



# SUSTAINABILITY REPORT 2022





bpha development, Campbell Wharf, Milton Keynes

# The Sustainability Reporting Standard

The Sustainability Reporting Standard (SRS) is a voluntary reporting framework for housing associations that covers a range of environmental, social and governance considerations, such as affordability, safety standards and zero-carbon targets. The criteria are aligned to international frameworks and standards.

Reporting in this way is designed to make it easier for residents, lenders, investors and others to assess the performance of housing providers and identify risks and opportunities to support positive social and environmental outcomes, including through responsible investment. It enables bpha to report in a transparent, consistent, and comparable way across the 12 core SRS themes covering 48 criteria.

### 12 themes of the SRS

- Climate change
- Ecology
- Resource management
- Affordability and security
- Building safety and quality
- Resident voice
- Resident support
- Placemaking
- Structure and governance
- Board and trustees
- Staff wellbeing
- Supply chain management

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## Chair's Introduction

A welcome from  
Dr Paul Leinster CBE  
bpha Chair

bpha Chair, Dr Paul Leinster CBE

## Welcome to bpha's second annual Sustainability Report, covering our progress over the past year.

The report outlines our overall strategic and operational approach to environmental, social and governance (ESG) considerations. It includes our commitment to carbon emissions reduction, improving the efficiency and fabric of the homes we build and manage, running a more sustainable business and protecting and improving the environment. In addition, we describe our activities aimed at creating an environment to help support the health and wellbeing of those living in the homes we build and manage.

Along with rest of the social and affordable housing sector, bpha faces a huge challenge in delivering on our resolute commitment to reduce carbon emissions and adapt to climate change, while improving existing homes and building much-needed new ones.

Providing more energy efficient properties helps tackle the climate emergency, contributes to the economy, generates jobs, and creates warmer homes and cleaner air. Crucially, in the context of a cost-of-living crisis, with energy prices and inflation rising, it also helps address fuel poverty through improving the energy performance of homes.

We are deeply concerned by the impact of the cost-of-living pressures on our customers. Throughout this report we focus on how our specialist teams are supporting people financially, and the work we do to sustain tenancies during turbulent times.

In these uncertain times, I am pleased that we are able to show the progress we have made over the past year in addressing these challenges. These include:

- 82% of homes, compared to 76% last year, now have an Energy Performance Certificate in band C or higher. We expect all bpha homes to be at least band C by 2030 – five years ahead of the Government target
- Designing in more green spaces to enhance biodiversity and the natural environment
- Establishing and developing ethical and green partnerships to make a bigger difference, faster
- Employing people with specialist skills in new roles, such as our Head of Sustainability and Asset Investment and a Retrofit Manager, to help further improve our performance.

This year's hot summer provided another stark warning of our responsibility to protect and enhance the environment and provide homes that are resilient to the effects of climate change. While this work will never be complete, our commitment to improving the sustainability of the homes we build and manage and our business activities for the benefits of customers, communities and employees is unwavering.

I hope you enjoy reading this report and find it informative and helpful.

Dr Paul Leinster CBE



## Environmental

Buildings and infrastructure account for about a quarter of the UK's greenhouse gas emissions. As a housing association with nearly 20,000 homes, we are acutely aware of our responsibility to manage and reduce our environmental footprint. The record temperatures endured by the UK throughout the summer of 2022 have further underlined the importance of doing all we can to reach our commitment of net zero by 2050.

We work closely with our customers, suppliers, local authorities and other partners to make our activities more sustainable. With cost-of-living pressures and rising energy costs, it has also never been more important to work with our customers to help improve their financial sustainability.

Our environmental commitments are captured in our Environment Strategy. This is updated regularly and covers five key areas – customers and communities, new homes, existing homes, colleagues and workplaces, and operations.

### Summary

The first part of this Sustainability Report explains how we mitigate our emissions that contribute to climate change, encourage the use of green spaces, and better manage resources such as construction materials, water, and waste. It also outlines progress made since last year, and how we are responding to new challenges.

# Climate change

This theme encompasses a broad range of activities which help to assess our response to climate change. It explores our efforts to improve the EPC ratings of existing properties in line with the ratings in our new build portfolio. It also examines our greenhouse gas emissions data, information shared with customers, and the effectiveness of adaptation measures relating to risks such as flooding and overheating.

## ESG themes covered:

- C14 EPC ratings – existing homes
- C15 EPC ratings – new homes
- C16 Greenhouse gases
- C17 Energy efficiency
- C18 Climate risk mitigation
- C19 Resident information



Jubilee Tree, Moorside Place, Kidlington



Tree planting, Shackleton Primary School, Bedford

# Shifting up the EPC bands

We are improving the energy efficiency of new and existing homes. The opportunities around existing homes are particularly powerful. According to the UK Green Building Council, energy usage within existing housing stock represents 48% of the country’s built-environment emissions. Furthermore, around 80% of 2050’s building stock already exists.

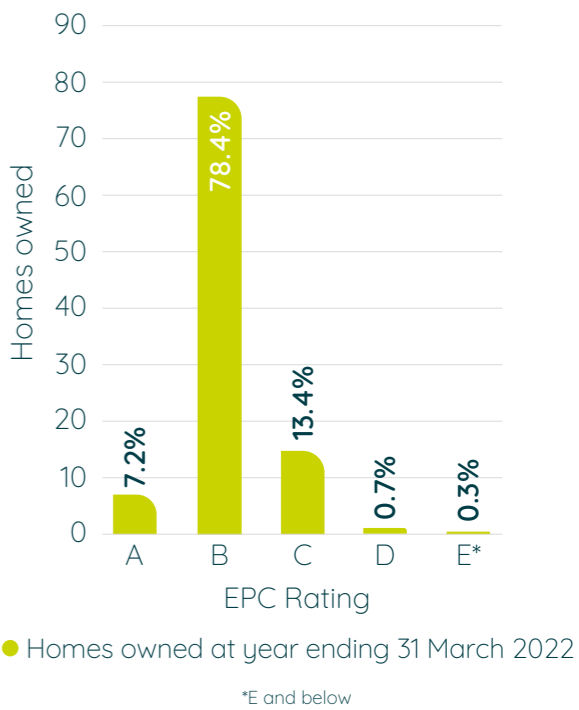
We plan for all our housing stock to be EPC band C or above by 2030 – this is more ambitious than the Government’s target of 2035. EPC ratings represent a key indicator of home efficiency. Homes are graded from A to G with A being the top EPC rating. The average for homes in the UK is band D.

