



Environmental
social and
governance
report

2022/23



**Better
places**



OUR VISION

Making London home

Our vision for Notting Hill Genesis, Making London Home is our response to the housing crisis in London. We are committed to working Better Together to provide good quality homes to enable our residents to live their lives well.



OUR MISSION

Working
better
together
for our
residents



Our story

Around two in every 100 Londoners live in a Notting Hill Genesis home. More than half are in general needs properties charged at social or affordable rent levels, but we also offer shared ownership, leasehold, market rent, supported and temporary housing, and commercial properties.

That tenure mix allows us to build on our proud legacy over almost six decades as an innovative and important player in London's housing story, and to maintain our determination to deliver homes that Londoners can afford, whatever their personal circumstances.

We are committed to working better together for our residents, providing safe, warm and comfortable homes where they can live their lives well.

Our focus is on the capital, where we provide services to households in almost 61,000 homes across every London borough. We have slightly more than 6,000 properties in areas around London, but plan to transfer those to better placed registered providers over the coming years. As for previous transfers, we will work closely with local stakeholders and residents to ensure the process is as smooth as possible.

Alongside improving existing homes and services, we continue to build new homes. In 2023/24, we plan to deliver well in excess of

1,000
new homes,

more than 70% of which will be affordable, ensuring we are playing our part in addressing the capital's housing shortage and enabling more people to truly make London home.



About this report

This environmental, social and governance (ESG) report sets out how we continue to provide genuine social value and explains how we are contributing to tackling climate change through the introduction of more sustainable practices.

It demonstrates to our residents and other stakeholders the positive impact that we are making against those important themes. Specifically, the report shows investors that by supporting our organisation, their money can have a positive social impact. We know that criteria associated with ESG are increasingly considered by investors as they look to invest ethically in businesses and organisations that provide social value, and hope this report assists them in that.

Our ESG document provides performance data aligned with the Sustainability Reporting Standard for Social Housing (SRSSH), published in November 2020. The standard covers 12 core themes and has 48 qualitative and quantitative criteria, which are identified as the core requirements to demonstrate strong ESG performance.

Those criteria are referenced throughout our report, alongside information about how we comply with each and case studies to provide more colour. At the start of each section, we set out which of the 12 SRSSH themes are covered by it, alongside the United Nations sustainable development goals to which they align.

The ESG report is complemented by two other annual publications. Our annual report and financial statements focus on financial performance to reassure our funders that their investments are sound. At the same time, it seeks to demonstrate the vital contribution those investments make to our residents' lives.

Our annual standards report concentrates on issues that directly impact those who live in our homes, demonstrating in more detail how we aim to work better together for our residents.



All publications are available on our website at www.nhg.org.uk/publications.

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Welcome from our chief executive



One of the things that most attracted me to working at Notting Hill Genesis was its strong sense of social purpose, stretching back to the west London of the 1960s. So much has changed since then, but the need for safe, comfortable and affordable homes in and around London is as important as ever.

Climate change is a newer reality, but one that requires equally urgent attention. That urgency was brought into ever-sharper focus during 2022/23 as we witnessed devastating floods, droughts and storms and record-breaking temperatures across many parts of the world.

This environmental, social and governance report sets out our performance during 2022/23 in key areas to ensure that Notting Hill Genesis continues to provide genuine social value and that we are playing our part in improving sustainability. The report also explains how we are set up to

ensure we function effectively to support the delivery of those two broad aims.

The report's core themes are aligned closely to the objectives of our recently published Better Together corporate strategy. Those objectives explicitly commit us to improving relationships with and services for our residents, our most important customers, based on what matters most to them. Similarly, they focus on levelling-up our affordable homes to an enhanced standard and achieving the government's net zero carbon emissions objective by 2050.

Our strategic objectives are also clear on the need for a conservation-led approach across the green spaces we manage and for residents to have opportunities




in the development of local green space management plans.

Now is clearly a challenging time for many, and it's increasingly important that we take an innovative and adaptive approach to address those challenges. As one of London's largest and most established housing associations, Notting Hill Genesis is well positioned to do that, and I am proud to be leading our efforts to do so.

Patrick Franco
Chief executive

Social

A strong social proposition is crucial to building and sustaining relationships with our residents and communities. It's also important if we are to attract and retain quality employees who share our values, put residents first, and are willing and able to contribute to achieving our goals.

ESG AREA	THEME	KEY SUSTAINABLE DEVELOPMENT GOALS
Social	Affordability and security	11  Sustainable cities and communities
	Building safety and quality	10  Reduced inequality
	Resident voice	11  Sustainable cities and communities
	Resident support	
	Placemaking	

Affordability and Security

Criteria 1:

For properties that are subject to the rent regulation regime, report against one or more affordability metric:

1) Rent compared to median private rental sector rent across the local authority (2) rent compared to local housing allowance

Average rent for Notting Hill Genesis homes across all local authorities is £149.28 a week compared to median private rental sector rent of £314.33 a week (47.49% less).

Number of bedrooms	Our rent as a proportion of market rent	Our rent as a proportion of local housing allowance
Bedsit	29%	50%
1	60%	47%
2	64%	61%
3	68%	57%
4+	78%	66%

Criteria 2:

Share and number of existing homes (those completed before the last financial year) allocated to general needs (social rent), intermediate rent, affordable rent, supported housing, housing for older people, low-cost home ownership, care homes, private rented sector or other.

Tenure type	Number	Percentage
General needs (social rent)	30,631	45.7%
Intermediate rent	3,940	5.9%
Affordable rent	5,229	7.8%
Supported housing	3,248	4.8%
Housing for older people	1,171	1.7%
Low-cost home ownership	9,093	13.5%
Care homes	75	0.1%
Private rented sector	3,210	4.8%
Other	10,513	15.7%
TOTAL	67,110	100%

Criteria 3

Share and number of new homes (those that were completed in the last financial year), allocated to general needs (social rent), intermediate rent, affordable rent, supported housing, housing for older people, low-cost home ownership, care homes, private rented sector or other.

General rented	217	47%
Shared ownership	60	13%
Market rent	18	4%
Private sale	164	36%
TOTAL	459	

Criteria 4

How is the housing provider trying to reduce the effect of fuel poverty on its residents?

Our resident support programme supports residents with the effects of fuel poverty and rising costs of living through a combination of income maximisation, budgeting and financial education and through directly sourcing funds available. Further detail about our resident support programme is outlined in response to criteria 12.

