a2dominion group

Our Annual Review

2024

Contents

Welcome to A2Dominion's **Annual Review 2024**

Chair's statement

Now more than ever, our focus has been on strengthening customer-facing services and improving the quality of our homes. This last year has seen us take the initiative by better aligning our strategy with the values held by our customers and stakeholders, as well as with the requirements of the Regulator of Social Housing and the Housing Ombudsman.

OUR IMPROVEMENT PLANS

We know that we haven't been performing to the standards our customers expect and deserve. So, in 2023 we decided to make self-referrals to the Regulator and as a result were downgraded from G1/V2 to G3/V2.

Whilst disappointing, we remain confident that we have robust action plans in place to address the significant changes needed, so we can get things right first time for our customers.

The Board is also confident that given time, the strengthened executive team will be able to deliver on our recovery plan and give us a strong platform on which to deliver our customer ambitions, whilst getting us back to our desired high standards and previous regulatory grading.

We have already identified many areas for improvement and our teams have been working hard to rebuild customer confidence in our services. This includes reviewing historic reports of damp and mould, ensuring our complex buildings are managed effectively, and developing a new resident engagement strategy.

These changes have also been reflected in the redesign of our management teams to enable a greater focus on maximising customer care. We've recruited experts from across a range of housing, property and customer fields, including strong internal candidates.

STRONGER FOUNDATIONS

Significant benefits for colleagues and customers have come about from this wide-ranging programme and moving forward we want to continue to focus investment on improving and maintaining our services and homes. This change in direction is one of several initiatives that are helping us to build stronger foundations together and improve our services.

We had an operating surplus of £48.7 million (up by 12.2%) although we recorded an overall deficit of £21.0 million for 2024 (2023: £12.8 million deficit). This result reflects the Group's decision in its Corporate Strategy to refocus finances on improvements to services and customers' homes as well as investment in building safety work. We have then accelerated our efforts and investment further after the regulatory downgrade in January 2024.

It also reflects our new approach to property development, focusing on the regeneration of neighbourhoods and moving away from our previous emphasis on private sales homes via our FABRICA by A2Dominion brand. The Group also decided to introduce a new approach to improving its IT systems. This will help drive service improvements and efficiencies for customers and colleagues and will be more cost effective in the medium-term. As a result, the costs of our legacy IT programme have now been written down for accounting purposes.

Our balance sheet remains strong, with more than £3.5 billion of fixed assets and investments, and a reserves position of over £1 billion. With significant liquidity and a strong asset base, the Group has been taking the tough calls now, resetting the business to ensure it is well prepared to meet the significant challenges faced across the wider housing sector in years to come so we can do more to support customers and alleviate housing needs.

Chair's statement *continued*

Our ambition is to speed up the rate of improvement of our services and homes, and to regenerate some of our larger estates. To support this, we moved our head office back to Ealing, one of our original offices dating back to the 1990s, and opened several neighbourhood centres to be closer to our customers.

We also made the decision to withdraw from providing homes in some outer areas where we know other providers can offer our customers more specialist local knowledge, whilst helping us to ensure better value for money and stability. As always, any surplus from these transfers is reinvested back into improving homes and services.

Hanwell Square - Ealing, London

LEADING CHANGE

This year we refreshed our leadership team to help accelerate the delivery of our improvement plan. We introduced the new roles of Chief Customer Officer to focus on delivering and improving our services to customers, and Chief Property Officer to lead on all services that touch a customer's home, such as repairs and building and fire safety.

We also recruited some highly experienced Board members from within the housing sector: Elaine Elkington, Paul Fiddaman, and Emma Palmer. In addition, Peter Hatch has joined us as a committee member with valuable experience to help us deliver better for customers.

My thanks and those of the Board go to Caroline Tiller and Peter Walker – whose nine years' service as Board members came to an end in 2024, as well as to Ozzie Clarke-Binns.

We would also like to thank our previous executive management team members for their many years of service: Anne Waterhouse, Executive Director of Financial Services, as well as Dean Tufts, Executive Director of Finance & Strategy and Nick Hutchings, Managing Director (Commercial), who have both now retired.

Finally, the Board and I would like to thank our CEO Ian Wardle and all our colleagues across the Group for their tireless drive to improve and develop A2Dominion at every level. Their focus on getting things right for our customers is key to the future of our work.

Alan Collett
Chair

Highlights

Our performance

OPERATING SURPLUS
£48.7m Up by 12.2% in 2022/23

MEAN GENDER PAY GAP
20.9% 24.9% 2022/23

TURNOVER
£399.6m £389.1m 2022/23

MEDIAN GENDER PAY GAP
18.1% 22.7% 2022/23

DEFICIT
£21m £12m 2022/23

NET ASSETS
£1.02bn £1.04bn 2022/23

Customer services and homes

CUSTOMER SATISFACTION
77.8% 80% 2022/23

SOCIAL VALUE
£12.3m £11.2m 2022/23

SATISFACTION WITH REPAIRS
87.4% 86% 2022/23

NEW HOMES COMPLETED
668 745 2022/23

HOMES MEETING DECENT HOMES STANDARDS
99.4% 99.9% 2022/23

FINANCIAL SUPPORT TO CUSTOMERS
£9.7m £7m 2022/23

AVERAGE NO. OF DAYS TO COMPLETE A REPAIR
14 days 20 days 2022/23

AVERAGE DAYS TO LET A HOME TO A NEW RESIDENT
30 days 38 days 2022/23

Who we are

We are a housing association committed to a new vision – **providing homes people love to live in by 2030**.

We have over 38,000 homes in management across London and southern England. We provide a wide range of homes for social, affordable, and private rent, specialist services, as well as homes for sale and shared ownership. Our 70,000 plus customers come from a diverse range of backgrounds with varying levels of income. We're here to provide them all with homes that are safe, high quality and sustainable. And with social housing roots going back eight decades, we continue to ensure that every penny of surplus is reinvested into our charitable social purpose – delivering more homes and better services for customers.


Our Ealing office

A YEAR OF TRANSITION

During 2022/23 we identified that some of our services had not been performing to the expectations our customers, and ourselves would expect. Following some internal and external reviews, we self-referred ourselves to the Regulator of Social Housing as we believed that we had not met the relevant standards.

We were downgraded to a non-compliant G3/V2 rating in January 2024.

We were aware of the improvements needed when we set the new Corporate Strategy in 2023 although further areas have been identified for improvement, so have been working hard to improve outcomes for customers and colleagues. We also started to streamline our organisation to focus more on being a social landlord and we withdrew from providing care services.

