

environmental, social and governance (ESG) report

August 2022

believe
housing

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welcome to our first environmental, social and governance (ESG) report.

We have a clear commitment to be an organisation focused on ESG priorities. This runs throughout our Corporate Plan and ultimately supports us to deliver our vision of a life without barriers.

At believe housing we are proud of our achievements. We recently received the **North East England Chamber of Commerce award for Green Business of the Year** and the **Northern Housing Awards Repairs Team of the Year**. This is all while dealing with an uncertain environment and ongoing challenges of materials shortages, rising costs and the continuing impact of a global pandemic.

Our customers are experiencing unprecedented levels of financial pressure, which, following COVID-19, have left many struggling with everyday life. As a social landlord we have a responsibility to do all we can to improve the lives of our customers. We are committed to listening and responding to them in a way that shows the value we place on the customer voice. We will continue to deliver services in a way that responds to the needs and circumstances of our customers, respecting their right to be treated as individuals.

It is important that we create an environment of trust and openness about what we have achieved and what our plans are for the future. Our ESG report is one way we can be transparent about our performance, celebrate our achievements and clearly set out our plans for innovation and improvement to help us meet our goals to be a sustainable business.

We have chosen to report in line with the Sustainability Reporting Standard for Social Housing ('SRSSH'), a standard that can help shape our future business and challenge our business to improve. The SRSSH was set up in November 2020, in response to concerns that ESG investment in social housing was being inhibited due to a lack of common reporting standard.

As we continue with our vision of a life without barriers, we remain committed to being financially fit for purpose, meeting our customers' expectations, protecting and improving our environment and continuing to be sector leading in our governance practices.

I hope that you find our first ESG report informative and that while we have achieved a lot, you can clearly see our passion and determination to improve.

Bill Fullen
Chief Executive

A handwritten signature in black ink that reads 'Bill Fullen'.

Judith Common
Chair

A handwritten signature in black ink that reads 'Judith'.

about us

We became believe housing in 2019, bringing together three separate landlords to enable us to design a sustainable business with a vision and values worthy of our customers and our people.

we believe in life without barriers

If everyone expects more, they can achieve more, and we can transform lives together. It is this power of 'more' that will let people realise what is possible – change perceptions, raise aspirations, and create inclusive, vibrant communities.

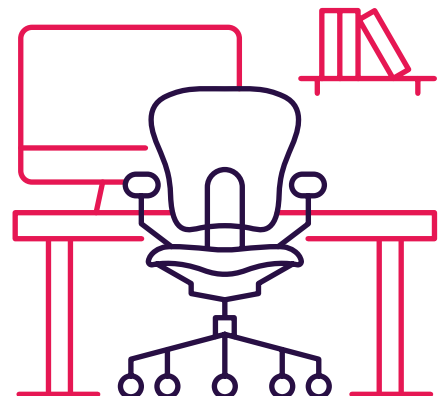
our values

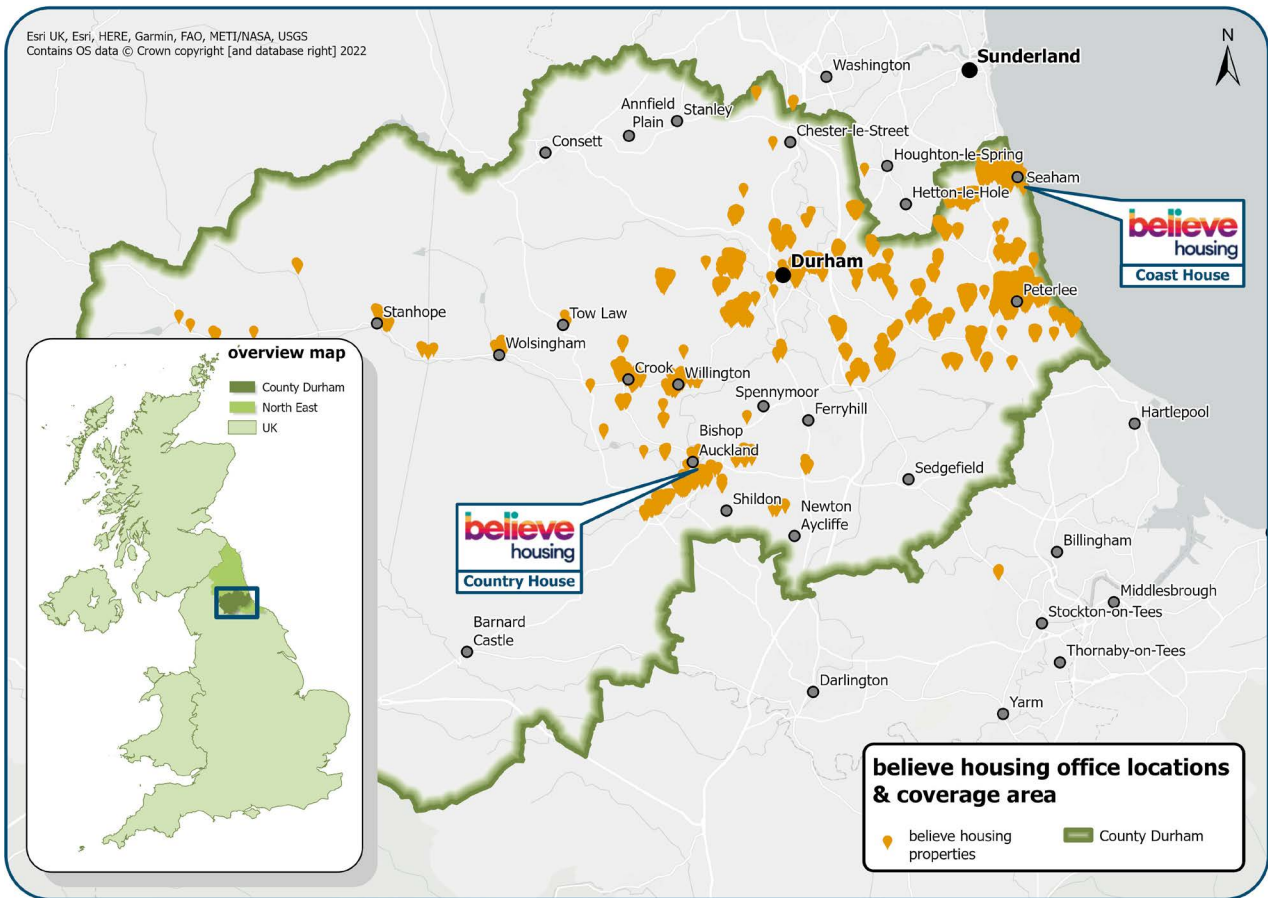
At believe housing we all agree to:

Do the right thing:

- **for our people**
- **for our customers**
- **for our business**

As one of the largest housing associations in the North-East, we manage over 18,000 homes and cover an operating area of 860 square miles. Our homes are in both rural and urban areas that stretch all the way from the former coal mining area on the East Coast through the world heritage site at Durham City and to the North Pennines Area of Outstanding Natural Beauty in the West.





As a business we have a drive to continuously improve, realising that we needed to be agile and ready to adapt to a constantly changing environment. We have in place a three-year corporate plan to reflect this. The corporate plan uses the TIDES framework to assess the potential challenges and opportunities for us in the future. The TIDES framework focuses on five key disruptive forces: Technology; Institutional Change; Demographics; Ethical and Environmental; Societal Change; that are going to change the way we live and work in the next decade. The benefit of using a TIDES framework is that it helps to create a responsive organisation built on insight, that constantly evaluates and analyses its environment.

During our corporate planning process, we recognised that as we pride ourselves on doing what is right for our customers, we needed to reflect on what we have learned as a business and what we want to be as a business going forward. This meant challenging ourselves as to whether our current customer-operating model was fit for delivering services to our customers both now and in the future.

We recognised that customers increasingly expect a more responsive and efficient service from us. At the same time, our people have learned to work differently and want the flexibility and autonomy that working the believe way offers. Alongside the internal challenges, there is an evolving external environment, including the pending changes to consumer regulation and the national focus on the housing sector.

In response to this, our Moving Forward project has been established to test new ways of working through three different operating trials. This will help us to establish an operating model for the future which is fit for purpose and helps us meet the needs of current and future customers.

Throughout this project and our wider plans within believe, we are focussed on activities that support our overall vision, underpinned by our culture of doing the right thing, which is embodied in our values and behaviours.



In December 2021 we carried out our annual culture audit. This provides the organisation with valuable insight and feedback from our people and helps us to tailor our plans for the year ahead. This year our **culture score** was **79 out of 100**, the average score for a not-for-profit organisation is 55. As we continue to build on our culture, we have developed the roles of culture catalyst and innovation champion. These roles act as ambassadors for our organisation, influencing the culture and innovation between their business area and the whole organisation.

As an organisation we have long recognised the importance of a work life balance. Our people have the flexibility to work how and when they need. We removed the need to log hours and gave our staff the freedom to work in a way that promotes productivity and creates an environment of trust. This approach meant that the pandemic merely accelerated our existing working arrangements, so we were able to respond rapidly to the challenging environment, with minimal impact on service delivery.

our approach

Our Environmental, Social and Governance (ESG) performance is a key indicator of our resilience as a business.

These criteria have always been used to inform strategic goals and business practices, but as a sector we have not always reported these as well as we could. ESG is also used by investors to benchmark and compare investment opportunities. As a business we already use ESG as a way of maximising funding opportunities. This was a key element of our refinancing exercise, introducing our first ESG goals linked to financial discounts.

We have chosen to report in line with the Sustainability Reporting Standard for Social Housing ('SRSSH'), a standard that can help shape our future business and challenge our business to improve. The SRSSH was set up in November 2020, in response to concerns that ESG investment in social housing was being inhibited due to a lack of common reporting standard.

The table below demonstrates how our corporate plan is linked to our ESG reporting themes and metrics. This year we have initially focused on the core reporting criteria. Whilst there are elements of the enhanced criteria we have been able to demonstrate within this report, we will focus on expanding the areas we can report on in the 2022/23 financial year.

