



**Abri**

Creating communities,  
empowering lives

# Environmental, Social and Governance (ESG) Report

April 2022-March 2023

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# 1. Foreword

## Welcome to our third annual environmental, social and governance (ESG) report.

The last year has seen some of the biggest economic challenges in recent times at both a global and housing sector level. Inflation, cost of living and the energy crisis have hit the UK hard, with consequences for households across the country – particularly those living in social housing.

The role of housing associations has never been so important. And yet, as a sector, we are facing unprecedented levels of scrutiny and questions about our core purpose, triggered by a steady flow of upsetting incidents involving sub-standard homes and cases of damp and mould.

We need to be open about our shortcomings and where we can and must do better. But we also believe we must better demonstrate our social purpose as housing associations, the positive impact we have on society and our mission to create inclusive, thriving communities that empower lives.

All of this makes the credibility of our approach to ESG reporting all the more important. Our ESG disclosures are a way to demonstrate our business health, resilience, performance and impact.

The creation of sustainable places and communities runs to the heart of our purpose as social landlords; we are in our communities for the long-term, and committed to building and managing homes that will last for generations to come.

Despite the financial pressures we face as a sector, we continue to commit to a pipeline of 10,000 new sustainable homes by 2030 and will invest £170m over the next four years improving our existing homes, reducing carbon emissions and improving energy efficiency. We are investing £15m in our communities by 2025.

We have a duty to respond to the climate crisis and make sure that we are managing climate risks. We firmly believe that the ‘challenge of a generation’ must now be turned into the ‘opportunity of a generation’, offering economic opportunity to previously disadvantaged communities as part of a ‘levelling-up’ agenda. This is not just about protecting customers from a threat, but about a fair and just transition that could also create a step change for communities.

We have made strong progress with our Environment and Climate Strategy, our Carbon Academy and biodiversity plan.



We continue to align our commitments to the UN Sustainable Development Goals and demonstrate our role in helping to achieve a better and more sustainable future for all.

We are reporting against the Sustainability Reporting Standard for Social Housing once again, promoting consistency and transparency across our sector. As promised last year, we have launched our Sustainable Finance Framework, to ensure we work with the right kind of funding partners and attract sustainable finance that is focused on environmental and social outcomes. And we are taking the initiative on climate risk disclosure reporting, moving to disclosure against the Task Force on Climate-Related Financial Disclosure (TCFD) and responding to guidance set out by the Investment Association.

We have adapted this year's reporting approach to be clearer about our ESG priorities and our forward-looking commitments, to help our customers and other stakeholders hold us to account on what we say we will deliver, while also providing a separate data performance sheet, giving quick and easy access to our disclosures.

But the road to sustainability is not one we travel alone – it is something we must do hand-in-hand with our customers, and partners.

Our alliance with four other housing associations as the Greener Futures Partnership continues to go from strength to strength, moving from strategy to driving best practice and leveraging our combined procurement, influencing and delivery power. We continue to work with our strategic partners, and our suppliers, to meet our shared goals.

And crucially, we will continue to seek approval and buy-in from our people and our customers. We hope our ESG approach helps bring all of our key stakeholders together around a shared vision.

## Gary Orr

Group Chief Executive Officer



## 2. Our ESG Dashboard

This report marks our third year reporting against a set of ESG metrics. This year we are enhancing the reporting approach by introducing a set of core, forward-looking KPIs that will enable customers, colleagues, funders and other key stakeholders to see and track our progress.

Our work in this area will continue to evolve so that we present a robust reporting dashboard tool that streamlines the disclosure process, enables all aspects of the business to encounter our commitments and to benchmark progress against the wider sector. The tool will enable easier reporting, more regular updating against targets and a clearer picture of where progress is being made and challenges are still outstanding.