BUILDING STRONGER FOUNDATIONS

We are taking steps to address our performance through our improvement plan - which sets areas of focus that will help us return to a compliant rating as soon as possible.

The Board believes that delivering these improvements is an enormous opportunity to re-set, rebuild and improve outcomes for customers and colleagues. This will make A2Dominion a more responsive and resilient housing association delivering outstanding customer service and helping to address the housing needs across London and southern England.

In recent years, several factors have caused our operational costs to increase. We know that, currently, the amount we spend each year on managing our social rented homes is higher than the average of our peers in the sector.

We are working to reduce our costs and have made savings and efficiencies of £5.6 million in 2023/24 with a further £17.4 million due in 2024/25.

Most of these savings will be redirected and reinvested as we balance lowering our costs and continuing to support our increased focus on customer care and investment in homes to ensure they are safe and effectively managed.

Key investment areas include repairs, redevelopment and regeneration of homes and estates and our complaints service.

100% of our profits are reinvested into homes, services and communities. We provide:

- Social and affordable housing
- Shared ownership
- Key worker, student and temporary accommodation
- Supported housing
- Private and intermediate rented homes
- Market sale homes
- Community projects to help customers improve their health, wellbeing, and finances.

Our **services**

HOMES AND NEIGHBOURHOODS

We provide and maintain a wide range of homes from affordable and social housing to starter homes, private rent and shared ownership options. We manage outside green spaces, along with play areas and communal facilities for people to enjoy.

CARING FOR CUSTOMERS

Our specialist teams provide help and advice on everything from budgeting and benefits to domestic abuse support and helping to combat anti-social behaviour.

In addition:

- We supported 2,596 people who contacted our domestic abuse service.
- We provided accommodation and support for 91 people who were homeless.
- More than 800 people were supported in our retirement schemes.

PROPERTY MANAGEMENT

We provide property maintenance services, planned repairs and estate services, and reinvest millions of pounds each year into upgrading and improving the homes we manage.

COMMUNITY INVESTMENT

We provide community events, wellbeing programmes, social activities and services including employment skills to help improve communities and people's lives.

LAND AND DEVELOPMENT

We develop land to provide high-quality, affordable, shared ownership and market sale new homes. An element of our future pipeline is developed in joint venture partnerships, with the majority of new homes in the future expected to be delivered from redevelopment and regeneration of our own buildings and estates, and via strategic land.

Homes and neighbourhoods that are safe, high quality and sustainable

Supporting the consumer standards: **safety and quality, neighbourhood, and community**

We are committed to ensuring all our homes are safe and well maintained, but we know that more work is needed to ensure customers feel listened to and trust us to do the right thing.

OUR AMBITION:
We want to be a trusted housing association where people love to live in their homes. We're delivering an extensive programme of improvements to our existing homes to meet regulatory standards and our own strategic commitments.

Our progress in 2023/24

STRATEGIC KPI	DETAILS	2023/24 ACHIEVED	2023/24 TARGET	2022/23 ACHIEVED
Median repair days		14	=<15 days	20 days
Cumulative planned maintenance	2,240 components achieved out of 5,984 (kitchens, bathrooms, windows doors and roofs)	37.4%	100%	80%
Environment and carbon reduction	Average level of annual carbon production per home	2.04 tonnes CO_2	2.02 tonnes CO_2	2.05 tonnes CO_2
Satisfaction with repairs		87%	85%	86%
Fire Risk Assessment*	Out of a total of 1,893 units, 1,890 are compliant	99.9%	100%	98%
Domestic gas	Out of a total of 17,029 units, 16,998 are compliant	99.8%	100%	99%
Electrical	Out of a total of 25,107 units, 21,667 are compliant	86.3%	100%	97%
Passenger lifts	Out of a total of 410 units, 382 are compliant	93.2%	100%	83%
Water safety	Out of a total of 345 units, 330 are compliant	95.7%	100%	98%
Asbestos	Out of a total of 1,497 units, 1,497 are compliant	100%	100%	98%

* Average compliance with LLHS (Landlord Health & Safety Compliance Measure)

Homes and neighbourhoods that are safe, high quality and sustainable

Responsive repairs

In 2023/24 95,000 responsive repairs were carried out and, on average, repairs were completed within 14 days, which is better than our target of 15 days and a marked improvement on the 20-day average for 2022/23.

However, we know we have a long way to go to meet the standards our customers expect and that we set for ourselves, and there have been occasions when we have let customers down through poor communication and slow response times. This is why we are continually looking to improve our repairs service to help with increased demand for repairs, and to reduce future appointment waiting times.

Jo Evans was appointed as the new Director of Repairs and Maintenance in January 2024. Her priority is delivering change to improve customer experience. Other improvements include better diagnosis of repairs as they come in, faster turnaround, and greater emphasis on on-going maintenance to reduce repairs requests over time. We're also introducing a live-tracking system, which provides updates and sends customers text reminders the day before an appointment and at each stage of the repair.

Lifts

We appreciate that some of our customers have been impacted by long wait times for lift repairs. During the last year our main lift contractor was taken over by a larger organisation which resulted in a significant drop in service levels and longer waiting times than we would have liked.

So, we have taken action, and have seen lift outages reduce, with the average waiting time for repairs reducing from 60 to 33 days with total lifts in service at any one time at 96%. Monthly service visits have improved month-on-month and in terms of Lifting Operations and Lifting Equipment Regulations (LOLER), we are currently at 93% compliance. We are also going out to tender for a new lift contractor, and this is due to go live in 2024.

Planned maintenance

There were delays in planned and cyclical procurement and in awarding new contracts which significantly delayed delivery of component replacements this year. Coupled with cost increases of these new contracts (20% to 25% increase on the unit average cost over last year's programmes) and a delayed start, we will deliver a reduced programme of works for the 2023/24 financial year. We have undertaken validation surveys of all works due going forward this year to produce a mitigation plan that ensures we maintain Decent Homes compliance.

In 2023/24 we spent £4 million repairing and fitting a total of 242 new kitchens and 164 new bathrooms. New windows were installed to 367 properties and replacement doors to 438 customer homes at a cost of £3.7 million. We spent £1.9 million on new roofs at 37 of our schemes and £4 million on our cyclical repair and redecoration programme.

The total investment in our stock including planned maintenance, major works, building safety and repairs was £96.8 million in 2023/24.