ESG Area	Material ESG Area	SRSSH Theme	Strategic Goal
Social	Affordable housing	Affordability	Continually developing our relationship with our customers – supporting you when you need it
		Resident support	
	Health and safety	Building safety and quality	Being a sound and secure business ready to take opportunities
	Communities, social impact and wellbeing	Placemaking	Creating thriving places and homes people want to live in
	Engagement and consultation	Resident voice	Delivering a great customer experience - easy to deal with
Environmental	Energy climate change and emissions	Climate change	Respecting and protecting our planet
	Innovation		Being a sound and secure business ready to take opportunities
	Sustainability governance and management	Resources management	Embracing equality, diversity and inclusion
Governance	Diversity and inclusion	Staff wellbeing	
	Fair and ethical conduct	Structures and governance	Creating meaningful collaborations with others and recognise our success
	ESG and business reporting		
Governance and risk management	Board and trustee	Being a sound and secure business ready to take opportunities	
	Human and labour rights	Supply chain management	Innovative and creative organisation - don't stand still
	Supply chain		

Through our refinancing project in 2020/21 we secured sustainability-linked investment for the first time. During 2021/22 we agreed three environmental, social and governance metrics and targets which, if achieved, will result in a discount to our agreed funding costs. The three metrics agreed are as follows:

- Average Energy Performance Certificate ('EPC') scores of our housing properties;
- Social value of our investment in community initiatives as determined by the Housing Association Charitable Trust (HACT); and
- The Best Companies star rating.

At 31 March 2022 our performance compared to the target set for each of these three metrics was as follows:

	Target	Actual
Average SAP ³ scores of our housing properties	68.26	68.10
Social value of our investment in community initiatives	£770,000	£1.77m
Best Companies star rating	2 star	2 star

Achieving two of the three targets set has led to a discount in our fees. The target for the average SAP target for our homes had not been met due to delays in some of our planned works. We expect to achieve the target set for this metric in 2022/23.



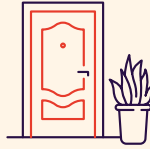
³The SAP rating is a measure of the energy and environmental performance of a dwelling

at a glance

believe housing's ESG in numbers (2021/22)



Average SAP
rating of
68.10



99.67%
of homes meet
the Decent Homes
Standard



Total social value
from our activities
£4.47m



76
new homes
delivered



Average weekly
rent of
£73.99



80%
overall customer
satisfaction



£1.5m
financial gains
for our customers



Best Companies
2-star
organisation



G1V2
Regulator for Social
Housing assessment

context

As a business we are facing several challenges, including the financial impact of delivering on our aims, and the increased pressure to deliver more and provide high-quality customer service within constantly changing market conditions.

The housing sector faces challenges in retrofitting existing stock to deliver more energy efficient homes, against a backdrop of financial pressures and increased demand for our properties. The most recent English Housing Survey found:

- There are **4m** social rented homes in the UK, accounting for **10%** of all households.
- Social homes are more energy efficient than homes in the private sector.
- 55% of social rented households had a member with a long-term illness or disability. This figure is much higher than for owners or private renters; **28%** and **29%** respectively.
- 11% of social rented homes are non-decent⁴. This rises to **13%** in the North-East. However this lower than the proportions for other sectors, such as private landlord properties at **23%**, and owner occupiers at **14%**.

The Social Housing Regulation Bill will challenge us to deliver high quality housing for our customers, ensuring their voices are heard and responded to, and making sure they feel safe.

There are also opportunities for us as a business, and the Government ‘Levelling Up’ agenda presents the opportunity to deliver local change that improves the lives of our customers.

Over the last 12 months we have seen an increase in demand and contact from our customers:



⁴ The Decent Homes standard was developed by the Government in 2001 in an effort to bring all social housing up to a minimum standard by 2010. Since then housing providers are required to maintain their housing stock to this level.

⁵ Average increase from 2020-2022

⁶ Contracted for figures are for 2021 and Q1 of 2022

Despite the changing market and financial climate, we pride ourselves on delivering for our people, our customers and our business, over the past 12 months we have achieved:



case study – brandon masterplan

Our passion for delivering thriving communities and placeshaping is clearly demonstrated in our regeneration work in Brandon. We have developed a masterplan to deliver high-quality, well-designed homes and an attractive place where people want to live. Working with local residents and Urbed, an urban design consultant, we looked at the area’s strengths, weaknesses and opportunities.

This first phase of the masterplan found that the current provision was low density housing with large areas of open space, in keeping with the age of the developments. The recommendation from Urbed, based on consultation with residents, was for a housing mix that benefits people who already live here and attracts new residents to diversify and grow the community. Our vision for the area is to create a vibrant and varied community of all ages, support key facilities and amenities, including good transport, and design our development in a way that makes our residents feel safe. Some of the recommendations to achieve this are:

- Create a place for people to meet, improving wellbeing and combatting loneliness.
- Create an accessible environment with safe paths through overlooked, attractive public spaces. This will encourage the community to walk and cycle around their area.
- Create seating areas to enjoy the impressive views from the site and create a resting place in an area of steep terrain.
- Create opportunities for children to play safely and enjoy their environment, experiencing wildlife and nature.
- Create a ‘hang out’ area for young people, with activities designed to reduce boredom, anti-social behaviour and conflict between age groups.
- Create a beautiful environment by diversifying habitats, supporting effective water management and improving air quality.

Following this extensive work our Board took the decision to progress with a programme of demolition within a defined area of Brandon. The properties earmarked for this activity included a series of post-war family-sized flats and a group of poorly-designed bungalows with accessibility issues. All these properties were unpopular with residents and subject to a high levels of turnover. Colleagues in our neighbourhoods team have worked with affected residents to support their registration with Durham Key Options, answer their queries and help them find new homes.

