

Environmental, Social, Governance

**PA Housing's 2020/21 outturn report, incorporating the
Sustainability Reporting Standard for Social Housing**

Publication date: August 2021

Environmental Social Governance

Introduction

This is PA Housing's first annual Environmental, Social and Governance ('ESG') outturn report, covering the financial year ending 31 March 2021.

ESG themes have always been important at PA, and throughout the wider social housing sector. Our products and services are naturally aligned to these themes. We provide homes for those who cannot access housing on the open market. We provide services to the people who live in these homes, and within our wider communities, to promote cohesion and opportunity and to give support when it's needed. Increasingly, we work to ensure that our homes and estates are energy-efficient, and that our wider working practices are sustainable. And we work in a tightly regulated sector where high standards of governance are essential.

Informally then, we have always tried to show how we achieve high ESG standards. In recent years though, a more formal ESG framework has developed. We are fully aware of how important it is for our stakeholders to understand our ESG performance, including how we compare to our peers in the social housing sector. We fully support these developments, and we are absolutely committed to openly reporting our ESG activities, achievements, and areas for further development.

In 2020 PA Housing was one of the founding signatories to the Sustainability Reporting Standard for Social Housing, which obliges all members to report annual results against an agreed set of metrics in a consistent format to aid comparability. Our full results for the 2020/21 financial year are included in this report.

In April 2021 we issued our first sustainable bond, supported by our Sustainable Finance Framework (available on our website here: [Sustainable Finance Framework 2021 | PA Housing](#)). The framework commits us to annual reporting on how we have utilised our bond issue proceeds, and our future ESG reports will include this information.

More broadly though, we want to continue emphasising that delivering strong ESG outcomes is simply 'what we do'. As such, this report also includes a brief summary of our activities during the year, in order to give context to the metrics which follow.

We are keen to talk to stakeholders about our ESG activities. If you would like to discuss our work, or if you have any questions about this report, then please do get in touch.

Simon Hatchman

Executive Director – Resources

September 2021

Environmental activities

All of our work in this area is underpinned by our Sustainability Strategy, which the PA Housing Board approved in 2020. The Strategy identifies three headline workstreams, under which a range of specific actions and targets have been set:

People

Enabling and encouraging sustainable living, working and travel practices among our residents and colleagues.

Property

Improving the environmental performance of our new homes, our existing homes, our estates and our offices.

Partners

Working with our contractors and external partners such as local authorities and the GLA / Homes England to achieve wider sustainability goals together.

Of these elements, investment into our homes is by far the most significant in terms of both cost and scale. Like all landlords, PA faces a huge challenge to work towards net carbon neutral status by 2050, in line with government targets. Nearly 60% of our homes are over 30 years old, including 1,157 homes (5%) from the 19th century. These properties were built in times when energy efficiency requirements were much less rigorous, and while many have been significantly upgraded in the intervening years there is still much work needed in order to meet today's highest standards.

Energy efficiency rating distribution of our homes



Our first target is for all our homes to achieve at least C Energy Performance Certificate ('EPC') rating by 2030. However, we have also carried out an initial estimate of the costs to achieve net carbon neutral status beyond this. Our long-term financial plan includes full provision for this work, and the costings will be refined as we develop our granular understanding of expenditure requirements.

The work will involve continuation of our traditional property improvement programmes – insulation, windows and (in the short term) efficient boilers. However, we will increasingly look towards more innovative renewable energy solutions. We will also work to introduce enhanced sustainability features onto our wider estates, such as electric vehicle charging points, recycling facilities and water capture measures.

We have invested in specialist software to interrogate our property data and inform our delivery work plan, with prioritisation based on a combination of impact, ease of implementation, and cost.

All of our new build homes are already built to at least EPC B standard. The only exception to this within our 2020/21 completions was the conversion of a 100 year old office block in Nottingham into eight flats, where the configuration of the building made additional energy efficiency measures infeasible.

We are also striving to continually to develop our offices, our staff and our ways of working to operate in a more sustainable fashion. Examples of this include:

- Procurement of electric vehicle charging points for our two main offices
- Switching our corporate energy contracts to 100% renewable supplier tariffs
- Measures to promote use of bicycles and (Covid-safe) car sharing for commuting to our offices
- Partnerships with suppliers who can evidence relevant sustainability working practices and accreditations
- Permanent adoption of blended working including video meetings in the post-Covid environment, to reduce commuting and business travel

Social activities

Like all social housing providers, this element of the ESG framework naturally aligns to our core mission. PA exists to provide social homes to those who cannot access housing on the open market. Our preference is to maintain a simple business model which focuses on this priority, without undue distraction from other diverse activities. This is reflected by the make-up of our housing stock:

Breakdown of PA Housing stock as at 31 March 2021

Social housing (various tenures) **21,123 homes (98.2%)**
Student / health worker accommodation **243 homes (1.1%)**
Market rent **149 homes (0.7%)**

In addition to the above, we own and manage 1,505 leaseholder homes occupied by former social housing residents who have exercised options to buy their homes outright under various schemes.

