



Live. Share. Grow.

ARBOUR ANNUAL REPORT

2022-2023

The Year of
Transition

arbourhousing.org



INTRODUCTION:

The Year of Transition

As the effects of the pandemic recede – partially at least – we find ourselves refocused, renewed and ready to engage with the great issue of our age, which is of course climate change, and its related challenges of sustainability, energy and resource management.

Being a committed and responsible social enterprise, we understand that we do not operate in a vacuum. Our actions have consequences. So too do the strategies we opt to pursue, both for ourselves and for our tenants.

It is not news to say that all of us – in the public, private and third sectors – need to be open to strategic change. The old “take-make-use-dispose” economic model is running out of time, consuming non-renewable resources and continuing to lean heavily on fossil fuels.

Collectively, we need to reduce our consumption of natural resources and increase our use of regenerative ones. We also need to reduce waste and, where possible, maintain the value of products and materials for as long as possible on the path to Net Zero, and beyond.

In the housing and construction sectors that poses significant challenges, but they are challenges we at Arbour Housing are embracing through new technologies such as heat pumps, through retrofitting and future-proofing existing housing stock, and by putting sustainability squarely at the heart of our new-build projects.

This is a huge undertaking for us, and is certainly not something we can achieve quickly. But in getting there, we need three things. Firstly, to continue to deliver value for money for our tenants – perhaps more than ever, given the current cost of living crisis. Secondly, to keep tenant engagement central, as ever, to the process. And thirdly, to be prudent in our approach to investing in costly new technologies. Because this way is the only way. We can control change or let it control us. We choose the former.

It's why the theme of this year's annual report is transition.

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Residents Elsa Soares and her son Ivan, Thomas St., Portadown

Angela Clarke
Chair



Kieran Matthews
Chief Executive



JOINT STATEMENT BY

Chair & Chief Executive

The Year in Focus

The pandemic may be over but the ripple effect of its economic consequences is still everywhere. If you couple that with the ongoing impact of a cost of living crisis, it's clear that we continue to face serious challenges – something we remain committed to mitigating.

And yet, as this report shows, Arbour Housing has managed to deliver an overall improvement in performance – which is good news for the Association, for our stakeholders and most importantly, for our tenants.

While the theme of last year's annual report was resilience – digging in and finding ways to consolidate our operations and endure the constraints of the most trying of circumstances – we are now tentatively moving beyond that. Our theme of transition is tightly linked to the realities of climate change, and the challenges of harnessing new technologies – and innovation more generally – as well as sustainability and energy concerns.

We put that approach into practice this year with a pilot scheme in Banbridge (see p. 17). This involved a retrofit of two semi-detached bungalows, where we replaced the old oil-fired central heating with outdoor 6kW air source heat pumps.

Projects like this improve fuel and energy efficiency and enhance quality of life for tenants too. But they come with an upfront cost. In the case of the Banbridge scheme it was part-funded by the Department for Communities.

As ever, it is a balancing act between the desire to forge ahead with projects like this and the need to minimise disruption and provide consistency. But we are confident we can get that balance right.

Central to this strategy is, and will be, tenant engagement. Over the past year we again managed to maintain a high level of contact with tenants, responding to their needs and requests, ensuring their voice is heard through our Tenant Forum and Satisfaction Survey.

Finally, we would like to record our appreciation of the contributions made by the entire board this year. Their efforts have enabled us to continue to deliver our commitment to affordable, high-quality housing and related services – and to make a real difference to the lives of our tenants and communities. Our tenant satisfaction statistics bear witness to that.

And for us, that is perhaps the most important thing of all.



L-R: Harry Maher, Shared Housing Programme (DfC), Chris Davies, Shared Housing Programme (NIHE), Patrice McCrory and Kieran Matthews, Arbour Housing at the official opening of Belfast Road, Newry

Housing Stock

- During the past financial year we contributed **131 homes** to the Social Housing Development Programme. This represents a total investment of **£23.9m** in the sector, supported by **£13.43m** receivable in Housing Association Grant.
- We completed and handed over 112 new homes** to tenants during the year comfortably exceeding our target of adding **91** new homes.
- Effective financial management has allowed us to deliver improvements and major works to properties throughout the year at a cost of **£2,072k**.
- We exceeded response time targets and achieved high levels of satisfaction with contractor performance. Overall achievement against our Corporate Plan KPIs has been strong, and our planned maintenance works programme was completed and within the contract sum. Most importantly, **96%** of our tenants were very satisfied with contractor performance.

£8,869k
turnover for the
year, up 8.9%



1,420
homes in our
housing stock



£2,072k
in improvements
and major works to
properties



Financial Performance at a Glance:

This report offers an overview of Arbour Housing's performance in relation to a number of key objectives and targets we set at the beginning of the financial year.

