



Longhurst
Group

Environmental, Social and Governance

2023/24 REPORT

Our vision and values

Our purpose is to provide great homes and services to deliver an integrated solution to the housing and social care crises.

Everything we do is about 'improving lives'. From the great homes and care and support services we provide to projects that make a positive difference to our communities and to people's lives.

United by our shared values and driven to do everything we can to deliver high-performance in all areas, our colleagues work collaboratively to improve the lives of our customers and enhance the communities we serve.



In it together

We stand together as one team with one vision to make a difference to peoples' lives.



Heartfelt service

Everything we do shows we care deeply about our customers and colleagues.



Own it

We do what we say to the best of our ability with pride and passion.



Fun and fair

We work hard, enjoy it and treat everyone equally with respect and honesty.



Push the boundaries

We strive for excellence constantly looking for fresh ways of doing things.

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Executive summary

We remain committed to our environmental responsibilities and our mission to improve the lives of our customers and the communities we serve.

We're pleased to share this latest report, which focuses on our progress across the 12 Environmental, Social and Governance (ESG) themes outlined within the Sustainability Reporting Standard for Social Housing (SRS).

These themes, which are aligned with the UN Sustainable Development Goals (SDGs), cover 48 ESG criteria, including zero carbon targets, affordability and safety standards.

Throughout 2023/24, we continued to provide a range of affordable housing across our operational area by building 611 new homes, with 76.4 percent of these for affordable rent or low-cost home ownership.

We also made excellent progress with our Social Housing Decarbonisation Fund (SHDF) project. By March 2025, we'll have made retrofit improvements to 581 of our homes, reducing both carbon emissions and the cost to our customers.

We're also pleased to report that, as of March 2024, 85.9 percent of our existing homes have an EPC rating of C or higher. This represents good progress against our target to ensure all homes meet this standard by 2030.

Keeping customers safe continues to be our utmost priority and this is underlined by our performance against safety and compliance standards remaining either at 100 percent or extremely close to it. Over the last year, we're also proud to have reaffirmed our commitment to our communities through the provision of additional support services that enhance economic resilience and health and wellbeing.

We've donated energy-efficient white goods to customers in need through our Hardship Fund, and thanks to our involvement with HACT, we've distributed fuel vouchers to heat homes, sustain tenancies, and maximise our customers' incomes.

While the progress outlined in this report is promising, we remain committed to our environmental responsibilities and our mission to improve the lives of our customers and the communities we serve.

SRS criteria – key themes

1

ENVIRONMENT

Climate change

Prevents and mitigates the risk of climate change.

2

ENVIRONMENT

Ecology

Promotes ecological sustainability.

3

ENVIRONMENT

Resource management

Sustainable management of natural resources.

4

SOCIAL

Affordability and security

Provides affordable and secure housing.

5

SOCIAL

Building safety and quality

Resident safety and building quality are well managed.

6

SOCIAL

Resident voice

Listens to residents' voices.

7

SOCIAL

Resident support

Supports residents and the local community.

8

SOCIAL

Placemaking

Supports residents and the wider local community through placemaking.

9

GOVERNANCE

Structure and governance

Legal structure of the organisation and its approach to governance.

10

GOVERNANCE

Board and trustees

High-quality board of trustees.

11

GOVERNANCE

Staff wellbeing

Supports employees.

12

GOVERNANCE

Supply chain management

Procures responsibly.

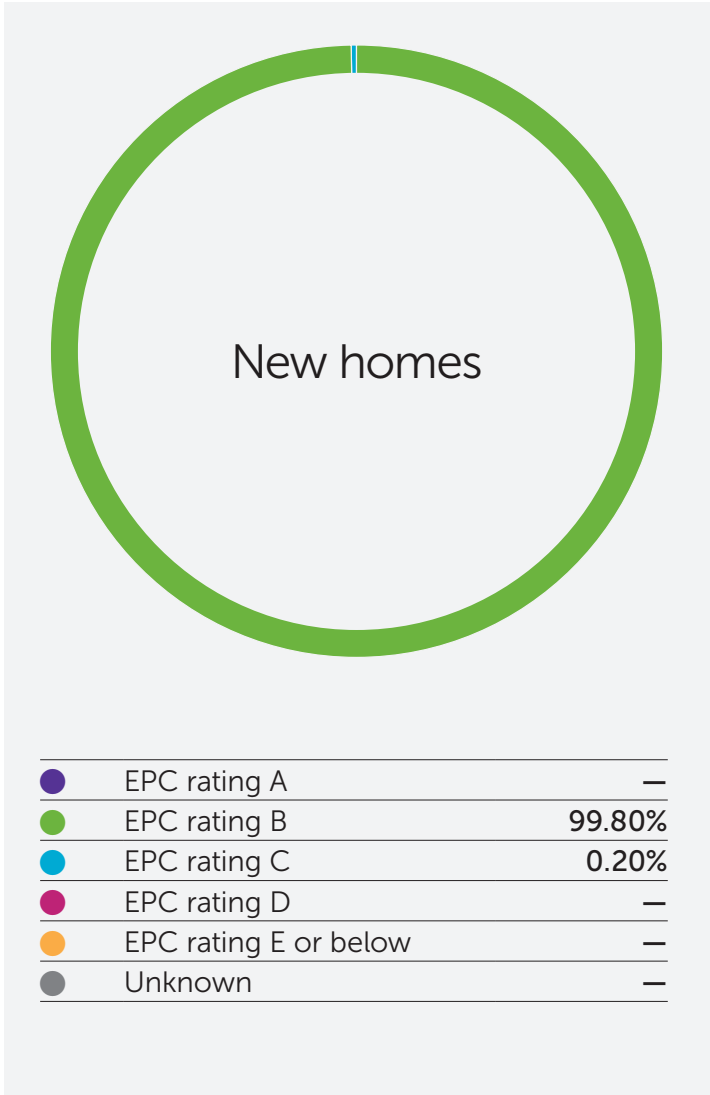
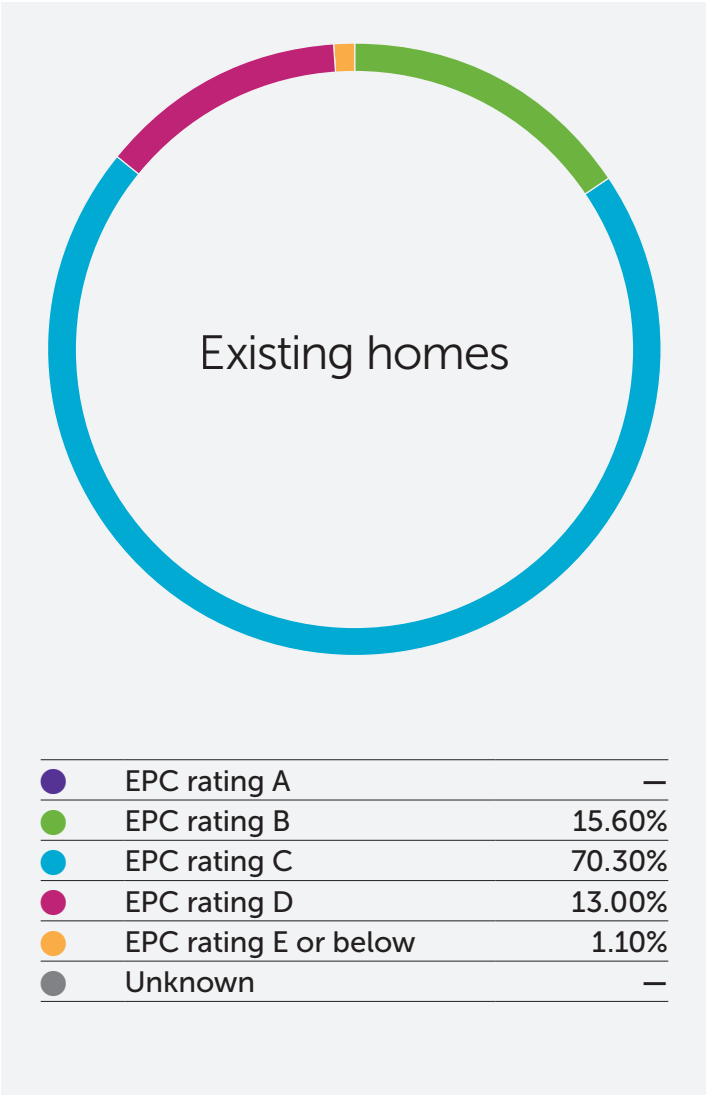
Theme 1

