environmental, social and governance (esg) report





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## foreword

## Welcome to our third annual Environmental, Social and Governance (ESG) report.

This sets out our achievements in the past year and how we are continuously improving what we deliver for our customers and the communities we serve. Our role in providing healthy and affordable homes is reflected in our ambition to provide a life without barriers for our customers and communities. This report highlights where this matches sector sustainability objectives and contributes to wider global sustainability and development goals.

As a sector we have seen continual change and shift in emphasis on regulatory compliance. As a business we are clear this does not change our core purpose but only seeks to support and enhance it. We have revised consumer standards and a statutory complaints handling code. These underline the importance of listening to, hearing and acting on the voice of our customers and our relationship with our customers being transparent, fair and equitable.

As a business we have recognised the importance of great culture in delivering the best outcomes for our customers; something echoed by sector bodies, the Regulator of Social Housing (RSH) and the Housing Ombudsman. We have introduced new behaviours and continue to implement our believe in people strategy, which looks to deliver a workforce fit for the future.

Financially, we are committed to added value running through all our plans, ensuring we deliver services with the greatest impact on our customers, demonstrating financial resilience and focusing on performance and efficiency over the longer term.

Our ESG report brings together all the great work we have done in the past 12 months, aligns this to the Sustainability Reporting Standard for Social Housing ('SRSSH') and reflects where we want to go in the future. I am positive that despite the continuing evolution of social housing delivery, as a business we can meet the challenge with the same passion and determination we have always shown, and I am excited to see where we will be in the future.

Alan Smith Chief Executive





## about us

## believe housing improves customers' lives by providing healthy, affordable homes and enhancing communities.

We are one of the largest not-for-profit housing associations in the north east of England, with more than 18,000 homes and 600-plus employees.

Our new-build programme is delivering high quality, energy efficient homes where they are needed.

Existing homes are being upgraded in a huge project to improve their energy efficiency and adapt them to future needs.

Our community grants are supporting projects that make a real difference to people's wellbeing.

And a range of support for customers is helping deliver our vision of life without barriers.



We improve our customers'
lives by providing healthy and
affordable homes, enhancing our communities.



## at a glance

#### believe housing's ESG in numbers (2023/24)



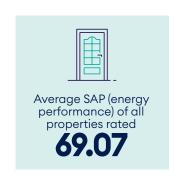


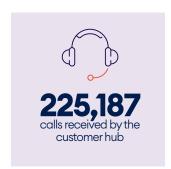






























## our approach

Our Environmental, Sustainability and Governance (ESG) performance is a key indicator of our sustainability and resilience as a business. It is our opportunity to measure what we do, show how we understand our performance and demonstrate improvement.

With a greater focus on performance from the Regulator of Social Housing, we have taken the opportunity to use our ESG metrics to demonstrate our performance compared to our peers both regionally and nationally. This year we have included the results of our Tenant Satisfaction Measures to highlight the customer voice aspect of being a sustainable business. We also continue to align our reporting to the UN Sustainability Goals. Our approach to linking performance to corporate objectives remains the same as last year and we believe this gives us a fair assessment of how we are performing against these objectives and successfully identifies where we need to focus our improvement activity.

create thriving, safe and sustainable place and homes that people want to live in

create the simplest processes and ways of working

provide services that have the biggest impact in supporting our customers

work together for the good of our customers

create an employee offer that attracts the best people

be a sound, secure and sustainable business









































The table below demonstrates how our strategic objectives are linked to our ESG reporting themes and metrics. This year we are providing both core and enhanced reporting criteria. We have chosen to compile our ESG reporting criteria themed under our strategic objectives to highlight the links and give a clear narrative on our direction as a business.

ESG area	ESG theme	ESG description	Strategic objective
	Affordability and security	Provides affordable and secure housing	Provide services that have the biggest impact in supporting our customers
	Resident voice	Resident safety and building quality are well managed	Create thriving, safe and sustainable places and homes that people want to live in
Social	Resident support	Listens to residents' voice	Work together for the good of our
	Placemaking	Supports residents, and the local community	customers
	Engagement and consultation	Supports residents and the wider local community through placemaking	
	Climate change	Prevents and mitigates the risk of climate change	
Environmental	Ecology	Promotes ecological sustainability	Create thriving, safe and sustainable places and homes that people want to live in
	Resource management	Sustainable management of natural resources	
	Structure and governance	Legal structure of the organisation and its approach to governance	Be a sound, secure and sustainable business
Governance	Board and trustees	High quality board of trustees	Dusiness
	Staff wellbeing	Supports employees	Create an employee offer that attracts the best people
	Supply chain management	Procures responsibly	be a sound, secure and sustainable business





## provide services that have the biggest impact in supporting our customers









#### Affordability and security

Our role in providing healthy and affordable homes is set out clearly in our Corporate Plan. We are focused on delivering homes that are fit for the future and complement our role in enhancing our communities. We recognise that affordability can be a barrier to securing and maintaining a home, so we keep added value and impact at the forefront of our decision-making process.