This focus on core social housing tracks through to our new build activities. Our development strategy is 100% focused on social housing, being a mix of rented and shared ownership homes. We may occasionally undertake small scale market rent or housing for outright sale development at appropriate sites, but this is not part of our core plan. We aim to build 6,000 new social homes in the 10 years through to 2030.

The current funding regimes make it more challenging to build new social rent homes, with limited grant availability for this tenure. Our ambition is to build as many social rent (or other similar tenures, e.g. London Affordable Rent) homes as possible, and we work closely with the funding authorities to deliver this wherever we can.

Our service delivery to residents centres around our social mission. In addition to our core landlord obligations, we invest in a range of additional programmes to give added social benefit to the communities we operate within. Examples of this work include:

- Work by our tenancy sustainment team to help residents enhance their financial awareness skills and navigate the welfare benefits system. During 2020/21 the team assisted over 2,200 residents, helping them to claim a combined £3.4m in benefits.
- Schemes to promote employability and entrepreneurship, including provision of seed capital to viable new business propositions proposed by our residents. 43 residents completed our training programme on setting up and running a business in 2020/21.
- The Naumann Initiative – an innovative programme in partnership with Kingdom HA which offers both a secure PA home and a permanent PA job to people who are registered as homeless. Four people were recruited through this scheme in 2020/21.
- Hardship support for residents who cannot access essential supplies such as utilities or clothing. £70,000 of funding was provided during 2020/21.
- Provision of wellbeing packs (including food, blankets, arts and crafts) to residents facing difficulties during Covid-19. Over 600 packs were provided in 2020/21.
- Work with local foodbanks to support people in the community who face acute short-term issues. £50,000 was donated during 2020/21.
- Provision of IT equipment to a local school, to enhance access to remote learning. 33 laptops and iPads were provided in 2020/21.

Work to develop our equality, diversity and inclusion ('EDI') framework is another key component of our social mission. PA and its legacy organisations have always been at the forefront of the sector's EDI work, with a rich history of serving people from a range of backgrounds. Around 40% of our residents are from a non-White British background, and this is matched by an equally diverse workforce which enables us to better understand our residents' needs and preferences.

We are proud of our record in this crucial area, but we also recognise that the way in which society at large considers EDI continues to evolve. We at PA need to ensure that we remain responsive to these wider societal changes and develop our ways of working accordingly. The challenge is for us to ensure that EDI becomes truly embedded as a cross-cutting business theme, exerting positive force onto our decision making and service delivery.

To this end, our cross-departmental EDI Working Group is delivering a detailed action plan, with results reported directly to our Board. The work we are doing has high visibility, including with our partners who will also have a role to play in continuing to move this agenda forward.

Governance activities

PA works within a sector which is closely scrutinised by a range of stakeholders. Most importantly, our residents must have confidence that we have robust systems in place to control the delivery of high quality services which offer good value for money. This includes avenues to state their views, letting us know how we can improve services and when we haven't performed to standard.

At the corporate level, we must maintain strong relationships with partners who both rely on us for service delivery and support us with our work. This includes local authorities, lenders and investors, suppliers, Homes England and the GLA. The relationships hinge on the strength of our reputation, which in turn links directly to the quality of our governance arrangements. We operate on a 'no surprises' basis, sharing information about our performance openly with our partners, and we have a number of measures in place to ensure that our governance arrangements remain robust:

- A well established and constantly evolving risk management framework
- Tight controls around financial performance and liquidity, including a set of financial golden rules which guide our financial strategy – all geared towards maximising resources for investment in services without undue risk exposure
- Ongoing work to assess scenarios which could threaten long-term viability, identify potential early warning triggers, and define available mitigating actions
- A broad range of internal controls which are subject to regular audit scrutiny and external expert validation

All this is underpinned by our regulatory grading. The Regulator of Social Housing rates PA as G1 for governance, the highest possible rating, and we work to maintain this status.

ESG reporting 2020/21

PA's ESG reporting is fully aligned to the Sustainability Reporting Standard for Social Housing ('SRS'). This is our first annual report against the SRS's agreed set of ESG metrics. Full details are shown on the following pages.