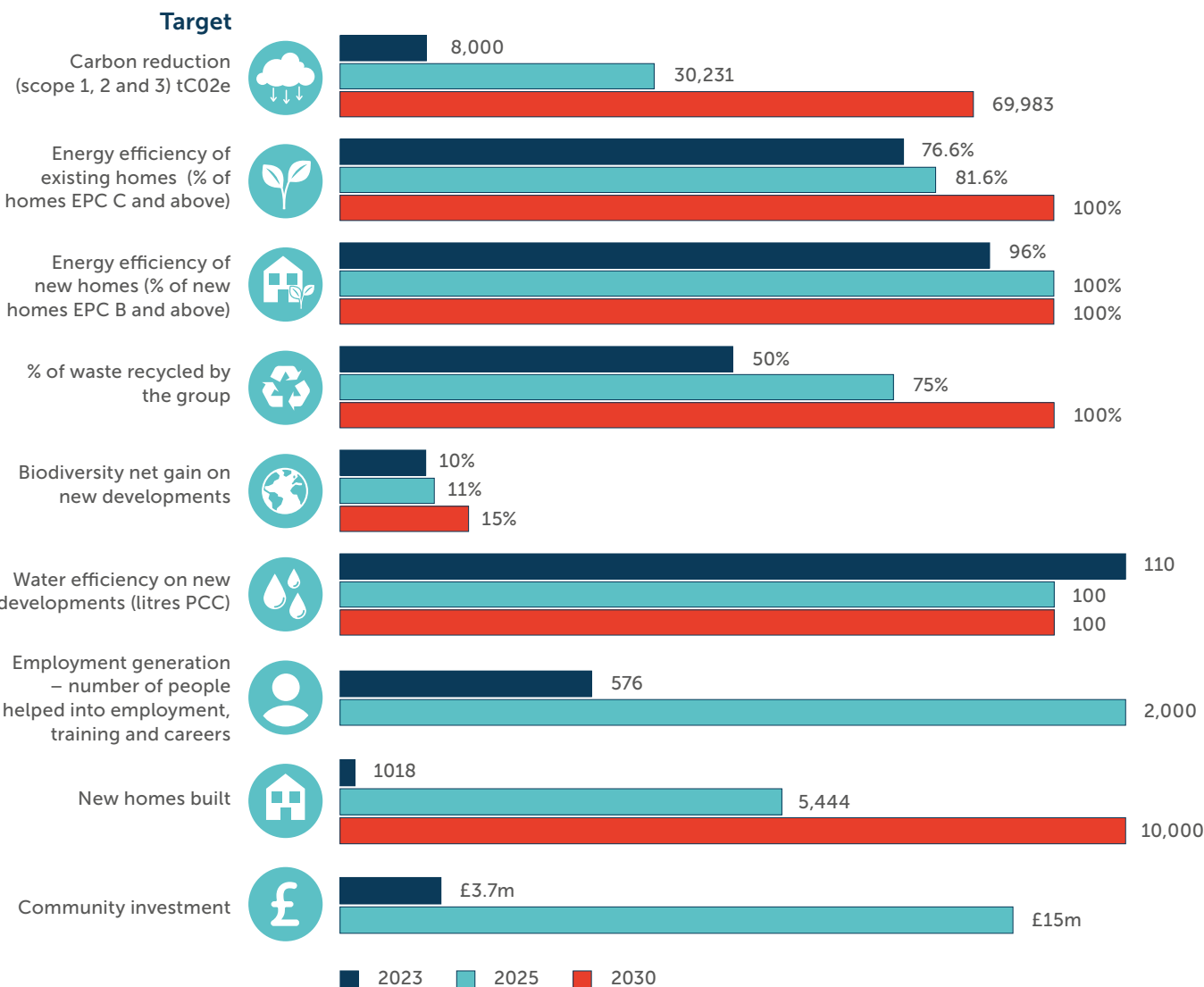


Customer Satisfaction

**TOP 10**

in the Sector by 2025, based on TSM performance.

  
Building safety compliance  
**100%**  
2023 / 2025 / 2050



# 3. About Abri

Abri is one of the South of England's largest not-for-profit housing providers, serving 100,000 customers across the region and with over 40,000 homes and assets.