Climate change

- 1
- 2

EPC ratings of existing and new homes

The charts below illustrate how we’re ensuring that as many of our new-build properties as possible are developed to EPC C or above, to minimise climate impact and maximise energy efficiency for our customers. The Group has set a target of ensuring all homes have a minimum EPC band C by 2030 to help reduce our carbon footprint and fuel poverty.



3

Does the housing provider have a Net Zero target and strategy?

We don't have a formal Net Zero strategy or policy in place but this is currently being developed.

Theme 1

Climate change

4

Housing provider's Net Zero strategy and target

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?

Longhurst Group is undertaking the Social Housing Decarbonisation Fund (SHDF) Wave 2.1 project, delivering retrofit improvements to 581 properties across five geographical areas. As of March 2024, 506 retrofit assessments had been conducted, with 113 property improvements completed.

The project is due to be completed in March 2025 and to date the Group has achieved all KPI's and milestones prescribed in the grant funding requirements of the Department of Energy Security and Net Zero (DESNZ), who have given our project a 'green' progress flag.

113 homes have been retrofitted in the last financial year.

Green House Gas emissions

Scope 1, Scope 2 and Scope 3 Green House Gas emissions

Defra guidance to the regulations states that “large unquoted companies and large Limited Liability Partnerships (LLPs) are obliged to report their UK energy use and associated greenhouse gas emissions as a minimum relating to gas, electricity and transport fuel, as well as an intensity ratio and information relating to energy efficiency action, through their annual reports”.

Longhurst Group commissioned a Streamlined Energy and Carbon Reporting (SECR) statement to comply with the latest SECR Regulations (2019). This report presents a full third party-verified SECR statement, compared to the previous financial year’s energy usage.

Global GHG emissions and energy use data for period 1 April 2023 – 31 March 2024.

	CO ₂ e	CO ₂ e
Scope 1	2,647.25 t	2,647,260 kg
Scope 2	1,256.81 t	1,256,810 kg
Scope 3	56,381.51 t	56,381,510 kg
Total	60,285.57 t	60,285,570 kg

Climate change

5

Green House Gas emissions

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

It isn't a requirement to report on emissions associated with inputs into the Group (e.g., from the supply chain) or linked with outputs from the Group (i.e., emissions from our products when they're used by customers). In a social landlord's case this may relate to products bought for the construction and maintenance of homes as well as the emissions from homes when they're occupied by residents.

Emissions from lead assets (housing stock) have been included as voluntary Scope 3 emissions.

Scope 3 Green House Gas emissions per home managed

	CO ₂ e	CO ₂ e
Scope 3	2.90 t	2,900 kg

Does the housing provider qualify for SECR reporting?

Yes

SECR Intensity Ratio for Total Emissions (Scope 1–3) [kg CO₂e/m²]

0.18 tonnes CO₂e per home managed (exc. office emissions)
Office intensity: 0.04 tonnes CO₂e per m².

How is the Group mitigating flood risks and the risk of homes overheating?

Flood risk

As part of our pre-planning design process, we produce Flood Risk Assessments (FRA) for all our developments. The FRA initially reviews the suitability of the site for development, based on historic flood data and the Environment Agency flood rating for the site, then prescribes minimum finished floor levels and enhanced mitigation measures such as resilient construction, raised height electrical outlets and flood barriers on a scheme specific basis. These requirements are calculated based on existing ground levels, Environment Agency (EA) flood maps and historic flooding information. Local sources of flooding, overland flows, groundwater levels and breach modelling are also considered, incorporating consultation with the EA, Internal Drainage Board and Lead Local Flood Authority. FRAs are often combined with the scheme drainage strategy to ensure designed run-offs are in accordance with local restrictions and that the development doesn't increase the risk of flooding to surrounding properties or infrastructure. Generally, where infiltration isn't viable, schemes incorporate several methods of onsite surface water attenuation to minimise run-off into existing watercourses or drainage systems. These attenuation systems include oversized storage pipes, ponds, swales and permeable paving.

Homes overheating

The overarching goal of Building Regulations Approved Document O is to encourage the design and construction of buildings that limit unwanted solar gain during the summer months and provide occupants with adequate means of removing excess heat from indoor environments. There are two methods of calculating overheating. One is simplified and the other more complex, depending on the case. We've modelled our standard house types under Part O criteria and made the following changes to the standard designs as a result:

1. Smaller windows on south facing elevations to prevent solar gain overheating. Larger windows on non-south facing elevations.
2. Additional opening lights within windows to allow more natural 'purge' ventilation.
3. The incorporation of mechanical ventilation to dwellings with ground floor bedrooms, where Approved Document O requires no opening windows or security shutters.
4. Fabric first solutions for insulation, doors and windows.

Theme 2

Ecology

7

How is the Group increasing green space and promoting biodiversity near homes?

Biodiversity Net Gain (BNG) has become a planning permission requirement, demanding a minimum 10 percent improvement of the completed development over the biodiversity score of the pre-developed site.

As part of our Improving Lives 2025 strategy, we're focused on the importance of green space in our development plans. This is underpinned and measured by a requirement to incorporate BfL12 into our developments. We've changed the way we run our Future Schemes meetings, where we review potential opportunities for development. This technical review includes assessment of site layout, density and opportunities for green space and biodiversity net gain.

