



ESG Report

2023-24



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From Sarah Smith, CFO

Introducing our Updated Sustainable Finance Framework

Sustainability Reporting Standard Criteria

Sustainability Reporting Standard, our Strategic Objectives and Social Purpose

Alignment with UN Sustainable Development Goals (SDGs)

ENVIRONMENT

74%

Homes at
EPC C and
above

2022/23: 73%



2,664

homes retrofit assessments
completed in 2023/24

2022/23: 1,000

99%



New homes at
EPC B and above

2022/23: 97%



4%

Reduction in greenhouse
gas emissions since
2022/23 2022/23: 32%

1,654

People onto
Personal Wellbeing
Plans

2022/23: 2,110

SOCIAL



4,853

2022/23:
6,000

Households helped with
money and guidance

£8.3m+



Additional income
secured for households

2022/23: £6m

67%

Resident
satisfaction

2022/23: 72%

748

New social housing
homes completed

2022/23: 1,032

41%

Average rents
vs market levels

2022/23: 42%



32,000

People given advice,
support and guidance

2022/23:
28,513

99%

Homes met the
Decent Homes Standard

2022/23: 99%



GOVERNANCE



165

Business
supply chain
partners with
social value
agreements

2022/23:
172

4

Roles
on our
board ring-
fenced for
residents

2022/23:
4



-4.8%

Ethnicity pay gap

£669k

Social value activity
delivered from partners



8.93:1

CEO: worker
median pay ratio

2022/23: 8.95:1



11.3%

Median gender
pay gap

2022/23: 12.5%

From Sarah Smith, Chief Finance Officer

We are proud to present our 2024 ESG Report, prepared in accordance with the new Sustainability Reporting Standard for Social Housing (SRS) Version 2.0. This reflects our commitment to stay aligned with evolving ESG expectations and best practice within the housing sector.

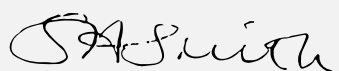
As a responsible housing provider, we firmly believe in taking action on climate change. We are committed to achieving net-zero carbon emissions by 2050 and are actively implementing a comprehensive decarbonisation plan. This report details our progress towards our goal, alongside our broader ESG achievements.

We believe that resident involvement is key to our success. Our robust resident governance structure ensures that resident voices are heard and considered in our decision-making processes. We're committed to our social purpose, which is to improve the lives of our residents and create thriving communities. This commitment is reflected in our focus on providing affordable housing, investing in communities, and supporting resident well-being.

This report details our progress on various fronts, including energy efficiency retrofits, the development of sustainable housing, and initiatives to promote biodiversity and enhance community well-being. We are proud of our achievements thus far but acknowledge that there is much more work to be done. We remain committed to transparency, collaboration, and innovation as we continue our ESG journey.

Following the SRS framework ensures comparability with other housing associations and allows us to track our year-on-year performance. This is our second report since the merger to form Southern Housing in December 2022.

We recognise the importance of continuous improvement and are constantly seeking to enhance our ESG practices. We welcome your feedback on this report and invite you to join us on our journey towards a more sustainable housing future.



Sarah Smith

Chief Financial Officer, Southern Housing
Board Member at Sustainability for Housing



Introducing our updated Sustainable Finance Framework

Building on the success of our initial Sustainable Finance Framework (SFF) launched in September 2021, we're pleased to introduce a comprehensive update¹. This revised framework reflects our ongoing commitment to responsible financial practices that align with our social and environmental goals.

The updated SFF strengthens the connection between our funding sources and our mission of providing high-quality, affordable housing. It outlines a clear roadmap for allocating sustainable bond proceeds towards impactful projects that directly address environmental challenges and promote social well-being within our communities. This ensures that our financial decisions not only contribute to a sustainable future but also empower future generations to thrive in a healthy environment.

The SFF will enable us to invest in a wide range of projects including the construction, acquisition, renovation, and retrofitting of affordable and supported housing, as well as essential services for residents with mental or physical health concerns. We can also finance the development of green spaces and community gardens, alongside investments in green buildings, energy efficiency measures, clean transportation infrastructure, renewable energy generation, and biodiversity conservation projects.

SRS criteria















The SRS is a voluntary framework designed to standardise the reporting of Environmental, Social, and Governance (ESG) performance across the housing sector. By aligning our reporting with the SRS, we aim to provide transparent, comparable, and consistent information regarding our ESG initiatives and achievements. The next section comments on each of the 46 criteria categorised into Environmental, Social and Governance sections.










At Southern Housing, our ESG reporting is governed by a dedicated ESG Programme Board. The board oversees the production of the annual ESG Report, ensuring it meets the requirements of the SRS and accurately reflects our ESG performance. The board is also responsible for identifying material ESG risks and opportunities, ensuring these are effectively addressed in the report. Also for ensuring appropriate allocation of bond proceeds under the SFF. This governance structure ensures that our ESG reporting is not only comprehensive and transparent but also strategically aligned with our strategic objectives and industry standards.

¹[Sustainable Finance Framework \(Southern Housing Investors\)](#)

Sustainability Reporting Standard and our Strategic Objectives and Social Purpose

This table maps the framework criteria of the updated SRS, version 2.0, to our Strategic Objectives and Social Purpose. By doing so, we demonstrate how integral sustainability is to achieving our objectives.

ESG Area	Theme Name	Description	Social Purpose	Our Objectives
Environmental	Climate Change	Prevents and mitigates the risk of climate change	 Sustainable We work hard to reduce the climate impact in all our work and services	 OBJECTIVE 3 Safe sustainable homes in good repair
	Ecology	Promotes ecological sustainability	 Sustainable We work hard to reduce the climate impact in all our work and services	 OBJECTIVE 3 Safe sustainable homes in good repair
	Resource Management	Sustainable management of natural resources	 Sustainable We work hard to reduce the climate impact in all our work and services	 OBJECTIVE 3 Safe sustainable homes in good repair
Social	Affordability and Security	Provides affordable and secure housing	 Not for profit We reinvest surpluses into improving residents' homes, neighbourhoods, services, and building new homes to reduce housing need	 OBJECTIVE 3 Safe sustainable homes in good repair  OBJECTIVE 5 Build homes to meet housing need
	Building Safety and Quality	Resident safety and building quality are well managed	 Resident centred We work with residents to shape services and we design service around residents	 OBJECTIVE 3 Safe sustainable homes in good repair
	Resident Voice	Listens to residents' voices	 Resident centred We work with residents to shape services and we design service around residents	 OBJECTIVE 1 Great customer experience  OBJECTIVE 2 Listen and act on resident views
	Resident Support	Supports residents, and the local community	 Social Value We seek to drive the most social impact in everything we do	 OBJECTIVE 4 Neighbourhoods where residents are proud to live
	Placemaking	Supports residents and the wider local community through placemaking	 Resident centred We work with residents to shape services and we design services around residents	 OBJECTIVE 4 Neighbourhoods where residents are proud to live

ESG Area	Theme Name	Description	Social Purpose	Our Objectives
Governance	Structure and Governance	Legal structure of the organisation and its approach to Governance	 Fair and ethical Value driven in the way the organisation works and what it expects from suppliers	 OBJECTIVE 2 Listen and act on resident views  OBJECTIVE 7 Deliver efficiency
	Board and Trustees	High quality Board and Trustees	 Inclusive We recognise diversity as a strength and seek to harness this, creating workplaces and communities where everyone can thrive	 OBJECTIVE 6 Empower our people
	Colleague Wellbeing	Supports employees	 Inclusive We recognise diversity as a strength and seek to harness this, creating workplaces and communities where everyone can thrive	 OBJECTIVE 6 Empower our people
	Supply Chain Management	Procures responsibly	 Fair and ethical Value driven in the way the organisation works and what it expects from suppliers	 OBJECTIVE 7 Deliver efficiency

Alignment with United Nations Sustainable Development Goals (SDGs)

In addition to aligning our Strategic Objectives and Social Purpose with the SRS, our ESG report also demonstrates our commitment to the United Nations SDGs. Throughout the report, you will find markers indicating how our initiatives and targets contribute to specific SDGs, highlighting our broader contribution to global sustainability efforts.

We directly align to each of the 9 SDGs identified for the sector within the SRS, with Sustainable Cities and Communities (SDG 11) resonating most strongly.





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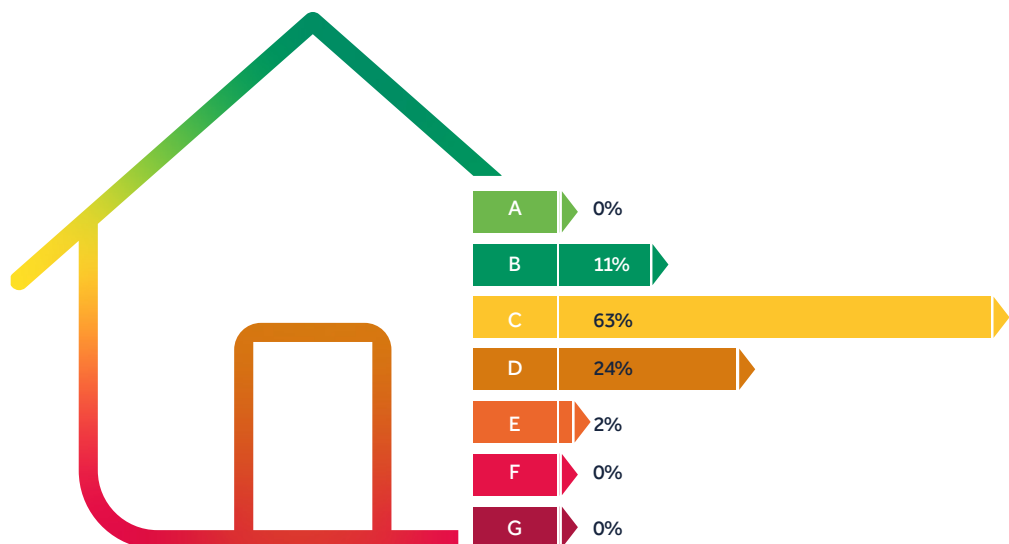


Climate Change

C1 Distribution of EPC ratings of existing homes (those completed before the last financial year).

EPC Band ²	2022/23		2023/24	
	Count	%	Count	%
A	56	0.1	55	0.1
B	7,753	12.7	6,767	11.1
C	36,853	60.4	38,017	62.6
D	15,048	24.7	14,670	24.1
E	1,080	1.8	1,026	1.7
F	167	0.3	197	0.3
G	18	0.0	23	0.0
N/A	13	-	0	-
Total	60,988	100	60,755	100

EPC ratings of Southern Housing Homes



²Combination of lodged SAP scores as registered on [Government Portal](#) and calculated SAP scores using Portfolio modelling software (GOV.uk).

SAP is the UK Government's methodology to assess and compare the energy and environmental performance of dwellings

74% of our homes³ are currently rated EPC Band C or higher

We're on track to meet our target for 75% of homes³ to reach EPC Band C by 2025, and all our homes³ to reach EPC Band C by 2030. Our financial plans allow for the forecasted costs to achieve these targets. We're continuing to maximise opportunities through additional external sources of co-funding. We're analysing our worst-performing homes to better understand archetypes and retrofit viability.

