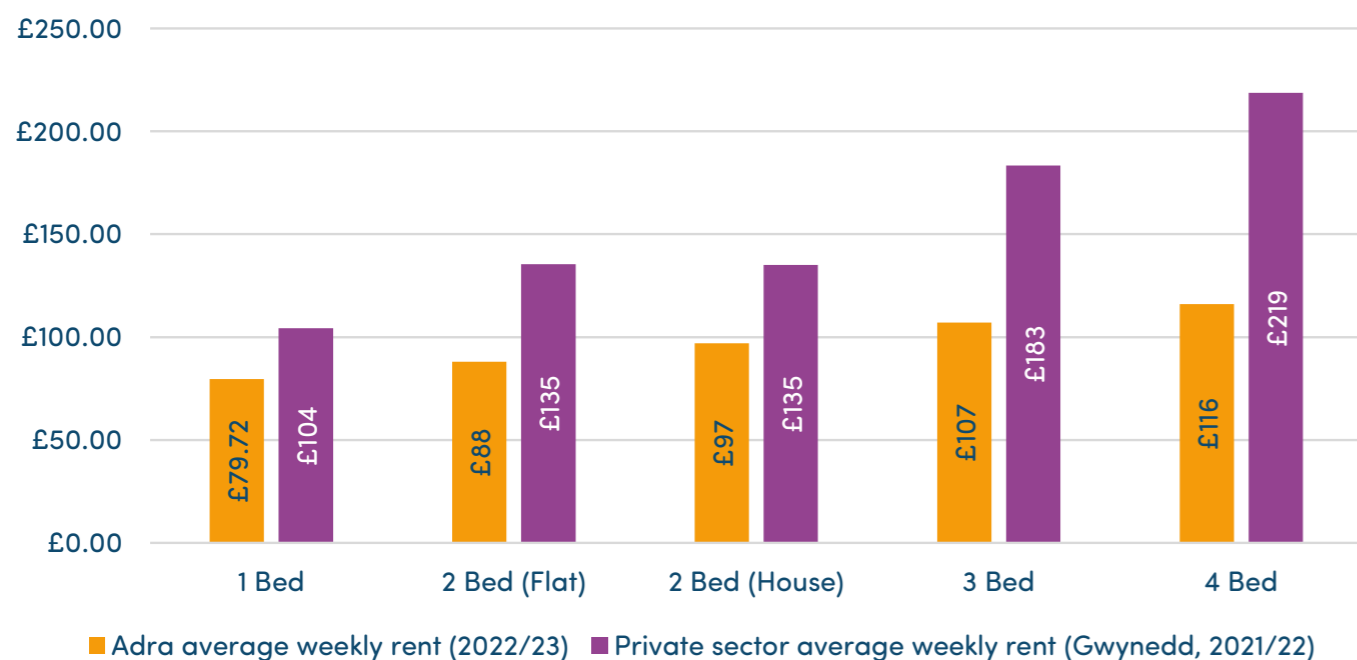
Of these, Registered Social Landlords owned 63% and Local Authorities owned the remaining 37% which was similar to recent years.



Registered Social Landlords social housing units
63% (149,468 units)

Local Authority social housing units
37% (87,927 units)

Adra average weekly rents (2022/23) in comparison to private sector (2021/22)



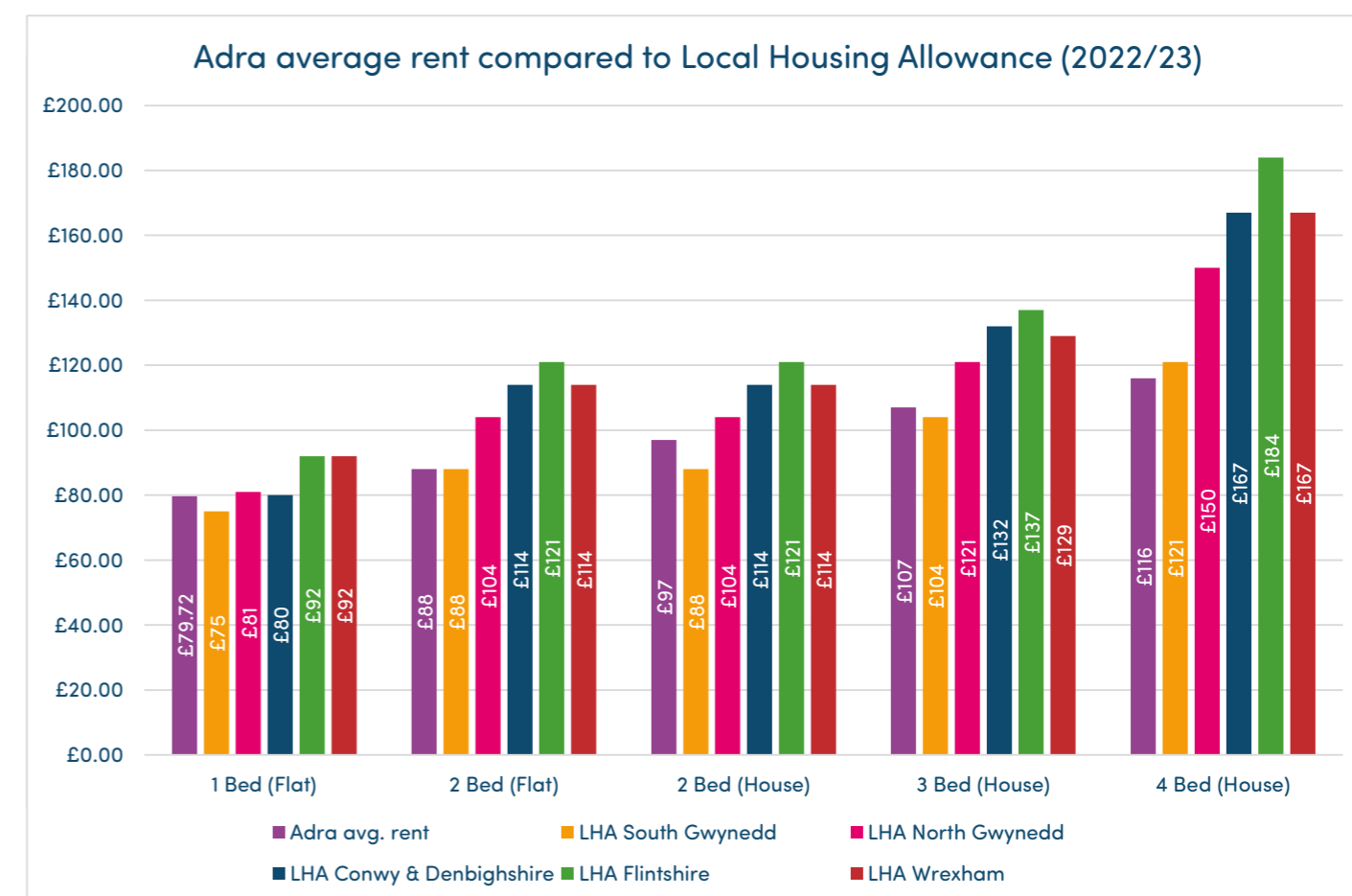
Number of bedrooms	Adra average weekly rent (2022/23)	Private sector avg. weekly rent (Gwynedd, 2021/22)	Difference	
			£	% (private to social)
1 Bed	£79.72	£104	£24.59	-23%
2 Bed (Flat)	£88	£135	£47.46	-35%
2 Bed (House)	£97	£135	£38.00	-28%
3 Bed	£107	£183	£76.46	-42%
4 Bed	£116	£219	£102.77	-47%

84%
of our customers are satisfied that their rent provides value for money.