During the last financial year, bpha made significant strides in uplifting homes into band C and above. As of 31 March 2022, 82% of all bpha homes were rated C or higher, compared to 76% on 31 March 2021. Meanwhile, the number of homes rated D has dropped from 2,973 to 2,279. In terms of new homes, 99% of properties developed or acquired during the 2021/2022 financial year are rated EPC band C or above.

EPC ratings – existing homes



EPC ratings – new and acquired homes to end 2022



## Helping residents to live more sustainably and securely

Our retrofitting programme has helped improve the EPC ratings of our customers' homes. During the past financial year, we boosted insulation in 73 lofts and replaced 598 gas boilers. 613 properties were fitted with new windows, 804 had new external doors, and 294 new roofs installed.

This work has been supported by a Local Authority Delivery scheme (LAD 2) grant, enabling retrofitting upgrades to 80 homes in various locations around Bedford. This work will be completed by early 2023.

bpha continues to help customers consume less energy and reduce living costs. We continue to provide advice via our customer publication, Talk, and social media channels, with our growing Money Advice Team also providing essential support.

As well as making them energy efficient, we protect homes from climate risks such as flooding and overheating. Currently, no bpha home is in a medium or high-risk flood area, and the few which are located near flood plains have been provided with guidance on mitigation measures in the very unlikely event of flooding.

92% of bpha homes are at low risk from overheating. For the remainder, and some communal areas in high-rise blocks, we continue to alleviate risks through simple but effective measures such as modified ventilation.

Effective data is key in all the above areas to improve the sustainability of our customers' homes. We have updated and improved the way this data is collected over the past year, including increasing the number of homes evaluated by our surveyors.



bpha customer, Tim



bpha customer's garden, Bedford

## Case study

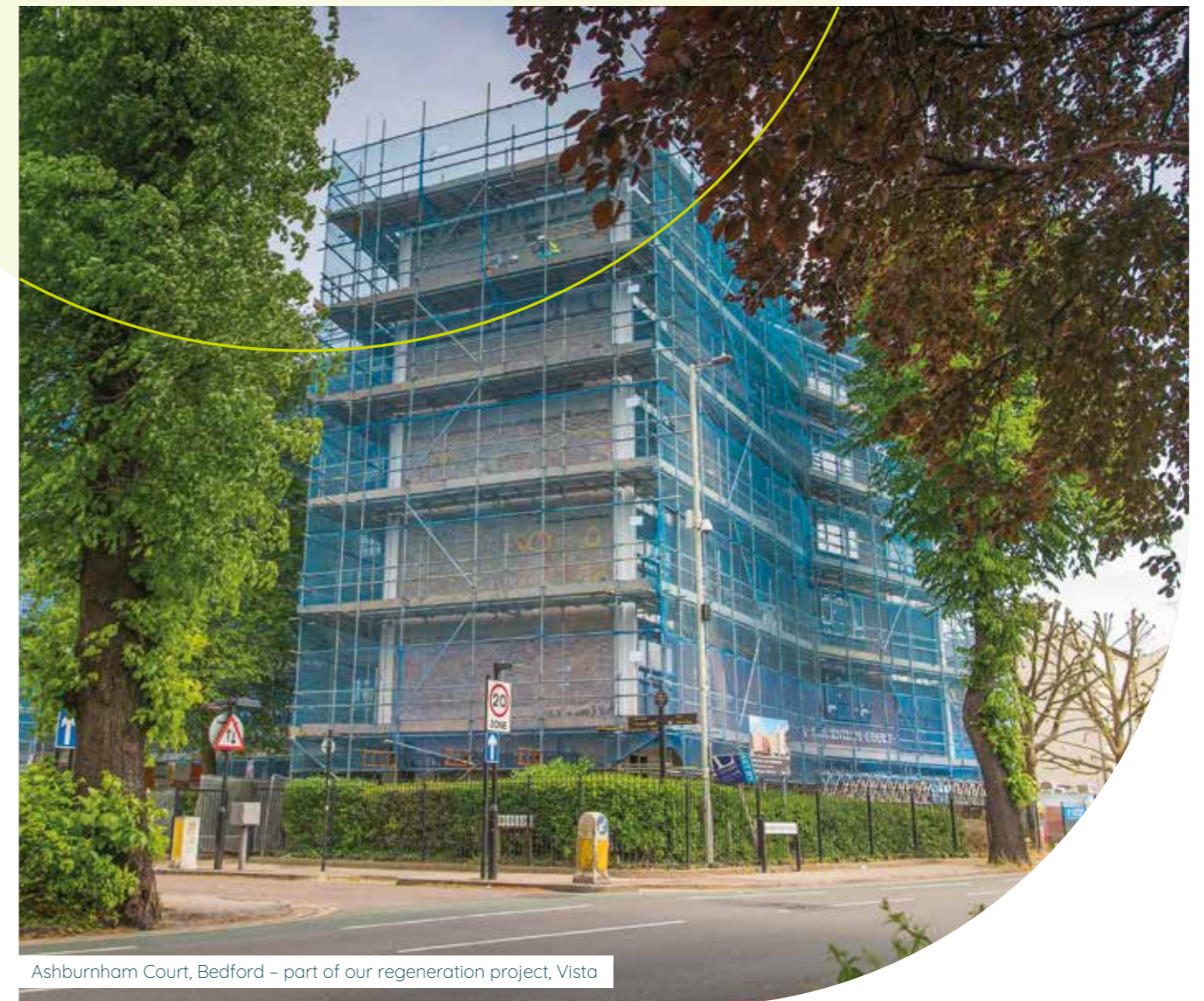
### Delivering environmental efficiencies via Vista

Vista is a regeneration programme designed to improve bpha's high-rise blocks in Bedford. The tower blocks were built in the 1950s and 1960s and occupy prime locations within the town.

Vista aims to transform the external fabric of the buildings, modernise communal spaces and enhance the grounds in which the blocks sit.

This will lead to several environmental improvements. Key energy efficiency enhancing measures include the installation of new windows, cladding, insulation, roofing, main entrances and external doors, lighting, and balcony enclosures. Our work also includes the installation of electric vehicle charging points and improving the biodiversity through enhanced green spaces, taking into consideration Natural England's accessible natural greenspace standards.

Work is well underway at Ashburnham Court. This will be followed by Bury Court and Brickhill.



Ashburnham Court, Bedford – part of our regeneration project, Vista

Driving change from the inside

We have recently created two new specific roles to improve our sustainability performance further. A new Head of Asset Investment and Sustainability joined in August 2022 to lead a newly restructured team. Our new Retrofit Co-ordinator will play an important role in making sure every home will be EPC band C or above by 2030. We continue to raise awareness of the retrofitting agenda across the organisation and are upskilling more colleagues in the Property Services Team to achieve this. Our asset management strategy includes sustainability as an essential strand.

