



**Yorkshire
Housing**

Sustainability reporting standard

Financial year 2021/22

Forward

Welcome to our first ever Sustainability Reporting Standard (SRS) report. The SRS for social housing was launched in November 2020 as a means for housing associations to demonstrate their environmental, social and governance (ESG) credentials. The standard also aligns to the 17 United Nations' (UN) Sustainable Development Goals (SDGs).

At Yorkshire Housing we're committed to improving our impact on the environment, supporting our customers and providing a high standard of governance. By reporting against the same measures as others in the sector we hope to demonstrate our commitment to ESG and contribute to the transparency of the whole sector on ESG.

Each year we'll publish an update to this report in September, refreshing our answers to the questions and looking at the progress we have made during the year. If you do have any questions on any of the information contained in this report, then please feel free to drop us a line at: communications@yorkshirehousing.co.uk

Contents



Executive summary



Social:

1. Affordability and security
2. Building safety and quality
3. Resident voice
4. Resident support
5. Placemaking



Environmental:

6. Climate change
7. Ecology
8. Resources management



Governance:

9. Structure and governance
10. Board and trustees
11. Colleague wellbeing
12. Supply chain

Section:

Executive summary

Sustainability and
reporting standard



Executive summary



We believe that this report demonstrates that we have a comprehensive approach to improving the lives and environment of all our customers. This is underpinned by sound governance that reflects best practice in how we go about our affairs. Particular areas to highlight are:

- The homes we provide across Yorkshire are affordable and safe. We support the communities they are in through a variety of means such as providing community spaces, supporting community projects, and creating volunteering opportunities.
- We provide additional support to our customers to help them with their utility bills, management of debt, benefit claims and a whole range of issues such as hoarding, self neglect, domestic abuse, addiction, employment/volunteering etc.
- We listen to our customers through a range of different channels, they have a voice in co-creating and evaluating our services and delivery.
- We are focused on reducing the carbon footprint of both our new and existing homes with plans in place to achieve minimum EPC C standard across all our homes by 2030.

- Our new homes look to minimise any adverse environmental impact and promote improvements to the local environment.
- We have a relatively simple governance structure that is supported by compliance with the 2020 NHF Code of Governance, robust management of our risks, and a board that is both diverse and experienced.
- The health and wellbeing of our employees is one of our key priorities and we're active in supporting diversity and inclusion in our workforce.

We recognise that there is still more for us to do. The challenges posed by the cost of living crisis will place a strain on the support we already provide and there is still a desperate shortage of affordable homes that we are trying to address.

We are in the process of refreshing our business strategy and this will continue to focus on our customers and homes as well as how we improve our approach to environmental issues.

Section:

Social

Sustainability and
reporting standard



Social 1: Affordability and security



C1 How do our affordable properties compare to the Local Housing Allowance (LHA) and median private rental sector (PRS) by local authority?

We have nearly 15,000 properties that are subject to the rent regulation regime and these are spread across 18 different local authorities.

On average our properties that are subject to rent regulation were rented out at 80.1% of the LHA and 64.8% of the median private rental.

The table on the left shows how the average rent on these compares to the relevant LHA and median private rental by authority. Our properties are affordable in all areas, although the comparison to both LHA and median PRS will vary by authority.

We have excluded a small number of properties with five bedrooms or more from this analysis.

Local authority	Average % of LHA	Average % of median PRS
Barnsley	90.0%	77.9%
Bradford	83.0%	66.5%
Calderdale	86.5%	73.0%
Craven	90.4%	68.0%
Doncaster	83.1%	72.0%
East Riding of Yorkshire	104.7%	80.2%
Hambleton	87.3%	75.0%
Harrogate	71.7%	64.0%
Kirklees	85.1%	72.3%
Leeds	67.2%	52.4%
Pendle	76.8%	83.8%
Rotherham	85.2%	74.0%
Ryedale	83.5%	66.9%
Scarborough	94.1%	76.1%
Selby	73.2%	58.9%
Sheffield	66.0%	55.9%
Wakefield	86.7%	69.9%
York	65.3%	52.4%

Social 1: Affordability and security



C2,3 & 5 How many homes and what types of tenancies do we have?

Housing	Existing homes		New homes in 2021/22	
Type	Number	%	Number	%
General needs	9,379	54.1%	72	12.0%
Supported housing	395	2.3%	-	-
Housing for older people	865	5.0%	-	-
Intermediate rent	1,275	7.4%	80	13.3%
Affordable rent	4,334	25.0%	174	29.0%
Low-cost home ownership	735	4.2%	266	44.3%
Care homes**	10	0.1%	-	-
Private rented sector	336	1.9%	9	1.5%
Total	17,322	-	601	-

C4 How are we trying to reduce the effect of fuel poverty on our residents?

- Our coaching team give advice and guidance around utilities and sign post to a number of national and local energy support organisations.
- We use an Auriga water debt account to provide top ups or match funding to clear water debt. Customers are limited to 1 every 6 months but, working with Yorkshire Water as a trusted partner, further support can be provided if really needed.
- We fund instant emergency purchase of online voucher top ups that can be emailed or sent by text straight to our customers. This can be done through the Charis online shop for energy top ups and food vouchers or sometimes through direct energy top-ups, through our Customer Independence Fund.
- We help customers with British Gas Energy Trust applications (any supplier). Customers are supported by our coaches to apply to any of the funds that they may be eligible for.
- We support customers in accessing local welfare assistance schemes. What and how much is available depends on which local authority area the customer lives in but it is normally for gas and electricity vouchers for pre-paid meters and payments for increases in energy costs.