Our Decent Homes compliance figure for 2023/24 was 99.42%. There were 114 properties that did not meet the Decent Homes Standard. The works to these properties are now scheduled to take place within our 2024/25 programme to bring failing homes back to compliance.

Building safety

Over the past year we've continued to enhance our reporting and monitoring of landlord compliance measures. Our Building Safety Team has responded to more than 6,500 customer enquiries and completed three-stage inspections of 144 buildings (over 11 metres) where we are wholly responsible.

Building safety:

- We've submitted 12 applications to the Building Safety Fund (BSF) totalling £26 million
- Funding has been approved for six buildings to the value of £8.4 million and we're awaiting the outcome for six applications worth an additional £17.6 million
- We obtained compliance information on behalf of our customers in 114 buildings where responsibility lies with other landlords; and
- Of these buildings, 75 were already compliant and 23 had completed remedial work. One building is currently in the remediation process and the remaining nine are in the plan to be remediated in 2024/25.

Homes and neighbourhoods that are safe, high quality and sustainable

Barrington Court - Victoria, London

Fire safety

We have completed fire safety inspections in 100% of buildings over 18 metres and 84% of buildings between 11 and 18 metres. We also provide a free wellbeing, legal and emotional support programme for customers impacted by our cladding inspection and remediation programme. We've:

- Carried out in-depth inspections of 319 buildings of all heights
- Identified 65 buildings that needed fire safety work.
- Invested £38 million and received £7 million in government funding so far

We are due to complete fire safety works at 7 buildings in 2024/25 and are on track to fully complete the programme by 2026.

Enhanced Housing Management Team

This team was set up in 2023 to focus on ensuring the safety of high and mid-rise buildings within our direct responsibility. These buildings are predominantly mixed tenure, owned by us, and were impacted by the introduction of the Fire Safety Bill and Building Safety Act. These homes were identified using a range of factors - building height; equipment complexity within the buildings; repair history; and resident complaints (and this covers 90% of high-rise buildings where we are accountable. The other homes remain within our operations and existing housing models.

Highlights of the Enhanced Housing Management Programme include:

- Providing residents with a single point of contact for all queries
- Increasing our resident newsletters and holding more resident webinars so we can keep people informed
- Visits and inspections are being carried out at least once a week
- Pursuing and resolving any long-term outstanding issues as a priority
- Creating estate management strategies for each scheme so they have a bespoke diagnostic approach
- Colleagues being trained to operate fire safety equipment, carry out testing and weekly inspections
- Building safety cases being set up per scheme to ensure full data clarity.

Damp and mould

We want all our homes to be free from damp and mould, and last year we welcomed government legislation to address this across the social housing sector. We have been expanding our team of surveyors and contractors specifically to address damp and mould issues, to accelerate our programme of works.

Customers are receiving support to reduce the likelihood of damp and mould in their homes, and we will continue to revisit properties to check on their current condition. Moving forward, the team will be investigating and implementing new technologies to help reduce condensation levels and identify issues at an earlier stage.

Highlights of the damp and mould programme include:

- By September 2023, we had reopened 5,366 historical cases of damp and mould to ensure customer's problems had been fully resolved. Our customers have been contacted and works planned where needed
- The team received 3,033 new cases requiring a specialist inspection
- We introduced new roles (Customer Liaison Case Managers) to support customers in more complex cases, giving a named point of contact for updates.

Homes and neighbourhoods that are safe, high quality and sustainable

Partnering with The Felix Project at Green Man Lane - Ealing, London

Anti-social Behaviour Team

We work with our customers where anti-social behaviour (ASB) is an issue, and our resident involvement group raises awareness and provides useful contacts. Last year, we investigated 652 cases of anti-social behaviour. On average, we resolved complaints of ASB within 72 days, quicker than our target of 90 days. Complex cases of ASB, such as those involving legal action, can often take longer than 90 days to get a resolution.

In December 2023 we also launched our new dedicated anti-social behaviour resolution team along with new technology and training making it easier to report ASB online.

Looking ahead

OUR PRIORITIES FOR THE STRATEGY PERIOD TO 2030:

Delivering our programme of improving homes, based on our assessment of what we need to invest to meet legal standards as well as our own commitments, so that our customers are safe and affordably warm.

Completing building safety cases and action plans for tall buildings to meet the requirements of the Building Safety Act, for buildings over 18 metres (and extending to those over 11 metres as and when the remit extends).

Ensuring we understand and comply with all property safety requirements, including Landlord Health & Safety compliance by using a specialist team whose role will be to keep us up to date with legislative changes so we can keep customer homes safe.

Accelerating the redevelopment of homes and estates, considering investment needs and decarbonisation.

Customer care: respond and resolve with respect

Supporting the consumer standards: Transparency, influence and accountability

We're committed to building strong relationships with our customers to deliver high-quality services, but we know more needs to be done to meet expectations. In the past year we've gone back to our core values as a housing association and placed more emphasis on getting things right the first time. To deliver these improvements we're working hard to provide customers with better information and stronger service delivery, so they know that they are being heard.

OUR AMBITION:
We will listen to our customers and make sure we are delivering on our promises, especially in relation to complaints, repairs, and service delivery. We set ourselves high standards and want to meet them as well as those set by the Regulator of Social Housing and Housing Ombudsman.

STRATEGIC KPI	2023/24 ACHIEVED	2023/24 TARGET	2022/23 ACHIEVED
Deliver customer promise: customer effort score (weighted average of Customer Contact Centre, repairs, and complaint handling)	4.1	<=4.0	4.1
Deliver social impact: social value through community work and investment [1]	£12.3m	£12m	£11.2m
Complaints – % escalated to the Ombudsman	1.28%	<1.0%	1.2%

[1] Social value is a way to measure the impact of our projects and services. We follow a method used by the housing sector (developed by the Housing Associations' Charitable Trust) to quantify services that do not have a monetary value (such as wellbeing and mental health) and their impact. This estimates the unseen financial value to the people and communities who benefit from these services and their impacts.

Customer care: respond and resolve with respect

Customer satisfaction

We want our customers to live happy lives and know they can rely on us. Based on feedback from surveys with customers after receiving a service, in 2023/24 we recorded a customer satisfaction score of 77.8% against a target of 82%. This rating combines customer satisfaction with repairs (87.39%), complaints (73.96%) and our Customer Contact Centre (72.05%). We know we have more to do so we have put in place targeted improvement plans for each of these areas, including system upgrades, improving visibility, and more choice for customers when they interact with us. Progress has already been made on omni-channel improvements and self-serve appointments for repairs.