• Operating Surplus

Overall our financial performance was strong, enabling us to deliver an **operating surplus** on ordinary activities of **£1,359k**.

• Turnover

We are able to report an **increase of 8.9%** in turnover for the year to **£8.9m**

• Loans

We paid **£1074k** in **loan interest** over the year, with outstanding property loans at year-end totalling **£26.0m**.

Programmes of Work

Despite the continuing effects of the pandemic, we managed to carry out numerous significant programmes of work. These included:



-
- In the year ahead we will invest almost **£1.6m** in planned maintenance works, mainly on kitchens, window and door replacements, heating upgrades and external cyclical maintenance.

-
- In the last financial year we processed some **6,600** repair orders, spending almost **£900k** on response maintenance.

-
- Honouring our commitment to ensuring that tenants can continue living in their homes, we carried out disabled adaptation work on **37** properties.



I'm impressed and delighted with the standard of our new home!

Community Care Provision

We were pleased to be able to maintain our commitment to provision of care in the community, in partnership with Praxis Care and Inspire Wellbeing.

Our housing management team worked throughout the year to sustain tenancies, allocate void properties on a timely basis, maximise rental income, minimise arrears and strengthen our relationship with our tenants.

131
homes
contributed
to the
SHDP

112
new homes
delivered
within year

Strengthened
relationships
with key
stakeholders



Tenant Satisfaction Survey

Our annual Tenant Satisfaction Survey provided us with powerful insights into our services, our housing stock, timeliness and quality of repairs and maintenance standards. We also gained insights into the communities we are working for, and of the issues that concern them day to day, such as littering, vandalism and anti-social behaviour.

Furthermore, we learned about the new issues that are starting to have real impact on our tenants' lives, such as anxiety around rising energy prices, the cost of living and the need for additional support.

Methodology

- We aimed for 130 responses drawn from a random sample of tenants and representing just under 10% of Arbour's housing stock. This gave a **95%** confidence level, with a margin of error of +/- 8.5%.
- Surveys were conducted using a questionnaire based on the benchmarking standards used by Housing Associations across Northern Ireland.

Survey Key Points:

97%

satisfaction with the overall service we provided

98%

of tenants surveyed likely to recommend Arbour to family and friends

97.5%

satisfaction with their neighbourhood as a place to live

97%

overall satisfaction level

Priority Services for Tenants are:

Respondents identified a range of the most important priorities for their household. These were the most common/top priority services/issues:



Priority Reasons Tenants Contact Us:

All respondents had contact with us in the past 12 months. Contact can be categorised as:

- Repairs & Maintenance
- Rent/Housing Benefit/ Universal Credit/Rates
- Transfer/Exchanges
- Neighbourhood
- Communal
- Other

Tenant Needs - Developing Services

Tenants confirmed need for support/further information in the following areas:



Increasing
energy
costs



Available
support
services



Increasing
cost of
living



The team
responds
quickly if you
have a query.
That's very
reassuring.



Neighbourhoods & Communities

Most respondents reported no problems in relation to the 14 indicators within their neighbourhood. The top five concerns are:

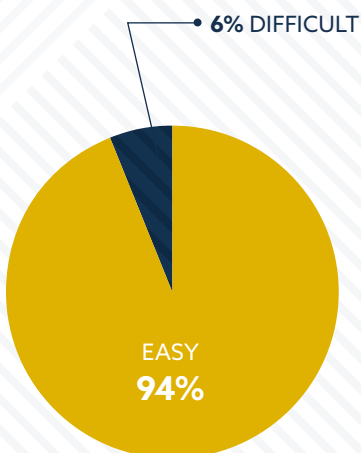


Mr George Gallagher, whose Banbridge home was one of two involved in our air source heat pump pilot scheme.

