

## **Corporate Plan 2020-25**



## Foreword

Welcome to the fourth year (2023/24), of the 2020-25 Medium Term Plan for ClwydAlyn.

The first three years of delivering our ambitious plan have been more challenging than we could have ever anticipated when we set our bold mission. Not only have we had the impact of the covid pandemic to manage; but in the last 12 months we have had to manage a cost-of-living crisis; the impact of which we have not experienced for a generation (and nor was it anticipated). However, I can report very positive progress on many of our goals and objectives.

ClwydAlyn continues to be a financially strong, growing business, known positively for its dynamic vision and values-based approach to employment and service delivery. There is much we have achieved in the last 12 months which we are delighted about. We have maintained our margin close to 20% with confident plans to grow it in 23/24 to 21%. We maintained our credit ratings with Moody's and S & P at a time of turbulence in the funding markets; we arranged a further deferred drawdown on our bond of £40m at an advantageous average interest rate of just over 3.3%; and a new Bond tap for £150m which will secure our Development Programme for the next few years. We have also agreed new funding covenants with Barclays which do not include the capital investment we are making in our existing homes.

The 2022/23 financial year was our best year ever for achieving Social Housing grant; with £53m secured towards new homes. Despite delays and challenges in the planning system we now have 558 new homes on site; with a further 900 at various stages of the development process. All our new homes are built to EPC A, and we continue to build many ultra-low carbon homes; utilising off site manufactured systems; including Welsh timber panels manufactured in Berwyn prison. We are fitting air source heat pumps; solar PV, battery storage and a range of other new technologies to minimise our impact on the environment. In addition, our new homes at Glasdir are very affordable for our tenants to live in helping to address our fuel poverty priorities. Following an invitation from Welsh Government we are establishing a Zero Carbon Hub for housing; to share best practice and learning across Wales.

During the year we were approached by the Rosa Hovey Housing Trust who own a small number of properties in the Conwy area. We have agreed to take a transfer of engagements of their homes in Summer 2023.

In early 2023, board agreed to create a joint venture company with Cartrefi Conwy Housing Association, called Onnen. The company was incorporated in April 23, and an interim Managing Director has been appointed to establish the company and commence trading. Onnen will deliver decarb works to ClwydAlyn and Cartrefi Conwy homes, bringing economies of scale both in purchasing of materials; growing the marketplace; creating employment opportunities for our tenants and reskilling existing employees.

Our focus on addressing environmental challenges continues with several changes to business practices to reduce our carbon emissions; in addition, we have received grant from Welsh Government and commissioned works to start to address the Welsh Government target to reduce carbon emissions and improve thermal efficiency of existing homes.

We continue to support our tenants directly with the impacts of the cost-of-living crisis and are spending up to £100k this year offering direct support. We continue to work with tenants to build trust and we developed a new rent setting policy after extensive consultation with engaged tenants. We also undertook a review of service charges with tenants across several schemes to control and reduce costs wherever possible. During the year, tenants led work to develop "our promise" which is a set of commitments around service standards and service quality. We produced our first annual report in Spring 2023. We have provided 17 work placements to tenants during the year; and 17 more trainee roles have been created through our new build contracts. We continue to support and develop digital access to services; with 28% of all enquires being digital during the year.



Tenant satisfaction data tells us that we are performing well comparatively. Independent benchmarking places ClwydAlyn above the median for all measures across the UK wide group, and in Wales.

We work in partnership to address the impacts and causes of poverty and are influential partners in the 2025 movement; Well Fed, Warm Wales; the regeneration of Rhyl; Advisors to Welsh Government on ending homelessness; and in Health Board work to address the inverse care law. We developed our baseline position on Social Value in 2022 so that we know what matters to tenants and can measure progress in future years. We produced our second ESG report and this demonstrates our contribution to addressing environmental and social challenges.

We have grown our Care & Support services. Conwy Council has commissioned ClwydAlyn to deliver a new Supported Living service for young people who have experienced homelessness. Additionally, we have received longer term funding from the Health Board to develop our ICAN centre in Rhyl (which supports individuals suffering with their mental health). We have opened a new mother and baby home in Wrexham and are now making good progress in delivering 19 new apartments to replace a night shelter for homeless people. We were proud to achieve the Welsh Women's aid formal accreditation for our domestic violence service; which is a quality mark for good standards of service delivery and outcomes. We have commenced a full review of all Supported Living Services to ensure that our portfolio is fit for purpose; meets modern standards and delivers value for money. Our three Registered Care Homes all received unannounced inspections from CIW, with all services being classed as compliant with only a small number of areas for improvement.

We prioritise investment in existing homes, with £12m spent during 22/23. We were able to benefit from a new Welsh Government funding stream to bring long term empty homes back into use; and to redevelop some older/not fit for purpose accommodation. Demand for repair and maintenance services has been high with 2,500 more repairs reported in 22/23 than the year before. We also saw a 156% increase in reports of damp and mould following a very proactive campaign to encourage reporting. These complaints have been prioritised for visits and action to address any issues. Our work on Compliance and Building Safety remains a high priority with a range of works completed to homes and complex buildings over the last year to address risk and improve safety. We spent close to £900k adapting existing tenants homes enabling people to maintain their independence and live well.

We continue to be a Real Living wage employer; a Working Families top 30 company and during the year we introduced several changes to support our staff through the cost-of-living crisis. These included offering lunch to all staff; paying expenses and overtime more frequently; signposting to financial advice etc. In addition, we extended our staff well-being offer and have been able to proactively keep people in work who may have previously taken absences.

Through our culture change journey, we continue to embed how we live and lead our values of Trust, Kindness, and Hope. We operate in a very challenging external environment for recruitment and retention; but we perform better than the median for the social housing sector in Wales (despite over three quarters of our staff being employed in sectors recognised to have high levels of staff turnover). We have progressed with our work to become a Trauma Informed organisation, and have established an Equality, Diversity and Inclusion staff network who are influencing our work to be a fully inclusive employer.

Our approach to business resilience has been strengthened and we have a stronger and more embedded approach to Value for Money, Procurement and Programme & Project Management. Risk management has been strengthened through more frequent oversight and review by both Board and Exec as we operate in a faster paced and more challenging economic and social environment. We were in the first tranche of the new Regulatory Assessment process introduced by Welsh Government and were delighted to receive the top rating for Financial Viability and Governance (including service delivery). The Lead Regulator remarked on the positive influence that Tenants have at ClwydAlyn after observing a Board meeting. We have produced our second self-assessment and it is pleasing to see the progress we have made to improve performance across a range of regulatory expectations.

We are in very challenging times; and as a board we are proud of how we are managing these challenges whilst continuing to prioritise and invest in our mission “to beat poverty.” For the year ahead we will continue to support the most vulnerable tenants and those staff suffering most from the cost-of-living crisis. We have prioritised actions to; support tenants to be able to pay their rent; improve our performance in letting empty homes and in providing a high-quality repair and maintenance service which keeps our tenants well and safe in our homes.