As part of our process to set our rent levels within the defined parameters, we consider carefully what the impact will be on our customers. As part of this consideration, figures are presented on the local economy including present employment figures and the breakdown between the full-time, part-time employed and the gender disparities. We additionally benchmark ourselves again comparator providers regionally.

The data below demonstrates our 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. Regional comparator with other registered providers (RP)
- 4. Existing and new provision by tenure type.

#### Total stock\* 2023/24

Local authority	Number of homes believe housing has	Overall average believe housing rent	% of LHA rent	% of PRS rent (ONS, n.d.)
Durham	17,993	£81.32	91%	76%
Darlington	6	£124.62	122%	98%
Sunderland	74	£118.76	112%	88%
Stockton	51	£142.98	119%	90%
Hartlepool	31	£130.48	113%	103%

<sup>\*</sup> Figures based on all tenure types excluding shared ownership.



It has been acknowledged that LHA does not adequately reflect the cost of renting, and this is being reviewed to be brought more in line with actual rent. It is also acknowledged that high demand for housing continues to affect the affordability of both social and private rented homes. The above figures may show a higher % for areas outside of County Durham, but this is due to the stock in these areas being new build, in comparison to the stock we retained at transfer. The stock type in areas such as Stockton and Hartlepool consist of new build homes that are more energy efficient, built to a higher specification and developed in areas of high demand. As policy and regulatory changes continue to push for improved efficiency measures in new homes, the cost of providing these homes to the required standard will continue to increase. We also continue to feel the impact of inflation on materials. This contributes to increased cost, which will increase the amount of revenue required from our properties to make them sustainable.

The table below shows how we compared to our regional competitors in the last financial reported year 2022/231:

Property type	Livin	Gentoo	Karbon	Thirteen	North Star	Bernicia	Beyond	believe housing
Non-self-contained	00.02	20.02	£67.16	£69.25	20.02	20.02	00.02	20.02
Bedsit	£65.49	00.02	£67.97	£67.38	£70.33	£66.48	£71.06	£57.53
One-bed	£71.99	£73.61	£73.02	£77.67	£76.92	£72.39	£81.16	£66.09
Two-bed	£80.86	£83.14	£81.06	£88.05	£89.34	£80.96	£91.25	£73.95
Three-bed	£86.68	£91.59	£89.10	£96.16	£98.50	£88.19	£99.93	£80.83
Four-bed	£93.70	£100.27	£102.42	£104.57	£110.92	£99.06	£109.31	£86.95
Five-bed	£100.92	£107.06	£113.86	£114.02	£116.72	£101.35	£118.38	£91.66
Six-bed or more	00.02	£126.98	£132.62	£126.38	£122.50	20.02	£123.94	£124.01
Average	£81.25	£84.43	£81.80	£89.18	£90.36	£82.44	£91.98	£74.13

Existing home completed be financial year	efore the last	General needs (social rent)	Intermediate rent	Affordable rent	Supported housing	Housing for older people	Low-cost home ownership	Care homes	Private rented sector
	2021/22	17,556	232	289	-	-	3	-	-
	2021/22	97.10%	1.28%	1.60%	-	-	0.02%	-	-
V	Year 2022/23 2023/24	17,348	244	349	-	-	3	-	-
Year		96.68%	1.36%	1.94%	-	-	0.02%	-	-
		17,265	281	407	-	-	10	-	-
		96.11%	1.56%	2.27%	-	-	0.06%	-	-

New homes (l completed du financial year	ırina the last	General needs (social rent)	Intermediate rent	Affordable rent	Supported housing	Housing for older people	Low-cost home ownership	Care homes	Private rented sector
	2021/22	-	12	60	-	-	-	-	-
	2021/22	-	16.67%	83.33%	-	-	-	-	-
Year	2022/23	-	35	58	-	-	7	-	-
rear	2022/23	-	35.00%	58.00%	-	-	7.00%	-	-
	2022/04	-	113	89	-	-	6	-	-
	2023/24	-	54.33%	42.79%	-	-	2.88%	-	-

The political landscape has continued to shift to reflect a society that is in desperate need of good quality, affordable housing that provides a foundation for a healthy life. The National Housing Federation recognised, as part of their call for a long-term plan for housing, the cost to our society of poor housing is estimated to be £18.5bn every year². We support the NHF's ambition to provide the security of a social home for one million more people by 2035, halve overcrowding and end child homelessness. Our development programme continues to deliver much-needed housing with a range of tenure type, while our Asset Team continues to deliver improvement works that impact not only on the fabric of the buildings but also the lives of the customers living in them.