An accurate baseline of our energy efficiency is crucial. Our energy data improvement plan includes:

- ✓ Undertaking regular stock condition surveys and extending our approach to collect energy data at the same time. In the last year, we've completed 3,000 energy surveys as part of our stock condition surveys programme. In the past five years, we have completed energy surveys for 66% of our homes, and stock condition surveys for 83% of our homes.
- ✓ Ensuring our energy data is updated with each investment and retrofit. Completing new EPCs, we lodged over 1,800 new EPCs last year, targeting homes with little existing data.
- ✓ Completing retrofit assessments. In 2023-24, we completed 2,664 detailed assessments, enabling us to understand the necessary measures, costs, and impacts of retrofit works.

While we have improved the overall energy performance of our homes, some SAP scores have decreased due to improving data accuracy. Changes to the SAP methodology are due later in 2024, with preliminary modelling indicating about 2% of homes might be downgraded by at least one EPC band, if reassessed under SAP10. Some properties will improve, so the impact on the % EPC Band C is negligible⁴. On average, SAP scores are reduced by less than one SAP point. However, this average hides some big changes for individual properties, as certain archetypes are affected more than others. We are currently waiting for the final methodology release before undertaking further modelling work and assessing implications.

C2 Distribution of EPC ratings of new homes (those completed in the last financial year).

99% of new homes are at least EPC Band B

EPC Band	Homeowners	Rented	Count	%
A	0	0	0	0.0
B	382	386	768	99.0
C	0	8	8	1.0
Total	382	394	776	100.0

99% of our new build homes achieve EPC B aligning with our Environmental Sustainability Strategy target of meeting SAP85 standards for all new homes. We remain committed to constructing high-quality, sustainable homes and will continue to do so through new builds and the regeneration of existing properties.

An example of sustainable new homes is our development on the New Kent Road, handed over in June 2024. This has a combined air source heat pump and gas boiler heat network, underfloor heating in every home and solar panels. Although it is not net zero as there is some gas heating, a large thermal store means we estimate 90% of energy will come from the air source heat pump.

³Homes where the Decent Homes Standard applies and where practical, cost effective and affordable.

⁴Based on modelling of 32,568 homes with sufficient energy data to model SAP10

C3 Does the housing provider have a Net Zero target and strategy? If so, what is it and when does the housing provider intend to be Net Zero by?

Our [Environmental Sustainability Strategy 2023-26](#) sets out our vision to achieve net zero by 2050, covering all areas of our business.

The goals to 2026 are aligned with science-based targets across carbon, water, waste, transport, materials, overheating, flooding, and biodiversity.

Housing accounts for 14% of the UK's total emissions, with our existing homes responsible for 98% of our carbon emissions (Scope 1, 2 & 3). Our Retrofit Roadmap details our plan to get our existing homes to net zero carbon by 2050.

Starting with a 2022 pilot, we secured funding from the Social Housing Decarbonisation Fund (SHDF) and completed our first year of retrofits, prioritising a "fabric first" approach (see section C4 for details). For homes that will not achieve EPC Band C through these measures, we plan to implement a solar PV installation program.

We're categorising our homes to determine a suitable retrofit pathway for our properties and aligning future retrofit interventions within existing capital works programmes.

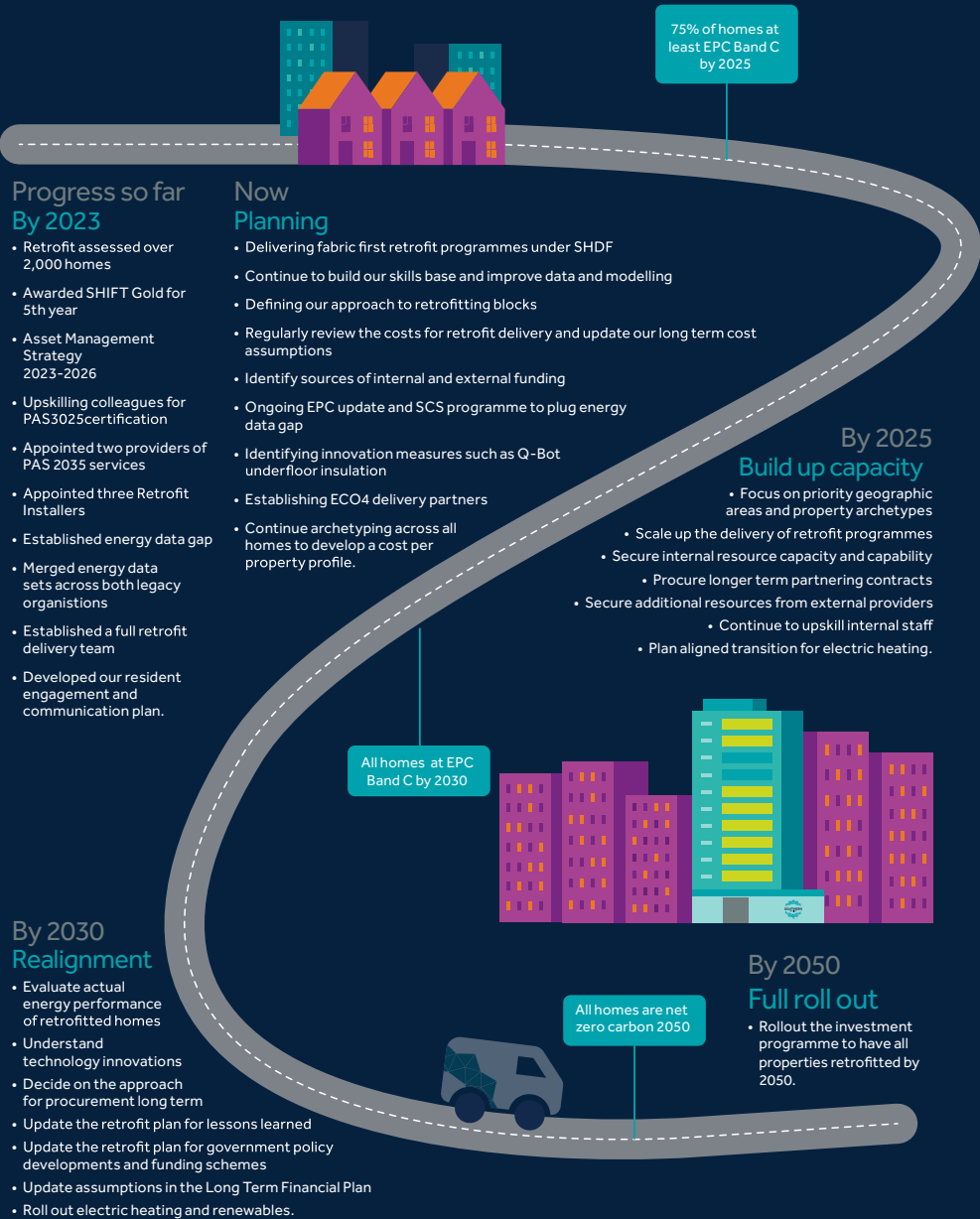
For our 11,000 homes connected to a heat network, we're developing a Heat Network Decarbonisation Roadmap. To support this, we've conducted surveys across all our heat networks. This enables us to conduct an efficiency review of all heat networks and identify quick wins to increase efficiency, reduce energy use, costs and carbon emissions. We'll also conduct solar feasibility surveys to develop carbon reduction strategies by 2025. This will enable us to identify and apply for suitable external funding opportunities.

Our new builds will continue to meet SAP 85 (EPC Band B) or above. We're also working to reduce our office carbon emissions by 2026 with all offices and commercial properties achieving EPC C by 2027 and EPC B by 2030. This includes exploring PV, battery storage and LED lighting options. And we'll develop an internal sustainable travel plan to reduce our business mileage to 4.5kg CO₂ emissions/per home managed by the end of 2026.

We're also working with our supply chain to reduce emissions from our maintenance activities and exploring ways to measure embodied carbon. Our Sustainable Procurement Principles set our expectations from suppliers, and we undertake annual sustainability audits to measure compliance.

We will continue engaging with residents, colleagues, and our supply chain to reduce environmental impact, including rolling out carbon training to all employees by 2026.

Pathway to 2050



C4 What retrofit activities has the housing provider undertaken in the last 12 months in relation to its housing stock? How do these activities align with, and contribute towards, performance against the housing provider's Net Zero strategy and target?

In the last 12 months, we improved over 6,000 homes under our general investment programme installing energy-efficient heating and upgrading windows, doors, and roofs. In addition, we successfully completed retrofit works on 99 homes, to bring these homes up to an EPC C.

In line with PAS2035, we're completing 'whole house' retrofit designs considering the unique characteristics and needs of each home, addressing every aspect from assessment and design to delivery and use, to ensure a comprehensive upgrade without unintended consequences. We aim to ensure a stepped approach to retrofits with 'no regrets', achieve optimal energy efficiency and comfort improvements while avoiding any negative impacts. Our 'fabric first' strategy prioritises reducing energy consumption by improving insulation, windows, doors and roofs before introducing low carbon heating and renewable energy systems.



Our current focus is to install:

- High performance windows and doors
- External wall insulation
- Cavity wall insulation
- Flat roof insulation
- Loft insulation
- Room in roof insulation
- Hot water tank insulation and thermostats
- Ventilation including new eaves ventilation, door undercut ventilation, extractor fans and trickle vent ventilation
- Chimney balloons and draught proofing.

Through our retrofit assessments we've learnt:

- ✓ We can align retrofit measures with funding criteria to maximise external funding opportunities
- ✓ Some homes were identified as being 'difficult to decarbonise', meaning typical retrofit measures would not have improved the performance to EPC C. These properties require other more complex interventions that could be delivered through future programmes of investment and technology advancements
- ✓ Specific measures can be delayed considering current market conditions and cost inflations. This enables the retrofit works to be planned and delivered in a cost-efficient manner.

Our survey and assessment programmes have enabled us to create a clear pathway to rolling out the remaining works of our Wave 2.1 of our SHDF programme, a two-year co-funded programme, where we were successful in our bid to receive up to £10.3m grant from the Department for Energy Security and Net Zero to improve the energy efficiency of up to 1,500 homes. This programme will run to March 2025. Additionally, we're positioned well for delivering other retrofit programmes alongside exploring additional funding opportunities.

C5 Scope 1, Scope 2 and Scope 3 Green House Gas emissions per home

We've produced a Streamlined Energy and Carbon Reporting (SECR) compliance report using extensive energy usage data.

Under SECR, Scope 1 and 2 carbon emissions are mandatory while Scope 3 emissions reporting is optional. Scope 3 emissions originate from our activities but are not under our direct control. They can be upstream (from product/services coming into Southern Housing) and downstream (resulting from Southern Housing's products and services).

Upstream emissions	Downstream emissions
↑ Embodied carbon in the products we buy and use in our operations	↓ Carbon emissions from our existing homes
↑ Carbon emissions from business travel and from employees commuting to work	↓ Carbon emissions of our maintenance contractors driving between jobs in Southern Housing homes
↑ Carbon emissions associated with the waste we generate and water supply.	↓ Carbon emissions from the homes we sell (Shared ownership or outright sales).

