

A NEW DIRECTION

ANNUAL REPORT
2018/19



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A word from the Chair

Looking back on the year I think it's fair to say it's been a pivotal time. We've launched our Corporate Plan that sets out our exciting plans for the next three years.

My thanks go to fellow Board members and all the staff for agreeing a very ambitious direction for us. We will be improving our existing homes and building many more, investing in communities and transforming the way we do business. We know we have set ourselves some very challenging targets and I am confident we will achieve them all.

At the same time we've focused on our performance and quality to be an even better landlord and give our customers what they need and expect from us.

The Welsh Government have carried out their annual review of how well we run our business. I am pleased to say we got the highest rating that any housing association could get. Being careful with our budget and showing that we give value for money in everything we do means that we can invest more in the things that matter to us – like providing affordable homes to those who need them.

I've been particularly proud of the how far we have come with customer satisfaction. I'm delighted to see the huge improvements we have made in fully refurbishing every home before it is let to a new customer. Customers are much more satisfied that we are listening and acting on their feedback.

We have provided 44 brand new houses and every single family said they were entirely satisfied with the quality of their new home. I'd like to thank all customers for their continued support, particularly to members of the Tenant Partnership. They give up an incredible amount of time to shape and influence services, making sure we get things right.

Looking to the future, we have a range of opportunities as well as a few challenges ahead. The Corporate Plan reflects our ambition to make a real difference by 2022. Not only to the housing sector, but to people's lives and the communities we serve. We will be improving customer satisfaction across all our services, building over 500 new homes, creating new jobs and helping to protect the environment.

Underpinning our work for the future will be a new look and name for CCG – and from October onwards we'll be known as Adra. A name chosen unanimously by the Board, staff and customers. A pivotal and exciting change in the company's history. I look forward to being part of this exciting journey.

Mark Jones
Chairman

Overview of 2018/19



TRANSFORMED OVER
400 EMPTY HOMES
FOR NEW CUSTOMERS



PROVIDED A HOME TO
82 PEOPLE AT RISK OF
BECOMING HOMELESS



COMPLETED OUR
FIRST DEVELOPMENT
IN WREXHAM



PROVIDED
44 NEW HOMES



86% OF OUR CUSTOMERS
WERE SATISFIED OR VERY
SATISFIED WITH THE
EXPECTED SERVICE



IMPROVED OUR
RESPONSE TO ANTISOCIAL
BEHAVIOUR BY **11%**



IMPROVED
OUR EMPTY HOMES
STANDARD



REVIEWED THE WAY
HOUSING IS ALLOCATED
IN GWYNEDD



Our Homes

Providing good quality homes for the people who need them is our core business.

In 2018 we invested an additional £500,000 to improve the standard of empty homes before we let them to new customers. We have always made sure our homes are safe and sound, but the Empty Homes Standard means our homes are places to be proud of. Satisfaction levels have gone up from 67% to 94%.

We have also been managing our housing stock, modernising and keeping our homes to a good standard. Last year we invested £9.2m in existing homes. External work was the main focus, so that our homes are warmer and cost less to heat. Back in 2015 we said we wanted over 80% of our tenants to be satisfied with the quality of their homes. By 2018/19 over 82% of our tenants told us they were satisfied.

“BEST THING THAT HAS HAPPENED TO ME IN A LONG TIME. REALLY HAPPY.”

NEW TENANT

During 2018/19



100% of our homes met the Welsh Government's Welsh Housing Quality Standards (WHQS)



We carried out **20,000** safety checks including electrical condition reports, heating services and fire safety checks.



Made **597** adaptations so that customers can live independently in their own home.



Our Services

Improving Customer Satisfaction

We have improved satisfaction levels by listening to our customers. 82% of customers were satisfied that we listened to and acted on their views. Our staff, senior management and Board members are taking part in estate walkabouts visiting customers at home and listening to their concerns. We follow up every visit to make sure we did what we said we would do.

We asked over 1,300 customers to take part in our tenant satisfactions survey as well as working closely with Tenant Participation Advisory Service (TPAS) Cymru to learn how we can improve.

We know that having a good repairs service is important to our customers. Over the past 4 years we've invested in transforming this service and last year 87% of our customers were satisfied with the service they received. Nine out of ten of our repairs are now completed in one visit.