#### **Fuel poverty**



£16,850 heat and eat vouchers issued

We recognise that the cost of heating our homes continues to be a significant expenditure for our customers. The Department for Energy, Security and Net Zero published data for 2023 that shows 10.6% of homes in north-east England are fuel poor<sup>3</sup>. In County Durham those experiencing fuel poverty has dropped from 15.5% in 2019 to 11.5%, but this still equates to 27,600 homes<sup>4</sup>.

Alongside issuing our heat or eat vouchers, we are committed to reducing fuel poverty for our customers and we offer advice and assistance on how to be more energy efficient. We work in partnership with Advice in County Durham and National Energy Action to support customers who find themselves in debt with their supplier, identifying schemes such as the Warm Homes Discount, that can assist with fuel bills. In homes where we are carrying out re-roofing work, we are now fitting solar panels as part of our standard specification to help customers with the overall cost of heating their homes.

"Some of the properties visited had benefited from the social housing decarbonisation funding to improve their homes and reduce energy bills, with the cost-of-living crisis. And we were able to provide useful hints and tips for getting the best out of the solar PV fitted on roofs, as well as being able to signpost customers for support with energy debt advice." Lorraine Dobson, Environmental Officer"



<sup>3</sup>Annual fuel poverty statistics in England, 2024 (2023 data) (publishing.service.gov.uk)
<sup>4</sup>InstantAtlas Durham – Fuel Poverty (durhaminsight.info)



#### Work together for the good of our customers































#### **Resident support**

New customers are supported by the Housing Matters Team who work with the most vulnerable applicants to ensure they have the right support in place in and the best start to their tenancy. We offer Tenancy Sustainment Support to those who are struggling to sustain their tenancy mainly because of rent arrears. As part of this service we also support customers identified at the start of their tenancy to be most at risk and in need of additional support. They work to maximise income and minimise debts using a variety of referral routes, accessing charitable funding and benefits. Our Money Matters Team assists customers in navigating welfare benefits including Universal Credit and Housing Benefit, and supporting those who may be financially excluded. Through this work, and working with other areas of the business, the team has managed to maintain low levels of terminations. And by reducing arrears for our customers, we have recorded £2.5m in social value returns as well as £1.6m in financial gains.

As part of the national Talk Money week, colleagues from teams such as Tenancy Sustainment, Rental Income and Employability, visit our customers to have a conversation and find out what we can do to help. We provide customers in financial difficulty struggling to heat their homes with a heat or eat voucher. This recognises that, for some of our customers, there is a need for real immediate relief from financial pressures. We have contacted these customers and discussed their needs. Where they have needed our assistance, a voucher has been issued to help assist with cost of heating their home. Our team accesses funding to support customers from partners such as Durham County Council; their Housing Support Fund has provided financial relief to customers to purchase essential household items.



#### case study: a life-changing knock at the door

believe housing colleagues Laura Durrant and Julie Donkin engaged with one of our customers through the Talk Money door-knocking campaign. They noticed the customer was struggling physically. In conversation, they discovered the customer needed help to maximise their income.

The customer had rent arrears of £1,464.36 and was finding it difficult to cope with their finances. They would have to work past retirement age to manage their financial circumstances.

Laura provided information regarding Occupational Therapy for adaptations and a referral to the Money Matters Team for benefit advice.

This resulted in £1,111.29 in backdated payments, rent arrears reduced to £192.60, an award of our heat or eat vouchers, and increased disposable income to create sustainable finances. We were also able to support the customer in applying for a free bus pass.

The customer said: "I'm so happy that I answered the door that day" and will be enjoying their retirement and Christmas which they were previously dreading.