Among the 12 BfL requirements (outlined in Appendix 6) are:

- **Thinking about what types of spaces are created and where they should be located**
 - We consider how spaces can be designed to be multi-functional, serving as wide an age group as possible and how they could contribute towards enhancing biodiversity.
 - Where open spaces are provided, we consider where people might want to walk and what routes they might want to take and plan paths accordingly, providing lighting if required.
 - We also consider the sun path and shadowing throughout the day and which areas will be in light rather than shade. Areas more likely to benefit from sunshine are often the most popular places for people to gather.
- **Providing a management and maintenance plan**
 - Where areas of open space aren't adopted by the local authority, we nominate a management company to look after the regular maintenance of the open spaces to an agreed and monitored management plan.

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

The Group maintains a clause in its Employer's Requirements that stipulates it'll take all necessary measures to ensure that no deleterious materials shall be used or specified for use or permitted to be used by or on behalf of the contractor in relation to the works or any part thereof. Such deleterious materials to include, but are not limited to the following: -

- Any products or materials not in conformity with relevant British or European Union Standards or Codes of Practice or which at the time of use are widely known to members of the consultant's profession to be deleterious to health and safety or to the durability of buildings and/or other structures and/or finishes and/or plant and machinery in the particular circumstances in which they're used.

Theme 3

Resource management

9

Does the Group have a strategy to use or increase the use of responsibly sourced materials for all building works?

Our recently updated Employer's Requirements stipulate compliance with National Design Guide produced by the Ministry of Housing, Communities and Local Government.

This standard incorporates the following requirements: -

- 141 They follow the principles of whole life carbon assessment and the circular economy, reducing embodied carbon and waste and maximising reuse and recycling.
- 143 The selection of materials and the type of construction influence how energy efficient a building or place can be and how much embodied carbon it contains.
- 144 Well-designed proposals for new development use materials carefully to reduce their environmental impact. This can be achieved in many ways, for instance through materials that are locally sourced, high thermal or solar performance; or designs based on the typical dimensions of materials to reduce waste.

Does the Group have a strategy for waste management incorporating building materials?

Our recently updated Employer's Requirements document requires the contractor to produce the following:-

1.6.6 An outline site waste management plan is to be submitted to the employer before commencement of the works and is to include target levels of waste reduction and recovery to be achieved.

Our contractor performance monitoring system incorporates a KPI score for waste reduction, based on the following factors:-

1.15.10 Waste

- Percentage waste diverted from landfill
- Approach to designing out waste
- Use of sustainably sourced materials
- Use of Low and zero carbon materials.

Resource management

11

Does the Group have a strategy for good water management?

Our specification is in accordance with Approved Document G, requiring maximum water usage in new dwellings of 125 litres per person per day, or where local planning conditions dictate, a lower usage of 110 litres per person per day. This is measured through the calculation we're required to submit to Building Control at scheme design stage.

Our recently updated Employer's Requirements document also requires the following in relation to protection of existing drainage features on sites:

1.3.3 Existing mains/services: The contractor will make enquiries to the services companies to ascertain the position and capacities of mains services, sewers, and the like on or adjacent to the site. The employer doesn't guarantee the accuracy of any information provided by the employer in relation to the same and it's the contractor's responsibility to carry out all necessary investigations to locate existing service mains, sewers, drains, land drains and the like affecting the works and shall remove, divert, protect and uphold such services as required for the construction of the works to the entire satisfaction of the local authority, service company or other interested party.

Where hazards are identified or encountered such as high-pressure water mains, oil filled electrical mains, deep excavations, high water table or asbestos linings the contractor will ensure that adequate control measures are put in place to control the risk. Existing land drains must be diverted and maintained so as not to risk flooding or waterlogging of the development or adjacent sites.