Greenhouse gas emissions

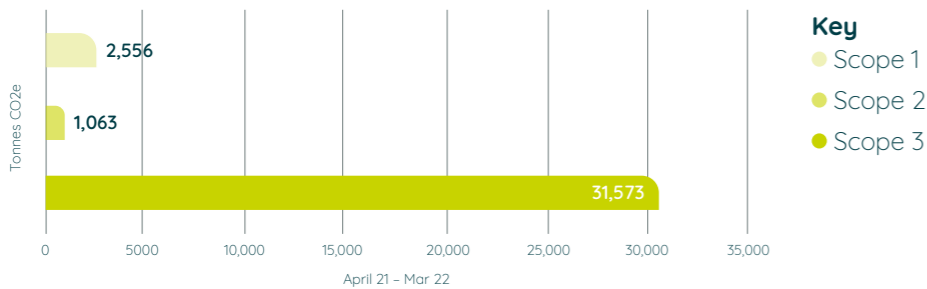
Every year we commission SHIFT Environment, a third-party environmental consultant, to assess our progress towards our Environment Strategy’s key goals. This includes greenhouse gas emissions, which are assessed through the SHIFT sustainability model, adopted by more than 40 housing associations. Currently, bpha holds SHIFT Silver rating and is developing a strategy to achieve SHIFT Gold.

To help achieve this we are planning the implementation of an environmental management system, compatible with ISO 14001. We are also reviewing our environmental vetting as part of the procurement process, working with suppliers to create key environmental metrics that can be monitored and targeted annually.

Greenhouse gas emissions for the 2021/2022 financial year remained constant with the preceding year. Our energy provider now provides data covering communal areas, included in Scope 2 figures.



bpha GHG emissions and energy use data



Ecology

The ecology theme assesses how bpha works to protect the local environment in two major ways – by increasing green spaces/ promoting biodiversity and managing air pollutants that may arise from activities such as construction works.

ESG themes covered:

- C20 Green space and biodiversity
- C21 Strategy to manage pollutants

Much of bpha’s housing is in urban areas where green spaces can be at a premium. Areas like parks, gardens and playgrounds play an important role in promoting mental and physical wellbeing while helping to reduce exposure to air pollutants, noise and excessive heat. Residents continue to be consulted and listened to. For example, customers influenced the re-tendering of our grounds’ maintenance contracts, which now extend beyond the basic upkeep of grass areas to incorporate tasks such as jet cleaning bin stores.

We are working with our boiler suppliers on adding social value aspects to our gas servicing contracts, such as the opportunity to fund tree planting.

New homes planned for Wintringham provide a good example of how we are designing green spaces into new developments. We have carefully considered how to best use the 162 hectares to include a large amount of open green space to provide biodiversity and support the physical and mental wellbeing of local people. We will develop a Land Management Plan by 2023/2024 that sets out key biodiversity aims for green spaces around all our new home developments. Our commitments around green spaces, biodiversity and management of pollutants will be further consolidated in bpha’s Environment Strategy.

## Resource management

Materials, waste and water management are three key sustainability issues we can influence. This theme examines policies and actions for the responsible use of resources, and how we engage with stakeholders to ensure our collective environmental footprint is minimised.

### ESG themes covered:

- C22 Strategy for using responsibly sourced materials
- C23 Strategy for waste management
- C24 Strategy for water management

Making the most of the resources we use is a pillar of our sustainability strategy. We continue to work closely with our contractors to increase the amount of responsibly sourced materials and will consolidate and formalise this through the new Environment Strategy.

Tangible progress includes bringing our repairs service in-house. This will offer greater visibility and control over materials and waste generated, thanks to an integrated system with our materials supplier, Travis Perkins. We will also be able to cut emissions by optimising delivery routes.

We uphold high standards with our contractors when managing waste. For example, as part of our Vista regeneration work at Ashburnham Court, we have recycled parts from boilers that have been taken out of service. Another good example is our office waste contractor diverting 100% of waste it collects from landfill.

Following a very hot and dry summer, there is an increased onus to work with customers to manage water consumption effectively. We continue to share good water management habits and information, working towards an ultimate water usage target of 110 litres per person per day in all new builds. Water companies are targeting a reduction to 123 litres per day by 2045.

bpha's In House Maintenance Service fleet



Poster design competition winners, Shackleton Primary School

### Case study

#### Talking Trash for National Recycling Week

In September 2021, bpha teamed up with pupils at Shackleton Primary School to make a difference by recycling more.

This is part of our Talking Trash campaign, which is helping to encourage residents to recycle more. As part of the campaign, and to mark National Recycling Week, we asked pupils at the school to design a poster for display in bin stores at bpha sites. Four joint winners were selected from 450 entrants, with bpha donating book tokens to the school.

“This collaboration with bpha provides our children with a real-life context for the work they do in school. It also gives them the opportunity to see life outside of their community and how what they do can impact others.” – Ben Slater, Deputy Headteacher, Shackleton Primary School.

# Social

Our customers' homes help provide a foundation for people to build fulfilling lives, with quality, safe and secure housing an essential factor in helping communities to flourish.



Rob and Sue, bpha customers

Our first sustainability report, published last year, included a strong focus on bpha's response to the pandemic. While these challenges have continued, a growing focus for bpha over the past year has been the cost-of-living squeeze and the rapid rise in energy costs for customers and colleagues. We continue to listen to, and understand, the real effect this has on people, adapting our priorities as a result.

## Summary

Part two of this report outlines our commitment to provide high-quality, affordable housing to people within our core operating area. It explores how we continue to focus on financial, social and physical wellbeing by placing customers centre stage, and working with them to build communities they feel safe in and proud of. This includes supporting customers facing financial hardship.



A new development at Linton, Cambridgeshire

Affordability and security

In line with the Sustainability Reporting Standard, we have assessed whether we are fulfilling our commitment to supply affordable housing within communities through new and existing homes. For bpha, this is about ensuring customers can live sustainably and securely in their homes.

ESG themes covered:

- C1 Affordability metrics
- C2 Tenure of existing homes
- C3 Tenure of new homes
- C5 Fixed tenancy agreements

bpha wants its homes to be accessible for all those who want one. We help to make sure there are options to prevent people from being priced out now and in the future.