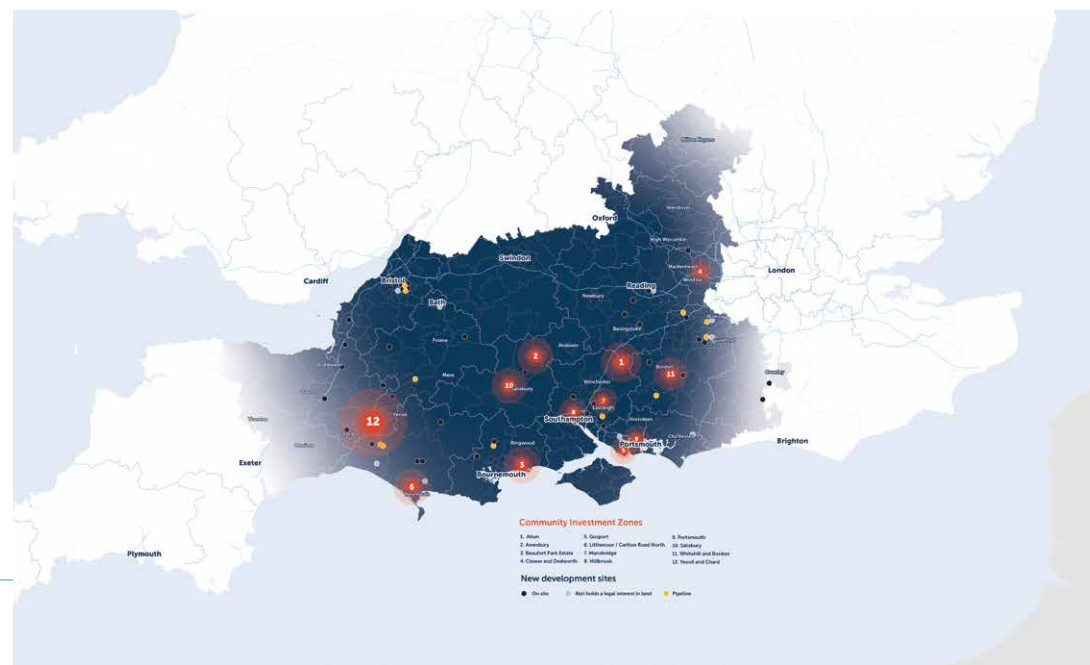
We exist to create thriving, sustainable communities with more opportunity for all. We're passionate about tackling the housing crisis and we're committed to building at least 10,000 new homes by 2030. We're investing £15 million in communities to increase employment, improve health and wellbeing, and empower people to take the lead where they live.

We work with 37 local authorities and 56 different parliamentary constituencies. As we grow, we want to re-establish our strong local presence, deepening our connection with our customers and communities.

The three Environmental, Social and Governance (ESG) strands are embedded in our corporate strategy and are part of everything we stand for: creating a sustainable future; empowering lives and creating thriving, inclusive communities; and managing our business to the highest standards.

These three core beliefs are driven by eight strategic priorities that shape our thinking, our actions and our identity:

1. Build more homes
2. Invest in our homes
3. Get really good at customer service
4. Create thriving communities
5. Making all of our communities more inclusive
6. Create a great place to work
7. Manage our business to the highest standards
8. Climate crisis: creating a sustainable future





## 4. Our ESG approach

We see ESG as a continual work in progress for businesses and investors alike.

ESG is moving at pace, becoming more embedded in corporate life through social and climate awareness, stakeholder activism, regulatory changes, and framework integration. It is also being shaped at a sector and organisational level in the way that we and other businesses interpret, apply, and demonstrate it.

We view ESG as a way to help bring our purpose as a housing provider to life while at the same time evidencing our performance, progress and impact on the communities that we serve. In addition, it provides a channel through which we can display our business resilience and ability to manage material risks.

This report is designed to tell our story, while drawing on a suite of frameworks and standards that bring a credible and robust approach to reporting.

The last year has seen us continue to evolve our reporting process. For the 2022/23 cycle, we are:

- **Developing our reporting against a suite of ESG reporting standards and frameworks**
- **Providing a separate data performance sheet that covers our various reporting standards to make our metrics accessible, transparent, and trackable, including: the Sustainability Reporting Standard for Social Housing (SRS), our sustainable finance framework, Task Force on Climate-Related Financial Disclosure (TCFD) and Investment Association guidance**
- **Defining our key ESG priorities**
- **Setting out a collection of forward-looking ESG commitments that enable our stakeholders to track whether we are doing what we have said we will do**

Our two key reporting frameworks – the SRS and our own sustainable finance framework – are both aligned with the UN’s Sustainable Development Goals (SDGs), a set of principles and blueprint for countries, businesses, NGOs, and other stakeholders to work together towards.

The SDGs were created to help achieve a better and more sustainable future for all, with 17 interlinked goals that focus on some of the world’s biggest issues including eradicating poverty and hunger, tackling climate change, and reducing inequality.

At Abri, we recognise the contribution we can make towards the SDGs through our positive impact on communities, our commitment to managing climate change risks and in how we influence others.



## Sustainability Reporting Standard for Social Housing

The Sustainability Reporting Standard for Social Housing (SRS) provides the core structure to this report. It is a sector-specific approach that offers housing associations a transparent, comparable and consistent way to conduct their ESG reporting, centring on 12 themes and 48 relevant criteria.