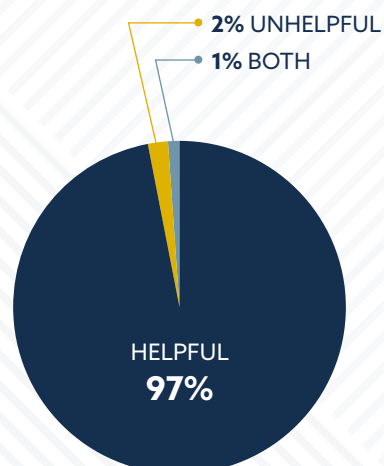


Tenant Issues, Concerns & Our Performance

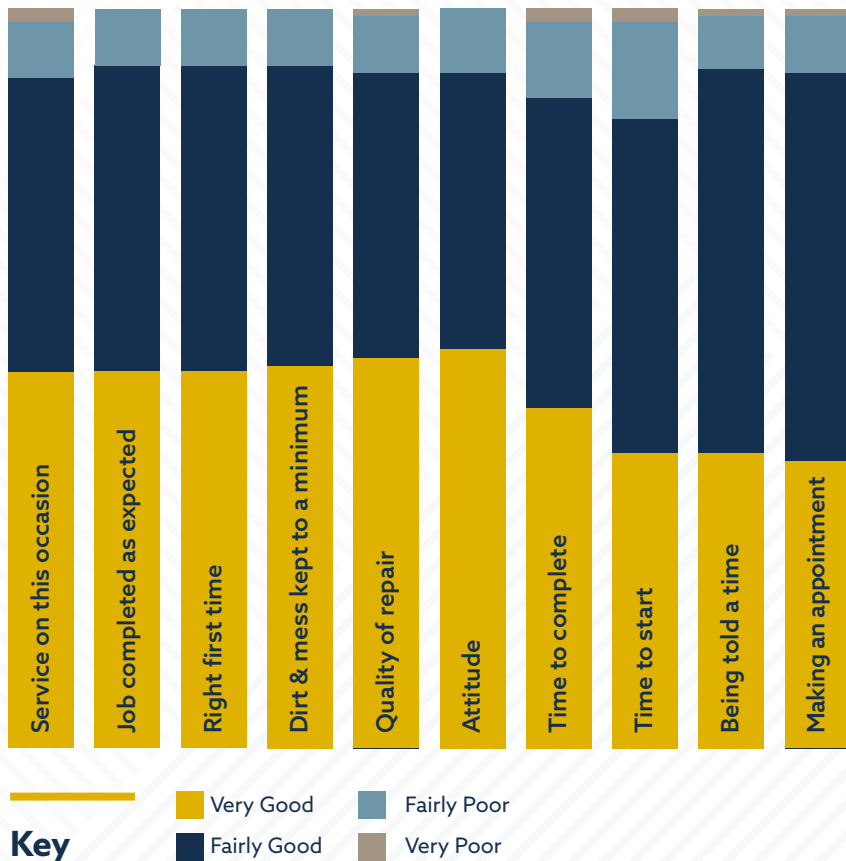
EASE OF CONTACT WITH STAFF



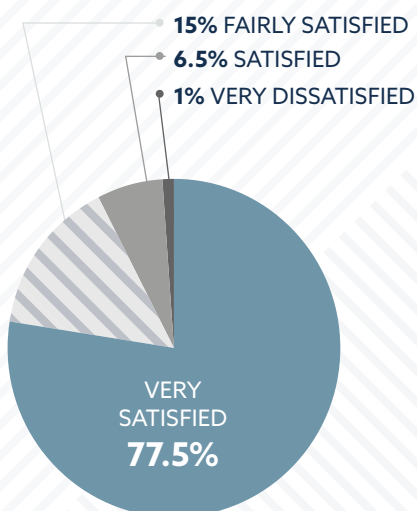
HELPFULNESS OF STAFF



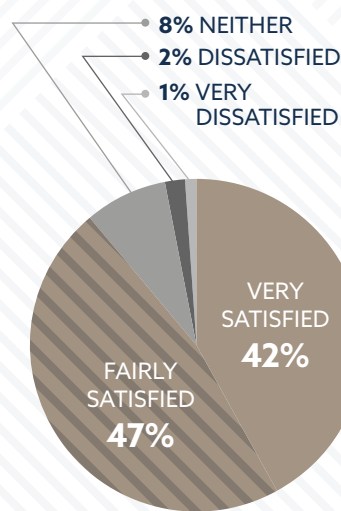
RATE YOUR LAST REPAIR IN TERMS OF ...



SATISFACTION LEVELS OF HOW ABLE STAFF WERE DEALING WITH QUERIES



SATISFACTION LEVELS OF THE ASSOCIATION'S REPAIR & MAINTENANCE SERVICE



Survey Outcomes

Whilst the overall results of the survey are positive, we need to maintain, review and improve service provision to all tenants.

- Quality of homes continues to top the list of priorities for tenants alongside Repairs and Maintenance.
- Neighbourhood is now considered a top priority for tenants. As this theme continues with blended approaches to work and education, we now need to focus on providing quality sustainable accommodation, continuing to support and promote vibrant communities and responding effectively to neighbourhood issues.
- All tenants who responded as requiring further assistance with additional benefits will be contacted (in confidence) and will be provided, sourced or signposted to the most appropriate form of assistance available to them.
- A diary of activities will be set up for the incoming 12 months to include all schemes listed as requesting a sponsored community clean-up day.



Tenant Conference

In mid-June 2022 the Seagoe Hotel in Portadown was the location for our Tenant Conference. It was an opportunity to engage with members of the Tenants' Forum and our tenants and listen to speakers from a number of stakeholders and related organisations.

