



Annual Review 2023/24

About us...

At Karbon Homes Group, we build, manage and look after affordable homes for people across the North. And then we go further, we give them the strong foundations they need to get on with life.

Since our formation in 2017, we have focused on delivering our three strategic aims — to provide as many good quality homes as we can, to deliver excellent services to our customers, and to shape strong, sustainable places for our communities.

Our footprint covers the North East of England and Yorkshire, with over 32,000 homes across diverse communities, all facing different opportunities and challenges.

We always make the effort to understand our customers. We believe that everyone deserves respect and everyone's voices should be heard.

Some customers just need an affordable home, or a way onto the property ladder. Others might need more – financial advice, community services, supported housing or even training that can lead to a new job. Whatever people need to feel more secure, confident and happy with where they're at, we work hard to provide it.

As a profit-for-a-purpose organisation, we invest any surplus we generate into improving our properties and communities, building new homes and delivering services which provide sustainable outcomes for our customers and communities.

We believe that by combining a sound business head with a strong social heart and staying true to our values, we can build strong foundations for even more people.



Karbon Homes Group key highlights from 2023/24



Homes

644 74.4%

Development
(number of new homes built)

Decarbonisation
(percentage of homes rated at EPC C or above)



Customer

+34.6* 99.44% 99.98%

Customer experience
(Net Promoter Score)*

Homes occupied
(percentage of units occupied)

Safety
(percentage of health and safety compliance)



Place

Satisfaction that the landlord makes a positive contribution to neighbourhoods

82.4%



Enablers

+39** 23% £4,236

Colleague engagement
(Employee Net Promoter Score)**

Financial capacity
(operating margin overall)

Value for money
(social housing cost per unit)

*The Net Promoter Score calculates how likely customers are to recommend Karbon to others.

**The Employee Net Promoter Score calculates how likely our colleagues are to recommend Karbon as a place to work



Celebrating a year of success...

The core purpose of the Karbon Group is to provide a strong foundation for life and we have been relentless in our focus over the past 12 months because our customers expect – and deserve – nothing less.

It has been another tough year for our customers. As cost-of-living pressures continue to bite, more people than ever have looked to us for support. We have helped many people to maximise their income, generating millions of pounds that has gone to those who are entitled to additional support.

With many across the North East and Yorkshire on social housing waiting lists, we have continued to build hundreds of affordable homes in, and for, the region. Having seen at first hand the impact of this work – and talked to those who have moved into a new property – I know just how transformational it is for individuals and families.

Alongside building new homes, we have continued to improve the condition of our existing homes.

That involves having accurate data so that our investment in planned maintenance meets customers' needs and delivers value for money.

We want to build strong and sustainable communities in which our customers can live securely and safely. We have delivered a number of services and projects that help our residents and communities thrive, often collaborating with local partner organisations to ensure maximum impact.

The wider economic and political environment continues to affect the social housing sector, and Karbon Homes is not immune from such pressures. In addition, new – and welcome – changes that put residents at the heart of the regulation of the system require us to keep our services under review so that they are of the highest quality.

Under the excellent leadership of our Chief Executive, Paul Fiddaman, and his dedicated and committed team, I remain confident that we can build on this year's success. As the Chair of the Karbon Group Board, I am privileged to be supported by an excellent group of non-executive directors who, without exception, are committed to our mission as a business.

Our ability to combine a sound business head with a strong social heart will continue to stand us in good stead. In that way, we can do all in our power to ensure that everyone who is a customer of the Karbon Group lives in a place that fulfils their aspirations and meets their needs.

Sir David Bell KCB DL
Group Chair
Karbon Homes Group

Our core purpose has never been more important.

Providing a strong foundation for life is a mission that as an organisation we live by and stand committed to delivering. Through these challenging economic times that we and our customers find ourselves in, achieving our mission and staying true to our core purpose has never been more important.

Despite the last 12 months being testing in many ways, with a multitude of competing demands and priorities facing us as an organisation, I am proud to present this annual review for the 2023/2024 financial year.

