

ESG Report

Environmental,
Social &
Governance
2023 - 2024





Introduction from the Chief Executive

Our legacy since 1925 has always been to deliver affordable homes, and we remain committed to this 100 years on. However, in recent years our operating environment has presented us with challenges that have impacted the way we work and changed the strategic direction of our organisation. Making sure our tenants are at the heart of our operational strategy has never been more important.

New consumer regulations and satisfaction measures that evaluate our tenants' perception of us reaffirm that every interaction we have with our tenants counts, and every decision we make must have our tenants at the heart of it. In the last year we have worked closely with our tenants to help shape our strategic priorities with over 1,500 tenants providing feedback. The key things they have asked us to focus on are the quality of our repairs service, and the safety and security of their neighbourhoods.

With this in mind, we've launched a tenant smartphone app, to give tenants greater control over the reporting of their repairs, and give them easier access to our services, 24 hours, 7 days a week. We have also invested heavily in improving our tenants' neighbourhoods, identifying 150 schemes where we could make improvements to the safety of their communal areas.

Housing associations like us have a responsibility to shape and develop our communities, and ensure our homes are equipped for modern living. With the largest percentage of pre-First World War homes of any housing association in the country, we are presented with a unique challenge of making these homes fit for the future. We are therefore piloting a sector-leading modernisation programme that will see us take a whole house, fabric first and tenant-centred approach to improving the comfort and energy efficiency of these homes.

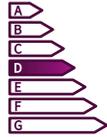
We will also continue to build the homes our region so desperately needs. This year we've delivered 670 new energy-efficient homes, putting us firmly on track to fulfil our pledge of building/ acquiring 4,000 homes by the end of our corporate plan.

Achieving this is only possible with a dedicated team, and we work hard to ensure our colleagues are able to thrive and succeed irrespective of background, and empowered to deliver the right outcomes for the people who live in our homes. I'm proud that at the first time of trying, we featured in this year's Sunday Times Best Places to Work list, for our commitment to being a great place to work.

2024 marks the 100-year anniversary of Midland Heart's creation, and our growth from a home improvement society with 200 homes, to a leading and reputable housing association with over 35,000 homes across the Midlands. We approach this milestone from a position of strength, having made significant and lasting improvements on our three main objectives; becoming a first-class landlord whose services are responsive and accessible, building as many new affordable homes as we can, and becoming a leading employer in the Midlands.

Glenn Harris
Chief Executive

Our Core Performance



99% of our homes are now EPC D or above



77% of our homes are now EPC C or above



99% homes with registered EPCs



Lowest ever mean gender pay gap at 17.10%



21% reduction in tonnes CO₂ emissions from 2019-20, within a WB2C pathway to 2050



36% tenants actively engaged on energy efficiency



3,866 EPC assessments completed



89% Overall tenant satisfaction



SHIFT Environment Gold award achieved



161 completed homes upgraded to EPC C or above through SHDF Wave 1



670 new affordable homes handed over to tenants and customers



G1 V1 status and Moody's A1 rating maintained



Maximised customer income by £2.6m through our Money Advice Team



100% Tenancy sustainment from over **1,400 referrals** to the Money Advice Team



£5.8m neighbourhood investment over 5 years through the Intervention Programme



An indicative **social value** of **c.£12 million** for the 5-year Intervention Programme using UKSVB and HACT social value welling methodology



Joe Reeves

Executive Director of Finance & Growth at Midl.



Our Strategy

Strategy

We are proud to be a leading housing association in the Midlands, that owns and manages c.35,000 homes for c.75,000 tenants. We operate across 50 local authorities, and in some of the most challenging, deprived urban neighbourhoods with some of the most diverse communities in England. We believe it is our core social purpose to provide safe and quality homes for our tenants and create balanced and sustainable communities where they choose to live and stay.

Our 2025 corporate plan, Making What Matters Brilliant, puts our tenants and homes at the centre of everything we do. It aligns elements of organisational strategy and made low carbon a key priority.

Under our corporate plan we set out fuel poverty elimination, energy efficiency and net zero focused corporate targets of:

- EPC D or above on all our properties by 2025
- EPC C or above on all our properties by 2030
- Net zero carbon emissions by 2050 in the homes we rent, the homes we build and the way we work

Our **Carbon Reduction Plan** sets out a holistic approach to reduce our carbon emissions and build resilience against climate change in the homes we rent, the homes we build and the way we work.



Exec Sponsors



The Homes We Rent

Sayeed Haris – Executive Director of Property Services

Making sure our tenants and their homes have dedicated senior oversight is more critical now than ever before; and this has led to the creation of our dedicated Tenancy and Property Directorates. Our new Property Services Directorate is

responsible for ensuring we continue to deliver a first-class repairs and maintenance service which is responsive to tenants' needs and improve the energy efficiency and thermal comfort of our homes for rent.

As a housing provider with one of the largest proportion of pre-World War One homes of any housing association in the country, it is vital that the investments we make are impactful and support us to make our tenants' homes fit for the next hundred years. This year will see us launch our ambitious modernisation pilot, an exciting programme of works which will see our oldest properties transformed into energy efficient, affordable homes that are warm and comfortable to live in, and cheaper to run.

This pilot will complement our existing retrofit strategy, where we are incrementally moving our properties closer to net zero, through a variety of measures including solar, roof insulation and triple glazing. In doing so, we are confident that we can achieve our corporate targets of EPC D in all of our homes by 2025, and EPC C by 2030.



The Homes We Rent

David Taylor – Executive Director of Tenancy Services

The introduction of new consumer regulations has meant that tenant satisfaction in our services has never been more important. While we have always had our tenants at the heart of what we do, we need to be even more focused on

our service delivery and making sure this is responsive to their wants and needs.

In the last year, we have taken significant steps forward to address the issues that matter most to our tenants, including rolling out a new feature on our tenant app which gives our tenants the ability to book their own repair appointments, giving them greater control and oversight of their repairs.

Our CCTV upgrade project has vastly improved the safety of our communities, enabling us to respond in real time to deter and detect crime. The safety of our tenants is important to us, and this live, monitored surveillance has been pivotal in reducing fly-tipping and anti-social behaviour in the communities where we operate. This is in addition to the ongoing intervention programme that has seen dramatic improvements made to the safety and quality of the communities surrounding 150 of our schemes.



The Homes We Build

Joe Reeves – Executive Director of Finance & Growth

Against a backdrop of political uncertainty and change, there remains a continued focus on the shortfall of decent, affordable homes, and the need to find solutions to unlock additional supply.

We are entirely focused on playing our part to address this shortage and continue to work with our developer partners to deliver decent and affordable homes across the Midlands. This year will see us handover our 3000th home since the start of our corporate plan, Making What Matters Brilliant, where we made a commitment to build and/or acquire 4,000 affordable homes by 2025.

Building homes for affordable rent is only one side of the coin; these homes must also be affordable to heat and cheap to run. In a recent published report, written in collaboration with Birmingham City University, we reviewed the impact of the energy saving technology used at our pioneering Project 80 development, and the 12-month impact and thermal comfort of residents living in these homes. The learnings from this report will inform our approaches to constructing low-carbon, affordable homes.



The Way We Work

Baljinder Kang – Executive Director of Corporate Resources

Being a great place to work is central to our corporate priorities. Despite a candidate-driven labour market, a cap on social housing rent, changing expectations of different generations of colleagues and increased tenant expectations, we have

continued to recruit and retain talented people, committed to delivering exceptional services.

As we continue to invest in and grow our people, it is important that our workspaces are fit for purpose and encourage teams to work together to deliver the best outcomes for our tenants. Earlier this year, we celebrated the opening of our new West Midlands Hub; a fresh and inspiring working environment, home to our In-House Maintenance Team and colleagues from across our Tenancy Services and Rangers departments, making collaboration easier for our tenant-facing teams.

We've also invested in new technology to allow us to achieve a more streamlined form of communication between both our tenants and our colleagues. A great example of this is our Telephony project, which saw us upgrade our telephony system to digital solutions which allow for easier communication and collaboration between teams.