Criteria 5

What % of rental homes have at least a three-year fixed tenancy agreement?

Since 2019, our policy is to offer assured tenancies to the majority of new residents in social housing and we are in the process of converting remaining fixed-term tenancies to assured tenancies as they come up for renewal. We offer fixed-terms tenancies only in circumstances such as supported housing where these are linked to the provision of support for a fixed period, or temporary housing where residents are awaiting a permanent offer of accommodation from their local authority.



Cost-of-living surgery for residents

Building Safety and Quality

Criteria 6

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

99.93%

Criteria 7

What % of buildings have an in-date and compliant fire risk assessment?

100%

Criteria 8

What % of homes meet the national housing quality standard?

99.78%



CASE STUDY:

Keeping our residents safe

Work continued throughout 2022/23 to ensure our homes are safe and comply with new legislation, including the need to provide a 'golden thread' of information for specific buildings.

This included the recent publication of a comprehensive building safety policy, outlining how we will:

- Follow new design and construction standards
- Meet our commitment to keep residents safe
- Engage with residents and share building safety information with them
- Ensure qualifying leaseholders are protected from building safety defect costs
- Hold those responsible for building safety defects to account
- Work with regulators and provide them with the information they need

We also recruited a new team of building safety managers, following a successful pilot during 2022/23. Although not a specific requirement of the Building Safety Act, the new roles are an important introduction to support other elements in the legislation.

Each building safety manager is responsible for a set number of high-rise buildings within a specific patch. They ensure safety risks are identified and mitigated, conduct assurance checks and on-site inspections and actively engage with residents over the safety of their building.

Resident voice

Notting Hill Genesis staff with Resident Voices Group on a site visit of our estates

Criteria 9

What arrangements are in place to enable residents to hold management to account for provision of services?

We have two residents on our group board as well as residents on each of our board sub-committees. Our Resident Voices group, chaired by a resident board member, provides the link between the board and our resident involvement network. Our oversight and scrutiny group meet regularly to review and question our performance and to recommend areas for additional work. The Resident Voices group produce an annual report which outlines how residents have been involved in scrutinising and reviewing services during the previous 12 months. Their report is available via our website.

Criteria 10

How does the housing provider measure resident satisfaction and how has resident satisfaction changed over the last three years?

We have two key measures of satisfaction focusing on overall satisfaction with services received and satisfaction with repairs completed. Both are calculated via transactional surveys.

Satisfaction at the end of the year was 83.5% for repairs completed against a target of 83%. For 2020/21, that figure was 84.9% and for 2021/22, it was 84.7%.

Overall satisfaction with services received at the



end of the year was 76.4% against a target of 75%. For 2020/21, that figure was 73.7% and for 2021/22, it was 73.9%.

We did not carry out an annual survey during 2022/23 given the imminent introduction of tenant satisfaction measures. For those, we are surveying a random sample of residents in four waves throughout 2023/24 and will report findings to the regulator at the end of the year.

Criteria 11

In the last 12 months, how many complaints have been upheld by the ombudsman. How have these complaints (or others) resulted in change of practice within the housing provider?

We responded to 69.8% of stage 1 complaints in time and 67.7% of stage 2 complaints, both below target of 82% and 83% respectively. We

also report regularly on the number of findings of maladministration (including service failure) from the Housing Ombudsman. In 2022/23, 48% of our ombudsman cases had findings of maladministration including service failure. The number of complaints escalating to the ombudsman increased substantially over the year, in line with sector-wide trends.

As part of every complaint we ask colleagues to think about learning on a local level. For example, we have introduced a buddy system to ensure cover when people are off and have made changes to our training.

We also carry out wider analysis and hold regular case reviews to ensure we pick up organisational learning. Some examples of changes as a result of these are how we deal with window repairs and prioritisation of parking requests.

CASE STUDY:

Listening to our residents

Hearing from residents is important in shaping decisions. With that in mind, we spoke to residents in autumn 2022 to help us develop our new customer strategy. To support existing data and insight, we carried out a comprehensive programme of research, which involved analysing all existing and previous customer insight work and taking a critical look at our tendency to consider issues from an internal perspective. The cornerstone of the research was a piece of in-depth qualitative research which included immersive interviews with residents (usually taking place in their homes), resident focus groups and interviews with colleagues and board members, with interviews structured to maximise opportunity for listening rather than directing comments.

We distilled what our residents told us through that research into six objectives and are working now to ensure that everything we do as an organisation contributes to delivering one of those outcomes:

- Residents feel safe in their home, including place
- Residents feel that their house is a home
- Housing costs are fair, predictable and easy to pay
- We really listen to residents and act in response
- We fix problems well and fast
- We take care of the property and place for today and the future



Resident support

Criteria 12

What support services does the housing provider offer to its residents. How successful are these services in improving outcomes?

Our specialist in-house welfare benefits team support residents to maximise their incomes by challenging decisions and making new benefit claims. In 2022/23, the team received more than 1,000 referrals and recovered more than £3 million in revenue for residents. They also support with submitting discretionary applications to help reduce rent arrears, which relieves pressure on tenants' budgets.

In 2022/23, we made 357 awards through our hardship fund, which supports households in need with the cost of white goods, beds, carpeting and insulation and emergency removal costs. By supporting tenants to cover the costs of essential household items, we aim to ease pressure on budgets and reduce the need for high-interest borrowing.

Our resident support programme helps residents through

partnerships with a wide range of local agencies who offer support and advice covering:

- Jobs, training and skills, including volunteering opportunities, English for speakers of other languages and links to current vacancies
- Money matters, including food support, budgeting, grants and goods, energy and utility support and debt advice
- Family issues, including domestic abuse support and advice for young people
- Health and wellbeing, including support for older people, addiction and those with mental or physical health issues

During 2022/23, the team made 805 referrals to those partnership agencies.

Details of all partners and the services they provide are listed on our website, where they can be directly accessed by residents.

CASE STUDY: Cost-of-living support

We worked hard throughout 2022/23 to support residents who were struggling in the face of the national cost-of-living crisis. Many were increasingly unable to pay for food, utilities and rent and faced increased pressure over the colder winter months.