⁶ Contracted for figures are for 2021 and Q1 of 2022

environmental

Our environment pledge commits us to fulfilling our sustainability ambitions, including respecting and protecting the planet, and more specifically focussing on our impact on the local environment.

We recognise that as a responsible business we need to embody our ambition in our staff, in the homes in which our customers live and in how we deliver our business.

our people

We will engage with our people and encourage positive behaviour change to reduce climate impact through influencing individual choices.

We will provide our people with the information and skills to gain a greater understanding of climate change.

We will work with a variety of businesses to help our people access support, guidance and funding.

our customers

We will engage with customers and encourage positive behaviour change. Through influencing individual choices, we will reduce fuel poverty and lessen climate impact.

We will support the community with environmental initiatives and projects to improve their neighbourhoods.

We will engage with businesses in our community to help our customers access more sustainable services.

our business

We will improve the energy efficiency of our operational buildings and work towards zero carbon homes.

We will develop plans for renewable energy products and the use of smart technology.

We will develop low carbon transport modes.

We will reduce volumes of waste and increase opportunities to reuse and recycle, including sustainable resourcing of materials.



Climate change

One of our corporate objectives for the last three years has been ‘Respecting and protecting our planet’. We are committed to playing our part in addressing the challenges of climate change and meeting challenging targets set for decarbonisation. We will use our ESG reporting to drive our improvement activity and measure our performance. The average SAP rating for the North-East region is C, this is based on the most recent English Housing Survey 2020 – 2021. We have set out the detail of our own SAP ratings below.

Our existing homes

EPC rating	Percentage of homes
A	0.02
B	3.49
C	35.50
D	60.99
E or less	-

Our new homes

EPC rating	Percentage of homes
A	-
B	93
C	7
D	-
E or less	-

Energy efficient actions

As a business we have committed to deliver more energy efficient homes, through ambitious new build projects, considering modern methods of construction (MMC) and a retrofitting programme. To date we have carried out deep retrofits to 22 properties, and 74 properties have been fitted with solar PV and battery storage with loft insulation. We have developed a corporate scorecard, which reflects our ambition to achieve an average SAP rating of 68.94 by 2025.

external wall insulation

cavity wall insulation

loft insulation

new windows and doors

solar PV and battery charges

ventilation source heat pumps and efficient hot water storage

As an organisation, we continue to track our Scope 1, 2, and 3 greenhouse gas emissions from business activities. To reduce these, we have committed to operating 10% of our fleet as electric vehicles.

We have also undertaken an energy and water efficiency audit for our two office buildings. These were evidence-based actions, taken to reduce two of the largest contributing sectors to our overall business emissions.



We have secured £3.4m from the Social Housing Decarbonisation Fund and we will invest an additional £1.69m, to make at least 900 properties warmer and more energy efficient. This is part of a 10-year manifesto commitment by the Government, announced in 2019, with the fund launching in August 2021, and grants being awarded in January 2022 for the first phase.

In 2021 we were chosen by the Royal College of Art to collaborate on an environmental project. This involves creating a toolkit to engage our customers and put them at the heart of our carbon-zero plan. This resulted in a new approach to environmental upgrades being devised. One element of this was using the roll-out of green technology, with the specific theme of energy saving, as an opportunity to show our residents we value them and care about their future. We will be using the learning from this approach to inform our wider decarbonisation works mentioned earlier in the report.

In February this year, we marked Earth Day by planting a tree for every employee in our company. These 568 trees will form part of 6000 hectares of new forest planted in the North-East Region over the next 30 years. We were the first housing association to achieve Carbon Neutral International Standard and the first to take part in the Climate Neutral Now Initiative.

This year we won the award for green business of the year from the North East England Chamber of Commerce. The award was recognition of our commitment to manage our environmental impact and how we have embedded the green agenda at every level of the organisation. We have also been shortlisted nationally for the 'Green' title at the British Chamber of Commerce awards in October,

case study

As a company we are committed to making our communities greener. Our approach to community engagement and passion for the environment can be seen in our NatureArks projects. These projects saw believe housing donate several purpose-built habitats to schools and communities across County Durham. These provide shelter for small mammals, such as hedgehogs, and amphibians, and also support a rich eco-system of plants that will attract bees and other pollinating insects.

Our staff went along to these communities to help plant the NatureArks and to engage with our local communities on our green agenda. The project also provided an opportunity for local school children to get involved the project and become engaged with the environment.



social

As a socially-responsible landlord it is our role to provide safe, secure homes that are genuinely affordable and deliver visible positive changes to the communities we operate in.

Affordability and security

We provide affordable and secure homes for our customers, offering them a range of tenures to reflect the changing market. In line with our Tenancy Policy, our general needs tenants are initially offered a probationary-assured shorthold tenancy. We have a programme of developing new homes with an aim of delivering 1,250 new properties by 2026, of a range of property types and tenures to meet the needs of existing and new customers. We also let more than 1,300 homes over the last financial year.

The data below demonstrates the affordability and provision of tenures in the following ways:

- 1) Rent compared to median private rental sector (PRS) rent across the local Authority.
- 2) Rent compared to Local Housing Allowance (LHA).
- 3) Existing and new provision by tenure type.