Social 2: Building safety and quality



C6 What % of our homes with a gas appliance have an in-date, accredited gas safety check?

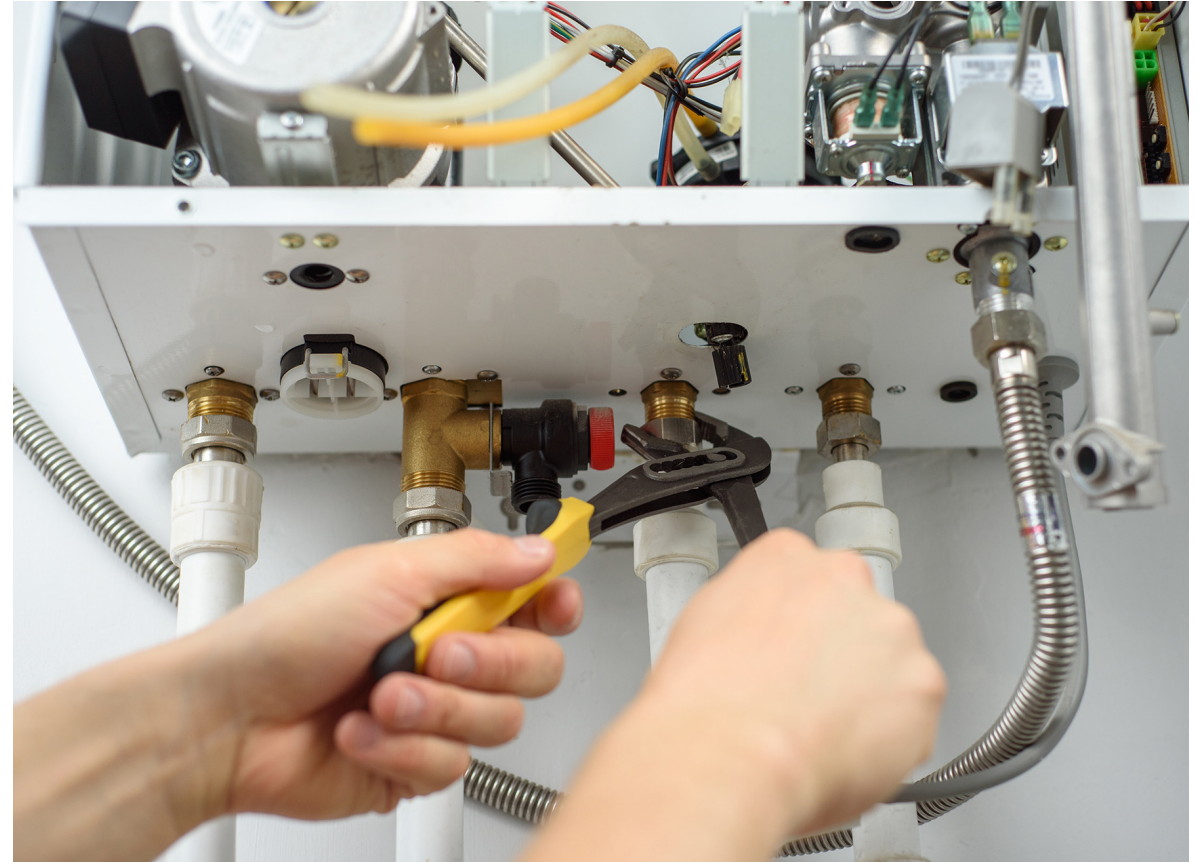
At the end of March 2022, we had 13,647 properties that required a gas safety check and all of these were up to date.

C7 What % of our buildings have an in-date and compliant Fire Risk Assessment (FRA)?

At the end of March 2022, all of our properties had up to date FRAs in place. In addition, there were no outstanding high risk actions.

C8 What % of our homes meet the Decent Homes standard?

At the end of March 2022, 99.96% of our homes met the Decent Homes standard.



Social 3: Resident voice



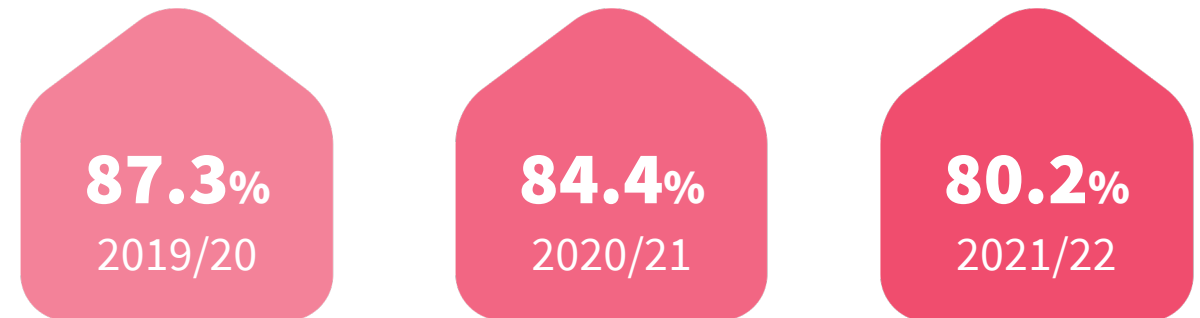
C9 What arrangements are in place to enable our customers to hold us to account for provision of services?