In addition to this, we also carried out Tenant Satisfaction Measures which were introduced by the Regulator of Social Housing for all social landlords in England. The overall satisfaction from social and affordable rent customers was 58% with key areas for improvement relating to how we respond to enquiries, the quality of our repairs service and how we handle complaints.

Hanwell Square - Ealing, London

Complaint handling

We want to put things right at the first time of asking and when this does not happen, we receive a higher number of complaints. Our ways of working, particularly around record keeping, has not been good enough and we have since carried out a review of our complaint handling process and implemented new measures.

As part of our drive to improve services we encouraged customers to report any issues they may be experiencing. We want to be there for customers and provide reassurance that we will do the things we say we will.

In 2023/24, our Customer Contact Centre resolved 72% of queries at the first point of contact. When we are unable to fix an issue at the first point of asking, we need to be better at following up.

We responded to 42% of stage 1 complaints within a 10-day response time, and 68% of stage 2 complaints within 20 days, this is below the 100% target set by the Housing Ombudsman Complaint Code. In this period 1.28% of complaints were escalated to the Housing Ombudsman.

We regret that there were 4 cases where the Housing Ombudsman Service issued Complaint Handling Failure Orders. This was because we took too long to respond, or provide information to the Ombudsman.

There were also 10 cases that had severe maladministration, where we took too long to address issues and were required to provide a higher level of redress. We've offered our apologies to the individual residents affected and fully accept the Ombudsman's findings and recommendations.

Stage 1 complaints:

- We received 151 complaints per 1,000 low-cost rental homes (LCRA) homes and 132 per 1,000 low-cost home ownership (LCHO) homes
- This is above the 111 LCRA target and 79 LCHO target.

Stage 2 complaints:

- We received 20 complaints per 1,000 LCRA and 31 per 1,000 LCHO
- This is above the 6 LCRA target and 8 LCHO target.

Customer care: respond and resolve with respect

We've since made changes to improve our complaints service. Now, all Stage 1 complaints are processed from start to finish on our complaints system, which keeps information in one place and builds a clearer picture of the Complaint. We've also reviewed our internal processes for handling complaints, so we have the right colleagues involved from the start, and work within the timescales provided by the Housing Ombudsman's Complaint Handling Code.

Listening to customers

We've prioritised involving customers in shaping and improving our services. Our Customer Involvement Programme provides the opportunity for them to be heard and let us know where they want us to improve.

We held a 'Meet the Ombudsman' event in November 2023, with more than 150 customers joining in-person and online. The event led by Richard Blakeway from the Housing Ombudsman and our CEO Ian Wardle provided the opportunity for an open and honest discussion about how we can improve our handling of complaints.

Improvements to make things easier for customers

We achieved a customer effort score of 4.1, this is just above our target of less than 4. This figure calculates how easy it is for customers to deal with us via repairs, complaints, Contact Centre and new homes surveys. A higher volume of complaints has resulted in customers waiting longer for their issue to be resolved and we are working to improve this by expanding the team and introducing a live chat to respond to queries faster.

Tenancy Sustainment:

- We supported over 1,000 benefit claims, including Housing Benefit, Universal Credit, Council Tax support, pensioner and child benefits.
- 100% success rate at benefit tribunals resulting in backdated benefits payments totalling over £42,000
- More than 30 customers helped to access Local Authority Household Support Funding, receiving an average payment of £1,500 to clear rent debt
- £104,000 accessed through grants and charitable funding to help customers have access to furniture, white goods, and food banks
- Our in-house Tenancy Sustainment Fund supported more than 100 customers with over £28,000 in funding to help buy white goods and furniture, as well as dealing with debts.

Tenancy Sustainment team

Our Tenancy Sustainment team helped 2,245 customers claim £9.7 million in financial support in 2023/24, this is an increase from £7 million in the previous year. The continued impact of the cost-of-living crisis has seen referrals for money management assistance increase by 44% compared to last year.

Social value

We continued to invest in our customers and in the communities we operate in, generating £12.3 million in social value in 2023/24. This figure is slightly above our £12 million target. We've seen an increased demand for support amid the cost-of-living crisis, with emotional wellbeing, mental health and food poverty support.

Donations fund

Our donations fund has supported our customers living in specialist housing by funding projects to the value of £105,467. The legacy fund was used for a variety of purposes in our supported housing homes including TVs for communal areas, garden furniture and art supplies, as well as events such as Christmas, Easter, Iftar, and days out to the seaside.

Applications increased by 89% in 2023/24 and the funding awarded rose by 138%. This year's fund generated £664,694 in social value.

Empty properties

We took an average of 30 days to relet our homes in 2023/24, 8 days fewer than last year. This takes into account the time taken by our contractor to complete any works. Although within target, the year has not been without challenges. Our private rent homes had a change of contractor which formed a temporary backlog of empty properties. Our social rent stock had a higher number of homes being empty for longer due to an increase in the number of homes that required remedial works.

Customer care: respond and resolve with respect

Unaccompanied Asylum-Seeking Children Service

Our Specialist Housing team continues to run a scheme to help unaccompanied asylum-seeking children and the service has expanded to include 44 units of accommodation across Oxford and West Berkshire.

Tenant Satisfaction Measures

Last year the regulator introduced Tenant Satisfaction Measures (TSMs) to show how well social housing landlords are doing at providing good quality homes and services to tenants and shared owners. These measures have been adopted by all social landlords as a way to compare and benchmark performance. These are different to our customer satisfaction scores which are based on feedback from surveys with customers after receiving a service.

Overall satisfaction with our services was 58% among social and affordable rent customers and shared owners, below our 63% target and lower compared to other housing providers.

Looking ahead

GOING FORWARD WE WILL:

Continue to compile the new Tenant Satisfaction Measures and look to improve the scores.

Continue to improve our complaints handling and response processes, to resolve complaints faster and more effectively overseen by a new customer scrutiny group.