"Doing the events allows us to engage with customers who we may not always be able to contact and provide a wide range of support. The teams also identify issues that they would not have been able to do so by telephone." Gavin Coleman, Tenancy Sustainment and Money Matters Team Leader

As we often find that financial pressures can lead to deteriorating mental health, we have invested in creating an Urgent Support Team that is resourced to deal with those experiencing crisis. We have recognised that a dedicated support is needed to continue to deal with increased demand and need. Referrals for support continue to increase every year. The team provides support to victims of domestic abuse, those at risk of suicide, and deals with concerns relating to both children and adults.





As the cost of living continues to affect our customers, we have worked in partnership with our local credit union, to develop a cost-of-living loan and promotion of saving schemes. This year we referred **six** customers for loans totalling £1,350 and **four** customers for advice and guidance on savings.

Our Employability Team supports our customers to enter the job market and to develop the skills needed to improve their job opportunities. In the last financial year we supported 148 people into sustainable employment. Our employability offer focuses on reducing the challenges faced by those who are in and out of employment. This is often lower paid and not sustainable. We look to support with advice and guidance on navigating the employment market.

"If I can come into an office environment, I think anybody can. I think it's brilliant that believe housing is such an inclusive employer and is finding different ways to support tenants,"

Simon Harris, Social Value Administrator, believe housing



As part of Housing Employment Network North East (HENNE) we were able to access UK Shared Prosperity Funding to create five New Start roles, providing tailored opportunities for candidates to get into employment. Through our New Start project, we supported Simon Harris who had stopped work 17 years ago to care for his partner. We were able to offer Simon his first administration role in our Procurement Team as a Social Value Administrator. This role allows him to experience how we work with our contractors and providers across the region in positively impacting communities while also providing him with skills and experience he needs to continue to develop.

Our customers and communities really matter to us as a business, which is why we provided funding that supported 9,965 people in our communities. It is important to us that our customers have a voice and say in how we spend their money. Our community investment programme is delivered through a panel made up of our customers who award grants up to the value of £500. We have invested in these customers by providing the training and development necessary to assess and award funding against objectives. This panel has awarded grants that have contributed to delivering £5,336,820 in social value for our customers.

We focused our investment on key areas that create the biggest impact, including:

- Health and wellbeing
- · Employability and training
- · Increasing household income
- A greener, fairer future

Tackling inequalities resulting from the cost-of-living crisis.







#### **Resident voice**

















Our Customer Voices group is crucial in making us accountable and helping us shape meaningful services that reflect what our communities and customers want and need. The revised consumer standards place particular emphasis on the importance of adequate mechanisms of accountability and being clear and transparent with customers on how decisions are made. As part of our work to understand how effective our current accountability mechanisms are, we are undertaking a review of our current structure and assessing whether this is fit for the future.

Over the past 12 months our Engagement Team has held **five** face-to-face sessions with customers to gather their feedback, hosted **three** community events and had responses from **6,642** customers to our surveys. We continue to consider how we reach as many of our customers as possible. We will continue to use this insight to influence how we deliver for our customers and continue to improve.











As part a continuation of developing customer voice at the heart of service delivery, we are currently working on a customer strategy. This strategy will articulate our offer to customers and help set expectations. This will evolve as we increase our ability to utilise customers' insight in real time.

With the introduction of Tenant Satisfaction Measures in April 2024, it has become even more important that we understand how we are perceived by our customers and use this insight to improve. We have carried out satisfaction surveys for several years and the new requirements have only solidified our approach. This year we received **1,200** responses out of **20,009** residents, which was carried out in two waves of surveying. We carry out regular work to benchmark sector trends and compare our scores with other providers. Our scores are provided in the table below:

2020	2021	2022	2023
86.8%	80%	78.54%	81.44

Although our most recent overall satisfaction score has improved, we have considered our collection method. It is recommended that a varied method of collection is adopted as this allows more equitable opportunities to respond. It also considers a wider demographic of customers. In 2024/25, we will be conducting our satisfaction surveys online as well as by telephone. This change is to reflect the desire to engage with a wide range of our customers and in a way that suits their needs.

We continue to use the data from our perception surveys and monthly transactional surveys to help shape our Corporate Plan, monitor corporate performance and identify key improvements. We have recently conducted early comparator analysis for several other providers in our region. This allows us to understand the context of our results and make evidence-led decisions on what improvement activity is required.

We strive to improve our performance and are clear that feedback from our customers is valuable insight into how we do this. Part of this feedback and learning comes from complaints. We view complaints as opportunities to make things right, learn lessons for the future and shape how we improve. In the past year we had  $\mathbf{six}$  determinations by the Housing Ombudsman. We carry out detailed analysis of each determination to understand the improvements needed and this is communicated to the wider business. We have also implemented bespoke mandatory training for complaints. This is delivered depending on the role and focuses on making complaints everyone's business.