63%
of our customers are satisfied that their service charge provides value for money.

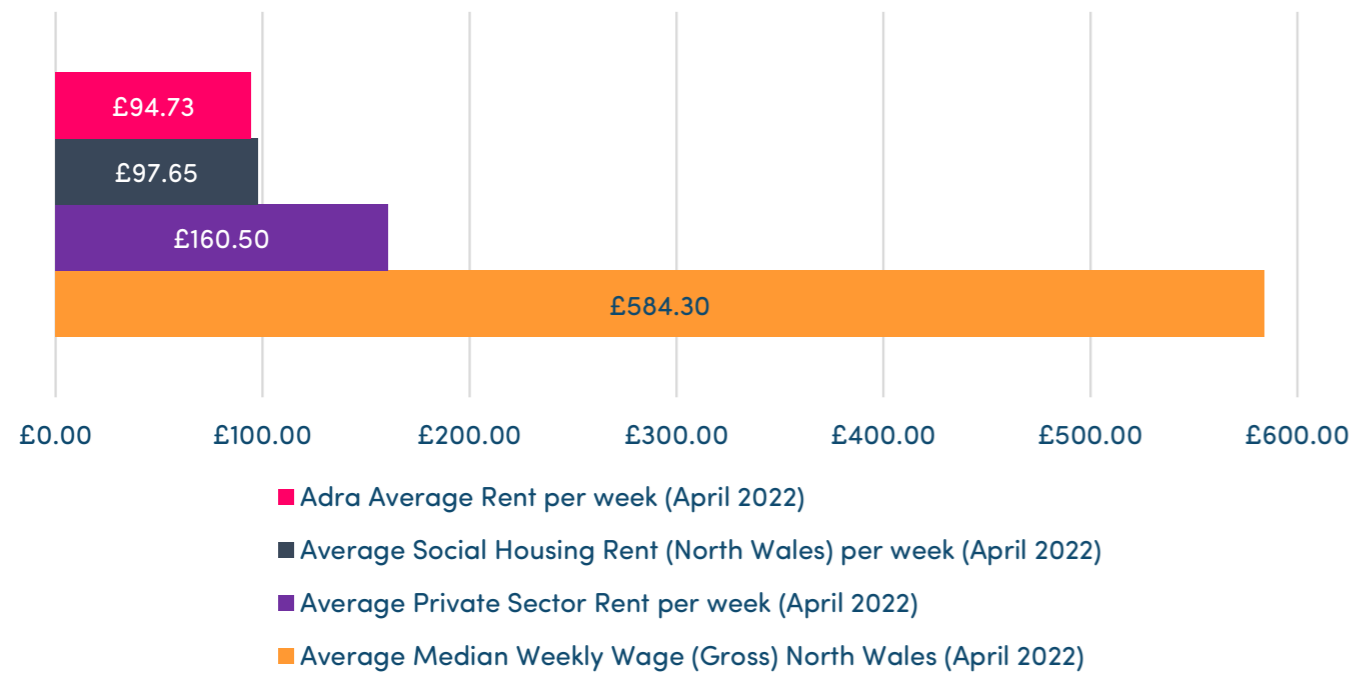
Local Housing Allowance (LHA) rates are used to calculate the amount of Housing Benefit (for the housing element of Universal Credit) that can be paid to tenants. The calculation is based on private market rents being paid by tenants in the Broad Rental Market Area (BRMA) and is limited by legislation.

Whilst we are the largest housing association in North Wales, most of our homes are in Gwynedd (92.4%; 6,314); Conwy (2.8%; 192); Denbighshire (2.8%; 192); Flintshire (0.7%; 50); Wrexham (1.3%; 87). The LHA varies in each of these counties; the table below highlights the difference between Adra average rent to the LHA in the five counties in which we operate across North Wales.



Number of bedrooms	Adra avg. rent	LHA South Gwynedd	LHA North Gwynedd	LHA Conwy & Denbighshire	LHA Flintshire	LHA Wrexham
1 Bed (Flat)	£79.72	£75	£81	£80	£92	£92
2 Bed (Flat)	£88	£88	£104	£114	£121	£114
2 Bed (House)	£97	£88	£104	£114	£121	£114
3 Bed (House)	£107	£104	£121	£132	£137	£129
4 Bed (House)	£116	£121	£150	£167	£184	£167

Adra Average Weekly Rent in comparison to Average Median Wages (North Wales; April 2022)



Providing new homes

Our 2022/25 Corporate Plan sets out our target to develop over 750 new homes during its three-year lifespan, taking our overall stock to over 7,500. We've committed to making sure that our development activity includes new homes across all tenure types. Our development programme takes a balanced approach comprising around 70% affordable tenures (grant funded or section 106) and around 30% market rent or sale. We invested £44m in developing new homes in 2022/23, completing 119 by the end of March 2023, with a further 350 to complete in 2023/24.