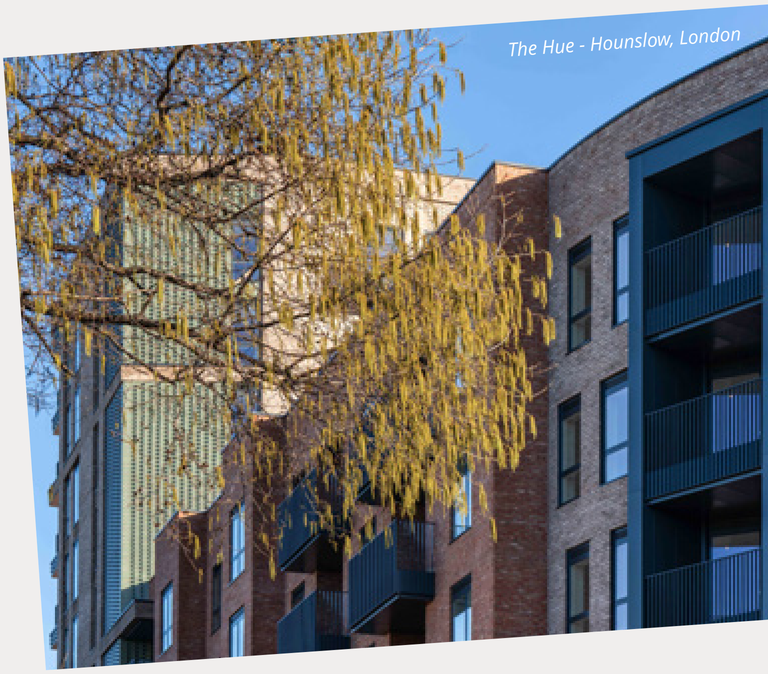
Provide a digital roadmap to solve standard questions and transactions quickly and easily for customers, while providing telephone and in person responses to more complex queries and for customers who do not use digital channels.

Undertake focused work to improve the customer experience, including leasehold customers, where satisfaction tends to be lower.

TENANT SATISFACTION MEASURE	SOCIAL AND AFFORDABLE RENT CUSTOMERS	SHARED OWNERSHIP CUSTOMERS	G15 LANDLORDS 2023/24 (social and affordable rent)	G15 LANDLORDS 2023/24 (shared ownership)
Overall satisfaction	58%	23.8%	No figure available	No figure available
Satisfaction with our overall repairs service	57.2%	No figure available	62.3%	No figure available
Satisfaction with the time taken to complete your most recent repair	54.6%	No figure available	59.3%	No figure available
Satisfaction that your home is safe	63.9%	39.2%	70.6%	55.6%
Satisfaction that we listen to your views and act upon them	47.4%	18.3%	52.6%	25.3%
Satisfaction that we keep you informed about the things that matter to you	59.4%	34.9%	65.6%	47.7%
Satisfaction that we treat you fairly and with respect	62.7%	33.8%	69.9%	47.6%
Satisfaction with our approach to handling your complaint	32.5%	9.5%	30.8%	14.6%
Satisfaction that we keep communal areas clean and well maintained	60.9%	40.2%	62.2%	44.3%
Satisfaction that we make a positive contribution to the neighbourhood	47.2%	21.1%	57.1%	30.7%
Satisfaction with our approach to handling anti-social behaviour	47.7%	18%	55.9%	29.8%

Development to meet housing needs

Supporting the new homes quality code


The Hue - Hounslow, London

We aim to provide high-quality, affordable homes where they are needed most. At A2Dominion we build homes, under our FABRICA by A2Dominion brand, and we market them for social and private sale in order to fund affordable properties for our customers.

Our Development and Regeneration Strategy will see a renewed focus on improving existing customers' homes while, wherever possible, also taking the opportunity to develop much-needed social housing in partnership with key local stakeholders. Therefore, going forward, we will invest our efforts into redevelopment and regeneration, with a focus on quality and safety.

OUR AMBITION:

- Redevelop homes and estates where they are not economically sustainable, considering investment needs and decarbonisation
- Build homes for social and private sale – with profits reinvested into providing more homes for affordable and social rent
- Meet our sustainability and carbon targets
- Mitigate economic pressures by reviewing our long-term partnerships and find ways to share opportunities, control costs, protect margins and minimise risks.

NEW HOMES	2023/24 ACHIEVED	2023/24 TARGET	2022/23 ACHIEVED
New homes handed over	668	719	745
New homes starting on site	9	198	340
Sales (number of homes and sales income)[1]	281 units £87.8m	290 units £92.5m	346 units £100.4m

[1] Sales information excludes joint-ventures

Development to meet housing needs

Stock profile

	LOCAL AUTHORITY	HOMES IN MANAGEMENT	HOMES IN DEVELOPMENT	TOTAL
1	Spelthorne	6,893	28	6,921
2	Ealing	3,888	192	4,080
3	Hounslow	3,062		3,062
4	Oxford City	2,632	480	3,112
5	Hillingdon	2,041		2,041
6	City of Westminster	1,284		1,284
7	Hammersmith & Fulham	1,263	204	1,467
8	Bromley	1,189		1,189
9	Winchester	1,119		1,119
10	Bristol	968		968
11	Slough	951		951
12	Harrow	939		939
13	Runnymede	671	12	683
14	Elmbridge	636	74	710
15	West Berkshire	633		633
16	Guildford	629	12	641
17	Cherwell	616	39	655
18	Chichester	544		544
19	Reading	530		530
20	Tower Hamlets	501		501
21	Reigate & Banstead	489	11	500
22	Wandsworth	439		439
23	Hackney	400		400
24	Windsor & Maidenhead	382		382
25	Rushmoor	368		368
26	Lambeth	322		322
27	South Oxfordshire	314		314
28	Camden	213	86	299
29	Southwark	145		145
30	Surrey Heath	191	39	230
31	Waverley	122	126	248
	Other[1]	3,850		3,850
Total		**38,224**	**1,303**	**39,527**

[1] Indicates local authorities where stock management is less than 300, with no properties in development.

Our stock profile only includes residential homes that we manage and excludes commercial units, garages and community centres.

Development to meet housing needs

New homes handed over

We completed 668 homes in 2023/24, achieving 93% of our target. Of these, 329 were affordable homes, including shared ownership, affordable, and social rent homes.

We achieved 309 outright sales and 30 market rent. Despite market conditions and other factors that have impacted our sales, our diverse portfolio of private and shared ownership properties allows us to offer affordable properties, providing our customers with a range of options to suit their needs.

Starts on site

We are committed to improving the living standards of our customers' homes and providing them with safe, high quality and sustainable properties. During the course of 2023/24, we took the decision to reduce the number of new developments we started on site in order to focus on the redevelopment and improvement of our customers' existing homes. There were also a number of external pressures resulting in delays to our planned developments including deferred construction due to viability and contractor liquidation.

Sales

We completed the sale of 281 units worth £87.8 million, which was 3.1% below our target of 290. A number of homes were planned to be available in the latter part of the financial year, and delays meant we were unable to complete on many of our properties. Delays in completion have resulted in many plots being sold in the first quarter of the 2024/25 financial year.

