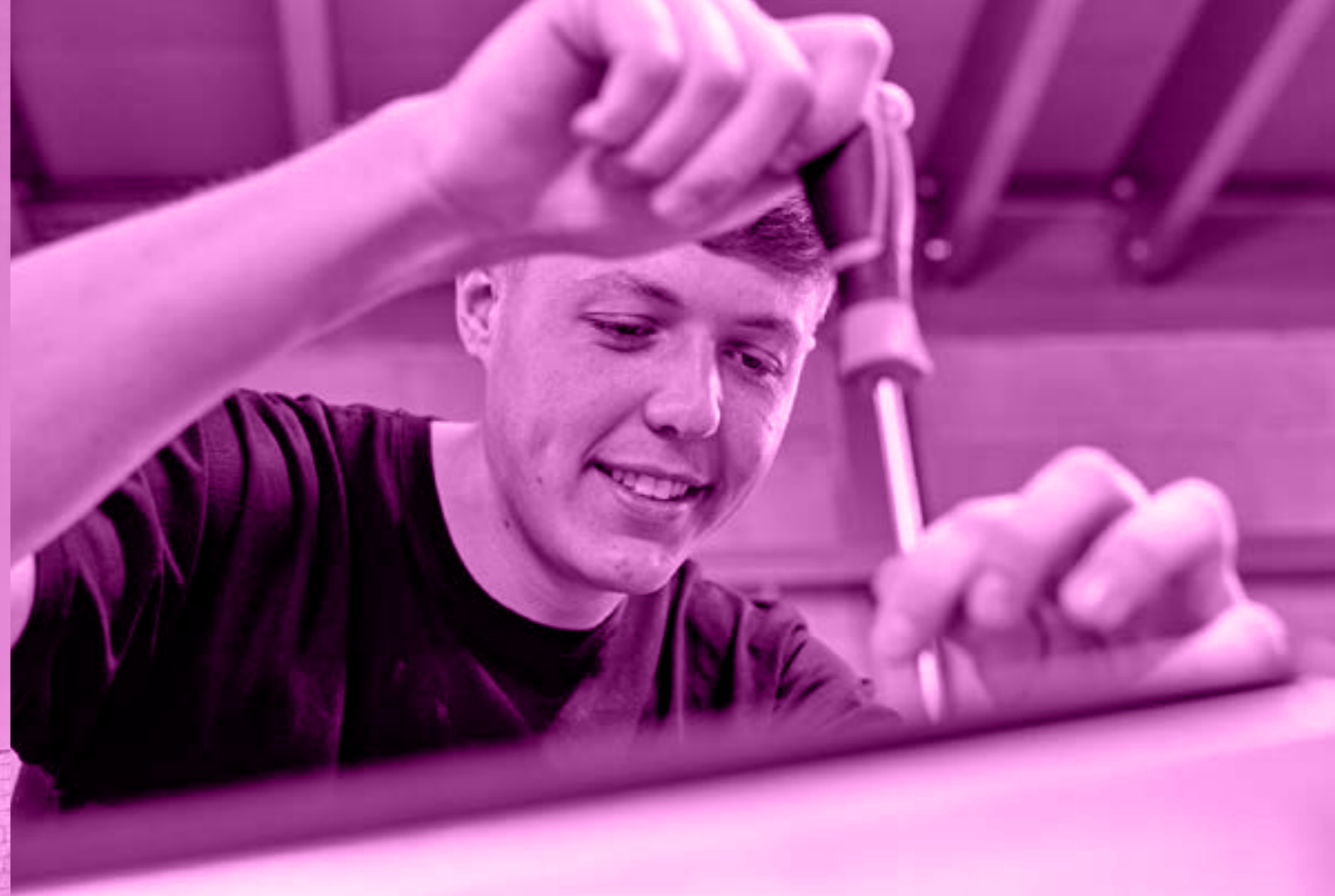




Delivering Value for Money

Report 2022 / 2023







Welcome

Our vision is to create confident communities.

WDH is built on our commitment to providing high quality homes along with a range of other services to ensure our tenants are safe and secure and are supported to lead healthy and confident lives.

Our business model is based on improving value for money to maximising our social dividend, the surplus money after our core housing functions are paid for. We invest this in our existing homes, building new homes and other services to deliver social value for our tenants, customers and communities.



The following pages show some of the ways we delivered value for money for our tenants and customers, against our priorities during the 2022 / 2023 financial year. I am delighted to share our achievements with you.

We recognise that there were some areas where performance did not meet our expectations. We remain committed to continuing to improve and in doing so, responding to the needs and views of our tenants and communities.

I hope you find the facts and figures that follow of interest.