The SRS has been designed to align with seven of the 17 UN SDGs, as set out below.

We became an early adopter of the SRS during 2021 and we continue to take a proactive role in its development, including through a consultation taking place to set and shape version 2.0 of the Standard in 2023/24.

## Sustainable Finance Framework

Our Sustainable Finance Framework was launched in 2021/22, having been designed to align our sustainability strategy with our financial plan. It allows us to access green and sustainable funding to help deliver much-needed sustainable and energy efficient homes and to create thriving communities.

Underpinned by the UN SDGs set out below, it ensures the funding sourced is invested in the right places and that we are measuring the impact it's having on our customer and community outcomes. One of our commitments last year was to embed our Sustainable Finance Framework into our ESG reporting. This report does just that, providing key metrics from our finance framework so investors have greater insight into our sustainability activities.





## Sustainable Finance Framework (cont)

### Social

Eligible Projects	Response
<b>Affordable housing</b>	We own and manage 36,425 homes, of which over two thirds are for social and affordable rent. We delivered 1,018 homes in 2022/23, of which 99% (excluding JVs) are affordable tenures.
<b>Employment generation</b>	We supported 576 people into employment and helped 1,033 customers complete training for digital skills, job support and health and wellbeing.
<b>Socioeconomic advancement and empowerment</b>	Our procurement portal totals 5,625 firms, made up of 882 SMEs and 4,743 other companies. A number of community projects have launched thanks to our supply chain and social value fund, from creative workshops to support wellbeing, to apprenticeships and job offers from suppliers to Abri customers.  We are introducing new sustainability metrics through our procurement team to benchmark our supply chain on ethical considerations.

### Green

Eligible Projects	Response
<b>Green buildings</b>	971 new homes met our target of achieving an EPC rating of 'B' or 'A', in line with our long-term ambition.
<b>Renewable Energy</b>	We have completed 82 photovoltaic (PV) installations. We are scaling up delivery of PVs through our Wave 2 allocation of Social Housing Decarbonisation Fund.
<b>Energy Efficiency</b>	Our EPC improvements span 125 properties completed in 2022/23 at a cost of £2.156m.
<b>Clean Transportation</b>	We have in total 10 electric vehicle (EV) charging points across our corporate sites, including six connectors at Collins House and four connectors at Alvington.  We have a total of 25 cycle parking spaces across our corporate sites.  We delivered 96 EV charge points across new developments in 2022/23.

To see more on how we are performing against our sustainable finance framework commitments, [click here](#).



## Task Force on Climate-Related Financial Disclosure (TCFD)

The Task Force on Climate-Related Financial Disclosure (TCFD) is an industry-led group created to improve and increase reporting of climate-related financial information.

While TCFD requirements do not apply to our sector directly, they are now mandatory for the largest companies and investors in the UK, requiring the disclosure of climate-related financial information and ensuring they consider the risks and opportunities they face as a result of climate change.

Following a review of our readiness and performance against the TCFD we have this year moved to reporting and setting business-wide targets across our operations, managed portfolio of homes, transport activities, and supply chain.

We support the aims of the TCFD and believe that businesses should be transparent and clearly communicate the most significant climate-related risks they face. By identifying both physical and transitional risks we can better understand the impact of climate change on our business and our customers and factor mitigation plans into our business plans in line with TCFD requirements.

To see our TCFD disclosures, [click here](#).

## Investment Association Governance and Disclosure Guidelines

In November 2022, the Investment Association – whose 250 members collectively manage £10 trillion on behalf of clients in the UK and around the world – published updated guidance to the UK housing associations active in the debt capital markets.

The guidance stated that transparency is essential for issuers of securities in capital markets, including housing associations, as this has an impact on investor confidence, as well as on pricing in secondary markets.

As a housing association with a number of public bonds, we believe it is important to facilitate transparency where possible, meeting the needs of investors and responding to the IA guidance in the following areas:

- **Emissions data under Scope 1, 2 and 3**
- **% and location of properties with EPC ratings and estimated capital expenditure to reach EPC C by 2030**
- **Details on climate reporting - TCFD / Net Zero by 2050**
- **Prior year benchmarking**
- **% of tenants on Universal Credit**
- **Customer satisfaction - age, ethnicity of complainant (discrimination)**
- **Gender and ethnicity breakdown of employment / pay gap**
- **Qualitative discussion on social impact and effort to support tenants**

To see how we are performing against IA guidance measures, [click here](#).