Under Scope 3, we're currently reporting business mileage and the estimated operational emissions from our homes (excluding those reported under scope 1 or 2). This is based on calculated EPC ratings and our energy data of our homes. It does not take into account any changes in resident behaviour but includes improvements we make to homes.

We are working with our suppliers to collect data on their carbon emissions and the embodied carbon in materials used, to inform and extend our Scope 3 reporting. We're also exploring whole carbon lifecycle measurements, with RICS estimating that 51% of whole-life carbon emissions come from getting homes to practical completion.



⁵ Revised figures based on actual energy usage 2022-23

⁶ Where Southern Housing buys the gas; primarily heat networks and some communal heating. Data is extrapolated for Mar 2024, based on full billing Apr 23 to Feb 24

⁷ Where Southern Housing buys the electricity; primarily communal electricity for lighting, lifts etc, though there is some electric heating. 95% of meters fully billed to December 2023, with the remainder extrapolated based on billing cycle and adjusted for seasonal pattern where there's electric heating

⁸ Carbon emissions are based on the calculated SAP score, using Portfolio software, adjusted using 2023 carbon conversion factors

⁹ Sites where energy is purchased by the NHS Trust or residents

¹⁰ Conversion factors for electricity were unexpectedly slightly higher this year due to higher demand for electricity last year, which led to an increase in the use of non-renewable fuels by the National Grid. This increase in conversion factors added 277 tonnes to our scope 2 emissions

	2022-23 ⁵ CO ₂ e Tonnes	2023-24 CO ₂ e Tonnes
↓ SCOPE 1 COMBUSTION OF FUELS	13,114	12,472
↓ Gas heating in homes⁶	11,874	11,284
↓ Housing for older people	7,186	6,792
↑ Student & Keyworker	1,343	1,434
↑ General Needs	2,421	2,080
↑ Homeowners	374	453
↓ Supported Housing	503	490
↓ Other properties e.g. community centres	48	35
↓ Gas heating in offices	172	118
↑ Fuel for Southern Housing owned vehicles	1,069	1,071
↓ SCOPE 2 EMISSIONS FROM ELECTRICITY	6,035	5,926
↓ Purchased electricity for our homes⁷	5,539	5,496
↑ Housing for older people	1,773	1,825
↓ Student & Keyworker	883	765
↓ General Needs	2,045	2,011
→ Homeowners	521	521
↑ Supported Housing	216	218
↑ Other homes e.g. temporary housing, garages	102	156
↑ Purchased electricity for our offices	496	429
↑ Purchased electricity for charging EV Fleet NEW	-	2
↓ SCOPE 3 ALL OTHER INDIRECT EMISSIONS	123,954	119,241
↑ Fuel for personal vehicles used for business	147	497
↓ Transmission and Distribution losses	551	513
↓ Estimated carbon emissions from homes we own⁸	123,256	118,235
↑ Housing for older people	3,861	4,222
↑ Keyworker ⁹	254	381
↓ General Needs	116,852	111,236
↑ Supported Housing	1,569	1,813
↓ Other homes e.g. temporary housing	720	584
↓ Total emissions (tonnesCO₂e) including Scope 3 homes	143,104	137,643
↓ CO₂ emissions per home managed (including Scope 3 homes)	2.35	2.27
↓ Total emissions (tonnesCO₂e) excluding Scope 3 homes	19,296	18,895
↓ Number of homes managed	61,003	60,755
↓ CO₂ emissions per home managed (excluding Scope 3 homes)	0.32	0.31

Overall, our total carbon emissions, including Scope 3, have reduced by just over 5,000 tonnes CO₂e, primarily due to lower estimated emissions from our homes. Scope 1 and 2 emissions have reduced by 750 tonnes CO₂e due to reduced energy usage despite higher carbon conversion factors¹⁰.

The majority of our purchased gas is used to provide heating to our heat networks (over 11,000 homes) and student and keyworker schemes (over 600 homes). Compared to last year, gas consumption has decreased across general needs, housing for older people and supported housing. It has increased at three student sites and one keyworker site. By March 2024, we installed bulk meters in all heat network plant rooms, providing better energy assessments and identifying quick wins to improve boiler efficiency without affecting resident comfort.

Positive outcomes for residents and carbon emissions

Following a successful bid for over £176,000 from the Government's Heat Network Efficiency Scheme, we've improved the reliability of the heating and hot water supply for residents in Church Elm, in Dagenham. Feedback so far from residents has been extremely positive and the improvement aims to reduce the buildings greenhouse gas emissions by 54%.

Emissions from our maintenance fleet mileage have remained the same. In the last year, we've installed Electric Vehicle Charge Points at two of our offices. We're monitoring the impact in terms of carbon emission, and also colleague time. We now have seven EV vehicles in our maintenance fleet and plan to expand this further. We are planning to bring more maintenance services in house, which could increase our Scope 1 emissions, but will also give us greater control over the vehicles and mileage.

Scope 2 emissions have remained stable with around 80% from communal electricity usage. As part of our Heat Network Decarbonisation Plan, we intend to incorporate lighting upgrades with LEDs on timers at the same time as other retrofit works.

There has been a modest increase (350 tonnes CO₂e) in emissions from business mileage, continuing the trend we saw in the last quarter of 2022-23, following merger. This figure includes mileage claimed by colleagues relocated from our Horsham office to offices in Croydon and Kent.

We've seen a decline in Scope 1 office emissions primarily due to the closure of our office in Horsham, and consolidating services in our Kent and Croydon offices. Scope 2 emissions from Kent and Croydon offices have remained stable, despite increased occupation.



C6 How has the housing provider mapped and assessed the climate risks to its homes and supply chain, such as increased flood, drought and overheating risks? How is the housing provider mitigating these risks?

Strengthening our resilience to climate change is not only important for the wellbeing of our residents and adaptive environments. As the impacts of climate change intensify, integrating flood and overheating resilience measures safeguards our homes and supports sustainable, equitable solutions.

We assessed flood risk using Environment Agency maps, which consider river, sea, and surface water flooding, and flood defences. Overall, 93% of our homes are at low or no risk of fluvial or coastal flooding. And 91% of our homes are at low or no risk of surface water flooding. We've also signed up to a flood warning service for tailored alerts of surface water flooding in the next 24 hours. Reassuringly, in the last year, we've received minimal alerts, none of which realised into actual flood events. The highest risk came from the summer thunderstorms last July, as these led to unpredictable flash flooding in London. In line with our Environmental Sustainability Strategy, we aim to build all new homes in low flood risk areas. We carry out risk assessments at the planning stage to assess flood risk and identify any mitigating measures required.

To reduce the risk of overheating, all our new homes comply with the overheating mitigation requirements set out in Approve Document O of Schedule 1 to the Building Regulations. Our Design & Technical Team ensure our assumptions align with these standards and new build designs will consider adaptation measures such as shutters, insulation and biodiversity.

We've also assessed the risk of overheating in existing homes, using SHIFT's¹¹ methodology, revealing that – 10% are at high risk. We put in extra monitoring where overheating risk is higher such as our Passivhaus development on the Isle of Wight, post-retrofit homes, or in those with resident feedback about excessive heat. Given that heat networks are more prone to overheating, we plan to assess blocks of flats in our heat network portfolio for necessary mitigation.

Although our offices are located in areas of greatest risk of overheating across the UK, they already feature a range of active and passive measures to adapt and mitigate against overheating. Collectively this results in a low risk across the organisation. We also include climate risk assessments for major suppliers in our Sustainability Audits to understand and build resilience in our supply chain.



¹¹ Sustainability standard and accreditation for social housing



Ecology

C7 Does the housing provider have a strategy to enhance green space and promote biodiversity on or near homes?

Yes, over the past year, we've been co-creating a Biodiversity Pathway¹² with our residents, external stakeholders and colleagues to capture our priorities into an action plan. This is a wide ranging action plan, with corporate targets, supported by regional bespoke objectives.

Our Biodiversity Pathway outlines how we'll:

- ✓ **Develop and record our natural asset baseline.** Currently 12% of the land we own is classified as "natural" by Ordnance Survey. We're undertaking a tree survey, and so far, have mapped nearly 15,500 trees, collecting information on tree species age, structure and condition
- ✓ **Create and enhance habitats specific to regions to support local flora and fauna.** We've created bespoke regional plans with targets, aiming to improve 30 local species by 2030
- ✓ **Raise skills and awareness across our organisation, and supply chain**
- ✓ **Increase resident engagement and participation** on health and wellbeing topics related to nature and green spaces.

On the ground, our Estates Services Team are:

- ✓ Identifying opportunities for green waste sites to add to the ones we have in Kent and in the Midlands to create our own soil improver, reduce costs and implement a circular waste system
- ✓ Reviewing management plans for different ground types and difficult-to-manage spaces through a nature-friendly lens
- ✓ Identifying sites to create wildflower meadows and increase shrub and herbaceous planting
- ✓ Enhancing habitats e.g. reduced cutting as part of the No Mow May initiative and adding bird and bat boxes and swift bricks in new developments.

We've updated our Employer's Requirements to strengthen our commitment to biodiversity, including:

- ✓ Green Roof installation and maintenance responsibilities
- ✓ Reducing habitat fragmentation for vulnerable species by identifying areas for stepping stones and green corridors
- ✓ To meet the 10% minimum target for Biodiversity Net Gain from February 2024, as detailed in the Environment Act 2021¹³. For example, one of our new developments in Bracknell will deliver a biodiversity net gain of 12.81%.

¹² [Biodiversity Pathway \(Southern Housing.org.uk\)](#)

¹³ [Environment Act 2021 \(GOV.uk\)](#)

We have supported residents and local groups to create community allotments, orchards, and gardens to support their health and well-being as well as local biodiversity. Examples include:

Greener Broomgrove, Hastings

The Greener Broomgrove Project focuses on improving green spaces and wellbeing for residents in Hastings. It won the award for 'Best Customer Impact' at the National Housing Maintenance Forum (NHMF) Conference Awards in January 2024.

Initial work included local improvements, including:

- Giving residents 40 potted plants
- Gifting 65 nature books
- Planting 18,000 seeds and bulbs, and five fruit trees
- Finalising plans to create 20,000m² of biodiverse grass banks and plant 50 new trees.

The Oarechard

'The Oarechard' as it is fondly known, previously lacked a permanent water source causing concerns for newly planted fruit trees. The addition of a rain harvesting system provided a long term, sustainable solution for the orchard ensuring fruit trees and native shrubs will be well watered, even through the hottest months of the year. A new shed helped to provide shelter and storage space for equipment. The project was recognised at the Unlock Net Zero Awards receiving 'highly commended' in the Biodiversity and Nature Award - Housing Association and Community Project category.



C8 Does the housing provider have a strategy to identify, manage and reduce pollutants that could cause material harm?