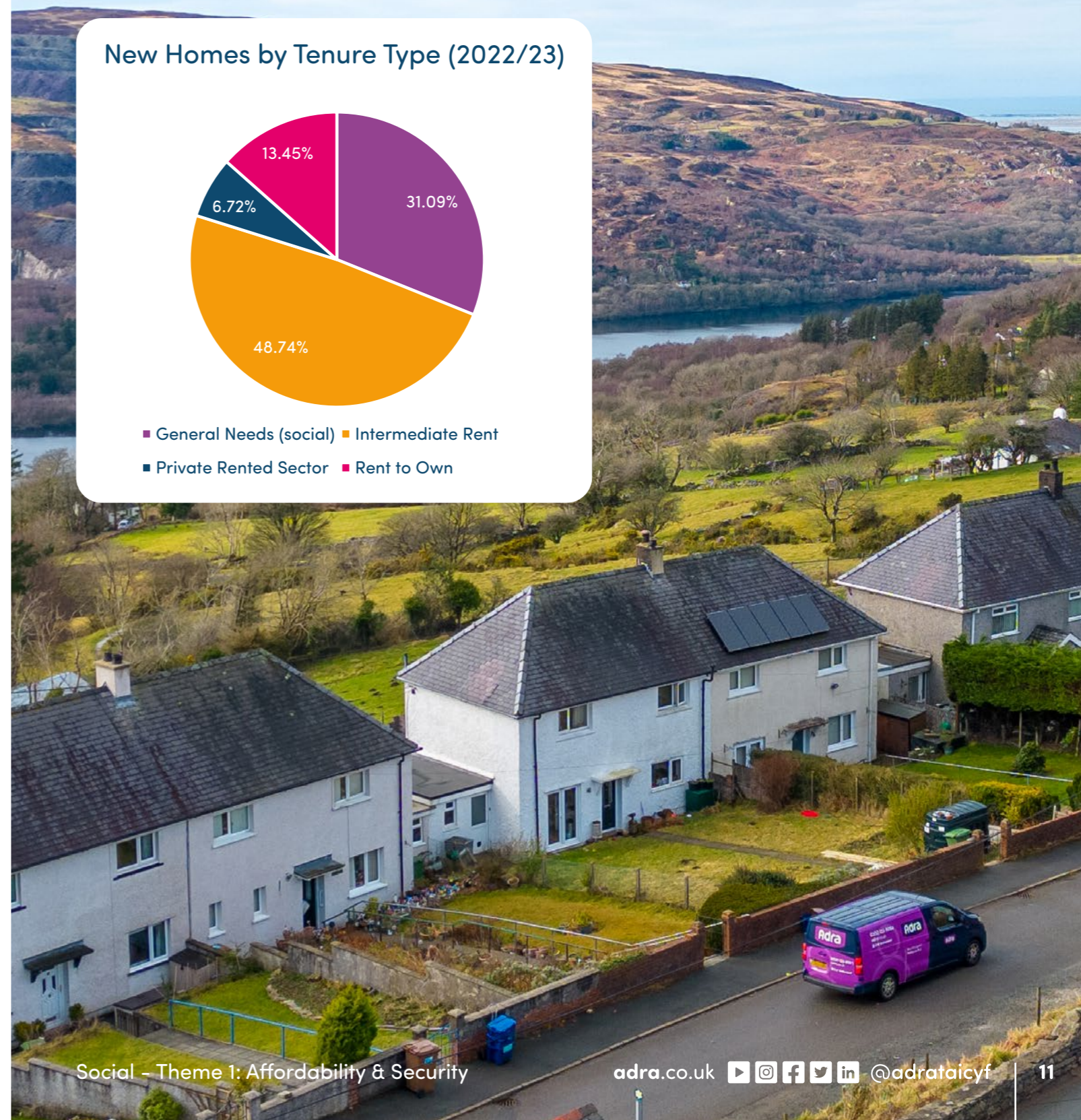
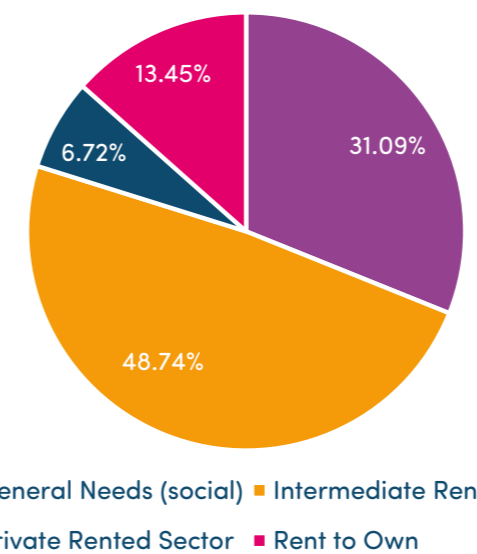
Our new homes are not just affordable homes, they are completed to a high quality, using modern methods of construction, and we work with local contractors to help minimise our carbon footprint.

Our properties offer tenants value for money when average rents are compared to the median weekly wage across North Wales.

Housing Type	Number
General Needs (social)	37
Intermediate Rent	58
Private Rented Sector	8
Rent to Own	16
Total	119

Property Size	Adra average rent (2022/23)	Private sector average rent - Gwynedd (2022/23)
1 bed	£364.00	£452.00
2 bed	£400.00	£587.00
3 bed	£464.00	£795.00
4 bed	£503.00	£948.00
Average	£428.25	£695.50

New Homes by Tenure Type (2022/23)



Reducing the impact of fuel poverty

Almost one in four people in Wales lives in poverty which means they get less than 60% of the average wage. That is about 700,000 of our fellow citizens. That level of relative poverty has remained unchanged for decades.

We want to support our tenants who are impacted by poverty, an issue that is becoming far more prominent due to the cost-of-living crisis faced by many across the UK with increasing inflation, interest rates, fuel costs, and energy bills.

As part of our support package, we provide 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 e.g. Warm Home Discount, Winter Fuel Payments, DAF grants and Welsh Water discounts to maximise the household income.



220
tenants received energy and advice through Energy Wardens



504
Warm Home Discount Grant claims submitted



£100k
Wales and West Utilities Grant received to employ two Energy Wardens



£85,660
in support and savings generated for customer through targeted support



Theme 2: Building Safety and Quality

Keeping our Tenants Safe

As a provider of quality homes, the safety of our tenants is a key priority and so we ensure that we meet our regulatory and compliance obligations and manage all associated risks.

This theme seeks to assess how effective Adra is in at meeting its legal responsibilities to protect tenants and keep buildings safe and identifies three areas of performance to assess - gas safety checks, fire risk assessments and compliance against the Decent Homes Standard. However, as a Welsh landlord, Adra reports compliance against the equivalent standard - the Welsh Housing Quality Standard (WHQS).

We also expand the safety assessments here to include all the 'Big 6' Health and Safety areas i.e. Gas safety, Electrical Safety, Lift Safety, Legionella, Asbestos, and Fire Safety.

In addition to the Health & Safety compliance checks, all our homes are assessed against the Welsh Housing Quality Standard (WHQS) which measures 42 individual elements within seven categories and assesses whether properties:

- are in a good state of repair;
- safe and secure;
- are adequately heated, fuel efficient and well insulated;
- contain up to date kitchens and bathrooms;
- are well managed (for rented housing);
- are in attractive and safe environments;
- as far as possible suit the specific requirement of the household

93%

of tenants are satisfied that Adra provides them with a home that is safe and secure.

£12.1m

spent on upgrading and improving the quality of 494 of our homes during 2022/23.

100%

of homes compliant with the WHQS

100%

of fire risk assessments had been completed on time

99.23%

of homes had a valid electrical safety certificate

98.96%

compliance with the 'Big 6' health and safety areas

99.13%

of homes had a valid heating certificate

Theme 3: Tenants Voice

Listening to our tenants is another key priority and is one of the customer satisfaction performance indicators set by the Welsh Government (housing regulator in Wales).

This theme seeks to assess how effective Adra is at listening and empowering its tenants, and identifies three criteria that cover Board scrutiny, complaint handling and customer satisfaction.

Listening to our tenants and providing them with the level of service they expect is crucial and so is one of Adra's five priority areas in the 2022/25 Corporate Plan; this priority is to Provide and Excellent Customer Experience. Our tenants have always been at the heart of what we do – that is why we are here and why we will always look at ways to improve the experience provided to our tenants. One of our core values is that we are 'trusted': providing an excellent customer experience strengthens this and helps retain the trust our tenants place in us. Our ethos is to listen, understand and act on what our tenants tell us.

2 members of the Adra Board are also customers who make sure that the voice of our tenants is considered as part of all strategic decision making.

Holding Management to Account – “Your Voice”

Listening and acting on the views and feedback of our tenants has always been central to Adra's work. This helps ensure that we meet their needs and that we provide quality homes and excellent customer services.



Through tenant participation, we have received valued feedback and ideas which have helped us to design and improve our services. Who better to provide us with insight than those who are living in our homes and communities and are using our services. To make sure that we continue to engage with our tenants in the best way, we launched our new participation framework in March 2023 – Your Voice. This provides a flexible and inclusive model for tenant engagement.

Tenant Participation in Wales

Tenants are central to the regulation of housing in Wales and the Welsh Government places clear expectations on housing associations to demonstrate that they involve their tenants in helping to shape and influence the services and decisions taken.



Welsh Government have developed a model for tenant involvement – “The Right Stuff”. This model aims to stimulate thinking about what methods should be used to gather tenant feedback for specific circumstances.

