



**Growth with Stability:**  
Corporate Strategy  
**2023-28**



**Arbour**  
HOUSING

**Live. Share. Grow.**



**Growth with Stability:**  
Corporate Strategy  
**2023-28**

## Contents

- 04** Foreword
- 05** Introduction
- 06** Our Vision & Values
- 08** What We've Achieved
- 10** Our Operating Environment
- 14** Our Assets
- 16** Regulatory Framework
- 17** Value for Money
- 17** Loan Covenants

## 18 Strategic Objectives

-  **18** Empower our tenants
-  **19** Build a strong business
-  **20** Provide great homes
-  **21** Provide more new homes
-  **21** Protect our environment

**22** Delivering Our Corporate Plan

- 23** Appendix A:
- Board of Management
  - Senior Management Team





## Foreword

We've come a long way since we were formed back in 1978 to provide social housing in the Portadown area. Today Arbour Housing has more than 1,350 homes spread throughout Northern Ireland. This five-year Corporate Strategy for 2023-28 takes what we have achieved to date and uses it to shape the next phase of our development – as expressed in our new vision statement:

**To provide more homes, meet our tenants' needs and make a positive difference to people's lives, communities and the environment.**

Out of this vision, we have developed five Strategic Objectives. These form our 'golden thread' running through the organisation and ensuring that we all work towards achieving the shared outcomes that are important to our tenants and partners.

**The five objectives are:**



### 1. Empower our tenants

Supporting, involving and empowering tenants in everything we do.



### 2. Build a strong business

Being a strong, well-run organisation who are seen as a partner and employer of choice.



### 3. Provide great homes

Providing good quality and safe homes that meet residents' needs now and in the future.



### 4. Provide more new homes

Building new homes to meet housing needs across Northern Ireland.



### 5. Protect our environment

Reducing our impact on the environment.



There are many challenges ahead. We recognise that our operating environment is complex, and we continue to experience rapid change and uncertainty. However, we are confident that our Board of Management and staff will continue to demonstrate our ability to adapt, deliver our plans for growth and deliver great services for our current and future tenants.

**Angela Clarke**  
Chair, Arbour Housing



## Introduction: an overview of our background and structure

- We were formed in 1978 as the Portadown Housing Association, and have since grown to become an important provider of social housing across Northern Ireland.
- Our head office is located at 18-22 Carleton St, Portadown, Co. Armagh, where our 25 FTE staff are based.
- The staff are organised in four teams (Finance, Property Services, Housing and Development) and managed by a senior management team led by Chief Executive, Kieran Matthews.
- The senior management team reports to a Board of Management under the chairship of Mrs Angela Clarke.
- Details of Board and Senior Management Team membership are attached at Appendix A.
- We are a medium-sized charitable Registered Social Housing Provider. We own and manage over 1,350 homes, with larger concentrations of stock in the main towns of Portadown, Lurgan and Newry.
- Arbour continues to grow and extend our reach, with new homes in areas such as Derry/Londonderry and Newtownabbey under construction.



Chair, Board Member and Senior Management Team Members





## Our Vision & Values: developing the strategy

This Corporate Strategy and Business Plan 2023-28 was developed through a consultation process with our Board of Management, Tenants' Forum and staff. That process revealed two clear desires:

- to maintain our focus on making a positive difference for our tenants
- to reduce our environmental impact.

We therefore looked at bringing these into the Vision and Values that shape our new five-year strategy.

### Vision

We know that being a great landlord is more than just providing the 'bricks and mortar' of a home to rent. We perform a much wider range of functions to support our mission – including roles as developer, employer, partner and advocate.

To help us achieve our mission, therefore, we have developed the following vision for the future:

To provide more homes, meet our tenants' needs and make a positive difference to people's lives, communities and the environment.

### Values

Our values are very important to us. They are our guiding principles, driving what we do and how we work. They set standards that our customers can expect from us. They also help us to manage performance, recruit new staff and recognise and reward good work. Our values are what will help us to achieve our strategic objectives. They are:



#### Caring

We care about our staff, tenants and the quality of our homes and services.



#### Honest

We are honest with our tenants, staff and partners. We keep our promises and are accountable to them about what we do, how we work and our decision-making.



#### Effective

We constantly review and improve how we do things – ensuring we have effective systems and processes and the right structures and skills to drive continuous improvement.