Our Environment Sustainability Strategy outlines our plans to identify, manage and reduce pollutants, including:

- ✓ Reviewing cleaning supplies across our offices and operations to ensure they are not causing harm to the environment
- ✓ Reviewing our office plastic use and develop a reduction plan
- ✓ Reviewing the use of chemicals in our operations that are detrimental to the environment and seek alternatives
- ✓ Requiring our maintenance suppliers to use sustainable materials by 2026 and we'll carry out Sustainability Audits to monitor improvements.

Our updated Sustainable Procurement Principles mandate our suppliers to 'maximise/ prioritise the use of environmentally friendly materials and minimising the use of hazardous materials (including plastics & chemicals) and emissions'.

We have an established Asbestos Policy, supported by a detailed management plan to ensure we comply, and go beyond our legal requirements to prevent asbestos from causing harm. This includes:

- Undertaking regular inspections of our communal areas
- Recording all asbestos activity (surveys, re-inspections, remedial actions) in our Asbestos Register, reporting this to senior management every month and Board quarterly
- Managing asbestos materials in line with HSE guidance, including managing in situ where materials are in good condition, and it is safe to do so
- Undertaking inspections of individual dwellings as detailed in our management plan
- Ensuring all contractors are competent and relevant colleagues undertake asbestos awareness training
- Only allowing our specialist asbestos contractor to undertake asbestos works.

Last year, we developed a new Damp and Mould Framework to oversee our zero-tolerance approach. More information on our Damp and Mould actions is detailed in C19.





Resource Management

C9 Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building and repairs works?

Our Environment Sustainability Strategy outlines our plans to increase the use of responsibly sourced materials, including:

- ✓ Carrying out annual sustainability audits with biggest supply chain partners and demonstrate improvements
- ✓ Requiring our maintenance suppliers to use responsibly sourced materials by 2026
- ✓ Leading by example and increase responsibly sourced office goods by the end of 2026

Our Sustainable Procurement Principles aim to ensure the products and services we buy are as sustainable as possible. We've updated these principles to mandate our suppliers to "minimise the use of scarce materials, using resources efficiently, prioritising the use of responsibly sourced materials and renewable resources".

Our Employers Requirements outline the materials for new builds or regeneration developments such as all wood products, including any products used during construction, to have Forest Stewardship Certification accreditation, materials with low embodied carbon or low or no Volatile Organic Compounds such as adhesives and paints.

As part of our SHIFT accreditation, we aim to measure and increase the proportion of our responsible sourced materials used.

In 2023-24 our Sustainability Audits showed 75% of materials used by maintenance contractors were responsibly sourced. We plan to extend these audits to Development Contractors and explore data collection on embodied carbon.



C10 Does the housing provider have a strategy for waste management incorporating building materials?

We've updated our Sustainable Procurement Principles to state we will design contractual measures and targets to "prevent and reduce waste including reuse, recondition and remanufacture of products".

When building new homes, as part of our Employer Requirements, we require contractors to comply with Site Waste Management Plan Regulation 2008. They must ensure a site waste management plan details who will be removing the waste from site, with a written description of the waste and where it is taken to. Contractors must review this plan at least every six months. Within three months of the work being completed, the contractor provides a comparison of estimated and actual quantities of each type of waste and an explanation of any deviation from the plan.

In London, we comply with the London Plan Policy SI 7, reducing waste and supporting the circular economy. This encourages waste minimisation and waste prevention and ensures there is zero biodegradable or recyclable waste to landfill by 2026.

From our Sustainability Audits in 2023-24, our in-house maintenance team confirmed 97.5% of waste was diverted from landfill. They are exploring partnering with a dedicated waste broker to better coordinate the collection, transportation, and recycling of construction waste. This would not only optimise our operations but also potentially reduce costs. Our external maintenance contractors confirmed 95% of waste was diverted from landfill.

C11 Does the housing provider have a strategy for water management?

Our Environment Sustainability Strategy outlines our plans to reduce water usage, including:

- ✓ Reviewing the viability of water meters in our homes and offices to capture better consumption data
- ✓ Aiming to help residents reduce their water consumption to 139.6 litres per person per day by 2026
- ✓ Installing a water meter and water saving devices in all our new builds
- ✓ Requiring new builds to have average water usage of no more than 125 litres per person per day or 110 litres/person/day, in line with the optional higher target in the London Plan (Approved Document G)
- ✓ Aiming to reduce our water consumption in offices to 15.65 cubic meters per employee per year by 2026
- ✓ Continuing to provide information on water efficiency across our internet and social media pages for residents, key workers and students
- ✓ Reviewing internal plumbing specifications to assess whether these can be improved to save water.

We're continuing to work with a water broker to consolidate our water bills. They are currently auditing our communal sites to identify those with highest usage. We'll undertake site visits to assess the reasons for high water usage e.g. leaks and suggest water saving devices.



02

ENVIRONMENTAL

03

SOCIAL

04

GOVERNANCE

Affordability & Security

Building Safety & Quality

Resident Voice

Resident Support

Placemaking



Affordability and Security

C12 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 (PRS) rent across the relevant Local Authority
2. Rent compared to the relevant Local Housing Allowance (LHA)

41%

Average rent of the market rent levels (2022/23 42%)

£529m

Approximate market rent discount per annum, equivalent to £9k per home per year

56%

Average rent of the LHA levels (2022/23 52%)

C13 Share, and number, of existing homes (owned and/or managed) completed before the last financial year allocated to all tenures.

	31 March 2023	31 March 2024
SOCIAL HOUSING HOMES		
General needs rent	45,722	45,813
General needs affordable rent	5,729	6,043
Supported housing rent	1,501	1,447
Supported housing affordable rent	27	27
Housing for Older People rent	5,781	5,827
Housing for Older People affordable rent	100	100
Key workers	1,209	1,204
Low cost home ownership	8,625	9,330
Temporary & intermediate rent	1,879	1,809
Care homes	134	124
Total social housing homes owned and or managed	70,707	71,724
Total social housing homes owned but not managed	613	645
Total social housing homes managed but not owned	676	1,557
NON SOCIAL HOUSING		
Market rent	310	308
Student accommodation	1,654	1,654
Total non social housing homes owned and or managed	1,964	1,962
Total owned and managed	72,671	73,686

C14 Share, and number, of new homes (owned and/or managed) that were completed in the last financial year

	2022/23	2023/24
TENURE TYPES		
Affordable and social rent	588	394
Shared ownership	444	354
Market rent	2	0
Open market sale	55	28
Total	1,089	776

In addition to the homes developed above, we've increased the number of homes we manage but don't own by 881 homes (net).

Peter's Path to Homeownership In London

Peter, a 38-year-old long-term renter, had always dreamt of owning a home in London. However, rising house prices and limited savings made this seem impossible. He began exploring alternative options and discovered shared ownership, a more accessible route to homeownership.

Having previously lived in Clapham, Peter was drawn to The Uncommon, a Southern Housing development in the area. The spacious two-bedroom apartments and proximity to Clapham Common aligned perfectly with his needs and preferences. "It was perfect," he recalls. "At my first viewing I said to the sales team: 'Sign me up! Take my deposit right now!'"

Through shared ownership, Peter purchased a 35% share of a two-bedroom apartment, with monthly repayments less than the average rent for a similar property in the area. The Southern Housing team guided him through the process, answering his questions and ensuring a smooth experience.

Now happily settled, Peter enjoys the freedom of personalising his own space and the vibrant community atmosphere. He has already started overpaying on his mortgage with the goal of eventually owning 100% of his home.

Peter's story highlights the transformative power of shared ownership in enabling aspiring homeowners to achieve their dreams. By providing a more affordable and accessible pathway to homeownership, we are empowering individuals to secure financial stability and build a brighter future.



C15 How is the housing provider trying to reduce the effect of high energy costs on its residents?

To ensure residents' homes are more energy efficient long term, we operate a decarbonisation retrofit programme. Through this we'll target those homes with the lowest energy rating and focus on providing affordable warmth. See section C4 for more information.

The cost-of-living crisis and rocketing energy bills have impacted all our residents, so we've placed financial support and tenancy sustainment front and centre of our services. Since April 2023, we've:

- ✓ Provided money guidance support to 3,762 people with 158 resident referrals per week to our Financial Inclusion Team
- ✓ Secured £8.3 million in additional income, benefits, and funds for our residents.

By running targeted campaigns we've connected with households at greater financial risk before money challenges become more deep-rooted and complex. We:

- ✓ Reached out to our 78,000 households
- ✓ Sent targeted support messaging to 14,800 residents at greatest financial risk, including 25,217 texts and 2,900 social media impressions
- ✓ Provide energy saving advice on our website and via social media.

To support residents specifically with high energy costs, we:

- ✓ Issued fuel vouchers to over 3000 households, averaging £81.50 per voucher
- ✓ Laid carpets in 18 homes to improve warmth, investing £28,000
- ✓ Referred residents to the Green Doctors for tailored energy advice with 213 residents having a home visit.

We teamed up with **Pocket Power**, to help residents switch providers, access discounts and wipe debt on all household bills including energy, water, internet, banking & phone. Since 1 August this partnership has supported 79 residents reduce their bills.

Southern Housing has partnered with the Footprint Trust to provide fuel poverty support to residents on the Isle of Wight. Through local events they provide energy saving tips and information on social tariffs. Southern Water also provided 'goody bags' with discount information and items to save money on bills.

We have also added Lightning Reach to our financial inclusion offer - a one stop shop for grants, additional income and benefits. This fantastic platform allows residents to search and apply for any grants or benefits they may be entitled to the portal includes a benefit calculator to ensure income is maximised.

Our energy procurement strategy continues to deliver value for money. Prices have increased for communal service charge payers as a result of market volatility. However, we continue to exploit all means of reducing prices for customers, including:

- ✓ Buying energy in volume and across multiple years
- ✓ Realising all available discounts such as the energy bill relief scheme
- ✓ Scrutinising bills and challenging any errors.

Taking a data led approach

In one of our heat networks, Bow River Village, we're trialling eWatch Heat Service to help us identify poorly performing properties to pass to contractors to improve efficiency.

We provide heating and hot water to around 11,000 homes via 160 heat networks. Where viable these homes will have dedicated energy bills as required by the Heat Network Metering and Billing Regulations 2014. This method of charging reduces carbon emissions and saves residents money on their heating bills.

C16 How does the housing provider provide security of tenure for residents?

We want to build strong and sustainable communities and believe lifetime tenancies fit best with this ambition. This means all general needs housing or homes for older people are let on an assured tenancy basis. Less than 6% of residents in our general needs housing or homes for older people have fixed-term tenancies of less than three years, and we're working to convert these to assured tenancies. We began transferring tenants from fixed-term tenancies to lifetime tenancies in December 2018.





Building Safety and Quality

C17 Describe the condition of the housing provider's portfolio, with reference to:

%

Gas safety checks have been carried out to homes

%

Fire risk assessments have been carried out to homes

%

Electrical safety checks have been carried out to homes

As at 31 March 2024:



99.8% of our homes had an in date accredited gas safety check

The 100 outstanding checks were due to us facing access issues.