As part of Your Voice, we will follow The Right Stuff model when consulting and engaging with our tenants.

Measuring Customer Satisfaction

We want to know how our tenants think we are doing, and so we work with a market research agency to ask over 125 tenants each month about their experience with us. We use this feedback to improve our services, e.g. by doing more of what our tenants say we do well, and by working to improve issues where the satisfaction is lower. We also consult and engage with our tenants on specific policy developments and other activities. We use the feedback to deliver services that work for our tenants.

To reflect our commitment to our tenants we are an accredited Customer Service Excellence body, which includes an assessment of our customer feedback processes.

Through our 2022/25 Corporate Plan we have committed, by 2025 to increase our customers' satisfaction with our services.

No improvement recommendations made by the Ombudsman.

During the year, the Public Services Ombudsman investigated 3 complaints that were made to them relating to Adra. After reviewing all 3 complaints, the Ombudsman accepted Adra's response to these complaints with no recommendations for improvement made. We have reviewed our Complaints Policy to ensure compliance with the Renting Homes (Wales) Act and to ensure alignment with the Ombudsman's Complaints Standard Authority.



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

Theme 4: Resident Support

Adra is in a strong position to support its tenants with improving their life chances.

This theme seeks to assess the effectiveness of our initiatives to support individual tenants and covers the support we provide and how successful it is.

Our 2022/25 Corporate Plan highlights our desire to support our tenants and surrounding communities as key corporate priorities; the plan notes that we want to Support People and Communities to Thrive. Our ultimate target is through targeted activity, to support 5,000 people over the three-year period to improve their quality of life. Some of the key focus areas are to support our tenants to move towards training and / or employment, to promote and improve the health, wellbeing and welfare of our tenants and to create communities where tenants feel proud and safe to live in.

Mental Health

We have service level agreements in place with 3 community mental health hubs in Gwynedd:

- Tan y Maen, Blaenau Ffestiniog
- Abbey Road, Bangor
- Felin Fach, Pwllheli

During 2022/23 **70 referrals** were made for mental health support through the above centres.

Loneliness & Social Isolation

Our befriending service, Aros Adra, is a paid for service that offers support to people in their home and aims to bring people together to socialise, make new friends and get out and about. This supports them in boosting their confidence and reduces the impact of social isolation.

12 tenants took up this service in 2022/23.



Tenant Wellbeing

Eat Smart Save Better

This was a project in collaboration with Betsi Cadwaladr University Health Board (BCUHB) to support and educate tenants to prepare meals in a cost-efficient way. A group of 10 tenants at Llys Dewi Sant, Bangor took part in the session where they received a presentation by a nutritionist from BCUHB and received a bag of food to take home and to put learning into practice.



Academi Adra

In 2021, we launched Academi Adra, our initiative to support our tenants into training or employment. 2022/23 was its first full year of operation during which time we supported 134 individuals.



134 People supported into employment or training



80 Supported into employment through Adra or our contractors



8 Supported to gain access to apprenticeships or traineeships



24 Tenants directly employed by Adra

Financial / Budgeting Support

Our Rents Team are adopters of 'Policy in Practice'. This helps identify the benefits and additional funding that is available to our tenants. We help tenants to apply for benefits, such as Universal Credit, and additional grants they might be eligible for e.g. Discretionary Assistance Fund and Discretionary Housing Payment. We complete income and expenditure forms with all new tenants and have a service level agreement with the Citizens Advice Bureau (CAB) so that tenants can access support and independent advice.

Our service level agreement with the Citizens Advice Bureau, originally set up in 2021, allows us to refer tenants to them if we believed they would benefit from debt, budgeting, or benefit advice.

During 2022/23 **162** tenants were referred to the CAB. As a result of support received, a total of **£33,101** of debt was written off and **£134,783** of additional income gained.



Theme 5: Placemaking

This theme seeks to highlight the wider set of activities that we undertake to create well designed homes and places that meet local needs and provide great places for people to live and enjoy.

Placemaking is first and foremost about people. A place must work for everyone and when building at scale, that requires homes in a mix of tenures to meet the demand.

Crucially, it also means the delivery of green spaces and access to appropriate infrastructure such as schools, roads, shops, and leisure services enabling tenants to live their lives in their own communities.

We actively seek new partnership opportunities to work together with other organisations and communities to address deep rooted social and economic problems, such as poverty, health inequalities, and climate change.

Over the year we have taken part in several community projects to improve the physical environment of our communities. Here are a few examples:

90%
of tenants feel safe or very safe in their communities.

88%
of tenants are satisfied with their neighbourhood as a place to live.

Proiect Carn – Llwybr y Plas

During the year we worked with partners to refresh a mural at Llwybr y Plas in Caernarfon (a path with a history of criminal activity) with the aim of encouraging young people take pride in their local area.



Proiect Canfas Caernarfon

Canfas is a project ran by Galeri Caernarfon with the aim of improving the appearance of various locations within Caernarfon.

Through discussions and visits, it was decided that Adra's Bro Seiont estate in Caernarfon was to be designated as one location.

An important element of the project was to listen to the voice of the community with the ideas and theme of the project being guided by the people who live there. As part of the project, a fun afternoon was arranged by Galeri and Adra and the tenants came together to chat, eat pizza and share ideas on how the green spaces on the estate could be put to better use.

Transformation of the green space in the middle of the estate will be completed during 2023/24 and will establish a sustainable play and recreation area for the children and tenants to enjoy.

Bus Stop – Maesgeirchen

This was a project to repaint the bus shelter outside the Maesgeirchen Partnership office in Bangor. The bus stop had recently been relocated from the city centre to the estate. With some of the panels vandalised, we worked with a local artist and local school pupils to give the shelter a new lease of life.



ENVIRONMENTAL

One of the biggest challenges in the climate change emergency is the decarbonisation of our homes.

Climate change has become an increasingly urgent priority for both politicians and the public across the world, and the Welsh Government were one of the first to declare a climate emergency in April 2019. The Environment (Wales) Act 2016 set a target of reducing carbon emissions by at least 80% by 2050; in June 2019, the Welsh Government adopted the upgraded reduction target of 95% recommended by the UK Committee on Climate Change (UKCCC) and set out an ambition to achieve net zero carbon by 2050.

We are committed to reducing the carbon footprint of our business and have highlighted within our 2022/25 Corporate Plan how we view our decarbonisation challenge as a priority for us as a business.

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. If we are to meet our own aim of being carbon neutral by 2030, it's vital that we target the energy efficiency of the homes we own and manage. This is a longer-term ambition but is seen as a priority for the business to act upon now.

In line with our ambitions to decarbonise our homes, we also recognise our impact on the environment as a business. We are therefore also reassessing our focus on what we can practically do to reduce the carbon emissions in how we operate.

Theme 6: Climate Change

This theme seeks to assess how our activities impact climate change. It looks at current practice together with changes being made to improve future performance.

This theme contains five criteria, including the distribution of EPC ratings, emissions data, climate change impact risk and resident information provision.