# 5. Environmental

We have made good progress on our environmental commitments in 2022/23, from putting our Environment and Climate Strategy 2022-26 into action and setting targets on climate change risk in alignment with TCFD, to taking tangible steps to become a greener business and integrating sustainability with social outcomes.

## Key highlights

- First ever Environment & Climate Change Strategy published
- New Sustainability Steering Group launched to drive the Environment & Climate Change Strategy forwards
- Biodiversity Action Plan launched
- Collaboration with largest suppliers on scope 3 emissions
- Sustainability built into induction programmes for all new staff
- 2022/23 carbon reduction target exceeded
- Inaugural year of reporting





## Case study

# Greener Futures Partnership accelerates with grant funding and frameworks

The Greener Futures Partnership (GFP) has continued to demonstrate the power of partnership in addressing the climate crisis. The consortium of five housing associations, which we co-founded along with Anchor Hanover, Home Group, Hyde and Sanctuary, represents 600,000 customers in 300,000 homes across the UK, all joining forces to decarbonise their housing stock.

Working with HACT, we have developed a social value framework specifically for retrofit. The GFP used this tool to assess the social value attributed to the £40m in funding we secured from the Social Housing Decarbonisation Fund (SHDF) to retrofit over 5,000 homes and launched a £1.5bn retrofit contractor framework.

The funding from the Department for Energy Security and Net Zero is the third highest allocation at £40.4m. It now means the GFP can start its 2.5-year retrofit project. The partners

plan to retrofit 5,495 homes with a total planned investment of over £102m, increasing Energy Performance Certificate (EPC) ratings of homes at scale, while also reducing carbon emissions and stabilising customer fuel bills.

The procurement framework meanwhile draws on the strength of the partnership, combining purchasing power and knowledge to overcome one of the sectors biggest challenges: procuring services and goods against a backdrop of soaring demand and supply pressures. The framework, led by us as a founding member, will span a total of seven years: an initial four-year term with an option to extend for a further three, to enable delivery of the works supported by SHDF. It is open to all contracting authorities in England, Wales and Scotland with up to 120 places available across solar PV, heat pumps, insulation, window installation and more.

The GFP has become a leading voice in the sector on sustainability, raising awareness on the issues facing the sector as we transition to net zero, as well as commissioning major research strands assessing retrofit solutions and the wider social impact of improving the energy efficiency of existing homes.



## Theme

# Climate Change

Responding to the climate crisis is one of the pillars of our refreshed 2022-26 corporate strategy. In short, the climate crisis demands we act to protect our customers and business. We're committed to playing our part in achieving the Government's 2050 net zero target and recognise the huge impact the social housing sector can make.

During the first year of operation for our new Environment & Climate Change Strategy, we have created a new Sustainability Steering Group which draws members from across the business to update and report back on activity across all key departments. A dedicated workplan is being tracked to ensure that first year targets are delivered and to register future initiatives and goals.

We hit our carbon reduction target of over 2,000 tonnes saved during the year and continue to power towards being net zero for Scope 1 and 2 emissions by 2030. In 2023/24, we have committed to reducing our carbon impact by a further 8,000 tonnes.

Along with direct responsibility for reducing carbon emissions of our homes, we work closely with organisations and peers across the housing, building and construction sectors to meet the challenges and opportunities of decarbonising the UK housing sector as a whole, as well as building the net zero carbon homes of the future.

This also means helping our customers and colleagues with the lifestyle and behavioural shifts that support long-term change. We want to make sure we use our reach to influence wider societal change by encouraging and working alongside our 100,000 customers and our 1,500 colleagues to reduce their carbon footprint.

We held a series of sustainability events across the business to introduce the strategy to our colleagues, improve understanding of what is trying to be achieved and to encourage 'buy-in' to deliver together on the strategy's ambitions.

We are looking at the next iteration of our Living Well initiative, which launched in 2022 and is a research-based campaign that aims to make positive climate action accessible to everyone. During phase 1, we surveyed 2,000 people to help us understand how we can empower our customers, communities and colleagues to tackle climate change in their everyday lives.

The last year saw us refocus towards a cost of living survey in which customers reiterated that improving energy efficiency should be Abri's number one priority.