There are a range of opportunities for customers to feedback and influence decision making and service provision:

- The Customer Voice and Review Committee (CVRC) has been established to review operational performance, carry out scrutiny projects and provide input to service re-design. This is a committee of fourteen customers drawn from all tenures and geographies in Yorkshire. The committee has undertaken scrutiny in the repairs service and is carrying out scrutiny into ASB services.
- Your Voice Matters – a panel of 300 Yorkshire Housing customers who take part in surveys and focus groups.
- Customer Complaints Forum – who review and check customer complaints and ensure that lessons learned translate into service improvements.
- Chair of CVRC sits on our Homes and Places Committee who hold overall responsibility for providing the Board with assurance on the quality of the service offer.
- Customer engagement strategy in place – providing a menu of opportunities for customer involvement.

C10 How do we measure customer satisfaction and how has our Customer Satisfaction changed over the last three years?

We use Explain housing satisfaction surveys to measure customer satisfaction. Individual service areas also carry out transactional customer satisfaction surveys. Based on surveys conducted in each year, the number of customers rating their overall satisfaction at seven or above out of ten each year was:



In addition we are members of the Institute of Customer Service (ICS) and carry out their business benchmarking survey twice a year which allows us to benchmark ourselves against out of sector organisations appearing in the UKCSI.

Social 3: Resident voice



C11 In the last 12 months, how many complaints have been upheld by the Ombudsman and how have we responded?

During 2021/22 we closed 881 complaints. Ten complaints were determined by the Ombudsman of which four were fully upheld.

As a consequence of the ten determination, 12 orders were given. All orders were 100% fully complied within target. Some actions included; ongoing repairs to be completed, compensation to be paid etc. We have completed a self assessment against the Ombudsman's Complaint Handling Code and aim to be fully complaint with all the mandatory elements of the Code (two elements of non-compliance) by 1st October 2022. To minimise complaints reaching the Ombudsman we work closely with our customer complaints forum to implement any lessons learned.

Overall determination	Count	%
Maladministration	1	10%
Partial maladministration	2	20%
No maladministration	4	40%
Outside jurisdiction	3	30%
Total	10	100%



Social 4: Resident support



**C12 What support services do we offer to our residents?
How successful are these services in improving outcomes?**



Tenancy and money coaching

Our coaching team coaches customers to have a go with support of resolving issues themselves to build their resilience and confidence to be able to do it again. They use the independence plan to agree shared independence goals to achieve in different topics the coaches specialise in, including:

Benefits, budgeting, hoarding, self neglect, domestic abuse, addiction, lack of essential household items, rent arrears, utility debt, credit debt, Ill health (physical or mental), employment/volunteering, training and fuel/food poverty

The coaches also refer customer to trusted partner organisations that are experts in different fields (see C4 where we explain how they help with fuel poverty).



Outcomes for Yorkshire Housing customers

During 2021-22, the coaching team had over 1,000 referrals and secured over £1m of funding for our customers and for Yorkshire Housing. But this is just a tiny part of the support offered through coaching.

A significant chunk of our impact comes from reducing the burden of personal debt, supporting life skills, building customer confidence and advocating in areas where people need that little bit of extra support and guidance.

To show the wellbeing impact of our coaching team, we calculate this through social value and we generated £4.9 million of social value* in 2021-22.

*Based on HACT social value calculator.

Social 5: Placemaking



C13 Some practical examples of where we have been involved in placemaking and making a difference to the lives of people who live in our communities.

Community independence

We manage community spaces, work with partners on community projects, develop place plans, create volunteering opportunities and kickstart new social and educational activities alongside customers. We use social value to measure the impact on customers wellbeing and in YH communities. In 2021-22, we generated over £1.8m in social value with projects including:

Community and green spaces

- Pickering food share / Scoff Café - *Utilising YH community spaces*
- Greening Grosvenor Road / Pellon Planters - *delivered in YH green spaces*
- Youth groups - *using community asset*
- Place plans
- Flockton Court Sheffield / Broadway Court Barnsley - *Enhancing YH communities*
- Priority community projects
- Positive footprints - *young person's raising aspirations project*
- Ageing better (HACT) Bradford - *older people's inclusion project.*



Section:

Environmental

Sustainability and
reporting standard



Environment 6: Climate change



C14 & 15 What are the Energy Performance Certificate (EPC) ratings of our existing and new homes?

The government has targeted all housing associations with bringing all of their affordable rented accommodation up to a minimum EPC energy efficient standard by 2035. At the end of the 21/22 financial year, 62.9% of our homes met this standard.