Andy Wallhead
Chief Executive

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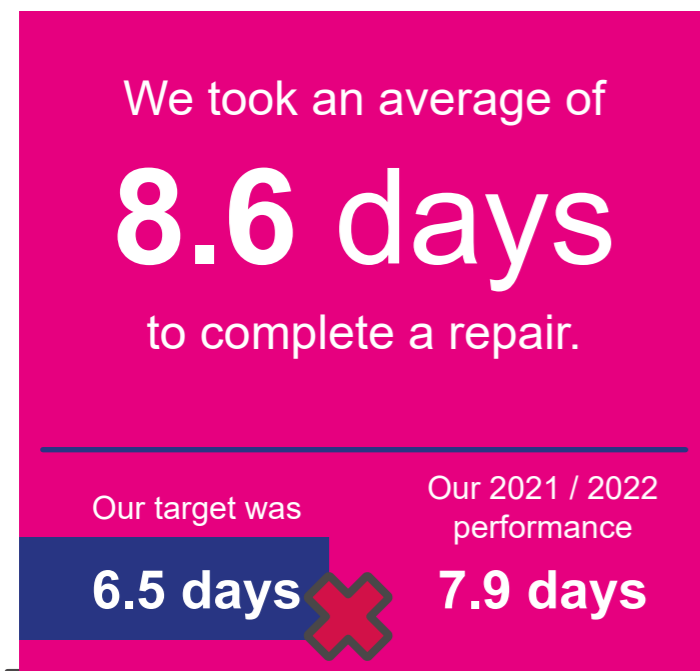
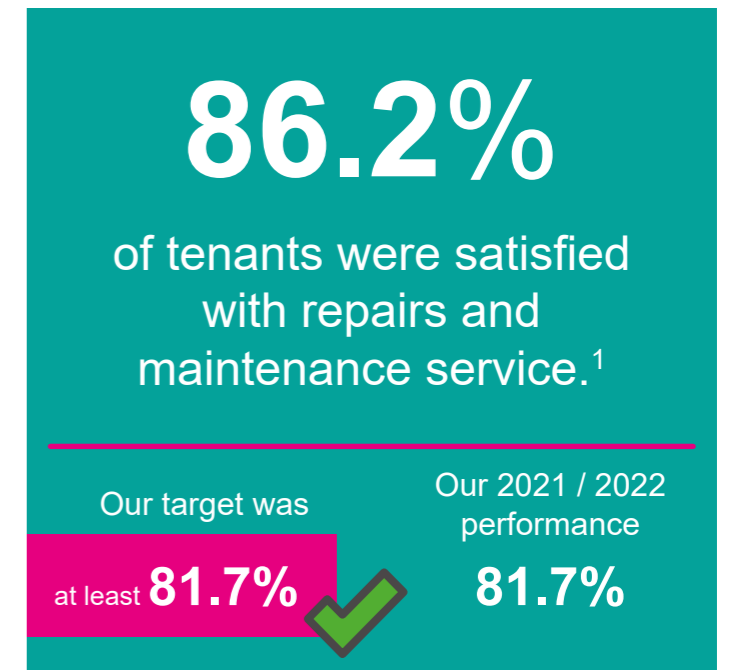
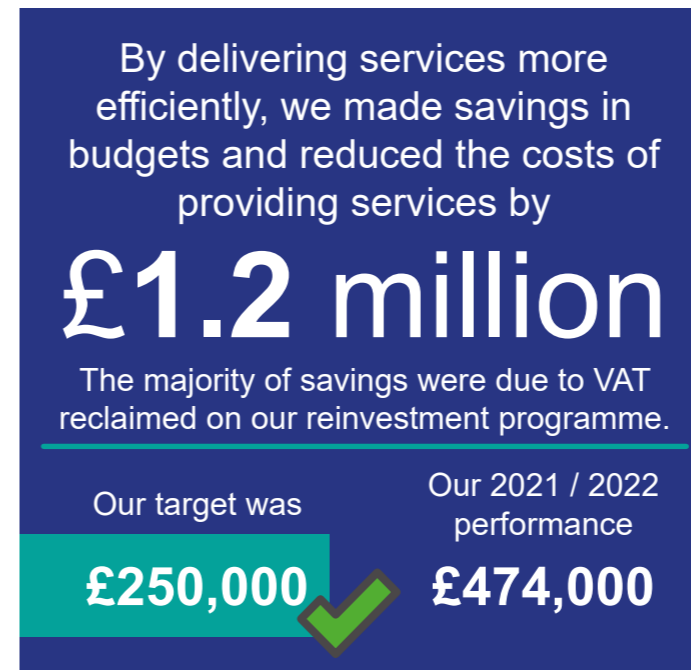
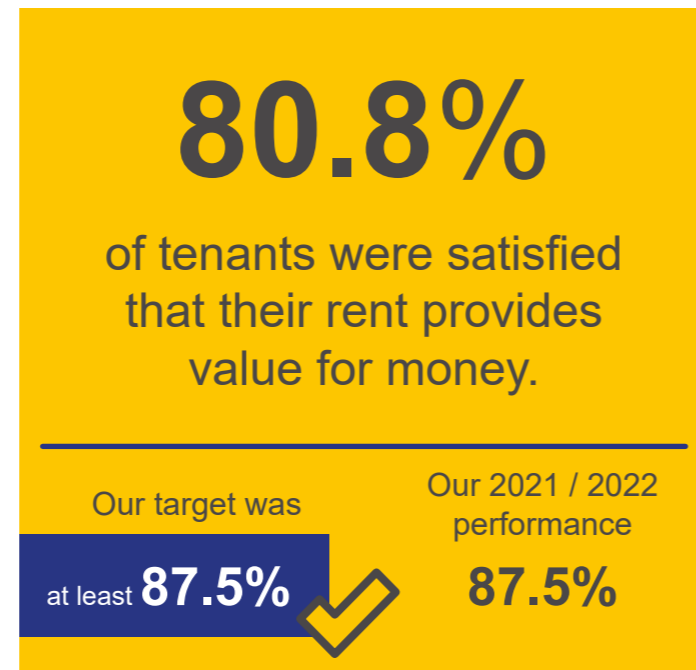


Customer excellence



Providing high quality, value for money, tenant shaped services.

Meeting the needs and expectations of our tenants and customers, by involving them in shaping our service offer and providing opportunities to scrutinise and challenge our delivery, is at the heart of what we do.



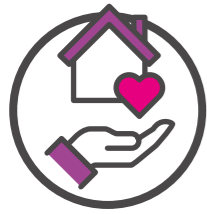
Our views on our performance

We believe rent increases may have impacted tenant satisfaction with value for money of their rent. Work continues to improve services to meet their needs and expectations.

It took us more time to complete a repair than we would have liked it to. However, the number of repairs we had to deal with in 2022 / 2023 increased to 108,020 from 104,862 in 2021 / 2022. The average cost increased mainly due to the impact of inflation and rising costs.

Key to performance against our target: Target met Target nearly met (within 10%) Target not met

¹Performance based on Annual Tenant Survey data.