Looking ahead

With the current economic climate and a focus on our Building Stronger Foundations Together improvement plan, we're putting more emphasis on our existing homes and assets. We're therefore refocusing our future pipeline on the redevelopment and regeneration of existing buildings and estates to ensure delivery of new homes at a higher quality and safety standard.

FROM 2023/24, WE WILL:

Continue to deliver high quality, sustainable affordable homes.

Deliver our existing build programme as forecast.

Develop our Regeneration & Development Business Plan ensuring we address the quality of our stock and customer needs.

Work towards ensuring our Regeneration & Development Business Plan is self-financing to support business objectives.

Look to dispose of non-core assets in order to deploy more of our capital in support of our social housing activity.

Regularly review our projects to ensure they continue to meet targets and achieve the returns required to fund our affordable homes.

Investigate and implement new ways of funding and partnerships with key stakeholders.

Our Group performance

A strong, sustainable and effective organisation

We will remain **financially secure** and meet **governance**, **compliance**, and **regulatory requirements** to **provide assurances for all our stakeholders**

We are continuing to work closely with the Regulator of Social Housing on our improvement plan following the G3/V2 grading at the start of 2024.

OUR AMBITION:

- We will manage our cost base to sustain service delivery and help withstand external shocks
- We will provide a value for money service, maximise our social impact and look at new income streams to grow
- We will use benchmarking to understand the potential to improve, and business intelligence to target our resources
- We will take our responsibility seriously around environmental impact, improving performance and reduce our carbon emissions.

STRATEGIC KPI	2023/24 ACHIEVED	2023/24 TARGET	2022/23 ACHIEVED
Improve our financial performance: operating margin	12.2%	19.6%	11.2%
Sales margin (including joint venture sales)	9.5%	13.9	11.5%
Safeguard / maintain confidence of our lenders, stakeholders, and shareholders: Fitch credit rating	A	A	A
Regulatory grading	G3/V2	G1/V2	G1/V2
Ensure we have the right people, resources, and excellence to protect the organisation: colleague engagement	78%	82%	82%

A strong, sustainable and effective organisation

Our financial performance against a backdrop of continuing challenge

We are reporting a deficit of £21.0 million for 2023/24. This is an increase from the deficit of £12.8 million reported in 2022/23. This comes as we continue to invest in our existing homes, providing safe, affordable, quality housing while ensuring financial viability and sustainability amidst an increasingly constrained economic environment. The Group has a strong asset base and significant liquidity to continue to meet these challenges.

Regulatory grading

We are working through our Building Stronger Foundations Together improvement plan following our downgrade to a non-compliant G3/V2 grading in January this year by the Regulator of Social Housing.

The plan, which includes our Voluntary Undertaking, focuses on improving services for our customers whilst strengthening our organisation across nine themes:

1. **High quality data**
   Improving the data we hold on our customers and properties.
2. **More effective financial governance**
   Whilst ensuring our finances are regularly monitored.
3. **Stronger risk management**
   Ensuring risks are always considered and contingency plans put in place, if needed.
4. **Confident business planning**
   Ensuring business plans are stress tested and risks are managed.
5. **Stronger Board effectiveness**
   Providing more training and support for our boards.
6. **Improved repairs and complaints**
   Improving our key customer-facing services.
7. **Effectively managed complex buildings**
   Meeting all our landlord responsibilities and improving our management of third parties.
8. **Accurate rent and service charge setting**
   Reviewing how we set rent and service charges to make sure they are accurate.
9. **Improve commercial processes**
   Improve how we evaluate any new development opportunities to reduce risk.

We are looking forward to focusing all our efforts on improving services to our customers, as well as getting back to a compliant rating as soon as possible.

Financial stability

We remain financially strong, and Fitch maintained our A credit rating in October 2023. The leading credit agency described our financial outlook as stable. This rating allows the business to borrow at the best possible rates and demonstrates the security of the Group for lenders and bond investors.

Colleague engagement

Our people are at the heart of everything we do, and so in 2024 we made the decision to rename our HR directorate to People Services. Our colleague engagement survey recorded a score of 78%, which was lower than the 82% achieved in 2022/23. This figure is based on how colleagues feel in terms of fairness, respect and being themselves at work. As a result, People Services are supporting teams across the business to identify areas for improvement.

Colleagues working closer together

We moved our registered address back to our customer-facing premises in Ealing, promoting more collaboration between central service and operational colleagues. The relocation from Paddington also saved us more than £3 million annually to reinvest into the business and provide better value for money for customers.

A strong, sustainable and effective organisation

Equality, Diversity & Inclusion

We continue to make positive strides in relation to ED&I, and we know we can do more to encourage further development across our teams and through new opportunities.

Looking ahead we expect our gender pay gap to continue to narrow in the coming years following our decision to exit our care service at the end of 2023.

Equality, Diversity & Inclusion:

- Our mean gender pay gap narrowed in the past 12 months from 24.9% in 2022 to 20.9% in 2023
- Our median pay gap also fell in the same period from 22.7% to 18.11%
- We recruited more women into senior positions, including at executive level
- Reviewed our pay policy to maintain pay equity and to reward high performance regardless of gender.

Digital transformation and cyber security

For several years we have been working on an IT and business change programme under the banner of Fit for the Future Programme (FFP).

Phase 1 and Phase 2 have been delivered, meaning Dynamics is well embedded in the organisation and provides a strong foundation on which to build enhanced functionality. This allows us the option of moving forward with "off the shelf solutions" for customer facing systems such as housing management, rents and service charges which can all be integrated with the Dynamics foundation.

This also provides further opportunities in areas such as:

- Telephony
- Omni-channel – allowing more ways for customers to contact us
- 360 view of our customers – allowing for a greater understanding of their journey with us
- Customer My Account app
- Customer service training
- Asset management
- Repairs
- Estate inspections
- Finance and procurement.

Since its inception we have changed significantly as an organisation, and our primary objective is now fully focused on improving customers' homes and delivering services that benefit them directly. Therefore, we took the decision to channel investment to where it is needed most; looking after our customers' homes and providing them with a better experience when they contact us.

Alongside these major changes, we also continue to invest in cyber security and have set up a dedicated cyber team to monitor online threats and continue to improve our defences. We have retained our Cyber Essentials Plus certification for another year, providing continued assurance around our security systems and controls.

A strong, sustainable and effective organisation

Environmental, Social and Governance (ESG) reporting

We published our third ESG report in 2023, showing our commitment to meeting sustainability targets. In that period, we built more new homes rated EPC A than many other housing associations (Inside Housing; Biggest Builder Survey). In 2020/21, we were early adopters of ESG reporting amongst our peers.