We're extremely proud to have featured in this year's Sunday Times Best Places to Work list, in recognition of our ongoing commitment to the development of our colleagues and creating a rewarding environment where they feel supported and empowered to succeed.

More than anything, we know that delivering our mission is only possible with an engaged team. We continue to challenge ourselves every day to ensure we are able to reward the hard work of our people with a great place to work.

Governance

Governance is at the heart of our approach to Environmental, Social and Governance (ESG).

We are committed to the principles of good corporate governance and achieving high standards of business integrity, ethics and professionalism in everything we do.

To drive low carbon, our commitment to ESG and how that interacts with our tenants, we formed our ESG Committee to provide the governance required to achieve our commitment.

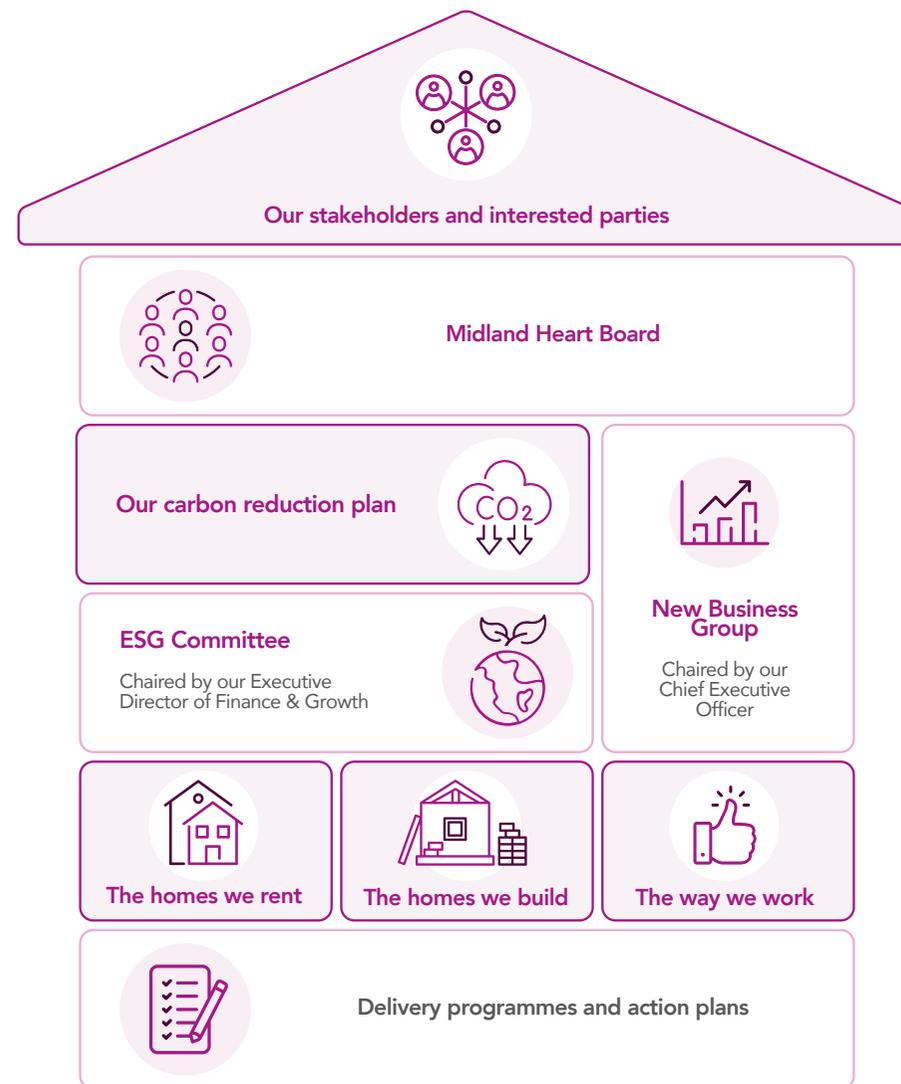
The ESG Committee steers ESG and our target to reach net zero in the homes we rent, the homes we build, and the way we work, by 2050. The ESG Committee is chaired by our Executive Director of Finance & Growth, and convening frequently, it hosts strategic senior leaders, providing a platform to generate ideas, evaluate performance and define strategy, focused on our progress towards key corporate targets; EPC D by 2025, EPC C by 2030, and net zero by 2050.

The New Business Group, chaired by our Chief Executive, is accountable for the selection and evaluation of key net zero and sustainability related projects using guidelines approved by the ESG Committee.

This year we updated our governance framework to accommodate our Sustainable Finance Framework. The framework will act as a mechanism to allow our financial instruments to be recognised and formally linked to ESG.

We ensure our tenants' voices are heard throughout our governance arrangements, including at our Board and its Committees. Quarterly Board tenant insight reports inform on the ways we have engaged and used tenants' views and include regular reporting on the outcomes of tenant scrutiny activity through our Operations Committee.

Our Board are working closely with our Involved Tenants through the tenant voice framework to shape our next Corporate Plan which will launch in 2025.



Our ESG Report is published annually. We are a voluntary adopter and supporter of the Sustainability Reporting Standard for Social Housing (SRSSH) to support consistent, reliable, and quality sector reporting. SRSSH enhances ESG reporting, net zero pathway reporting, the embedding of United Nations Sustainable Development Goals (SDGs) and aligns us with elements of Task Force on Climate-Related Financial Disclosures (TCFD).

Financing ESG and our transition to net zero

We have closely linked how we may finance ESG through our Sustainable Finance Framework. The framework will act as a mechanism to allow our financial instruments to be recognised and formally linked to ESG.

To comply with market standards, the framework follows best practice recognised by internationally constructed voluntary principles published by the International Capital Markets Association (ICMA) and the Loan Market Association (LMA).

We are committed to seeking ways to improve the transparency of ESG strategy and reporting and will update our framework as our understanding and the broader market evolves.

We appointed DNV Business Assurance Services UK Limited (“DNV”) to provide a second audit opinion on our Sustainable Finance Framework and its alignment with the relevant ICMA and LMA Principles. We also received assurance on our methodologies for calculating use of proceeds in our impact reports.

“We are delighted to link our Corporate Plan targets to our Sustainable Finance Framework to help build on our sustainability agenda for the benefits of our tenants and the communities in which we serve.”

John Drozd, Director of Corporate Finance



Climate-related risk management

Our Risk Management Policy defines our framework for identifying and managing strategic and operational risks. The Board, along with the Audit and Risk Committee, oversee our strategic risks quarterly and this includes reviewing our transitional risk around decarbonisation and emerging risks such as increasing severe weather events and key policy change.

Risk category	Risk area	Mitigation measures
Strategic (current and emerging)	<ul style="list-style-type: none"> • Transitional risk around decarbonisation • Upcoming key policy change (current and emerging) • Increasing severe weather events (emerging) 	<ul style="list-style-type: none"> • Low carbon as a key priority in the Corporate Plan • ESG Committee governance and reporting to Board • £72m in the Business Plan for EPC C in all our homes by 2030 • Professional resource for managing climate related issues (e.g. retrofit team, building safety and sustainability resource, etc.)
Operational (current)	<ul style="list-style-type: none"> • Severe weather events (e.g. pluvial (surface water) and fluvial (rivers and seas) flooding and overheating) • Supply chain 	<ul style="list-style-type: none"> • Tested Emergency Response Framework • Up to date and utilised Asset Management system • Partnerships with experienced contractors • Flexible frameworks for supplier procurement

Physical climate change risk from pluvial and fluvial flooding and overheating is regularly assessed. The assessment uses combined Geographic Information Systems (GIS) modelling with Environment Agency Flood Risk Maps and the SHIFT, our environmental consultant, methodology for integrating physical climate risk factors.

This year we recorded that 4% of our properties are at medium to high risk of pluvial flooding, 2% are at medium to high risk of fluvial flooding and 12%* are at medium to high risk of overheating.

At risk properties are incorporated into our risk management decisions, along with any significant impacts and mitigations through the operational risk management framework.