#### Integrity

We will ensure that equality, diversity and inclusion are at the heart of what we do, and that the decisions we take are always objective and fair – even when tough decisions are needed.



#### Supportive

We provide support to individual tenants in developing life and work skills and improve well-being, and build the capacity of tenants' groups to help support thriving communities.







## What We've Achieved

In our last five years, we have successfully delivered against the objectives set out in our previous Corporate Strategy.

We have added *250 new homes* and extended our reach across Northern Ireland, with new developments in Belfast and Lisburn as well as in our existing areas of operation.

We are positioned for significant growth in the coming years, with nine schemes under construction that will deliver 280 new homes and new private finance in place to fund further new development.



### Governance

We have strong governance arrangements in place to ensure we continue to meet the requirements set out in the Department for Communities, Regulatory Framework for Registered Housing providers.

### Benchmarking performance

We have a comprehensive suite of performance indicators so that we can monitor the quality and performance of our services and benchmark against other providers. These have shown strong performance throughout the last five years.



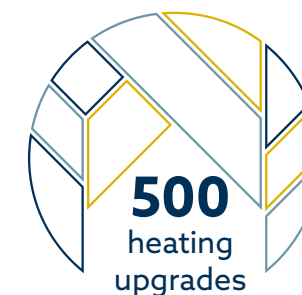
### Repairs & Maintenance

We have successfully delivered our repairs and maintenance programmes and are able to report full Decent Homes compliance. This included a total planned maintenance spend of over £5m during the term of the five-year plan 2018-23 – including:

- 150 kitchen replacements
- 220 bathroom replacements
- 265 major internal upgrades
- 500 heating upgrades
- 125 Window/Door Upgrades.

Our projected spend in the coming plan 2023-28 is in excess of £8m.

To reduce our environmental impact there will be additional spend of £5m to meet the 2030 target of a minimum of EPC 'C' rating on all properties.



### Tenant involvement

Our tenants are given full opportunity to be involved in the running of the organisation and the services we provide. Our most recent tenant survey showed high levels of satisfaction:

- 98% with the quality of their home
- 98% with the helpfulness of staff
- 97.5% with the area they lived in
- 96% felt the organisation kept them well informed
- 95% felt that their views were taken into account.
- Satisfaction with repairs and maintenance and with the quality of repair work done is slightly lower at 89% and 92% respectively.



## Our Operating Environment

### Sector Risks

In setting our Strategic Objectives, the Board was informed by the risks facing Arbour over the life of the Strategy. In common with all providers of Social Housing, we are facing an uncertain operating environment where many mitigation plans have already been deployed. In defining and delivering our strategic objectives, we inevitably faced a broad range of competing pressures and trade-offs affecting financial capacity.

We will be undertaking substantial investment in existing stock to respond to changing quality, safety and energy efficiency standards. At the same time, we will be investing to develop new homes to serve future tenants, and facing the challenge of supporting tenants at a time of significant cost of living pressure.

This Strategy sets out our purpose in order to identify and manage the risks inherent to the trade-offs and to maintain financial resilience.

### Macroeconomic Risk & Viability

The economic environment remains particularly uncertain, with the risk of further downside shocks. We are facing significant cost inflation, a tight labour market, high energy costs, and continuing supply chain disruption. The cost of borrowing is expected to increase, with interest rates expected to continue to rise over the first year of the Strategy.

Declining real household incomes may mean tenants will increasingly struggle to pay rents. Rising interest rates will place a pressure on financial performance and increase the need to manage downside risk. In response, we will continue to implement mitigation plans to ensure continued delivery of strategic objectives while maintaining viability.

### New Supply & Development

We wish to play a key role in delivering much needed new homes for both social rent and over the term of the Plan look to provide homes at intermediate rent as well as low-cost home ownership. However, we are conscious of the constraints imposed by the limited Grant funding available and; the impact of the Planning system and NI Water infrastructure on the availability of new sites. We are also conscious of the risks of new ventures and will risk assess these carefully before making commitments.

Current high inflation, skills shortages and supply-chain disruption continue to drive up development costs. Therefore we will need to consider carefully how to assess and prioritise investment in new development, ensuring that investment appraisal approaches remain up-to-date and projects are tightly managed.