Deborah, a housing officer in east London, is one of several cost-of-living champions who have provided extra support during this challenging period. Deborah offered budgeting support via our Money Know How project for young care-leavers in their first properties in her patch in Waltham Forest. Through one-hour consultations, she sought to resolve existing issues with benefit claims and to help reduce outgoings by applying for help with white goods or referrals to food banks, for example. Deborah also uses routine annual visits to discuss cost-of-living costs, when she also offers assistance with debts, budgeting and details of external agencies who can help.

In our north region, housing officer Donna carried out home visits to tenants on her patch who live in properties with low energy performance certificate ratings to offer direct support to help keep them warm during the winter. Donna also organised a webinar on coping with the energy crisis with Shelter for 18 colleagues to ensure they were better informed on available support for their residents.

Centrally, our resident support team put together a simple guide on our website to help residents manage cost-of-living pressures, including a list of partner organisations who might be able to offer help. They also posted that information to our website and provided a six-step guide to help colleagues structure conversations with their residents and work through what support might be available.

Placemaking

Criteria 13

Provide examples or case studies of where the housing provider has been engaged in placemaking or placeshaping activities.

We take pride in creating and sustaining good quality places where residents can be proud to live, work and play, that incorporate well-designed and maintained homes and estates with access to a range of local amenities. This includes our approach to placemaking in areas of new development as well as working with local communities to strengthen and sustain existing neighbourhoods.

A range of teams across our organisation are involved in this work, including multiple regeneration teams in the London boroughs of Barnet, Hackney and Southwark, the development team and the commercial properties team.

In 2022/23, we created an interim placemaking team to deliver a one-year pilot across several estates aimed at understanding how those currently function with the aim of improving the quality of the experience and environment for residents.

The pilot focused on specific estates both in existing communities and on new developments and involved working with others across our organisation to complete deep dives to understand how residents experience our places, inside and out, and identify issues that fall between the gaps to ensure all residents received a consistent service. It also tested a new approach to how we design and manage our estates, focusing on community and socio-economic development, customers, estate management, and brand and identity.

The results were positive and are now being introduced more comprehensively as part of our restructured operations directorate and in line with our Better Together corporate strategy.



CASE STUDY: Grahame Park regeneration programme

Grahame Park in Barnet is one of three existing communities where we are leading or supporting comprehensive regeneration programmes. The others are the Aylesbury Estate in Southwark and Woodberry Down in Hackney. Alongside the physical regeneration of these areas, we also provide comprehensive socio-economic programmes.

At Grahame Park, we have a social impact framework called Neighbourhood Change. Commissioned by us, Neighbourhood Change was designed with local groups and the London Borough of Barnet to ensure community needs are addressed collectively. Through workshops, research and consultation, we identified four priorities for the framework focusing on health and wellbeing, economic inclusion, influencing public spaces and community safety.

Our Make It Happen programme focuses on the economic inclusion element of the framework. Based in the enterprise and skills hub

in the Old Library on the estate, the programme offers a holistic employability service providing:

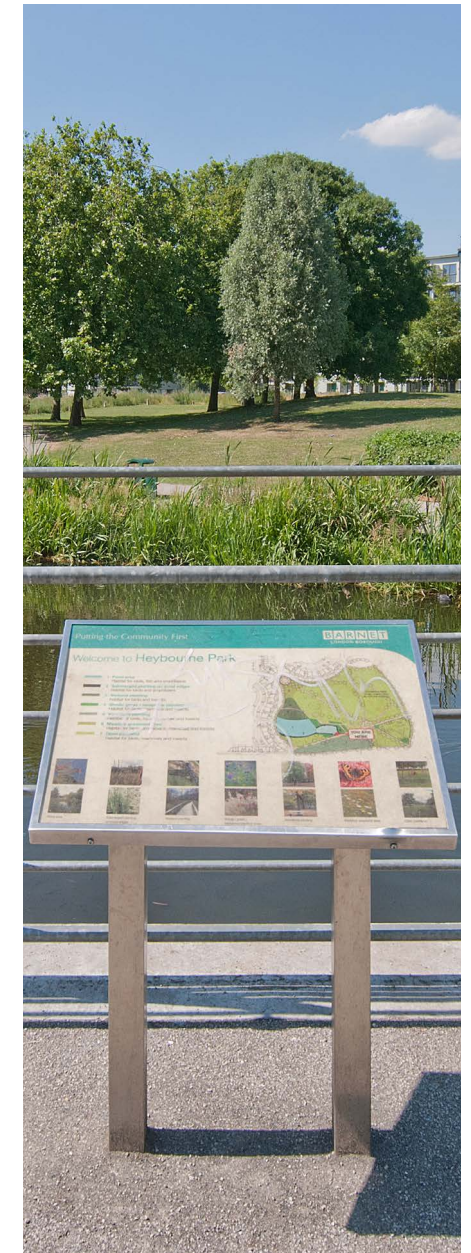
- Employment advisers to work with local people to help them achieve their goals
- Job search assistance and support with finding employment or starting a business
- Identifying suitable courses, work placements and training opportunities
- Access to job clubs, careers fairs and free training
- Support with writing CVs and cover letters and preparing for interviews
- Direct vacancies with employers

Our socio-economic team did a lot of work during 2022/23 to support young people who live on the estate. Our Young Futures project trained 15 16-24-year-olds as community researchers, teaching them how to do interviews, take fieldnotes, manage their time, and keep safe when working in the community. With their training completed, they interviewed more than 50 young residents about their feelings, hopes, and ideas for Grahame Park and organised drop-

in sessions for others to share their views.




Also, for young people, we partner with Spark, an employability charity, to offer college students mentoring support and an introduction to the world of work. Participants spent time at our head office in King's Cross, took part in online workshops to build vital skills to help them find work in future, and received mentoring from colleagues.

As part of National Apprenticeship Week, we took part in a careers events at Saracens High School close to the estate, providing an opportunity for year 10 students and their parents to gain an insight into the world of apprenticeships and how they can be an alternative to further education. We joined other panel members from Barnet Council, Hill Group, London Square, Capital City College and Transport for London to give an overview of the types of apprenticeships available and how the school can be supported through site visits, workshops, and work experience placements to give students a better understanding of how to develop a career in construction.



Environmental

We believe that protecting the environment is an integral part of a high-performing, successful organisation. To that end, improving energy performance and creating green spaces are among several sustainability goals captured in both the better homes and better places strands of our new corporate strategy. We will continue to reduce the environmental impact of our activities through effective management of our carbon emissions, energy use, resource use, and waste. We will ensure that our homes are more sustainable during their whole life, reducing carbon emissions and helping to tackle fuel poverty among our residents.