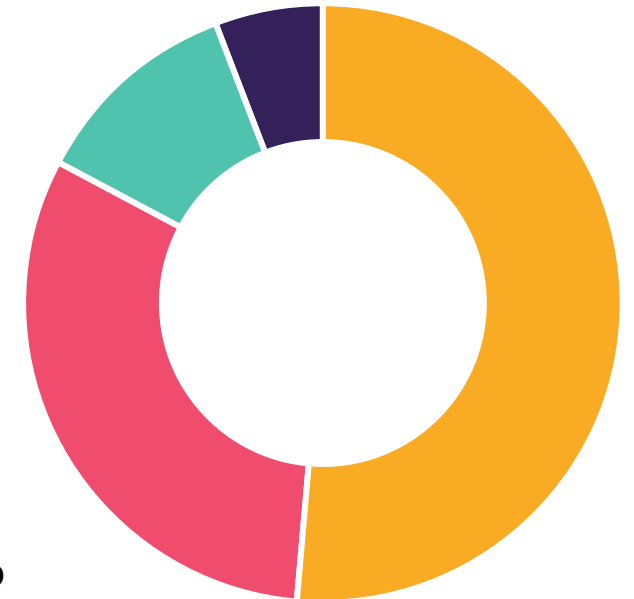
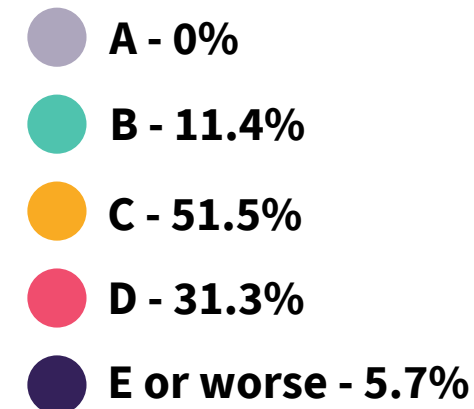
We have plans in place to exceed this target and bring all our homes up to EPC Band C by 2030. We have set aside circa £8m of additional funds in our business plan to deliver this. We're so confident of our ability to meet this that these targets are built into one of our loan agreements, with reduced interest charged if we succeed.

All of our new homes built in the last year were rated B and we are committed to a minimum B rating for all new homes we build in the future.

C16 What is our scope 1, 2 and 3 carbon footprint?

We're currently calculating our environmental impact from our business emissions and will have completed this exercise by December 2022. We'll then continue to report these annually. What we can say is that our emissions from our in-house fleet and staff mileage continues to decrease as we transition to electric powered vehicles and incentivise this transition for our staff. In addition, our migration to our new zero-carbon hub, The Place, has significantly reduced our Scope 1 emissions. In terms of our Scope 3 emissions, those from our customer's homes, we estimate that circa 45,000 tCO₂e (tonnes carbon dioxide) per annum.

EPC rating of our existing homes



Environment 6: Climate change



C17 What energy efficiency actions have we undertaken in the last 12 months?

Our forthcoming active asset management strategy includes a strategic priority that focusses on our environmental impact. Over the life of the strategy we'll be investing more than we have ever done in decarbonisation and energy efficiency measures to our customer's homes. Over the past 12 months we have undertaken a number of retrofit projects to reduce carbon emissions through the installation of air source heat pumps, solar PV and external wall insulation. A case study of a project we undertook at Craven is included on the next page.

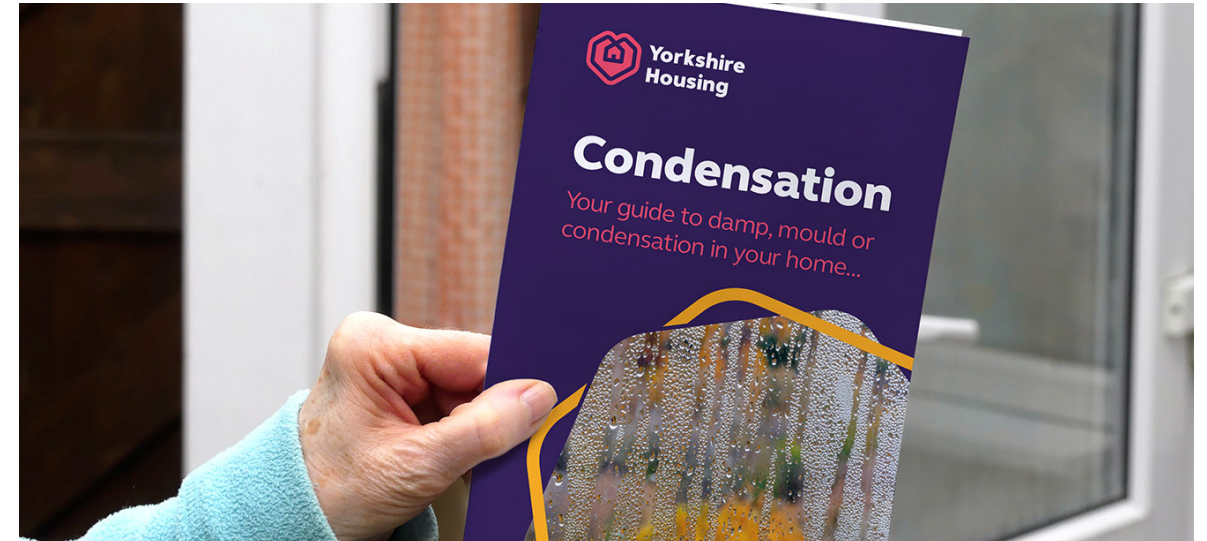
Furthermore, in June 2022 we took up residence at our new hub, The Place, a zero-carbon workplace which has significantly reduced our environmental impact from business emissions.