## create thriving, safe and sustainable places and homes that people want to live in











#### **Placemaking**



75% of our customers believe we make a positive contribution to their neighbourhood



"Brilliant service from believe housing. Love our new home. Had lived in our last house for 45 years. Best thing we have done was to move into this property." believe housing customer

We see our role in placemaking as using a people-centred approach to the planning, design and management of our homes and public spaces. We have invested in areas where people want to live, providing much-needed new homes that have helped some families to remain in their community, which otherwise would have been impossible for them.

#### case study: young family gets 'piece of countryside'

We provided 20 affordable homes in Wolsingham, a village in rural County Durham. As the existing landlord presence in the community, with several community investment projects, we were clear that much-needed new homes delivery was part of our vision for the future. We delivered these homes as part of our 2023/24 development programme, creating homes that were both affordable and high quality while also being sympathetic to the heritage of the village. 11 of our homes were rent to buy, allowing customers to pay below market rent for five years with a view to saving up to purchase the property. This offers those who cannot access the market through traditional means an opportunity to get a foot on the housing ladder. One of our homes was handed over to a local father who, without our development, would have been unable to stay in the village where he grew up and very much wanted to raise his family.





"A small development like this, of 20 homes with a sympathetic design, supports the community not only during construction but for years to come." Rebecca Marshall, Development Delivery Manager



#### **Climate change**













The continued commitment to improving our homes has never been more relevant given the challenges faced by our customers and our business. This is echoed by a commitment from the current government to achieve a minimum EPC C by 2030. The quality of the homes we provide has always been important and, as we continue to deliver significant improvement programmes, we start from a point of considering our customers and how we futureproof their homes. Our current EPC ratings are displayed with a comparison to the previous financial year:

#### **Existing stock**

EPC rating	Percentage of homes				
	2021/22	2022/23	2023/24		
A	0.02%	0.19%	0.23%		
В	3.49%	4.24%	5.6%		
С	35.50%	48.7%	50.54%		
D	60.99%	46.4%	42.645		
E or less	-	-	0.98%		
No EPC	-	-	0.01%		

#### **New stock**

EPC rating	Percentage of homes
Α	15.2%
В	81.5%
С	3.3%
D	-
E or less	-

<sup>\*</sup> The average SAP rating for our new build properties is 85.5024





We are committed to protecting our planet, as demonstrated in our ambitious green plan and Net Zero Strategy, which commit us to a 7.5% reduction in emissions annually. We are currently working on a cost transition plan, but do not have one at present.

As part of being an ambitious business when it comes to our environmental impact, we are measuring scope 1, 2 and 3 emissions. We do not currently report on the emissions associated with our homes. Although this is a challenging metric, we feel it is the right thing to do. This metric continues to be reported as part of our corporate performance to give oversight to our Executive Management Team and our Board, all of whom are driving our environmental ambitions as a business. We have also published our emissions on our website to be transparent with our customers on how we are performing. We feel this is important and necessary as part of our role in raising awareness of the climate change agenda.

#### The table below shows our carbon emissions for 2023/24:

Scope 1: tonnes CO2 equivalent (tco2e)	727.58
Scope 2: tonnes CO2 equivalent (tco2e)	0
Scope 3: tonnes CO2 equivalent (tco2e)	17,665.24
Scope 1, 2 and 3: total tonnes CO2 equivalent (tco2e)	18,392.82

#### **Ecology**



We have worked closely with the be:ONE partnership – our four largest contractors – to help them report their carbon footprint. This has helped us improve accuracy as we can report on our actual share of their footprint rather than the amount of money we have spent with them. Our Scope 3 emissions make up 96% of our total footprint and are mostly counted through expenditure. This is something we will focus on in the coming year. We will help contractors and their supply chain report on their footprint, so we don't need to report on expenditure. We have started to look at the way we forecast how climate change may impact on our homes in the future. This includes potential requirements for cooling homes during hot weather and data layers for GIS, which will help predict homes that may be at risk of flooding or storm damage during extreme weather events. We have a draft biodiversity plan, which is currently under review and due to be completed within the next 12 months. We don't own any significant green space, but we feel that there is more that we could do to link our land with other natural areas. There is also lots we can do to improve biodiversity on the land we own and manage, including supporting customers to improve biodiversity in their gardens. We offer bird or bat boxes to customers whenever we need to erect scaffolding and now add hedgehog highways to our fencing programme.