2020/21 highlights

- Our focus is almost exclusively on core social housing, with over 98% of existing homes (excluding leasehold) and over 99% of new homes built in the year on social housing tenures. **SRS criteria reference C2 and C3.**
- We have stopped issuing new fixed term tenancies, and we are working to convert all such existing tenancies into lifetime tenancies. **SRS criteria reference C5.**
- We offer a range of additional and targeted community investment programmes beyond our core landlord responsibilities, generating strong outcomes for residents. **SRS criteria reference C12.**
- We have made good progress with improving the sustainability of our office accommodation and ways of working. **SRS criteria reference C17.**
- Recruitment during the year has further enhanced the diversity of our Board membership, including our first two resident Board members. We have an ambition to increase age diversity on our Board over time. **SRS criteria reference C31.**
- We have a range of measures in place to support the physical and mental wellbeing of our staff. **SRS criteria reference C45.**

2020/21 areas requiring further work

- A small percentage of our homes did not meet the Decent Homes Standard as at 31 March 2021. This was influenced by Covid-19 restrictions, which caused delays to our planned maintenance programmes. Our 2021/22 budgets have been increased to allow for catch-up in this area, with a view to returning to full compliance. **SRS criteria reference C8.**
- We are working to improve our perceptual resident satisfaction results, to better match our good transactional satisfaction ratings. **SRS criteria reference C10.**

- 38.5% of our existing homes have an Energy Performance Certificate rating of D or lower. We are working to bring all homes up to at least band C rating by 2030. **SRS criteria reference C14.**
- We do not yet hold data on our scope 1 / 2 / 3 greenhouse gas emissions. We expect to start reporting on this as at the end of 2021/22. **SRS criteria reference C16.**

Future reporting

We will continue to annually report on our performance against the Sustainability Reporting Standard criteria, highlighting areas of good work and transparently disclosing where we have more to do. As similar reports from other housing associations become available, we will use their information to benchmark our own performance for inclusion in future reports.

From 2022 onwards, our ESG annual report will also include commentary on delivery against our Sustainable Finance Framework. We published this in April 2021 and it underpinned our £400m 15 year bond issue later that month. The Framework sets out a range of reporting commitments in order for us to demonstrate to investors and other stakeholders that the bond issue proceeds have been utilised as planned, for investment in relevant sustainable projects. Our reporting will include a number of outcome-focused metrics in addition to those which are included in the Sustainability Reporting Standard, including:

- Number of people housed in newly built affordable housing
- Average rent on new build homes as a proportion of Local Housing Allowance
- Number and cost of existing affordable homes receiving investment to modernise structure and components
- Number and costs of existing affordable homes moving from an EPC rating of C or lower to a rating of B or higher as a result of the above investment
- Calculated reduction in CO2 emissions arising from the above investment
- Amount invested in renewable energy sources and number of homes serviced by the investment
- Number and proportion of homes utilising renewable energy sources
- Amount invested in clean transportation facilities
- Number of electric vehicle charging points installed
- Amount invested in parks / public spaces and amount of such space created / allocated
- Number of homes and residents receiving access to improved park / public space facilities

Further details

We hope that you find this report useful. We are very happy to discuss aspects of our ESG work and results with interested parties. If you would like further information, please do contact Simon Hatchman, our Executive Director – Resources:

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The ESG Reporting Criteria

The ESG reporting criteria are divided up into ten ESG themes. These themes have been aligned with the UN Sustainable Development Goals (SDGs).

The criteria are also divided up into “Core” and “Enhanced”. These signal the importance of the criteria, and also the difficulty in reporting against them.

Using the Criteria

PA Housing and other housing providers will report on our ESG performance on an annual basis. We hope that investors will start to use these criteria in their own ESG assessments of investees.

ESG Themes

| ESG Area | Theme # | Theme Name | Description | SDG Goal | | SDG Target |
|----------|---------|-----------------------------|--|----------|------------------------------------|--|
| Social | T1 | Affordability and Security | Provides affordable and secure housing | 11 | Sustainable Cities and Communities | 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums |
| | | | | 10 | Reduce Inequality | 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status |
| | T2 | Building Safety and Quality | Resident safety and building quality are well managed | 11 | Sustainable Cities and Communities | 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums |
| | T3 | Resident Voice | Listens to residents' voice | 11 | Sustainable Cities and Communities | 11.3: By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries |
| | T4 | Resident Support | Supports residents, and the local community | | | |
| | T5 | Placemaking | Supports residents and the wider local community through placemaking | | | |