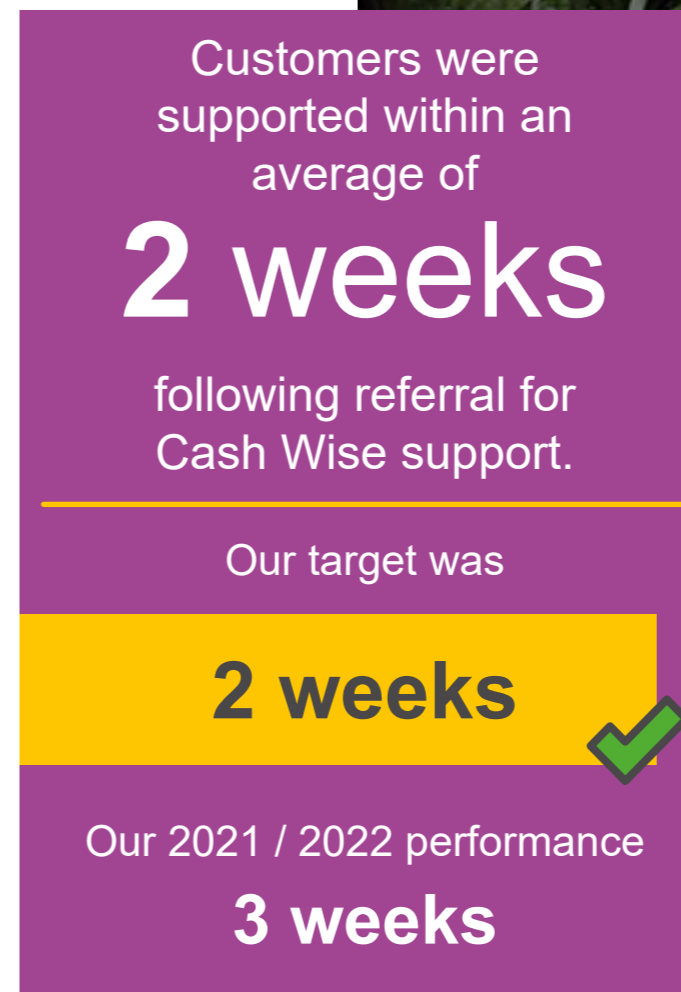
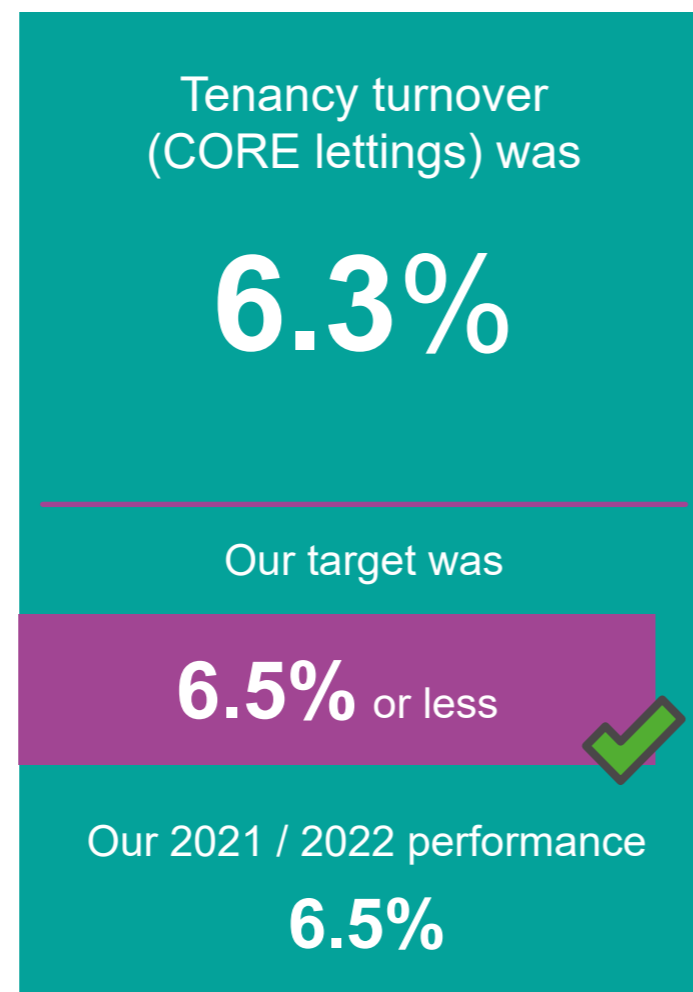


Health, wellbeing and support



Supporting our tenants to maintain successful tenancies and healthy lives.

We are committed to providing the very best support to our tenants and those within our communities, to reduce inequalities and enable them to live fulfilling and healthy lives.



Our views on our performance

Whilst fewer tenants said they felt supported by us to successfully maintain their tenancy, compared to the previous year. An increased number answered they were 'unsure' rather than saying 'no.'

We have used our recent 'On Your Street' initiative to speak to tenants and offer additional support. We continue to promote and deliver a range of services to help support them, such as our Cash Wise money advice service, Community Employment Advisors, mental health support and housing adaptations.

Key to performance against our target: Target met Target nearly met (within 10%) Target not met