2022/23 99.9%



99.9% of our homes had an in-date and compliant fire assessment

The one overdue fire assessment at 31 March 2024 was completed in early April 2024.

2022/23 99.9%



96.0% of our homes had an electrical safety check carried out

We are prioritising completing these overdue checks.

2022/23: 89.7%

C18 What % of homes meet the national housing quality standard?

At 31 March 2024, 99.7% (2022/23: 99.2%) of homes met the Decent Homes Standard.



C19 How do you manage and mitigate the risk of damp and mould for your residents?

We understand the significant impact these issues can have on residents' health and well-being, and we are dedicated to working collaboratively with residents to find effective solutions.

We have adopted a proactive, multi-faceted approach, guided by the Housing Ombudsman's recommendations and informed by resident feedback:

- ✓ **Proactive identification:** We actively survey 20% of our homes annually to identify and address potential issues before they escalate
- ✓ **Resident communication:** We provide clear information on damp and mould prevention and encourage reporting through various channels
- ✓ **Data-driven solutions:** We are utilising data loggers in homes to monitor conditions and prevent damp and mould before they occur
- ✓ **Collaborative resolution:** We work closely with residents throughout the remediation process, ensuring their concerns are heard and addressed
- ✓ **Continuous improvement:** We actively learn from complaints and feedback to enhance our service and prevention strategies.

We have recently undertaken a comprehensive service review, carried out by our Resident Scrutiny Panel, to further improve our damp and mould response. As a result, we have implemented several enhancements, including:

- ◆ Additional training for frontline colleagues
- ◆ Increased use of monitoring technology
- ◆ Expansion of our surveying team
- ◆ Dedicated disrepair team
- ◆ Improved reporting mechanisms
- ◆ Upgraded equipment for surveyors.

We believe that through open communication, proactive measures, and a commitment to continuous improvement, we can effectively tackle damp and mould and provide safe, healthy homes for all our residents.





Resident Voice

C20 What are the results of the housing provider's most recent tenant satisfaction survey? How has the housing provider acted on these results?

From April 2023 all housing associations implemented the new regulatory Tenant Satisfaction Measures (TSMs). We've included these within our measures of success. We've yet to benefit from a full cycle of TSM data, and we are unlikely to have a full understanding of how we perform and measure against our G15 peers, and the wider sector, until October 2024.

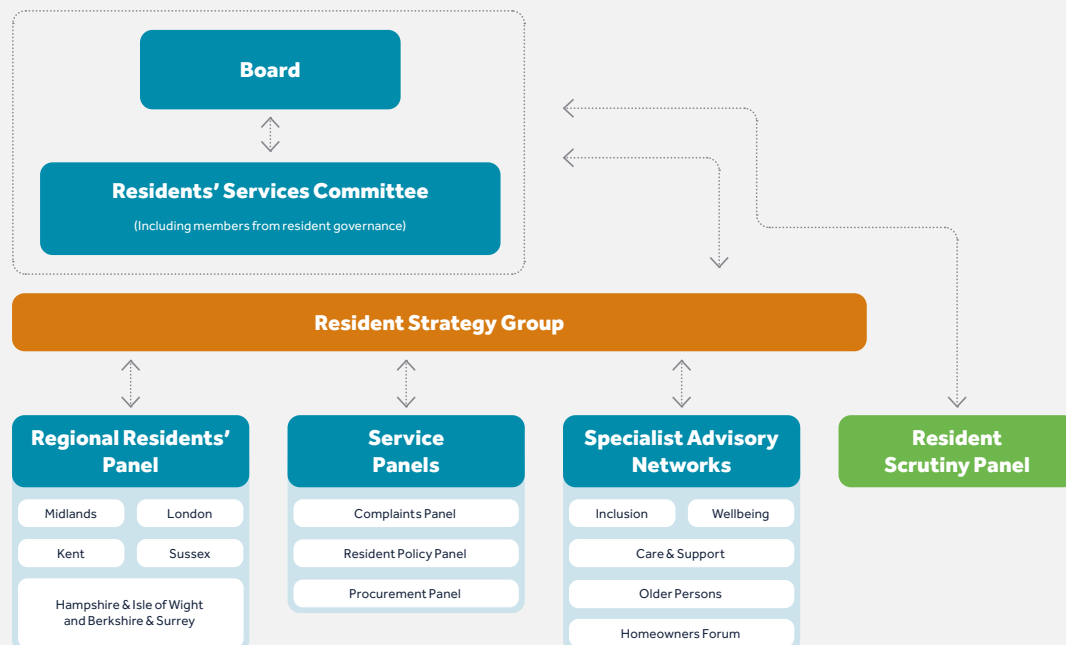
Ultimately the TSMs will support benchmarking our performance against our peers, but in the short term we are able to use the data from the past year to establish a baseline for ourselves and aim for improvement via a year-on-year increase.

	Actual 2022-23	Target 2023-24	Actual 2023-24
% Satisfied with overall service	72%	75%	67%
% Satisfied with repairs service over the last 12 months	66%	75%	68%
% Satisfied with time taken to complete most recent repair	61%	65%	63%
% Satisfied we listen to residents' views and act upon them	68%	68%	63%
% Satisfied we keep residents informed	82%	83%	78%
% Agree we treat residents fairly and with respect	84%	70%	81%
% Satisfied we provide a safe home	81%	85%	78%
% Satisfied we provide a well-maintained home	75%	80%	73%
% Satisfied we keep communal areas clean and well maintained	73%	73%	69%
% Satisfied with our approach to handling anti-social behaviour	70%	69%	68%



C21 What arrangements are in place to enable residents to hold management to account for the provision of services?

We have an extensive resident governance structure that helps to support involved residents with holding management to account for the provision of services.



Our resident governance structure enables residents to be involved from the highest levels of governance for scrutinising services and holding senior management to account. For example, four out of fourteen places on the board are reserved for residents. A further two residents – the chair and vice-chair of our Resident Strategy Group – are invited to observe Board meetings.

Two resident board members and the chair of the Resident Strategy Group are also members of our Resident Services Committee which has a specific remit for scrutinising the provision of services to residents.

Management are accountable to our Resident Strategy Group for the following:

- ✓ Levels of resident satisfaction
- ✓ Complaints handling
- ✓ The repairs service
- ✓ Opportunities for resident scrutiny and involvement
- ✓ Compliance with regulatory requirements for resident involvement and empowerment.

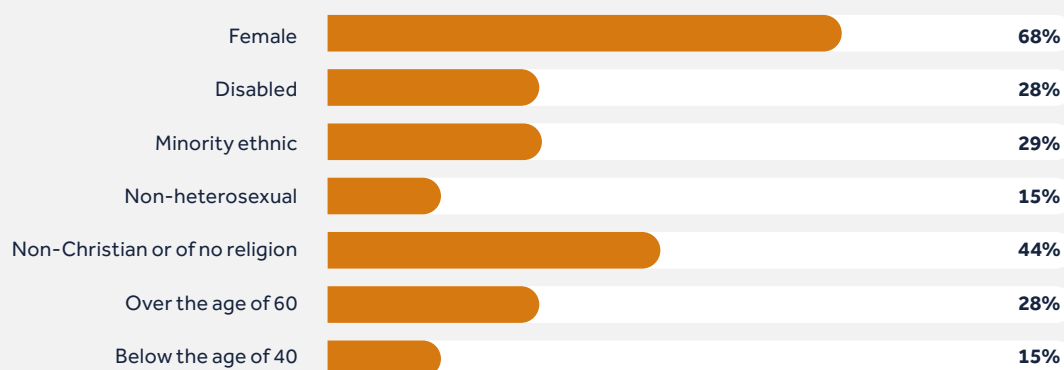
The Resident Strategy Group and Resident Scrutiny Panel meet with the Executive Team annually to build a shared understanding of challenges, opportunities, priorities and where best to focus their attention.

Scrutiny

During the year our Resident Scrutiny Panel undertook an in-depth review of the management of damp and mould. A range of findings and recommendations were identified from the Panel's review, and these were presented to the Resident Strategy Group and the Board in March 2023. Progress on implementing the Panel's recommendations will be monitored by the Panel as well as the Resident Strategy Group and the Board.

Diverse representation

We have over 100 involved residents from a diverse range of backgrounds.



We offer a range of training and resources to support every involved resident to carry out their role effectively. This includes providing access to webinars, training with the Housing Ombudsman, one-to-one support, memberships with Tenant Participation Advisory Service and the Housing Quality Network as well as job shadowing opportunities.

An in-depth look at Resident Involvement can be found in our Resident Involvement Annual Review¹⁴.

C22 In the last 12 months, in how many complaints has the national Ombudsman determined that maladministration took place? How have these complaints (or others) resulted in change of practice within the housing provider?

In 2023/24, 103 complaints were upheld by the Ombudsman (in 2022/23 it was 46).

In June 2023, the Housing Ombudsman launched a special investigation into our complaints handling. The Housing Ombudsman Service examined 77 cases, with all but one determination predating our merger in December 2022. The report found shortcomings in 67 cases, including poor complaint handling, the need for repairs service improvement, and a lack of ownership in resolving issues.

We acknowledge and apologise for these failures. Since the merger, we have implemented significant changes to improve services for our residents. This includes a new customer service training programme, a Customer Service Promise informed by resident feedback, and a restructured complaints handling process under a single executive director. We have also invested heavily in our Repairs Team, creating new jobs and increasing spending on repairs and planned improvements.

We are committed to learning from the Ombudsman's report and using its recommendations to enhance our services and ensure residents receive the high-quality support they deserve.

¹⁴ [Resident Involvement Annual Review \(Southern Housing.org.uk\)](#)



Resident Support

C23 What are the key support services that the housing provider offers to its residents? How successful are these services in improving outcomes?

We strive to increase our social impact each year. Our Strategic Plan¹⁴ commits us to maximising our social impact with new urgency.

Central to this is our resident and communities support offer, which has two strands:

1. Creating opportunities for residents and communities to fulfil their potential
2. Contributing to neighbourhoods where people are proud to live

We deliver on these through actions to improve residents' finances, employment prospects, and wellbeing, and by strengthening communities. Our Social Impact Statement drives business-wide efforts to make a tangible difference for residents. We recognise the importance of social impact and the effect we have on people and communities as a result of our actions. We seek significant positive change addressing social challenges and improving people's wellbeing.

Our headline achievements over the past 12 months include:

- ✓ Providing advice, support, and guidance to over 32,000 people
- ✓ 10,141 people registered on support programmes, projects and courses
- ✓ 1,592 people supported to gain jobs and training
- ✓ 4,853 residents supported with money guidance
- ✓ Securing £8.3m added income, grants, benefits, and savings support to these Southern Housing households
- ✓ 16,373 people were involved in our community partnership activities
- ✓ 309 young disadvantaged residents joined development activities
- ✓ 1,373 people benefitted from our Fresh Visions Charity activities, including 159 survivors of domestic abuse.

We're supporting wellbeing action for vulnerable residents, who are often those with mental health challenges. Our 37 community venues provide vital bases for this work. We supported residents onto personal wellbeing plans with 1,364 becoming more confident and less isolated.