It has been a particularly challenging year for the construction industry, with rising inflation, supply chain difficulties and contractor uncertainties, but despite these challenges we have achieved a record high of 644 new homes completed, demonstrating our determination to keep providing much-needed affordable homes for our communities across the North East and Yorkshire.

Alongside delivering new homes, we have invested over £78million in our existing homes, ensuring

they are as safe, secure and energy efficient as possible. Our ongoing commitment to improving the energy efficiency of our homes, has seen us get our second major retrofit programme well underway, investing £3.2m in improving the energy efficiency of 218 homes across Northumberland and County Durham. We have received lots of positive feedback so far from customers involved, highlighting what a difference it has made to their home.

To ensure we deliver the best customer service possible, we have also made changes to our customer approach, creating new, smaller patches for our housing teams to help strengthen our local presence. This approach is helping our colleagues on the ground in our communities be more visible and available to customers, ensuring they can easily access the support they need.

As the cost of living continues to impact the finances of many of our households, our customer support teams have adapted to ensure we are able to best support those who come to us for help.

Our Money Matters team has continued to generate millions of pounds of additional income and our income management team has implemented new technologies to support customers who have fallen into arrears.

Alongside continued investment in our homes and customers, we have made further progress with our placeshaping ambitions, following our Fair Foundations approach, which sees us work differently in our left behind communities to make long-lasting changes and support growth.

For example, we have made progress in Stanley North Durham, with our plans to redevelop the derelict board school site on the ex-mining town's Front Street. Feedback from an in-depth community consultation with local residents and key stakeholders, to understand how the town would like us to regenerate the site, has provided us with a plethora of insight, local knowledge and a selection of potential options for its future use, which we are now exploring.

To help support our ability to carry out all this brilliant work, we have continued to expand as an organisation, staying true to our approach to not grow for the sake of it, but to only explore opportunities that enable us to deliver greater economies of scale and to have a more concentrated base from which to deliver locally focussed services.

We strengthened our presence in South Tyneside with the transfer of over 400 homes from South Tyneside Housing Ventures Trust and began talks with Leazes Homes, a subsidiary of Your Homes Newcastle with 759 homes across Newcastle Upon Tyne, regarding joining the group as a subsidiary. Talks and subsequent consultation with customers and staff have been a success and we welcomed Leazes Homes to the Karbon Group in mid-June.

Without doubt, the last year has brought a great deal of challenge, and no doubt there will be more thrown our way as we head into the new financial year. Reacting to those challenges relies on our strength as an organisation, our well-connected teams and our ability to shift priorities when needed, without compromising on quality.

I am proud to work with such a committed and passionate group of colleagues, who have again and again faced challenges and competing priorities head on to ensure the continued success of our organisation.

Paul Fiddaman
Chief Executive
Karbon Homes Group



Providing as many good quality homes as we can

With hundreds of thousands of people across the North East and Yorkshire on social housing waiting lists, our push to deliver more affordable homes across both regions has never been more important.

Despite working through what has been an exceptionally challenging 12 months for the construction industry, our ambitious plans have seen us achieve a record high for number of new homes completed, delivering 644 new homes across a range of tenure types.

Boosted with funding from our Strategic Partnership with Homes England, which is supporting our delivery of 2,200 mixed tenure homes from 2021 to 2028, we've also made significant progress towards delivering hundreds more homes for people who have additional support needs.

We've progressed our partnership with South Tyneside Council, with plans in place for two Extra Care schemes in the local authority area, one 96-home scheme in Hebburn town centre and another 120-home scheme in South Shields. And

we've received planning permission for a further 84-home Extra Care scheme in Morpeth town centre which is due to start on site by autumn.

These schemes will provide housing and care to adults of varying ages with additional support needs and will include a number of apartments designed for people with dementia.