A handwritten signature in dark ink, appearing to read 'SJ Porter'.

Stephen Porter  
Group Chair

## Chapter 1

### Introduction- Why Our Mission is to Address Poverty

NO POVERTY. Imagine how different Wales would be if we had no poverty. Everyone having access to high quality, affordable housing; able to afford to heat it properly and afford the food they need to stay healthy.

It might sound far-fetched, but at ClwydAlyn we don't think so. We believe that we can and should aim to make this a reality for as many people as possible.

Across Wales and the whole of the UK the impacts of Covid 19, BREXIT and the war in Ukraine have been far reaching and are ongoing; with more people in our communities suffering income, food, and fuel poverty. The pandemic has disproportionately affected the poorest communities and BAME people, with significantly more people losing their lives to the virus and suffering severe illness. Whilst the middle classes who have been able to work from home have been able to save more of their income than pre pandemic, those on the lowest incomes had to continue working as normal in higher risk roles, were furloughed, or lost their job roles suffering reductions in their incomes. Inequalities and poverty have been increasing. In addition, those who were not digitally connected struggled to home school children and take advantage of the cheaper costs with online shopping and for older people a lack of access to the internet has undoubtedly resulted in loneliness and isolation for many people.

The UK cost of living crisis is seeing inflation increasing at rates not seen for decades and peaking at over 10%; interest rate rises almost monthly; aiming to help control inflation; 400% increases in energy costs; regular shortages of staple food items and of building materials. Not only do these pressures affect our tenants and will need our ongoing support but they also have a negative impact on ClwydAlyn; our viability models for new build are being reassessed as we see build costs increased by around 20% to 25% since before the Covid 19 Lockdown; increased revenue expenditure on running the business means less funding available to meet our poverty priorities and our decarbonisation plans; the need for savings in operating costs and the need to plan for and manage a rental income stream under significant pressure.

There continues to be a significant shortfall of social and affordable housing, leading to pressures on council partners to find homes for those at risk of or experiencing homelessness; the inability of younger people to live independently and a private rental sector increasingly unwilling to house those on lower incomes. Our objective to beat poverty is more important than ever in a post Covid 19 Wales. Our people and our tenants also still face ongoing challenges that were impacting their lives before 2020. These include Health services under immense pressure; both primary care (GP services) and secondary care (hospitals); unable to meet demand and performance targets. The recognised national crisis in social care; both in terms of meeting the cost of providing care for an ageing population and the challenges of recruiting and retaining staff to work in the social care sector. Whilst the move to increase standards in Social Care is welcome, the mandatory registration of all care staff is likely to be a further barrier in an underfunded and fragmented sector.

Mental ill health is an increasing concern in our communities and for employers and health services; with significant workdays lost each year to stress and mental health conditions. Landlords like us, see the impacts of poor mental health on customer behaviour such as neighbour issues. Mental health issues and the impact of social media on the mental health of young people is an area of growing concern. Domestic violence has been increasing during Covid 19; and can be more enduring in social housing; and poverty and stress can exacerbate this.

The old challenges are becoming increasingly complex to address; drug dealing has become a more dangerous problem in our communities with County Lines targeting vulnerable social housing tenants, knife crime and violence becoming more regular occurrences. There are increased safeguarding issues in our neighbourhoods and concerns about targeted manipulation and harm for both younger and older people.

We now are aware of and alert to the negative impact that adverse childhood experiences can have on people throughout their lives. Recent data from Public Health Wales identifies that life expectancy in the poorest areas is still on average, 7 years fewer than in the wealthier neighbourhoods, and that there is also a 14-year difference in healthy life expectancy.

This all paints a very challenging picture of life in Twenty First Century Wales. There are however a range of measures and actions to provide some optimism. Welsh Government recognises the importance and value of social housing and is providing sustained levels of capital grants in 2023 to support its development. Capital funding continues to be made available to deliver demonstrator projects for social housing decarbonisation; and to fund Housing with Care. The Housing Support grant revenue funding stream has been frozen in 2023, at a time of inflation levels of 10%. This means that we need to plan to make savings/reduce our service offer to ensure our contracts remain viable.

The Future Generations Act provides the framework and powers to plan and shape public services for a better Wales. The document “A Healthier Wales” published in July 2018 and the Social Care White Paper, presents plans for more joined up and integrated working between Health and Social Care with funding provided to promote health and wellbeing and to prevent ill health.

It is generally understood that a good quality home is vital for health and wellbeing (Maslow hierarchy of needs). Just a short pause for thought, on the challenges referred to above, demonstrates that it will not be and has not been enough on its own, to enable Tenants to live healthy fulfilling lives. We believe that there are 4 priority areas where ClwydAlyn should focus its efforts. These are food poverty, fuel poverty, income poverty and digital exclusion.

Homes are the start but not the end to the influences we can exert and the active role we can play as a significant stakeholder in many communities across North Wales. Therefore, there is more we can do, if we choose to make a positive impact in the communities where we work, and for the people we serve.

## Chapter 2

### Mission and Values

Much of the housing we provide is clustered within and around the poorest neighbourhoods across North Wales, where the inequalities described above are greatest.

All our homes are of good standard so we know that the reasons for the big difference in life expectancy are complex; but we believe that as a major stakeholder in communities, with significant investment and valuable assets; and with a long-term commitment to those areas, we must do more.

Given our desire to improve the life chances of those people we work with, the group has developed a new mission statement. This is informing all our work and our business priorities. It is an active statement and expresses our desire to work collaboratively, to prioritise our resources and:

### Together, to beat Poverty

We are investing in services to address the impact of poverty. We believe that if tenants can live well in our homes, they will be better able to deal positively with the challenges they face. Due to our person-centred approach no one faces **eviction from our homes into homelessness**. Our no eviction plan is being achieved by addressing the causes of tenancy failure. In our first year of change we reduced evictions by 85%, and in year 2 and 3 we have evicted nobody. We have invested in additional roles, staff training and software to improve our ability to provide early interventions, targeting support as soon as a tenant experiences financial difficulty.

Reducing poverty is not only the right thing to do, but it also makes good business sense, with lower tenancy turnover, lower arrears, and lower bad debts.

We are taking positive steps to ensure that our business is as efficient as possible and spends its money only where it must to achieve its strategic goals. We have a new approach to procurement and Value for Money and have built strong programme and project management capacity. Our business model provides for ClwydAlyn to invest directly in poverty programmes such as our partnership with Well Fed to address food poverty and our partnership with Warm Wales to help support those suffering fuel poverty. A crucial part of our approach is to use our resources with others; and their expertise and skills where this can help us achieve more together.

We are developing a strong and active voice politically in Wales, championing change to address the causes and outcomes of poverty. We have senior level representation on several Government led strategic policy groups; are developing our thought leadership role with increasing opportunities to comment on and influence thinking in Wales and at UK level too.