ESG AREA	THEME	KEY SUSTAINABLE DEVELOPMENT GOALS
Environmental	Climate change	13  Climate action
	Ecology	15  Life on land
	Resource management	12  Responsible consumption and production

Climate Change

Criteria 14

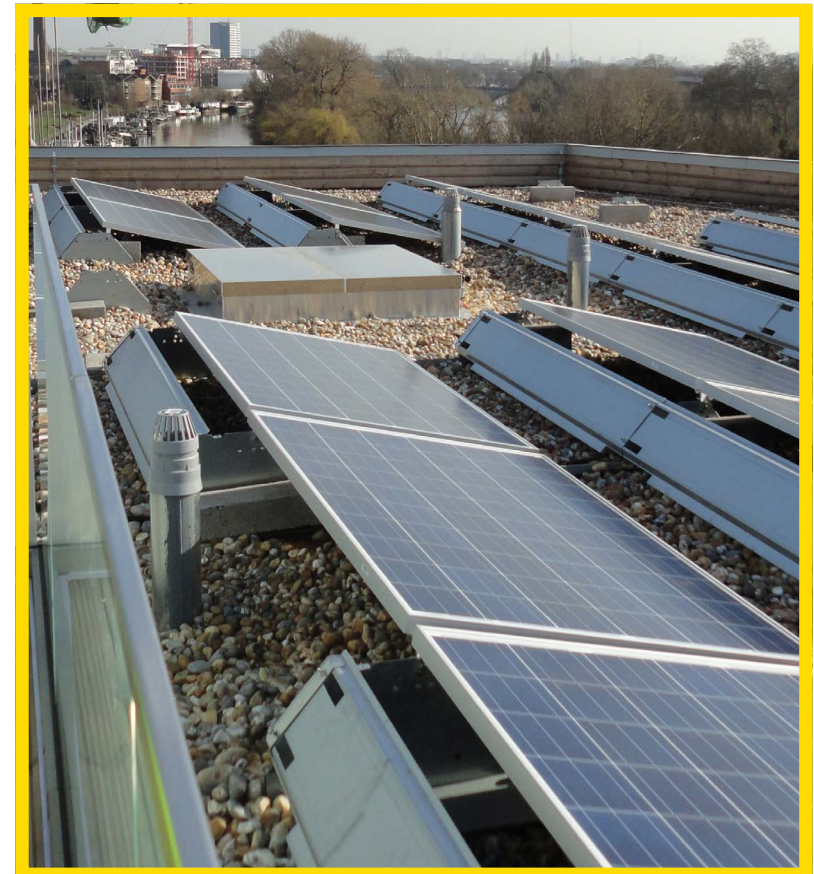
Distribution of energy performance certificate (EPC) ratings of existing homes (those completed before the last financial year)

A	0.01%
B	13.00%
C	60.26%
D	23.85%
<E	2.88%

Criteria 15

Distribution of EPC ratings of new homes (those completed in the last financial year)

Our new homes reach a high rating which will help improve the rating across all our portfolio and reduce the embodied carbon of our homes. For the year 2022/23, 100% of new-build homes were rated EPC B or higher.



Criteria 16

Scope 1, scope 2 and scope 3 greenhouse gas emissions

We use our carbon footprint for 2022/23 as a baseline against which to measure future progress. We produced that footprint following work with the Carbon Trust, which estimated our total carbon footprint for the year to be 240,310 tCO₂e. The table below shows how our overall footprint breaks down, with our homes accounting for most of our footprint across all three scopes.

Our sustainability action plan, updated in early summer 2023, identifies several follow-on activities, including the development of a carbon reduction plan in 2024 and enhanced data management to strengthen carbon footprinting and emissions monitoring in future.

Scope	Kilograms of carbon dioxide equivalent	Contributing factors
Total scope 1 and 2 emissions	114 ktCO ₂ e (47%)	Energy consumption in the tenanted housing stock accounted for 93% of these emissions.
Total scope 3 emissions	127 ktCO ₂ e (53%).	Procured goods and services accounted for the largest portion of scope 3 emissions, (46%), followed by energy consumption in the leased housing stock (30%).

Criteria 17

What energy efficiency actions has the housing provider undertaken in the last 12 months?

We completed the following energy efficiency measures in properties in 2022/23:

- 723 new boilers
- 326 properties fitted with double glazing
- 31 new roofs

All of our new developments target net zero operational carbon emissions. This includes an on-site carbon emission saving target of 35%, to be achieved by energy efficiency and renewable energy, with the remainder of the target to be achieved by further on-site measures or carbon offsetting.

New developments target a minimum EPC rating of B and have standards of energy efficiency, typically including:

- Well insulated and high-performance double or triple glazing to reduce heat loss through the building envelope
- Air-tight construction to reduce heat loss from air leakage and draughts
- Good daylighting in habitable rooms combined with LED lights, to minimise the amount of electricity needed for artificial lighting
- Heat recovery on the mechanical ventilation system in each dwelling, to reduce the energy required to heat the background fresh air
- A building/site-wide heat network with low carbon technology such as air-source heat pumps to provide low-carbon heat to residents

We employ an in-house technical manager to work with design and construction teams to optimise energy-related outcomes on development projects. The technical manager also works with our asset management team to learn from their experience of managing our buildings and heat networks to determine the best future strategies and means of implementation. Our aim is to improve design and construction in order to enhance outcomes and reduce the acknowledged industry-wide performance gap between design predictions and in-use performance.

Criteria 18

How is the housing provider mitigating the following climate risks: increased flood risk, increased risk of homes overheating?

On new builds we carry out flood risk assessments on all projects in flood risk zones and take mitigation measures where necessary. This is either in reducing the impacts of flooding on the proposed development, or reducing the impact of our development on the local flood risk management measures.

Where necessary for local flood risk mitigation, we provide rainwater attenuation to reduce surface water run-off rates into the sewers. The rainwater that lands on the buildings and landscaped areas is stored and released slowly into the sewer network. This reduces the influx of water into the sewers and local watercourses and lessens the risk of flooding downstream. Typical rainwater attenuation measures are: green roofs, brown roofs, blue roofs, soakaways, swales, permeable paving and attenuation tanks.

On new developments our designers carry out an overheating risk assessment in accordance with CIBSE TM59, prior to the planning submission and then again prior to construction. This involves dynamic computer modelling of the proposed dwelling design against a set of overheating criteria, to simulate how the dwellings will perform in warm weather throughout the year. The dwelling design is then adapted to ensure the overheating criteria are met.