Actions to mitigate climate change risk in our properties and neighbourhoods include:

- Listening to our tenants' comfort levels through specialist engagement and tenant satisfaction measures (TSMs)
- Installing heating and cooling controls and ventilation systems to increase air flow and reduce the build-up of heat
- Updating specifications for kitchens and bathrooms to ensure that water use devices going into our homes are efficient, reducing water use and tenant bills
- Installing, where required, Sustainable Urban Drainage (SUDs) to manage surface water in our new build schemes
- Delivering a quality, accessible and nature friendly green space pilot in our existing estates to trial the introduction of biodiverse habitats and encouraging tenant engagement with their communal spaces
- Supporting nature based urban cooling, and;
- Designing Biodiversity Net Gain (BNG) into our new build schemes with the aim of maximising on-site measures where viable. Our BNG policy will be visible in our new build strategy to 2030.

*Only for homes with Decent Homes requirements under the SHIFT assessment methodology



Regenerating some of our regions most deprived areas through strategic partnerships

Through our £1m pilot to create homes fit for modern living, we will be working with our delivery partner, Equans, to establish plans to manage environmental and social issues associated with a major urban regeneration project.

The pilot will be a blueprint for upgrading the one third of our homes that are more than 100 years old. The outcome of tenant focused, and climate-related considerations will mean that:

- Positive tenant and social outcomes will be targeted that support wellbeing and affordability and wider localised social value
- Smart technologies like the use of sensors and automation will be delivered to modernise how our tenants live in and interact with our homes
- Operational delivery will be optimised through a neighbourhood approach, increasing the efficiency of material transportation and site services
- Waste and material purchasing will be tracked and evaluated to ensure Duty of Care compliance and application of the waste hierarchy

One year into our Sustainable Procurement Framework

The Sustainable Procurement Framework (SPF) embeds our strategic commitments to environmental and social sustainability in all key tenders and contract management. The SPF is designed to increase the transparency of supplier sustainability performance data and risk management, enhance our ESG reporting, promote opportunities for collaboration and help deliver value for money.

Under the framework we are putting key focus on material and waste reduction and management through our directly procured waste services and principal contractors.

We are incorporating waste KPIs into our key service contracts. Our Contract Managers can use the KPIs to manage contractor waste activities, apply Duty of Care and record environmental performance. This year we achieved a landfill diversion rate of 90% across our directly procured waste services.

This will form part of our waste management framework that is being built to deliver good practice waste management across the operational scope.

Changing procurement to build-in tenant voice

Feedback from our tenants told us how we could increase the impact tenants have when we undertake procurement exercises.

We have changed our processes to include better evidence of how tenants have influenced the specification we are tendering for. This includes sharing information about our tenders with our tenant group to obtain their assurance that we have listened to what is important to them: shaping our specification.



Social Housing Decarbonisation Fund – Wave 1

The Social Housing Decarbonisation Fund provides vital support to social housing landlords as we make strides to improve the energy efficiency of our homes and move our properties closer to net zero.

In 2022, we obtained c£2.2 million from the SHDF Wave 1 from our West Midlands Combined Authority (WMCA) bid. This funding was matched by Midland Heart and used to supplement our Retrofit Strategy.

Working in partnership with contractors Lovell and Wates, we have successfully completed retrofit works in 161 of our properties, including a mixture of fabric measures, solar panels and uniquely framed triple glazing, an industry and domestic housing first. As a result, we have seen a significant EPC uplift in these properties, with homes moving from bands E-D to C-B, years ahead of our organisational target.

We also anticipate this technology will have a positive impact on the thermal comfort of our tenants and will reduce their energy bills now and in the long term.

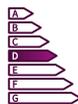
One of our participating tenants said:

“They totally reinsulated it and put the plaster boards and plaster on, they did it all lovely. They were very quick and got on with it. Electric bill has gone down and the windows are brilliant and keep the room warm without the draught coming in.”





Carbon Reduction Plan performance headlines

 <p>99% of our homes are now EPC D or above</p>	 <p>77% of our homes are now EPC C or above</p>	 <p>99% 99% actual registered EPCs</p>
 <p>SHIFT 'GOLD' award</p>	 <p>36% tenants actively engaged on energy efficiency</p>	 <p>670 new energy efficient homes built</p>
 <p>100% REGO electricity certified offices</p>	 <p>21% reduction in tonnes CO₂ emissions since 2019-20</p>	 <p>6,352 tonnes CO₂ emissions reduction by moving from EPC E, F & G to EPC D or above since 2021</p>
 <p>Rolled out new climate change e-learning for colleagues</p>	 <p>The arrival of our first fleet electric vehicle</p>	 <p>Completed energy efficiency upgrades to 161 homes through SHDF Wave 1</p>
 <p>£5.8 million investment evidenced through successfully uplifting homes to EPC C</p>	 <p>565 smart meters introduced in our communal power estate</p>	 <p>Two nationally recognised and awarded innovative pilots delivered and analysed</p>

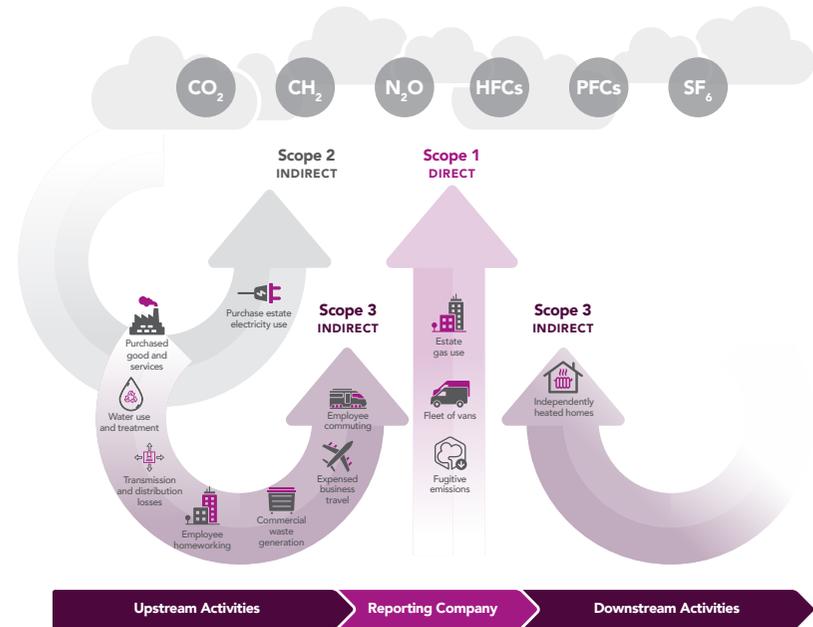
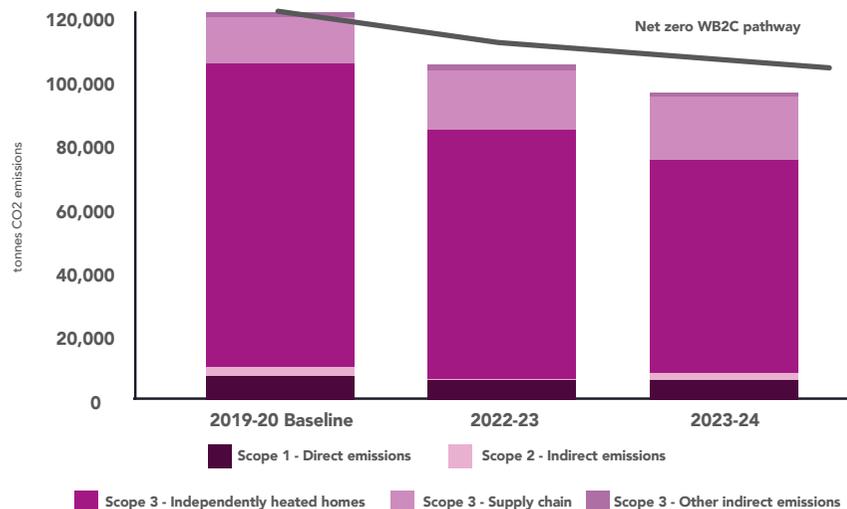
Tracking our journey to net zero

We have reduced our overall carbon emissions by 8,752 tonnes CO₂ emissions (tCO₂e) from last year and 25,520 since the 2019-20 baseline. This puts us within a Well-Below 2°C (WB2C) pathway to 2050 in alignment with our scenario analysis modelling and forecasts. A significant increase in the energy efficiency of the homes we rent to an average EPC SAP of 73 (2.76 tCO₂e/home) and the decarbonisation of the electricity grid has made a c.29,000 tCO₂e contribution to our emissions reduction. We anticipate a reduction to continue as we work towards our EPC C or above target by 2030.