Providing affordable homes in tough economic times

Rising energy costs have fuelled inflation levels not seen since the 1970s, squeezing the incomes of individuals and families. This further underlines the important role bpha and others play in providing ongoing affordable homes.

bpha manages around 12,000 affordable properties. Our median rents are:

- Between 69.6% (one-bed) and 58.2% (four-bed) of the Local Housing Allowance (LHA), with an average of 65% across the portfolio (compared to 63.2% in 2021/2022)
- Between 61.9% (one-bed) and 45.9% (four-bed) of private sector rents, with an average of 57% across the portfolio (compared to 56.5% in 2021/2022).

Despite inflationary pressures, bpha keeps its rents fair and proportionate, applying a formula widely used across the sector. Where required, we work with customers to access support such as housing benefit and universal credit.

Over the past year we let 287 affordable homes at up to 80% of private rent or LHA, within our stated rent policy. Compared with 2020/21 bpha has 137 more affordable homes and 72 more which fall into the low-cost home ownership category. Combined, these categories account for 76.8% of our housing stock, with retirement and high need accommodation accounting for another 10.5%.

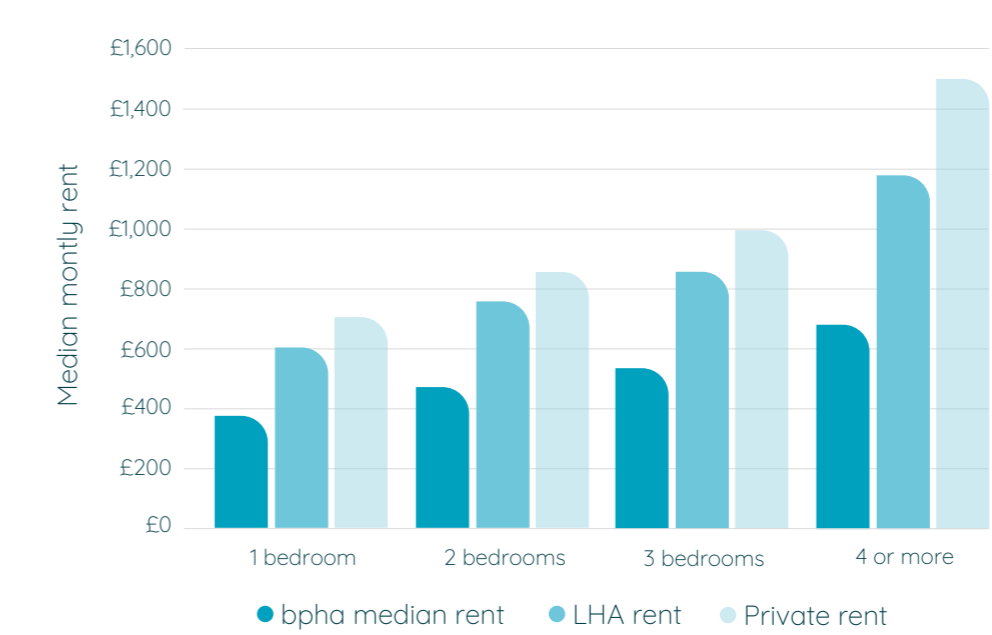
New homes continue to be difficult to provide, with challenges around supply and cost. Despite this, 307 new bpha homes have been completed and handed over to tenants and owners during this reporting period, with all but one for affordable rent or low-cost ownership. We hope to move towards more settled times, and again scale up the provision of new homes.

We also provide security for our customers through secure tenures. Having moved away from issuing new fixed term tenancy agreements in 2020, we offer three-year tenancies or more across 92% of homes and continue to support customers onto assured tenancies.



Mwenya, bpha customer

Affordability of bpha rent



Overall

2021/22	% LHA	% PRS
bpha rent	65%	57%
Last year	63%	56%

Tenure of existing homes

	At 31 March 22	31 March 22 %	At 31 March 21	31 March 21 %
Affordable (including Intermediate)	12,097	61.7%	11,960	61.4%
Older People and High Need	2,067	10.5%	2,111	10.8%
Low Cost Home Ownership	2,960	15.1%	2,888	14.8%
Other	2,494	12.7%	2,505	12.9%
Total	19,618		19,464	

Tenure of new homes

	At 31 March 22	31 March 22 %	At 31 March 21	31 March 21 %
Affordable (including Intermediate)	107	55.4%	207	56.6%
Older People and High Need	1	0.3%	2	0.5%
Low Cost Home Ownership	136	43%	137	37.4%
Other	-		20	5.5%
Total	307		366	

## Resident support

This theme covers how housing associations help to improve the wellbeing of customers through support services, covering areas such as income and finance management, and physical and mental wellbeing.

### ESG themes covered:

- C4 Fuel poverty
- C12 Support services for customers

As economic challenges continue, bpha's tenancy support services remain critical to the wellbeing of our residents and helping them live independently in their homes.

### Using data to identify fuel poverty

Energy bills are rising rapidly, increasing the risk of our customers experiencing fuel poverty. According to the most up to date Government figures, in 2020 13.2% of households in England (3.16 million) were classed as fuel poor. According to estimates from the End Fuel Poverty Coalition, there could be 8.5 million households in fuel poverty by the end of 2022.

We support customers to alleviate these concerns in several ways, including assisting with grant applications to improve energy efficiency, providing advice on reducing energy consumption and cutting bills, and working closely with local authorities. An example is our partnership with Cambridge City Council to provide fuel vouchers for those who need them most.

We identify customers at risk of fuel poverty through collaboration between our Money Advice and Property Service teams, as well as information passed on by energy contractors.

Our Money Advice Team leverages relevant data to enable action. For example, by aligning essential property and repair data, we are better able to identify and apply solutions for more potential cases of fuel poverty.

Our continued focus on helping customers reduce their fuel bills includes providing free and low-cost carpets to further insulate homes and other practical measures such as supplying LED lightbulbs. Our teams also continue to work with customers on the option of downsizing – helping to sustain and heat homes more efficiently.

### Case study

#### Supporting a customer facing fuel poverty

Mr L is a bpha customer affected by physical and mental health concerns. Reliant on sickness benefit as a sole source of income, his financial insecurity was made worse by debt. As a result, his gas was capped, leaving him unable to take a hot shower or bath in over a year.

bpha responded with:

- Emergency utility funds to clear the debt on the gas meter and uncap the supply
- Budgeting advice to help planning and reduce overspends
- Support was given to Mr L's mother to maximise her own income via disability benefit. She now remains well-placed to provide moral support to her son and can support financially if needed
- bpha also assisted Mr L with sickness and disability claims.