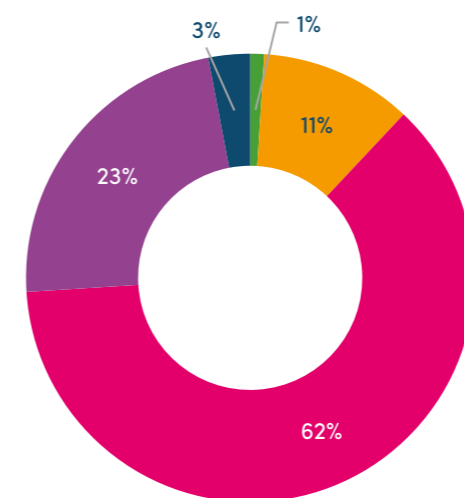
In February 2021, the Welsh Government set out its legal commitment to achieve net zero carbon emissions by 2050. By 2018 - the latest year for which data is available - Wales had seen a 31% fall in greenhouse gas emissions compared with 1990 levels.

New legal targets will force a 63% reduction by 2030 and 89% by 2040, with Wales reaching 'net zero' - effectively a 100% cut - by 2050. The need for everyone to act responsibly towards climate-related issues is now stronger than ever. Currently, the proposed new Welsh Housing Quality Standard states that the Welsh social housing sector would be required to achieve Energy Performance Certificate (EPC) C by 2029. In addition to the initial target of EPC C landlords will need to have assessed each property and have a viable 'Affordable warmth and decarbonisation plan' to achieve EPC A in place by 2033. The landlords 'Affordable warmth and decarbonisation plan' will require Welsh Government approval.

EPC Rating of our Homes

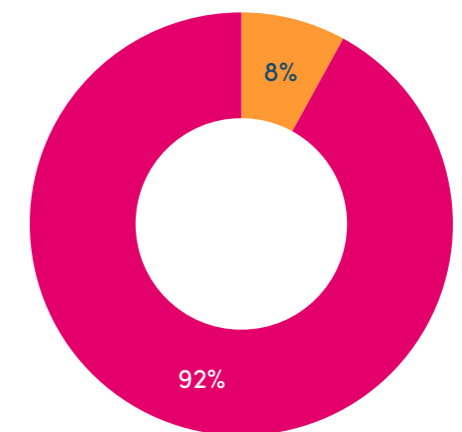
As of 31st March 2023 we had 6,891 homes under management with 74% being EPC C rated or above. During the year, we completed 119 new homes; the EPC rating for these properties were all band A or B.

Current Stock EPC/SAP rating (%)
[Based on 6,886 units]



■ A rated ■ B rated ■ C rated ■ D rated ■ E rated

New Build EPC/SAP rating (%)
[Based on 115 units]



■ A rated ■ B rated

Overall Business Carbon Emissions

As a result of our growth in terms of the size of the business and the expanding geographic spread of our homes (we have homes in 5 of the 6 North Wales counties) as of 31st March 2023, our carbon emissions increased in comparison to the same period in 2021/22 by 249.06 tCO₂e. Our average carbon emissions per property however decreased.

Aspect	2021/22		2022/23		Variance	
	Usage	Carbon Emissions (tCO ₂ e)	Usage	Carbon Emissions (tCO ₂ e)	Usage	Carbon Emissions (tCO ₂ e)
Electricity Consumption	96,260 kWh	20	90,682 kWh	18	-5,578 kWh	-2
Natural Gas	13,406 kWh	27	14,229 kWh	29	+823 kWh	+2
Paper	243,645 sheets	0.04	360,537 sheets	0.04	+116,892 sheets	- / +
Water	262cm ³	0.04	412 cm ³	0.06	+150 cm ³	+0.02
White Fleet	1,229,040 miles	561	1,265,062 miles	563	+36,022 miles	+2
Grey Fleet	199,884 miles	57	264,485 miles	76	+64,601 miles	+19
Tenanted Dwellings	6,736 units	16,881	6,993 units	17,195	+257 units	+314
Waste	1,435 tonnes	462	1,173 tonnes	377	-262 tonnes	-85
TOTAL	18,009.04 tCO₂e		18258.1 tCO₂e		+249.06 tCO₂e	
Average Carbon Emissions (per property)	2.674 tCO₂e		2.611 tCO₂e		-0.063 tCO₂e	

We continued to invest and improve the energy efficiency of our existing homes in 2022/23, reducing the environmental impact and reducing the costs for our tenants. To support our decarbonisation ambitions, we have trained our property inspectors to target energy efficiency matters during property inspections.

We follow a “fabric first” approach when decarbonising our properties. This helps ensure properties are ready to receive the retrofitting of new technology carbon reducing measures over the next few years.

All tenants receive a 'Home User Guide' and we take time on sign up or viewing to show tenants how to use the new systems in their homes. We are also developing a digital home user guide to share the information. As part of Renting Homes (Wales) Act, tenants receive a copy of the EPC rating of the property and are given an opportunity to be referred to the energy wardens.

The land management team monitors flood risk areas within our current stock holding. Where incidents occur, we investigate the cause and consequence, and we implement any actions identified internally or via outside agencies. All flood risks are considered during any new development planning.

Over **£1.6m** spent on energy efficiency improvements to our homes

1,240m² of double-glazing units installed

160 energy efficient boilers installed

12,416m² of external wall insulation installed

1,286m² of thermal insulation installed

464 homes improved

Tŷ Gwyrddfai

Our new decarbonisation centre of excellence, Tŷ Gwyrddfai was partially opened in 2022/23.

The facility has been created by repurposing 120,000 square feet within a disused factory (one of the largest factories in Gwynedd) in Penygroes. The facility is underpinned by an innovative partnership approach, bringing together the social housing sector (Adra), higher education (Grŵp Llandrillo Menai) and further education (Bangor University) providers to deliver a shared vision to meet the challenge of decarbonisation.

Once fully operational in 2023/24 Tŷ Gwyrddfai will become a dedicated facility for training in low carbon technologies, upskilling for retrofitting and green technology innovation. It will bring key partners together, each working to their natural strengths and complementing others to create an environment that offers hope for young people, knowledge for tenants/homeowners and opportunities for contractors. It will capture the imagination by showcasing how innovation can contribute towards greener, more comfortable homes and healthier communities. Embracing a digitally empowered society, the facility with its strong community links, will break down barriers to adoption and highlight the value of an accessible and practical facility that encourages engagement at every level.

Through a consortium of social housing, higher and further education providers, the vision of Tŷ Gwyrddfai is:

“To act as a catalyst to strengthen local supply chains; for a skilled workforce and innovation to support the decarbonisation of homes and public buildings in the area. The focus will be to promote the local economy and tackling fuel poverty”.



Our commitment to reducing our environmental impact was recognised nationally when our Sero Net Gwynedd Project won 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 focused on raising awareness of energy conservation within communities, demonstrating the benefits of green technologies, strengthening supply chains through targeted training, and supporting the establishment of Tŷ Gwyrddfai.

£784k was invested in the project through the Welsh Government's Community Renewal Fund and Adra match funding.

Adra led the project, working very closely with Datblygiadau Egni Gwledig, Partneriaeth Ogwen, Grŵp Cynefin and Grŵp Llandrillo Menai. The project achieved the following outputs:

- **11** new jobs created with 10 people being registered for new qualifications
- **2,000** homes engaged with across Gwynedd and provided with energy saving advice
- **116** energy audits in homes carried out
- Over **100** local companies engaged with the project, with **47** benefitting from new training provision to improve skills and knowledge in the field of decarbonisation
- Reduced carbon emissions at **5** community hubs following investment in new technology including solar panels and double glazing

PROSIECT SERO NET GWYNEDD



UK Government
Llywodraeth y DU

Theme 7: Ecology

This theme seeks to assess how we protect the local environment and ecology. It includes two criteria that impact the local ecology: managing pollutants and biodiversity.