From last year our Scope 1 fleet fuel use increased by 85 tCO₂e. A study commissioned by our ESG Committee found that fleet fuel use correlated with the number of jobs and mileage and more effective management of service delivery meant fleet efficiency had improved since 2021.

Our Scope 2 market-based electricity use increased by 1,899 tCO₂e. In October 2023, our energy contracts ended. We took the decision not to renew our Renewable Energy Guarantees of Origin (REGO) backed electricity to stop an increased uplift on our service charges to tenants for communal power. However, we are still committed to REGO backed electricity and investment in renewable electricity at our three core offices. We will also be installing solar PV in our core offices in 2024-25.

Pathway to net zero



Carbon emissions reporting methodology

Greenhouse gas (GHG) emissions are calculated in line with the GHG Protocol methodology. These are disclosed annually and include Scopes 1, 2 and 3 and a relevant intensity metric to the sector. Scope 3 emissions are industry relevant, including independently heated homes. A historical period and baseline are used in reporting and to evidence trend analysis. The chosen intensity ratio is the total tonnes CO₂ emissions (market based) per home, providing effective benchmarking of our performance within the social housing sector.

Scope 3 emissions have been reported for the assessed scope 3 categories and activities using the GHG Protocol: Technical Guidance for Calculating Scope 3 Emissions. For the purposes of SECR we have included Category 6: Business travel, omitting other associated categories.

We have continued our work with SHIFT, a leading consultant to social housing, to provide assurance of our methodologies and data. We regularly review our energy GHG Protocol Accounting and Reporting Principles. We use the 2023 Defra conversion factors to calculate associated tonnes CO₂e equivalents. Reporting has been aligned with the UK Government's Environmental Reporting Guidelines.

Targeting energy efficiency and thermal comfort in our homes

- Fully costed Retrofit Strategy to 2030 modelled on actual registered EPCs
- Pre-empted RdSAP10 updates to mitigate or maximise impact
- Enhanced intrusive EPC assessments to identify insulation values
- Targeting measures in homes based on fuel poverty risk
- Changing the energy advice with give to tenants support them through periods of high energy bills

Since our Board commissioned EPC targets in 2021, we have achieved a significant increase in the energy efficiency of our homes.

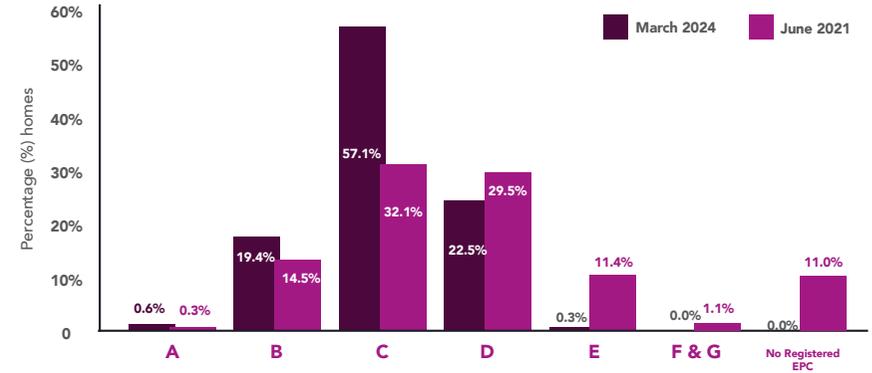
Our tenants have told us that energy efficiency is a priority for them. 45% of tenants in our annual rent consultation were most concerned about paying their utility bills.

To deliver our corporate energy efficiency, and thermal comfort target to 2030, we have built a fully costed Retrofit Strategy into our business plan. This has been projected to cost us £72m.

The Strategy has been developed through a smart combination of intelligent modelling, asset management strategy, archetypal datasets, and data from registered EPCs (representing 99% of our homes). We have listened to our tenants. We have also learned from the delivery of Social Housing Decarbonisation Fund (SHDF) Wave 1 and our new build Project 80 Future Home Standard (FHS) pilot.

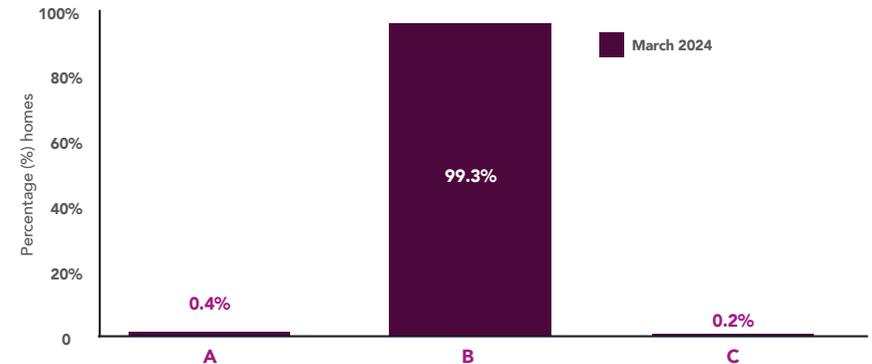
Since 2021, achieving 99.7% EPC D all our homes ahead of 2025 has equated to around a 6,352 tonnes CO₂e saving. We have forecast that achieving 100% EPC C by 2030 will deliver a further 6,500 tonnes CO₂e saving.

The homes we rent



We have evidenced £5.8 million investment uplifting 410 homes to EPC C or above by at least EPC one band from EPC D or below. By the end of March 2024 there were only 77 remaining EPC Es and 9 properties without a registered EPC.

EPC bands of the homes we build



Of our 670 new homes handed over this year, we have an EPC responsibility for 461. Their cumulative EPC bandings are shown here.



Project 80, building to the Future Homes Standard – a Birmingham City University and Midland Heart evaluation

Following completion of both Project 80 sites in Handsworth and Edgbaston respectively, Midland Heart has been working with Birmingham City University (BCU) to evaluate the project. In July 2023, BCU published an initial research report looking at not only the technical performance of these homes, but what they are like to live in.

These homes deploy a range of technologies to reduce their carbon footprint, so it was heartening that the researchers found that the homes surpass the required targets by some margin. It shows we can build net zero homes using traditional materials and techniques, without the need for pre-fabrication of off-site construction.

We found the main challenge of building these homes is changing tenants' behaviours to make the most of the technology. Some tenants still used the heating systems as they would a traditional boiler, boosting heating when they needed it rather than maintaining a constant temperature, as the equipment is designed to. This is despite the provision of significant training and information on the equipment being provided. It shows the human side of the changes that is more significant than the technical challenge of meeting the standard.

"It is an eco-friendly house, and we hope it will bring down our energy cost and for health reasons as well. Also, it has new technology, including PV panels and electric car charging. We also like the area."

-A tenant from Eco Drive, Handsworth



Our award-winning Demand Side Response (DSR) smart storage heater pilot

Fast-tracking net zero action has the potential to solve the immediate pressing issues of security of supply and higher energy costs, part of the UK energy trilemma. As more electric load from renewables comes online, flexibility and storage will be required through a demand-side response (DSR) system.

In partnership with British Gas and Glen Dimplex, we have upgraded or installed around 600 smart DSR ready storage heaters in our retirement living schemes, amounting to over a 1MW load. This is the first trial DSR of this size in a domestic environment.

Our tenants were interested to learn about the innovative technology and how they could support in a trial of national importance. Without their understanding and support, we could not have contributed to such an important pilot.