We have several policies that help us manage individual pollutants, such as our damp and mould policy. We have also adopted approaches to service delivery that ensure our operating procedures align to our aim to reduce pollutants. An example of this is the removal of lead piping at void stage.





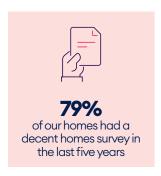


#### **Building safety and quality**









As a business, our customers' safety is something we take very seriously. As we continue to navigate enhanced regulatory requirements, we remain focused on the customer experience. The table below shows our compliance with safety-related metrics:

% of homes with a gas appliance have an in-date, accredited gas safety check	99.97%
% of buildings that have an in-date and compliant fire risk assessment	100%
% of homes that meet the national housing quality standard	100%
% of required asbestos surveys carried out	100%
% of required water safety checks carried out	100%
% of required lift safety checks carried out	100%

We continue to review our approach in response to the Housing Ombudsman and the Regulator of Social Housing putting a greater emphasis on customer feedback shaping the services we deliver. The safety of our homes is no exception. In particular, our management of asbestos in our homes has been an area of learning over the past 12 months. We have listened to the feedback from our customers and made changes to our processes. This has included providing more information before work is carried out to create a greater sense of assurance and creating bespoke learning materials for our colleagues to give them the confidence to support our customers. While compliance with regulations is still paramount, we recognise, for our customers, compliance is only one part of creating a home that feels safe and well-maintained.

#### Resource management









As part of our procurement process, all contracts undergo full PESTLE analysis, which considers the impact on the environment in terms of sustainability, waste, recycling, disposal, carbon footprint, and emission reduction. We have a strong contract management framework, performance managing each contract and assessing regularly whether the contractor is meeting the agreed delivery against 11 different elements of the framework. This allows us to make proactive decisions on what we are delivering for our customers.



## be a sound, secure and sustainable business

#### Structure and governance





We are a not-for-profit regulated provider of social housing currently rated as V2/G1 by the regulator of social housing and we have adopted the NHF Code of Governance 2020, ensuring our governance structure remains fit for purpose. Our approach to governance is reflected in our values of 'do the right thing: for our colleagues, for our customers, for our business' and ensures we have the right level of oversight to give assurance to Board, committees and our Executive Management Team.

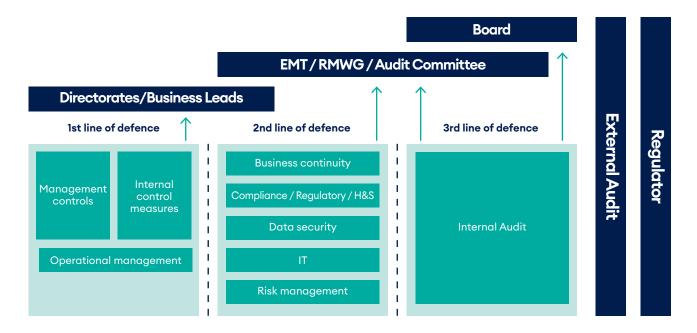
Our approach to risk is managed using a well-established risk management framework, using the four key pillars outlined in the framework below:

#### Risk management framework

Framework and Identification and **Monitoring and Embedding and** reporting culture governance assessment Conduct and Definition/ Risk and control Key and classification self-assessment emerging risks ethics Risk appetite Risk events Committee Change/project risk Quality assessment assurance Roles and New product External events and responsibilities approval scenario



We operate a 'three lines of defence' model. First line are the directors and managers with direct responsibility for the daily management and control of risk. Second line includes our Executive Management Team (EMT), Risk Management Working Group (RMWG), Audit Committee and specialist colleagues who oversee the effectiveness and integrity of the risk management framework. Third line includes Board, Audit Committee, RMWG and Internal Audit who provide independent assurance and challenge.



We utilise quarterly RMWG meetings to review our risk register and highlight any new or emerging risks. A quarterly risk report is produced informed by these discussions, which feeds into our Audit Committee and Board. This group also focuses on where potential risk, including ESG risks, may present opportunities and utilise a radar diagram to visualise our position as a business. This helps to focus our approach as a business so we can proactively take opportunities as they arise. Our Board is regularly updated on both risks and opportunities and sets the risk appetite of our organisation based on the detailed risk analysis provided. Our current external audit partners have currently been in place for **four** years.