Alongside this we have celebrated a number of key milestones on other sites across the North East. We have started on site at Roseberry College, our 104-home scheme in Pelton, North Durham, and work is well underway at Athol House, our new sheltered housing scheme in Ponteland. We also welcomed new residents to our Graham Court development in Sacriston, a regeneration scheme where we've replaced a redundant retirement living scheme with 25 much-needed family homes.

We have accelerated our development programme in Yorkshire, completing 397 new homes in the county last year. We also started work on one of our largest developments to date, in

Scarborough on the Yorkshire coast, where we're building 126 new homes.

These homes are being built using timber frame construction, a modern method of construction that can help reduce the time taken to deliver a development by 25% compared to traditional construction methods. The frames themselves are non-toxic and renewable, with the lowest emission levels of any building material, making this one of the most sustainable forms of construction.

We also welcomed the first residents to our scheme in Thorpe Willoughby in Selby. These 70 new homes contribute towards our commitment to building 10% of our development programme in rural areas and the scheme is another great example of our commitment to ensuring the homes we build are as energy efficient as possible.

The new homes are all powered by air source heat pumps, a technology three times more efficient than gas boilers, and have charging points for electric vehicles.



Total new homes completed

644

Homes for Affordable Rent

551

Shared Ownership and Rent to Buy homes

93

Total investment in building new homes

£114.7m



Alisha and Peter take their next steps on the property ladder



Alisha and Peter moved into their new home in Thornaby in 2020 and instantly fell in love with the place.

They both knew they wanted to take the next step on the property ladder and in summer 2023 they made the jump from Rent to Buy to Shared Ownership, and successfully purchased a 65% share of their home.

“Being able to break down the home buying process into affordable stages has been life changing for us.”

The couple are planning to staircase up to 100% within the next couple of years and have expressed their gratitude to the scheme for making home ownership a reality for them.

“Without the Rent to Buy scheme it would have been incredibly difficult for us to save for the deposit, and the Shared Ownership is enabling us to purchase the home in chunks that we can afford. We’ve had a really positive experience and would fully recommend this route to others, especially couples and families.”



Total amount invested in our existing homes

£78.6m

Number of roofs fitted (Karbon only)

348

Number of new kitchens and bathrooms fitted (Karbon only)

544

Investment in ensuring our residents are safe and secure in their homes

£13.6m

Satisfaction that the home is well maintained

85.6%

Number of boiler and heating system improvements (Karbon only)

1,039

We also continued our programme of works to improve the energy efficiency of our existing homes, spending close to £5.97m on improvements to help bring our lowest performing homes up to EPC C by 2030.

Last summer we completed work on our first major retrofit programme, part funded through the first wave of the Government’s Social Housing Decarbonisation Fund, where we fitted a range of energy saving measures in 96 homes across Northumberland and County Durham.

Forty-seven of these were at The Brooms in Ouston, where homes were fitted with external wall and cavity loft insulation, new roofs and PV panels. The energy performance certificate (EPC) ratings of the homes improved from a D to a B and the improvements have also helped reduce residents’ heating bills by almost a quarter (23%), alongside providing them with “free” electricity from the PV panels, which further reduces energy costs.

Improvements to the energy efficiency of our homes is just one element of a wider planned

investment programme, which looks after the big scale repairs, improvements and modernisation of our homes.

Through our planned maintenance programme, we’ve spent over £29.2m on ensuring our existing homes continue to meet the Decent Homes Standard.

We have worked hard to ensure the data we have on our homes is as accurate as possible, and we’ve been updating this through an ongoing programme of stock condition surveys.

The surveys also include a Housing Health and Safety Rating System (HHSRS) assessment, which is helping us to identify more accurately any potential risks and hazards to health and safety, including damp and mould.

We are feeding the information into our newly launched damp and mould dashboard, which gives our responsive repairs and maintenance team clear visibility of any damp and mould cases arising, helps them to proactively drive down the incidence rate and

gives a better understanding of where and why damp and mould cases are occurring.