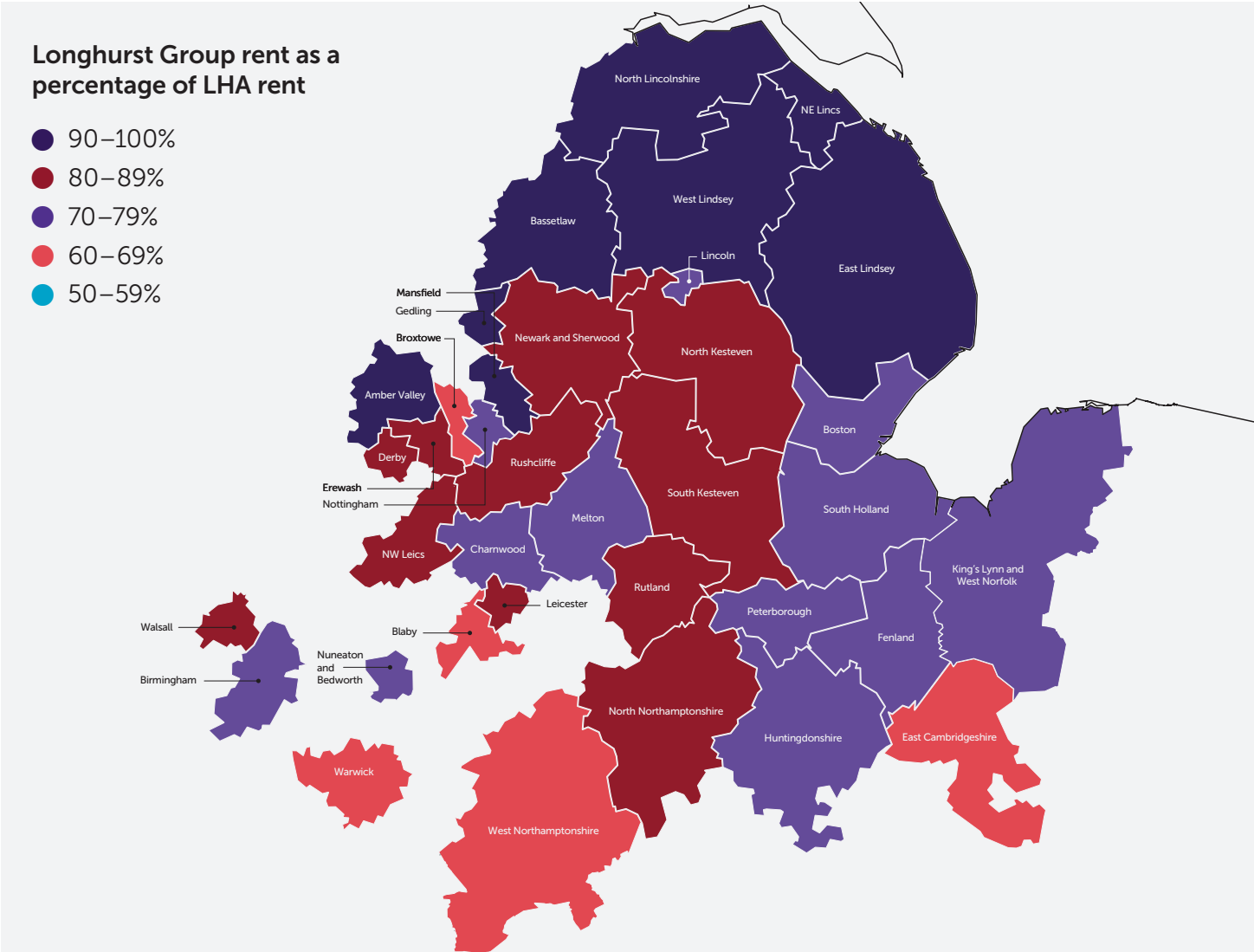
Theme 4

Affordability and security

12

Affordability of rent

The Group’s weekly average rent is significantly below that of the Local Housing Allowance (LHA) and private market rents for the local authority areas in which we operate. Our rents are, on average, 81 percent of LHA and 61 percent of private market rents. Appendix 2 provides figures for the average Longhurst Group rent in each local authority area covered, along with the rent as a percentage of both LHA and private market rates.



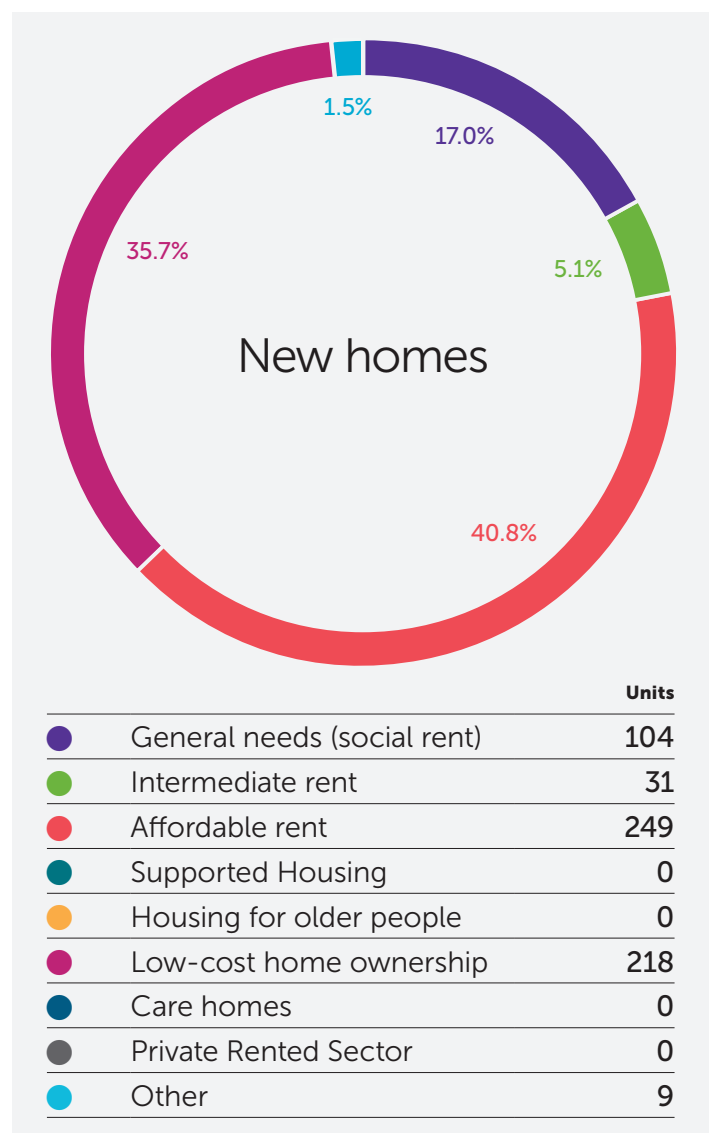
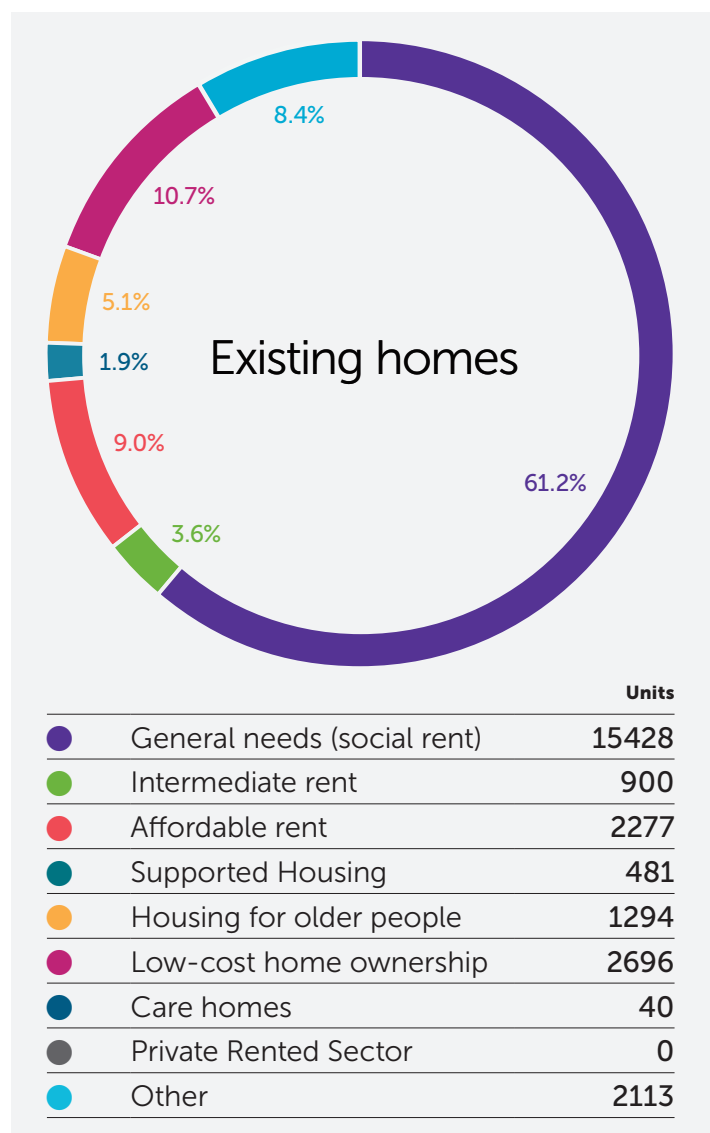
Theme 4

Affordability and security

13 14

Number of existing and new homes allocated to specified tenure types

The Group built 611 new homes during the year ending 31 March 2024, with 76.4 percent of these being affordable rent or low-cost home ownership properties.





Homes disposed of in the last 12 months

Number of homes disposed of in the last 12 months, by tenure type:

Tenure type	Units
General needs (social rent)	61
Intermediate rent	1
Affordable rent	11
Supported housing	22
Housing for older people	0
Low-cost home ownership	27
Care homes	0
Private Rented Sector	0
Other	0

Number of homes acquired in the last 12 months, by tenure type:
None.