Looking ahead

FROM 2023/24 AND IN THE YEARS AHEAD, WE WILL:

Update our target operating model to enhance our ways of working and processes.

Drive efficiency to manage down costs in proportion to our income.

Ensure our **IT and data systems provide maximum benefit** for our customers and colleagues.

Continue our Equality, Diversity, and Inclusion plan.

Be more accessible and responsive for our customers.

Financial performance summary

The Group as well as the wider social housing sector have been facing the dual challenges of providing safe, affordable, quality housing while ensuring financial viability and sustainability amidst an increasingly constrained economic environment. The Group, through its strong balance sheet with significant liquidity and more than £3.5 billion in assets and investments, can meet these challenges now and in the years to come.

Profitability continues to come under pressure from the economic constraints. There are a number of initiatives and actions the Group has already put in place to reduce costs and improve income generation, but there is still work to do in improving that further, with cost reductions embedded in 2023/24 and further reductions budgeted for 2024/25 set to assist in allowing us to reduce costs and reinvest in our priority areas.

The Group this year has again seen pressure on operational costs, a decrease in property sales, and has continued to increase spending to ensure our homes are safe and comply with new regulations. The result for the year is lower than the previous year, impacted by a one-off impairment of intangible fixed assets and once again by impairments on schemes in development and costs of aborting potential developments as the Group continues to assess schemes' feasibility.

Group statement of comprehensive income and expenditure	2024 £m	2023 £m
Turnover	399.6	389.1
Cost of sales	(86.5)	(96.1)
Operating costs	(293.9)	(270.7)
Surplus on sale of fixed assets	27.4	14.4
Share of jointly controlled entity operating profit	2.1	6.7
Operating surplus	**48.7**	**43.4**
Operating margin	12.2%	11.2%
Net interest charges	(61.5)	(66.9)
Deficit after interest charges	**(12.8)**	**(23.5)**
Change in fair value of investments	0.1	(0.8)
Movement in fair value of financial instruments	2.5	4.7
Movement in fair value of investment properties	(14.5)	0.6
Tax on deficit on ordinary activities	4.6	7.1
Non-controlling interest	(0.9)	(0.9)
Deficit for the financial year	**(21.0)**	**(12.8)**

Financial performance summary

Turnover for the year is up 2.7% (2023: down 16.5%), the majority of that increase coming from social housing lettings. Within that increase property sales fell by £12.6 million year on year due to a lower volume year and some sales rolling over into 2024/25, due to scheme delays.

Operating surplus has increased by £5.3 million, a 12.2% increase year on year.

Overall, the result for the year was a deficit of £21.0 million with operating costs increasing by £23.2 million, an 8.6% increase (2023: 27.1% increase).

The Group continues to review its cost base with several initiatives put in place to reduce costs and improve income generation. As part of this review the Group has evaluated the continued investment in ongoing transformation projects, taking into consideration the changes the Group has undergone since projects were started, their feasibility and future cost, with the decision being taken to write off the costs of the legacy IT programme, resulting in a one-off impairment of £25.8 million, which has impacted our overall result for the year. This will enable the Group to channel investment where it is needed most and focus on our commitment to improving customer's homes and delivering services that benefit them directly.

The viability of development schemes continue to be reviewed by the Group in the context of the wider economic environment and as a result there were a number of potential development schemes aborted costing £1.5 million as well as scheme impairments of £12.6 million, with £7.6 million of that included in cost of sales.

Operating costs continued to be affected by inflation increases and supply chain pressures with increases in management costs of £9.8 million and service charge costs of £4.7 million, the largest impact coming in particular from higher costs in utilities, decanting and insurance of £5.9 million. Leasehold costs were also affected by the same cost drivers, up by £6.1 million. Responsive repair costs rose by £7.7 million, from inflation increases and a higher volume of works than anticipated.

We continued to maintain our investment in our stock through our responsive repairs, planned and major works programmes, spending £96.8 million, an overall increase of £10.7 million with a £9.1 million increase in the amount capitalised.

Net interest charges were down on last year by £5.4 million, with our overall loans and borrowings reducing year on year by £39.0 million.

Group statement of financial position	2024 £m	2023 £m
Fixed assets and investments	3,574.9	3,600.2
Current assets	240.6	275.3
Creditors including loans and borrowings	(1,767.6)	(1,783.5)
Deferred grant	(1,030.7)	(1,050.8)
Non-controlling interest	(1.6)	(1.4)
Net reserves	**1,015.6**	**1,039.8**

Fixed assets and investments are down year on year, primarily due to units disposed of as part of the stock rationalisation programme and impairment of other fixed assets partially offset by an increase in the cost of housing properties from construction and maintenance work.

Current assets have reduced due to lower work in progress, reflecting the lower level of development activity and a lower cash balance.

Total creditors are lower year on year reflecting a reduction in the loans and borrowing balance and a decrease in deferred capital grant.

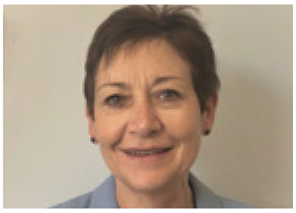
Board of management

Alan Collett
Chair

Alan has an extensive background in private sector housing development, investment, and valuation. He was President of the Royal Institution of Chartered Surveyors (RICS) for 2012/13, and recently completed a 9-year term as Non-Executive Director of the Hyde Group, where he was Chair for the last three years. Previous non-executive roles include being a Board Member at the Empty Homes Agency, and Chairman of the British Property Federation Residential Committee. He is currently a director of M&G Residential Limited Partnership, an Honorary Fellow of the University College of Estate Management, an adviser to Hearthstone Investments and the home investor fund. With a strong interest in providing new homes, Alan was also a member of the National House Building Council for 9 years.

Rachel Bowden

Rachel is a Chartered Internal Auditor and the Founder and Director of Thinking Audit Ltd, providing governance and assurance support to a diverse range of organisations from local authorities to FTSE100 businesses. Rachel is our Chair of the Audit, Risk & Assurance Committee.



Elaine Elkington
(Appointed 1st February 2024)

Elaine is the owner and director of Elaine Elkington and Associates Limited, an independent consultancy business working in housing management, regeneration, strategy development, and organisational performance turnaround. Elaine was previously a Trustee and Governing Board member at the Chartered Institute of Housing and remains a fellow of the professional body. She is currently a Group Board Member of H21, a national retirement living specialist housing association. Elaine joined the Group Board and Customer Service Committee in February 2024.