Social Value Partnerships

We're working with our contractors, suppliers and business partners to maximise community projects, training and apprenticeship opportunities. We currently have Social Value partnerships with 165 contractors and suppliers.

¹⁴ Strategic Plan
([Southern Housing.org.uk](https://southernhousing.org.uk))

Financial Inclusion Support

Financial resilience is a core focus for us, particularly during the ongoing cost-of-living crisis. Our Financial Support Teams are experiencing high demand, with an average of 142 resident referrals and 101 new cases opened each week.

In the past year, we've provided money guidance casework to 4,853 residents, securing an additional £8.3 million in income for these households through grants and benefits. Recognising the immediate needs of our residents, we've also distributed emergency fuel and food vouchers to 4,996 individuals.

Our Discretionary Payment Scheme serves as a vital safety net, preventing acute financial crises and potential evictions. In the last 12 months, we've disbursed £1.05 million through this scheme.

While the cost-of-living crisis persists, our efforts are making a tangible difference. Overall rent arrears and evictions remain stable, and a recent survey shows that 78% of households receiving hardship support have maintained a stable budget after 3-6 months.

We continue to proactively address financial challenges through targeted support campaigns and a variety of resources, including:

- ✓ Increased casework support
- ✓ Financial resources and cost-saving apps
- ✓ Hardship funds for essentials
- ✓ Flexible rent payment options
- ✓ Ten food pantries and local food bank initiatives

We remain committed to empowering our residents and ensuring their financial well-being, even in the face of economic uncertainty.



CASE STUDY

Supporting Recovery and Stability

A Housing Officer responded to a case involving a property abandonment and suspected drug use. Upon visiting, the officer found the property in disrepair and learned from Social Services that the tenant was in rehab, during which time others had misused the property.

After the tenant, Mr. A, completed rehab in April 2023, the Housing Officer assisted him in clearing his gas and electricity debts using Discretionary Payment Scheme vouchers. Additionally, the officer secured a cooker from Helping Hands and arranged a furniture delivery from the Grosvenor House project, transforming the property into a comfortable home and helping Mr. A maintain his sobriety.

During rehab, Mr. A missed a PIP (Personal Independence Payment) review, leading to its suspension. The Housing Officer helped him appeal the decision and complete the necessary paperwork, resulting in a backdated payment of over £4,000 and the reinstatement of his PIP.



CASE STUDY

Supporting Stability and Engagement

Miss B moved into her property at 21 as a care leaver and has faced ongoing financial struggles, consistently dealing with debt. She has been diagnosed with Emotionally Unstable Personality Disorder and Bipolar Disorder, although her condition does not qualify her for Personal Independence Payment. She does receive Limited Capability for Work under Universal Credit. Miss B has been employed at her local Premier Inn for several years but has had frequent sick leave. Last year, she was hospitalised for gallbladder issues, which severely impacted her mental health, resulting in an extended period off work.

At one point, her rent account reached the warrant stage due to non-payment, necessitating further action from the Income team. To prevent eviction, a Discretionary Payment Scheme case was initiated. We secured £7,098.22 to clear her rent arrears and eliminate the threat of eviction. This intervention enabled Miss B to start engaging with social services and our Social Impact Team.

CASE STUDY

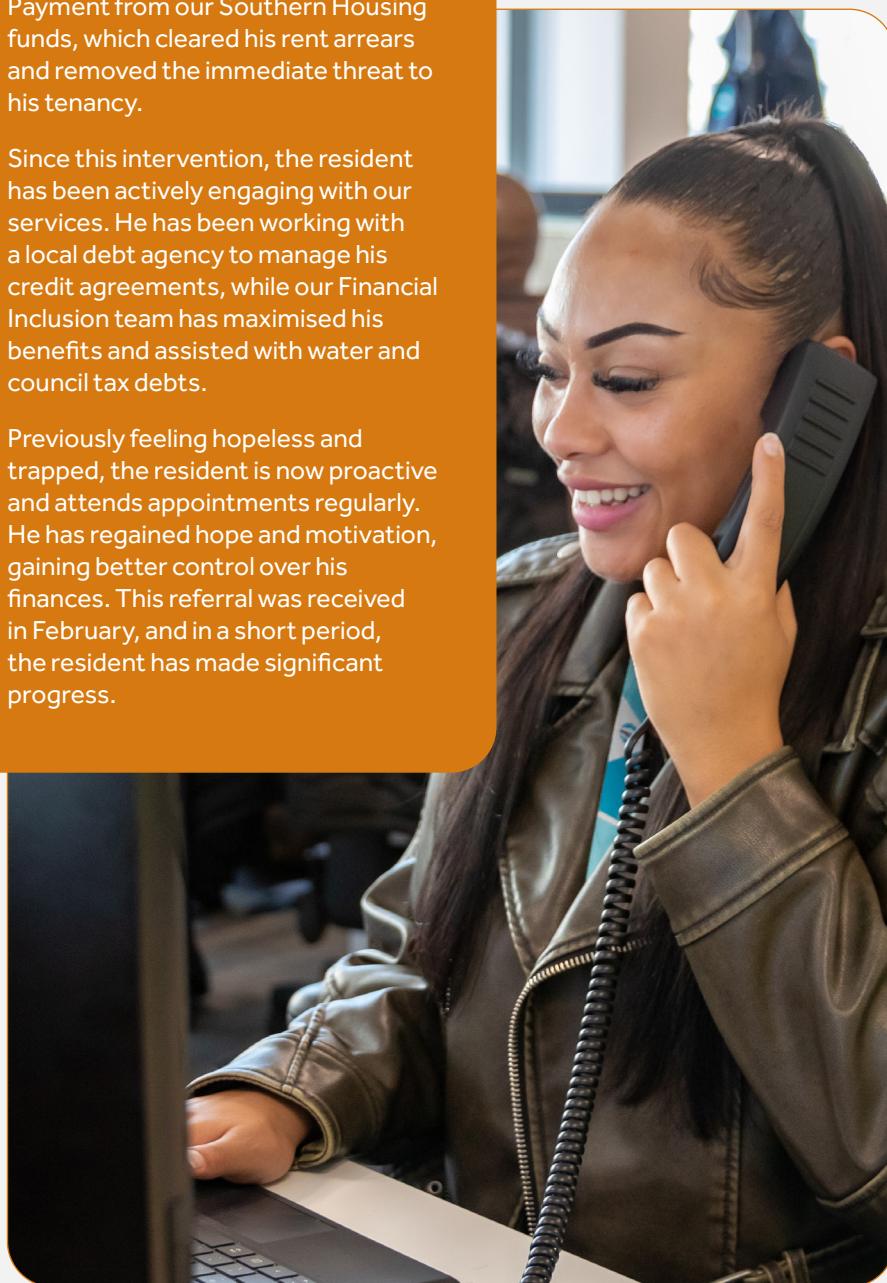
Turning Crisis into Stability

A concerned mother contacted us after her son attempted suicide due to mental health issues and anxiety over rent arrears, fearing he would lose his home. We promptly referred the case to our Financial Inclusion team to explore support options.

The resident, who has autism and dyslexia, had been struggling with his bills. Our Financial Inclusion Officer secured a Discretionary Housing Payment from our Southern Housing funds, which cleared his rent arrears and removed the immediate threat to his tenancy.

Since this intervention, the resident has been actively engaging with our services. He has been working with a local debt agency to manage his credit agreements, while our Financial Inclusion team has maximised his benefits and assisted with water and council tax debts.

Previously feeling hopeless and trapped, the resident is now proactive and attends appointments regularly. He has regained hope and motivation, gaining better control over his finances. This referral was received in February, and in a short period, the resident has made significant progress.





Placemaking

C24 Describe the housing provider's community investment activities, and how the housing provider is contributing to positive neighbourhood outcomes for the communities in which its homes are located.

We've a special responsibility for place-making where we own significant concentrations of homes. This is true both of existing assets and new sites under construction. We take pride in making sure our communities are designed to promote people's health, happiness and wellbeing.

Anti-Social Behaviour

We take a resident-centred approach to address anti-social behaviour (ASB). In 2023/24, we received 1,713 reports of ASB. Each report is assessed for its impact on the resident, and a tailored action plan is agreed upon, which may include investigations, regular updates, and support measures.

We address a wide range of ASB, from noise complaints to harassment and violence. Our approach is always evidence-based and proportionate. We prioritise early intervention measures like mediation and Good Neighbour Agreements, reserving formal legal action as a last resort.





CASE STUDY

Tackling Hate in Our Homes

In one instance, a resident (Tenant A) subjected their neighbour (Tenant B) to persistent racial harassment and property damage. Initially, Tenant B was reluctant to engage, but our dedicated ASB officer maintained contact and encouraged reporting. With the cooperation of Tenant B's son, we collaborated with local police to address the incidents as hate crimes.

Despite multiple warnings, Tenant A's behaviour escalated, leading to significant damage to Tenant B's property. Working closely with the police, we obtained a court order that temporarily banned Tenant A from their home, providing much-needed respite for Tenant B. During this time, our ASB officer worked with various agencies to ensure both tenants received appropriate support and long-term solutions were explored.

This case demonstrates our unwavering commitment to tackling all forms of ASB, especially those motivated by hate. By working in partnership with residents, the police, and other agencies, we strive to create safe and harmonious communities for everyone.

CASE STUDY

Community Allotment Celebrates Its Ten Year Anniversary

Celebrating its ten-year anniversary, the Bob Fowler Community Allotment has been nominated for the next stage of the Green Flag Award 2024, supporting the actions in our new biodiversity pathway to 2030.

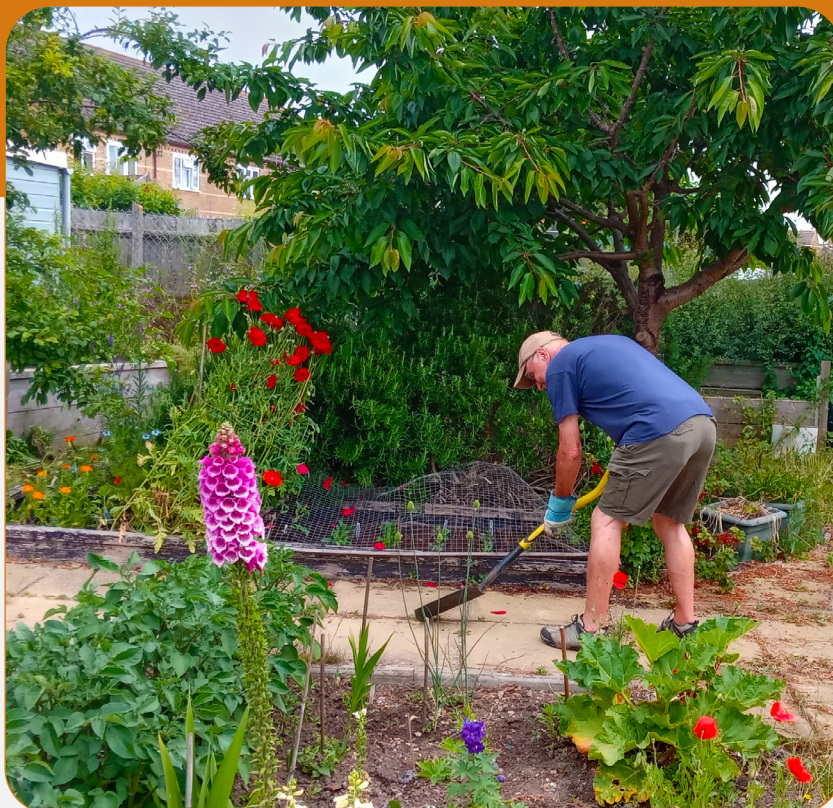
The Green Flag Award scheme recognises and rewards well-managed parks and green spaces, setting the benchmark standard for recreational outdoor spaces worldwide. Launched in 2013 by Bob Fowler, a former Amicus Horizon colleague, the project transformed a historical fly-tipping site into a tranquil area for the local community.