- Shauna Livingstone from Armagh City, Banbridge and Craigavon Borough Council gave an overview of the Council's wide-ranging remit in environmental health.
- The PSNI gave a talk on its Policing with The Community strategy.
- Shannon McVeigh from Community Advice Craigavon (formerly Citizens' Advice) outlined the range of advice services the organisation can provide, including help on benefits, employment, housing, consumer, immigration, education, health, tax, and family issues.
- The Consumer Council gave some very useful and much-appreciated advice on saving money on energy bills.
- Regenerate gave a presentation demonstrating how it is a part of Northern Ireland Alternatives, a restorative justice organisation offering a non-violent, human response to hurt and harm that antisocial behaviour inflicts upon victims and communities.





'It's a group of tenants who meet on a regular basis along with Arbour staff members to address any issues we may have, as well as organising events and activities for all in the areas we live.'



We moved last year and the transfer was very well handled.



Tenant Engagement

Placing the voice of the tenant squarely at the centre of what we do was one of our founding principles, and it remains just as vital today. We are here for and because of our tenants. We need their voice to tell us in detail how we're performing and responding to their needs – and how we can do it better. That's the key to delivering great quality homes and services, to build and support communities and improve quality of life for tenants and their families.



Initiatives

Another way we put tenants first is through our engagement with external organisations.

Advice NI	We have partnered with Advice NI, who provide free, confidential, impartial debt advice to our tenants.
APAC	APAC aims to help people retain their tenancy with us by working to address problems that have led to difficulties with neighbours and the wider community.
BCM	BCM provides a wide range of support services for our older tenants.
JAM Card	This is a discreet way for people with learning difficulties or who have communication barriers to signal that they may need a little extra time and patience in a customer service situation.
Joint Scheme Inspections	Staff, along with Tenant Representatives, conducted regular scheme inspections to understand the tenant perspective on the range of services we provide in the areas in which they live.
Digital Zone	Internet access: we make our office available for tenants to manage online claims for Universal Credit claims, or if they have any other internet/computer needs.
Starter Packs	These assist tenants who had transitioned from temporary accommodation to permanent housing by providing essential items and enable them to get the best possible start to their tenancy with us.
Home Safety Scheme	Created to promote safer homes and communities, this scheme targets the general public and specifically families and carers of children under 5 years and adults over 65 years.
Vibrant Communities	Supporting efforts that promote happy and healthy lives, such as community events and wellbeing initiatives.
Energy	We partnered with the Consumer Council to host several energy awareness events at some of our housing schemes.
Supporting Tenants	We supplied a number of Christmas lunches and hampers to our tenants. We also hosted several seasonal events at our housing schemes.



Tenants' Forum

Our Tenants' Forum aims to encourage tenants to participate actively in what we do to help us improve delivery of housing services, property services and organisation-wide services for all.

Enhance Scrutiny	Forum members took part in joint scheme visits with Estates Compliance Officers to provide a tenant perspective. Forum members have also had meetings with various members of staff and contractors to outline any issues that tenants in their area may be experiencing, resulting in improved services for tenants.
Corporate Strategy	The Tenants' Forum were participants in reviewing the Corporate Strategy and providing feedback which was incorporated into the Strategy.
Policy review	Forum members carried out detailed review of the following policies: Allocations & Voids, Complaints, Tenancy Fraud, Data Protection and Rent Arrears. Suggestions and amendments made by Forum members were incorporated into the policies.
Newsletter	The Tenants' Forum continues to be involved in the Tenants' Newsletter and to make valuable and interesting contributions.
Tenant Satisfaction Survey	Forum members took part in a review of the annual Tenant Satisfaction Survey in February of this year. All members agreed that the survey included all relevant questions to allow for a detailed review of our services.
Expenditure/ Activities	<ul style="list-style-type: none">• Seasonal events• Clean-up days for various schemes as identified through the Annual Tenant Satisfaction Survey• Involvement in mental health initiatives• Caged van approved for various areas for disposal of bulky items, as identified through Tenant Satisfaction Survey• Friendship benches• Christmas dinners for older people who are on their own• Energy awareness events• Golden Thread project• Supporting tenants• Series of Fun Days• Coffee morning/lunches



Compliance and Sustainability Officer Stephen Hunter with tenant Mr George Gallagher at Fort Street Banbridge

CASE STUDY:

Air Source Heat Pump Pilot Scheme

One of our key strategic objectives is to provide high-quality homes that meet the long-term needs of our tenants – while delivering on our commitment to Net Zero. Sustainability and decarbonisation are important elements of that objective.

With that in mind, we undertook a substantial retrofit in late 2022 of two semi-detached bungalows in Fort Street Banbridge, replacing the old oil-fired central heating systems in each with outdoor 6kW air source heat pumps connected to an indoor compressor unit and hot water tank. The work was part-funded by the Department for Communities.