Our preference is to ensure the overheating risk can be mitigated via passive means such as openable windows or acoustically attenuating louvres rather than resorting to energy intensive air conditioning. We brief the designers to ensure acoustics and air quality are considered when assessing the overheating risk and mitigation strategy. Our in-house technical manager reviews the designs and the modelling to provide an additional level of technical scrutiny.

Criteria 19

Does the housing provider give residents information about correct ventilation, heating, recycling etc? Please describe how this is done.

We provide a manual to residents on new builds as part of their welcome pack to advise them on the following:

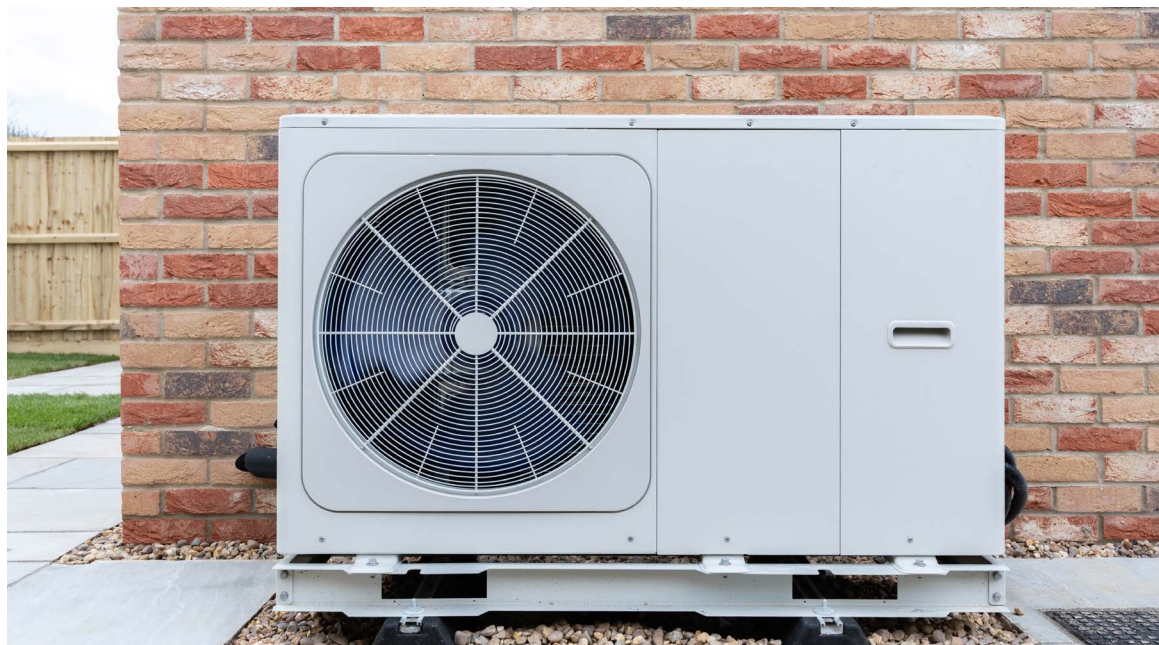
- Using the heating system for comfort and energy efficiency
- Correct use of the ventilation to ensure good air quality is maintained without using excessive energy
- Energy-efficient use of the white goods and electronics
- Using the heating and ventilation to prevent condensation and mould growth

CASE STUDY: Energy efficiency and renewable technology

Grahame Park in Barnet will be our first development to incorporate an air-source heat pump as the primary heat source on a low carbon heat network. The first phase, including an energy centre, started on site in 2021 and will be complete by spring 2024.

The air-source heat pump will provide at least 60% of the annual heat to the site, which is predicted to lead to a 40% reduction in annual operational carbon emissions compared to the building regulations standards. We have employed both in-house and external specialists to review the design and ensure it meets the stringent design standards and in-use targets. As part of that, specialist energy consultancy Fairheat will carry out an inspection and monitoring role to ensure the system is well-designed and installed to a high standards and check the in-use efficiency matches the high standard in the design specification.

As well as the air-source heat pump, an array of solar PV panels will be provided at Grahame Park to further reduce the on-site carbon emissions. The electricity from the solar PVs will contribute to powering the heat pump.



CASE STUDY:
Extra funding for decarbonisation



We were awarded £8 million to improve energy performance in 1,000 of our social homes in March 2022 following a successful bid to the Social Housing Decarbonisation Fund grant from the Department of Energy Security and Net Zero.

The grant will be used to upgrade several different types of home in our social housing stock to ensure they achieve an energy performance certificate (EPC) at band C by 2025. Improvements will focus mainly on better insulation and ventilation, which will also support our drive to reduce the risk of damp and mould, which we know is important to residents. Ultimately, the additional investment means that residents in those homes will benefit from reduced energy use and associated lower bills.

Crucially, the people living in the homes identified for improvement using the grant won't be the only ones to benefit. We deliberately designed our bid to create a template for best practice and learning, which means we can scale up the delivery of improvement packages to ensure all our rented homes are at EPC band C by 2030.

Beyond improving individual residents' living standards, we are also committed to playing our part in tackling climate change. Our sustainability strategy, published in autumn 2022, sets a target of all our homes being net zero by 2050, and this grant represents a crucial step along the way to meeting that aim.

CASE STUDY:
Improving our heat networks

During 2022/23, we worked with FairHeat on a heat network improvement programme across four of our estates using money from the government's heat network efficiency scheme. At our Mildmay development in east London, FairHeat installed Guru Systems technology to capture data from the heat network and identify areas for improvement. Those included retrofitting individual homes with new heat interface units, installing a smart metering system and upgrading insulation on pipework. FairHeat also recommended several improvements to the wider network and within the plant room. Taken together, the changes resulted in a reduction of 12 degrees celsius in flow temperature, a 28-degree reduction in return temperature and a 25% reduction in gas consumption.



Ecology

Criteria 20

How is the housing provider increasing green space and promoting biodiversity on or near homes?

Our sustainability strategy sets out a goal to protect, enhance and restore our green spaces – providing welcoming, inclusive areas for people to enjoy and nature to thrive.