Mr L is no longer struggling to pay his utilities bills and has full utility services.

bpha Maintenance Surveyor, James



## Wide-ranging financial support

Our specialist Money Advice Team supports customers with all financial aspects of living in a bpha home. As well as helping make sure the right people are matched with the right home, and that additional benefits are secured for those who need them, the team supports on a range of cost-of-living issues.

This includes helping many customers who have been disadvantaged financially due to the Covid pandemic and the subsequent economic fallout. bpha's Rent Allowance Fund directly supports those who are struggling to keep up with their rent payments. This sits alongside the Tenant Welfare Fund which provides essential living items such as white goods and furniture.

We also support customers via access to foodbanks. bpha has links to all foodbanks within our regions, providing vouchers to those who need them most.

bpha team members volunteering at Bedford Foodbank



bpha Money Advice Manager, Amanda

Vouchers are also provided through our online shop, opened during the year in partnership with Charis. Customers can access fuel, supermarket shopping, school uniforms, phone top ups, furniture and white goods via email or text.

In addition to this, our Money Advice Team supports customers in accessing financial basics such as bank accounts and low-cost loans. As an example, thanks to a successful negotiation, every customer can have an account with Bedford Credit Union, with the £4 membership covered by bpha.

We also support those who do not have a secure home. Our Homelessness Prevention Officer, part funded by Bedford Borough Council, supports residents who may face eviction due to rent arrears.

## Safeguarding vulnerable customers

Our Tenancy Sustainment Team provides the help some customers need to sustain a fulfilling tenancy. The team helps the most vulnerable, providing support such as:

- Helping tenants understand and apply for benefits
- Referring tenants to our money advice team
- Providing access to food banks
- Opening-up about mental health, learning disabilities and how life is making tenants feel
- Supporting tenants to feel better and become independent
- Obtaining funding for everyday essentials such as furniture

The team is trained to identify signs of vulnerability, including issues impacting financial, physical and mental wellbeing. The team ensures tenants are referred to expert support such as the specialists who work in bpha's Money Advice Team.

It also helps identify and support victims of domestic abuse. bpha has received accreditation from the Domestic Abuse Housing Alliance – an important benchmark in how housing providers should respond to domestic abuse in the UK.

We are recruiting more people into the Tenancy Sustainment Team to provide wider safeguarding services at a time when they are urgently needed.

## Case study

Mr A has recently moved into supported accommodation with intensive support from the Tenancy Sustainment Service.

He had previously been living in unsuitable accommodation and lived in constant fear and anxiety due to the environment he was in. He was intimidated by drug dealers in his area and could not sleep due to insomnia - when he did sleep, he would be woken by noise in the surrounding area by people keeping unsociable hours in his building, noise from nightclubs and town centre traffic. He would only venture out very early in the morning when there was nobody around to buy essential items, and also suffered with agoraphobia due to his living conditions and fear of the outside world. Mr A felt constantly lonely and the situation affected him so severely that he lost all hope and attempted to take his own life on two occasions.

The circumstances of his living environment, bereavement, isolation, and poor mental health led to a psychotic episode and resulted in being admitted to hospital. He spent many months in a psychiatric unit.

Mr A has lived with a diagnosis of a severe mental health condition for over a decade and because of his inpatient stay, he decided he could not continue living his life the way he had been and decided that he needed to reach out for help.

A referral was made to the Tenancy Sustainment Service. This was the start of a new beginning for Mr A.

This is what Mr A had to say about his experience of moving into supported accommodation.

"I have recently moved from a flat to supported accommodation and the support that I have received from bpha has been incredible. I have been given a fresh start. I was living in unsuitable accommodation that was affecting my mental health. I did not know where to turn. I reached out for help and the response has been amazing. I feel I have been lucky; I was connected with the right people that care and understand my condition. I have been shown compassion and respect by everyone at bpha. This has restored my faith in people, and I was not judged or misunderstood. It was very hard to take the first step but knowing I would be supported made everything much easier."

"I have reached my goal of being able to leave my home and go out alone. I can do my own shopping and have been able to connect with family members that I was estranged from. I feel safe and secure in my new home and started a new chapter."

bpha customer's garden, Kempston, Bedfordshire



## Resident voice

Listening and responding to customers' opinions and feedback includes co-designing services, how we embrace scrutiny, respond to complaints and perform in terms of customer satisfaction.

ESG themes covered:

- C9 Resident scrutiny
- C10 Resident satisfaction
- C11 Complaints upheld by the Ombudsman

Customer feedback, including new ideas, influences the decisions made by bpha.

With customer engagement, we go beyond the standard approach of reviewing complaints and gathering satisfaction ratings. bpha has a diverse customer base with diverse needs. As a result, we have a wide variety of mechanisms and structures where customers' voices can be heard.

Our Customer Committee meets every quarter and reports directly into the Board to provide insight on our customers' experiences, working closely with our Resident Inspectors and customer Resolve groups. The committee includes representatives from both the Board and Executive Team.

Our ViewPoint platform allows customers to submit feedback digitally and is regularly used to influence decisions. Another effective digital customer platform is 'The Place', where customers receive information and share thoughts on local issues - such as the ongoing refurbishment of some of our high-rise blocks.

Face-to-face meetings, telephone calls and written communications also continue to be important ways of communicating between bpha and our residents.

## An organisation-wide approach to engagement

Over the past 18 months, we have adopted a more holistic approach to customer engagement, recognising that listening and responding to customers is the responsibility of the whole organisation. Our customer engagement principles form part of all our operational plans.

For example, last year bpha conducted a detailed listening exercise on the way repairs are carried out. The consultation resulted in 23 recommendations that have heavily influenced the design of a new, more responsive in-house repairs service. This will go live in autumn 2022.

Another important way we connect with local communities is through volunteering, coordinated by our Community Engagement Team. As of April 2022, 12% of bpha colleagues had volunteered to help improve our customers' experience. The most popular areas were tree planting, supporting retirement living customers, refurbishing community spaces, supporting foodbanks and helping with reading at local schools.

Another example of improvements informed by customer feedback has been empathy training for every bpha employee, regardless of whether they are in customer-facing positions. Empathy is one of bpha's four stated organisation values.

We also strengthened our response to customer feedback by creating a new, dedicated role this year. Our new Head of Service Improvement will ensure that customer insight is translated into service improvements.

## Taking resident satisfaction seriously

Although bpha's customer engagement activities stretch far beyond surveys and ratings, we understand how important these are in demonstrating how residents experience our services.