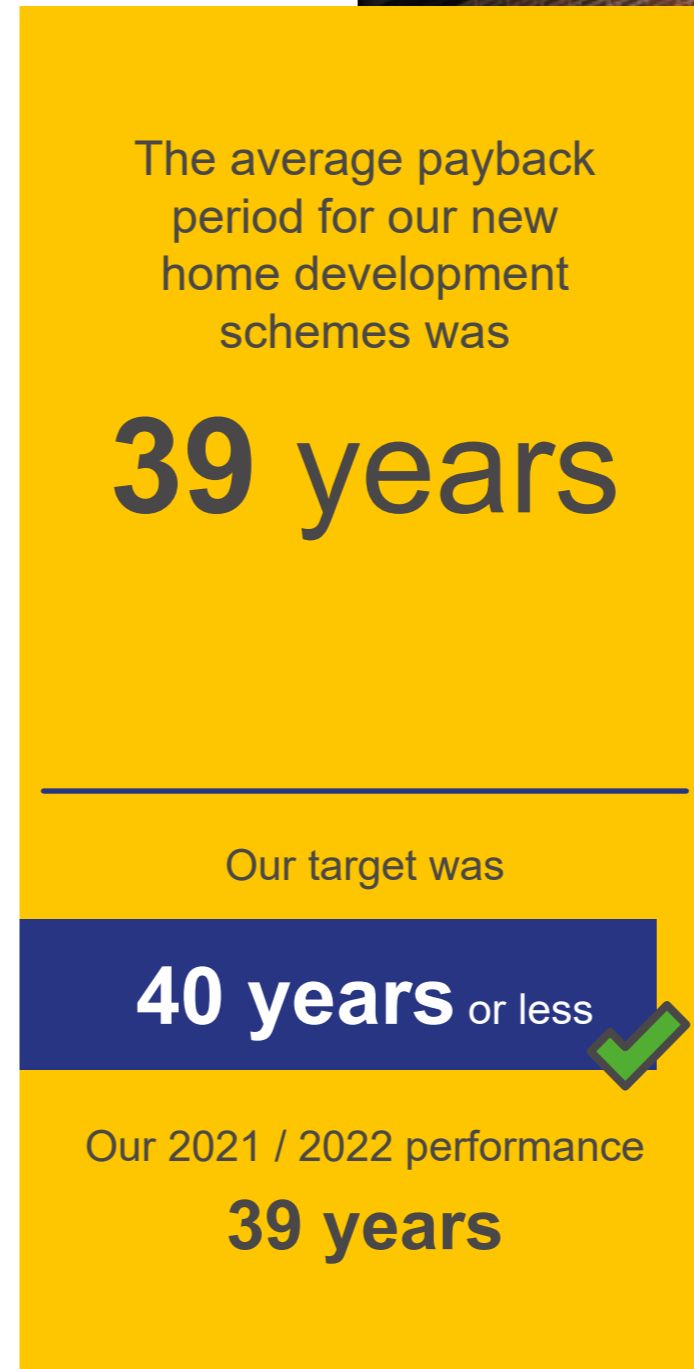
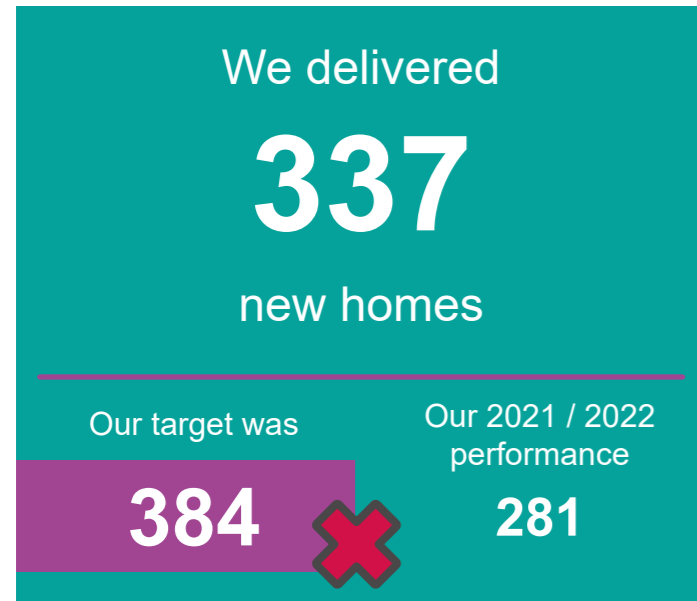


New homes and growth



Increasing access to high quality affordable housing.

We are working with partners to provide more new homes and increase access to high quality affordable, sustainable housing.



Our views on our performance

We have increased investment and delivered more new homes, but due to the economic climate and pressures in the housing industry, we delivered fewer than our target. This meant that overall we also spent less than we had planned to on new homes.

During 2023 / 2024 we plan to invest £51 million to deliver 415 new homes.

Key to performance against our target:  Target met  Target nearly met (within 10%)  Target not met

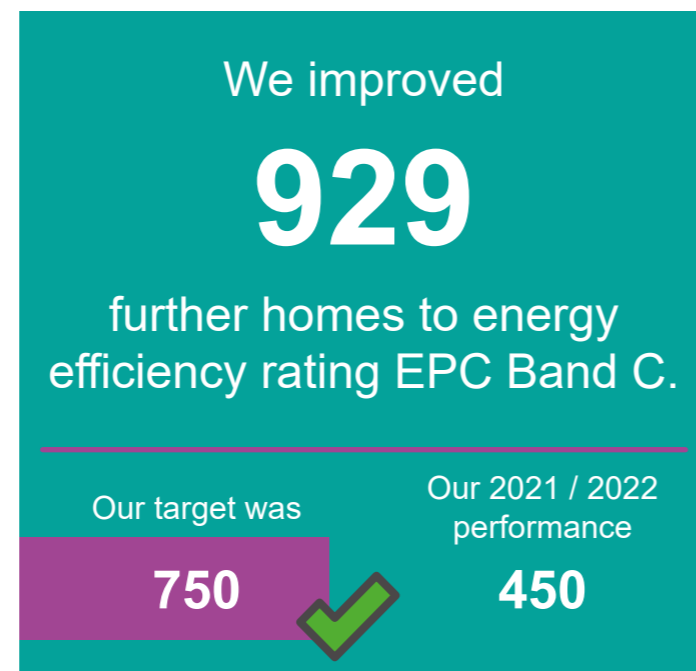


High quality homes and neighbourhoods



Meeting the highest standards of safety and repair and regenerating communities.

We are committed to providing safe and decent homes that go beyond the minimum standards of health and safety compliance and energy efficiency, and working with partners delivering community regeneration to ensure sustainable neighbourhoods.