### Stock Decency & Safety

To maintain an adequate investment in existing stock we will ensure that an effective system for repairs and maintenance is in place to meet regulatory standards. The assessment of the condition of stock will relate to current and evolving requirements, in particular from changing energy efficiency standards and the government's decarbonisation and Net Zero agenda.

### Risk Management Framework

An effective risk management framework is in place and will continue over the life of this Strategy to mitigate the impacts of the operating environment on the delivery of our strategic objectives and key services. We will inevitably face difficult trade-offs, but we will ensure that Arbour remains compliant with the requirements set out in legislation and in our regulatory standards, prioritising safety and essential services.

### New Build Requirements

To provide a context for the new build requirement over the life of this strategy, it is useful to look at recent research published by the Northern Ireland Housing Executive in October 2022.

A summary Strategic Housing Market Analysis report, commissioned by the Northern Ireland Housing Executive's research unit, condensed the Strategic Housing Market Analyses (SHMAs) that had been prepared for Northern Ireland's 11 Housing Market Areas (HMAs). The report combined the results from the SHMA reports to set out projections of future housing need and demand at Northern Ireland and Local Government District (LGD) levels.

The Northern Ireland HMAs, as defined in a report commissioned by the Northern Ireland Housing Executive, and are shown in the map below, grouped into five SHMA reporting areas.

The SHMA reports for the Belfast Metropolitan and the Derry and Strabane HMAs were completed in December 2020 and have been published as research reports by the Housing Executive. The three remaining reports were prepared in a second stage.

The SHMA reports provided housing requirement projections for the 15 years 2020 to 2035, both in total and by tenure, i.e., private, intermediate and social housing need.

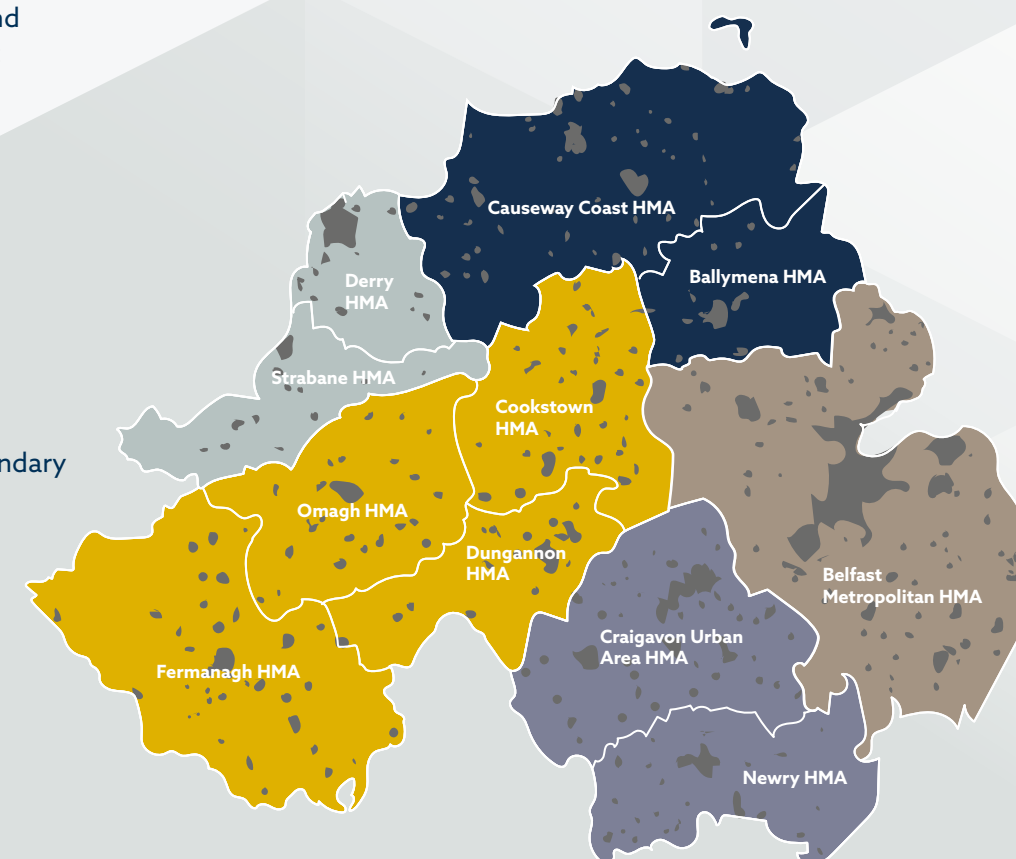
Map A: Northern Ireland Housing Market Areas

### Legend

- Housing market area boundary
- Settlement limits (500+)

### Reporting areas

- Belfast
- West
- South-Eastern
- Mid-Western
- Northern







### Projected Housing Requirements

The summary report presents new dwelling requirement over the 15-year period 2020 to 2035. In the central projections presented in the report, the projected number of newly arising households is 68,610.