We actively seek best practice and innovative ways of meeting planning requirements in relation to green spaces and biodiversity. We also strive to minimise the impact of possible pollutants from our work.

Following current planning policy Adra works to provide appropriate public open spaces for the use of the residents of any new development. These public open spaces will usually comprise of grassland to create play areas for children. This is supplemented by landscaping works (planting) as approved by the relevant Planning Department.

All new build schemes involve the appointment of qualified Ecologist to advise on the current ecological status of the development and how to mitigate and enhance biodiversity post development. Any existing hedgerows bordering development sites are maintained wherever possible. Tree and shrub planting schemes are completed on each approved development site with all native trees also kept where possible.

The land management team have an objective of reviewing existing green areas and implementing alternative management regimes such as tree planting, wildflowers and reducing management cycles. We also work with community groups to create enhanced spaces and allotments.

All potential environmental risks from work activities are identified in relevant risk assessments with specific control measures implemented, such as spill kits. Pollution prevention training is provided to operatives during induction and emergency planning processes are put in place.



During the year we have undertaken several community-based projects to improve the living environment; here are a few examples:

Wildflower Project, Abercaseg

This was a project to install wildflower turf on the green areas around Abercaseg estate in Bethesda, in partnership with Partneriaeth Ogwen.



Since we started running our environmental days with our partners in 2021, they have proved to be very popular with our tenants – another 4 were held last year.

These days allow our tenants to easily dispose of unnecessary waste and goods from their homes and as part of the days, skips are located across the estates to dispose of mixed waste.

Environmental Days



Prosiect Tŷ Natur

Prosiect Tŷ Natur was a joint effort between Adra, Eryri National Park and other partners including Keep Wales Tidy, North Wales Police and Y Dref Werdd, which aimed to promote and increase biodiversity on our estates. 4 locations were targeted in 2022/23:

- Hafan Deg, Tanygrisiau
- Bryn Coed, Llan Ffestiniog
- Pentreuchaf, Dyffryn Ardudwy
- Cysgod y Coleg, Bala

At Hafan Deg, Y Dref Werdd have since taken a lease on a piece of land to develop further.



Ysgol Maesincla Project

DU Construction, our new build contractor on site at Bethel Road, Caernarfon supported the local primary school, Ysgol Maesincla, to clear a piece of land that had become overgrown during the Covid-19 pandemic.

DU Construction provided labour, plant use and materials to clear and level the areas which the children now use as an outdoor classroom.

Theme 8: Resource Management

This theme seeks to assess how we manage the use of resources. Its three criteria cover sourcing materials, waste management and water management.

Building new homes and retrofitting current stock carries with it the risk of direct and indirect environmental impacts, be it the overall carbon footprint to the unsustainability of the materials used. We are mindful of the impact that our activities have on the wider environment, and we minimise the use of raw materials and production of waste from our building sites.

Adra holds the “Environmental Management Systems” ISO 14001:2015 accreditation through an UKAS certification body. Our environmental policies and procedures are based on meeting our duty of care as a waste producer and following the principles of the waste hierarchy.

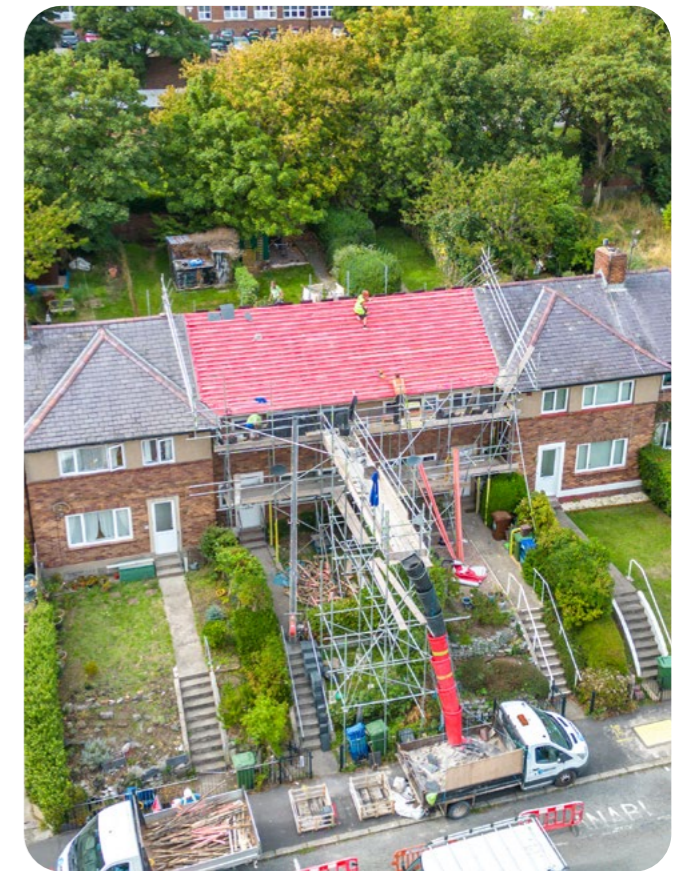
The management of our waste is done via our materials supply contract, delivered by a local waste management company. We also have a substantial waste segregation process in place across three sites enabling us to split all our different types of waste. We are supplied with all data on our waste / recycling rates which is incorporated into our Carbon Footprint calculations, with any identified opportunities to reduce waste incorporated into our environmental action plan.

Our Water usage has a minimal environmental impact. We monitor usage monthly to protect against any leaks which we would otherwise be unaware of. We have a 25-year capital investment scheme to renew the watermain infrastructure on our estates.

Building sustainably

Our 2022/25 Corporate Plan outlines our commitment to increase the use of more sustainable materials on our new build schemes, repairs and maintenance, and capital improvement works on our homes.

Our main supplier Travis Perkins is committed to the principles of responsible sourcing. This was a requirement set out in the materials framework contract documents. Travis Perkins share our view that acquiring quality products from approved suppliers is essential to establish resilient and transparent supply chains. Performance on environmental factors are measured through Scope 3 KPIs, whilst sourcing new materials produced under sustainable methods is part of a wider value engineering project on which we receive regular updates. The sustainable ethos is applied to all aspects of the service provided by Travis Perkins, including delivery and how the branches are managed.



GOVERNANCE

Governance is the system by which organisations are directed and controlled – specifically, how the aims and values of an organisation are set, rather than the day-to-day operational management of the organisation by its executives.

The foundations of good governance are based on having a balanced and diverse Board that leads effectively and provides strategic direction whilst also managing risk. Effective governance is however more than just the Board. It is fundamentally about culture and a way of working. If governance is managed well, constantly evaluated, appropriately regulated, and used as a platform for innovation, then service excellence is ensured.

Good governance is more than a set of rules and processes. Good governance is good business too! Good governance ensures “the right people make the right decisions, at the right time with the right information” and “decision making is evidence-based and focused on meeting user needs.”

Adra is committed to achieving good governance and to complying with Community Housing Cymru’s Code of Governance.

Theme 9: Structure and Governance

This theme seeks to assess the quality, suitability, and performance of the corporate and governance structure. The theme is made up of six criteria including ownership, governance, and risk approaches.