The legacy of this pilot will be our collaborative commitment to trialling a technology critical to UK energy policy and the transition to net zero. Off the back of the pilot British Gas and Glen Dimplex have produced a new flexible DSR based electricity tariff.

"Alongside our partners, we're immensely proud to have been recognised for this pioneering collaborative project. Working with contractors, including British Gas, means we can test the latest, smartest technology on our decarbonisation journey whilst maintaining the comfort and affordability of our homes."

Jonny Mobbs, Head of Sustainability



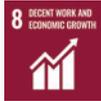
Winner at the Edie Net Zero Awards 2023 Smart Systems and Flexibility Project of the Year



Winner at the Energy Awards 2023 Net Zero Initiative – Heating and Cooling

Midterm United Nations Sustainable Development Goals in focus

Our 2023-24 Sustainable Development Goal progress

SDG goal and target(s)	Policy or Measure
 8.5	<ul style="list-style-type: none"> 15.0% Median Gender Pay Gap, 9.8% Median Ethnicity Pay Gap
 10.1 10.2	<ul style="list-style-type: none"> 39% of colleagues who are currently receiving investment in their formal development are ethnically diverse. £2.6m income maximisation secured for tenants and 100% tenancies sustained through our Money Advice Team
 11.1 11.3	<ul style="list-style-type: none"> 99% Decent Homes compliance and 99-100% building safety compliance* 670 new affordable homes built
 12.5 12.6 12.7	<ul style="list-style-type: none"> 90% landfill diversion through our key direct waste contracts Annual disclosures using the Sustainable Reporting Standard for Social Housing All new key supplier tenders use the Sustainable Procurement Framework
 13.2	<ul style="list-style-type: none"> Carbon Reduction Plan under our Making What Matters Brilliant corporate plan
 15.5 15.9	<ul style="list-style-type: none"> Quality, accessible and nature friendly green space pilot in our existing estates 10% Biodiversity Net Gain attainment policy to be outline in our new Development strategy.
 16.9	<ul style="list-style-type: none"> G1 V1 status from the Regulator of Social Housing

* Across the core SRSSH core criteria for building safety.

2023 marks the halfway point to the deadline of achieving the United Nations (UN) Sustainable Development Goals (SDGs) by 2030. As stated in the UN resolution marking their launch in 2015, the SDGs seek to galvanise a global effort to promote human development.

We have embedded the SRSSH aligned SDGs in our ESG strategy and reporting, providing annual updates on our performance.

The central aim of the SDGs is to “leave no one behind” and “reach the furthest behind first”. Since 2019 we have taken considerable steps to achieve the SRSSH aligned SDG targets:

- Our work on equality, diversity and inclusion (EDI) has been recognised by the Inclusive Employers Standard where we were awarded the bronze standard on our first time of entering.
- We finalised our intervention programme, improving overall property conditions as well as working with the police and local authorities to tackle anti-social behaviour. We have completed all 150 schemes identified at the start of the corporate plan.
- We have significantly improved the EPC ratings of our properties since 2021 with 77% at EPC C or above, supporting our journey to ensuring all properties are minimum EPC rating of C by 2030. Tackling affordable warmth and the climate crisis.
- We have maintained our G1 V1 status. Our financial performance remained strong, and we have a best-in-class credit rating from Moody’s of A1 stable.
- We built 670 new homes in 2023-24 which means we have delivered 2,941 new homes since the start of the corporate plan, despite the challenges of global supply issues, price increases, and planning delays.
- Of all the tenants referred to the Money Advice Team this year, 100% sustained their tenancy. The team continued to provide essential support, including debt relief through the cost-of-living crisis.

We will continue to track and report our progress to 2030 for our embedded SDGs, disclosing our progress annually.

Regeneration of Leicester's former Abbey Lane bus depot

Working with Morro Partnerships, the multi-million-pound construction of 117 affordable homes on the site of a former Leicester bus depot is now well underway.

The work marks a major regeneration of the Abbey Lane site, which sits close to the city's Abbey Park, whilst also linking our existing Wolsey Island development which was completed in 2021.

With a mix of two, three and four bedroom homes, the development is Leicester's largest inner-city scheme, providing a variety of affordable housing for families and couples in the local area. Completion is expected by 2025 with handovers already taking place.





Delivering for our tenants

Our 2023-24 story



Lowest ever void loss at **0.98%**



89% Overall tenant satisfaction



99-100% Safety compliance across the core SRSSH criteria



92% Overall repairs satisfaction



£5.8m neighbourhood investment over 5 years for Intervention Programme



Actively engage with c3,500 tenants to understand their experience with us



Our ratio of **general needs rent to market rent is 54%**



100% Tenancy sustainment



Helped tenants obtain an additional **£1m in housing benefit**



£2.6m income support through the Hardship Fund



More than **7,748 repairs** have now been raised **via the tenant app**



An indicative **social value of c.£12 million** for the 5-year Intervention Programme using UKSVB and HACT social value welling methodology.

Listening to our tenants' insights

Making What Matters brilliant for our tenants starts with understanding what they want.

Our tenant involvement and engagement framework ensures we have a varied and accessible approach to listen to our tenants' views and experiences.

We **engaged with c3,500** tenants to understand their experience of being a Midland Heart tenant through surveys, in depth scrutiny reviews and focus groups, as well as through our mystery shopping and estate champion programmes.

We also collected insight into our tenants' experiences through over 10,000 transactional and tenant perception surveys. This is combined with our learning and insights from where we have worked with tenants to put things right when a complaint has been made. Last year this was **utilised by over 1,000 tenants**.



Rent setting:

We engage tenants each year to understand the impact and affordability of rent setting. This year we surveyed over 1,000 tenants from different tenures and backgrounds as well as holding discussions through focus groups. We analysed arrears by geography and different demographics, discussed with tenants their priorities for investing income and explored how we could best support tenants with additional needs to be able to make rent payments.

Treating tenants equally:

One of our core values is that we treat all our tenants fairly and with respect, regardless of age, gender, ethnicity, or religious belief. This year we launched a programme of equality testing to make sure we understood the different needs of our tenants and that our decision making when delivering services to tenants was fair and equitable.

Damp and mould

We worked with a group of tenants who had experienced damp and mould in their home to review how effective we are at responding to these reports. They benchmarked our services against the best practice spotlight report from the Ombudsman and added their own perspectives. This has led to a 10-point improvement plan which is tracked and reported back to the My Impact group.

A new dedicated resource has strengthened our ability to respond to issues of damp & mould and disrepair. Driven by tenant insights we have implemented key measures to combat rising cases from unfavourable weather conditions and a heightened awareness of the issue, including:

- Appointing Special Repairs Client Liaison Officers who will focus on engagement with our tenants.
- Strengthening the damp and mould subcontractor resource capacity to allow works to be delivered within quicker response times.
- Engagement with our technical support providers AICO Homelink sensors, to further imbed sensors within our homes.

You can find out more about the outcomes of one of our reviews here:

Scrutinising our Successions process - Midland Heart





Intervention Schemes: Delivering balanced and sustainable communities

Throughout our corporate plan, Making What Matters Brilliant, there has been a real focus on improving the homes and neighbourhoods our tenants call home. As a landlord we have a responsibility to make sure our tenants feel safe and secure in their homes, and to explore effective solutions where this is not the case.

Over the past five years, we have identified 150 locations where crime, ASB and tenancy turnover were higher than the baseline for our schemes and tackled these core behavioural problems through tenancy enforcement action and investing in the security and appearance of communal areas. This has had a positive impact on over 1,250 tenants across our communities.

Some highlights of this Intervention Programme include:

- Satisfaction with the safety and security of the buildings has increased from 54% to 80% post-completion.
- Tenancy turnover has reduced across 70% of our intervention schemes.
- Safeguarding/ wellbeing concerns have reduced by 66%.
- £5.8m invested with over half million-pound savings over 5 years through reduced communal repairs and reductions in void loss.
- An indicative of social value of c.£12m was calculated by HACT using the UK Social Value Bank (UKSVB) and HACT social value wellbeing methodology.