The two homes were vacant before the new system and other elements were installed. This allowed for the works – which included laying underfloor heating throughout – to be carried out without inconveniencing sitting tenants.

In addition to the air source heat pumps, both of the properties have benefited from new cavity wall, floor and roof space insulation, and have had solar panels installed. In due course these will provide a renewable source of electricity to power the air pumps.

The system generates real-time data via room sensors and other monitoring equipment. In addition to collecting this information ourselves, we are sharing it with the Department for the Economy. Collection of the data is done remotely, which allows us to diagnose any system faults and, crucially, identify opportunities to improve efficiency and optimise the system for future roll-out.





KEY PERFORMANCES BY CATEGORY

Property Services

We were pleased to be able to complete the following works in 2022-23:



Quality assurance inspections were carried out following completion of the works, and we are pleased to note that **96%** of our tenants were satisfied with how the contractor completed the works.

We also exceeded our response time targets and achieved high levels of satisfaction with contractor performance. Overall achievement against Corporate Plan and Key Performance Indicators has been strong.

Continuing our commitment in the year ahead, over **£1.6m** will be invested in Planned Maintenance works, focused mainly on kitchens, window and door replacements, heating upgrades and external cyclical maintenance.

We are also embarking on an ambitious investment programme over the next few years as we aim to **cut the carbon emissions** of our properties, while **reducing fuel poverty** for our tenants.

In 2022-23 Arbour processed over **6,600** repair orders, spending almost **£900k** on response maintenance works.

Quality assurance checks were carried out on all completed orders to ensure that work is carried out to the appropriate standard and to the satisfaction of tenants.

Honouring our commitment to ensuring that tenants can continue living in their homes, we carried out disabled adaptation work on **37** properties in 2022-23.



When we took up our tenancy, we really felt welcomed by the Arbour staff – and the neighbourhood too.

Measured Term Contractor Performance

As part of our quality commitment, **100% of repair works over £500 were post-inspected** prior to payment, with a portion of lower-value orders also inspected to ensure high levels of workmanship.

100% of Change of Tenancy and Disabled Adaptation Works were also post-inspected prior to payment.

Category	No. completed on time	Total No. completed	KPI Target %	Completion Performance %
Emergency incl ICO (24 hrs)	1,963	2,243	85%	88%
Urgent (4 days)	1,563	1,916	80%	82%
Routine (28 days)	2,123	2,507	80%	85%



KEY PERFORMANCES BY CATEGORY

Housing Management

Despite the constraints of the past financial year, our Housing Management results show an exceptional performance, working to sustain tenancies, allocate void properties on a timely basis, maximise rental income, minimise arrears and strengthen our relationship with our tenants.

The department has successfully reduced void loss through the effective management of allocations.

	Target 2022-23	Actual 2022-23
Target relets within 3 weeks	80%	88%
Target relets within 4 weeks	100%	96%
Loss of revenue through voids (excluding major and improvement works)	0.25%	0.25%
Total number of voids annually	96	63
	Tolerance \pm 10%	