| ESG Area | Theme # | Theme Name | Description | SDG Goal | | SDG Target |
|---------------|---------|---------------------|---|----------|--|--|
| Environmental | T6 | Climate Change | Prevents and mitigates the risk of climate change | 13 | Climate Action | 13.2 13.2: Integrate climate change measures into national policies, strategies and planning |
| | T7 | Ecology | Promotes ecological sustainability | 15 | Life on Land | 15.5 15.9: By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts |
| | T8 | Resource Management | Sustainable management of natural resources | 12 | Responsible Consumption and Production | 12.5 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle |

| ESG Area | Theme # | Theme Name | Description | SDG Goal | | SDG Target |
|------------|---------|--------------------------|--|----------|--|---|
| Governance | T9 | Structure and Governance | Legal structure of the organisation and its approach to Governance | 16 | Peace, Justice and Strong Institutions | 16.6: Develop effective, accountable and transparent institutions at all levels |
| | T10 | Board and Trustees | High quality board of trustees | | | |
| | T11 | Staff Wellbeing | Supports employees | 8 | Decent Work and Economic Growth | 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value |
| | T12 | Supply Chain Management | Procures responsibly | 12 | Responsible Consumption and Production | 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities |

PA Housing ESG criteria results 2020/21

Affordability and Security

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|--|
| T1 | C1 | Core | <p>For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:</p> <p>1) Rent compared to Median private rental sector (PRS) rent across the Local Authority</p> <p>2) Rent compared to Local Housing Allowance (LHA)</p> | <p>PA Housing 2020/21 general needs and housing for older people rents compared to median private rental sector rents</p> <p>Bedsits 89%</p> <p>1 beds 64%</p> <p>2 beds 59%</p> <p>3 beds 53%</p> <p>4 beds 36%</p> <p>5+ beds 37%</p> <p>PA Housing 2020/21 general needs and housing for older people rents compared to Local Housing Allowance</p> <p>Bedsits 106%</p> <p>1 beds 66%</p> <p>2 beds 59%</p> <p>3 beds 52%</p> <p>4 beds 41%</p> <p>5+ beds 49%</p> <p>Note 1: We have excluded supported housing properties from this analysis due to the lack of true private sector / LHA comparatives</p> <p>Note 2: The calculations are based on PA's gross rents and service charges. For bedsits, the results are influenced by the high proportion of housing for older people properties which usually attract a higher service charge than private sector bedsit properties, due to the range of services provided.</p> |

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T1 | C2 | Core | Share, and number, of existing homes (homes 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 | General needs social rent 13,513 (59.4%) Intermediate rent 430 (1.9%) Affordable rent 2,295 (10.1%) Supported housing 924 (4.1%) Housing for older people 2,263 (10.0%) Low cost home ownership 1,463 (6.4%) Care homes 0 (0.0%) Private rented sector 119 (0.5%) Leasehold 1,481 (6.5%) Other (student and health worker homes) 245 (1.1%) |
| T1 | C3 | Core | Share, and number, of new homes (homes 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 | General needs social rent 83 (27.7%) Affordable rent 99 (33.0%) Low cost home ownership 116 (38.7%) Private rented sector 2 (0.6%) |
| T1 | C4 | Core | How is the housing provider trying to reduce the effect of fuel poverty on its residents? | PA Housing has a programme of installing loft insulation as part of works to void properties and alongside roof replacements. We plan to install internal insulation to properties with solid wall construction when our internal works programmes can recommence in full following the lifting of restrictions. New homes are built to high energy performance standards with the aim of reducing in-use costs to customers, and a Home User Guide is provided to the resident of each new home detailing how to use the heating system and appliances for optimum efficiency. We are currently designing our first project where all homes will meet Passiv Haus standards in order that cost-in-use for our customers will be minimal. |
| T1 | C5 | Enhanced | What % of rental homes have a 3 year fixed tenancy agreement (or longer) | 10.2% as at 31 March 2021 PA no longer offers fixed term tenancies to new residents, and we are in the process of converting all such existing tenancies into lifetime tenancies. |

Building Safety and Quality

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T2 | C6 | Core | What % of homes with a gas appliance have an in-date, accredited gas safety check? | 99.6% (Note: 2020/21 performance was impeded by Covid restrictions, which impeded ability to enter residents' homes. We are working to clear the small backlog of gas safety checks which built up through the year.) |
| T2 | C7 | Core | What % of buildings have an in-date and compliant Fire Risk Assessment? | 99.93% (Note: Assessment cycle is either annual or two-yearly depending on building risk and tenure type.) |
| T2 | C8 | Core | What % of homes meet the Decent Homes Standard? | 98.29% |