**There are 3 priority areas to our work:**

### Our Business and our Homes

### Our Tenants

### Our People

### Our Business and our Homes

Our business will be financially strong and will continue to grow. We will be resilient in the face of financial challenge, and we will make decisions to manage change and risk without detriment to the company and its goals and mission. The homes we build and maintain will be to excellent quality standards and digitally enabled; they are increasingly utilising technology to ensure that our tenants running costs are affordable. We are increasing investment in our older stock so that it is affordable in use; accessible; and provides a high-quality living environment for our tenants. No tenant of ours should have to choose between heating and eating.

## Our Tenants

Our tenants will know that we care. We will make sure that our tenants can live securely in their homes knowing that we will provide a home for as long as they need it. We will do more so that everyone can live successfully in the homes we own. We have enhanced our wellbeing services during the Corona Virus pandemic, and we know how important this has been to support well-being. This will become a core part of our service offer. We will make sure that our tenants have access to good quality affordable food, and we will support them if/when they are in crisis. We will help our tenants to access volunteering/training and work when they need our help to increase life opportunities, confidence, and self-esteem. We will continue to work with tenants to address loneliness and isolation, and digital exclusion.

## Our People

We are creating an exciting, innovative, inspiring, and fun company for our employees who will all share our values. Our employees will continue to have opportunities to grow and develop with us. We are rewarding and recognising staff appropriately for their work and we encourage and support their health and well-being. We are developing an inclusive, diverse workforce; with role models and Leaders at all levels to encourage growth and ambition.

## Our Values

**Trust**

**Kindness**

**Hope**

Values reflect our culture and “the way we do things.” They are embodied by the leadership and the way that we work and interact with each other every day.

## What our Values Mean to us?

### Trust

We trust our people to make good decisions and to do what’s right in each situation. We will treat our staff and tenants as adults, and with respect. We will not be rule bound and we will free people to work flexibly and creatively in the best interests of our tenants and business in a way, which meets their personal/family life commitments.

### Kindness

We are kind. We respect each other and care for each other, as colleagues and tenants. We have an open culture which values difference. We all voluntarily go the extra mile for each other; our people and tenants will recognise kindness in the way we deliver our services.

### Hope

We provide hope to the people we house or deliver services to; so that as well as living in a great home, we will also help with access to volunteering, training, work, activities, fun. Our staff know that they can expect good career planning, training, and development with us to achieve their dreams and goals.



## Chapter 3

### Corporate Objectives and Success Measures

This chapter provides a high-level summary of the key outcomes we are working for at ClwydAlyn for the benefit of our business and our homes, our tenants, and our people by 2025. The more detailed actions year on year to achieve each outcome are described in Appendix 2.

#### ClwydAlyn - Our Business and our homes

- 🏠 A growing organisation in a strong position to address our mission and provide better services.
- 🏠 We will own and manage at least 7,500 homes including; Social and affordable rented homes; Affordable home ownership and other housing tenures where it benefits the business; meets our values and risks can be managed effectively.
- 🏠 Is financially strong and resilient
- 🏠 Our homes have a positive impact on the environment; are of excellent quality, economical to live in and build pride in our neighbourhoods.
- 🏠 Our homes are safe and secure and flexible in design to meet changing needs over the course of a lifetime
- 🏠 Our rents are affordable, and we deliver value for money

#### ClwydAlyn - Our Tenants

- 🏠 Exert a strong influence on what we do and how we deliver services
- 🏠 We collaborate to beat poverty
- 🏠 We are viewed as sector leaders
- 🏠 Can self-serve all services 24/7
- 🏠 Can provide instant feedback at every interaction and know this is used to influence and improve services.
- 🏠 Know we know them - (We use customers insight and foresight effectively to drive our service models and to provide person-centred delivery)

#### ClwydAlyn - Our People (staff and board)

- 🏠 Champion ClwydAlyn as an employer of choice
- 🏠 Fully reflect the communities we serve
- 🏠 Treasure the environment and work hard to protect it
- 🏠 Are less likely to suffer from poverty through our actions

### Meeting Regulatory Standards and Financial Covenants

As a registered social landlord, we continue to place high priority on maintaining the highest regulatory standards from both The Housing Regulator and Care Inspectorate Wales; and will always give a high priority to implementing any areas identified for improvement.

We have a credit rating from S&P which has remained at 'A Stable' for the last several years. We also have an unsolicited rating from Moody's which is 'A3' and, reflecting their view of the housing market generally, the outlook was revised down to 'Negative' in December. In addition to credit ratings, we also have banking covenants. During 2022/23 we renegotiated our Barclays interest cover covenant to better reflect the nature of our business. We fully comply with all our banking covenants and have internal 'Golden Rules' set up to ensure that we do not risk getting close to them.

The most recent regulatory review placed us in the highest category (green) for financial and governance compliance.

## Chapter 4

### Who We Are?

ClwydAlyn was formed in 1978 as a non-charitable Registered Social Landlord. The Group now manages over 6,400 homes and employs around 750 staff, to deliver a range of housing management related services, which includes care, nursing care and supported housing, development, repair, and maintenance services across North and mid Wales. The Group's range of housing is attached as Appendix 1.

The Group's homes and services include affordable family housing and single person accommodation, supported living accommodation and specialist care services, low-cost home ownership, leasehold management services and intermediate rented housing.

The Group is comprised of 4 legal entities; ClwydAlyn, a Housing Association with charitable aims, a commercial company Tai Elwy for delivery of non-charitable activities of scale (which is currently dormant); a development arm called Tir Tai Limited, and a funding vehicle called PenArian Housing Finance Limited (the latter two are not customer facing). We have also established a new joint venture with Cartrefi Conwy, called Onnen. This company has been created to help both associations deliver their decarbonisation works at pace and to high standards.

The Group is much more than a social housing provider. We make a significant contribution to the North Wales economy both as an employer and as an investor with a significant capital spend of £300m within a five-year Development Strategy on new housing construction projects. In addition, the procurement of local goods, trades, and services results in at least 80% being sourced locally, benefiting business and suppliers. For every £1 spent on developing new homes, £1.60 is reinvested into the local economy.

The uncertainty and pace of change within the housing sector presents both significant opportunities and challenges. The Group seeks to anticipate change and continually adapt proactively in response. To deliver our mission, we will be creative and imaginative; we will continue to find and seek new opportunities, and this will be underpinned by financial leadership and management which delivers agreed annual surpluses to invest in homes and services; meets all financial covenants and delivers value for money.

There continues to be numerous pressures and risks on the Group's income and costs e.g. the cost of living crisis and high levels of inflation following the invasion of Ukraine, the impact of Covid 19, leaving the European Union, welfare reforms, contracts for supported living services, earnings inflation, new Welsh Government rent regime, new model for providing social housing grant for new development is likely to provide lower grant rates on many developments, future legislation to enhance health and safety in tenanted properties and new builds following the Grenfell fire; Past service pension deficits These are managed through regular strategic risk reviews and stress testing of the business plan.