Since its launch in early 2024 the dashboard has helped us reduce the number of damp and mould repairs and inspections by over 1500, helping us keep customers safe and resolve any reports of damp and mould more quickly.

The safety and security of customers in their homes is of the utmost importance to us and we have invested around £13.6m in a range of building and customer safety programmes of work.

This includes the completion of a £500,000 fire safety enhancement project at The Manors, our Extra Care scheme in Prudhoe. The scheme has been fitted with a full building sprinkler system, to help provide an enhanced level of safety and security for the residents, many of whom have higher levels of vulnerability, and the wider community who use the building.



Delivering an excellent customer service

It's very important to us that we provide our customers with an excellent experience and our customers told us that an important element of that is staying local, having a strong connection with the communities in which we work and a clear understanding of both the challenges and opportunities that they face.

To ensure this, we've developed and launched a new customer approach, which supports our ambition to have a greater local presence. We've created smaller patches for our housing management and repairs and

maintenance colleagues, enabling them to be more visible and available to customers, helping build stronger relationships and ensuring they have access to any support they may need.

We have continued to invest in providing digital choice for our customers. Karbon is now receiving 38% of our customer enquiries via digital channels and we're implementing more digital tools across the business, to help improve our services and boost the efficiency of our teams.

Within Karbon property services we're using a new AI-powered

repairs intelligence tool, RepairSense, to help us improve the quality of the service. By allowing us to see what is causing repeat visits, the tool has helped us increase repairs quality and sustainability, reducing our overall 12-month repeat repair rate by over 5%, saving us over £530,000, and improving our overall customer satisfaction scores for the repairs and maintenance service by 2% year on year, taking it to 93.3%.

We've also implemented a system called Voicescape to contact current and former customers who are in arrears. Voicescape calls customers that have been identified as needing support. If they answer, it routes the call directly to the Customer Accounts Team and if not, the system leaves recorded voice messages and sends texts, encouraging the customer to get in touch.

Since launching it, we've seen an increase in engagement from customers who want to discuss their accounts. From its launch in July 23, through to March 24, current customer rent arrears fell by £374,000 and former customer arrears fell by £46,000.

We're now looking at what other areas of Karbon could use the system to proactively reach customers who might need support.



Adaptations transform David and Ashley's lives

After a serious accident, David was left paralysed from the waist down, with limited movement in his arms and hands. His condition meant he was unable to access parts of the home he shared with his partner Ashley.

"The adaptations have 100% transformed our lives."

Karbon's Aids and Adaptations Team supported the couple with a plan to get the adaptations made to the home that David needed to live more independently.

The work included widening the door frames and fitting an external ramp for wheelchair access, fitting a full wet room so he could bathe independently, installing two ceiling hoists so he could transfer

from his chair to various parts of the home, and fitting a through floor lift for access to upstairs.

Ashley said: "Without them David would have had to remain in a care home until we could find a home suited to his needs."

"Karbon has been great, and the work was done quicker than I expected. Nothing was ever a problem."



Net Promoter Score (NPS)*

+35.2

Average trust score

8.4 (score out of 10)

Number of compliments received (Karbon only)

774

* The Net Promoter Score calculates how likely customers are to recommend Karbon to others. Scores range from -100 to +100, any score above 0 is considered good and above 50 is excellent.

We've further developed and expanded the ways in which our customers can engage with us, providing more opportunities for them to influence, challenge and help shape the work that we do.

This includes the launch of our customer procurement panel where they offer feedback on how we can improve our procurement processes and ensure we're delivering value for money through procurement activity.

As the cost of living continues to impact the finances of many households, our Money Matters Team has offered a vital lifeline to customers who are struggling. In the last year the team has supported over 4,800 new customers, generating over £5.3million of income gains.

In the last five years, the team has generated a total of £26 million gains for customers, helping over 18,000 people to maximise their income through money, benefits and debt advice.