Resident Voice

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|---|
| T3 | C9 | Core | What arrangements are in place to enable the residents to hold management to account for provision of services? | <p>PA has two residents on the main board and two on our Customer Services Committee (CSC). The CSC oversees customer satisfaction results and insights, performance in our key services, resident involvement activities, diversity information and deep dives into particular service areas. It also considers resident scrutiny reports and monitors delivery of agreed recommendations.</p> <p>Our Resident Scrutiny team delivers a thorough review of services, typically covering three service areas each year. It is supported by an Independent Tenant Advisor.</p> <p>Our main resident body, the Residents Assembly, meets six times a year and reviews PA's performance, service changes and other issues that are important to residents. It also meets with Heads of service on other ad hoc projects and reviews performance throughout the year.</p> <p>Locally we involve residents through a series of regional forums which enable them to raise issues to locally based staff, including those which are not necessarily PA's direct responsibility - for example local council service provision. These groups meet quarterly and they feed into the main resident body when wider PA work is required.</p> <p>We also have a number of local Residents Associations and specialist panels including for complaints, equality and diversity and service specific working groups, all of which help to ensure the resident voice is heard.</p> <p>During 2020/21 we consulted with residents to review our resident involvement structure. As a result we are introducing a more robust and structured model to enhance the residents' voice so it can continue to be effectively heard and hold PA to account. The new arrangements place the main emphasis on local engagement, as well as more specialist groups to focus on key issues. This is supported by a training plan for residents so they can continue to work with PA to improve services and influence decision making.</p> |

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T3 | C10 | Core | How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years? | <p>We have reviewed how we measure satisfaction, implementing a consistent approach across all tenancies and collection points.</p> <p>This resulted in our surveys being more responsive and in-depth where needed, improving both the qualitative and quantitative approach. We have started to benchmark satisfaction and link our survey questions and insights into the draft White Paper to ensure we are capturing the right information and using that insight to improve services.</p> <p>These cover a range of resident groups and transaction types, which now include:</p> <ul style="list-style-type: none"> • Quarterly STAR perception survey • Repair journey • Gas Servicing • Digital journey • Planned maintenance • New Lets • Universal Credit • Estate Management • Neighbourhood • Complaints <p>We use the insights to drive service improvement. We have changed the way we share our lessons learnt through monthly reporting to the business.</p> <p>We have introduced Customer Journey Mapping methods in which satisfaction plays a key part in the evidence and research, determining areas of priority for service improvement.</p> <p>Over the last three years we have seen a number of changes in our resident satisfaction.</p> <ul style="list-style-type: none"> • Very satisfied is currently at its highest levels since 2019 • Whilst overall satisfaction fluctuates, we have seen a 10% increase in satisfaction from residents in the Midlands. On the other hand we have seen a 17% decrease in satisfaction in London and the South East . • To understand this further, we are carrying out deep dives, investigating behavioural insights and identifying actions. • Our initial analysis has identified two key areas of focus - being easy to deal with and listening to and acting on views. • Over the last three years we have focused on improving the resident experience - increasing presence in our neighbourhoods, with specialised teams to support this; changing our first line of contact with residents, creating specialist hubs in Repairs, Housing and Income; and implementing an improved complaints approach. |

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|---|
| T3 | C11 | Enhanced | <p>In the last 12 months, how many complaints have been upheld by the Ombudsman.</p> <p>How have these complaints (or others) resulted in change of practice within the housing provider?</p> | <p>14 cases upheld.</p> <p>These complaints related to repairs, communication, policies, and mutual exchange. The main themes relate to keeping residents up to date, delays with responses, speed of repairs and complaint handling. Learning outcomes are shared within the business. Some changes in practices have happened as a result of complaints learning:</p> <ol style="list-style-type: none"> 1. We have implemented a new complaints approach and stronger team to manage, own and investigate complaints. The focus of the new team is to provide an enhanced customer experience. We have also worked with involved residents on our approach. 2. We have updated and improved the ways we share information on our planned communal maintenance works. 3. Making more use of online engagement with residents to get things resolved, including use of virtual meetings. 4. Introduction of new contact centre hubs for Housing, Income and Repairs to improve provision of the right information at first request in a timely manner. Initial feedback is positive: 92% friendly & personal, 94% clear simple information, 90% avoid using jargon. 5. Introduced a new Unacceptable Behaviour Policy. The policy is clear that all residents will be dealt with fairly, honestly, consistently and appropriately, including those whose actions are considered unacceptable. It reflects best practice and advice from the Housing Ombudsman. 6. Increased the number of post-void inspections to minimise snagging issues. |