## Chapter 5

### Investment in New Affordable Housing

The Group's development plan for completing new homes is as follows:

	20/21	21/22	22/23	23/24	24/25	Total
General Needs Houses/Apartments for Rent and Low-Cost Home Ownership & Rent to Own	158	73	145	162	441	979
Supported & Extra Care	4		4	66	0	74
Total	162	73	149	228	441	1,053

## Development Programme

In addition to the above, 640 new homes are planned to complete in 25/26 & 26/27.

Since the Bond was agreed we have handed over 852 new homes to March 2023. This, with the planned completions 23/24 to 26/27, the total homes to be provided equates to 2,160 since the Development Programme was expanded with the Bond, drawn down in 2017/18.

The Development Programme, in terms of starting work on new homes, was affected by the Covid-19 outbreak where the ability to obtain planning permissions was disrupted. Further delays with the planning system continued to affect progress but an improvement in 2022/23 facilitated a number of new starts resulting in 558 new homes being on site as of March 2023.

Approximately 400 new homes on three sites have been affected by the phosphate issue in Wales, delaying planning. This has had an effect on our completions and on our previous ambition to grow our stock to 7,500 by the end of 2025. The completion of these homes will now most likely fall beyond the Corporate Plan period resulting in circa 7,220 total homes by the end of 2025.

487 new homes are approved and/or have land acquired to deliver them and are progressing through the planning, procurement, and design processes. A further 430 are being worked upon by the Development Team to bring them to fruition.

We will listen to and engage our tenants to ensure we future proof in terms of design for new developments, along with lessons learnt from previously completed schemes. The project appraisal, and procurement process and criterion for new schemes is robust, ensuring new developments enhance the Group's financial position. All new projects are evaluated using the viability criterion set out in the Development Investment Strategy and will also be evaluated by considering the cumulative impact of the proposed development on the Group Business plan as a whole.

ClwydAlyn continue to gain significant amounts of capital grant from the Welsh Government for new homes, retrofitting existing homes and adaptations with over £53m drawn down in 22/23 alone, the highest amount of grant for the year of all developing Associations in Wales.

## Chapter 6

### Medium Term Financial Plan (MTFP)

ClwydAlyn is a financially strong, growing company. It is the only housing association in Wales with a credit rating and publicly issued corporate bond. Good financial management underpins everything that the company does and as such is taken very seriously.

As we grow, we need to ensure that the gap between our income and expenditure (our operating margin) also grows. As we get bigger, a bigger operating surplus gives us greater resilience and flexibility to adapt. Previously we had assumed a significant growth in our operating margin over a relatively short period of time. However, given the impact of Covid and the cost-of-living crisis impacting our tenants, coupled with below inflation rent increases and significantly increasing costs we will see our operating margin reduce to 21% in 23//24 and we will maintain it at about that level for the short term.

## Income

Our income is dominated by rents, which are subject to the Welsh Government Social Rents Policy. The revised policy published in 2019, set out a five-year vision. Housing Associations will be permitted to increase rents by up to CPI+1% each year, subject to certain conditions. In September 2021 inflation exceeded 3% which triggered ministerial intervention in the rent policy. The minister decided that rents could only rise by CPI for the coming year. Our MTFP only ever assumes that rent will rise by CPI which gives us the flexibility to adapt to this change.

In January 2023 we implemented a rent setting policy which links any future rent increases to affordability for our residents. To develop the policy, we worked with an independent consultant and held workshops with our residents. The new policy demonstrates our commitment to ensuring that residents do not spend more than 28% of their gross income on rent. We have also provided assurance of how we will lower rents over the next 3 years for those residents who are currently paying above this affordability threshold. Following feedback from residents, we have provided the commitment that we will not invoke the option to add an additional £2 increase to any CPI increase each year.

We run several care and nursing homes and the income from these schemes is significant. We have a mix of local authority funded and privately funded tenants. Local Authority pay rates have failed to keep up with the additional costs of running homes and this is putting strain on their finances. We have begun a fundamental review of the sustainability of the homes and have introduced top up fees to local authority clients and increased the fees to privately funded tenants above inflation. This is likely to increase over the coming years.

The other significant income stream is for our supported living service, which is commissioned by local authorities and paid via the Welsh Government's Supporting People grant fund. This fund has not increased over time and cost increases have had to be absorbed by the company. However, we have agreed additional funding (including annual uplifts) with Councils to make these more robust.

## Expenditure

During 22/23 we saw an increase in the number of repair work requests, and this has continued to impact on our recovery from the pandemic. Between April 2022 and March 2023, we completed over 28000 repairs for residents in our properties. Our resident portal makes it easier to log a repair and this continues to be a popular way of contacting us.

During the year we invested in improved efficiency, rolling out the new housing management system, approving a social value policy to improve our procurement and securing low interest deferred loans ahead of the significant increase in interest rates.

The tables attached as appendix 3 show our five-year Medium-Term Financial Plan based on the development plan proceeding as shown in Section 5 and reasonable assumptions on inflation, interest rates and efficiencies. It assumes rents grow by CPI only. In April 2022, we agreed £40m of deferred loans that will be received during 2023. These loans have interest rates of 3.3% compared to the current market average of around 5.5%.

As part of our financial governance, we must comply with the requirements of Welsh Government and any covenants or restrictions placed on us by lenders or investors. We also have credit ratings with Moody's and Standard and Poor's rating agencies. As part of our treasury management, we have 'golden rules' which are more stringent than the covenants and are aimed at preventing us from getting near our covenants. The key measures are shown in the table below along with the forecast rates.



Description	Internal Target	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Margin		20.6%	21.9%	22.7%	22.4%	22.6%
Social Letting Interest Cover	>1.5	1.76	1.98	2.02	1.92	1.87
Interest Cover (EBITDA MRI inc. Decarb)	>1.2	1.18	1.34	1.45	1.45	1.35
Interest Cover (EBITDA MRI exc. Decarb)	>1.2	1.40	1.55	1.55	1.48	1.35
Interest Cover (EBITDA Only)	>1.6	1.84	2.06	2.10	1.99	1.94
Debt / EBITDAMRI (exc. Decarb)	<20	20.6	18.8	18.7	19.1	20.0
Debt to Revenues	<5x	4.7	4.3	4.2	4.4	4.3
Debt to Assets (Gearing) (RCF basis)	<55%	36%	37%	37%	37%	36%
Average cost of borrowing	<5%	3.47%	3.42%	3.46%	3.52%	3.71%
Total debt (£'000's)	-	272,441	275,257	292,955	316,181	329,206
Debt per unit (£'s)	-	42,774	39,408	40,850	42,847	43,752
Number of Units	-	6,369	6,985	7,172	7,379	7,524
Capital Maintenance	-	4,190	4,777	5,628	5,647	7,261
Additional Decarb spend		2,000	2,000	954	415	-

During 2022/23 we renegotiated our covenant with Barclays Bank to ensure that new grant funded initiatives from the Welsh Government were not impacted. Our Debt / EBITDA MRI limit will have a minor breach in 23/24 due to additional fire safety works that will be funded through Welsh Government grant.