C18 How are we mitigating the following climate risks: Increased flood risk, Increased risk of homes overheating?

We hold a significant amount of information on our customer's homes and our wider portfolio. We continue to use this data to assess the likelihood of homes at risk of overheating and those with increased flood risk. We hold this information in our asset management system and can overlay other datasets within the business to improve the accuracy of our predictions.

C19 What information we provide to customers about correct ventilation, heating, recycling etc.

We've been focussing on having an adequate and robust processes in place for managing cases of damp, mould and condensation in our homes. We've reviewed the information that we provide to customers and produced new material that helps our customers prevent such cases through, but not exclusive to, adequate ventilation.



Environment 6: Climate change



Craven case study

Working with Craven District Council and using ERDF (European Regional Development Funding) we have delivered a carbon saving project to 22 flats in Skipton and to 6 rural properties in Craven. This was part of a wider Craven project called Decarbonising Skipton.

Our chief objective was carbon savings of at least 31 tonnes. Our final result was 51 tonnes. We also reduced the electricity usage of most of the properties involved. We delivered this by installing some cavity wall insulation, 28 solar PV systems and with 6 of the properties also receiving air source heat pumps. This was a difficult project, with some valuable learning that we will use to help us with future projects.

Engagement with customers was key to the success of the project - making sure that our customers were bought into the project, being open and honest throughout and ensuring they understood how the technology worked were key factors.

Fully understanding the fabric of the buildings was also crucial, for example to install air source heat pumps buildings needed to be well insulated and have sufficient space for the installation.

Working in partnership with Craven council was also important in terms of helping ensure the project moved along and any barriers were overcome.



Environment 7: Ecology



C20 How are we increasing green space and promoting Biodiversity on or near our homes?

On our new build sites we are beginning to apply a 10% net gain in biodiversity over a minimum 30 year period. Unlike other developers and as an long term asset holder, we are able to do much of this on site or, where this isn't possible, on Yorkshire Housings own land nearby. We focus on providing landscaping using species that are native to the area and that gives species a habitat to flourish. We also work with local community groups to undertake planting schemes and enhance biodiversity. An additional benefit of this is that it can help to minimise service charges. A recent example of this is at a site in Helmsley where fruit trees and wild flower planting took place with a local existing residents group.

Where we maintain trees we use the chippings/wood sustainably in partnership with a local farm. On some of our new build sites we have acquired amenities such as a woodland and a beck. We're working with the local communities on these and have used our wood chippings to make a pathway through the woodland. Around the beck we've carried out maintenance but also done planting in keeping with the environment.

We have balancing ponds on some sites which we need to check annually to avoid the build up of any weed growth which would stop the balancing pond functioning effectively to prevent flooding. These sites are also natural habitats for wildlife and fauna. We're also developing allotments on some sites with customers to enable them to grow their own vegetables etc.

C21 How do we actively manage and reduce pollutants?

At the moment we don't have an overall strategy to manage pollutants. We do comply with all relevant water regulations regarding septic tanks and water treatment plant on our sites. We have also made Climate commitments in terms of removing fossil fire boilers from our stock to reduce CO2 emissions.

We are developing our strategy with regards to our environmental impact and this will be one of the areas that we focus on going forward.



Environment 8: Resource management



C22 Our strategy to use or increase the use of responsibly sourced materials for all building works and how we target and measure performance.

For all new developments we require contractors to source materials for roof construction, external walls, internal walls, and floors that achieve an “A” Rating from the Green Guide for Housing. In addition, windows, hard landscaping and fencing should achieve “A” ratings. At least 75% of timber used for construction and finishing should be FSC (Forestry Stewardship Council) certified, or alternatively 95% PEFC certified. Chain of custody certificates must be produced by all suppliers and KPI’s are used for each site to measure performance.

C23 Our strategy for waste management incorporating building materials and how we target and measure performance.

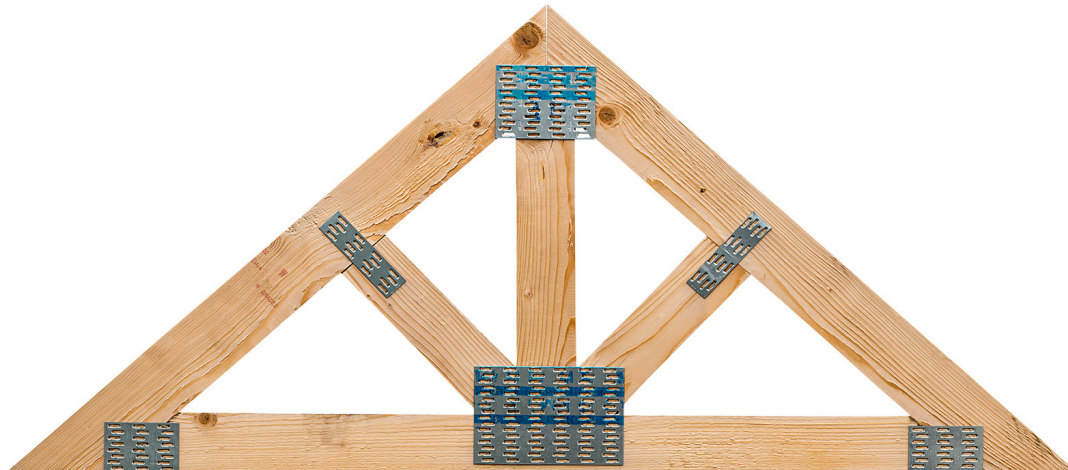
Our approach to dealing with waste management is to perform a risk assessment when disposing of potentially hazardous materials. For example, any asbestos waste would be identified and managed separately by a licensed contractor.