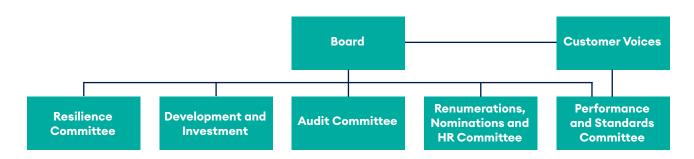
#### **Board and trustees**

We have actively worked to create a diverse Board that reflects the society we live in. We are committed to our Board continuing to be diverse not only in make-up but in thought. This is highlighted in our approach to recruitment and the new appointments made to the Board. Our current Board make-up includes the following:





	believe	Residents
% of Board that are women	41.66%	51.4%
% of Board that are BAME	0%	3.2%
% of Board that have a disability	8.33%	10.4%
% Board that are residents	8.33%	
% of Board that are LGBTQ+	0.0%	2.8%
Average age of Board members (years)	58.16	43
Average Board tenure (years)	3.05	



There has been a **33%** turnover in at both Board level and in our Executive Management Team in the past two years. Following the adoption of the new 2020 Code of Governance, there was a change in tenure from **nine** to **six years**. We have a selection of Board members that will serve up to a nine-year term where this is in the best interests of the organisation, with the remainder who will serve **six years** unless the Board approves a longer term. Our Board membership is made up of **83%** non-executive directors and four of our Board members sit on our Audit Committee, all of whom have financial experience and expertise.

Renewal and succession policy documents aim to deliver a Board that includes people from diverse backgrounds and with diverse attributes to provide healthy debate and challenge from a range of perspectives. Customer Voices (tenant majority membership) ensure that the organisation's core values are intrinsic to everything we do and we hear the true voice of the customer, gaining insight to drive the business forward. This assists in fulfilling the co-regulatory framework in engaging with tenants as key stakeholders. The standard reporting template used for Board and committee papers includes a specific customer voice/impact section, which must be completed for each report presented to Board and/or Committee. This asks what customer insight in terms of views, needs, concerns, and complaints has been used to inform the report or policy and any recommendations.

Conflicts of interest are declared annually in a general declaration and at the earliest opportunity, should a specific situation or conflict arise. The publicly available register of interests is reported to the Board annually. Beyond this, interests are declared at the relevant meeting and form a standard agenda item at all Board and committee meetings, recorded in the minutes.

Our Chief Executive role and the Chair of the Board are two separate roles held by two different individuals. Our Chief Executive was recruited into post in the past 12 months and a new Chair of our Board will be in place in the next six months. We also have a Senior Independent Director (SID) who deals with potential conflict or issues within the Board and is there for Board members to raise any concerns with.



## Supply chain management







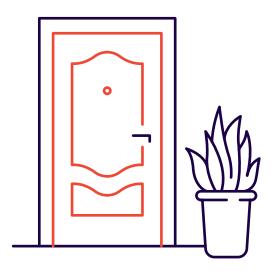


Social value is considered and included in all believe housing's procurement activities, with a minimum weighting of 10% of the total evaluation score. At the present time it is difficult to provide a value against the social value delivered through the supply chain for the previous 12 months. The introduction of the Social Value Administrator within the team means that we will be able to provide this figure for the next annual report. We can advise that 73% of our awarded contracts contained a provision for Themes, Outcomes and Measures (TOMs)-defined social value activity within the period. This allows measurement of social value to be informed by a specific community or set of stakeholders.

The social value elements that are used within procurement activities are that of the TOMs measures. We are part of the County Durham Pound project where specific TOMs have been developed for the county. These include several environmental measures, including the CO2 reduction and hard-to-recycle waste diverted from landfill and incineration. There are other environmental measures also included.

Supply chain risks are continually monitored throughout the contract lifecycle. Risks are identified at the procurement planning stage and are included within contract management meetings post-contract award. Sustainability performance is included within the specification and requirements of the tender documents, where applicable for environmental elements. This is monitored, where relevant, in contract management meetings as part of the standard agenda.

We do not currently have a waste management strategy or metrics to measure our performance in this area. However, we have an asset and place management strategy, which we will be reviewing as part of aligning our business to being more sustainable.





# create an employee offer that attracts the best people





#### **Staff wellbeing**







Our believe in people strategy is designed to underpin everything we are striving for as a business, ensuring our colleagues are cared for and healthy, people managers are equipped, and we have the skills, capability and resources in the right places when we need them. It also recognises the need to care about the basics with a strand that focuses on the health and wellbeing of our colleagues while reducing business risk. We have completed work to prepare for the professionalisation of the sector, including working with other regional providers to maximise impact. The introduction of our new behaviours is a solid foundation upon which we can add the core skills required to work here, the development to fulfil capability needs and create career pathways for those that desire them.