## Stress Testing

We must consider what may happen to our financial plans if there are significant disruptions to normal activity. The current war in Ukraine is an example of the extraordinary events we must consider. This is known as stress testing and we consider different scenarios of what could go wrong such as very high inflation, rents being cut, developers going bankrupt, big falls in the housing market and so on. The board meets annually to review the business plan and examine different scenarios. It then produces a resilience plan that determines what actions it would take along with the likely outcomes. As part of our resilience plan, we consider actions such as; a reduction in staffing costs (through vacancy freezes), stopping repairs and maintenance services and reducing activity on our development plan.

## Chapter 7

### Our Governance and Legal Structure

The ClwydAlyn Board determines the Group strategy and strategic policies, which are then implemented through the Executive Management Team. There are four Committees (Assurance, People, Property and Resident) to support the ClwydAlyn Board to discharge its responsibilities and provide assurance.

Our Group consists of ClwydAlyn Housing, the parent, and principal operating company, three subsidiaries, PenArian, Tir Tai and Tai Elwy and a Joint Venture Onnen.

**ClwydAlyn Housing Limited** – a charitable Registered Social Landlord which develops, owns, manages, and maintains housing, as well as providing housing and care & support services

**Tir Tai Limited** – the development arm of the Group, undertaking all the development activities on behalf of the Group.

**PenArian Housing Finance Plc** - a special purpose vehicle set up to administer the group's corporate bond.

**Tai Elwy Limited** - the commercial vehicle to undertake activities and projects outside of ClwydAlyn's charitable aims – particularly without grant funding. (Currently Dormant)

**Onnen** – A Joint Venture with Cartrefi Conwy established to deliver decarbonisation work and provide investment in low energy efficient homes. Onnen will act as a principal contractor and sub-contract work to third parties.

## Board Members

All Board Members are subject to an annual appraisal, designed to develop Board Members, and ultimately improve the performance of each Board and Committee. Boards also collectively review their performance and agree a Governance Improvement Plan. New Board Members undergo a formal induction programme and are allocated a mentor as appropriate, whilst the Board collectively regularly reviews its training needs and undertakes training to improve effectiveness.

## Management

The Group is organised on a functional basis. Appendix 4 sets out the Corporate Management Structure and highlights the main service areas.

## Assurance

Assurance of a satisfactory control environment is fundamental and is overseen by the Group Assurance Committee. An outsourced Internal Auditor undertakes 'audits' prioritised by risk, providing the Boards with independent objective advice and assurance, on the effectiveness of risk management, internal control, performance management, governance, and policies / procedures within the Group. In addition, all the active Group entities are subject to audit by the External Auditors (Beever & Struthers). ClwydAlyn is regulated by the Welsh Government and subject to an annual Regulatory Judgement. ClwydAlyn is also regulated by the Care Inspectorate Wales (CIW) for the delivery of the Services to the care and nursing home portfolio.

Our arrangements for assuring health and safety compliance for assets changed when external specialists reviewed our fire, water, gas, electricity, and asbestos management. This gave us a much more in-depth view of performance which has been strengthened through additional resources and adopting a 3 lines of defence approach to provide assurance around our compliance delivery. We have restructured the asset team to create a Budling Safety and Compliance team which strengthens our approach to Landlord compliance.

We have included in our internal audit programme a reconciliation of the properties development handover to ensure that our asset data is accurate and up to date.

We have undertaken an in-depth evaluation and have identified key staff who have responsibilities for delivering Health and Safety and landlord compliance and we have implemented a training and competency matrix for all front-line staff to ensure that there is clear accountability and adequate training in place for landlord compliance across all front-line services and schemes.

## Resident and Other Stakeholder Participation

Over the past 12 months we have continued to develop our Resident Involvement Programme #InfluenceUs. We now have 120 residents who participate in a range of ways to support and develop work across the business.

We are committed to co-production with our residents and this year have reviewed a number of procedures and policies by working in collaboration. Residents have developed 'Our Promise' in collaboration with officers across the business. Our Promise is our commitment to residents about the level of customer service and support that they can expect from us and that we will measure ourselves against.

Since the lifting of the pandemic restrictions, we have been able to hold events again in local community areas. Our work within communities is starting to build pace again following lifting of restrictions. We have held regular drop-in sessions in communities where staff from across the business are available for residents to call in and discuss any issues that they have or find out more about what we do. In the Summer we held a Resident Day at Wrexham Rugby Club providing activities for residents and their families, alongside stalls providing lots of useful information on tenant participation, energy bills and food support.

Working in partnership with Well Fed we have piloted a mobile food store in the Deeside area providing residents with the opportunity to purchase affordable, healthy food and meals in their local area. This project is now being rolled out more widely across Flintshire and Denbighshire.

Residents were involved in the self-evaluation submitted to Welsh Government as part of the Regulatory Review. Residents supported the development of the Continuous Improvement Plan in relation to all aspects directly linking in with service delivery and service improvement. The Resident Committee will receive regular reports on progress against this plan

### **Addressing Inequality and Building Diversity**

The world is changing; from this, we recognise that behaviours that may have been acceptable in the past may not be acceptable now. We also recognise our staff and residents are dealing with greater inequalities in their lives and this, in turn, drives behaviour.

We are continuing to embed our framework 'Living and Leading our Values' across the business ensuring Trust, Hope and Kindness are recognised as the way we do things by the end of this corporate plan period. In addition to embedding the leadership development tool 'Fierce Conversations,' we are working with managers to provide bespoke and tailored support within each service or business area ensuring the way we deliver our service to residents or staff fully reflects our values.

We continue to see significant reductions in evictions in addition to disciplinary matters. Once again, during the last year, a number of issues have been resolved informally, in line with our values, this is further demonstration that our values led approach is becoming embedded.

As Covid and the cost-of-living crisis has shone the spotlight on inequalities we are increasing our understanding of the impact it has on different groups of staff and residents including ethnic minorities, LGBTQ, people with health conditions or disabilities. We recognise there is far more we need to do to truly understand the barriers different groups face.

Our refreshed Inclusion plan has reconfirmed our priority areas which continue to be embedding a culture that reflects our communities where our people and tenants feel that they belong; collecting and analysing data to influence service change and ensuring recruitment is inclusive, enabling us to attract employees from a diverse talent pool, where lived experience will be respected and valued.

In line with our values, we believe that everyone has the right to access employment, training and development based solely on merit. We understand this brings tangible business benefits when we are looking to attract and retain talent. It makes us an attractive organisation to work for and therefore enhances our reputation with our people and other partners.

Following our comprehensive review of pay arrangements for all roles within the company, we have implemented a single pay framework and completed an external benchmarking exercise. By January 2024, all staff will earn market median salaries and will have received pay increases ranging from 5 – 10.1%.