For those customers who are struggling with feelings of loneliness and isolation, another vital lifeline comes in the form of Silver Talk, our telephone befriending service. Thanks to a funding boost from the Department for Digital, Culture, Media and Sport's 'Know Your Neighbourhood' fund, last year we expanded the service with the launch of an in-person befriending pilot, Silver Friends.

Silver Friends helps people connect with their local community face-to-face, through a calendar of social events in community venues across North Durham. Over 110 customers have benefitted from the pilot, which has been made possible through the recruitment of nine community volunteers.



Satisfaction that the landlord keeps tenants informed about things that matter to them

88.4%

Agreement that the landlord treats tenants fairly and with respect

90.1%

At the start of the financial year, we began using the Regulator of Social Housing's new Tenant Satisfaction Measures (TSMs) to collect feedback from our customers. These measures aim to hold housing providers to account for our actions and give our customers greater visibility of our performance.

There are 22 in total, ten performance measures we collect through management performance information and 12 collected through surveying customers directly.

The TSMs only require housing providers to collect quantitative data from customers, but to ensure we also get qualitative customer feedback we have added in questions where customers can provide narrative responses.

To help us analyse these written responses, we are trialling an innovative method using enhanced language analytics, which will help us identify positive and negative sentiment and enable us to respond more quickly and effectively to our customers' views.

TSM results for 2023/2024

Management information measures	
Number of stage one complaints received per 1,000 homes	24.9
Number of stage two complaints received per 1,000 homes	3
Proportion of stage one complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	87.3%
Proportion of stage two complaints responded to within the Housing Ombudsman's Complaint Handling Code timescales	88.2%
Number of anti-social behaviour cases, opened per 1,000 homes	102.6
Number of anti-social behaviour cases that involve hate incidents opened per 1,000 homes	1.4
Proportion of homes that do not meet the Decent Homes Standard	0%
Proportion of non-emergency responsive repairs completed within the landlord's target timescale	76.4%
Proportion of emergency responsive repairs completed within the landlord's target timescale	95.9%
Proportion of homes for which all required gas safety checks have been carried out	99.9%
Proportion of homes for which all required fire risk assessments have been carried out	99.9%
Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	100%
Proportion of homes for which all required legionella risk assessments have been carried out	100%
Proportion of homes for which all required communal passenger lift safety checks have been carried out	100%

Tenant perception measures	
Overall satisfaction	84.3%
Satisfaction with repairs	84.4%
Satisfaction with time taken to complete most recent repair	79.8%
Satisfaction that the home is well maintained	85.6%
Satisfaction that the home is safe	92.6%
Satisfaction that the landlord listens to tenant views and acts upon them	76.8%
Satisfaction that the landlord keeps tenants informed about things that matter to them	88.4%
Agreement that the landlord treats tenants fairly and with respect	90.1%
Satisfaction with the landlord's approach to handling complaints	45.1%
Satisfaction that the landlord keeps communal areas clean and well maintained	78.7%
Satisfaction that the landlord makes a positive contribution to neighbourhoods	82.4%
Satisfaction with the landlord's approach to handling anti-social behaviour	70.9%

Shaping strong, sustainable places

We believe everyone deserves a fair chance to realise their potential wherever they live, and over the last 12 months we've continued delivering on our Fair Foundations approach to placeshaping, a way of working differently in our left behind communities to make long-lasting changes and support growth.

We are concentrating on delivering this approach in two Karbon Impact Areas - Byker, a diverse ward east of Newcastle Upon Tyne, and Stanley, an ex-mining town in North Durham. In both areas we're working closely with customers, colleagues and the local community to understand the challenges they face and what sustainable difference we can make.

In Stanley, we carried out an in-depth community consultation with local residents and key stakeholders, to understand how the town would like us to regenerate the Stanley Board School site, a derelict building on the high street which we bought in 2023.

We hosted a pop-up stall at Stanley Market, a drop-in point at our skills hub also on the high street, and a number of community and stakeholder feedback

workshops. We also created a digital consultation platform, enabling the local community to share their thoughts and ideas with us online.