	General needs (social rent)	Intermediate rent	Affordable rent	Supported housing	Housing for older people	Low-cost home ownership	Care homes	Private rented sector
New homes (homes completed during the last financial year 2021/22)	0	12	62	0	0	0	0	0
	0%	16.2%	83.8%	0%	0%	0%	0%	0%
Existing homes (homes completed before the last financial year 2021/22)	17,556	232	289	0	0	3	0	0
	97.1%	1.3%	1.6%	0%	0%	0.02%	0%	0%

Local Authority	Overall average believe rent	Average LHA for Local Authority	Median PRS for Local Authority
Durham	73.99	91.90	98.08
Sunderland	73.99	94.20	98.08
Stockton	73.99	115.97	137.31
E or less	-	E or less	-

We recognise the impact that spiralling fuel prices have had, and will continue to have, on our customers. We have expanded our advice offer to our customers to include energy saving advice, information on staying warm and utilising heating equipment effectively. Our customers are experiencing unprecedented rises in the cost of food, clothing and basic living at a rate not matched by wages or benefits. It is recognised that those experiencing extreme poverty are also the most likely to be disadvantaged by poor health.

As an organisation we ensure our people are equipped to support our residents. We work in partnership with Advice in County Durham on providing a holistic approach to financial advice.

case study

In July this year we delivered our Money Talks programme which brought together our Tenancy Sustainment Team, Money Matters, Employability, Engagement and Environment Teams to engage with our customers and provide support. We targeted two areas where people are most likely to suffer from fuel poverty and were at most risk of experiencing rent arrears. By offering a holistic support package we were able to support 77 customers in their homes.

An example of one customer we helped during this exercise was as below:

Our customer was really struggling to engage with believe housing, and it had got to the stage where believe housing had been granted possession of the property within 28 days due to outstanding rent arrears. The customer did not understand the extent of the situation and did not have access to a mobile phone to return our calls. The team discussed her support needs at length and the issues which were mainly due to not being able to communicate with believe housing. The team was able to gain her trust, agree a suitable system for communication and plan how payments were to be made in the future. As a result, the team was able to contact DWP, update the housing costs associated with the property and reach a repayment agreement. This meant that the possession action was suspended and the customer was able to remain in her home.

Over the past year our Tenancy Sustainment Team have worked with our customers to improve their financial resilience, and together they have achieved some excellent outcomes:



We believe that as a social landlord we have a duty to provide homes for those most in need and to provide support to help those succeed in their tenancies. In recognition of the difficult financial circumstances faced by most young people, our Housing Matters team have worked with people before they move into one of our properties 12 of the applicants who worked with the team said that without this support they would not have been able to afford a tenancy. However, after engagement with our Housing Matters Team, they were able to afford their first home and move in with a clear understanding of what was needed to sustain their tenancy. In the last financial year **1,046 (94.83%)** of starter tenants sustained their tenancy, and among all tenancy types, **95.85%** of our tenants sustained their tenancy.

Building safety and quality

In the last financial year, we completed 100% of gas safety check and fire risk assessment checks, with 99.67% of our homes meeting the decent homes standard. We have identified 33 properties that are not fit for purpose, and these are currently being disposed of. This is something we review regularly and take appropriate action.

Resident voice

We recognise the importance of listening and responding to our customers' voices in everything we do. We strive to deliver services in response to feedback and we have processes in place to help drive improvement.

Our complaints service was awarded the Housemark accreditation for complaints handling in 2020 – this recognises us as a leading organisation for our process for handling complaints. Our last annual survey results for complaints handling give the following findings:



73% of customers were satisfied with our approach to complaints handling.

86% of customers knew how to make a complaint.

64% were satisfied with the level of empathy shown by believe staff, an increase of 4% from 2020/21.

We have a values group, largely made up of customer members. This group is a key part of our governance arrangements and has a role in reviewing areas such as health and safety for customers, our complaints handling, our compliance with consumer standards and our engagement approach.

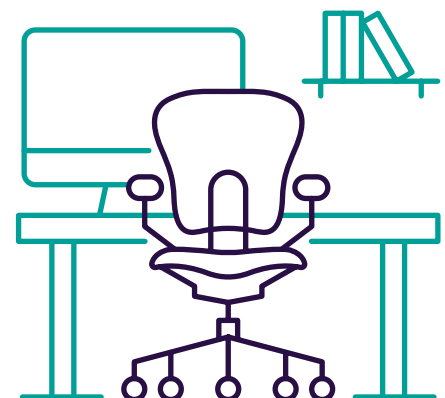
Our values group has been crucial in conducting scrutiny reviews, the latest of which was aimed at understanding how we communicate the activity of our values group to our customers and how we can improve this.

In the past, our values group has worked with our team in assets to review the literature we send out to our customers about energy technology. The group made several recommendations around use of language and ensuring information is presented in a user-friendly manner.

Customer satisfaction is something we value; our recent survey results from November to December 2021 highlighted the following:



We are constantly reviewing how we can improve resident engagement in service delivery. With this in mind, we reviewed how we engage customers in our grants panels to ensure they are able to actively influence decision-making in local communities, using their knowledge and understanding of community issues. As a result, we have refreshed our Customer Grant panels and recruited six customers with the desired skills and experience.