Our views on our performance

We want to make sure our tenants are satisfied with their homes and neighbourhoods. We continue to engage with them to better understand their needs and priorities.

A range of improvements continue through our annual reinvestment programme. This includes, re-roofing homes, boiler and heating replacement, energy efficiency improvements, works to improve fire safety and neighbourhood environment improvements.

We didn't complete all of our planned reinvestment programme during 2022 / 2023 and spent less than planned, as some projects were delayed. Reasons for delay include projects being impacted by material and labour shortages as a result of the economic climate.

During 2023 / 2024 we plan to spend £48 million.

Key to performance against our target: ✓ Target met ✓ Target nearly met (within 10%) ✗ Target not met





Skills and enterprise



Supporting tenants and communities to achieve their aspirations and ambitions.

We are committed to supporting people to improve and develop new skills, increasing access to training and employment opportunities and helping them to achieve their aspirations and ambitions in life.



Key to performance against our target: Target met Target nearly met (within 10%) Target not met





Workforce of the future



Ensuring a highly skilled, capable and resilient workforce.

We are committed to making sure we can face future challenges, and have the right skills and capabilities to respond to the needs of our tenants and communities.

12 days

working days were lost to sickness absence per employee during the year.

Our target was

9 days



Our 2021 / 2022 performance

11.5 days

Average employee satisfaction with working for WDH was

7.2 out of 10

Our target was

at least 7.2 out of 10



Our 2021 / 2022 performance

7.2 out of 10

Our views on our performance

Whilst employee sickness has shown a slight increase from the previous year and not met our target. We have a number of initiatives in place and continue to work hard to support our employees, to help them to maintain their health and wellbeing and provide support to get them back to work as soon as possible following any absence.

Key to performance against our target: Target met Target nearly met (within 10%) Target not met





Business of the future



Being a fit for purpose, forward looking business.

We are committed to maintaining strong financial health and good governance, reinvesting in our communities and demonstrating value for money.



We invested

£96 million

of social dividend in our homes, services and communities to deliver added social value.

(Find out more at page 12)

Our target was	Our 2021 / 2022 performance
£91.7 million	£69.8 million

Our overheads were

8%

of adjusted turnover.

Our target was	Our 2021 / 2022 performance
8.2%	8.5%

It took us an average of

34 days

to let homes (CORE and affordable rents).

Our target was	Our 2021 / 2022 performance
25 days	42 days

Current tenants debt arrears were

2.66%

of estimated annual rent owed to us.

Our target was	Our 2021 / 2022 performance
3.02%	2.79%

Former tenant debt arrears were

1.15%

of estimated annual rent owed to us.

Our target was	Our 2021 / 2022 performance
1.18%	1.22%

Our views on our performance

Even though we did not meet our target, we are pleased that we took less time to re-let our homes.

Our teams continue to work hard to make sure our homes that become vacant are ready to re-let to new tenants as quickly as possible.

We continue to provide support to tenants who are struggling to pay their rent which helps to ensure rent arrears remain low.

Key to performance against our target: Target met Target nearly met (within 10%) Target not met