Over the next two years, we've committed to embedding conservation-led approach to managing green spaces in our new landscaping contracts at the same time as creating opportunities for residents to be involved. To support that ambition, we worked with specialist consultants to map and measure our green spaces (as well as the green assets within them – for example trees). We're also now members of Parks for London and have been working with the organisation to adapt their quality manual as a standard for our future gardening contracts.

This year, we're identifying locations where we can implement different nature enhancements, working with residents and other local organisations. Our aim is to build on lessons learnt and roll-out improvements in other areas from 2025 onwards.

We are founding members of the Green Spaces Advisory board, a cross-sector partnership set-up to develop new approaches to biodiversity enhancement and environmental placemaking. Over 2022/23, we worked on the development of green spaces model that will help social landlords, including ourselves, unlock the potential of their green spaces.

Our new development projects aim to achieve an urban greening factor of 0.4 wherever possible, to ensure a significant proportion of green space, green cover and green infrastructure is provided on our developments. We will also target a biodiversity net gain of 10% on all new developments, or more where feasible as part of our new sustainability strategy. That will ensure sites undergo an improvement in ecological biodiversity as a result of the development.

Criteria 21

Does the housing provider have a strategy to actively manage and reduce all pollutants? If so, how does the housing provider target and measure performance?

We specify low NOx gas boilers on new developments, and we are moving towards electric air-source heat pumps on future schemes. This minimises local air pollution, which benefits local air quality. We will carry out an air quality positive assessment on all large projects in the future, helping to improve air quality in and around the development site and minimise exposure to existing sources of poor air quality, such as busy roads.

CASE STUDY: **Community composting project**

Our team on the St Martin's Estate in Lambeth held a community composting day hosted by Incredible Edible Lambeth in March 2022. They invited residents from the estate to learn how to get involved in a community composting project while getting to know their neighbours.

Incredible Edible is a two-year programme aimed at providing skills, resources and community support to sustain community composting sites.

The idea was initiated by Jackie, one of our residents, who was named best volunteer for a community growing space at the Incredible Edible Blooming Lambeth Awards 2022.

This is one of the many events that Jan, our new estate manager at St Martin's, is coordinating with residents to bring the estate together and build a community atmosphere.



Resource Management

Criteria 22 and 23

Does the housing provider have strategies (1) to use or increase the use of responsibly sourced materials for all building works and (2) for waste management incorporating building materials? If so, how does the housing provider target and measure performance?

We will carry out a whole life-cycle carbon (WLC) assessment and a circular economy statement (CES) on all large new development projects in the future to assess embodied carbon and recycled content of building materials. This applies to projects in the pre-planning stage. WLC and CES will be assessed during both design and construction and include monitoring of on-site materials and waste, with a view to reducing waste and minimising the amount of embodied carbon associated with the construction and operation of the buildings.

As part of the CES assessment on future large developments, we will target using 20% recycled material on larger schemes, to be assessed before, during and after construction.

We require all timber on projects to be certified by the Forestry Stewardship Council. This ensures the timber comes from socially, ecologically and environmentally sustainable sources.

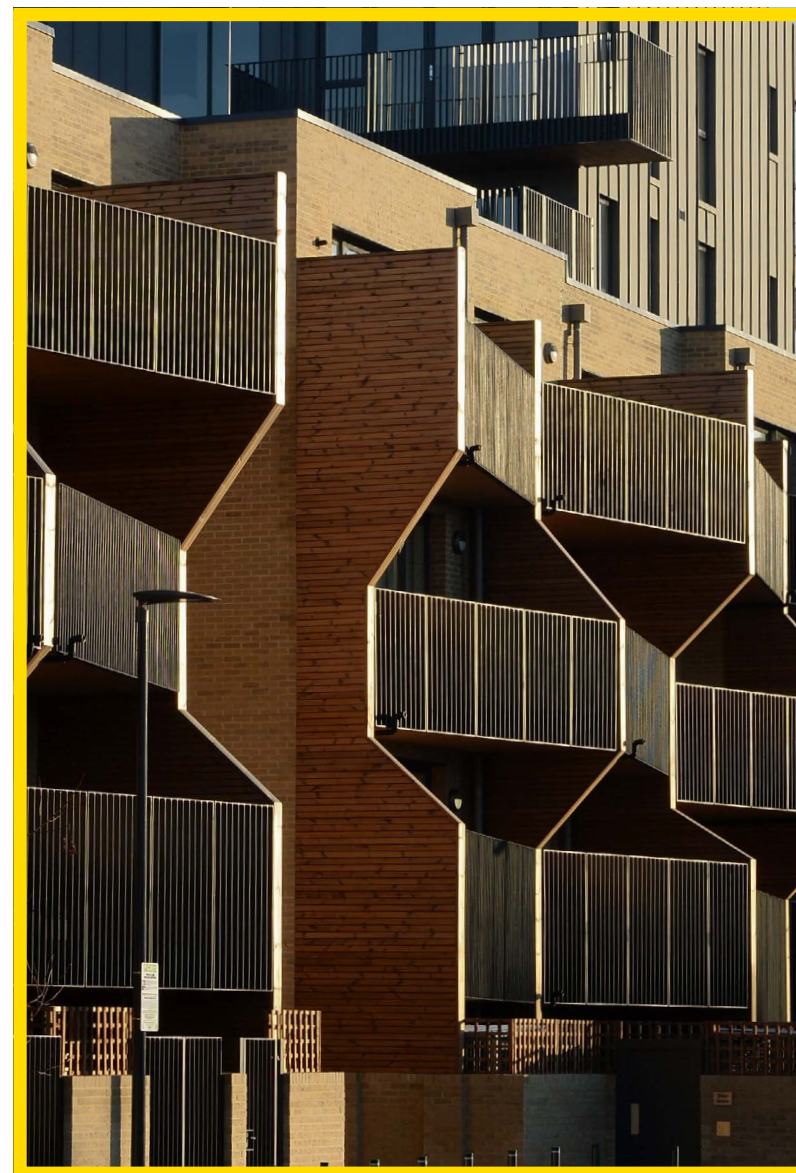
Our new developments are designed to allow enough space for separation of dry recyclables, food and non-recyclable waste for collection and recycling/ disposal.

As part of our new sustainability strategy, we will measure and baseline impacts of our construction, maintenance and refurbishment activities in relation to waste. Once we have baselines, we will start to set targets to reduce the impacts of our activities year on year, with the target of sending zero waste to landfill by 2030.

Criteria 24




Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance?