The allotment benefits local people, children from nearby nurseries and schools, and residents from our independent living scheme, teaching them gardening and fruit and vegetable growing skills.

Bob Fowler worked with Swale Borough Council, Skillnet, and Kent County Council to bring this project to life. Although Bob passed away in 2012 before seeing his dream realised, the site was named in his honour.

Now under Southern Housing, The project continues to receive substantial support. The site features established fruit trees, native species, a composting toilet, a summer house, a poly tunnel, water butts, and water features. It is entirely free of herbicides and pesticides.

Currently, there are 15 plots, along with dedicated wilding and flowering areas, raised beds, and herb sections. Two plots are reserved for mentoring purposes, assisting local support services and schools.



CASE STUDY

New Lightning Fibre for Our Residents Across East Sussex

We are delighted to announce the installation of a new, full-fibre broadband network in our residents' homes across East Sussex. This initiative aims to provide faster, affordable, and more reliable internet connections to our communities.

Our CEO, Paul Hackett, and Lightning Fibre CEO, Stefan Stanislawski, recently celebrated the signing of a universal wayleave agreement. This agreement will benefit our residents in areas including East Sussex, Wealden, and Rother.

Our Digital Infrastructure Team has been working diligently alongside our providers to make this possible. To date, we have installed full-fibre broadband in 28,000 of our residents' homes. Their efforts have earned us a shortlist position at the Housing Digital Innovation Awards 2024 for the Best Asset Management Innovation Award and a finalist spot for our pioneering programme execution.

Launched in 2020, this programme benefits both our organisation and our residents by providing the fastest internet connectivity and addressing digital poverty, which affects 50% of those living in social housing. Southern Housing's innovative Our Digital Infrastructure Programme delivers future-proofed full-fibre broadband technology across our entire portfolio; meeting residents' needs while ensuring the highest levels of quality assurance and building safety.

We are also leveraging additional benefits to support digitally and financially excluded residents, ensuring they can take full advantage of the new technology available in their homes—all at no cost.



CASE STUDY

Turning Crisis into Stability

Rachel found a new beginning when she was offered a home at our extra-care scheme, Ryde Village, on the Isle of Wight. Before moving in, Rachel experienced severe grief and loneliness following the loss of two of her neighbours.

Since joining the community, Rachel has become an active participant in the Village's activities. She enjoys dancing and spending time with new friends during the monthly visits to the nearby Fever nightclub. Additionally, Rachel has performed with the theatre group First Act, taking on the role of Belle in their production of Beauty and the Beast.

Rachel shares her experience:

"My life has got a lot better since moving to Ryde Village. The staff are so helpful and generous, and they help me a lot. I feel very safe at night and I sleep better now I'm here. I love going out for trips with everyone on the minibus, especially Fever once a month. Ryde Village is a happy place."





03

SOCIAL

04

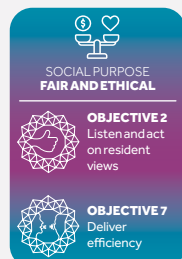
GOVERNANCE

Structure and Governance

Board & Trustees

Colleague Wellbeing

Supply Chain



Structure and Governance

C25 Is the housing provider registered with the national regulator of social housing?

Yes

C26 What is the housing provider's most recent regulatory grading/status?

We received an interim judgement of G2/V2 from The Regulator of Social Housing (RSH) on 24 January 2023. This was following the amalgamation of Optivo which previously had a G1/V1 judgement and Southern Housing Group Limited which had a G2/V2 judgement.

RSH considers interim regulatory judgements for newly merged organisations on a case-by-case basis with a starting assumption that the lower of the two previous ratings will apply.

RSH began its Regulatory Inspection into the merged organisation in March 2024 with the results to be published later this year.

C27 Which Code of Governance does the housing provider follow, if any?

National Housing Federation's Code of Governance 2020¹⁵.

C28 Is the housing provider Not-For-Profit?

Yes



¹⁵ [National Housing Federation | Code of Governance \(housing.org.uk\)](https://www.nationalhousingfederation.org.uk/code-of-governance)

C29 Explain how the housing provider's board manages ESG risks. Are ESG risks incorporated into the housing provider's risk register?

Our Board manages ESG risks through a comprehensive and integrated risk management framework. The principles of our framework are to ensure that risk management is:

- ✓ **Proportionate**
Resources and effort dedicated to risk management are appropriate to the risk
- ✓ **Aligned**
Integral to the business and not a standalone activity performed in isolation
- ✓ **Comprehensive**
Covering all aspects of the organisation and the risks it faces
- ✓ **Embedded in our culture**
Roles and responsibilities are clear and everyone plays a part in managing risk
- ✓ **Dynamic and responsive to change**
Responding swiftly to events, changes in the environmental context and the results of monitoring and reviewing activities, based on available information drawn from data, expert judgement and stakeholder feedback.

Our approach to risk management is supported by our 3 lines of assurance model. This provides comfort that controls are operating as expected and therefore the risks to which the business is exposed are being managed effectively.

Everything we do involves a certain amount of risk. Our approach ensures we identify, understand and manage risks to achieve our objectives; it's not about avoiding or eliminating risk. The framework ensures that both strategic and operational risks are identified and addressed effectively.



Incorporation of ESG Risks

✓ Objectives - Led Risk Management

Our risk management process is driven by our strategic objectives. This means that we identify risks, both at the strategic and operational levels, by examining the factors that could impede our objectives. Safe sustainable homes are one of our seven strategic objectives, as stated on page 2 of our Strategic Plan.

✓ Strategic ESG Risk

We have identified a key ESG-related strategic risk: "Failure to plan and deliver environmental sustainability targets, including the roadmap to net zero carbon." This risk is integrated into our risk management process and monitored through specific key performance indicators.

Board Oversight and Risk Appetite

- ✓ The board receives regular updates on strategic risks, including ESG-related risks. These updates focus on the effectiveness of our risk management responses and our performance against ESG targets.
- ✓ The board is responsible for setting and reviewing the acceptable level of risk (Risk Appetite) for all aspects of the business including ESG, ensuring that it aligns with our strategic objectives and social purpose.

Risk Register Integration

✓ Strategic and Operational Risk Registers

Our strategic risk register and operational risk registers are closely linked. The operational Sustainability function maintains its own risk register, which informs and is informed by the strategic risk register. This ensures a cohesive approach to risk management.

✓ Governance and Oversight

By integrating these risk registers, we have established a robust governance and risk management structure. This allows for effective risk identification, assessment, evaluation, and response, with oversight from the highest levels of the organisation.

This structured approach ensures ESG risks are thoroughly incorporated into our risk management framework, enabling us to manage and mitigate these risks effectively.

C30 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?

We have not been subject to any adverse regulatory findings regarding data protection breaches, bribery, money laundering or HSE breaches.



Board and Trustees

C31 Does the housing provider consider resident voice at the board and senior management level? How does the housing provider ensure it gets input from a diverse range of people, into the governance processes? Does the housing provider have policies that incorporate Equality, Diversity and Inclusion (EDI) into the recruitment and selection of board members and senior management?

We actively seek the views of residents and ensure they are given opportunities to influence and be heard at board and senior management level. This includes opportunities to shape our strategies, policies, how we operate and how we're governed.

Since merger, our Resident Policy Panel has helped to influence and shape the following policies:

- The Reasonable Adjustments Policy
- The Pet Policy
- The Anti-Social Behaviour Policy
- The Electric Vehicle Charge Point Policy
- The CCTV Policy
- The Arrears Policy
- The Service Charge Dispute Resolution Policy

Our Resident Strategy Group has influenced and shaped the following strategies:

- Fire Safety Strategy (**Approved Sept 2023**)
- Building Safety Resident Engagement Strategy (**Consultation June 2023 and Sept 2023**)
- The Sustainability Strategy (**Nov 2023**)
- Social impact Statement (**Approved March 2024**)

In addition, the Resident Strategy Group, each year, scrutinises proposed strategic Key Performance Indicators for the following year prior to board approval.

Southern Housing actively seeks input from a diverse range of residents in our governance processes through our resident governance structure. This structure reserves four out of fourteen board seats

specifically for residents, ensuring their voices are heard at the highest level of decision-making. Additionally, resident board members actively participate in our Resident Services Committee, which scrutinises the provision of services and holds senior management accountable. This multi-layered approach ensures diverse resident perspectives are integrated into governance processes, enhancing transparency and accountability. More information on our resident governance structure can be found in criteria C21.

We have robust policies which integrate Equality, Diversity, and Inclusion (EDI) into the recruitment and selection processes for board members and senior management. We have an EDI policy in place that ensures all recruitment activities promote diversity and inclusion. Additionally, our board has appointed one of our Board members to be our EDI Lead to oversee and champion these efforts. This role is critical in guaranteeing that our strategic and policy objectives on EDI are met, providing assurance that EDI principles are embedded within our organisational practices.

The EDI Lead's responsibilities include challenging and supporting the executive and management teams to ensure EDI is a core consideration in decision-making processes. They also ensure that board discussions and key policy formulations consider EDI perspectives and that performance data is analysed for diversity impacts. Furthermore, the EDI Lead maintains oversight of service accessibility, reasonable adjustments, and the positive social impact of community services, acting as an ambassador to enhance our EDI credentials at various levels. Through these measures, we strive to create a diverse, inclusive, and equitable environment for all stakeholders.

C32 What % of the housing provider's Board have turned over in the last two years? What % of the housing provider's Senior Management Team have turned over in the last two years?

In the last two years 14% of our Board has turned over and none of our Senior Management Team have turned over.

In October 2023 Karin Stockerl was promoted from the role of Corporate Director of Assets & Sustainability onto the Executive Team as Executive Director of Assets & Sustainability.

Our Executive Director of People & Culture, Jenny Poore, announced her retirement in April 2024 and will be leaving us at the end of the financial year.

C33 Number of board members on the housing provider's Audit Committee with recent and relevant financial experience.

Our Audit and Risk Committee has five members, two of which are Board members and three are independent members who do not sit on our Board. Of the two Board members, one has recent and relevant financial experience. Two of the independent members have recent and relevant financial experience.

C34 What % of the housing provider's board are non-executive directors?

92% of our board are non-executive directors at 31 March 2024. The only executive on the board is our Chief Executive.