We draw on a variety of perception and transactional surveys to gather customer feedback throughout the year. These include our bi-annual TouchPoint telephone surveys and an annual business benchmarking survey via email (facilitated by the Institute of Customer Service). Additionally, we carry out transactional surveys around specific aspects of our services, including new residents' experience, complaints handling, anti-social behaviour and interaction with the Customer Communications Centre.

For the 2021/2022 financial year, overall satisfaction averaged over 73%, while no complaints reviewed by the Housing Ombudsman were upheld against bpha. This compares to a 77% overall satisfaction rating from the previous financial year, an outcome which was largely driven by the extraordinary circumstances and response to the pandemic. Despite a slightly lower overall rating, customer satisfaction has improved among our retirement residents. This is largely down to the work and support provided by our Retirement Living Team.

In 2023, we will align our customer feedback and engagement with the Government's new Tenant Satisfaction Measures (TSM) - we are already using the draft TSM questions for our current TouchPoint surveys.

A routine stock condition survey



## Building safety and quality

This section demonstrates how we meet our building safety and quality responsibilities for our customers. We consider our approach to safety and quality in three main areas: gas safety checks, fire risk assessments and compliance with the Decent Homes Standard.

### ESG themes covered:

- C6 Gas safety checks
- C7 Fire risk assessments
- C8 Decent Homes Standard

We continue to make sure we get the fundamentals right to keep customers safe in their homes.

Managing building safety and asset compliance is a key focus. We do this through creating stronger partnerships with our contractors and by developing internal competence in these areas. Our technology provides live information on the progress of asset safety including all gas and fire safety checks, ensuring visibility and oversight.

Communal areas are fully risk assessed and subject to regular checks in line with their risk profile. Our uncompromising approach ensured that as of 31 March, 2022, 100% of bpha buildings requiring fire safety management have an in-date, valid risk assessment in place. 99.9% of our customers' homes had a gas safety certificate as of 31 March 2022.

All bpha's properties continue to meet the Government's Decent Homes Standard. This remains an absolute minimum benchmark for bpha – our ambition is far higher than this baseline.

### Gas safety checks, fire risk assessments and decent homes standard

	As at 31 March 2022	As at 31 March 2021
% of homes with a gas appliance that have an in-date, accredited gas safety check	99.9%*	99.9%*
% of buildings with an in-date and compliant Fire Risk Assessment	100%	100%
% of homes meeting the Decent Homes Standard	100%	100%

\* The non achievement of 100% relates to one property that is currently unoccupied, where we were unable to gain access.

## Placemaking

Housing provides foundations for communities, and the placemaking theme explores how housing providers contribute to the creation of places designed to promote happiness and wellbeing.

### ESG themes covered:

- C13 Placemaking activities

Contributing to happy, healthy communities lies at the heart of bpha's mission statement.

“To build and maintain quality homes and thriving communities by being increasingly efficient and always considering the needs of those we house.”

Housing is an essential component in enabling communities to thrive. Our teams strive to create places that are desirable to live in because they promote physical, mental, and social wellbeing.

To help create such desirable places, our Community Engagement Team adopts a highly collaborative approach with customers. Central to this is consultation to understand and then deliver positive community-wide changes.



Campbell Wharf, Milton Keynes

### Case study

#### Community engagement takes centre stage at Campbell Wharf

Situated in Milton Keynes, Campbell Wharf is a new-build area where bpha manages affordable and shared ownership accommodation.

bpha aims to help build a sustainable, safe and engaged community for individuals and families moving into the area.

Key actions include:

- Creating a network of support options to help strengthen the neighbourhood at Campbell Wharf and encourage the community to thrive
- Sharing information to help enable customers grow a supportive community
- Developing a 'welcome experience' to inform customers about bpha's services and to signpost local information to support quality of life.

The project has relied on strong engagement between a range of stakeholders and organisations, including Milton Keynes Town Council, Thames Valley Police, Domovo, Broadoak Management Company and bpha.

# Governance

Delivering a strong environmental and social agenda requires high standards of governance and accountability. We are custodians of people's homes and must operate with transparency, empathy and professionalism at all times.

So far, this report has covered making a positive social and environmental contribution to communities. This is only possible with strong leadership, responsible supply chain management and a dedication to the wellbeing of customers and employees.

## Summary

This section describes how bpha is run from the inside. It covers how we ensure good governance and underlines the importance we place on internal processes and accountability, as well as activities to safeguard employees' wellbeing.



## Structure and governance

This theme explores how bpha's corporate and governance structure operates, covering essential criteria such as adherence to set codes and standards, governance gradings and approach to risk.

### ESG themes covered:

- C25 Regulator of Social Housing
- C26 Viability and governance gradings
- C27 Code of governance
- C28 Not-for-profit
- C29 Organisational risk
- C30 Adverse regulatory findings

bpha is a not-for-profit organisation registered with the Regulator of Social Housing, meaning we are subject to stringent governance requirements. This is something we take seriously, proven by continually achieving the highest possible G1 governance rating from the housing regulator.

This year, we have also been upgraded by the regulator from a V2 to V1 financial viability grading, underlining the confidence in bpha's ability to deliver on our financial commitments. This supports our investment plans and helps provide confidence to stakeholders that we will be able to deliver our strategies.

It also demonstrates a sound approach to risk. Organisational risk is managed in line with our Risk Management Strategy. This is reviewed quarterly by the Audit and Risk Committee, with relevant risks overseen by each of the Board committees with the overall findings presented to the Board.

Further underpinning our commitment to good governance and continuous improvement is our adoption of the National Housing Federation's latest Code of Governance. In 2021, the National Housing Federation also published a new code of conduct.

There have been no adverse regulatory findings resulting in enforcement or other equivalent action over the past 12 months.



Tanya, bpha team member

## Board and trustees

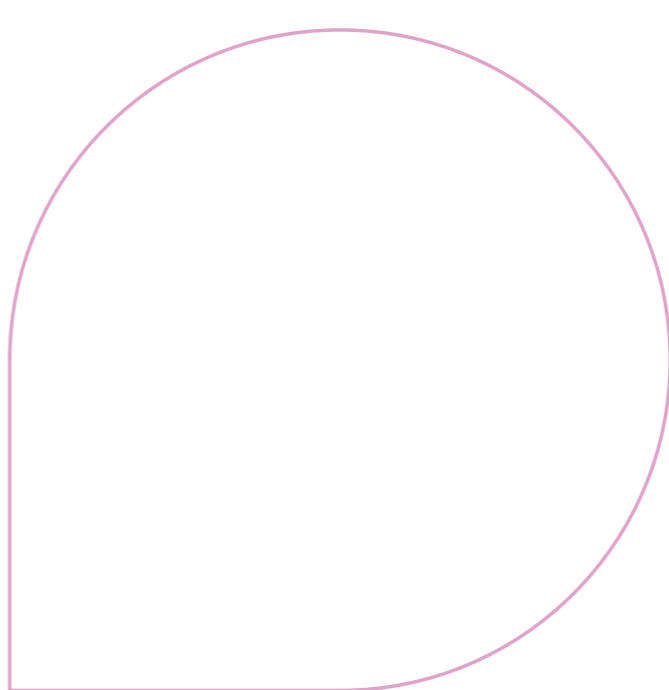
Accountability starts at the top of bpha. This theme explores the demographics, ownership, experience, independence and performance of the Board. It also looks at the role of committees, covering areas such as customer accountability, risk and remuneration and succession planning. During the two years ending March 2022, turnover for our Board was 20% (2021: 30%) and turnover for our Executive Leadership Team was 20% (2021: 20%).