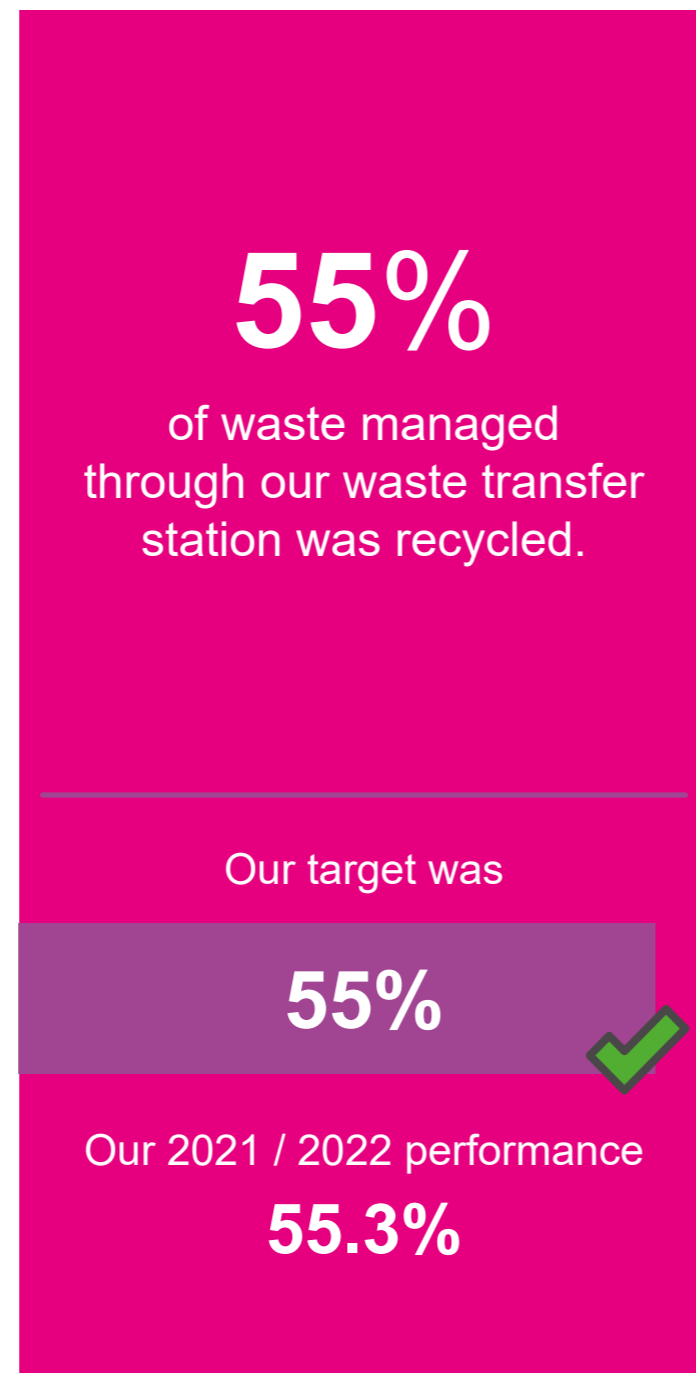
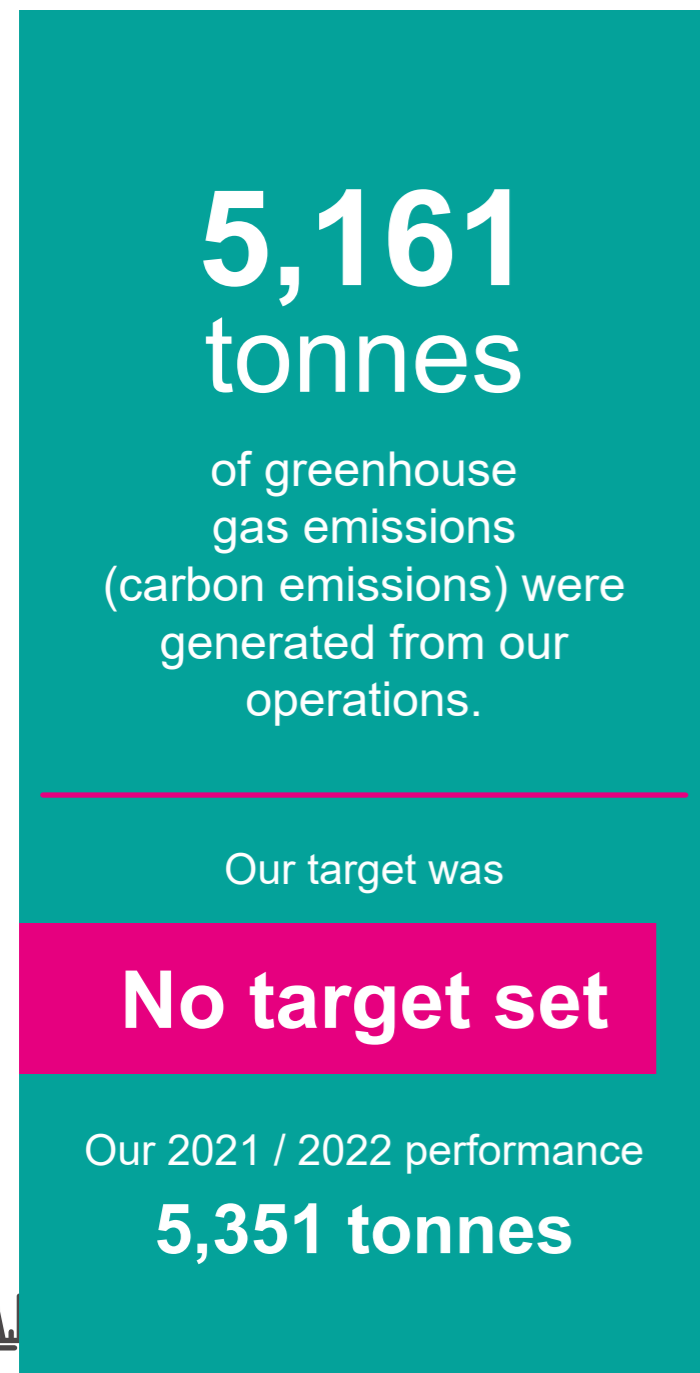


Greener business



Being responsive to climate change.

We continue to take a proactive approach to respond to the climate change agenda and make a step change towards net zero carbon operations by 2030.



Key to performance against our target: ✓ Target met ✓ Target nearly met (within 10%) ✗ Target not met