Theme 4

Affordability and security

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

We've successfully gained funding to upgrade the energy efficiency of some of our homes through the Social Housing Decarbonisation Fund (SHDP). The SHDP was set up to enhance the energy efficiency of socially rented homes. It covers several upgrades, including new heating systems, energy efficient doors and windows and upgraded insulation.

Through our Hardship Fund, we provide energy efficient white goods to help customers save money on electrical and gas appliances. We also utilise goods such as air fryers and slow cookers as cost effective, energy efficient solutions.

Through HACT, we were awarded a number of fuel vouchers which we distributed to customers in financial hardship who were unable to heat their homes to support them in sustaining their tenancy and maximising what income they had available.

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

For all new tenancies, a starter tenancy is issued. This is converted to an assured tenancy at 12 months provided that no rent arrears or ASB are caused by the starter tenant. Where we serve a Section 21 notice, there is the right of appeal.

For any transfers/management moves and mutual exchanges, the assured rights of customers are protected.

For any survivor fleeing domestic abuse, whether they're our customer or not, we offer an immediate assured tenancy to provide that security.

For any court action when possession is sought, we comply with court pre-action protocols.

Theme 5

Building safety and quality

17

Safety checks, compliance, and standards



Percentage of homes for which all required gas safety checks have been carried out.



Percentage of homes for which all required fire risk assessments have been carried out



Percentage of homes for which all required electrical safety checks have been carried out

What percentage of homes meet the national housing quality standard?

Out of 20,302 properties, 99.75 percent exceeded the criterion set in the Decent Homes Standard. A total of 51 homes failed the standard.

Of those failing, nine were found to have hazards identified under HHSRS and 46 cases were due to homes not meeting the reasonable degree of thermal comfort criterion. Some had both failure categories present, which is counted as a single property failure.

For those under HHSRS, make-safe works have been completed, planned or are in progress. For those failing the thermal comfort category, improvement measures have been identified and instructed, these being insulation and heating works.

Theme 5

Building safety and quality

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

We've taken a proactive stance on identifying, managing and rectifying cases of damp and mould within our customers' homes. In 2023/24 this included:

Management

- In April 2023, we sought to proactively identify instances of damp and mould via a 'Staying Well in your Home' campaign, which surveyed 7,084 customers to encourage early reporting. We provided general information and signposted customers to a phone number to report issues. In total, 1,180 responses were received, categorised and attended to.
- Our repairs contact centre categorises all reports of damp and mould, including severity and customer vulnerability, and prioritises accordingly. Information is also gathered by way of stock condition surveys and the identification of Cat 1 and 2 HHSRS hazards.
- The Executive Leadership Team and Group Board are provided with information in relation to damp, mould and disrepair via bi-annual updates, including commentary on the volume and progress of related works orders including completion, age profiling, and the number of repairs assigned to each supplier across regions. The Executive Leadership Team also receive damp and mould updates, which include the volume of work orders raised by vulnerability and priority.
- Mandatory damp and mould awareness training is in place, with separate modules for front line, contact centre, and customer facing colleagues. Content specifically considers the causes of damp and mould, with support on how to advise customers on these, as well as guidance on how to raise issues as they're identified. Our analysis noted compliance rates were also positive, with a recent internal audit confirming each module having a recorded compliance rate of at least 98 percent.
- Bi-monthly meetings are held with member coverage from the Property Services and Communication Teams, the Customer Forum Vice Chair, and a customer. Whilst not limited to damp and mould, this forum provides an opportunity for customer experiences to be escalated via direct customer feedback.

-
- We've updated the information provided on our website, which provides, specific and detailed information and action customers can take as well as signposting through to the contact centre to report cases of damp and mould – longhurst-group.org.uk/news/damp-and-mould-how-we-re-responding/.

Process and mitigation

Our approach varies depending on the severity of the case.

Our contact centre undertakes an initial diagnosis, running through a series of questions to gain further insight into the issue. This may flag the need for a repair or replacement, such as a change of the mechanical ventilation from a standard operating fan to a humidistat controlled fan, fixing a leak and roof work. At this point a mould wash/ stain block repair may be raised to contractors.

Following a review of our Tier 1 contractor resources and the impact of the backlog repairs we decided to increase the availability of supply chain resource over a fixed contract term of 12 months to help reduce the backlog of repairs and damp and mould cases. Referred to as the Tier 2 supply chain, six additional contractors were engaged with a contractual commitment from the Group to deal with increasing case numbers.

In the majority of cases the application of mould wash is ordered to reduce the risk, however, this doesn't address potential underlying factors causing the damp and mould. Consequently, we've reviewed our approach and created a specific condensation, damp and mould task on our system enabling us to identify and report on specific condensation, damp and mould cases. Our in-house specialist surveyors then review all new reported cases of condensation, damp and mould so these can be assessed and triaged by degree of severity.

Theme 5

Building safety and quality

More complex cases are either referred to Property Services for an inspection or referred directly to our contractors as unappointed repairs. The latter enables the contractors' planning teams to assess requirements and arrange appointments directly with customers. This process is also followed for mould wash/stain block repairs in the event of there not being a suitable appointment date available.


At the initial point of contact and during any inspection process, we discuss any vulnerability with the customer. Depending on the severity of the situation, customer circumstances and nature of the works required, we work with colleagues in our Housing team and the customer to determine whether it's necessary to find them alternative accommodation. This practice is included in the process and procedure review.

Having identified certain stock which, due to structural limitations, are more prone to instances of damp and mould (and which also require consideration from a wider asset maximisation perspective), in March 2024, we sought internal approval to resource a 'special projects' working group, chaired by the Executive Director of Growth, Development and Assets. The remit of the group is to further assess problematic stock, including where damp and mould is pervasive and recommend subsequent action.

Next steps

There's still work to do and in July 2024 a new Damp and Mould Policy, which takes into account anticipated requirements within Awaab's Law, was recommended for approval by our Audit and Risk Committee. Reporting is also enhanced further being a standing agenda item at the Development and Asset Investment Committee.

The new policy provides a clear commitment to ensure properties 'are well maintained and kept in good and safe repair and to take a zero



tolerance approach to damp and mould'. It gives clear consideration to recommendations raised by the Housing Ombudsman within its 'Spotlight on Damp and Mould' report and recognises the importance of ensuring colleagues receive 'training to properly diagnose and respond to reports of damp and mould'. In relation to 'risk assessment', it includes reference to the provisional timescales for investigation and resolution outlined within 'Awaab's Law'.

Theme 6

Resident voice

20

Tenant satisfaction survey

The result of our most recent tenant satisfaction survey was 58 percent.

To act on these results, we've analysed survey feedback to identify the root causes of customer dissatisfaction and action plans have been developed to improve service provision and communication.