Paul Fiddaman
(Appointed 1st April 2024)

Paul has over 30 years' experience in the housing sector, and is the Group CEO of Karbon Homes, a housing association based in the North of England. Paul is a Chartered Accountant, and a very experienced non-Executive in the housing and charitable sectors. Paul is the current Chair of the Northern Housing Consortium, and the North East Housing Partnership. Paul joined the Group Board in April 2024 and is a member of the Finance Committee.

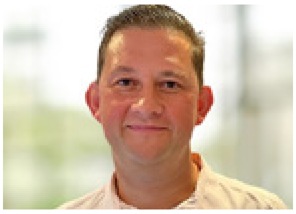
Andrew Kirkman

Andrew is Chief Financial Officer of CLS Holdings PLC, a FTSE 250 property investment company. Previously, he was Finance Director at Harworth Group PLC and Finance Director at Viridor, as well as Chief Financial Officer at Balfour Beatty Capital and Global Head of Corporate Finance at Bovis Lend Lease. Andrew is a Fellow of the Institute of Chartered Accountants and has an MA (Oxon) in Politics, Philosophy and Economics. Andrew is a member of our Finance Committee.

Emma Palmer

(Appointed 1st April 2024)

Emma is the Chief Executive of Eastlight Community Homes. She has also worked across a range of housing associations and local authorities including Greenfields Community Housing, East Thames, Estuary Housing Association and Moat. Emma is a Fellow of the Chartered Institute of Housing, Chair of Buildfast and, in June 2023, she was granted the Lifetime Achievement Award at Inside Housing's Housing Heroes Awards. She joined the Group Board at A2Dominion in April 2024 and is the Chair of the Customer Service Committee.



Alex Roth

Alex has worked in the technology and digital space for over 20 years across a range of industries and organisations. He is a specialist in digital transformation, both from a technology and organisational change perspective. Alex was the Global Head of Digital Delivery for British American Tobacco before taking up the role of Chief Information officer for Landsec. He is currently Chief Digital Officer at Informa. Alex is a co-optee on A2Dominion's Customer Service Committee and a member of the Audit, Risk & Assurance Committee.

Nigel Turner

Nigel has worked in the development and investment sector for over 30 years having previously been COO at McCarthy Stone and Executive Director for Developments, Property and Business Services at Kier Group. He is a chartered surveyor, with extensive experience in development and regeneration and a particular focus on operational excellence, quality, and customers. Nigel is Chair of our Strategic Development and Assets Committee. He is also on our Customer Service Committee.

Dennis Watson

Dennis has over 35 years' experience in the banking sector. His last role at Barclays was Managing Director and Head of Real Estate, leading teams that serviced the bank's UK commercial and residential property companies. He has also run teams focussed on structuring funding solutions for the housing association, local authority, education and project finance sectors. Dennis is a member of our Strategic Development & Assets Committee and our Finance Committee.

Louise Wilson

Louise is a highly experienced people professional who has led the global people functions at high street retailers The Body Shop and Clarks. She now works as an advisor, mentor, and leadership facilitator for various organisations. Louise is a supporter of the arts, a Trustee on an arts-focused charity and is Chair of the Remuneration Committee of Suffolk Group Holdings (trading as Vertas Group). She also sits on the Services and People committees of Thames Reach, a homelessness charity. Louise chairs our Governance & Remuneration Committee.

Ian Wardle

Group Chief Executive

Ian has overall responsibility for the management of A2Dominion. He joined the company in September 2022, having previously been Chief Executive at Thirteen Group since 2016. Prior to this, Ian was Managing Director of Reading Borough Council, Director of Regeneration Services at Redcar & Cleveland Borough Council, Project Director for the Sunniside Regeneration Project in Sunderland, and Development Director at Taylor Wimpey.

Ozzie Clarke-Binns, Caroline Tiller and Peter Walker left the Group Board at the end of March 2024.

Executive Officers

Ian Wardle

Group Chief Executive

Ian has overall responsibility for the management of A2Dominion. He joined the company in September 2022, having previously been Chief Executive at Thirteen Group since 2016. Prior to this, Ian was Managing Director of Reading Borough Council, Director of Regeneration Services at Redcar & Cleveland Borough Council, Project Director for the Sunniside Regeneration Project in Sunderland, and Development Director at Taylor Wimpey.

Tracey Barnes

Chief Finance Officer

Tracey is responsible for the financial and central services. She has over 35 years' experience in finance roles, including at board level with experience in the social housing, consumer products and manufacturing sectors across four continents. Tracey previously worked at Sovereign, where she was CFO. Prior to this, she worked at Diageo for 20 years, holding a number of roles including CFO of East African Breweries Ltd, CFO of Diageo Ireland and Managing Director of Diageo Business Services India.

Andrew Boyes

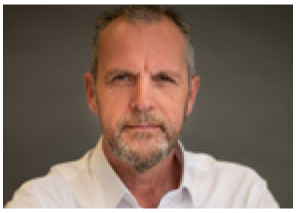
Executive Director (Change & IT)

Andrew manages all our Information Technology (IT) and IT change projects. He has over 30 years' experience in IT, working across a broad range of business sectors including housing, insurance, retail, and distribution. Andrew has been an IT Director since 1998, holding three Director roles before he joined A2Dominion in 2009 as Group Director of IT. He became Executive Director (Change and IT) in 2014.

Kate Gascoigne

Chief Customer Officer

Kate's area of responsibility is customer facing services for the Group. She has almost 20 years' experience in the housing sector and has worked for 15 years as a turnaround consultant for large housing associations, contractors, and local government. Kate also spent five years as an Executive Director at two separate housing associations in the northwest. Irwell Valley and Your Housing Group. Kate joined A2Dominion as a consultant in February 2023 from Vivid Homes based in Portsmouth. She was appointed to the role of Chief Customer Officer on a permanent basis in December 2023.



Michael Reece

Chief Property Officer

Michael holds overall responsibility of all services relating to customers' property and the commercial side of the business, such as construction, sales, and marketing. He has over 35 years of experience in the housing sector and has worked for housing associations, contractors, and consultants. Michael joined A2Dominion from Savills, one of the most respected consultants in the sector. Prior to this he was Group Operations Director at Aster Group, where he worked for just under 12 years. Michael has a law degree and an MBA.

For our full annual report and accounts please go to

a2dominiongroup.co.uk/about/reports-and-accounts

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