We are currently in the process of collecting and evaluating the feedback we have received and will be exploring a selection of potential options for its future use.

In Byker, we have also consulted with the local community on the first steps of our extensive £11m neighbourhood improvement plan for the Byker estate, ensuring our plans meet their wants and needs. We've drawn up plans for the first of the 11 neighbourhoods, Dunn Terrace, which include a number of environmental improvements that residents living in the neighbourhood told us they wanted to see.

After submitting them to Newcastle City Council we received the green light from the planners in June 24. In the meantime we repeated the process with the second neighbourhood, Ayton Rise, consulting with the local community once again.

We also contributed to the Northern Housing Consortium's 'Pride in Place' research, exploring the views of our residents living in Benwell in the west end of Newcastle on what contributes to feelings of pride in their local area and what role we could play in boosting pride in place.



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Community art project boosts the vibrancy of Stanley's high street



The artwork of Stanley school pupils is hanging proudly over the windows and doors of the old Stanley Board School, as part of an art exhibition funded by Karbon Homes.

Working with delivery partner The Forge, a local participatory arts organisation, the exhibition, named 'A child's eye view of home', showcases photography from pupils at two local primary schools, documenting the things that make their house a home.

The exhibition is part of our wider project to help boost community pride in the high street by bringing vibrancy to the board school site.

Victoria Keen, Place Partnership Strategic Lead, said:

"The installation of the exhibition is the beginning of making change for the better in the town, and we hope our longer-term plans for the redevelopment of the site will be the start of a revival of Front Street."

"It's fantastic to see this project completed and the artwork up on the front of the old Board School."

Alongside the work we are doing in Stanley and Byker, we are continuing to make a positive contribution across our geographical footprint, delivering a number of services and initiatives that help our residents and communities thrive.

We've seen the continued success of our New Start programme over the last 12 months, an innovative paid work placement initiative that provides residents living in social housing, with five-month placement opportunities in career starter roles, across a diverse range of local businesses.

Our 2023 New Start intake offered 14 placements to residents living in our two impact areas, Stanley and Byker, with local employers including Northumbrian Water, Maldron Hotels and Northern law firm Muckle LLP. Eleven of the 14 recruits secured permanent employment with their placement provider on finishing the programme, and the remaining three continue to receive support from our Foundations for Life employability support coaches, to explore other opportunities and further boost their CVs.

And we headed into the new financial year with more good news

for our New Start programme, having been successful with two regional bids for funding from the UK Government through the UK Shared Prosperity Fund.

We've been granted £552,000 from the North of Tyne Combined Authority funding pot, which will allow us and other housing providers in the region, to fund 60 New Start placements for North of Tyne social housing residents. A further £205,000 from the Tees Valley Combined Authority, is enabling us and other providers to fund 20 New Start placements for Tees Valley social housing residents.

Alongside this, our Foundations for Life employability and digital support team has continued to provide a range of support into employment for residents across our geography.

During the year, the service has supported 414 customers, 237 of which they have helped into employment or to complete training or qualifications.

We have also had seven new apprentices join Karbon. Our apprenticeships are exclusively for those living in a Karbon household, and support those who have been trying to get back into work after a break and those wanting to re-train and pursue a new career. Our apprenticeship programme offers customers a great way to gain valuable experience.

We have continued investing in community organisations and projects of all shapes and sizes across the region, enabling them to deliver a range of essential support services. Through Karbon's Community Investment Fund, our Community Connectors have supported 156 initiatives across the North East, with grants of all shapes and sizes.

Through our Unlocking Social Value programme, we've further supported our communities by unlocking £604,000 of social value commitments from our suppliers and contractors in the last financial year.

These commitments have helped deliver a range of placeshaping, employability and financial activities across our communities, and by working in partnership with our contractors we've been able to use their skill sets to deliver support that would have been impossible for us alone.

At Mindstars head office in North Shields, a youth mental health support charity, the social value commitments of our planned investment contractor Straightline covered the fitting of new external and interior doors, two new kitchens and the freshening up of paintwork throughout, creating a warmer space for colleagues and visitors to enjoy.