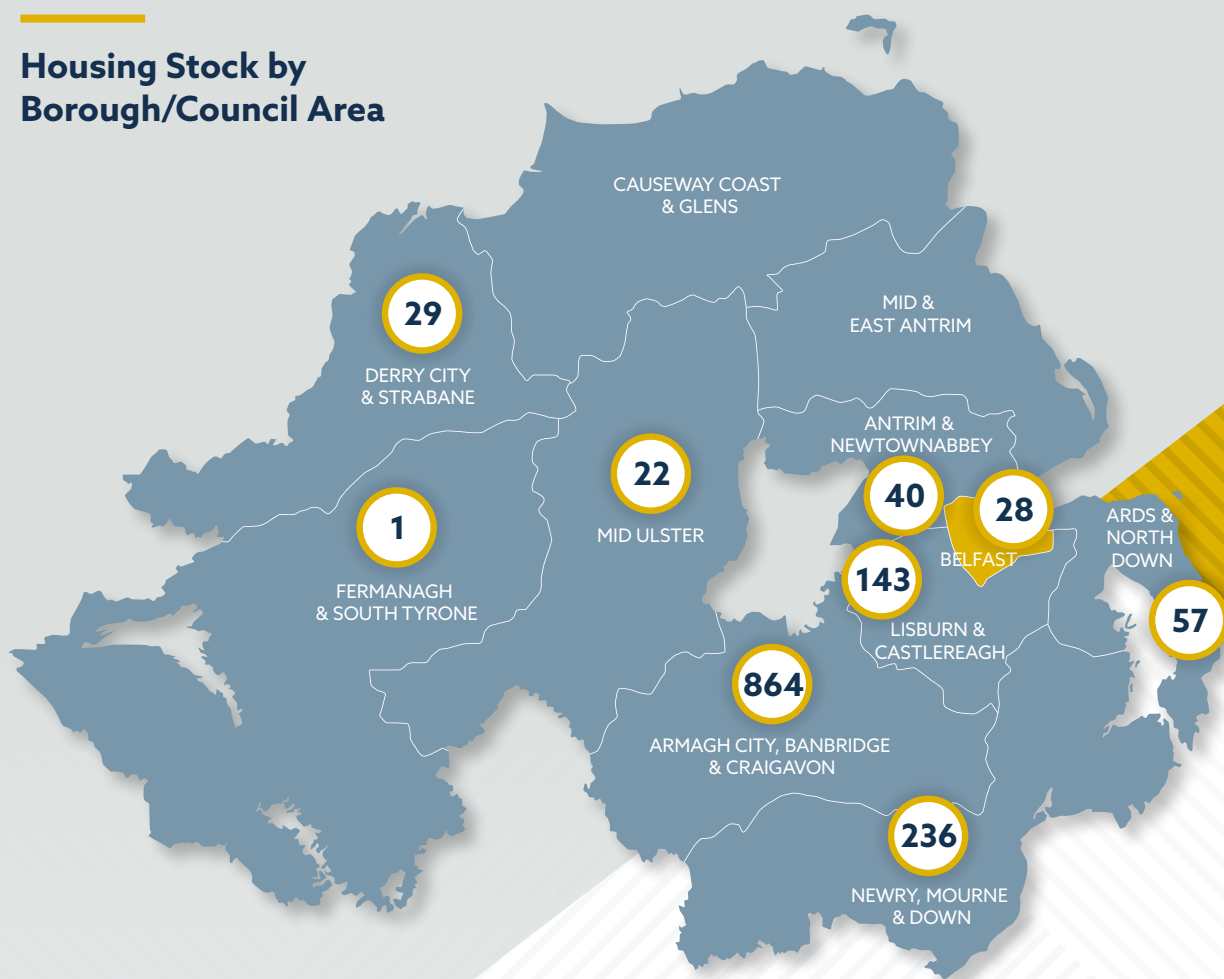
Rent Collection from 1st April 2022 to 31st March 2023	
Rent Charged:	£7,599,700
Rent Collected:	£7,531,283
Collection Recovery:	99.1%

The department has worked effectively to maximise rental income and minimise rent arrears. The position on arrears has

improved and is back on target. In 2022-23 we had current tenant (£174k) and past tenant (£60k) arrears totalling £234k.

	Target 2022-23	Actual 2022-23
Past tenant arrears as a % or rent receivable	<1%	0.77%
Current tenant arrears as a % or rent receivable	<6%	5.64%

Housing Stock by Borough/Council Area

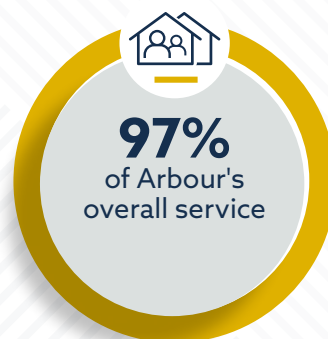


Residents Helen Ryan and her son, Knockeneagh Lane, Newtownabbey

We're very happy in our new home. It meets our needs really well!

Highlights

Our 2022-23 Survey shows **high levels of satisfaction** among tenants across all our services. The Survey offers an opportunity to identify areas for improvement, so tenant engagement is vital.



An aerial photograph of a new residential development. The houses are two-story red brick with black roofs, arranged in a semi-circle around a central area. Some houses are still under construction, with scaffolding and building materials visible. The development is set in a rural landscape with green fields, trees, and rolling hills in the background. A road curves around the houses. A blue and yellow geometric overlay is in the top right corner.

I would
recommend
Arbour to
family and
friends.



KEY PERFORMANCES BY CATEGORY

Housing Development

The Development department contributed to Arbour's success during the financial year, with a contribution to the Social Housing Development Programme of **131 homes**. **112 homes** were completed and handed over within the year and a further **218** homes are under construction.



total investment
in social housing



receivable in Housing
Association Grant



218

homes are under
construction



131

homes to the
Social Housing
Development
Programme

Buncrana Road, Derry/Londonderry



Ongoing Developments

Homes completed in 2022-23, by scheme

SCHEME	UNITS
Sloanhill Street, Lurgan	22
Fort Street	2
Belfast Road, Newry	21
Causeway End, Lisburn	16
Channing St/Upper Greenwell Street, Belfast	5
Sloanhill Mews, Lurgan	4
Knockenagh, Newtownabbey	42
TOTAL	112