In April 2022, our Gender Pay Gap was 17.42%.

We are members of Working Families, the work-life balance charity. In completing their annual survey, we were delighted to achieve Top 30 status for a second time which reflects the work we

have done to embed flexibility and the improvements we have made to our maternity and paternity arrangements.

Poor mental health continues to be a national issue, and we see the impact through our people and our residents. During the year we increased our team of Workplace Wellbeing Specialists to three. We are one of a few organisations in Wales who are working to become a Trauma Informed Organisation. This along with positive mental health support and financial wellbeing continue to be a focus for next year.

## Chapter 8

### Key Business Risks

The current business environment for housing providers still remains unprecedented in the challenges ahead; the continuing war in Ukraine and the cost-of-living crisis continues to test the robustness of financial plans. Pressures on income and expenditure if not managed well, could ultimately challenge the Group's viability, without adequate steps to mitigate the risks.


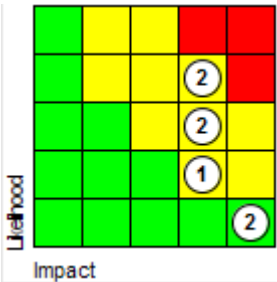

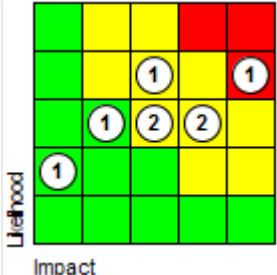
ClwydAlyn has a comprehensive and robust risk management process and the Board ensure that the framework is appropriate and regularly reviewed. Some risks faced by the Group are not fully controllable, as we remain in a period of high inflation and energy costs, households and businesses are spending more and more and having to make decisions on how they budget in the short to medium term. The Exec team and Board ensure that they are represented and active in all areas of influence and use trade bodies such as CHC to build input and thinking to all relevant aspects of policy, regulation, and legislation.

Risks are categorised as 'Strategic' or 'Operational' and are monitored and reviewed quarterly by the Board and Assurance Committee.




The Strategic risks affecting the Group are summarised below. Risks are categorised based on the likelihood of them occurring and the potential impact should they do so.

There are detailed risk maps supporting each of the strategic risks with specific interventions to mitigate the risk. The underlying key issues to managing the risks are ensuring that agreed mitigating actions are implemented, early warnings and trends are monitored to facilitate early corrective action and regular reviewing of the environment to ensure that any emerging issues affecting the Group's strategy is considered.

### Strategic Risks RAG Summary

Strategic Risk	Assessment of Risk	Risk Score	Number and Status of Operational Risks under each Strategic Risk
Treasury	Medium		
Failure to Deliver the Corporate Plan	Medium		



Material Fall in Income or rise in Expenditure	Medium		<div> <div> <div> <div> <div></div> <div></div> <div></div> <div>1</div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div>1</div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div>1</div> <div></div> <div></div> </div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> </div> </div>
Governance Failure	Low		<div> <div> <div> <div> <div></div> <div></div> <div></div> <div>1</div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div>1</div> <div>2</div> <div></div> </div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> </div> </div>
Failure to Decarbonise and Respond to Climate Change	Medium		<div> <div> <div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div>2</div> <div>1</div> <div></div> </div> </div> <div> <div></div> <div></div> <div></div> <div></div> <div></div> </div> </div> </div>

**Stock Profile**

Category	CCC	DCC	FCC	PCC	YMCC	WCC	GCC	Total
Care & Nursing	54	10	0	0	0	66	0	130
Hostels & Foyers	49	40	68	0	0	57	0	214
Care & Support Group Homes	48	128	48	0	33	118	0	375
Shared Ownership	103	136	106	0	1	51	0	397
Leasehold Scheme for the Elderly	36	0	46	0	0	0	0	82
Management Agreement	0	26	29	0	32	0	0	87
Homebuy	35	55	62	0	13	26	0	191
Garages	4	0	4	0	0	0	8	
General Needs	426	903	1597	219	286	715	0	4146
Extra Care	92	59	123	0	63	114	95	546
Rent to Own	0	51	31	0	13	0	0	95
Affordable Homes – Intermediate	12	69	32	0	27	9	0	149
Total	853	1477	2142	219	468	1156	95	6412

Key	
Conwy County Council	CCC
Denbighshire County Council	DCC
Flintshire County Council	FCC
Powys County Council	PCC
Wrexham County Council	WCC
Ynys Mon County Council	YMCC
Gwynedd County Council	GCC

## ClwydAlyn 2025

ClwydAlyn - Our Business and our Homes	
Themes	Activity
A growing organisation in a strong position to address our mission and provide better services.	<ul style="list-style-type: none"> <li>• Explore the potential for other opportunities to collaborate and grow where this will allow the group to better address its mission and improve services to current tenants.</li> <li>• Continued development of new homes.</li> <li>• Completion of the TOE from Rosa Hovey to ClwydAlyn.</li> <li>• Development of Onnen to deliver our retro fitting measures to make homes more energy efficient to meet Welsh Governments target and make homes more affordable for our tenants</li> <li>• Continue to support and promote innovative construction methods and share best practice through the Welsh Zero Carbon housing performance hub.</li> </ul>
We will own and manage at least 7,500 homes including; Social and affordable rented homes Affordable home ownership other housing tenures where it benefits the business; meets our values and risks can be managed effectively.	<ul style="list-style-type: none"> <li>• Target homes owned and managed by March 2024 – Total Stock - 6,540</li> <li>• Starts on site - 558</li> <li>• Completions - 166</li> </ul>
Is financially strong and resilient	<ul style="list-style-type: none"> <li>• Drawdown £40m to continue the construction of new homes</li> <li>• Operating margin 21%</li> <li>• Demonstrate 2% savings from improved procurement</li> <li>• Compliance with revised Barclays covenant</li> <li>• Review of the assets and liabilities register</li> <li>• We will undertake an open book exercise with WBC to seek increased fees for Chirk Court.</li> </ul>
Our homes have a positive impact on the environment; are of excellent quality, economical to live in and build pride in our neighbourhoods	<ul style="list-style-type: none"> <li>• Assessment of our stock for future planning and financial forecasting of decarbonisation measures to meet 2030/50 target, creating a property improvement programme to co-ordinate our investment priorities to deliver our Environmental commitment for net zero.</li> <li>• Improve the energy efficiency of all homes with an EPC of less than 'D' by the beginning of 2025 with updates given each quarter on progress.</li> <li>• Track Scope 1, 2 and 3 greenhouse gas emissions</li> <li>• Develop a Water Management Strategy</li> <li>• Develop a Waste Management Strategy</li> <li>• We are undertaking a review of Supported Living services to ensure they meet the requirements of Welsh Government's Housing Standards.</li> <li>• We will deliver positive retrofitting green measures to make homes more energy efficient through Optimised Retro Fitting grants and ECO funding.</li> </ul> <p>We will apply a PAS 2035 property centred approach to ensure we install the right green measures to homes to prevent tenants going into fuel poverty</p>