Our main materials supplier Travis Perkins manage waste disposal for repairs and maintenance works and they are working towards a target of zero waste to landfill. They also ensure correct disposal of WEEE/ hazardous waste. We are changing our skips to allow reports on the tonnage of waste we produce and where it has gone to.

The overall management of waste will be picked up in our strategy refresh as part of a wider environmental strategy.

C24 Our strategy for good water management and how we target and measure performance.

Our policies on water management currently focus on the prevention of legionella. The overall management of water will be picked up in our strategy refresh as part of a wider environmental strategy.



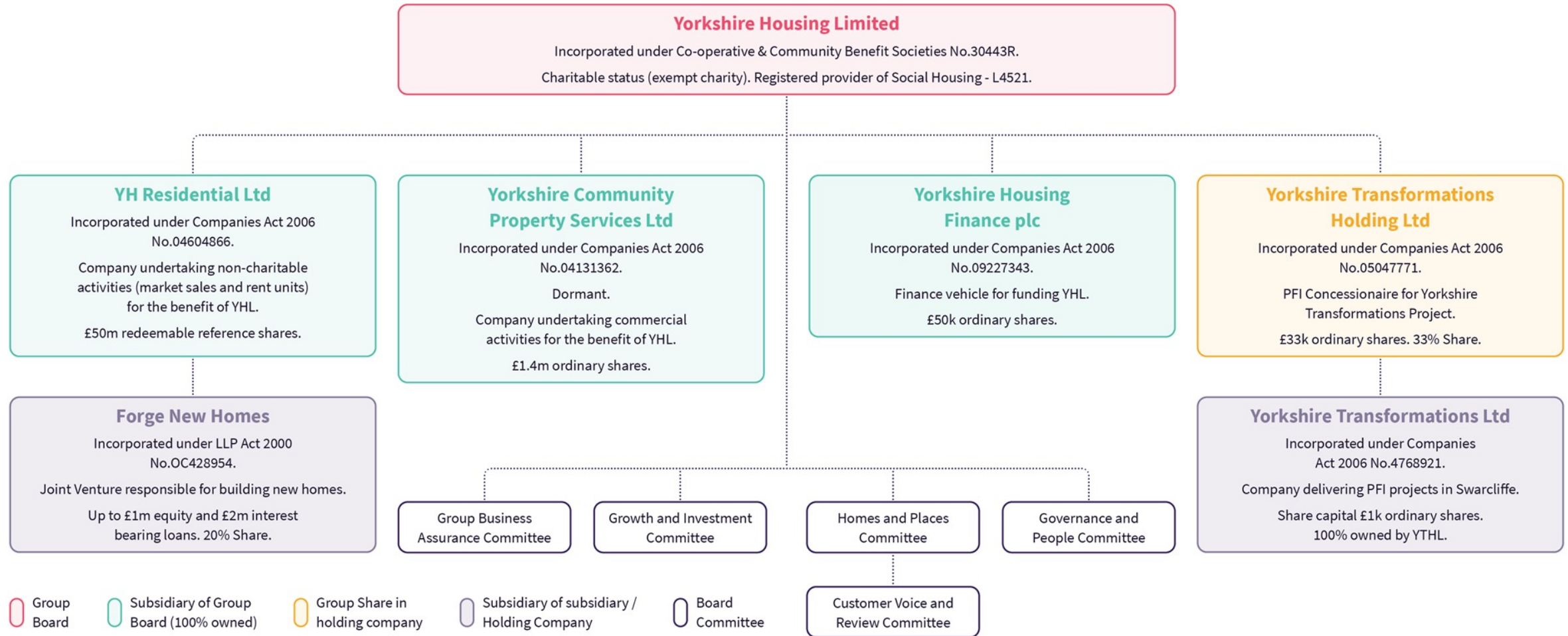
Section:

Governance

Sustainability and
reporting standard



Governance 9: Structure and governance

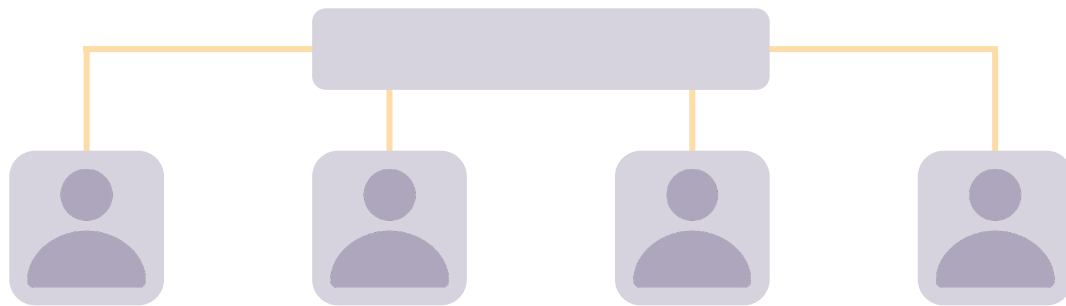


Governance 9: Structure and governance



We have a straight-forward group structure with three main statutory entities:

- Yorkshire Housing Ltd is the registered provider and parent company and covers all of our social housing activity.
- YH Residential Ltd is a wholly owned subsidiary of Yorkshire Housing Limited and covers all of our non-social housing activity, principally market sale and market rent.
- Yorkshire Housing Finance plc is a wholly owned subsidiary of Yorkshire Housing Limited and is a vehicle to allow the group to issue bond debt.



C25 Are we registered with the regulator of social housing?

Yes.

C26 What's our most recent viability and governance regulatory grading?

G1 / V2.

C27 Which Code of Governance do we follow?

The National Housing Federation (NHF)
Code of Governance 2020.

C28 Are we Not-For-Profit?

Yes.

C30 Have we been subject to any adverse regulatory findings in the last 12 months that resulted in enforcement or other equivalent action?

No.

G1 / V2
Regulatory
grading

Governance 9: Structure and governance



C29 How does our Board manage organisational risks

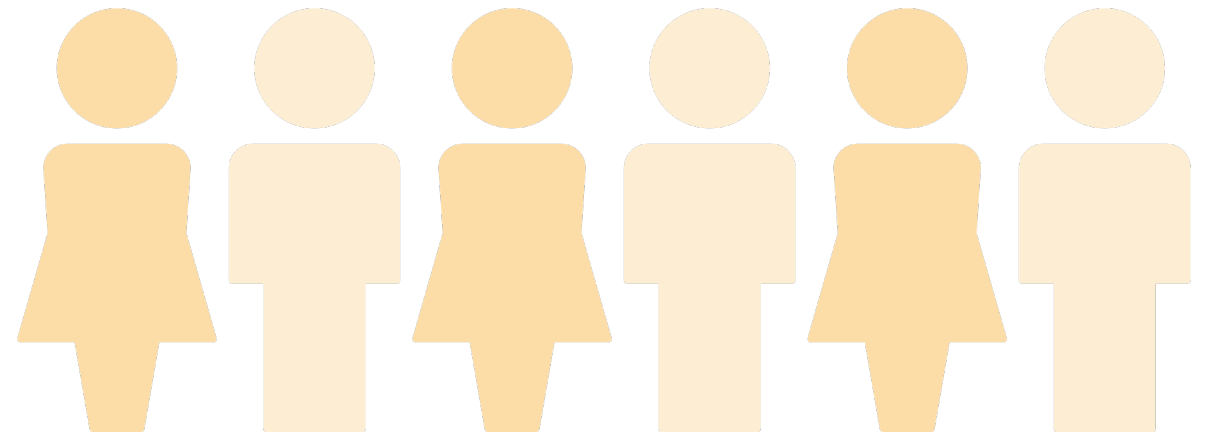
The delivery of our strategic priorities and the sustainable growth of our business is dependent on effective risk management and strong governance. This helps us to deliver our operations in a socially responsible and resilient manner.

Our risk management framework is an established methodology designed to support the timely identification, evaluation, management and reporting of significant external and internal risks facing the business.

We can understand, communicate and respond to the impact of risks and opportunities in relation to our purpose, strategic objectives, finances, operations, customers, colleagues, partners, regulatory, legal and reputation. This is underpinned by a three lines of defence model for risk management and assurance.

The Board has overall responsibility for ensuring the group has appropriate systems for managing risk, agreeing the principal risks facing our business and ensuring these are managed in line with the Board agreed risk appetite (i.e., the amount of risk we are willing to take in pursuit of achieving our strategic priorities). The Board receives regular reporting on risk and assurance activity at each meeting and considers external, sector specific and horizon risks.

The Group Business Assurance Committee is responsible for oversight of our risk management framework and provides assurance to the Board on the adequacy and effectiveness of the systems of internal control, risk management and governance. This includes monitoring of strategic and significant operational risks, review of internal control frameworks, specific projects and mitigation activity and receiving deep dives and reports on risks and assurance.



Governance 10: Board and trustees



C31 What are the demographics of our Board and how do they compare to our customers and the area that they operate in?

18% of our Board are from ethnically diverse backgrounds and 64% of our Board are women. From an ethnicity and gender perspective this is fairly representative of our customers.

We are conscious that it's also important to ensure that our Board has sufficient diversity of thought and a range of experiences to draw upon and this is something we're looking at improving over time.

C32 What % of our Board and management team have turned over in the last two years?

In the last two years there have been six Board members retire and nine new Board members appointed, including a new Chair.

There has been significant strengthening of the leadership team also. Of the eleven Executive Directors and Directors in post at the end of March 2022, three joined within the last two years.

C33 What is the maximum tenure for our Board members?