86
our target for new
homes completed
in the coming
year

Homes Under Construction

SCHEME	UNITS
Dundrum Road, Newcastle	18
Peggy's Loaning, Banbridge	37
Woodside Avenue, Omagh	40
Buncrana Road, Derry/Londonderry	98
Newtown Rd, Camlough	9
Canal Street, Newry	10
Parksnasilla, Aghnagallon	5
William Street, Lurgan	1
TOTAL	218

L-R: Harry Maher from Shared Housing Programme (DfC) and Arbour Housing Chief Executive Kieran Matthews at the official opening of Belfast Road, Newry

New Build Development: 2023 and Beyond

Arbour has ambitious plans for 2023–24, as we target the commencement of **over a hundred** new homes across a number of sites.



Social Housing Development Programme

Our Development Team will continue to build strong relationships with all stakeholders in areas of need, as identified in the Commissioning Prospectus for Social Housing Development Programme.



Peggy's Loaning, Banbridge

Potential Development Opportunities

If you are aware of any potential development opportunities, please contact our Development Department:

☎ 028 3833 9795

✉ hello@arbourhousing.org

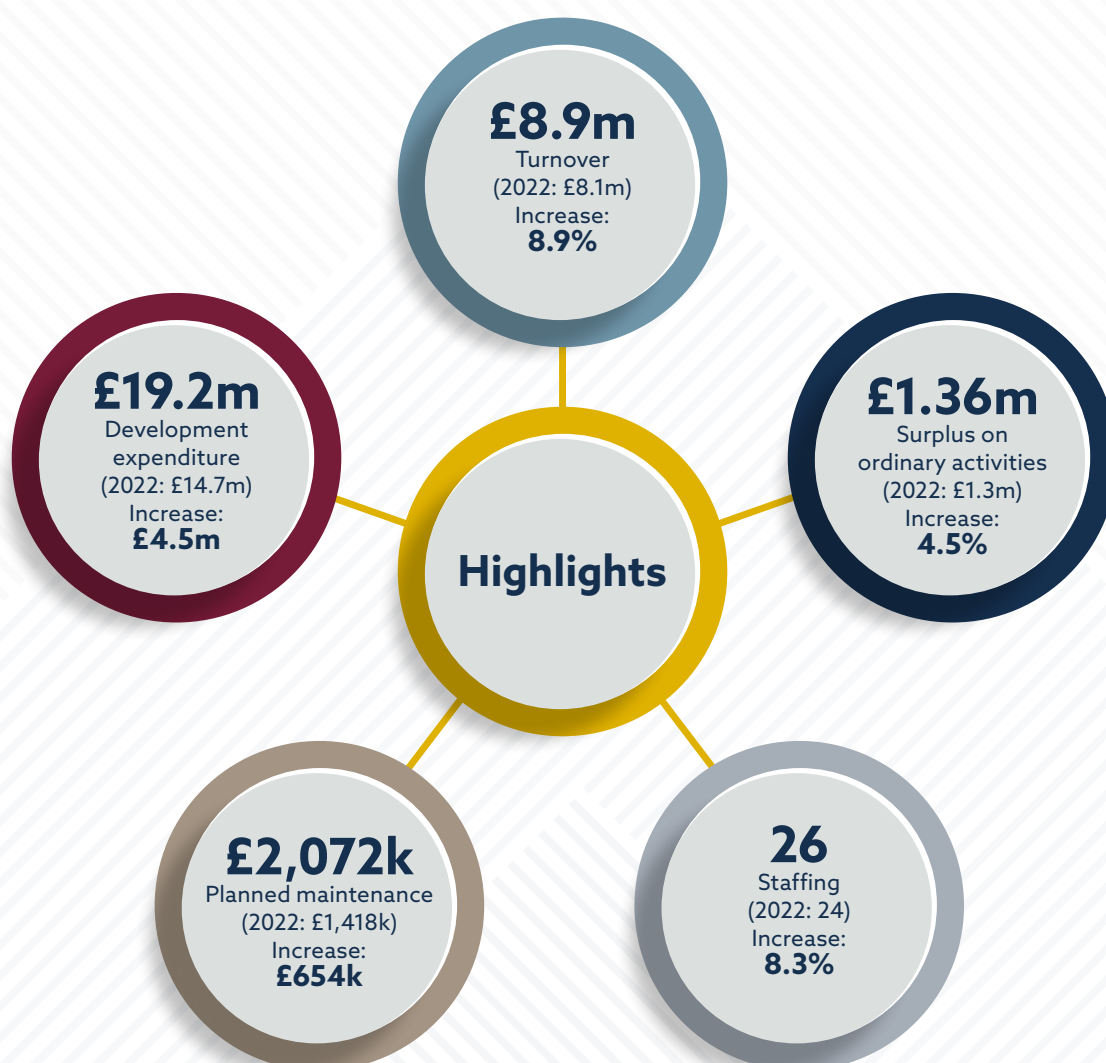


Woodside Avenue, Omagh



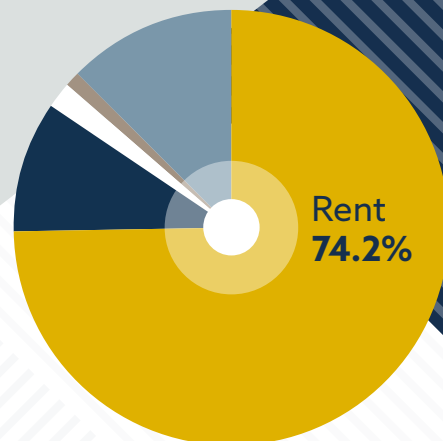
KEY PERFORMANCES BY CATEGORY

Finance Report

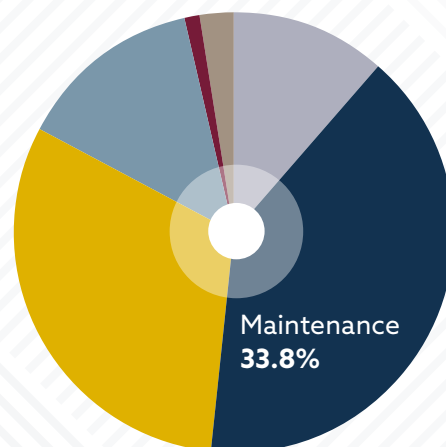


The cost of living crisis continues to affect the lives of tenants, but it can also be seen as a factor in our financial performance. Rising inflation has driven increases in interest rates, and this in turn has significantly impacted the £8.75m of £26.0m of our loans that are on variable rates.

Turnover Analysis	£	%
Rent	6,572,480	74.2%
Rates	862,979	9.7%
Affordable Housing	11,634	0.1%
Tenant Services	149,800	1.7%
Non-social housing activities	107,799	1.2%
Income from Housing Association Grant	1,094,253	12.3%
Income from other grants	69,672	0.8%
Total	8,868,617	100%



Cost Analysis	£	%
Property Management	742,232	9.8%
Maintenance	2,564,707	33.8%
Depreciation	1,991,681	26.2%
Rates	879,853	11.6%
Other social activity costs	68,004	0.9%
Tenant Services	149,800	2.0%
Non-social housing costs	107,799	1.4%
Interest Costs	1,087,974	14.3%
Total	7,952,150	100%



Statement of Comprehensive Income

Turnover	8,868,617
Operating costs	6,504,176