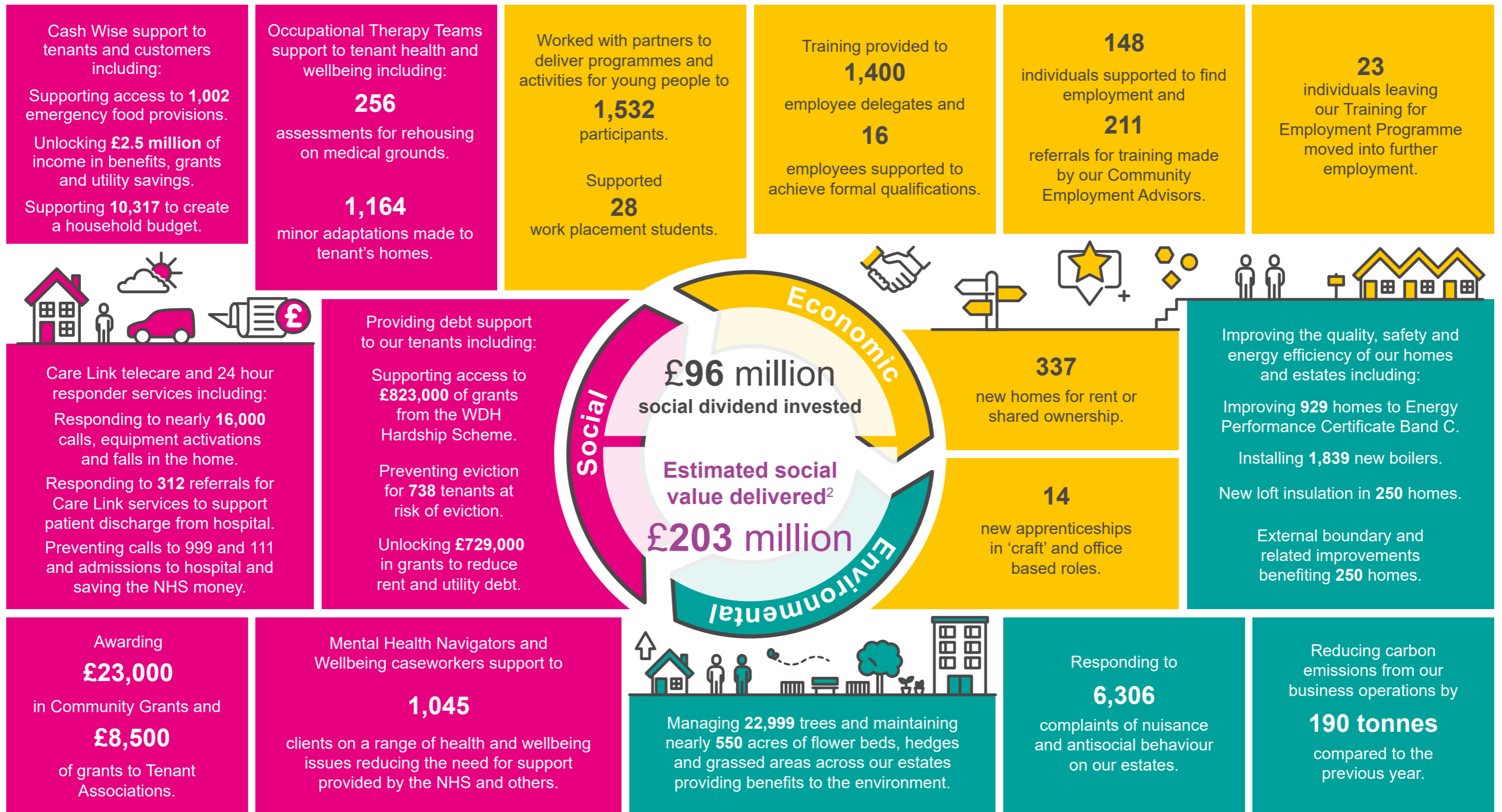




Delivering social value



Social dividend is the surplus remaining after our core housing functions are paid for. We reinvest this in a range of services to deliver social value, in the form of wider 'economic, environmental and social benefits' for our tenants, customers, other stakeholders and our local communities. Some of the benefits delivered during 2022 / 2023 are demonstrated below.



12 | WDH ²We measure the social value of our activities in financial terms using an approach based on nationally recognised methodologies and use of financial proxies including those from: Title: National TOMs Framework; Author: Social Value Portal Ltd; Source: socialvalueportal.com; License: Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License. Title: UK Social Value Bank; Authors: HACT and Simetrica (www.hact.org.uk / www.simetrica.co.uk); Source: www.hact.org.uk; License: Creative Commons Attribution-NonCommercial-NoDerivatives license (https://creativecommons.org/licenses/by-nc-nd/4.0/ deed.en_GB).



Regulator of Social Housing value for money metrics



Performance against the metrics set by the Regulator of Social Housing (RSH) to measure our value for money performance in terms of our economy, efficiency and effectiveness.

Value for money metric	Our performance	Explanation of our 2022 / 2023 performance								
Economy										
Headline social housing cost per unit (Value for money metric 5)										
<p>This is the cost of delivering the services we provide on a per unit basis of each social housing property we own or manage. It takes into account various costs including costs of managing, maintaining and improving properties.</p>	<table border="1"> <tr> <td>2022 / 2023 actual</td> <td>£4,179</td> </tr> <tr> <td>2022 / 2023 target</td> <td>£3,960</td> </tr> <tr> <td>2021 / 2022 actual</td> <td>£3,820</td> </tr> <tr> <td>Average benchmark 2021 / 2022</td> <td>£3,675</td> </tr> </table>	2022 / 2023 actual	£4,179	2022 / 2023 target	£3,960	2021 / 2022 actual	£3,820	Average benchmark 2021 / 2022	£3,675	<p>↓ Performance got worse. ✓ We nearly met our target.</p> <p>Costs in 2022 / 2023 were more than target, due to increases in repairs expenditure as a result of inflation and increased cost pressures as well as increased numbers of routine repairs.</p>
2022 / 2023 actual	£4,179									
2022 / 2023 target	£3,960									
2021 / 2022 actual	£3,820									
Average benchmark 2021 / 2022	£3,675									
Efficiency										
Percentage reinvestment (Value for money metric 1)										
<p>This measures the amount we invested in new and existing social housing properties as a percentage of the market value of all the properties we own. A higher percentage means greater re-investment.</p>	<table border="1"> <tr> <td>2022 / 2023 actual</td> <td>6.3%</td> </tr> <tr> <td>2022 / 2023 target</td> <td>6.4%</td> </tr> <tr> <td>2021 / 2022 actual</td> <td>5.2%</td> </tr> <tr> <td>Average benchmark 2021 / 2022</td> <td>7.7%</td> </tr> </table>	2022 / 2023 actual	6.3%	2022 / 2023 target	6.4%	2021 / 2022 actual	5.2%	Average benchmark 2021 / 2022	7.7%	<p>↑ Performance improved. ✓ We nearly met our target.</p> <p>Whilst the amount reinvested increased from the previous year and the percentage reinvestment was broadly in line with target, this was impacted by high inflation and increased costs. We delivered 337 new homes compared to a target of 384.</p>
2022 / 2023 actual	6.3%									
2022 / 2023 target	6.4%									
2021 / 2022 actual	5.2%									
Average benchmark 2021 / 2022	7.7%									
Gearing (Value for money metric 3)										
<p>This measures how much of our funding comes from borrowed money (debt finance), as a proportion of the value of housing properties. A higher percentage means more funding is from debt finance.</p>	<table border="1"> <tr> <td>2022 / 2023 actual</td> <td>39.5%</td> </tr> <tr> <td>2022 / 2023 target</td> <td>34.2%</td> </tr> <tr> <td>2021 / 2022 actual</td> <td>42.8%</td> </tr> <tr> <td>Average benchmark 2021 / 2022</td> <td>42.8%</td> </tr> </table>	2022 / 2023 actual	39.5%	2022 / 2023 target	34.2%	2021 / 2022 actual	42.8%	Average benchmark 2021 / 2022	42.8%	<p>↑ Performance improved. ✗ Target not met.</p> <p>Gearing reduced due to increases in the valuation of our housing properties, but fell slightly short of target. The amount of borrowing from loans remained broadly the same as in 2021 / 2022.</p>
2022 / 2023 actual	39.5%									
2022 / 2023 target	34.2%									
2021 / 2022 actual	42.8%									
Average benchmark 2021 / 2022	42.8%									