To transition our business to net zero, we also need to transform our own operations but also drive systemic change beyond our own business. We cannot deliver our climate ambitions in isolation, so we're working closely with our supply chain partners, encouraging them to reduce their emissions by adopting science-based targets.



	kWh Energy Consumed YTD				tCO2e Emitted YTD				Intensity ratio
	Electricity	Natural gas	Transport	Total	Scope 1	Scope 2	Scope 3	Scope Total	
2022-2023	8,455,024	10,392,806	7,955,502	26,803,332	4,276	1,441	183,772	189,489	118.4
2021-2022	9,384,870	13,277,640	7,465,105	30,127,614	3,923.4	1,780.9	444.7	6,148.9	4.28
2020-2021	1,413,506	19,373	5,684,360	7,117,239	1,394.6	361	-	1,755.6	1.2
2019-2020	1,461,013	22,747	7,023,005	8,506,765	2,139.0	373	-	2,512	2.0

## SECR and scope emissions

We have significantly improved our understanding of our Scope 3 emissions, resulting in the sizeable increase this year. More clarity has come about by working with our supply chain to add much more granularity of attributed emissions as well as a wider understanding of all the clear categories of emissions.

Our research has shown us that our supply chain represents 18.4% or 25,000 tCO2e of our total carbon footprint. We are initially working with our top three suppliers to encourage direct investment in carbon reducing initiatives to lower our overall footprint.

Our Streamlined Energy and Carbon Reporting (SECR) data shows our scope 1 and 2 greenhouse gas emissions generated by energy use from our offices, depots, and operation of our vehicle fleet. This is our fourth year of reporting under SECR.

## Engaging residents on climate change

We are very aware that we cannot mitigate our impact on the environment without the help of our customers. Many of our residents care deeply about the environment, but we need to do our bit by ensuring each and every resident feels informed and supported in making their homes warmer and cheaper to run, with support around correct ventilation and damp and mould mitigation, along with recycling.

In Southampton, we are piloting a new approach to applying sustainability initiatives. The process involves surveying residents on key sustainability issues, for example on waste and recycling, with a view to improving the facilities provided, encouraging behaviour change and finding out the barriers and opportunities towards increasing recycling rates, increasing participation and driving down waste volumes.



## Managing and mitigating climate change risk

Our group board is ultimately responsible for responding to climate change and meets at least five times each year. Climate change exists as a risk on Abri's Enterprise Risk Register, which is reviewed quarterly by the group board. Our director of assets and sustainability has responsibility for the implementation of our Environment & Climate Change Strategy. Elements of the strategy are then collectively owned by the Executive Board, which reports to group board.

Within our Environment & Climate Change Strategy we have committed to conducting climate scenario analysis, in line with TCFD requirements, which will quantify the risks associated with different future outcomes, reflecting the complex nature of climate change.

The strategy also sets out the steps we'll take to transition to a low carbon economy, including reducing our emissions from our own operations to net zero by 2030 and becoming net zero across Scope 1,2 and 3 emissions by 2050.

Setting targets and metrics in line with the TCFD will ensure transparency and allow Abri to clearly communicate progression against our goals.

Internally, they will help the understanding and management of our climate-related risks throughout the business and governance structure.

Abri has recently purchased access to a housing software database that allows modelling of homes against a whole range of factors, including climate risks.

Initial assessments are showing a low risk associated with flooding, but more work will take place in the year ahead to assess each geographical area and to ensure that this is integrated into our own asset database in future.

According to Arup, as much as 98% of UK housing stock will be at risk of overheating on a semi-regular basis based on the current climate change trends (of 2.7 degrees of warming). This is leading to some related thinking around solutions and areas of mitigation for both new build and existing properties. Alongside flooding issues, we will continue to consider our response to these complex issues.

To see the work we've done so far to map out the transition and physical risk, [click here](#) and visit our data performance document.

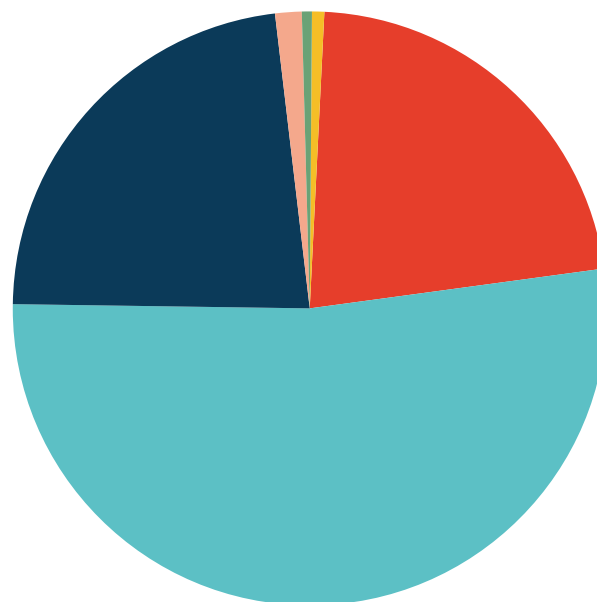


## Making our existing homes more energy efficient

We completed a retrofit pilot programme last year that resulted in 125 homes retrofitted to EPC band A, B or C. The results have shown a 40-60% reduction in home energy consumption and more than half the carbon emissions through the use of renewable technology. This has included installation of solar panels, smart water heating, improved ventilation and draft proofing, and additional insulation.