Surplus arising from sales of housing property	76,774
Operating surplus	2,441,215
Interest receivable and similar income	5,462
Interest payable and similar charges	(1,073,974)
Other finance loss	(14,000)
Surplus on ordinary activities	1,358,703
Actuarial gain in respect of pension schemes	580,000
Retained surplus for the financial year	1,938,703
Retained surplus brought forward	19,241,477
Retained surplus carried forward	21,180,180

Creditors over 1 year

Loans	24,535,435
Housing Association Grant	82,616,576
Other	1,310,036
Total	108,462,047

Statement of Financial Position

FIXED ASSETS	
Housing properties – depreciated cost	131,350,892
Other tangible fixed assets	683,581
	132,034,473
CURRENT ASSETS	
Debtors	1,828,839
Cash at bank and in hand	1,525,581
	3,354,420
Creditors: amounts falling due within one year	(5,746,563)
Net current liabilities	(2,392,143)
Total assets less current liabilities	129,642,330
Creditors: amounts falling due after more than one year	(108,462,047)
PENSION LIABILITY	
Net assets	21,180,283
CAPITAL AND RESERVES	
Called up share capital	23
Capital reserve	80
Revenue reserve	21,180,180
Total funds	21,180,283



Looking Forward

The report you've just read tells a story of progress by every metric and in every key aspect of what we do – in our finances, in our property services and in our housing development strategy.

That's very encouraging, particularly given the twin forces of the lingering consequences of the pandemic and the ongoing cost of living crisis. The success we achieved is the result of hard work by the entire team dedicated to continuing to deliver quality services for every single Arbour Housing tenant.

And as we contemplate the road ahead, we are continuing to

invest in new-build projects and expanding our geographic reach. We are exploring new technologies to improve sustainability and reduce waste and reliance on fossil fuels. We are diversifying and broadening our horizons. And most importantly, we are confident that we have the vision, capacity and expertise to maintain our growth and shape the years ahead in the interest of our stakeholders and of course, our tenants.

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Charity Commission NI
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