Value for money metric	Our performance	Explanation of our 2022 / 2023 performance
EBITDA MRI interest cover (Value for money metric 4)		
<p>This measures our level of operating surplus compared to the interest we have to pay on our borrowing. A higher percentage indicates stronger liquidity and investment capacity.</p>		<p>↓ Performance got worse. ❌ Target not met.</p> <p>This decreased and did not meet the target despite an increase in the overall operating surplus, due to an increase in capitalised major repairs expenditure and government grants income (deducted from the surplus to calculate the interest cover).</p>
Operating Margin Social Housing (Value for money metric 6a) and Operating Margin Overall (Value for money metric 6b)		
<p>This demonstrates the profitability of our operating assets before exceptional expenses are taken into account. A higher percentage shows greater profitability..</p>		<p>↑ Performance improved. ✅ Target met.</p> <p>Operating margins increased due to increased income from lettings and government grants, despite increases in operating costs, as a result of increased repairs and maintenance expenditure on our homes.</p>
Return on Capital Employed (Value for money metric 7)		
<p>This compares the operating surplus to total assets less current liabilities and is used to assess the efficiency of investment of capital resources. A higher percentage means more efficient investment.</p>		<p>↑ Performance improved. ❌ Target not met.</p> <p>This increased from the previous year, due to a higher operating surplus (income less costs) but fell short of our target. The asset base remains strong and housing stock values have increased.</p>
Effectiveness		
Percentage of new supply delivered - social housing (Value for money metric 2a)		
<p>This measures the number of new social housing that we have acquired or developed in the year as a proportion of total social housing units and non social housing. A higher percentage means a higher proportion of new homes.</p>		<p>↑ Performance improved. ✅ Target met.</p> <p>We added 337 new social housing units but fell short of the 384 target. Delivery increased in 2022 / 2023 compared to 281 units in 2021 / 2022.</p>



Value for money in 2023/ 2024



Our 2025 Business Strategy - 2023 Update sets out our future service delivery priorities and key actions.

As we deliver these, it is essential that we continue to improve value for money to maximise the social dividend for reinvestment in new and existing homes and additional services to tenants and local communities, providing added social value and creating confident communities.

The Board have agreed targets for a suite of metrics including the RSH Value for Money Metrics, which will be used to measure our VFM performance.

Targets for satisfaction based metrics will be agreed by the Board, following the results of our annual Tenant Survey, which is gathering data for the new Regulator of Social Housing (RSH) Tenant Satisfaction Measures.

Our VFM targets for 2023 / 2024 include:

<p>Customer excellence</p>	<ul style="list-style-type: none"> Tenant satisfaction with the overall service provided. Tenant satisfaction that their rent provides value for money. Net cashable efficiencies of £250,000. No more than 8.5 days on average to complete repairs. At least 94% of responsive repairs fixed first time. Cost per property of responsive repairs of £501 or less. Tenant satisfaction with repairs. 	<p>Skills and enterprise</p>	<ul style="list-style-type: none"> 70% of people moving into further employment following support by the Training for Employment programme.
<p>Health, Wellbeing and Support</p>	<ul style="list-style-type: none"> Average time for customers waiting for Cash Wise support of no more than 9 days. Tenants feeling support by WDH to maintain their tenancy. 	<p>Workforce of the future</p>	<ul style="list-style-type: none"> Employee satisfaction. No more than an average of 9 days lost to sickness absence per employee (full time equivalent).
<p>New homes and growth</p>	<ul style="list-style-type: none"> Net spend on new build homes of £51.3 million. 415 new homes delivered. Average development scheme payback period of 40 years or less. RSH VFM Metric 1 - % reinvestment in new and existing homes of 9.5%. RSH VFM Metric 2a - New supply delivered - social housing of 1.3%. 	<p>Business of the future</p>	<ul style="list-style-type: none"> RSH VFM Metric 3 - Gearing of 36.8% RSH VFM Metric 4 - EBITDA MRI (interest cover) of 159%. RSH VFM Metric 5 - Headline social housing cost per unit of £4,241 RSH VFM Metric 6b - Operating margin overall of 18.5%. RSH VFM Metric 7 - Return on capital employed of 3%. No more than 25 days on average taken to let dwellings (CORE and Affordable Rents) Current tenant rent arrears of no more than 3.0% of estimated rent owed to us. Former tenant rent arrears for no more than 1.2% of estimated rent owed to us.
<p>High quality homes and neighbourhoods</p>	<ul style="list-style-type: none"> Reinvestment programme spend of £48.1 million. 100% of the reinvestment programme completed. Tenant satisfaction that their home is well maintained. Tenant satisfaction that the home is safe. Tenant satisfaction that WDH makes a positive contribution to the neighbourhood. 	<p>Greener business</p>	<ul style="list-style-type: none"> At least 55% of waste managed through our waste transfer station recycled.



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This document is also available in
other formats on request.



onecall@wdh.co.uk



www.facebook.com/wdhupdate



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electronically at wdh.co.uk



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Wakefield and District Housing Limited

A charitable Community Benefit Society registered under the Co-operative
and Community Benefit Societies Act 2014. Register Number: 7530

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access to information.

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a different way, or receive written information
from us in another format, please phone
0345 8 507 507 or email onecall@wdh.co.uk

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However, it may contain certain statements, expectations, statistics,
projections and other information that are or may be forward-looking. By their
nature, forward-looking statements involve risk and uncertainty because they
relate to events and depend on circumstances that may occur in the future.

They reflect WDH's current view and no assurance can be given that they will
prove to be correct.