C35 Has a succession plan been provided to the housing provider's board in the last 12 months?

Oversight of our succession plan is delegated by board to the People Committee. The committee considered the full succession plan in June 2024.

C36 For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

Paula Willock of BDO is our current external audit partner. She has provided audit services for the past three years.

We completed a tendering of our Audit services in this financial year where BDO were re-selected.

C37 When was the last independently-run, board-effectiveness review?

Our Board was created following our merger in December 2022 and is in its second year of operation. Its first independent effectiveness review is scheduled for August 2024.



Colleague Wellbeing

C38 How does the housing provider handle conflicts of interest at the board?

Board members are required to complete an annual declaration of interests and inform Southern Housing if there are any changes to their interests during the year in line with our Code of Conduct. Declarations of interest is a standing item of business at every board meeting. Board members are asked to declare any actual or potential conflicts of interest in any of the items of business on the agenda. The board member will be asked not to contribute/vote on the item of business where there is an actual or potential conflict or be asked to leave the room while the business is discussed.

C39 Does the housing provider pay the Real Living Wage?

Yes, we are committed to paying either the London UK Living Wage or the Real UK Living Wage, as appropriate. There are limited exceptions to this for example some trainee roles, work-placement, intern and/or apprentice roles.

C40 What is the housing provider's median gender pay gap?

Since April 2018, all companies with over 250 employees are required to publish their gender pay figures annually. This applies to Southern Housing and while there is no government mandate to publish ethnicity pay gap figures, we voluntarily report on this as part of our commitment and inclusive approach. Along with our median gender pay gap, other key highlights of our pay gap are:

The organisation employs more women (59%) than men (41%).

↓ Our mean gender pay gap is 11.3%, lower than the national average of 14.3%.

↑ Our median gender pay gap is 10.1%, slightly higher than the national median of 7.7%.

Our mean ethnicity pay gap is 2.1%.

Our median ethnicity pay gap is -4.8%.

We recognise the need for continued efforts to reduce both our ethnicity and gender pay gaps. By gathering and analysing data, and applying benchmarks and best practices, we aim to drive ongoing improvement in pay equity.

C41 What is the housing provider’s CEO:median-worker pay ratio?

We calculated the ratio between the CEO and the median pay of workers and using the Department of BEIS Methodology¹⁶; the pay ratios are as follows:

Financial Year	Method	25th Percentile Pay Ratio	Median Pay Ratio	75th Percentile Pay Ratio
2023-24	Option A	11.89:1	8.93:1	6.77:1
2022-23	Option A	12.26:1	8.95:1	6.77:1

C42 How is the housing provider ensuring equality, diversity and inclusion (EDI) is promoted across its employees?

Our commitment is to foster a diverse and inclusive organisation, prioritising our people and residents to ensure they feel valued and supported. This dedication is articulated in our EDI Policy, supported by our EDI Commitment and Action Plan, which sets out our aims and targets for creating a culture where everyone can be their best selves, have a voice, and find Southern Housing a great place to work.

Our established EDI Governance Framework ensures that our efforts are authentic, impactful, and well-structured. This framework includes our EDI Steering Group, Inclusion in Action Group, and six EDI Network Groups. These network groups provide safe spaces for colleagues to connect, share experiences, raise awareness, support each other, challenge inequalities, and influence business decisions with innovative solutions that promote equality, diversity, and inclusion.

We are also members and work in partnership with several external organisations in the EDI space so that we can gain knowledge, share best practice and to support us on our EDI journey. Some of these include Inclusive Employers, HenPicked, Unify, Women in Social Housing, Housing Diversity Network and Stonewall. We are also a Disability Confident Committed, Level 2 Employer. As a ‘Disability Confident Committed’ employer, this confirms that we will offer an interview to any applicant who declares they have a disability (in-line with the Equality Act 2010), providing they meet the minimum criteria of the job profile and we will make any reasonable adjustments required. By displaying on our adverts and website that we’re Disability Confident, applicants and colleagues with disabilities should feel welcomed and confident enough to apply for our roles without feeling that they will be disadvantaged or discriminated.



¹⁶ [BEIS Document \(GOV.uk\)](#)

Our EDI Network Groups

We currently have six EDI Network Groups:

- REACH (ethnically diverse) Network
- PROUD (LGBTQ+) Network
- Women@Work Network
- Diverse Ability (Disability) Network
- Multi-Faith Network
- Parents & Carers Together Network

Each network is led by a Chair and Co-Chair, sponsored by an Executive Director, and supported by the Leadership Team, the People & Culture Team, and our Wellbeing Matters Group. These groups are instrumental in creating a supportive and inclusive environment.

We are committed to upholding The Equality Act 2010, legislation designed to protect people from discrimination, harassment and victimisation in the workplace and in wider society, covering the nine protected characteristics. We demonstrate this commitment through our actions, culture and operations which must be ongoing, evaluated and reviewed.



C43 How does the housing provider support the physical and mental health of its employees?

At Southern Housing, the overall wellbeing of our colleagues, including their physical and mental health, is a top priority. We demonstrate this commitment by providing the resources, tools, and information necessary to support both workplace wellbeing and personal health management. As a registered Mindful Employer, we have signed the 'Charter for Employers Positive about Mental Health,' affirming our dedication to fostering a supportive and open culture where colleagues can confidently discuss mental health and receive appropriate support.

Wellbeing support available to all colleagues:

✓ Wellbeing Matters Group

This group comprises over 50 wellbeing champions passionate about promoting workplace wellbeing. The Wellbeing Matters Group co-creates, promotes, and supports a culture where wellbeing is a priority, meeting regularly to discuss and plan key wellbeing activities for the year.

✓ I-Will Website

Through our current Occupational Health provider, colleagues have access to their valuable and useful clinically validated resource centre called I-Will.

✓ Unmind App

The Unmind App is a mobile and digital platform featuring numerous mental health and wellbeing resources, courses, and activities related to sleep, work, body, and relaxation.

✓ Employee Assistance Programmes

This free, confidential service is available to all colleagues, offering a 24-hour helpline and up to six face-to-face counselling sessions if needed. The programme provides support and guidance on lifestyle, health, medical, financial, and legal issues through specialist teams of counsellors, lawyers, and medical professionals via BUPA.

✓ Wellbeing Annual Programme

Our Wellbeing Programme runs year-round, offering a holistic array of events, activities, and resources. This programme is part of our Culture Calendar, which highlights all our wellbeing and cultural events for the year.

✓ Mental Health First Aiders

We have more than 90 nationally accredited Mental Health First Aiders available to support colleagues. These First Aiders provide crucial support and signposting for colleagues needing assistance during critical times in their work lives.

✓ Additional Benefits

We offer various benefits to support colleague wellbeing, such as gym memberships, financial education, health treatment cash plans, cycle-to-work schemes, and more.

C44 How does the housing provider support the professional development of its employees?

Since merger we've appointed a dedicated Qualifications & Apprenticeships manager who will drive the support and provision of the professional development agenda for Southern Housing. We offer apprenticeships to all colleagues to support them to deliver in their professional and technical roles. We offer sponsorship for colleagues to complete a formal professional qualification, support Continuing Professional Development time and pay for professional memberships for our professional teams.

We offer coaching and mentoring opportunities as well as personal effectiveness, management development and independent learning with our holistic learning portal. In addition, we engage with the G15 and other external providers leadership & management development programmes as well as maximising learning from networking opportunities.





Supply Chain

C45 How is social value creation considered when procuring goods and services? What measures are in place to monitor the delivery of this Social Value?

Our Principles of Sustainable Procurement¹⁷ are our commitment to generating social value through the products, services and works we tender and buy.

In 2023/24 we had 165 business supply chain partners with social value agreements. This provided £668,752 worth of direct and in-kind social value activity, directly benefiting our residents and the neighbourhoods where we operate. This included cost of living support, resident training and jobs, improvements to neighbourhood facilities, community projects and specialist support for some of our most vulnerable residents.

Through the procurement design phase, we define proportionate and relevant commitments. Through the tender phase, we evaluate and score bidders' responses and commitments. Our internal award panel, Risk Appraisal Group, chaired by our Chief Financial Officer, are informed of these deliverables in our recommendation to award reports. The commitments are formalised in the final contract documents ahead of award. We then work with suppliers to monitor and facilitate delivery of social value commitments, reporting progress into wider contract performance meetings. Where underperformance is identified we can apply relevant contract mechanisms to address, including reducing the amounts paid to our suppliers.



¹⁷ [Sustainable Procurement Principles \(Southern Housing.org.uk\)](https://www.southernhousing.org.uk/sustainable-procurement-principles)

C46

How is sustainability considered when procuring goods and services?

Our Principles of Sustainable Procurement ensure the products, services and works we buy are as sustainable as possible.

Scoping

Environmental mitigation measures and reporting standards are considered at the procurement scoping stage. We ensure they're relevant and proportionate to the project scope, clear and measurable and fully articulated in our contract documentation, with a focus on reducing our carbon footprint.

Collaboration

At the initial scoping stage of a new project, we use a Procurement Project Plan (PPP) to identify key stakeholders and objectives. This includes, as standard, five environmental impact and mitigation measures and five environmental reporting requirements. These are recorded within the PPP and translated into tender requirements and contractual commitments.

Our standard impact and mitigations measures are:

- Provision of the supplier's:
 - Environmental/sustainability policy
 - Net zero reduction plan
 - Environmental accreditations e.g. ISO14001
- Commitment to utilise EURO 6 (emissions standard)
- Compliance with the Waste Duty of Care requirements (Environmental Protection Act 1990)
- Provision of any environmental standards applied to products used
- Provision of carbon impacts from the manufacture of products supplied.

Our standard environmental reporting requirements we ask our suppliers to provide:

- Annual carbon emissions apportioned to the project
- Fleet vehicle mileage by fuel type
- Annual energy usage of main offices
- Details of responsibly sourced products
- Amount of waste produces and the % waste re-used, recycled, or sent for incineration or landfill.

What measures are in place to monitor the sustainability of your supply chain when procuring goods and services?

Our main suppliers complete annual Sustainability Audits, covering:

- Carbon emissions from delivering services and from materials used to build new homes
- Responsibly sourced materials
- Waste management
- Climate resilience

Larger suppliers provide consistent data more easily, while smaller suppliers do not always have the skills, experience or capacity to do so. We support suppliers to complete their Sustainability Audit, providing advice, sharing good practice and templates. We've expanded our Sustainability Team in the past year to enable us to engage with more suppliers and normalise Sustainability Audits. This means we can engage with new suppliers following contract award and ensure relevant monitoring and reporting is in place to support audits.

If a supplier does not complete a Sustainability Audit, this is escalated and we look to agree an improvement plan with suppliers. In extreme circumstances, where Sustainability KPIs are part of the contract, we'll consider ending contracts for non-compliance. For example, during the year we terminated the contract for a responsive repairs provider due to non-compliance.

Sustainability Audit results feed into the supply chain section of our annual SHIFT submission. Next year we're planning to establish a baseline for Scope 3 emissions from our supply chain to include in future carbon reporting.