Resident Support

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|--|
| T4 | C12 | Core | What support services does the housing provider offer to its residents. How successful are these services in improving outcomes? | <p>PA runs two employment programmes, ETHOS and Enterprise Cube, to help residents who are looking for work or want to improve their situation. In 2020/21 we assisted 101 residents with employment support and saw 45 residents complete our Be Your Own Boss course. We plan to expand the wider employment programme considerably in 2021/22. In September 2020 we launched the Naumann Initiative, which aims to break the vicious circle of homelessness and unemployment by simultaneously giving a homeless person a home, a job, and support with any needs or barriers to sustaining their tenancy. So far we have employed and provided a home to 4 people through this initiative, with a social return on investment of £10 for every pound invested.</p> <p>We run a digital assistance scheme in partnership with We Are Digital which saw around 70 residents improve their digital skills during the year.</p> <p>Our residents can access specialist welfare benefit support and advice via our Tenancy Sustainment Team (TST). This includes benefit applications, back-date and revision requests, mandatory reconsiderations, appeals and representation at Tribunal. In 2020/21 the TST helped to generate £3.45 million in extra benefits for 2,213 residents, an average of £1,559 per resident.</p> <p>We also offer specialist debt advice through our partners Money Advice Plus (MAP) and Citizens Advice Elmbridge West (CAEW) who operate in Elmbridge, our largest local authority area. In 2020/21 MAP assisted 105 residents and CAEW assisted 87 residents.</p> <p>At the beginning of 2020/21 we worked with involved residents, contractors and volunteer staff to create and deliver a total of 729 care and wellbeing packs to those residents who were suffering hardship and isolation as a result of the COVID 19 pandemic. In addition we worked with local foodbanks, providing both practical support and donations totalling £50k to assist with food supply, the majority of which directly benefitted our residents. We also issued a total of 916 foodbank, supermarket and energy vouchers to further support residents experiencing hardship. Across five projects in South East England our Green Spaces initiative has helped improve the mental and physical wellbeing of our residents. These include a partnership with Walton Charity in Elmbridge, Surrey, which has seen meaningful participation including; 30 pre-schoolers engaged in five term-time sessions and 20 residents engaging with the winter isolation programme. The social return on investment is £12.02 for every pound spent.</p> |

Placemaking

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T5 | C13 | Enhanced | Provide examples or case studies of where the housing provider has been engaged in placemaking or placeshaping activities. | <p>During 2020/21 PA spent £114k on neighbourhood improvements. This entailed 118 separate projects, helping residents feel safer in their homes, enabling them to have their voices heard and contributing towards the quality of neighbourhoods. Solutions included improved lighting and security, new signage, storage space in communal areas and creating community spaces such as gardens.</p> <p>In addition to physical improvements we have invested time in developing engagement within our neighbourhoods. This includes recruiting residents to volunteer as Neighbourhood Champions, who support our Neighbourhoods team with inspections, identifying communal repairs and working with the wider community on improvements. We have recruited 43 Neighbourhood Champions and last year they helped us to complete an additional 87 inspections and implement many of the 118 neighbourhood improvements.</p> <p>To capture feedback and suggestions from residents we held 237 events and spoke to nearly 3,000 residents over the year. This helped to identify emerging issues and gave us invaluable feedback on our neighbourhoods.</p> <p>PA also provides a Community Fund of £50,000 per annum for community projects, events or equipment purchases. The fund is managed by involved residents and Resident Involvement staff.</p> <p>We run an annual competition, PA in Bloom, which is for residents to show off their gardens. The competition encourages residents to take pride in their local areas, helping to create some fantastic communal spaces and community cohesion within our neighbourhoods.</p> |