Following a successful joint bid to the Social Housing Decarbonisation Fund through the Greener Futures Partnership (GFP), we have secured funding to retrofit even more customer homes, to at least EPC C, over the next two and a half years.

We will be using 2022/23 as the baseline for our EPC ratings across our homes, after system integration led to a difference in data year-on-year. We continue to enhance our EPC data and expect to see progressive moves of properties achieving EPC C or above.



EPC Band	% of Stock
A	<1%
B	22%
C	51%
D	23%
E	3%
F	1%
G	<1%
No band	5,155

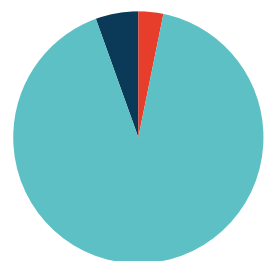
Through a planned works programme, 750 new Quantum heating systems were installed in existing homes which provide customers with a low-cost, low-carbon, electric heating system.

We continued to upgrade the lighting across communal areas in blocks of flats and schemes. At Byron House, one of our largest blocks, lighting was upgraded to LED units which will see a saving of up to 38 tCo2e per annum.

In accordance with the Energy Savings Opportunity Scheme, we have commissioned assessments across 13 communal areas in blocks of flats and schemes and three corporate sites to identify cost-effective energy saving measures. At Abri's community cafes, food waste is kept to a minimum and where possible it is recycled locally.

## Building energy efficient homes

Building new homes in a way that is mindful of the environment and smart in design is really important. Of the 971 new homes we built in the year, 94% were either EPC A or B.



**EPCs of our new build homes**

● A	29	3%
● B	942	93%
● C	47	4%
Total	1018	

We are continuing to utilise Modern Methods of Construction (MMC) when building new homes. We delivered 35 new homes using MMC in 2022/23, adding to the 89 MMC homes delivered in 2021/22. We're also continuing our work with the Building Better national consortium, a National Housing Federation-backed strategic alliance of 29 housing providers and local authorities that helps achieve more benefits from the use of MMC, from design to data.

## Helping customers keep their homes dry and warm

We have produced a programme of communication materials that give our customers information about correct ventilation and heating.

This includes bespoke literature we print and leave with customers about how to prevent issues in the home after they've had a damp and mould wash, along with advice in the form of web content, videos and articles in our customer magazine.

We've used our segmentation and regional trends data to target damp and mould communication in addition to linking to additional content available on the My Abri web portal. Our ventilation provider Envirovent will also be attending residents' meetings.

Customers can find information about heating homes and different energy sources available to them on the My Abri web portal. We are also trialling new tech at schemes, allowing customers who have a personal supply of energy via a heat network or building management system to have better visibility of their consumption.





## Theme Ecology

As an organisation that owns and manages more than 40,000 homes and assets and builds around 1,000 homes per year, we have a responsibility to protect the natural environment.

Supporting biodiversity and regenerating nature plays a significant role in enhancing social inclusion and improving physical and mental health, and is critical to tackling climate change. It is therefore part of a holistic approach to reducing Abri's impact on the environment.

Having committed to adopting the Task Force on Nature-Related Financial Disclosures (TNFD) framework, which will support businesses to report and act on nature-related risks, we continue to actively monitor its progress.

We have produced a new Biodiversity Action Plan that is designed to utilise the footprint offered by our 35,000 homes to protect the UK's ecosystems and wildlife for the benefit of our 100,000 customers and the communities in which they are housed.

The plan covers three distinct areas of business activity:

- 1. Management of the existing estate**
- 2. Creating space for nature in new developments**
- 3. Involving communities in protecting biodiversity**

Abri currently manages more than 1,500 sites across the south of England. These vary in size from single strips of grass outside a living room window, through to hedges and formal gardens and extending to significant parcels of land with huge biodiversity value.