After allowing for expected changes in second homes, vacant dwellings, and the replacement of dwellings lost due to dereliction, demolition, etc., the projected total new dwelling requirements amount to 84,670. However,

that figure does not include the backlog of housing need. The backlog as measured from the Housing Executive's Common Waiting List (CWL) at August 2019 was estimated at 10,950 homeless applicants without their own self-contained accommodation.

With the addition of the backlog, the total new dwelling requirement projected for the period 2020 to 2035 increased to **95,620**.

The projected requirement by tenure, including the backlog, is summarised in the table below.

Although projections for new dwelling requirements are inherently uncertain owing to their reliance on the pace of household growth, the table provides a guide for the annualised demand for social housing over the term of this five-year plan.

Sensitivity analysis shows in the table below the new dwelling requirement for social housing ranging from a low of 1,560 to a high of 1,800 per annum. See table below.

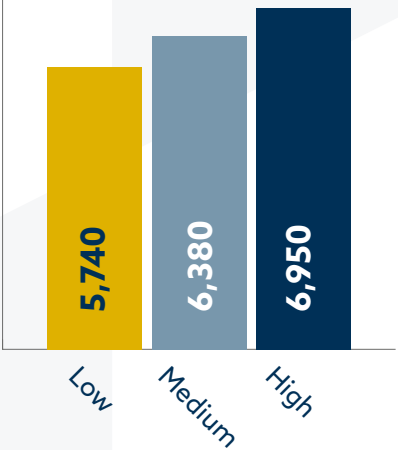
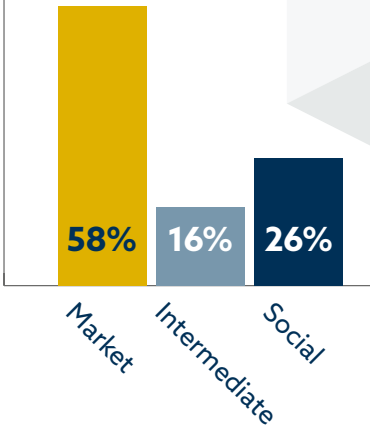
In practical terms, the year-on-year new-build requirement will be determined by the Department for Communities, Social Housing Development Programme and the funding available. However, the above is useful in understanding what underpins the new build requirement during the life of this strategy.

New dwelling requirements by tenure, 2020-2035, projections, N. Ireland

| Incl. Backlog | Market | Intermediate | Social | All    |
|---------------|--------|--------------|--------|--------|
| Total         | 54,890 | 15,450       | 25,280 | 95,620 |
| Annualised    | 3,660  | 1,030        | 1,690  | 6,380  |
| %             | 58     | 16           | 26     | 100    |

Projected new dwelling requirements scenarios, 2020-2035, N. Ireland

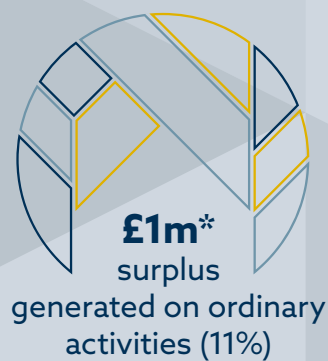
| Incl. Backlog | Low          | Medium       | High         |
|---------------|--------------|--------------|--------------|
| Market        | 3,270        | 3,660        | 4,010        |
| Intermediate  | 910          | 1,030        | 1,140        |
| Social        | 1,560        | 1,690        | 1,800        |
| <b>Total</b>  | <b>5,740</b> | <b>6,380</b> | <b>6,950</b> |