Climate Change

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|---|
| T6 | C14 | Core | Distribution of EPC ratings of existing homes (those completed before the last financial year) | Band A 0.5% Band B 21.4% Band C 39.6% Band D 30.1% Band E or worse 8.4% |
| T6 | C15 | Core | Distribution of EPC ratings of new homes (those completed in the last financial year). | Band B 96.0% Band C 4.0% |
| T6 | C16 | Enhanced | Scope 1, Scope 2 and Scope 3 green house gas emissions | PA Housing is in the process of collating and quality assuring the data required to assess our Scope 1, 2 and 3 greenhouse gas emissions. We intend to start reporting on this in 2022. |
| T6 | C17 | Enhanced | What energy efficiency actions has the housing provider undertaken in the last 12 months? | The pandemic has accelerated our plans to move to new ways of working that are less office-based. By working differently we have reduced our business mileage by 215,000 miles in 6 months compared with the same period the previous year, and we have reinforced this saving by reviewing our Essential Car User policy to reflect our desire to ensure that this is a long term trend. In order to reduce energy usage at our offices and enable greener travel we have recently commissioned the installation of solar panels to our Walton on Thames office and electric vehicle charging points at both of our main office locations in Walton and Leicester. We have also recently re-procured our corporate energy supply contract and moved to a 100% renewable energy supply. We have replaced emergency lighting systems with LED lighting and plan to roll this out to all communal lighting systems. All new build homes completed in the period have achieved carbon savings in excess of the requirements of Building Regulations. |
| T6 | C18 | Enhanced | How is the housing provider mitigating the following climate risks: • Increased flood risk • Increased risk of homes overheating | PA Housing does hold stock within flood risk areas and a strategy for mitigating the potential impact of future flooding events will be prepared during 2021/22. In new build development, over-heating risk is assessed as part of sustainability modelling with appropriate insulation, sun-shading and orientation designed in. For existing properties, measures to prevent overheating (primarily insulation and ventilation) will be assessed as part of asset investment workstreams. This will be implemented in conjunction with cyclical maintenance and fire improvement works. |
| T6 | C19 | Enhanced | Does the housing provider give residents information about correct ventilation, heating, recycling etc. Please describe how this is done. | All residents moving into new build homes are provided with a Home User Guide which has details of how to use ventilation and heating systems. Where possible the resident is provided with a home demonstration as part of the tenancy sign-up process with a follow-up visit 10 days after occupation (although this has not been possible during the pandemic restrictions we hope to recommence this service later in 2021). Green Travel Plans are also provided which give details of local sustainable travel options and it is intended to roll these out to residents of all properties. |

Ecology

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|--|
| T7 | C20 | Enhanced | How is the housing provider increasing Green Space and promoting Biodiversity on or near homes | PA Housing is adopting a new planting strategy for its estates, which aims to improve biodiversity, encourage bees and other native wildlife and provide a framework for tree planting which can be sustainably maintained. Some schemes also offer bat and bird boxes and insect hotels. Within our asset investment programme estate green spaces are being targeted for biodiversity improvements on a rolling basis. |
| T7 | C21 | Enhanced | 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? | 2. No, but planning to develop a strategy |

Resource Management

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|---|
| T8 | C22 | Enhanced | Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works? If so, how does the housing provider target and measure performance? | 2. No, but planning to develop a strategy |
| T8 | C23 | Enhanced | Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance? | 2. No, but planning to develop a strategy |
| T8 | C24 | Enhanced | Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance? | 2. No, but planning to develop a strategy |

Structure and Governance

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|---|---|
| T9 | C25 | Core | Is the housing provider registered with a regulator of social housing? | Yes |
| T9 | C26 | Core | What is the most recent viability and governance regulatory grading? | G1 / V1 |
| T9 | C27 | Core | Which Code of Governance does the housing provider follow, if any? | National Housing Federation Code of Governance 2020 |
| T9 | C28 | Core | Is the housing provider Not-For-Profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control? | Yes |
| T9 | C29 | Core | Explain how the housing provider's board manages organisational risks | PA's Board has an approved Risk Management Framework in place. This document sets out our risk management arrangements. Risk is managed through the Audit and Risk Committee, the Executive and management teams, with a clear distinction between strategic and operational risks. Risks are mapped, managed and cascaded through the organisation, monitored and regularly reported on. Sector risk reviews are considered annually as a check that new and emerging risks are being picked up. Board members undertake their own regular environmental scanning to ensure that PA's risk framework takes into account evolving external factors. |
| T9 | C30 | Enhanced | Has the housing provider been subject to any adverse regulatory findings in the last 12 months (e.g. data protection breaches, bribery, money laundering, HSE breaches or notices) - that resulted in enforcement or other equivalent action? | No |