We minimise water use on new developments by using low-flow taps and appliances, with a target of 105 litres per person per day on new developments. As part of our new sustainability strategy, we will measure and baseline impacts of our construction, maintenance and refurbishment activities in relation to water use. Once we have baselines, we will start to set targets to reduce the impacts of our activities year on year.



Governance

Building on our diversity programme, we will ensure we have an inclusive, well-governed organisation, with a diverse leadership who can hold us to account, make good decisions and comply with the law.

ESG AREA	THEME	KEY SUSTAINABLE DEVELOPMENT GOALS
Governmental	Structure and governance	16  Peace, justice and strong institutions
	Board and trustees	
	Staff wellbeing	8  Decent work and economic growth
	Supply chain management	12  Responsible consumption and production

Structure and Governance

Criteria 25

Is the housing provider registered with the national Regulator of Social Housing?

We are a charity incorporated as a community benefit society under the Co-operative and Community Benefit Societies Act 2014 and are registered with the Regulator of Social Housing as a social housing provider. Our registration numbers are 7,746 and 4,880 respectively.

Criteria 26

What is the most recent regulatory grading/status?

In our most recent regulatory stability check assessment, published on 30 September 2022, we were G1 for governance and V2 for viability.

Criteria 27

Which code of governance does the housing provider follow, if any?

We follow the National Housing Federation's code of governance which applies to all entities wholly owned by the group.

Criteria 28

Is the housing provider not-for-profit?

We do not trade for profit and any profits are only applied for the purpose of furthering the objects and/or in accordance with our rules.

Criteria 29

Explain how the housing provider's board manages organisational risks

The executive board, headed by the chief executive and supported by group directors, is responsible for the delivery of our corporate strategy and operational performance of the business.

Our corporate risk map sets out our main risks and the primary means of controlling them and is considered by the audit and risk committee at least quarterly. We have identified 11 key corporate risks:

- Adverse consequences arising from regulatory action and/or changes in government policy/

legislation

- Failure to comply with health and safety standards,
- Liquidity risk
- Governance
- Failure in customer service delivery,
- Poor data integrity and governance
- Failure to secure the people we need to deliver our mission, technology failure
- Cost pressures mean that corporate objectives cannot be met
- Unable to achieve building safety in line with legislation
- A fraud leads to significant financial loss, prosecution or reputational damage

All directorates produce local operational risk maps, which are reviewed and updated quarterly. Those maps include an evaluation of controls to manage identified risks and associated actions and identify a named individual who is responsible for managing and monitoring controls. Controls are cascaded to staff through the performance management systems.

The audit and risk committee comprises five members, two of whom have recent and significant

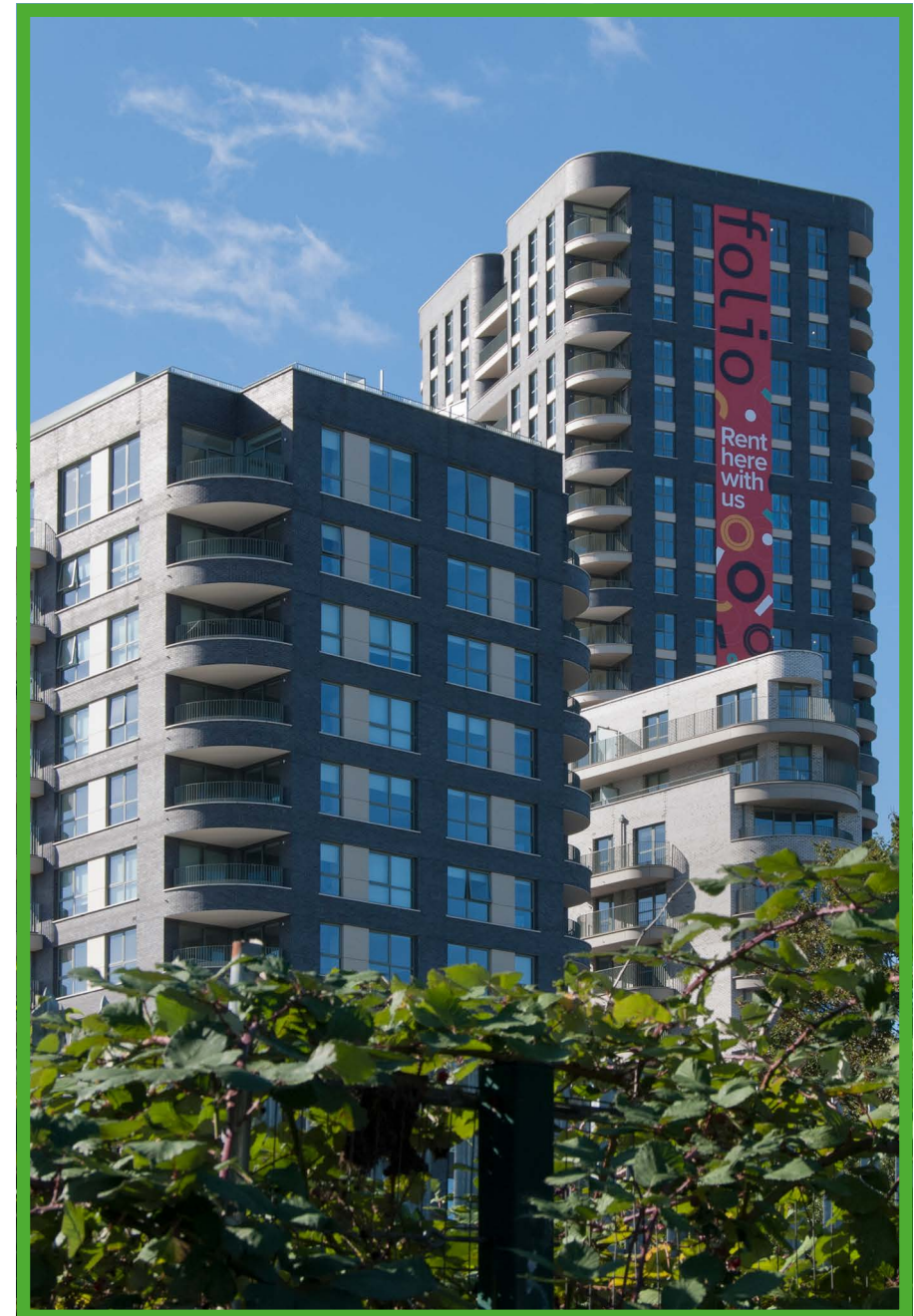
financial and/or audit experience.