“Overall, I’m really satisfied and if I have any complaints [Midland Heart] respond to me. They have updated the kitchen and redone the electrics, they have lights that come on as soon as you walk in and the building is well lit up now, which makes you feel much safer.”

- A tenant from Intervention Scheme, Priory Court



Supporting our tenants in financial hardship

Our Money Advice team assist our tenants in assessing this support, alongside advice in dealing with debt and maximising benefits.

This year, we:

- Maximised customer income by £2.6m, increasing income and reducing debt liability. We obtained Universal Credit awards of £245,000 and £27,000 in Discretionary Housing Payment for customers struggling to meet their rent shortfall due to financial hardship and effects of welfare reform
- Helped eligible customers obtain an additional £1m in housing benefit, and £88,000 in attendance allowance for those over 65 to help with care needs
- Secured £92,000 from charities, trust funds and tenant hardship funds to help reduce debt and purchase essential goods and services, such as ovens, bedding and fridges
- Accessed additional support for our tenants who are struggling to cope with the food and energy price inflation
- Gained access to the Trussell food bank portal so that we can quickly issue food vouchers electronically
- Worked with the building safety team to clear gas meter debt to enable gas safety checks and to continue to have a supply
- Distributed winter warm packs donated by a contractor for vulnerable customers
- Administered part of the Household Support Fund on behalf of Wolverhampton Council, distributing over £20,000 to Midland Heart tenants living within the Wolverhampton area
- Provided 30 customers with washing lines so that they can save money on drying costs, and;
- We recruited an additional money adviser which allowed us to advise more customers dealing with the effects of the cost-of-living crisis

Details of My Repair

Location: Bathroom

Area: Inside Your Home

Type: Plumbing

Issue: Taps > Tap leaking, loose or broken

* Is there anything else that you think we might need to know about this repair?

Tell us here

0/240 Characters

Before sending your repair, please read and agree to the following:

I agree that I have given as much information as I can about my repair and I believe the repair is Midland Heart's responsibility.

I understand that if I have not accurately described the repair, or there is no one over the age of 16 at the property at the time of the appointment, I may be charged for the visit.

Tick the box to agree

Tenant smartphone app

Through our ongoing digital improvement programme, in April 2023 we ran a successful pilot of the new repairs feature within our Customer App in both Wolverhampton and Coventry.

This was then rolled out for all tenants in September 2023, backed by a multi-channel marketing campaign which featured a consistent stream of messaging underlining the app's time and hassle-saving features, mainly around booking and tracking repairs.

The app has been downloaded by 13% of our tenants across the region and more than 7,748 repairs have now been raised via the app.

This has been a major milestone in helping tenants to access our services on a 24-7 basis.

New features and improvements will continue to be added, including making it easier for tenants to track their case and keep in touch. Regular updates to both the Apple and GooglePlay stores will also make it easier for tenants to understand the app's features at the point of download.

Tenants have told us:

"It's easy and I love it. You can just type what you want, it's easy" and "It was easier to use than other apps. The way we reported it, it gives options about where in the house needs repairing. It's fantastic"



Sustainable Reporting Standard for Social Housing Summary

We are a voluntary adopter and founder of the Sustainability Reporting Standard for Social Housing (SRSSH).

The SRSSH provides a voluntary framework for housing providers to report on their ESG performance transparently and consistently. Through the SRSSH we are contributing to consistent, reliable, and quality sector reporting.

This year is our fourth ESG Report aligned to the SRSSH framework and our embedded SDGs since we started as an early adopter in 2020.

To comply with the requirements of the SRSSH v2.0 we have responded to all of the 46 core criteria and responded to the enhanced criteria where available and relevant.

A summary of key criteria has been provided in this Report under the elements of Environment, Social, Governance. An appendix has been added to outline the core criteria in this report.

You can find the published excel v2.0 Input Tool with our complete responses on our investor hub.

[Investor Hub](#)



Sustainable Reporting

[Click here to read the full criteria in our appendix](#)



Environmental

C1 Detail on [page 27](#)

C2 Detail on [page 27](#)

C3 Yes. Detail on [pages 7 and 24](#)

C4 See our Streamlined Energy & Carbon Reporting in our **Financial Statements** and our full SRSSH v2.0 disclosure.

C5 Midland Heart does not qualify for SECR. We voluntarily report SECR in our **Financial Statements**. Details on [pages 24 and 25](#)

C6 Detail on [pages 16 and 17](#)

C7 No, but planning to develop one. Detail on [page 17](#) and in our full SRSSH v2.0 disclosure.

C8 Yes. Detail on our full SRSSH v2.0 disclosure.

C9 No, but planning to develop one. See [page 19](#) for details on our Sustainable Procurement Framework.

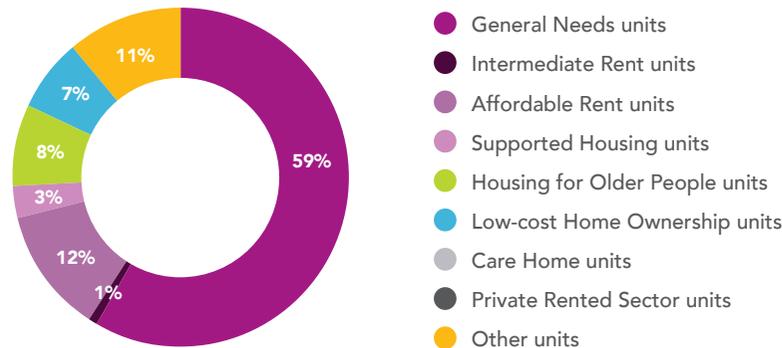
C10 No, but planning to develop one. See [page 19](#) for details on our Sustainable Procurement Framework.

C11 No plans to develop a strategy.

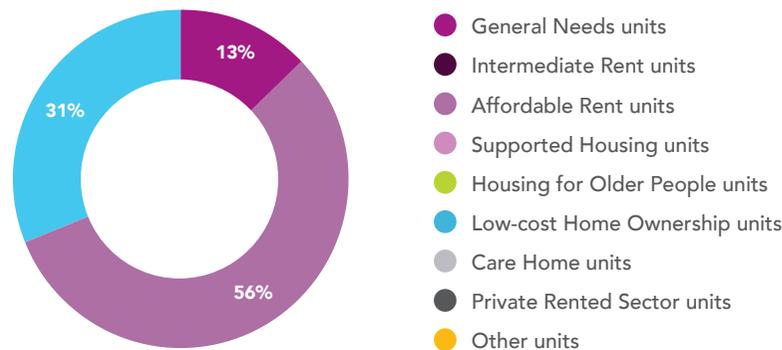
Social

C12 **63.7%** Rent compared to Median Private Rental Sector (PRS) rent
83.1% Rent compared to Local Housing Allowance (LHA)

C13 Share of existing homes completed before the last financial year



C14 Share of new homes that were completed in the last financial year



C15 Detail on [page 26](#)

C16 Our tenure security policy is to stop fixed term tenancies for three beds and smaller, removing them as a tenancy option whilst renewing tenancies this year.

C17 Detail on [37](#) and in our full SRSSH v2.0 disclosure.

C18 **99.9%** decent homes

C19 Detail on [page 39](#)

C20 **89% overall tenant satisfaction** consistent with previous years. See our SRSSH v2.0 disclosure for full details.

C21 Detail on [pages 12 and 38](#)

C22 The total number of findings the ombudsman adjudicated on resulted in 36 (46%) findings of maladministration/ service failure. See our full SRSSH v2.0 disclosure for how we are improving these areas.

C23 Detail on [page 43](#)

C24 Detail on [page 41](#)



Governance

C25 Yes. MIDLAND HEART LIMITED Co-Operative and Community Benefit Society Registration Number 30069R. Regulator for Social Housing with number L4466

C26 **G1 V1 status** from the Regulator of Social Housing

C27 National Housing Federation 2020 Code of Governance

C28 Yes. Not-for-profit status

C29 Detail on **page 16**

C30 No. We have not been subject to any adverse regulatory judgements over the last 12 months.