Reporting to Adra’s Board are two main sub-committees – the Audit and Assurance Committee and the Customers and Assets Committee. The group structure also has a separate Board to oversee and govern the operation of the commercial subsidiary, Medra.

All Boards and Committees have separate Chairs who are different to the Group’s Chief Executive. All Board members are required to sign and adhere to the Code of Conduct for Board Members. Within the Code there are explicit rules on managing and declaring conflicts or potential conflicts of interest. All members must complete an annual declaration of interest form and must make the company secretary aware of any material changes within the year or during a meeting of the Board and its committees. Any significant changes to Adra’s Rules must be agreed with the Financial Conduct Authority (FCA).

Adra (Tai) Cyf. is a registered social landlord in Wales and has the legal status as a not for profit organisation under the Co-operative and Community Benefit Societies Act 2014.

We are required to submit an annual self-assessment report to the Housing Regulator against the 9 published Performance Standards. This report, together with regular monitoring information submitted during the year informs the Housing Regulator’s Independent judgement on our financial viability and overall governance.

The most recent Regulatory Judgement received from the Welsh Government in October 2022 confirmed the highest possible classification in both categories.

To help ensure good governance, we are a member of Community Housing Cymru (CHC) and our code of governance applies the agreed CHC model.

Neither Adra nor its subsidiary Medra were subject to any adverse regulatory findings during 2022/23.



Governance
(Including tenant services)

STANDARD



Financial Viability

STANDARD

Our Risk Management Framework outlines our approach to risk, including how we identify risks that could impact our services, business, and customers. The framework is reviewed and adopted annually by the Board.

We 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). Our Risk Management Framework supports our commitment to maintaining certification. It also supports our commitment to establishing and embedding a framework of risk management that protects officers, staff, customers, partners, and the general public. The framework is reviewed annually to reflect our business position and our Board's risk appetite.

We operate two corporate level risk registers - a Strategic Risk Register (highlighting risks where the causes are usually external to the business, that if they were to occur, would be serious enough to potentially require a change in strategic direction) and an

At the end of March 2023, we managed 30 'strategic' and 22 'operational' risks through our respective risk registers. Risks are assessed and scored using a recognised 5x5 matrix with risk categorised as follows:

Likelihood	Definite	5	5	10	15	20	25
	Very likely	4	4	8	12	16	20
	Possible	3	3	6	9	12	15
	Unlikely	2	2	4	6	8	10
	Not expected	1	1	2	3	4	5
			1	2	3	4	5
			Negligible	Minor	Moderate	Major	Critical
			Impact				

Risk Level	Risk Category	Recommended Response
16-25	Extremely High Threat	Unacceptable level of risk exposure which requires immediate corrective action to be taken.
11-15	High Threat	Unacceptable level of risk exposure which requires constant active monitoring and measures to be put in place to reduce exposure
6-10	Medium Threat	Acceptable level of risk subject to regular active monitoring measures
1-5	Low Threat	Acceptable level of risk subject to passive monitoring measures

Operational Risk Register (where the causes can be internal or external and if they were to occur would impact our ability to deliver the corporate plan or to improve / deliver our day to day services).

We have a central risk management function which advises and supports risk owners when they review allocated risks and update the risk registers and associated action plans. The overall accountability for risk management rests with the Board, with day to day operational responsibility managed by the Chief Executive through the Executive Leadership Team and Senior Leadership Team.

To guide our business activity and the level of risk that we are willing to tolerate, our Board undertakes an annual SWOT and PESTLE review and establishes their agreed risk appetite for the year. This assesses and establishes the risk tolerance levels for a suite of thematic business risk areas including, but not limited to; 'Development and Growth', 'Health and Safety' and 'Financial Investments'.

Theme 10: Board and Trustees

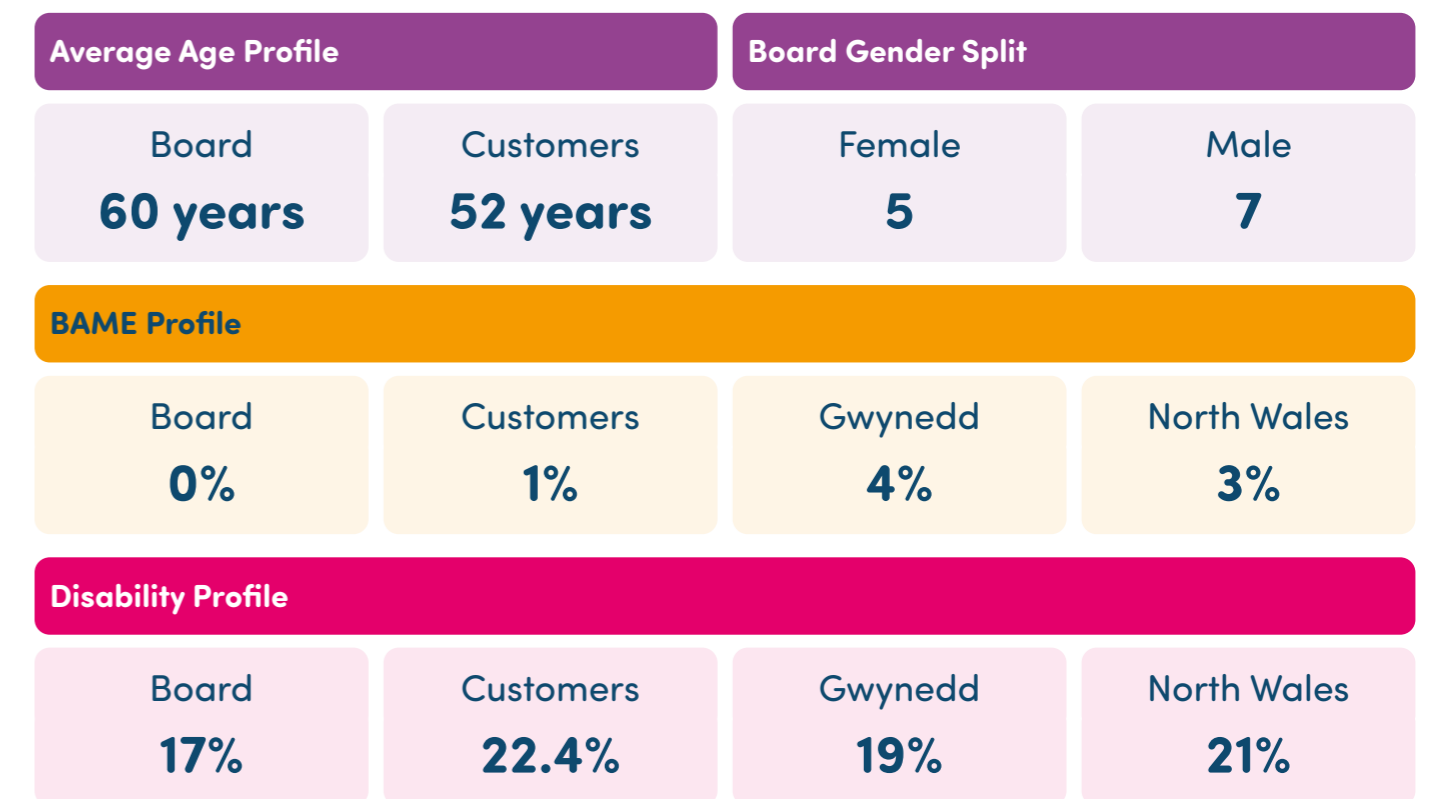
This theme assesses the quality, suitability and performance of the board and trustees. The theme is made of eleven criteria including board demographics, ownership, experience, and independence of the Board.