### ESG themes covered:

- C31 Board demographics
- C32 Board turnover
- C33 Board tenure
- C34 Non-executive directors
- C35 Audit committee
- C36 Remuneration committee
- C37 Succession planning
- C38 External audit
- C39 Board effectiveness review
- C40 CEO and chair
- C41 Board conflicts of interest

Meeting every quarter, as well as an additional five times during 2021/22, the Board drives bpha's social purpose while maintaining high standards of governance and accountability.

Its role includes devising and steering strategic oversight and ensuring we operate in accordance with our stated values. The Board comprises 10 members, with an average age of 59. Seven Board members are male and three are female. Three are executives and seven are non-executives – the Chair of the Board is a Non-Executive Director.



All non-executive Board members serve an initial three-year tenure with an option to extend to six years – in exceptional circumstances, tenures can be extended to nine years (no non-executive Board member has served beyond nine years). This ensures the Board contains a blend of fresh ideas and organisational experience.

We have a strong process to identify any conflicts of interests and publish this information in the biographies of Board members on our website. Each Board member is required to update their declaration for any conflicts of interest at least annually, as well as declare any conflicts with any agenda items at each Board meeting.

KPMG has externally audited our Group Report and Financial Statements for eight years.

### Accountability through committees

Committees play a crucial role in holding our senior leadership to account by probing different areas of the organisation, reporting findings and making recommendations to the Board.

bpha has five committees, their responsibilities and activities are outlined as follows:

**Audit and Risk Committee:** The Audit and Risk Committee provides detailed scrutiny and evaluation of risk, providing the Board with regular reports throughout the year. Meeting every quarter, the Committee's focus this year has been on reviewing our risk and assurance frameworks and maturing them within a disrupted external operating environment. It ensures bpha is continuing to provide good quality homes to those who need them, deliver on environmental and sustainability priorities, improve housing supply and meet the aspirations of our customers. The committee has met on three additional occasions and held an annual risk day.

**Remuneration and Nominations Committee:** The Remuneration and Nominations Committee ensures bpha has the skills and expertise to deliver its corporate strategy.

It plays a key role in our ability to attract, recruit, develop and retain talented employees. It monitors our policies designed to make bpha a desirable employer with a value-led culture, development opportunities and competitive pay and benefits. Key priorities this year have centred on the strategic impacts and mitigations of a challenging employee market, as well as promoting the need for a diverse workforce and inclusive working environment. The Committee also focuses on maintaining high employee engagement and wellbeing.

**Development and Assets Committee:** The Development and Assets Committee ensures the quality of bpha's new and existing homes. This year, a key focus has been on mitigating some of the challenges around the delivery of new homes. As well as ensuring high standards and safety levels, the Committee is strengthening its role around environmental sustainability, in line with our commitment to achieve carbon neutrality in homes by 2050. An updated asset strategy will link to bpha's environment and development strategies with specific environmental goals.

**Group Treasury Committee:** The Group Treasury Committee provides advice to the Board on the treasury and financial implications of the Group's corporate strategy and business plans. During the previous financial year, we were pleased to welcome Katherine Horrell as the Committee's new Chair. Katherine, who also has a place on the Board, brings a wealth of experience having worked in corporate treasury and finance for over 20 years.



Boswell Court, Bedford

Involved residents, Sharren and Norman



### Customer Committee: giving residents a voice

Set up in October 2020, the Customer Committee ensures that customer experience is at the heart of our decision-making process. Its role is to make sure bpha listens to and responds to its customers. It hears from residents directly and through formal customer insight and feedback surveys.

This year it has welcomed insight from our residents' Resolve complaints and feedback group, a valuable exercise which has helped to highlight service improvements.

The Committee also ensures bpha's services are inclusive and accessible to all, and that customers are safe and secure in their homes – this includes issues around disrepair, safeguarding and anti-social behaviour.

“It's been refreshing to see bpha act on our feedback. We've affected some positive changes. Examples include establishing empathy training across the business and removing pain points by assessing complaints. We work with the Board and employees to make sure customer improvements continue to be the nitty gritty as well as the future focus of bpha.”

Yvette Clarke, bpha customer in Cambridge and member of our Resolve group



## Employee wellbeing

This theme considers what makes bpha a great place to work, assessing our credentials across categories such as remuneration, promotion of wellbeing, succession and support provided to employees.

### ESG themes covered:

- C42 Real Living Wage
- C43 Gender pay gap
- C44 CEO-worker pay ratio
- C45 Employee wellbeing
- C46 Absence

As a people-powered organisation, bpha understands the importance of safeguarding and promoting employee wellbeing. This includes providing a healthy, dynamic and rewarding employee experience, focusing on the financial, physical, emotional and mental wellbeing of every colleague.

Beyond our duty of care to each colleague, we know that well looked after and motivated employees provide a superior service for customers.

We are proud, once again, to have been recognised as one of the UK's top large employers by Great Place to Work (GPTW), whose surveys continue to supply us with vital feedback from employees that feeds directly into our people-based strategies. We have been recognised with two additional GPTW awards this year in the Wellbeing Excellence and Workplaces for Women categories.



bpha team members

## Financial fairness

Paying a fair wage is a fundamental means of supporting employee wellbeing. Every colleague is paid in line with or above the Government's Real Living Wage. This is tracked and reported on annually.

bpha also makes pension contributions of up to 12%. This is well above the statutory minimum and represents a vital contribution to our colleagues' long-term financial wellbeing.

Our CEO-to-worker pay ratio remains at 7:1, which compares favourably across the UK commercial sphere. On average, CEOs in the UK earn 8.6 times more than the median employee.