Satisfaction that the landlord makes a positive contribution to neighbourhoods

82.4%



Social value commitments from suppliers and contractors unlocked

£604,000

Investment in community projects

£253,255

People supported into employment and training

237



Create enablers of success

Through what has been a very testing year in many ways, our colleagues have remained committed to the delivery of our three strategic aims.

We've continued to invest in providing our colleagues with the right environment and a supportive culture, to help them thrive and, in turn, deliver the best possible service they can.

We track colleague engagement through regular engagement surveys, which encourage honest, anonymous feedback and help us understand what is going well and what we can improve.

For the year, our Employee Net Promoter Score (eNPS), a metric which measures how likely employees are to recommend an organisation as a good place to work, sat at +39. Scores between +20 and +40 are considered very good or excellent.

Part of supporting our colleagues to thrive is providing them with opportunities to learn and grow, both in their role and within our organisation. We launched our first Aspire to Lead programme, designed to support colleagues looking to develop their leadership skills, to help them progress in their first leadership role. Twenty-

four colleagues from across the organisation joined the programme in February, and for a 12-month period, they're benefiting from a mix of face to face and online leadership essentials training, alongside professional mentoring.

We've also introduced the GEM programme, which offers a housing sector specific 12-month development programme for new recruits to the organisation, designed to help develop and retain talent. A small number of colleagues have undertaken the programme so far, which also provides them with a Level 4 CIH qualification.



We want our colleagues to feel supported through their employment journey with us and we work hard to ensure employee wellbeing is integrated throughout the organisation and embedded deep in our culture, leadership and people management.

Last year we launched a refreshed approach to health and wellbeing,

with all the benefits, activities and support falling under five themes: be connected, be healthy, be resilient, be savvy and be safe. We introduced the themes to make it clearer and easier for colleagues to navigate our offering and access the specific information, resources and support they need.

We achieved the next level of the Better Health at Work Award 'Continued Excellence', which recognises our achievements in promoting healthy lifestyles and considering the health of our employees.



One of the key enablers of our business strategy is growth. In these challenging economic times, with rising inflation and the growing cost of living, creating efficiencies and developing stronger revenue streams to bring additional financial capacity into the organisation, has never been more important.

Over the last 12 months we've focused on exploring opportunities that will either consolidate on our existing geographical footprint, or help us grow incrementally into adjoining areas where we can add value.

We welcomed South Tyneside Housing Ventures Trust customers to Karbon Homes, completing a transfer of 439 homes across South Tyneside. We also began conversations with Leazes Homes, a small subsidiary of Your Homes Newcastle with 759 homes across Newcastle Upon Tyne, regarding joining the group as a subsidiary. After consultations were carried out with both customers and colleagues, to understand their views on this proposal, we received confirmation from the board and Leazes Homes joined the group in June.

Through all this change and investment, we retained our GI/VI status from The Regulator of Social Housing, the highest rating a housing provider can achieve, showing that we meet the RSH's governance and viability requirements and have the financial capacity to deal with a range of adverse scenarios.



Employee Net Promoter Score (eNPS)*

+39

*The Employee Net Promoter Score calculates how likely our colleagues are to recommend Karbon as a place to work

Karbon's largest all-colleague get together yet

In June 2023, all colleagues from across the Karbon Group came together at the Beacon of Light in Sunderland for our largest annual get together yet. We welcomed guest speaker, Jonathan Peach, of the Art of Brilliance, to deliver our first session of the day, followed by two hours where colleagues could explore a range of colleague-led stalls, zones and activities, ranging from project updates, adaptation demos, supplier stands and even our very own alcohol-free bar, The Dry Duck.

The afternoon kicked off with an interactive session centred around our KPIs, before we launched a new prize draw based on colleague and customer compliments, announcing our first winners live on stage. The Executive Team and Group Chair joined the stage for a live Q&A, with Paul Fiddaman and Sir David Bell KCB closing the event with a look ahead and a special note of thanks.