Board and Trustees

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T10 | C31 | Core | What are the demographics of the board? And how does this compare to the demographics of the housing providers residents, and the area that they operate in? Add commentary if useful | As at 31 March 2021: Of 11 Board members, 4 (36.4%) are women, 4 (36.4%) are from ethnic minorities, 1 (9.1%) has indicated they have a disability, 2 (18.2%) are PA Housing residents. There is a good range of ages but the younger demographic is under-represented. The average tenure of the Board was 2 years and 11 months. |
| T10 | C32 | Core | What % of the board AND management team have turned over in the last two years? Add commentary if useful | As at 31 March 2021: Five of 11 Board members (45%) have joined the Board within the last two years. This includes in 2019, recruitment of our first designate Board member as a trainee position designed to promote Board membership for people from minority ethnic backgrounds; and in 2020, recruitment of our first two Resident Board Members. All members of the executive team have been with PA for longer than two years. |
| T10 | C33 | Core | Is there a maximum tenure for a board member? If so, what is it? | Yes. We comply with the National Housing Federation Code of Governance 2020, which states a maximum tenure of six years with ability to extend this by upto three years for good governance reasons. Since 2018 all new Board members have been recruited on six-year terms. Members who joined us prior to 2018 are on nine-year terms and will be replaced on a phased basis to ensure orderly transition and retention of skills, so as not to destabilise the business. |
| T10 | C34 | Core | What % of the board are non-executive directors? | As at 31 March 2021: 10 of 11 Board members (90.9%) are non-executive |
| T10 | C35 | Core | Number of board members on the Audit Committee with recent and relevant financial experience | Three of the four Audit and Risk Committee members have recent and relevant financial experience. Two are qualified accountants with experience across a range of sectors including the housing association sector. The other is a treasury and financial services expert with lengthy experience of working for one of the main sector lenders in a senior role. |
| T10 | C36 | Core | Are there any current executives on the Remuneration Committee? | No |

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|--|
| T10 | C37 | Core | Has a succession plan been provided to the board in the last 12 months? | Yes - and this was considered as part of our new Board member recruitment in 2020, which was led by our Nominations and Remuneration Committee on behalf of the Board |
| T10 | C38 | Core | For how many years has the housing provider's current external audit partner been responsible for auditing the accounts? | Four years, since inception of PA Housing in 2017/18 upto and including 2020/21 |
| T10 | C39 | Core | When was the last independently-run, board-effectiveness review? | This was conducted by a firm of independent experts in mid-2020, with the findings considered at our Board meeting held in July 2020 |
| T10 | C40 | Core | Are the roles of the chair of the board and CEO held by two different people? | Yes |
| T10 | C41 | Core | How does the housing provider handle conflicts of interest at the board? | All Board and executive management team members are required to complete an annual declaration of interests return. They are also expected to declare any new interests arising on an as and when basis, rather than waiting for the annual return. Any declarations of interest of relevance to the meeting agenda are sought by the Chair at the start of all Board and Committee meetings, as a standing agenda item. |

Staff Wellbeing

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T11 | C42 | Core | Does the housing provider pay the Real Living Wage? | Yes |
| T11 | C43 | Core | What is the gender pay gap? | Data as at March 2021 Mean 19.2% Median 12.4% |
| T11 | C44 | Enhanced | What is the CEO-worker pay ratio? | 7.5 |
| T11 | C45 | Enhanced | How does the housing provider support the physical and mental health of their staff? | PA has a team of dedicated wellbeing champions which co-ordinates events throughout the year, such as exercise classes, check in chats, and coffee mornings. In addition we have a dedicated wellbeing plan with six key strands of activity which has been promoted to the business. One of these strands links to the Chartered Institute of Housing 'Shine A Light' campaign to support mental wellbeing. We have a referral service to support colleagues through financial hardship with advice on holistic debt, budgeting, charity grants and welfare benefit advice. We have also launched a range of courses covering topics such as mental health awareness for managers, emotional resilience, and the impact of working from home. We have an employee advisory service and also can refer colleagues to a specialist provider for additional support to colleagues who are facing challenges. As part of the quarterly colleague engagement survey we ask questions about physical and mental health and all teams develop action plans based on survey results. |
| T11 | C46 | Enhanced | Average number of sickdays taken per employee | All absence including colleagues on long-term sickness: 7.4 days Short-term absence: 2.2 days |

Supply Chain

| Theme # | Criteria # | Type of Criteria | Criteria | PA results 2020/21 |
|---------|------------|------------------|--|---|
| T12 | C47 | Enhanced | How is Social Value creation considered when procuring goods and services? | Social value considerations form part of the procurement scoping document for all large tenders and PA Housing has a social value framework that it shares to give suppliers direction on how they can support this. Delivering social value is part of the evaluation, scoring and award criteria. |
| T12 | C48 | Enhanced | How is Environmental impact considered when procuring goods and services? | Improving environmental impact is a stated objective in PA Housing's Corporate Plan and is supported by our Sustainability Strategy. Both documents are available on our website. Our aims and objectives around environmental sustainability inform our ongoing procurement programme, most notably when developing new homes, improving existing homes and buying energy. Our procurement processes include checks on how we can reduce our carbon footprint as standard and this can manifest itself in a number of ways, for example we partner with a printing supplier for corporate publications which has achieved 'carbon balanced' accreditation with the World Land Trust. |