In September 2021, our first ever Innovation Academy took place, bringing people together to look at three issues within the business. These were based on some of the challenges we were facing, such as how we improve our communication with customers, how we create a more proactive service and how to make a good first impression with new colleagues through our induction process. The Academy proved a great success, with more than 200 of our colleagues contributing to the discussion and producing excellent ideas for the business to take forward. It also provided an opportunity for our people to come together and share their valuable contribution. Ultimately the ideas generated from the Innovation Academy helped shape the direction of the Moving Forward project, addressing both the issues and solutions within the operating trials.

Watch a short highlights video of our Innovation Academy.

Resident support

We actively engage with our residents to help them reduce their energy bills, access additional income, and increase their opportunities. Through our employability team we work with our customers to access training, improve outcomes, and offer advice on health and wellbeing. We provide a variety of services to reflect the needs of the communities that we serve, and our people are trained to ensure that our customer voice is heard.



We recognise that many of our customers will approach us when they are experiencing difficulties or hardship, and in response we have trained leads in safeguarding, suicide prevention and domestic abuse.

- 10 of our colleagues volunteer to provide immediate, confidential support in a non-judgemental manner to customers who have concerns or are in distress
- Our suicide awareness leads supported 117 customers experiencing distress – an increase of 74 since March 2020

We support our customers using a needs assessment to tailor our offer. We provide vouchers to support customers with heating and food costs, and we also help them to access charitable grants and provide impartial debt advice.

Our Money Matters team:

- gave advice and assistance to 1,040 customers in relation to benefits, affordability and budgeting advice.
- supported customers to access £1,510,818 in extra welfare support, an increase of £476,051 compared to 2020/21.

Through our community investment programme and an embedded social value ethos, we invest in our communities to help them thrive. This year, we focused on projects that met the following organisational priorities:

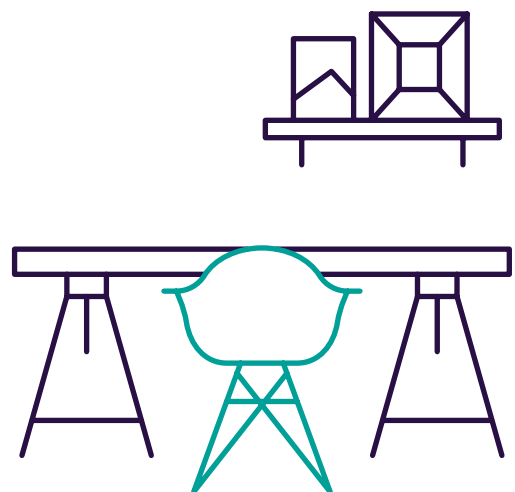
Through our community investment programme and an embedded social value ethos, we invest in our communities to help them thrive. This year, we focused on projects that met the following organisational priorities:

<p>health and wellbeing: improving mental and physical health and building the confidence of individuals</p>	<p>employability and training: including volunteering and other upskilling activities</p>	<p>increasing household income: activities including debt and benefit advice, feeding families and employment opportunities for people</p>	<p>a greener, fairer future: by reducing, reusing and recycling</p>	<p>tackling inequalities: as a result of Covid-19</p>
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At believe housing, we use two methods to calculate social value: HACT to monitor community investment spend, in-house employability, environmental improvements and work to properties; and TOMS (Themes, Outcomes and Measures) when procuring services.

 <p>We awarded 52 £500 grants to 50 organisations or community groups</p>	 <p>We awarded 21 £1,000 grants to 20 organisations or community groups</p>	 <p>We also awarded £10,000 for capital and revenue projects</p>	 <p>We also awarded £20,000 for capital and revenue projects</p>
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 <p>We have achieved £4,578,010 of social value during the last year, with £1.7m of this coming from community investment projects.</p>	<p>£4,578,010 of social value during the last year</p>
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governance

Structure and governance

We have a well-established Risk Management Framework embedded throughout the organisation, covering Strategic, Operational and Project risks. The framework used outlines four key pillars required for good Risk Management.

1. The framework and governance arrangement, including setting risk appetite, committee structure, roles and responsibilities.
2. Identification and assessment of risks
3. Monitoring and reporting
4. Embedding and culture

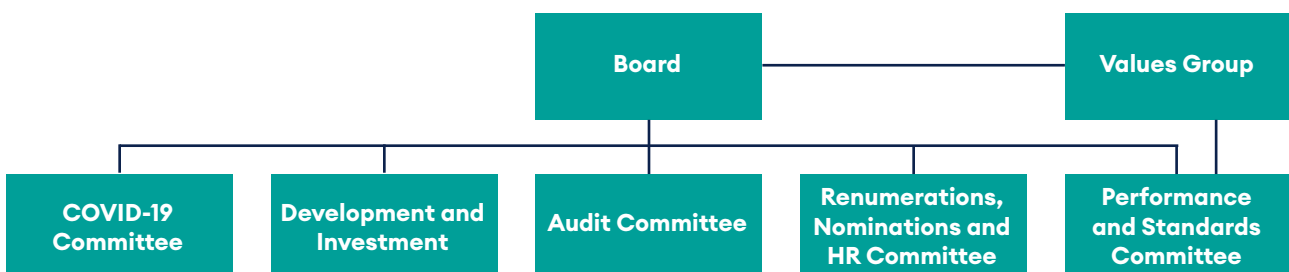
We operate a ‘three lines of defence’ model. The first line consists of the directors and managers with direct responsibility for the daily management and control of risk. The second line includes our Executive Management team (EMT), Risk Management Working Group (RMWG), Audit Committee and specialist staff who oversee the effectiveness and integrity of the risk management framework. The third line includes our Board, Audit Committee, RMWG and Internal Audit who provide independent assurance and challenge. Quarterly RMWG meetings review current risk registers, consider current risk pressures on the business and identify potential impact and strategy of horizon risks. This feeds into a quarterly risk report reviewed by Audit Committee and Board.