Priorities for the year ahead



As we move into the new financial year we'll remain committed to the delivery of our key strategic aims, as we navigate our operations through an ever-changing and increasingly challenging economic and regulatory environment.

This year, we are launching our refreshed Stronger Foundations Strategy for 2024-2029, our third as the Karbon Group.

We have much to celebrate from the previous strategy, which will be reflected and built upon, but the key focus of the refreshed strategy will be on adapting to changes in legislation within the sector and realigning our priorities to address emerging challenges and opportunities.

With Labour now in power as a result of the July general election, over the coming months we'll be building relationships with the new MPs in post across the North East and Yorkshire, and influencing them to create a beneficial policy environment.

After the formation of the North East Combined Authority and the appointment of a North East Mayor in May, we'll continue our work with the newly formed North East Housing Partnership, to ensure that this devolution deal delivers the type and level of housing the region needs.

Working as a collective, the NEHP has the ability to achieve economies of scale, shape supply chains, regenerate communities, decarbonise the region, create and prepare people for jobs and support longer, healthier lives. By aligning ourselves in each of these areas with the new combined authority, we can achieve even more together than we can as separate organisations.

Through our ongoing Strategic Partnership with Homes England, we will continue to build more new homes, helping to meet the growing demand for affordable housing across the North East and Yorkshire.

With new contractor Esh Constuction in place, we are starting work on our largest development yet, 750 affordable homes at the new Seaham Garden Village. As a key partner in the project we're responsible for half of the new homes that will make up the new garden village, helping to create a vibrant, diverse and affordable new community for County Durham.

One of our greatest challenges as an organisation comes in bringing down the waiting time for customers needing repairs and maintenance. The backlog currently sits at around 15,000 jobs, which we have measures in place to help bring down, and thanks to the hard work of our teams these measures have helped us at least halve the waiting times for repair jobs.

Managing the ever-increasing demand on our Repairs and Maintenance Team is likely to remain a significant challenge. We expect to see a record high of 100,000 repairs reported over this next year.

After launching our new customer service model and reducing the number of homes each of our housing officers are responsible for, another key focus is ensuring we visit every customer in their home annually. We want to have a greater presence in our communities and to build stronger relationships with our customers.



The quality and safety of our homes will remain a top priority and we will continue our hard work to complete the remaining 17% of our stock condition surveys, to ensure we have data for 100% of our homes.

Our work to proactively identify damp and mould problems in our homes, as well as promptly respond to any issues customers raise, is a key element of this.

This financial year has also brought with it new consumer regulations for the social housing sector, designed to ensure customers are safe in their homes, housing providers listen to their complaints and are accountable to customers, and providers know more about each of the homes they own and collect data effectively across their stock.

We undertook work across the organisation to ensure we were ready for the new standards coming into place, and we will continue to monitor our progress.

Another new regulation soon to be introduced is Awaab's Law, named after the tragic case of Awaab Ishak, who died due to a respiratory condition because of exposure to mould in the social home he was living in.

The draft law has proposed covering all 29 hazards in the Housing Health and Safety Rating system, not just damp and mould, and sets time limits for social housing providers to investigate repairs and begin remedial works, with shorter timescales for emergency repairs. We have responded to the Government consultation and await final details of Awaab's Law. In the meantime, we're preparing for its introduction.

We will continue to innovate and explore new growth opportunities that help create efficiencies and stronger revenue streams to bring additional financial capacity into the organisation.

We won't take decisions around new opportunities lightly, as it is not just about getting bigger for the sake of it, but instead will look for opportunities that enable us to deliver greater economies of scale or to have a more concentrated base from which to deliver more locally focussed services.



This year will see us invest a record high of £83.3m in our homes, to ensure both our current and future customers have safe, secure and well-maintained homes to live in.

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Karbon Homes is a charitable registered society under the Co-operative and Community Benefit Societies Act 2014.
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