Under our governance arrangements Board members are normally expected to serve two consecutive three year terms, making six years in total. Under exceptional circumstances we may ask a Board member to stay longer, with an absolute maximum of nine years in total.

C34 What % of our Board are non-executive directors?

All of our Board are non-executive directors

C35 How many Board Members on our Audit Committee have recent and relevant financial experience?

Our Audit Committee is know as GBAC (Group Business Assurance Committee) and covers risk as well as audit. Until September 2021, the Chair of the Committee was a qualified Accountant. Since then the committee has been chaired by Russell Galley, who has considerable experience at a senior for a major bank.

Two other members of the committee also have experience working in the financial services sector and we have just recruited a further member who is a qualified Accountant. In addition, we have two independent members with relevant financial qualifications and experience who add an independent view to GBAC.

Governance 10: Board and trustees



C36 Are there any current executives on our Remuneration Committee?

No.

C37 Has a succession plan been provided to our Board in the last 12 months?

Yes. A succession plan was developed and approved by the Board in 2022.

C38 For how many years has our current external audit partner been responsible for auditing the accounts?

This is the first year that Beever & Struthers have audited our accounts, having been appointed following a tendering exercise in 2021.

C39 When was the last independently-run, board effectiveness review?

Altair undertook an independent review of our governance arrangements in early 2022. This included detailed feedback from our Board Members and executive team on our governance arrangements, observation of some meetings and a review of some of our documentation. The outcome of this was generally positive with Altair making a number of high-level recommendations on areas where we could improve. These are being addressed through an action plan which is being monitored by the Board and expected to be complete in November 2022.

C40 Are the roles of the Chair of the board and CEO held by two different people?

Yes.

C41 How do we handle conflicts of interest at the board?

Disclosure of interests is a standing agenda item at every Board and Committee meeting to ensure that decisions are made solely in the interests of Yorkshire Housing. The requirement for Members to declare any interests, at any time, is stipulated within Yorkshire Housing Code of Conduct Policy and Member Service Agreements. At least annually all Board and Committee Members are required to complete an annual declaration of interest form. The register of Interests, per the requirement of our chosen Code of Governance, is also made publicly available upon request and is stated as such on our website.

Governance 11: Colleague wellbeing



C42 Do we pay the Real Living Wage?

Yes, we pay our employees at least the Real Living Wage and commit to increasing pay to at least the RLW rate annually.

C43 What is our gender pay gap?

We've been publishing our gender pay gap since 2017 and we've made some very positive progress. We have reported virtually no gender pay gap for the last 2 years. In 2022, we also voluntarily published our ethnicity pay gap and the commitments we have made to remove the small gap we have found in this area.

C44 What is our CEO-worker pay ratio?

1 : 6.53



Governance 11: Colleague wellbeing



C45 How do we support the physical and mental health of our staff?

Wellbeing, positive mental health and championing inclusion are central to our people strategies, and an important part of our offer to colleagues. We have an active wellbeing forum and programme of resources, communications, support and events. We promote regular wellbeing conversations through our performance management framework and have trained line managers to recognise the signals of poor mental health. This is supported by a team of fully trained wellbeing (mental health) first aiders and our 24/7 employee assistance programme.

Our wellbeing approach covers the four strands of mental health, physical health, financial wellbeing (supported by our in-house trained money coaches) and feeling connected. Each strand has a comprehensive delivery plan and is held on an accessible Sharepoint site, supported by ongoing communications.

We also have an active colleague-led diversity and inclusion forum and regularly host awareness events and 'let's talk about' sessions for all colleagues covering different topics on the D&I agenda. We promote our value of inclusion ('Be yourself') and discuss this as part of all new joiners onboarding as well as through ongoing communications and training. Our Board and Leadership Team have ongoing D&I training and the programme is being rolled out to all line managers during 2022.

C46 What is the average number of sick days taken per staff member?

Despite the challenges of the pandemic, our sickness absence levels have remained below sector averages – we reported a sickness absence percentage of 3.8% for the financial year 2021/22, or 2.9% excluding Covid-19 related absences. This is an average of 9 days per person.



Governance 12: Supply chain



CC47 & C48 How we consider Social Value creation and environmental impact when procuring goods and services.

The procurement budgets of Housing Associations provide a powerful tool to manage fundamental change. We want Yorkshire Housing to maximise the value of our contracts with private sector partners and to leverage that value to obtain additional social value.

In order to do that we incorporate a Social Value question into the tendering and contract renewal process that is weighted in line with contract value and scored by our Enhanced Tenancy Support (ETS) team.

Our ETS team have developed a menu of Yorkshire Housing customer and community priorities, suggested ways to contribute and have agreed a sliding scale of contract value to contribution. Our approach is to either incorporate a social value question into every tender and / or use a social value calculator we have developed.

The social value question can include any of our priorities and should demonstrate value to be delivered in addition to the requirements of the specification. These priorities include Digital Capability, Community Spaces, Employment & Training, Financial Inclusion, Equality and Diversity, Health and Wellbeing and Environmental impact.

Potential ways to contribute include through funding roles, sponsoring projects, responsibility pots, community labour days, provision of equipment and materials, training and education & awareness sessions.

We are also keen to encourage in-kind contributions that can be made by contractors as they can make a significant impact in our communities.