We are recognised as a not-for-profit social housing provider and were awarded the highest governance grading of G1 by the Regulator of social housing. We were also found to be compliant with the standard for financial viability with a V2 rating. This was last awarded in October 2021 and unchanged from the previous grading.

We have adopted the NHF Code of Governance 2020 to ensure our governance structure remains fit for purpose.

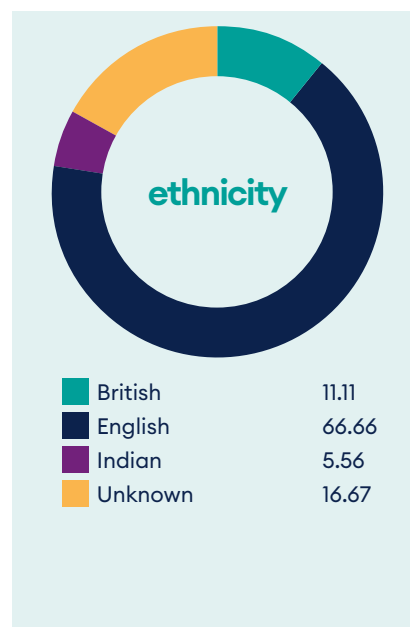
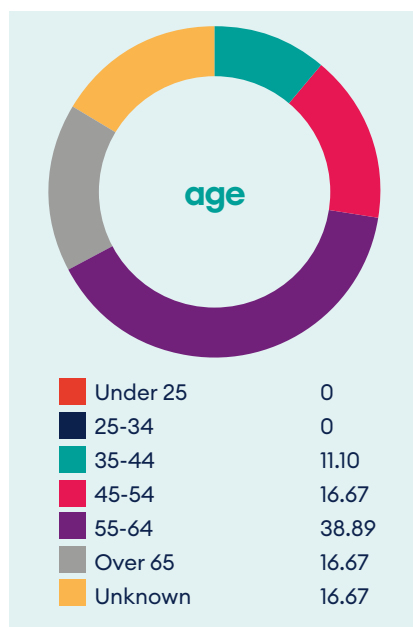
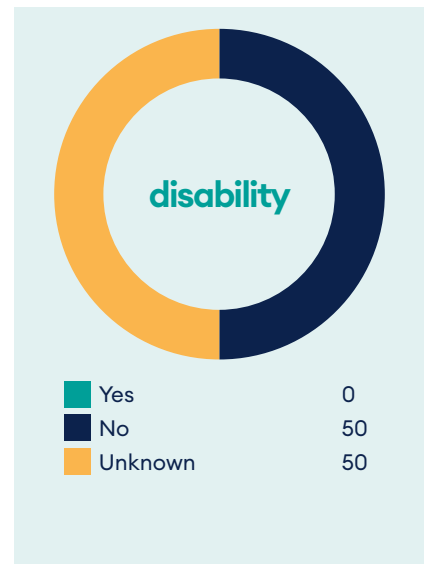
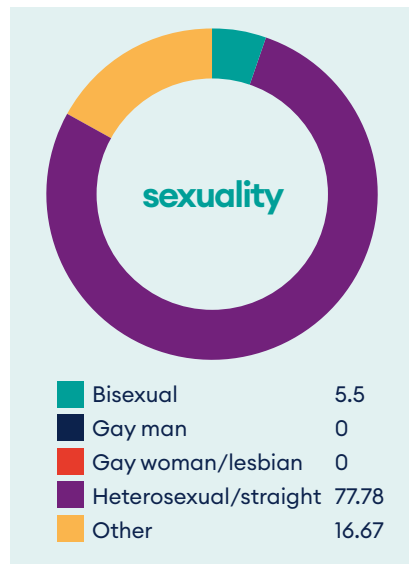
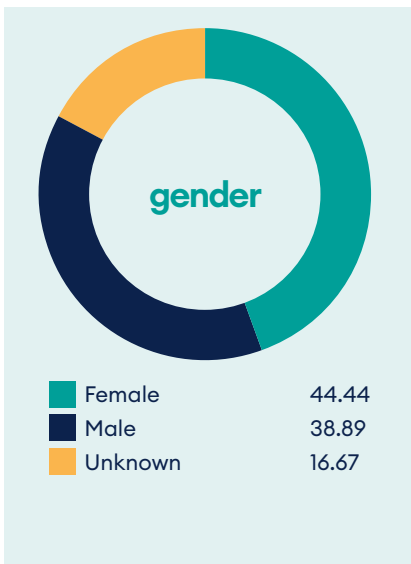
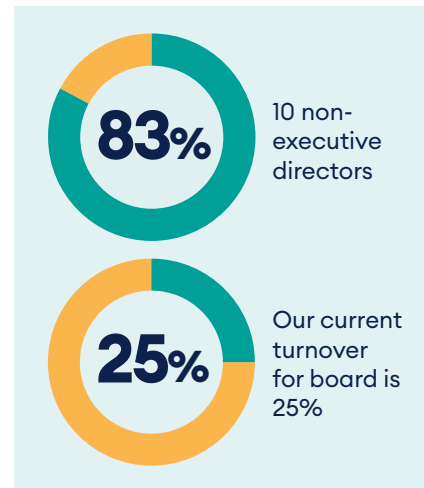
Board and trustees