Working in Partnership

Changes to the welfare system are still being implemented in Gwynedd and we've worked closely with the Department for Work and Pensions, the Council and the Citizens Advice Bureau to provide support for our tenants that are affected by the migration to Universal Credit.

We also work with our partners in the social housing sector to deliver our energy warden scheme, supporting over 600 tenants to help manage energy costs.

"GET IN TOUCH AND THEY TURN UP"

TENANT OF 31 YEARS

During 2018/19 we:



Answered over **81,000** calls



Carried out over **18,000** repairs



Arrived on time to **97%** repairs appointments



Engaged with **500** customers at home as part of our estate walkabouts

Our communities

We provide quality homes to give communities much needed housing. We also support the wider community wherever we can.

Knowing that our customers feel safe is important to us. We work closely with partners including the police, and our dedicated neighbourhood teams work with customers and the wider community to tackle any issues that have a negative impact on communities.

Throughout the year, we've improved the way we safeguard vulnerable customers. Our staff are trained to recognise the seriousness of domestic abuse. We have strengthened our procedures to recognise and support anyone who may be at risk. Our commitment to the Chartered Institute of Housing "Make a Stand" campaign makes sure we support anyone affected by abuse. Everyone has a right to feel safe and live fear free.

Creating strong communities is an important part of our work. During the year we gave financial support to 20 community and voluntary

projects, to include Clwb Rygbi Bethesda, Morfa Cadfan Tenants Association in Tywyn, Neuadd Goffa Criccieth, Cae Chwarae Edern, Bangor Gymnastics Club. Our annual Hwyl yr Wyl Christmas event for families this year was at Dolgellau with over 300 attending.

We know that the investment in our homes has had a big impact on the local economy. In 2018/19 we decided that there was more we could do to encourage local small and medium sized businesses to work for us. We re-designed the scale of our building works packages. We also developed a sustainable procurement policy and we were the first housing association in Wales to have a modern slavery statement.

Last year we launched our Community Strategy, and this sets out our support for communities over the next 10 years.

"VERY HAPPY WITH THE SERVICE - CCG WORKS WELL WITHIN THE COMMUNITY AND WE ARE VERY GRATEFUL FOR THIS"

TENANT OF 10 YEARS

During 2018/19 we:



Funded **20** community projects



Helped to secure **£1 million** to invest in community initiatives at Maesgeirchen, Bangor



Supported **367** customers with anti-social behaviour complaints. **80** related to noise nuisance, **43** related to drugs and **34** related to animals



Supported **192** customers experiencing domestic abuse



Customer satisfaction with neighbourhoods has increased to **89%**



Governance and Performance

Board of Management

There are 12 Board Members, with three cohorts of Members – Tenant, Independent, and Local Authority Members. The Regulation of Social Landlord (Wales) Act 2018 meant we had to change to our rules so that local authority membership would be limited to 24%. A Special General Meeting resolved that the Board structure would remain at 12 seats, with four tenant members, six independent members and up to two local authority members.

All Board Members are Non-Executive Directors of CCG. They bring to the Board different experiences and include business, professional and community. All these strengthen the way we are governed. Board members set our priorities and strategic direction so that the company remains solvent, well run, and delivers the outcomes for which it has been set up.

Being a Board member brings important responsibilities. Pay for Board members was introduced during the year. The annual Board appraisal identified some skills gaps and two new Board members were appointed with valuable skills and knowledge. This has strengthened the Board for the future.

We are fully committed to achieving good governance and complying with Community Housing Cymru's new Code of Governance. The Board are supported by two Committees: Audit and Assurance, Customers and Assets. These meet regularly and have delegated powers to make decisions and effectively scrutinise operational issues. An Appointments, Remuneration and Disciplinary

Panel meets as required. Strategy Days take place for Board Member training and future planning. To help the growth of the services we offer, (including services outside our core charitable objectives) the wholly owned subsidiary 'Medra' has been incorporated. With permission from the Welsh Government the new company registered with Companies House in April 2017. The company has not yet traded and was dormant throughout 2018/19. It is anticipated that it will begin operating as a property developer for market sale in the second half of 2019/20.