All Board Members must sign and adhere to the Code of Conduct for Board Members. Within this Code, there are explicit rules on managing and declaring conflicts of interest (including any potential conflicts). All Members must also complete an annual Declaration of Interest form, and to make the Company Secretary aware of any material changes as they arise.

Adra undertook a comprehensive independently facilitated Board skills appraisal in 2022/23 - the findings presented succession planning considerations. Adra will be progressing the matter via recruitment and a detailed succession plan.

Our Appointment, Remuneration & Disciplinary Panel is made up of Board Members (all of which are non-executive) whilst two Members of the Audit & Assurance Committee have professional financial experience - with one of these being very recent / active professional experience. Additionally, Adra's Chair has professional banking experience, and has the right to exercise ex-officio attendance at this Committee.



Theme 11: Staff Wellbeing

This theme seeks to assess the extent to which we are a good employer, and includes two criteria - the Chief Executive Officer-worker pay ratio and a disclosure on being a Living Wage employer.

Staff are our most valuable resource, and the wellbeing of our staff has never been more important. As a business we are fully committed to providing a healthy working environment and improving the quality of working lives for all staff.

We have an annual Health and Wellbeing Programme which is designed and tailored around ongoing/previous staff absences and incidents and raises awareness and promotes numerous awareness days/months/initiatives.

We also have a Mental Health, Stress and Wellbeing Policy for staff, and confidential counselling is always available to staff by Medra Counselling Services via self-referral or referral through HR for up to 6 sessions.

Adra provides paid membership to a cash plan by Healthshield (private health cover) which is available to all staff and can help with physical and mental health and well-being costs (e.g. physiotherapy, chiropractors, dentist etc). It also includes access to a mental health app and discounts scheme.

Over the last 12 months we have given staff the access and time to complete several online webinars and training sessions to upskill and provide support on physical and mental health, e.g. First Aid, Mental Health First Aid, Mental Health Awareness, Working Well in a Virtual World webinar etc.

An annual Staff Well-being Day is held which includes a variety of online or in-person workshops on how to look after and improve personal health and well-being. Cyngor Gwynedd provide our occupational health service which includes Occupational Health Advisors and a Specialist Occupational Health doctor which we can refer to at any time. The Occupational Health Service also conducts annual health monitoring for staff as required.

As an employer we continue to pay our staff the 'real living wage' as calculated by the Living Wage Foundation. We also make sure that all our suppliers follow suit and offer their staff the 'real living wage' as standard.



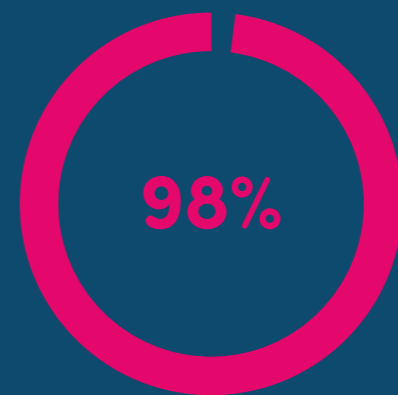
Our staff told us...

"I feel that Adra go above and beyond with staff wellbeing"

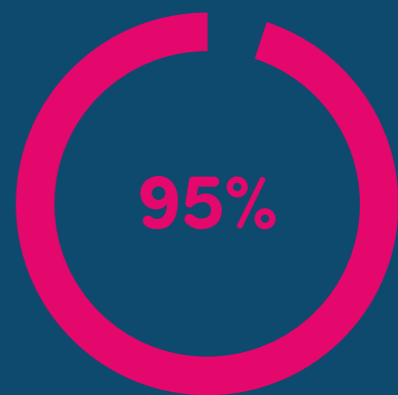
"An enjoyable and flexible place to work; nice to see that staff wellbeing is considered so highly"

Staff Satisfaction Results 2023

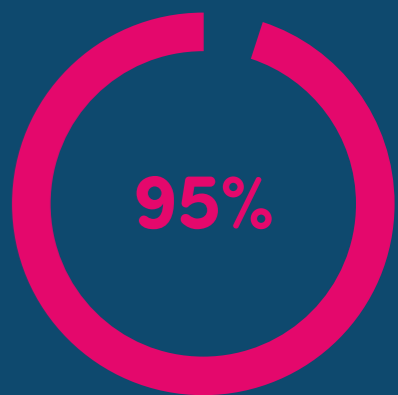
Our latest staff satisfaction survey was conducted in 2023 (conducted every two years). The results, amongst other things, told us that...



98% of staff believe that Adra respects their personal and family commitments



95% of staff believe that someone at work seems to care about them as a person



95% of staff believe that their health and wellbeing is important to Adra

Theme 12: Supply Chain

This theme seeks to assess the extent to which the supply chain is used to achieve positive outcomes. The theme is made up of two criteria covering social value and environmental impact in procurement.

Environmental Impact

When we procure goods, works and services, we require all bidders to certify if they have either of the following Environmental Management Systems in place:

- ISO 14001:2015 (UKAS accredited)
- Green Dragon (Level 4 or above)

In accordance with our Decarbonisation Strategy, we also work with our supply chain to assess how the environmental impact of our procurement activities can be mitigated. This work includes our successful "Prosiect Sero Net Gwynedd", with one of the strands of this project being "Strengthening Supply-chains". As part of this strand, workshops with suppliers were held in summer 2022. These focused on tendering in the construction sector and reducing environmental impacts.

Social Value

There has been additional focus recently on ensuring that our activity maximises social value and the impact of the investments that we make. This has been driven by the new Social Value Co-ordinator and relevant teams across the company. This culminated in the publication of Adra's first annual report on Social Value, available on our website.



Social Value is also embedded into our procurement activities and where appropriate, social value accounts for 10% of the evaluation criteria for all contracts over £50,000. Social value tender questions are designed during the planning phase to ensure that corporate priorities are met e.g., supporting tenants and people that live in our communities to gain access to employment & training. The Social Value Co-ordinator has ensured that the excellent work carried out by Adra staff and partners - be that through our investments or our community work, is showcased and shared internally and externally.

Our social value system, Thrive, has been fully implemented and has enabled us to calculate the social value generated via partnership working and procurement activities; this amounted to **£5.75m** in 2022/23.

Cymru Materials Framework

We launched a new national framework in 2022/23 to deliver a one-stop shop for materials with Travis Perkins Managed Services, part of the UK's largest building merchants Travis Perkins Plc.

As part of this innovative partnership, members of the framework 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. During 2022/23 the framework generated **£159,704** in social value.

Keeping Our Spend Local



Our repairs and maintenance service (Tîm Trwsio) are our second highest transaction services within the business, second only to our customer contact centre. During 2022/23 Tîm Trwsio completed 19,600 repairs and generated the following numbers in relation to the local Welsh supply chain:

During the year, we spent **£7,578,291** with businesses based in Wales

97% of our expenditure went to Welsh businesses

With **£4,078,291** spent with SMEs based in Wales

Generating £25,637,974 for the Welsh economy