C31 Detail on **page 12** and in our full SRSSH v2.0 disclosure.

C32 30% of our Board and Management Team have turned over in the last two years. Our Board and Management Team include our 10 Executive and Non-Executive Directors.

C33 **Two board members** on our Audit & Risk Committee have recent and relevant financial experience.

C34 **60% of the Board** are Non-Executive Directors.

C35 Yes. A succession plan has been provided to Board in the last 12 months.

C36 **We have used our current external audit provider, KPMG, for 18 years.** During this time KPMG operates a partner rotation policy.

C37 **December, 2022** in line with our three-year cycle.

C38 Conflicts of interest are handled in accordance with the NHF Code of Conduct. Annual Declaration of Interest at the start of each financial year following by a standing item at the start of each meeting for any declaration to be made.

C39 Yes. We pay the real living wage which will be £12 per hour from April 1st 2024 (the real living wage was £10.90 in 2023).

C40 **15.02%** Median Gender Pay Gap, **9.81%** Median Ethnicity Pay Gap
Commentary on **page 56 and 57.**

C41 **10.73:1**, applying methodology 'Option B'

C42 Detail on **page 54-57**

C43 Detail on **page 58**

C44 Detail on **pages 54 and 55**

C45 Detail on **page 19** and in our full SRSSH v2.0 disclosure.

C46 Detail on **page 19** and in our full SRSSH v2.0 disclosure.

Colleagues have described our new West Midlands Hub as
"a great place for collaboration" & "really helps you to focus on your job."



Following a £3.4 million investment, in February 2024 we opened our new West Midlands Hub facility in the Oldbury area of Sandwell.

The three-storey office provides 12,000 square feet of space for over 100 colleagues, with excellent meeting facilities which is driving improved collaboration between teams. The facility also includes a large, onsite warehouse and storage facility which houses our In-House Maintenance Team.

Close to hundreds of our homes and schemes, the Hub also has excellent links to the motorway and public transport networks, with a sustainable travel message promoted strongly internally to colleagues.

West Midlands Hub investment

Maintaining our status as a nationally recognised employer

Being a great place to work is central to our corporate strategy. Put simply, we want colleagues to thrive and develop their careers irrespective of background.

We work with our Colleague Champions and Inclusion Networks to make our people feel a sense of belonging and feel heard about the things that matter to them.

Our achievements this year include:

- Our colleague engagement score remains consistently high at c 80%
- We fully utilised the apprenticeship levy with 25 early careers apprentices including trade apprentices in our In-House Maintenance Team across carpentry, electrical and plumbing. We also have an additional 36 colleagues undertaking apprenticeships alongside their current roles, studying subjects from coaching to surveying.
- We have introduced a second cohort of mental health first aiders, launched mental health for managers e-learning and delivered stress and resilience training to 95 colleagues and managers in areas where mental health absence has been higher. As a result, we've seen a 12% reduction in mental health related absence.
- Our work on equality, diversity and inclusion (EDI) has been recognised by the Inclusive Employers Standard where we were awarded the bronze standard on first time of entering.
- To improve gender representation in managerial and leadership roles we have delivered two cohorts of our female development programmes.
- We have delivered two cohorts of the development programme for black colleagues. 35% of participating colleagues moved into higher paid roles. Looking wider than the programme, 39% of colleagues who are currently receiving investment in their formal development are ethnically diverse. This has contributed to 46% of promotions being to colleagues from an ethnically diverse background (19% to black colleagues).
- Over the last 12 months, we've seen an increase to 12% in colleagues sharing a disability with us, which is above the national average.



THE SUNDAY TIMES
**Best Places
to Work 2024**

We are delighted to report that for the first time we made the Sunday Times Best Places to Work List within the Big Organisation category. This is a significant achievement and reflects our very positive levels of colleague engagement.



In November 2023 we were recognised in the 2023 Best Companies to Work For list, our third year working with them. In the West Midlands region, we were placed within the top 40 at number 36 out of 76 organisations. From a national perspective, within the Large Companies category, we were ranked in 90th position, and in 11th spot within the UK Housing sector's top 25.

Transparent reporting of our pay gap

Gender Pay Gap

We're pleased that our mean gender pay gap has reduced to 17.10%, the lowest it has ever been in our seven years of reporting. Our median gender pay is 15.02% remaining constant with 15.0% last year. The gender balance of our workforce also remains representative of our tenants and our geography.

We have achieved this through making incremental changes that will reduce our pay gap in the long term, as well as contributing to a culture where everyone feels able to thrive and succeed.

Next year, we will focus on:

- Continuing to enhance our early careers programmes within trades and construction in partnership with colleges and schools
- Improving how we identify high performing females by reviewing succession planning for roles in the upper quartile
- Reviewing essential shortlisting criteria and sourcing plans to ensure we are attracting women into roles in the upper quartiles
- Launching coaching for women returning from family leave, and;
- Providing diversity metrics to leaders to ensure greater visibility in their areas and help identify imbalances to address at a local level.



Ethnicity pay gap

This is our third year of reporting our ethnicity pay gap and we remain amongst a small number of employers that publish voluntarily. Our mean ethnicity pay gap is 11.35%, and our median is 9.81%. The median has increased by 2.58% but the mean has slightly increased by 0.64% from the figures we published in 2022.

The are two key reasons for the increase:

- We have recruited additional resources into our customer contact centre, and this has increased the proportion of Asian colleagues in our lower middle quartile area. Whilst this has the effect of reducing the median these roles are great initial stepping stones for colleagues starting a career in housing, and;
- We have also increased resources in our trades team. These are roles which are traditionally occupied by a predominantly white male workforce. To redress this balance in the future, 38% of our maintenance apprentices are from ethnically diverse backgrounds, allowing us to grow our own talent to improve representation in these roles.

To improve our ethnicity pay gap, we continue to focus on 3 key areas:

- Colleague development for black and ethnic minority colleagues
- Listening to colleagues and working with our Race and Ethnicity Network to shape and deliver Career Development Workshops, based on topics that they've told us are important to colleagues from a Black, Asian and ethnically diverse background
- The role of our Colleague Champions in shaping our colleague experience, increasing internal engagement and supporting others when they need it.

Valuing the mental health and wellbeing of our colleagues

We provide a range of options to help colleagues maintain and enhance their wellbeing, including proactive awareness sessions and activities, with specialist services available when they need extra support.

- Employee Assistance Programme (EAP) – Available 24/7 to colleagues and direct family members. This provides immediate emotional support, up to eight free counselling sessions, bereavement support, practical advice on personal debt and legal concerns.
- Maximus (Access to Work Mental Health support service) – Providing a minimum of nine months' practical support for any mental wellbeing concern.
- Mental Health First Aiders (MHFAs) – Colleagues trained with the accredited MHFA training to provide mental wellbeing support to fellow colleagues as required.
- Specialist counselling/support.
- Occupational Health – To help colleagues and managers with guidance on support and reasonable adjustments.
- Physiotherapy – Where colleagues may require physiotherapy to support their recovery or proactively to prevent concerns worsening, we can provide physiotherapy via our OH service.
- DSE Assessors – Colleagues can request a DSE assessment to help minimise MSK concerns potentially affect by or caused by their workstation set up.
- Wellbeing activities – Workshops and fun activities with expert speakers covering mental wellbeing, nutrition, general health, motivation and productivity.
- Wellbeing benefits – We have a number of wellbeing benefits as part of our reward package.





Sustainable Finance Impact Report

Our first sustainable finance impact report – Summary

This year we published our first Sustainable Finance Framework (SFF). The establishment of the framework aligns our social purpose and low carbon strategy with our funding and financial strategy. We have selected a number of eligible areas which are fundamental elements of our business model and deliver the most positive societal and environmental impacts.

We are committed to investing in projects that support environmentally and socially sustainable outcomes for the benefit of society, the environment and identified target populations.

An amount equivalent to the net proceeds raised under this Sustainable Finance Framework will be used to finance and/or refinance in whole or in part new or existing Eligible Projects, subject to the ICMA and LMA principles. The use of proceeds will not be used for activities that fall outside the framework’s activities and criteria.