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

By following a Group-wide framework, we ensure that strategy, customer-facing policy and procedure development incorporates relevant insights, guaranteeing the active involvement of our customers in shaping our services.

The Improving Lives panel, which meets quarterly in person, includes both customers and Board members and plays a role in influencing strategic decisions.

The Customer Forum, which meets monthly as a virtual group, supports our Group Board by ensuring that the consumer standards of the 'Regulatory Regime for Social Housing in England' are met, that value for money is achieved in service delivery to all customers, and that our vision of 'improving lives' is upheld.

Working with our colleagues, the Customer Forum instructs the Scrutiny Team which scrutinise service areas of concern that aren't part of an agreed review process. The Customer Scrutiny Team, directed by the Customer Forum, conducts thorough reviews of services and provides recommendations for improvements to benefit all customers. The Scrutiny Team presents its recommendations to the Customer Forum and Directors and provides a report to the Customer Experience Committee.

The Customer Forum produces an annual report for the Group Board, customers, and colleagues, detailing the impact of its activities. The Customer Engagement Team produces an annual report detailing how customer involvement has influenced services, this is shared with customers and colleagues.

Customers have access to reliable information to assess our performance and hold us accountable. From August 2024, we'll publish performance against the Tenant Satisfaction Measures in a manner that is timely, clear, and can be easily accessed by customers.

Theme 6

Resident voice

22

Complaints

In the last 12 months, the National Ombudsman determined 12 maladministration complaints took place.

As a result, we've:

- Upskilled our Customer Services Team to be able to resolve customer enquiries where there has been a service failure at first point of contact wherever possible.
- Enhanced our systems through significant investment so we can track the progress of the complaint from the moment it's logged to when it's fully resolved and who's responsible for keeping the customer informed.
- Reviewed and improved the relationship between our Complaints and Repairs teams to reiterate ownership and empathy for all complaints improving accountability.
- Made material changes to the structure within our Complaints Team to meet the needs and demands of our customers, ensuring ownership and responsibility to resolve the complaint and keep the customer updated.
- Reengineered our policy, procedure and processes, where we've engaged and involved customers in mapping the 'customer journey'.

Resident support

23

What are the key support services that the housing provider offers to its residents?

Increase skills and gain employment

Employment and Training Advisor

We have one internal Employment and Training advisor, who's able to provide information, advice and support to help people improve their employment prospects. This is a Group-wide service.

Number of beneficiaries: 59

Skills and Development centres

We provide a range of courses and support to improve customers' skills. This also includes our device and data gifting scheme to help support customers with employment and training. We have three Skills and Development centres that deliver courses in basic digital skills, functional maths, and English. These centres are based in our care and supported centres (Peterborough Foyer, Wisbech Foyer and the New Haven hostel).

Number of beneficiaries: 189

Increase their income and better manage their money (i.e. this includes work to increase access to benefits and reduce debt)

Money Advice

We have four Money Advisors across the Group. They provide support and advice to customers struggling with their finances. This support includes claiming benefits, maximising income and paying rent.

Number of beneficiaries: 2,003

PayPlan (contracted service)

Provides an independent debt management service to all customers regardless of tenure. Payplan is registered with FSCA.

Number of beneficiaries: 114

Placemaking

24

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.

Under the banner of health and wellbeing, we've a number of services that provide support and assistance.

Hardship Fund

This provides one-off practical support to individuals who may be struggling with the stress and trauma caused by financial hardship.

Number of beneficiaries: 545

Garden Support Fund

This provides an enhanced gardening service to customers who may be unable to maintain their garden due to age, infirmity, vulnerability or disability. This services also supports domestic abuse survivors who may require hedges and privets cut back as they provide additional hiding spaces.

Number of beneficiaries: 160

Tenancy Sustainment service

Our Integrated Housing, Care and Support offer to our customers, providing the holistic coordination of services to ensure our customers thrive within their home and sustain their tenancies.

Number of beneficiaries: 578

Independent Living Advisors

The Independent Living service aims to support customers to live as independently and safely as possible in their homes.

Number of beneficiaries: 768

Frank F Harrison

This local community charity has a community centre in the heart of our largest housing estate. They provide youth activities and after school clubs.

Number of beneficiaries: 508

Community Fridge

Set up in Paine’s Mill Skills and Development centre providing free food to those in need in partnership with Fareshare.
Number of beneficiaries: 35

Vita health care

Provision of mental health support for customers
Number of beneficiaries: 65



Theme 9

Structure and governance

25 26 27 28 29 30

Regulation, governance and risk management

The Group is registered with the Regulator of Social Housing and has a G1/V2 rating following our most recent In-Depth Assessment.

We're also a not-for-profit organisation and follow the National Housing Federation's Code of Governance.

Our Audit & Risk Committee and Group Board manage our ESG risks, which are incorporated into our strategic and operational risk registers. Risks relating to consumer standards, the safety and quality of our homes, financial management, value for money and the development programme are regularly monitored and reported on. The Group hasn't been subject to any adverse regulatory findings in the last 12 months which resulted in enforcement action.

Board and Trustees

31 32 33 34 35 36

37 38

Equality, diversity and inclusion at senior levels

To ensure we have input into the governance process from a diverse range of people, we follow the principles of our chosen Code of Governance, as well as our own Equality, Diversity and Inclusion strategy and policy. These provide diversity in all aspects of our governance framework and in our operational services.

Our Board, which has had no turnover of members in the last two years, is recruited to using policies which incorporate equality, diversity and inclusion. One of the 11 members of the Board (9 percent) is a non-executive director.

A succession plan was provided to our Board at its March 2024 meeting and the last independently-run Board-effectiveness review was carried out by Campbell Tickell in 2023.

The Group has rules in terms of conflicts both within its standing orders and code of conduct. Declarations of interest are requested annually and are displayed on the Group's website. These are also requested and recorded at every meeting and where a declaration is made, the respective member may be asked to either abstain from any decision or discussion or, in the case of significant conflicts, asked to leave the room.

There's been a 20 percent turnover in our Senior Management Team in the last two years, while our Audit Committee has five members, all of whom have a good level of financial experience in the housing sector. Two of these members have financial qualifications.

The Group's external auditor changed in December 2023.

Staff wellbeing

39

Does the housing provider pay the Real Living Wage?

We continue to review our employment offer to ensure it's as attractive as possible to existing and new colleagues while remaining sustainable for the business.

We're committed to paying all front line colleagues the Real Living Wage and have delivered salary increases to support people with the cost-of-living crisis.

40

What is the Group's Gender Pay Gap?



We're very pleased that our 2023/24 median gender pay gap reduced on last year and is now at its lowest since we began reporting our gender pay gap. Both our mean and median pay gaps now sit below the national average for not-for-profit organisations like us. However, unfortunately, our mean pay gap has increased slightly from last year.

Pay gaps for protected characteristics

We're proud to say that, where possible, we continue to proactively and voluntarily measure pay gaps for all protected characteristics, as defined by the 2010 Equality Act.