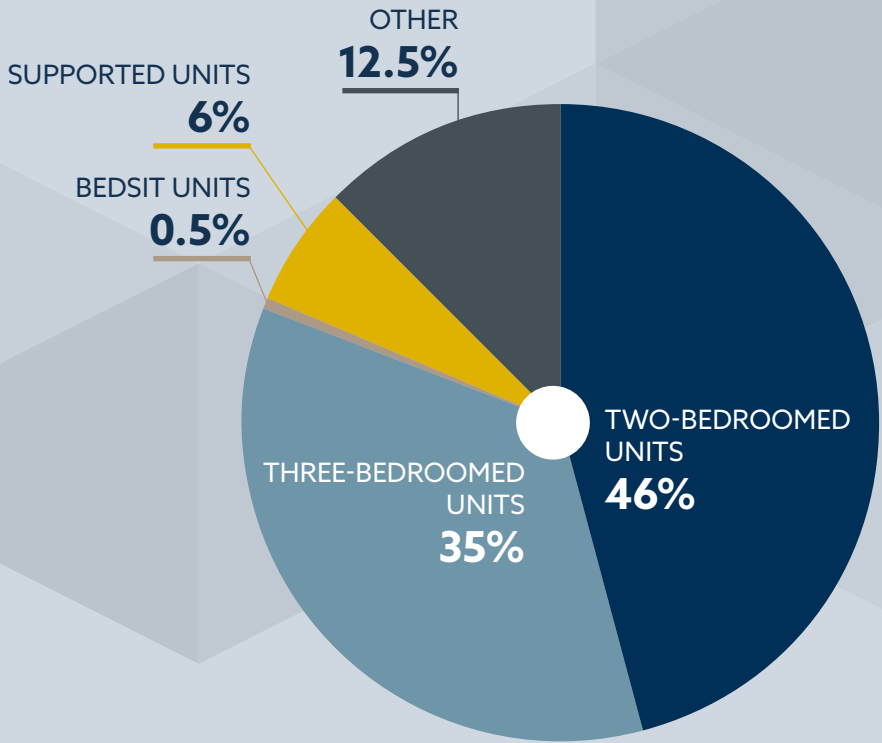


# Our Assets



Currently we own and manage **1,374 homes**. The large majority of these are family-sized properties, including **635 (46%) two-bedroomed units** and **478 (35%) three-bedroomed units**. There are only **7 (0.5%) bedsit units** in the total. **Supported housing accounts for 6% (81 units)** of our total stock.

Turnover for the year ended 31st March 2023 is projected to be in the region of £8.7 million, generating a surplus of almost £1m on ordinary activities (11%).



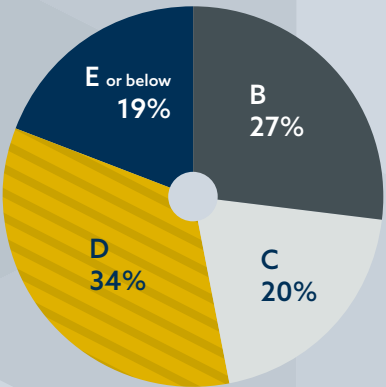
## The Road to Net Zero

A major consideration to be addressed in the life of this five-year strategy is our pledge to make significant progress in our Net Zero journey by 2028. This strategy aligns with Arbour's 2023-28 Carbon Reduction Strategy (CRS). This sets out the drivers for change and why the pledge has been made, where we are starting from, and our priorities for action to decarbonise our operations and lay a foundation for the future. One of the key aims over the next five years will be to focus on reducing the carbon emissions from our properties, as we start on our journey to Net Zero.

The methodology used by government to assess and compare the energy and environmental performance for existing dwellings is a simplified version of Standard Assessment Procedure (SAP) called Reduced data SAP (RdSAP).

Following a review of RdSAP data, obtained through Energy Performance Certificates (EPCs), we have completed a baselining exercise. While there is broad agreement across the sector and beyond that EPC Ratings are an imperfect measure of energy efficiency, to date, the Climate Change Committee (CCC) and Government have agreed that EPCs remain the most useful available metrics in driving relevant retrofit works for decarbonisation.