Currently, bpha's gender pay gap is 7.8%. This has increased from 7% in the previous year and sits well below the national median gender pay gap across all sectors, which the ONS forecasts to be 15.4%.

Having analysed our pay data, we are confident that the organisation's gender pay gap is not an indicator of systematic pay bias and is explainable through several factors. These include the fact that there are generally more males in specialist and technical roles such as IT and finance, the salaries for which sit above our average pay. Meanwhile, the majority of part time roles are in the lower pay quartile and continue to be female dominated.



Holly, bpha team member

## An agile approach, fuelled by feedback

Beyond providing fair financial reward, we support and promote emotional, mental and physical wellbeing for our colleagues through a range of initiatives that continue to evolve as circumstances change.

For example, during the last reporting period our focus was predominantly on supporting employees in the transition to remote working, ensuring they had the means and support to do so. Since then we have reviewed and adapted our benefits' package based on colleague feedback and ideas.

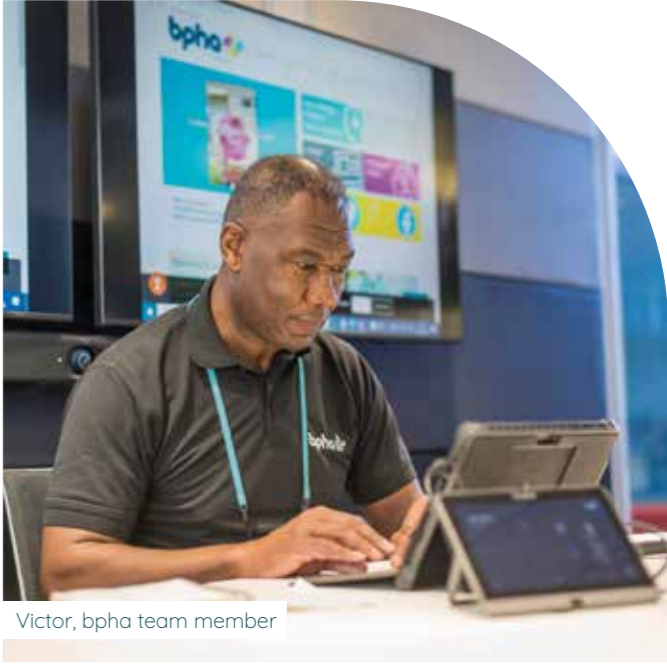
Our Employee Assistance Programme (EAP) includes a wellbeing portal that employees can access online or via the phone. Through this platform, employees have access to a range of advice and services, including:

- Mental health counselling
- Legal advice
- Financial wellbeing advice
- Meditation and mindfulness
- Digital gym sessions
- Learning and development resources and planning
- Life coaching

Providing access to financial planning advice helps employees' manage their finances better, especially during the current challenging times.

The wellbeing support provided can be tailored to an employee's individual circumstances, from emergencies to longer-term support - for instance, for colleagues who are unwell. In the 2021-2022 financial year, the average working days lost per colleague was 8.8 days.

Our EAP is also supplemented by our ongoing provision of Bupa membership, available to colleagues and their immediate families. This has proven particularly valuable given the well-documented issues in accessing NHS services, not least because colleagues can benefit from a fast-tracked consultation process.



Victor, bpha team member

## Wellbeing promoted by people

bpha has nine fully trained Mental Health First Aiders. These colleagues are critical points of contact who guide employees through our mental health support programmes. Since January 2022, our Mental Health First Aiders have formally supported 19 different colleagues who otherwise may not have received the help they needed. They also regularly contribute valuable insight through hosting webinars and posting content via our intranet.

bpha's 13 Domestic Abuse Responders continue to raise awareness throughout the wider organisation, providing training and holding online sessions with colleagues. With more employees working remotely more often, it is more important than ever to reinforce the message that someone is always here to help.

## Empowering employees

As well as receiving feedback through surveys such as GPTW, we offer managers the chance to tailor their approaches to wellbeing depending on the needs of their teams. Internal workshops have provided managers with the tools to optimise team-specific hybrid working arrangements and employee wellbeing. 92% of colleagues opted for a one-to-one meeting with their manager to discuss new working arrangements.

We do not prescribe a one size fits all formula and continue to offer choice over when employees come into the office. The office itself has also been reimagined, with more collaborative spaces to make it better suited and more attractive in meeting working habits and needs.

We are implementing a more holistic people strategy that brings together key stakeholders from across the organisation to improve wellbeing. For example, in January 2022 we appointed a new equality, diversity and inclusion lead. We have also appointed a Wellbeing Coordinator and People and Culture Manager within the past year.

bpha team members and CEO, Kevin Bolt, celebrating long service



## Case study

### A Great Place to Work

bpha has once again been listed as one of the UK's best workplaces (in the large employers' category). Our employees scored their experience highly in areas around cultural inclusivity, wellbeing, benefits, the COVID-19 response and communication and involvement.

Overall 79% of colleagues said bpha was a great place to work.

We are also extremely proud to have been included in two additional listings:

- Best Workplaces for Wellbeing
- Best Workplaces for Women

These further highlight our inclusive workplace, somewhere employees feel they can thrive in a supportive environment.

87% of employees responded to this year's GPTW survey. We're encouraged that our colleagues choose to provide feedback. We will continue to listen to employees' voices in developing bpha as an employer of choice.

## Supply chain management

The final theme of the Sustainability Report examines how bpha collaborates with stakeholders to achieve positive social and environmental outcomes, including how we consider and communicate our societal values.

### ESG themes covered:

- C47 Procurement and social value
- C48 Procurement and environmental impact

bpha recognises the importance of driving positive social and environmental change through its procurement and supply chain practices.

We have solidified social value elements in our procurement process during this reporting period. This has been achieved through new ways of working and via a network of effective partnerships with construction, maintenance and other third-party contractors.

For example, the procurement team is now part of bpha's social value working group. We are also implementing a new procurement system with important social value data and improved reporting metrics – this will be included in future sustainability reports.

We weight social value in the procurement process. For example, social value accounted for 10% of bid scores for our recent estate management contract. We also calculated these scores, through a matrix based on customer feedback. Key requirements from customers in this instance include provision of apprenticeships, gardening training and fly tipping support.

Our Environment Strategy includes a greater focus on reducing our environmental impact. It provides more emphasis on how we define, evaluate, implement and measure improvements for both bpha and our supply chain. Specific actions include improving the thermal efficiency of our properties and the biodiversity of our green spaces. We are also exploring options on an electric vehicle leasing scheme for our colleagues and supplying our caretakers with electric vans.

A new development at Linton, Cambridgeshire





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