Our homes are safe and secure and flexible in design to meet changing needs over the course of a lifetime	<ul style="list-style-type: none"> <li>• Home Health Check to be rolled out and captured in the new CX Assets system over the next 8 months. New digital surveys to be implemented to help us capture more asset-based information to improve our management of assets. We will survey 20% of homes every year.</li> <li>• We are developing a training and competency framework which is being rolled out to all Development Officers to ensure that our new homes are inspected and developed to meet the required safety standards</li> <li>• We will continue to invest in our homes through the installation of secure by design accredited windows and doors through our capital improvement programme.</li> <li>• We will monitor homes which do not meet the required housing standards, business need, or local housing demand using an appraisal to determine if they are to be disposed of or invested in.</li> <li>• Retrospective installation of fire detection in loft spaces in homes with existing solar PV fitted.</li> <li>• Processes are in place to remedy damp and mould problems to ensure that tenants feel engaged and listened to this will help us react to any concerns in a timely manner.</li> <li>• Landlords Health &amp; Safety obligations will be delivered through our newly established Building Safety and Compliance team to ensure that we achieve regulatory compliance.</li> <li>• Our 3 lines of defence model will be rolled out to all compliance and asset service delivery areas of the business to strengthen our health safety position and provide assurance to Board and Committees.</li> <li>• We will spend all of our allocated budget of £590k to complete circa 90 physical adaptations to our homes to ensure tenants can live in them independently for longer.</li> <li>• To improve safety and security we will fit 375 windows and doors.</li> <li>• Complete the Fire Door installation programme – Circa 100 doors</li> <li>• Undertake Fire Compartmentation Surveys at all Extra Care Units and Care Homes</li> <li>• Replacement Fire FFE to water mist within Extra Care Units and Care Homes</li> </ul>
Our rents are affordable, and we deliver value for money	<ul style="list-style-type: none"> <li>• Include the new development projects in the rent affordability model to assess the total running cost of properties, establishing a benchmark for affordability to be included in the Rent Policy.</li> <li>• Value for Money – Service Charges following on the work completed for the sheltered housing schemes to ensure that a consistent approach to value for money is implemented across all schemes with service charges</li> </ul>

ClwydAlyn – Our Tenants	
Themes	Activity
Tenants exert a strong influence on what we do and how we deliver services	<ul style="list-style-type: none"> <li>• Update Resident Involvement Strategy and Plan.</li> <li>• Increase the number of tenants who are actively involved in providing feedback on services received.</li> <li>• Ensure tenants are involved in new projects and service design.</li> <li>• ClwydAlyn Women's Aid to develop a 'survivor panel' so victims of domestic abuse can have a greater say in how the service is managed.</li> </ul>



We collaborate to beat poverty	<ul style="list-style-type: none"> <li>• We collaborate with people to build on the skills and assets already in communities</li> <li>• We work with a range of partners on initiatives to address fuel and food poverty</li> <li>• We build social rent and affordable homes</li> <li>• We work tirelessly to end homelessness</li> <li>• Continuing to build our partnerships with Well Fed, Warm Wales, Crest, Refurbs</li> </ul>
We are viewed as sector leaders	<ul style="list-style-type: none"> <li>• Our staff turnover is lower than the sector average in Wales</li> <li>• Staff satisfaction and trust in ClwydAlyn is high</li> <li>• Resident satisfaction in ClwydAlyn is high</li> <li>• Our managers are recognised for Living and Leading our Values through demonstrating strong leadership and skills.</li> <li>• Our new website is launched.</li> <li>• Address the diversity gap on the Board</li> <li>• We are considered thought leaders in the sector through contribution of articles; speaking at events and conferences, contributing to sector and government thinking on policy and legislative change</li> <li>• Our work is recognised through the actions of our Influence plan and the media coverage and stakeholder recognition we receive.</li> </ul>
Tenants can self-serve 24/7	<ul style="list-style-type: none"> <li>• 20% of routine transactions via digital technology</li> <li>• 50% of tenants using online services by 2023</li> <li>• 40% of routine transactions via digital technology</li> </ul>
Tenants know we know our tenants and use customers insight and foresight effectively to drive our service models and to provide person-centred delivery	<ul style="list-style-type: none"> <li>• Understand the different communities across our areas of operation and the needs of tenants by analysing and understanding the current data and information gaps.</li> <li>• Develop partnerships further to improve the health and wellbeing of tenants</li> <li>• Measure social value baseline figures providing an overview of resident wellbeing and enabling targeted support to be provided for tenants who are struggling to heating home and eat well.</li> <li>• Our Care Homes will migrate to a new care plan system to support an improvement in care standards</li> </ul>
Can provide instant feedback at every interaction and know this is used to influence and improve services	<ul style="list-style-type: none"> <li>• Utilise online surveys for immediate feedback on service delivery a- introducing transactional surveys for Resident Concerns during 2023.</li> <li>• Process to be developed in CX to record all feedback from the Acuity survey so we can measure lessons learnt.</li> </ul>

## ClwydAlyn – Our People (Staff and Board)

Themes	Activity
ClwydAlyn is an employer of choice	<ul style="list-style-type: none"> <li>• Clear succession plans for key roles.</li> <li>• Our staff can progress their careers by developing their skills and taking on additional responsibilities.</li> <li>• Our staff are proud to work for ClwydAlyn as measured through our Pulse Surveys.</li> <li>• Staff turnover during first 12 months is reduced through transformed recruitment and on-boarding. We support those staff who are volunteers outside of ClwydAlyn.</li> </ul>
Fully reflect the communities we serve	<ul style="list-style-type: none"> <li>• We will understand the profile of our tenants and staff and consider as part of our analysis of the Census and Community Insight data for the locations where we have our homes.</li> <li>• We will offer a range of working practices that are flexible in meeting the needs of our tenants and staff.</li> <li>• We will continue to develop partnerships with key organisations to increase our learning and promote our desire to reflect diversity.</li> <li>• Recruitment of Board Members to further increase diversity and skills will be complete by December 23. We will implement our plan to ensure our Board and staff can support the development and understanding of Welsh Language and Culture by March 24.</li> <li>• We will develop more visible leadership for EDI, including board/exec training; consideration of the appointment of diversity champions at Board and exec level; develop reverse mentoring – implement by April 2024.</li> <li>• We will develop our Equality Impact Assessment work so that it is more progressive. It will be implemented by April 2024.</li> </ul>
Treasure the environment and work hard to protect it	<ul style="list-style-type: none"> <li>• Continue to build and maintain quality space in new and current buildings</li> <li>• Working towards Carbon Zero Plan and Finance strategy will be in place.</li> <li>• We are working with Well-Fed to ensure that all food containers are 100 % recyclable by the end of 2023/24.</li> <li>• We are sharing our learning of build methods and low carbon technologies by working with Welsh Government on the delivery of and information on the Welsh zero carbon housing hub</li> <li>• We have established Onnen which will complement the current level of Environmental knowledge and expertise in the business and will drive forward retrofitting of new green technology and advice given to tenants</li> </ul>
Are less likely to suffer from poverty through our actions	<ul style="list-style-type: none"> <li>• Salary advances paid within 24 hours for staff who experience unexpected bills or costs.</li> <li>• Continue to provide a lunchtime meal to all staff across the business.</li> <li>• Lower skilled roles are redesigned to provide opportunities for increased earnings and reduced costs</li> <li>• We will review our Pay principles including alternative options to the Real Living Wage.</li> <li>• We will enhance our staff Wellbeing offer to support People to remain in work whilst managing health and mental ill health issues.</li> </ul>