The table below outlines current EPC ratings across Arbour's Housing stock and the percentage of properties within each EPC rating.



| EPC Rating | Properties in Band | % Representative |
|------------|--------------------|------------------|
| B          | 376                | 27%              |
| C          | 277                | 20%              |
| D          | 467                | 34%              |
| E or below | 254                | 19%              |

Arbour Housing Stock EPC ratings



Our target is to have all stock achieve *a rating of C or better* by 2030. The cost estimates to achieve this for existing stock and the funding sources to support the investment will be subject to due consideration and will have a major impact over the life of this Strategy.

In regard to new building, we will look to design and methods of construction for other opportunities to prepare for or reach 'net zero'.





## The Regulatory Framework

The regulatory framework for Registered Social Housing Providers (RSHPs) in Northern Ireland sets out the expectation that Boards ensure standards are met in three key areas:

### Governance

including robust risk management processes

### Financial

including the mechanisms in place to protect assets and public funds, financial planning and assumptions

### Consumer

focuses on tenants, considering tenant involvement, complaints, services and understanding tenants' needs.

Our Strategic Objectives are deliberately aligned to the regulatory framework. This provides positive assurance that our day-to-day approach to managing the organisation will also ensure compliance with all seven regulatory standards. These objectives are:

### Governance Standard

1. Social housing providers shall ensure effective governance arrangements that deliver their aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner.
2. Social housing providers shall adopt a robust approach to the assessment and management of risk and demonstrate informed and transparent decision-making processes.

### Financial Standard

1. Social housing providers shall manage their resources effectively to ensure financial viability is maintained in the short, medium and longer term.
2. Social housing providers shall articulate and deliver a comprehensive and strategic approach to achieving value for money in meeting their organisation's objectives.

### Consumer Standard

1. Social housing providers manage their businesses so that tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.
2. Social housing providers shall provide 'Decent Homes' standard accommodation with good service quality choices appropriate to the diverse needs of their tenants.
3. Social housing providers shall concentrate their efforts to support vibrant communities that encourages tenant opportunities and promotes well-being.



## Value for Money

Delivering value for money is a key priority for Arbour Housing, and we have developed a specific strategy and action plan that examines all aspects of the business with a view to delivering value to our tenants.

## Loan Covenants

We recognise the vital importance of adhering to loan covenants in relation to interest, asset cover and debt per unit. We will identify minimum cover limits and maximum debt per property limits to allow for a safety margin and report performance against these to the Board.





## Our Strategic Objectives – the golden thread



### Objective 1: Empower our tenants

To deliver this objective we will undertake the following:

- Develop our understanding of the profile of different tenants' needs and aspirations and use this insight and accurate data to tailor our services and provide choice.
- Embed tenant involvement as an integral part of our business processes, from service planning to delivery and performance monitoring.
- Work with tenants to develop our plans and standards, drawing on ideas, inspiration and lived experience.
- Work with residents to define a neighbourhood standard to guide our work at a local level – homes and gardens, street scenes and open and green spaces.
- Make it easy for tenants to access services, including developing our digital offer to provide greater choice and convenience.
- Provide support to tenants to help develop life and work skills (through apprenticeships, training and graduate placement programmes), and improve health and financial well-being (responding to welfare reform/ Universal Credit changes).
- Explore ways to provide greater tenant representation in our governance, influence on service delivery and the ability to hold us to account for our decisions and performance.
- Ensure that existing relationships with our Joint Managing Partners, Praxis Care and Northern Ireland Inspire Wellbeing, for supported housing are maintained.



### Objective 2: Build a strong business

To deliver this objective we will undertake the following:

- Demonstrate excellent governance and leadership with a highly skilled Board and Executive Team who provide absolute clarity of purpose on our vision and priorities, are committed and live our values in everything they do.
- Ensure the business is financially sustainable, with funding in place to meet our investment and development ambitions.
- Develop new income streams and optimise our income so we remain financially strong in order to achieve our goals.
- Develop an organisation-wide approach to risk management, with a well-defined risk appetite that ensures we manage risk effectively and seize new opportunities.
- Strengthen our approach to partnership working, ensuring all partnerships are underpinned by good governance and clear success criteria.
- Embed a culture of learning and continuous improvement – learning from what we do and regularly comparing our performance to others to drive better value for money.
- Review and adopt the best procurement option to reflect the future needs of the organisation.
- Regularly review our structures, systems and processes and data to ensure they are fit for purpose and provide good value for money.
- Review the knowledge and skills we need in the future and developing a workforce and succession plan to build resilience through recruitment, retention and development of our people including through training opportunities, placements and apprenticeships.
- Maximise social value outcomes through our contracts, for example by creating training and apprenticeship opportunities – and therefore helping to address skills shortages across Northern Ireland.
- Explore providing a wider range of services in-house, for example 'Direct Labour'.