Our Board has clear oversight of the business and promotes an Equality Diversity and Inclusion focused approach which is reflected in our current membership and approach to succession planning. We currently have four Board members with financial experience, these Board members also sit on our Audit Committee, strengthening the organisation’s audit and compliance functions.



Our Board currently has two of our Executive Management Team members and 10 (83%) non-executive directors. Our CEO and the chair of the board are separate, distinct roles; this promotes transparency and encourages challenge. In the coming financial year, we will continue our drive to have a diverse board with a focus on the age range of members and promoting diversity of thought. Our current turnover for board is 25%.

Each Board member can serve for a maximum of nine years. Operating in line with the Code of Governance, this is a maximum of six years as a standard term, plus a potential additional three annual extensions, depending on business need. With three board members in their first year of tenure, the average tenure of a board member overall is 4.1 years and there is a robust succession plan in place. An external review of our Board and its effectiveness was carried out in 2021 and we have been working to implement the recommendations this year.



case study

We recognise the important of our organisation having a robust and inclusive Board and are proud of the progress our Board has made and the drive to develop a skill base. As we feel there is an opportunity for a Board development programme to continue this momentum, we are creating our own Board Trainee programme. This will realise a long-term ambition, not only to 'grow our own' talent for our own Board but to help people prepare for non-executive roles within the whole sector.

The programme will increase diversity at Board level and is designed to encourage diverse applications to address some of the areas currently underrepresented on our Board. We believe that delivering that a trainee programme will encourage those who would not apply under the usual recruitment exercise to apply, as a stepping stone into a non-executive director role. Recruitment for the first programme will be in September 2022 and the programme will run for two years with up to five places available in the first intake.



Doug Ross -
Vice Chair



Judith Common -
Chair



Hazel Dale



Gurpreet Jagpal

The business currently adopts the National Housing Federation Code of Conduct 2020 which sets out principles and guidance around conflicts of interests. Further to that, we have a specific code of conduct for the board, as well as a probity policy which cover declaration of interests in detail. We also have a Senior Independent Director (SID), who is a current board member.

All meetings of Board, Committees and Values Group have, as a standard agenda item, a requirement to consider conflicts of interest. All minutes record any conflicts of interest declared. No member declaring such an interest is permitted to take part in the discussion and is required to leave the room for the duration of the debate/decision unless Board determine otherwise. A register of interest for Board, Committee and Values Group members is in place and reviewed and presented annually to the Board.

We are currently not an adopter of the living wage; however, we are committed to paying our people fairly for the work they do and are currently undertaking a review of our salaries, particularly the lowest within the organisation, to ensure that these are fair and consistent both internally and in comparison to our peers. We were rated as a 2-star organisation by Best Companies which asks staff to consider whether or not they receive a fair deal for the role that they do, in any areas where this score has been low, we have worked with that service area to identify the reasons behind this.

In 2021 we have seen a positive shift in our gender pay gap for both mean and median percentages. The mean hourly rate for females increased by almost 13% whereas the male mean hourly rate increased by just over 11%. There has been a 13.58% reduction in the number of females in the lower and lower-middle quartiles in 2021 compared to 2020. This is as a result of the £350 'thank you payment' paid to employees for their efforts during the pandemic.

the future of ESG for believe

This is our first ESG report and we have used it as an exercise to identify any gaps we have in current data reporting, and to identify what data we can meaningfully report on in future.

This report has acted as a means of reflection to celebrate our successes and to be clear about our challenges. It allows us, for the first time, to map these against a framework that is in line with Sustainability Reporting Standard for Social Housing.

Future ESG reports will aim to be more interactive and responsive to our customers, our people and our business. We will be 12 months further into our moving forward project, and this will be reflected in the data we can currently report on and also in the data we additionally include in our next report.

As believe moves forward, our ESG will represent the health check of our business, reflect our future ambitions and provide transparency to our customers and our investors.

The United Nations Member States adopted The 2030 Agenda for Sustainable Development in 2015, setting out a blueprint for peace and prosperity for people and planet, now and in the future. At the heart of this are 17 Sustainable Development Goals (SDGs), which are an urgent call to action to recognise the interconnectedness of ending poverty and other deprivations with improving health, economic growth and reducing inequalities. As these directly support the overall ethos of ESG organisations, we will assess over the coming year if the UN Sustainability Goals are relevant to our business and would provide additional value in reporting on.

We will continue to ensure that our ESG approach runs throughout our day-to-day activities and through our Corporate Plan, to help us continue striving to reach our vision of life without barriers.