Through this work, we discovered our mean ethnicity pay gap was significantly above the national average and something that requires our urgent attention.

While our mean ethnicity pay gap has reduced again this year, we know there's still considerably more work to do in this area and as a result have introduced an Inclusion Working Group to drive our ED&I strategy moving forward.



Understanding our pay gap

As we've highlighted in our previous reports, 73 percent of our workforce is female and 27 percent is male. This makes it particularly challenging to tackle our gender pay gap.

We continue to appoint based on an individual's ability to do the job, and we're satisfied that our gender pay gap is due to the under-representation of a particular gender in certain roles, rather than any other underlying reason.

As a significant provider of care and support services across the Midlands and East of England, we have a considerable number of colleagues working in that sector.

As seen across society in general, the majority of these roles tend to be lower paid and occupied by women.

However, we remain committed to addressing imbalances by doing all we can to attract and recruit colleagues of both genders into this fantastic profession and much-valued part of our organisation.

Women are well represented across our leadership teams, with two on the Executive Team, nine female Directors and four of the 10 seats on our Group Board – including our Chair – currently being occupied by women.

Staff wellbeing

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

We're committed to promoting equality, diversity and inclusion, and a culture that actively values difference. We want to build teams that are as diverse as the customers and communities we serve and create an environment where all our people can thrive. We believe that diverse perspectives and different ways of thinking help us to anticipate and better understand the needs of our customers. We're committed to ensuring we have policies, strategies, processes and behaviours in place that promote equality and contribute to an inclusive organisational culture.

This year we launched our new Inclusion Working Group to review our colleague and customer demographics and drive forward our efforts to be an inclusive organisation where colleagues feel they belong and that their unique perspectives are valued. The Group's recommendations will be aligned with the implementation of a new Equality & Inclusion Strategy, which will formalise our targets and plans to further close any gaps. This'll impact at all levels across the Group, including our existing processes, and will inform our next steps. Action plans will result in the creation of the strategy and inform activity on a more localised level.

To create further equity in the workplace we've launched our new one-to-one process, which comprises our custom-built one-to-one app and conversation guide. There's an expectation that managers and colleagues meet monthly, at a minimum, to check in on wellbeing, performance, development needs and offer support where needed.

With the launch of our new Learning Management System a broad new suite of ED&I modules have been promoted to colleagues. Our Inclusion and Engagement Partner will also be working alongside our Learning and Development Team to design an inclusion training session to be delivered to all colleagues. A new Carer's Awareness course has been designed and launched, with feedback from Carer's UK integrated to promote the benefits that colleagues can access.



We continue to weave ED&I through our Leadership Development Programme, delivering a focused module on the importance of inclusive leadership and EDI, with 75 of our business leaders having attended this module by the end of 2024.

We've made considerable efforts to recognise and celebrate key awareness days, such as Pride Month, to support colleagues' development and confidence and to ensure they feel included. We've mapped further key awareness days and related activities for the remaining calendar year to ensure we acknowledge and celebrate the cultural diversity of our workforce. We'll continue to gain feedback from our colleagues to measure the impact of these events and to ensure future planned activity aligns to the demographics and needs of our colleagues.

Our data informs us that we need to do more to ensure we're attracting and creating opportunities for younger people, within the 16-24 bracket. As part of our strengthening process, we'll look to map the pathways of 16–24 year-olds entering the Group, to see where we can make further process improvements and remove potential barriers. We aim to build our profile with local colleges and universities, promoting live opportunities but also signposting career paths available within the Group, attracting those earlier within their career.

Staff wellbeing

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


We understand the importance of supporting our colleagues with their health and wellbeing, as well as enhancing their economic resilience. Our approach encompasses a diverse array of initiatives designed to promote wellbeing, including comprehensive wellness programmes, access to mental health resources, and fostering a culture of open communication and support. By prioritising the holistic health of our colleagues, we aim to create a thriving work environment that boosts productivity and job satisfaction and underscores our commitment to the long-term wellbeing of our teams.

We enrol everyone onto our health cash plan, which the Group pays for. This plan allows colleagues to claim money back on a range of health and wellbeing costs, including optical, dental, chiropody, sports massage and acupuncture. The plan also provides access to Best Doctors, enabling colleagues to get a second opinion from world-leading medical specialists, along with a 24-hour DoctorLine service which gives access to a GP helpline from a practicing UK GP.

In addition, all colleagues have access to counselling and support services, along with a 24-hour telephone line for confidential help and advice on medical, legal and domestic issues and online health and wellbeing resources.

All colleagues have access to free confidential financial education, covering all areas, including mortgages, retirement planning, pensions, saving and investments, insurance and will writing.

This year, we successfully held our first internal 'Wellbeing Week' aimed at encouraging colleagues to take ownership of their personal resilience and utilise the benefits we offer. A variety of activities were held at our main office locations and virtually, including yoga, coffee mornings, and visits from the Centre for Financial Education, Carer's UK, Halfords, Westfield Health, and local gyms. Additional resources were shared throughout the week to support our colleagues across several aspects of wellbeing, including sleep, nutrition, hydration, eyecare, and exercise.



All of our managers are required to attend mental health for manager development sessions and we hold additional awareness sessions for all colleagues across the Group. We also provide and promote fully funded Level 2 distance learning sessions on a range of topics, including Awareness of Mental Health Problems, Mental Health First Aid and Mental Health Advocacy in the Workplace.

Theme 11

Staff wellbeing

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How does the housing provider support the professional development of its staff?

Professional development is incredibly important. It helps us retain the best talent within the sector and ensures we're meeting regulatory requirements, industry standards and the evolving demands of our customers.


Since 2022, we've been successfully offering our own Leadership Development Programme, cultivating leadership skills and capabilities within our current and future leaders. By the end of 2024, 87 of our business leaders will have concluded the programme, 63 percent of our attendance made up of our female colleagues and 37 percent by our male colleagues. In total, almost 10 percent of our organisation has attended a leadership development programme.

We continue to work with the HDN and offer opportunities through the mentoring scheme. Over the last 12 months we've supported six colleagues through this scheme, with another seven colleagues due to start the winter cohort in September.

We've introduced a suite of management workshops to support and develop our line managers' capability, empowering them to be more equipped with managing processes such as absence, investigations and capability. This has now formed part of our core management training and is mandatory for all line managers.

To date we're trending at around 30 percent of our organisation currently holding a CIH. We're currently undertaking assessment activities to identify further colleagues within the organisation who'll also benefit from attainment of the CIH qualifications and mapping in this activity into later 2024.

We continue to offer work experience placements, with one placement in February 2024 and another starting in June 2024, working with our local communities to ensure people view Longhurst Group as an employer of choice.