### Objective 3: Provide great homes

To deliver this objective we will undertake the following:

- Define our design standards to ensure future sustainability is incorporated where appropriate, and the Lifetime Homes standard and enhanced environmental standards are met.
- Ensure that all homes, new and existing, are properly maintained, providing efficient and effective solutions for:
  - responsive maintenance – day-to-day and void repairs
  - cyclical maintenance – gas, electrical and external decoration maintenance
  - planned maintenance – programmed replacements to ensure that all homes retain decent homes standards.
- Ensure that the maintenance needs of the stock are addressed strategically through our Asset Management Strategy. This will identify the maintenance needs of the stock based on robust stock condition survey data.
- Look at the quality and financial performance of all our assets on a regular basis to ensure that they remain fit for purpose and meet the future needs of tenants based on projected demographic changes.
- Take action to address any shortcomings, for example through additional investment, changes to management arrangements, remodelling, demolition and redevelopment or disposal.
- Demonstrate to our tenants and regulator that we are delivering great services that provide good value for money.
- Continuously improve what and how we do things.
- Play an important role in 'place-shaping'. We are committed to ensuring that all our homes and neighbourhoods continue to be safe and well maintained.
- Go further – to create places that feel welcoming and where people want and feel proud to live.
- Recognise that Arbour cannot deliver our ambitions alone. Our investment in homes and neighbourhoods can make a difference. However, to build communities where people want to live, and work can only be addressed by working with partners with whom we share common objectives.
- Work with others both at a strategic and operational level drawing on their knowledge, experience, and capacity to deliver more together.



### Objective 4: Provide more new homes

To deliver this objective we will undertake the following:

- Increase the number of homes we own or manage across Northern Ireland.
- Build a mix of tenures to reflect local housing need.
- Be open to collaboration, acquisition and opportunities to deliver growth.
- Continue to grow through our current and future development pipeline, including acquisition opportunities across Northern Ireland.
- Set out in our Development Strategy the preferred locations for new housing based on an assessment of housing need.
- Maintain our current partnership arrangements with contractors, the regulator and our lenders.
- Continue to work positively with the Northern Ireland Housing Executive. We also want to work the new councils and in particular Armagh, Banbridge and Craigavon Borough Council.



### Objective 5: Protect our environment

To deliver this objective we will undertake the following:

- Continue to build and refurbish homes to reduce their environmental impact and increasing affordability – a key issue for many tenants.
- Develop a longer-term road map to optimise investment in retrofit for different property types.
- Integrate our Net Zero retrofit improvements into our existing plans.
- Engage with our tenants (especially from our younger demographic) on our plans and approaches – building momentum for and trust in the decarbonisation agenda.
- Develop an organisational carbon reduction plan covering office, supply chain and our homes.
- Support the development of local skills to deliver Net Zero carbon targets.





## Conclusion:

### Delivering Our Corporate Plan 2023-28

This strategy will be delivered through a five-year Corporate Plan that will be linked to Arbour Housing's annual business plans over the life of the strategy, and which will deliver our golden thread objectives.

The plan will be an active document that will be reviewed each year alongside the Business Plan so that it can be used to track delivery, as well as reflecting the need for change in a rapidly changing business environment.



## Appendix A:

### Our Board and Executive Team

#### Board of Management

Angela Clarke (Chair)  
Mark Blair\*  
Sam Bryans  
Ian Elliott  
Pauline Flynn  
Nigel Hampton  
Jonathan Hool  
Carolyn Lyness  
Mark Spence  
Co-Opted\*

#### Senior Management Team

Kieran Matthews  
Chief Executive  
John Conlon  
Head of Finance  
Joanne Coyle  
Head of Housing  
Joe Donnelly  
Head of Procurement & Contracts  
Greg Woods  
Head of Development





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## ARBOUR HOUSING

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**Department for Communities**  
Registration Number R43  
**Industrial and Provident Societies**  
Registration Number IP406  
**Charity Commission NI**  
Registration Number NIC102344