## Medium Term Financial Plan

Revenue Period: 01 April  
2023 - 31 March 2028

2024

£000's

£000's

£000's

£000's

£000's

### TURNOVER

#### Gross Rental Income

Rent Receivable	42,192	47,161	50,954	52,883	55,748
Service Charge Income	9,259	9,556	10,373	10,713	10,927
Charges For Support Services	4,321	4,550	4,650	4,704	4,798
Gross Rental Income	55,773	61,267	65,977	68,299	71,473

#### Management Charge Income

Less Voids	- 1,344	- 1,382	- 1,404	- 1,432	- 1,436
Net Rental Income	54,429	59,885	64,573	66,867	70,037

Other income	2,842	3,476	3,987	4,209	4,459
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Total Turnover	57,271	63,360	68,560	71,076	74,496
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### OPERATING EXPENDITURE

Management Costs Total	- 14,726	- 15,978	- 16,591	- 16,889	- 17,353
Service Costs	- 8,292	- 8,500	- 9,253	- 9,550	- 9,733
Care And Support Costs	- 4,867	- 5,125	- 5,262	- 5,348	- 5,481
Routine Maintenance	- 6,467	- 7,354	- 8,036	- 8,425	- 8,963
Planned Maintenance	- 2,904	- 3,107	- 3,384	- 3,620	- 3,809
Depreciation of Housing Properties	- 5,826	- 6,871	- 7,860	- 8,671	- 9,582
Other Costs	- 3,119	- 3,320	- 3,435	- 3,495	- 3,593

Operating Costs Social Housing	- 46,200	- 50,254	- 53,820	- 55,998	- 58,513
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Other Activities Expenditure Total	435	- 68	- 70	- 70	- 72
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## Operating Expenditure Total

45,765  
50,322  
53,890  
56,069      58,584

Operating Surplus/(deficit)	11,506	13,038	14,670	15,007	15,911
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## Gain/(loss) on disposal of fixed asset

1,002      1,110      1,155      1,179      1,221

## Interest and financing costs

- 8,128      - 8,667      - 9,807      - 10,656      - 11,599

## Surplus before tax

4,380      5,481      6,018      5,529      5,534

## Balance Sheet

Period: 01 April 2023 - 31  
March 2063

	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Fixed Assets Total	582,537.60	641,942.60	677,061.00	731,636.40	772,786.20
Current Assets Total	41,379.70	17,143.40	17,124.80	17,065.70	17,034.30
Less - Creditors - due within 1 year	-5,551.40	-5,845.60	-5,974.20	-6,042.90	-6,163.80
Net current assets/liabilities	35,828.30	11,297.70	11,150.60	11,022.70	10,870.50
Assets less current liabilities Total	618,365.90	653,240.30	688,211.60	742,659.10	783,656.70

## Creditors - amounts due after more than 1 year

	-	-	-	-	-
Outstanding Loan Balance	272,440.50	275,257.00	292,955.10	316,180.80	329,206.30
Loan Fees	2,811.50	2,703.10	2,594.80	2,486.50	2,378.20



	-	-	-	-	-
Deferred Income	321,781.20	348,165.60	359,231.30	384,736.20	406,989.50
Long Term Creditors Balance	2,413.30	2,329.10	2,247.40	2,168.10	2,091.20
	-	-	-	-	-
Creditors - due after 1 year	588,996.90	618,390.40	647,344.20	696,262.40	731,726.40
<b>Provisions for liabilities</b>					
Pension provisions	-5,153.00	-5,153.00	-5,153.00	-5,153.00	-5,153.00
Other provisions					
Net assets Total	24,215.90	29,697.00	35,714.40	41,243.70	46,777.30

## Cashflow

**Period: 01 April 2023 - 31 March 2023**

	£000's	£000's	£000's	£000's	£000's
Total Receipts	54,949.10	60,197.50	64,962.10	67,277.60	70,397.00
Total Payments	-19,970.00	-21,650.20	-23,514.80	-24,536.30	-25,575.60
Cash Paid To Employees	-18,828.00	-20,039.10	-20,856.80	-21,285.90	-21,818.10
Cash flow from Operating Activities	16,151.10	18,508.10	20,590.40	21,455.40	23,003.30
Capital Spend					
Existing Assets	-6,190.00	-7,198.20	-7,012.80	-6,497.20	-7,704.90
Development	-75,147.60	-60,489.50	-37,656.60	-58,210.90	-44,290.30
Clwyd Alyn Group Total	-81,337.60	-67,687.80	-44,669.40	-64,708.10	-51,995.20
Proceeds from sale of tangible fixed assets	2,072.60	2,177.70	2,220.90	2,241.80	2,282.10
Grants received	54,420.90	29,113.10	14,279.90	28,926.60	25,901.80
Other	260	158	10.5		
Total Cash flow from investing activities	-24,584.20	-36,239.00	-28,158.20	-33,539.70	-23,811.40

<b>Cash flow from financing activities</b>					
<b>Interest paid</b>	-9,462.80	-9,414.20	-10,130.30	-11,141.40	-12,217.40
<b>Interest element of finance lease rental payment</b>					
<b>New secured loans</b>	40,000.00				
<b>Capital Repayments</b>	-2,495.50	-613	-1,103.40	-3,556.50	-612
<b>Loan Working Capital Drawdowns</b>		13,990.30	29,006.60	28,526.10	13,666.40
<b>Loan Working Capital Repayments</b>		-10,560.80	-10,205.10	-1,743.90	-29
<b>Total Cash flow from financing activities</b>	<b>28,041.60</b>	<b>-6,597.60</b>	<b>7,567.80</b>	<b>12,084.30</b>	<b>808</b>
<b>Cash &amp; cash equivalents at the beginning of year</b>	<b>14,720.10</b>	<b>34,328.60</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Net Change in Cash &amp; cash equivalents</b>	<b>19,608.50</b>	<b>-24,328.60</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash &amp; cash equivalents at the end of year</b>	<b>34,328.60</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>

## 2023 ORGANISATIONAL STRUCTURE

Appendix 4