We're undertaking a wider review of our development opportunities to identify routes to strengthen our learning offering, creating a blend of both broader internal and external opportunities to support career progression routes and skills gaps. We'll use the data gathered to shape our opportunities, creating more opportunities for our existing colleagues but also plan for the future, removing barriers to senior leadership, striving to create a more ethnically diverse workforce.

Supply chain

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

The Group's procurement activity will support the delivery of Social Value. The Public Services (Social Value) Act 2012 describes social value as "...improvement to the economic, social and environmental well-being of an area..." Social Value includes making decisions that take a wider definition of value (i.e. more than cost/price) into account, in order to increase equality, improve wellbeing and increase environmental sustainability. Procurement within Longhurst Group will support Social Value by focusing on five main topics:

- 1 Economic resilience - contributing to the financial resilience of our customers.
- 2 Health and wellbeing - improving the health and wellbeing of our colleagues and customers.
- 3 Ethics - conducting our procurement in an ethical manner as well as a focus on sourcing ethical goods/services.
- 4 Environment - creating procurement outcomes that mitigate the organisations environmental impact or lead to improved environmental outcomes.
- 5 Sustainability - meeting current needs without jeopardising or degrading future capabilities or sources of supply.

In line with our values as an organisation, we'll put social value at the heart of every procurement decision.

Social value is a key theme of the Group's Improving Lives strategy, improving health and wellbeing and economic resilience. For every £1 that Longhurst Group spends, our ambition is to, where practicable, maximise Social Value alongside securing the goods/services we require. As a result, all procurement activity conducted by Longhurst Group must be able to demonstrate how it contributes to a social value outcome(s). Where it isn't possible to implement this policy for a legitimate commercial or business reason, this will be agreed by our Procurement Team and signed off as an exception.

Demonstrating social value, via our procurement activity, is a strategic objective.

How is sustainability considered when procuring goods and services?

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

Improved environmental outcomes:

Sustainable procurement

- Managing demand
- Effective ongoing contract management
- Dealing with supply chain risks and impacts
- Achieving value for money on a whole life basis - generating benefits not only to the Group, but also to society while minimising damage to the environment.
- Monitoring where environmental based KPIs exist already/introducing meaningful performance measures on environmental outcomes into existing contracts.
- Ensuring new contracts are evaluated on environmental outcomes – Appendix one – illustrative evaluation mechanism.

Examples may include looking at initiatives such as:

- The transition to electric vehicles
- Utilising renewables - air and ground source heating and PV
- Exposing our customers to new tech - e.g. smart heating, smart meters
- Increased use of recycled materials
- Supporting the implementation of the ESG reporting framework.

Demand management

- Reducing demand for energy; reducing wastage on site; recycling materials; use of recycled products; relighting projects etc.

Social value

- Monitoring where social value based KPIs exist already/introducing meaningful performance measures on social outcomes into existing contracts.
- Ensuring new contracts are evaluated on social value outcomes.

Supply chain

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How is sustainability considered when procuring goods and services?

Examples may include looking at initiatives such as:

- Job/career creation and/or skills training for harder to reach groups
- Contribution to training – how does a Longhurst Group contract help contribute to a supplier's own apprentice / graduate programme and how does working with Longhurst Group support local investment in our own region?
- Redevelopment (of a site/area)
- Use of local economy/suppliers (over and above a supplier's typical approach)
- Volunteering days for targeted projects.

Longhurst Group will scrutinise the environmental impact of our procurement activity/bought in goods and services and the approaches taken by the suppliers we work with and those who are looking to work with us. We will achieve this through our procurement processes and contract management activity.

Appendix one

Flood risk case study: California Road

California Road, Huntingdon

We've delivered California Meadows, on California Road in Huntingdon. It's made up of one, two and three-bedroom properties.

The completion of the 56-home development marked the end of the redevelopment of part of the Regional College's Huntingdon campus and transformed a brownfield site into affordable housing.

California Meadows was built using a modern method of construction which saw panels constructed in factory conditions using sustainably sourced timber and delivered to the site as complete wall panels with insulation and external cladding.

A land led scheme, we appointed Burmor Construction at outline planning permission stage we to deliver on an innovative vision to deliver affordable homes using modern methods of construction.

We designed the dwellings to be produced offsite in a factory, with the homes assembled in panels featuring factory-fitted external cladding. The use of panellised timber along with factory-fitted detailing means the homes will be lower carbon and use less energy for residents. We combined this with a modern, striking design which sets this development apart from other new housing sites.

The tenures delivered include Shared Ownership, Rent to Buy and social rent, with both car and cycle parking provisions also included.

The timber panels were constructed by Walsall-based LoCaL Homes in their factory, before being transported to site and craned into place.



Fabric First

The completed dwellings achieved an EPC rating of B, with elemental U values far in excess of current Building Regulations requirements.

Element	U Value	Nominal Building Regulations
External wall	0.16	0.30
Party wall	0.00	0.20
Ground floor	0.17	0.25
Roof	0.11	0.20
Openings	1.37	2.00

The structural elements of the dwellings were formed in factory assembled timber frame, finished with coloured cementitious cladding panels.

The external wall panels included a thickness of 200mm of wool insulation.

Appendix one

Flood risk case study: California Road

California Road, Huntingdon

Heating and hot water system

To complement the fabric first approach, in a first for Longhurst Group, we installed Ground Source Heat Pumps (GSHP), including the installation of shared boreholes, drilled to around 90 metres deep, and individual dwelling heat exchangers and hot water cylinders. In a bid to keep the systems simple and familiar, the heating is based on wall mounted radiators and thermostat and timer controls for heating and hot water. We've since carried out the installation of GSHP on a second site, Toot Lane Boston.

Energy monitoring

At California Road and Toot Lane, we've installed Switchee smart thermostats in the affordable rent homes.

This allows us to monitor the operation of the GSHP systems, monitor internal temperature, risk of damp and mould and understand hours of operation of the heating and hot water cycles. The smart thermostats allow us to send messages to our customers advising them of how to set the GSHP to work at its most efficient and most cost effective modes.

Further developments

We've started discussions with a local developer, Lindum Group, on a 34-dwelling scheme in Navenby, Lincolnshire. Subject to planning permission, this'll be built to standards under the sustainability requirements S6 and S7 of the new Central Lincolnshire Local Plan, requiring developments to be constructed in a fabric first approach and also incorporating renewable technologies to reduce the heat demand to below a 15 kWh/m²/yr target.

Designed to EPC A, the dwellings will incorporate high levels of thermal insulation, photovoltaic panels and air source heat pumps.

The proposed development incorporates a large area for BNG enhancement, and achieves an improvement score of 14 percent.



Collaboration

We're working with peer housing associations, NCHA, EMHG and Midland Heart to discuss and produce a joint standard specification for achieving Future Homes Standards Building Regulations, due for introduction in 2025.

We're working together to ensure that the specification provides all the benefits of fabric first and renewable energy approaches, balancing capital cost to ensure development is viable, and that customers see a reduction in energy costs.



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