Shareholders

At the end of the year, we had 47 shareholders. Being a shareholder gives individuals the right to vote at our general meetings and have a voice in the way we operate and deliver services.

Regulation

In December 2018, we were assessed as part of the Welsh Government's Regulatory Assessment. This shows how well we are performing, at a specific moment in time, against the delivery of outcomes relating to landlord services, governance and financial management. The assessment gave us the highest rating possible, confirming the robustness of our governance structures, and an assurance that the company remains financially viable with adequate resources to meet its current and forecasted future business and financial commitments.

Board Members during 2018/19

Tenants

Linda Campbell **
Lynn Rowlands **
Alan Field*
Jill Lawrence*

Independent

Mark Jones
Abigail Tweed
Robert Lewis
Paula Jewson
Selwyn Hayward**
Huw Gareth Pritchard **

Members nominated by Gwynedd Council

Nia Wyn Jeffreys *
Anne Lloyd-Jones*
Stephen Churchman*
Berwyn Parry-Jones
Cai Larsen**

Co-opted Members

Dafydd Pritchard*
Hywel Eifion Jones**

Key

* Retired/resigned during the year
** Joined during the year



Our Business

To drive improvements in our homes and services, our business needs to be well managed and fit for the future.

During the year we reviewed all our work plans as part of our annual budget challenge so that we continue to invest in the right things. We identified over £1.2m of efficiency savings and this money was reinvested in improving services.

Our values guide what we do and drive our commitment to be a company that is fair, open, ambitious and accountable. We know that getting the best from staff will give our customers the best services and opportunities. Our organisational development strategy is focussed on 'Gwna Wahaniaeth' ('Making a Difference') and we are proud that this strategy was nominated for a prestigious sector award during the year.

We have maintained our Health, Safety, Quality and Environment (HSQE) accreditations. This demonstrates our compliance with International Standards across all areas of our business.

Our Business Transformation team have been working hard on upgrading all our offices and systems. This year we have eliminated most paper systems and introduced mobile working. We have started work on a new Core Business System which will transform the way we work.

All these achievements form a sound basis for the future growth and development outlined in the new 2019-22 Corporate Plan



During 2018/19:



11 members of staff attended our Future Leaders Academy



we successfully complied to safety, quality and environmental standards to include OHSAS 18001, ISO 9001:2015 and ISO 14001: 2015



308 staff employed, with 33 more people joined our workforce during the year



87% of our tenants regarded us as trustworthy or very trustworthy



we reinvested over **£1.2m** of efficiency savings made



87% of our tenants were very satisfied or satisfied that their rent provided value for money

Our Future

Our focus has always been to deliver quality homes and services. We exceeded our expectations of the last Corporate Plan and we now want to embrace the next stage of our development as a company.

The ambitious targets of our new Corporate Plan will make sure we are a leading provider of housing across the region

During the year we took a serious look at our branding and wanted our brand to reflect the modern company we have become.

In October, we'll introduce a new identity and change our name to 'Adra'. The new name was chosen by focus groups of Board Members, customers and staff, who unanimously decided this is the best name to reflect who we are and what we do.

We've strengthened our Executive Leadership Team with two new senior posts. We welcome a new Deputy Chief Executive and Director of Finance to deliver the strategic leadership for our future plans.

Setting up 'Medra' as our subsidiary company was a key milestone for us as a business. This will enable us to trade in building brand new homes and mixed tenure homes to generate new profits back into our main business.

A word from our Director of Finance

When CCG was set up in 2010, we entered into an agreement with Barclays to provide the funding required to achieve the Welsh Housing Quality Standard as promised at that time.

We have matured greatly since then and now have very ambitious plans to grow. This means that we will be providing more, much-needed affordable homes. We are now working to refinance the business so that we get a more suitable borrowing structure which is less restrictive and has more competitive interest rates.

This will enable us to fulfil our full potential, supporting communities and delivering much needed new housing in north Wales.