We appointed DNV Business Assurance Services UK Limited (DNV) to independently verify our Sustainable Finance Framework and its alignment with the relevant ICMA and LMA Principles. We also received assurance on our methodologies for calculating use of proceeds in our impact reports.

The tables on the next page summarise our material expenditure for the first impact report. Our full impact report is accessible on our investor hub online.

The full statements are available in our investor hub.

Type	Environmental
LMA ICMA category	Energy efficiency
Sustainable Development Goal (SDG)	11. Sustainable cities and communities 13. Climate action
Project description	Retrofitting energy efficient homes
Financial line items (eligible spend category)	Spend categories in keystone
Number of Homes	410
Total (£k)	£8,577
Eligible under our SFF (£k)	£5,837
Sustainability metric	Retrofitting existing homes to EPC C or above by at least EPC one band from EPC D or below
Quantum	EPC bands
Financial Year of Expenditure	2023-24
Period Reviewed	1st April 2023 to 31st March 2024
Data sources	Asset management database systems
Data retrieval date	May 2024

Type	Environmental
LMA ICMA category	Energy efficiency
Sustainable Development Goal (SDG)	11. Sustainable cities and communities 13. Climate action
Project description	Retrofitting energy efficient homes
Financial line items (eligible spend category)	Spend categories in keystone
Number of schemes and blocks	25
Total (£k)	£793
Eligible under our SFF (£k)	£793
Sustainability metric	Installation of appliances or devices to improve energy efficiency of new or existing buildings
Quantum	kWh/yr savings
Financial Year of Expenditure	2023-24
Period Reviewed	1st April 2023 to 31st March 2024
Data sources	Asset management database systems
Data retrieval date	May 2024

Type	Social
LMA ICMA category	Affordable homes
Sustainable Development Goal (SDG)	10. Reduced inequalities 11. Sustainable cities and communities
Project description	New homes used for social housing
Number of Homes	124
Total (£k)	£17,744
Eligible under our SFF (£k)	£17,744
Sustainability metric	The construction and acquisition of affordable housing in the United Kingdom
Quantum	<80% private sector rent
Financial Year of Expenditure	2023-24
Period Reviewed	1st April 2023 to 31st March 2024
Data sources	Development database systems
Data retrieval date	May 2024

Type	Environmental
LMA ICMA category	Energy efficiency
Sustainable Development Goal (SDG)	11. Sustainable cities and communities 13. Climate action
Project description	New energy efficient homes
Number of Homes	545
Total (£k)	£122,586
Eligible under our SFF (£k)	£122,586
Sustainability metric	New homes classified as EPC 'B' or higher in the United Kingdom
Quantum	EPC B or above
Financial Year of Expenditure	2023-24
Period Reviewed	1st April 2023 to 31st March 2024
Data sources	Development database systems
Data retrieval date	May 2024

Looking Ahead

In 2025, we will conclude our corporate plan, Making What Matters Brilliant.

We will achieve an energy efficiency and thermal comfort standard of EPC D or above in all our homes. A milestone target which maintains our trajectory to EPC C or above by 2030. Our progression to EPC C by 2030 will be supported by our delivery of SHDF Wave 2.1 which commences in 2024. The £2.4m grant funding will be match funded to uplift the energy efficiency and thermal comfort of c.300 homes, complementing our £72m Retrofit Strategy to 2030. We have forecasted that this energy efficiency uplift to our homes will keep us within a WB2C net zero pathway to 2030.

We are also investing in the energy efficiency of the way we work through installations of large-scale solar PV on our core offices and the publishing of a new Fleet Plan to 2030 which will increase the proportion electric vehicles within our fleet. The Fleet Plan will also target approaches to optimise our fleet to improve overall efficiency and deliver improved services to our tenants.

Our People Strategy will take continue actions to address the gender and ethnicity pay gaps. Beyond our achievements to date in our Women and Black Colleague Development Programmes, we will continue to enhance our early careers programmes within trades and construction, in partnership with colleges and schools. We will also continue to improve how we identify high performing females by reviewing succession planning for roles in the upper quartile, also reviewing essential shortlisting criteria and sourcing plans to ensure we are attracting women into roles in the upper quartiles. Meanwhile, we will also launch coaching for women returning from family leave and provide diversity metrics to leaders to help identify imbalances.

The demand for affordable housing is top of the agenda for the new Labour Government. We remain steadfast in our target to build 3,750 new homes by 2025. Next year, we will build c.760 new homes, including Port Loop which will deliver 155 new 3 and 4 bed homes for families in need of accommodation. As the new Biodiversity Net Gain regulations come into force, we are reviewing our approach to maximise local nature regeneration and retain the associated benefits within our region.

Evidencing how we listen to our tenants is a key requirement of the Regulator for Social Housing. We want to show how tenants are involved in key decision making. Through our new Tenant Insights team, we have put tenants at the heart of decision making and will ensure that their priorities are the bedrock of the new corporate plan from 2030.

As we build our next corporate plan for beyond 2030, we are piloting an approach to regenerating some of our regions most deprived areas. The £1m pilot will test approaches deliver to deliver homes fit for modern living with our delivery partner, Equans. It will act as a blueprint for extending the life of these homes for another 100 years.

By continuing our adoption and support for the SRSSH, we will contribute to consistent, reliable, and quality sector reporting. We will work with the Standard to enhance sector reporting and seek alignment with advanced Task Force on Climate-Related Financial Disclosures (TCFD) and International Financial Reporting Standard (IFRS) S1 and S2 climate-related reporting - ensuring our sector meets the robust standards of reporting that is expected by our stakeholders.



Appendix: Sustainable Reporting Standard Core Criteria

Return to Sustainable Reporting



Environmental

- C1** Distribution of EPC ratings of the housing provider's existing homes (those completed before the last financial year)
- C2** Distribution of EPC ratings of the housing provider's new homes (those completed in the last financial year)
- C3** Net Zero target and strategy
- C4** Retrofit activities that align with performance against net zero strategy
- C5** Green House Gas emissions and Green House Gas emissions per home
- C6** Mapping, assessing and mitigating climate risks
- C7** Strategy to enhance green space and promote biodiversity
- C8** Strategy to identify, manage and reduce pollutants that could cause material harm
- C9** Strategy to increase the use of responsibly sourced materials for all building and repairs works
- C10** Strategy for waste management incorporating building materials
- C11** Strategy for water management

Social

- C12** Rent affordability metrics
- C13** Share of existing homes (owned and/or managed and completed before the last financial year)
- C14** Share of new homes (owned and/or managed and completed in the last financial year)
- C15** Reducing the effect of high energy costs
- C16** Providing security of tenure
- C17** Building safety
- C18** Meeting the national housing quality standard
- C19** Managing and mitigating the risk of damp and mould
- C20** Tenant satisfaction surveys
- C21** Accountability to tenants
- C22** Complaints where the national Ombudsman determined maladministration
- C23** Key support services offered to tenants
- C24** Placemaking or placeshaping activities

Governance

- C25** Registration with the national regulator of social housing
- C26** Most recent regulatory grading/status
- C27** Code of Governance
- C28** Not-For-Profit status
- C29** Board management of ESG risks
- C30** Declaration of adverse regulatory findings that resulted in enforcement or other equivalent action
- C31** Ensuring a diverse voice at Board and Management Team level
- C32** Board and management team turnover
- C33** Board members with recent and relevant financial experience
- C34** Percentage of the Board that are non-executive directors
- C35** Board succession planning
- C36** Years with the current external audit partner
- C37** Independently run board-effectiveness review
- C38** Handling conflicts of interest at the board
- C39** Paying the Real Living Wage
- C40** Median gender pay gap
- C41** CEO: median-worker pay ratio
- C42** Ensuring equality, diversity and inclusion (EDI) is promoted across colleagues
- C43** Supporting the physical and mental health of colleagues
- C44** Supporting the professional development of colleagues
- C45** Social value in the procurement of goods and services
- C46** Sustainability in the procurement of goods and services