The audit and risk committee reports to the group board, and oversees internal and external assurance, systems and processes adopted by the group to manage risk. The audit and risk committee reviews the risk management framework and processes, but ultimate responsibility for risk management rests with the board. The respective responsibilities of the board, the audit and risk committee and of the executive board are set out in our risk policy. The audit and risk committee also provides specialist advice to the board on any particular risks that may threaten the delivery of objectives or undermine the financial strength of the business.

Criteria 30

Has the housing provider been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches etc) that resulted in enforcement or other equivalent action?

There have been no adverse regulatory findings during the last 12 months.



Board and trustees

Criteria 31

What are the demographics of the board? And how does this compare to the demographics of the housing provider's residents, and the area that they operate in?

Our board comprises nine non-executive members and one executive. Our non-executive members are 45% women and 33% from BAME communities. 46% of London residents have BAME backgrounds, a target we are aiming to achieve within our governance community.

Criteria 32

What % of the board and management team have turned over in the last two years?

During the last two years, there have been seven board resignations and six appointments as part of natural term changes.

Criteria 33

Is there a maximum tenure for a board member? If so, what is it?

The maximum possible term for a board member is nine years although we adopt six years as the preferred maximum tenure.

Criteria 34

What % of the board are non-executive directors?

90%

Criteria 35

Number of board members on the audit committee with recent and relevant financial experience

Three members of the board are also on the audit committee, one of whom is the chair of the audit committee. The audit and risk committee comprises five members, two of whom have recent and significant financial and/or audit experience. One of these is not a board member.

Criteria 36

Are there any current executives on the remuneration committee?

There are no current executives on the remuneration committee.

Criteria 37

Has a succession plan been provided to the board in the last 12 months?

The board considers succession planning on a regular basis throughout the year.

Criteria 38

For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

Crowe LLP were appointed as our external auditor last year and audited our annual report and financial statements for 2022/23. Previous to that, BDO LLP had been our external auditor since April 2018.

Criteria 39

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

An independent review occurred in February 2022.

Criteria 40

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

The roles of the chair of the board and the chief executive are held by two different people.

Criteria 41

How does the housing provider handle conflicts of interest at the board?

Conflicts of interest are:

- Reportable by staff to their line manager and the director of governance
- Logged in a register
- Declared at formal meetings of board, committee, subsidiary meetings and recorded within minutes of these meetings
- Covered in induction for new non-executive directors, who receive training on management
- In addition, the director of governance can be contacted for any concerns

Staff wellbeing

G15 Ethnicity Awards recognising Black, Asian and minority ethnic people in the housing sector

Criteria 42

Does the housing provider pay the Real Living Wage?

In our care and support business, we actively engage with commissioners to secure the London Living Wage for our staff, where possible. Our housing assistant night cover staff in care and support receive the National Minimum Wage for their sleep-in hours.

Criteria 43

What is the gender pay gap?

Gender pay gap - median - 16% Gender pay gap - mean - 22.7%

Ethnicity pay gap - median - 18.5%

Ethnicity pay gap - mean - 26.2%

Criteria 44

What is the CEO-worker pay ratio?

The ratio of pay for the chief executive compared to our lowest paid worker for 2022 is 17:1.

Criteria 45

How does the housing provider support the physical and mental health of their staff?

Our sickness management and ill-health capability policies include generous sick pay entitlements and access to occupational health and rehabilitation specialists when needed. Several of our other policies support staff



wellbeing and cover topics such as stress, reasonable adjustments, menopause, miscarriage and stillbirth, and dependent care leave.

Colleagues have access to a range of services to support their physical and mental health, including a health cash plan, a comprehensive health and wellbeing package, free exercise classes and financial advice, support and benefits. We also have more than 100 colleagues who are trained as mental health first aiders, and who run sessions to raise awareness and give opportunities for staff to speak about mental health and current events in a confidential safe space.

To ensure we are as inclusive as possible, we have staff networks who support their members by raising awareness and influencing internal policy across five core areas – women, ethnic diversity,

carers, LGBTQ+ and health and disability.

We support career wellbeing through several internal and external development programmes to support colleagues' career progression, alongside regular free-to-attend workshops and webinars to help further skill sets. To ensure we remove barriers to progression we have anonymised the recruitment process, use diverse recruitment panels, and offer development programmes for women and staff from ethnically diverse background.

Criteria 46

Average number of sick days taken per employee

The average number of sick days taken per employee was 9.9, a figure that includes colleagues on long-term sick leave.

Supply chain management

Criteria 47

How is social value creation considered when procuring goods and services?

All corporate procurement projects include a suite of ESG questions to capture key environmental requirements, including sustainability, and social aspects such as supplier diversity and social value. Suppliers are required to demonstrate these credentials if they are to work with us and align to our core values.

Several recent projects have delivered social value within the procurement process. Those include frameworks covering planned investment, fire risk assessment, lift contractors, retrofit and legal services. All included social factors such as local employment opportunities, developing skills and supporting local economies and enterprises as part of the procurement evaluation.

Our procurement function recently won the best supplier diversity award at the National Go Awards for the work undertaken with diverse suppliers and small to medium enterprise engagement on our development consultant's framework.

Criteria 48

How is environmental impact considered when procuring goods and services?

We have mandated environmental questions within our tender documents to ensure suppliers are aligned to our environmental standards. We have also developed a responsible procurement charter, which pulls together our key supplier values and standards, including a supplier code of conduct, probity, ethical sourcing and environmental responsibility.

Further examples of consideration of the environmental impact through procurement projects include our recent development contractor and consultant framework where we reviewed contractors' environmental policies and included site waste management and material requirements, ensuring that all opportunities to recycle and reuse materials are considered at the outset of the procurement process.

CASE STUDY: Aylesbury estate, Southwark



As part of the Aylesbury estate regeneration in Southwark, we require all supply chain partners to deliver social value that meets local needs and aspirations and provides tangible community benefits.

In 2022/23, we worked with Class of Your Own, Ark Walworth Academy and 27 of our consultants and contractors to deliver three curriculum-based workshops on the built environment, as well as one careers event. Across these four events, we and our supply chain engaged 732 secondary school students to develop their interest in the built environment and increase their exposure to a broad range of career possibilities, with the longer-term aim of helping to increase gender and ethnic diversity in the sector workforce.

Environmental social and governance report

2022/23



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