This year we have achieved our goal of being **3 Star** in our annual best companies survey. This reflects the hard work we have done in the past 12 months to listen to our colleagues. In 2023/24 we had an **86.5%** response rate to our survey, which equates to **539 out of 623** employees, showing a high level of engagement. We made improvements across all eight engagement factors compared to last year, standouts being a **7%** increase relating to 'fair deal', and a **4%** increase in 'leadership', 'my company' and 'wellbeing'.

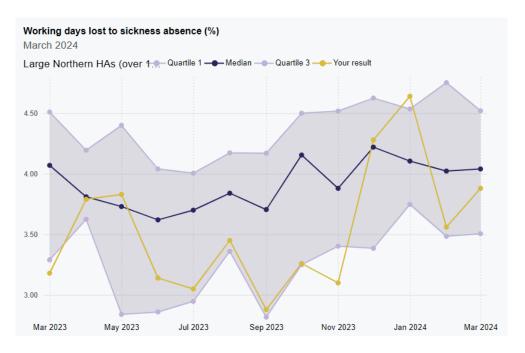


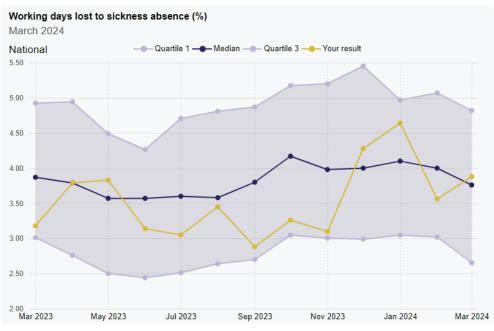


"Wellbeing is also seen as a positive by some employees who say that there is a 'high level of consideration' for it in the workplace. believe housing care about 'mental health and general wellbeing' of its employees as one individual goes on to describe that they have 'never worked for an organisation that takes wellbeing so seriously'. The flexible culture allows for 'a good work life balance' with a 'good support network' in place." best companies

In preparation for the competency and conduct standard in the sector, we have undertaken exercises in understanding what professionalisation of the sector will mean for the business. As part of this we have identified those who currently hold professional qualifications and those who will be in scope for the new standard, alongside this we are currently supporting the business to understand what leadership skills and development we need to deliver positive change for our customers.

As a business, we reported the average number of sick days per employee for 2023/24 to be 8.66 days; a decrease from 9.42 days in 2022/23. The graphs below show our performance regionally and nationally:





<sup>&</sup>lt;sup>5</sup>Housemark pulse report

<sup>&</sup>lt;sup>6</sup>Housemark pulse



We partner with two external, independent employee assistance providers to provide support to employees in matters such as counselling, legal advice, bereavement assistance and general health and wellbeing advice such as family and financial problems.

Any employee cases of domestic abuse that come to the attention of the organisation will receive support on an individual basis. This may include an occupational health referral and signposting to services such as the employee assistance programme and other external organisations who can provide support. Our Domestic Abuse Policy has been highlighted as best practice in the sector and highlights our commitment to addressing domestic abuse as a wider issue. The emphasis we have placed on domestic abuse as an issue has supported our compliance with the revised consumer standards, which reflect a national focus on addressing domestic abuse through legislative means.

We pay the real living wage and in the previous financial year, we carried out detailed rebasing of salaries to reflect the feedback from our colleagues in our annual culture survey. This work has not only allowed us to make a positive impact to our colleagues but keep pace with the external market. This has created a sense of stability and sustainability for our business.

The important role of women in our business continues to be reflected in the reduction in our gender pay gap in the recruitment of women into senior roles in both our Executive Management Team and our Board. Our gender pay gap information is displayed below:

Gender pay gap	
% gap (mean)	2.0%
% gap (median)	8.1%
CEO to worker pay ratio	
5:2	

### the future of our ESG

Our ESG report will continue to evolve as we continue to improve as a business, creating a narrative reflective of our ambitions and visions for the future.

With the sector facing increasing challenges and a need to demonstrate data led decision-making, we see this report as an opportunity to celebrate our achievements, highlight our areas of improvement and be transparent with our customers on where we need to improve. The need to provide healthy homes in sustainable communities has never been greater. We are proud of our role in delivering this for residents of north-east England.



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