Rhys Parry
Director of Finance



Financial Report 2018/19

	2019	2018
Income and Expenditure Account	£'m	£'m
Turnover	34.654	32.619
Operating Surplus	10.631	10.321
Surplus for the Year	6.843	6.582
Interest Payable	3.798	3.719

Cash Flow

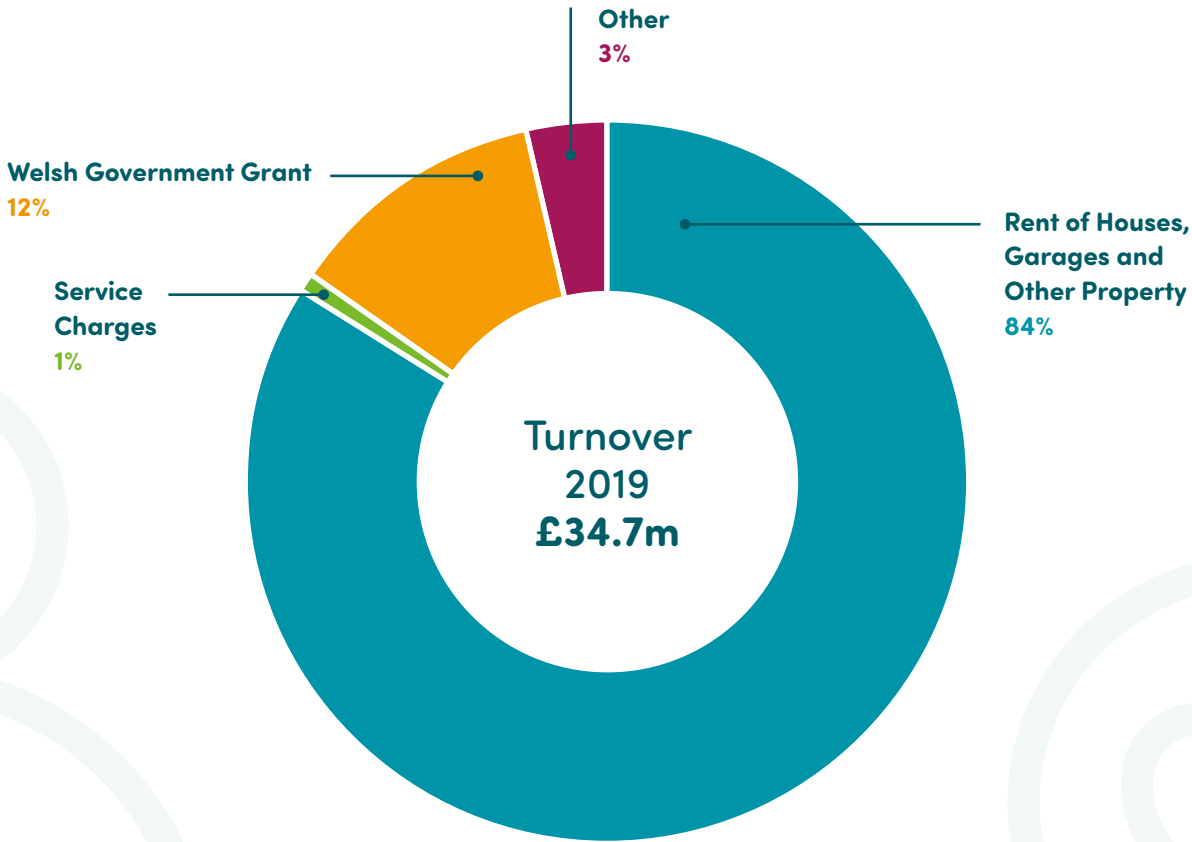
Net Cash Generated from Operating Activities	14.212	15.615
Net Cash Inflow / (Outflow)	1.283	(0.386)

Balance Sheet

Net Tangible Fixed Assets	147.527	133.776
Net Long Term Loans	68.684	68.984
Net Assets	60.924	55.347

Financial Report 2018/19

	2019
Turnover	£'m
Rent of Houses, Garages and Other Property	29.1
Service Charges	0.3
Welsh Government Grant	4.1
Other	1.2
	34.7



Financial Report 2018/19

Expenditure	2019 £'m
Services	2.0
Management	9.3
Repairs & Maintenance	8.9
Improvements to Housing Stock	9.2
New Developments	11.2
Interest	3.8
Housing Depreciation	6.0
	50.4