Harnessing our existing enthusiasm for nature and working in partnership creates massive opportunity for staff, customers and the wider public to protect the environment. We will maximise nature-based solutions that protect, sustainably manage or restore natural ecosystems through our own land use and by recognising the dependencies on biodiversity throughout our supply chain.

We've continued to build Biodiversity Net Gain (BNG) assessments into all new developments ahead of full implementation of the legislation during 2023 and are setting BNG targets that go further than the 10% requirement. Promoting biodiversity and green spaces is also an integral part of our design brief toolkit.

We continue to work on a strategy to actively manage and reduce all pollutants. All waste from construction sites is monitored and managed through its construction waste management plan and disposed via an authorised waste management carrier.



## Theme

# Resource Management

## Building materials: responsibly sourcing and waste management

We continue to scope opportunities with our supply chain on biodiversity, waste, water and community projects, with further progress being sought for the year ahead.

We have several supplier relationships with waste providers across our geography. We expect all suppliers to remove waste in a responsible way and we assess this through the due diligence process when selecting suppliers. We are also able to migrate to an alternative supplier if the supplier does not meet our requirements from both a service and responsibility viewpoint.

As part of a live project to re-tender waste requirements, we are planning to consolidate suppliers into one segmented agreement covering different areas such as: general home waste, recycling home waste, complex waste, community items, construction site waste, green waste, valuable waste, confidential waste, house clearing and asbestos.

This will help ensure a higher level of service from suppliers while allowing smaller specialised companies to also bid on specific areas, encouraging competition in the market and SMEs to engage.

This project is a critical and exciting piece of work to support our sustainability strategy and any future waste management strategy. It will enable us to build robust contracts and clear key performance indicators, with regular review meetings that ensure we are making positive progress and minimising environmental impact. The partnership aspect to the approach also helps all organisations achieve their sustainability goals for the benefit of the planet.

Through positive contract management, we work with our wider supply chain to embed sustainability principles where possible, including greener alternatives, encouraging reuse and recycling.

We are in the process of putting in place a new matrix to support our sustainability goals. This matrix will be weighted

relative to the requirements of the project and evaluated during the procurement process, to form part of the overall quality score. It will also form part of any future contract, so we manage suppliers with clear key performance indicators and regular review meetings to help ensure we are minimising negative environmental impact. This also supports a partnership approach that helps all organisations achieve their sustainability goals for the benefit of the planet.

We are currently designing specifications which include details of the specific service areas so that through tenders we can assess quality of service, price, environmental impact and social value.





## 6. Social

The 'Social' element of ESG sits at the core of our purpose as a non-for-profit housing association, from delivering truly affordable homes to creating jobs and training opportunities in our communities and providing financial support to residents during the cost of living crisis.

### Key highlights

- 1,018 new homes built, of which 99% were affordable (excluding JVs)
- 12,413 stock condition surveys undertaken
- 100% of homes meet the Decent Homes Standard
- 100% of homes have in-date gas safety and compliant fire risk assessment (FRA)
- c.£3.4m of annualised income provided to customers through ongoing review of benefits with customers
- 576 people supported into employment
- 1,150 fuel vouchers issued to customers
- 484 food parcels delivered to customers





## Case study

# Protecting our homes from damp and mould

**Damp and mould is a critical issue for the social housing sector and we have been undertaking a pro-active programme to address it head-on.**

From 1 April 2022 to 25 April 2023, our specialist contractor Ridge completed 12,413 stock condition surveys, identifying 18 category 1 damp and mould cases and 142 category 2. The 18 cases represent 0.1% of properties surveyed. The surveys completed are offering us the assurance that our proactive approach to asset management is helping to keep our customers in dry, warm and safe homes.

We are working in partnership with specialist damp and mould firms that provide us with recommendations to rectify damp and mould problems. This often involves installing new and improved ventilation systems.

Last year we adopted a 'see something, say something' approach to empower all our colleagues to report any concerns about the condition of a customer's home, including any issues with damp and mould which are passed directly to our quality assurance team and acted upon as a priority. Some of our gas engineers have also been taking photos of kitchens, bathrooms and other areas that damp and mould could affect. This means an extra pair of eyes on the ground and is something we're rolling out across all our homes so that at least once a year, we will have inspected as many properties as possible for damp and mould.



## Theme Affordability and Security

**At Abri, we believe that everyone has the right to a safe and warm home.**

We own and manage 36,425 homes, of which over two thirds are for social and affordable rent.

The cost of living and energy crises are hitting lower-income households the hardest, and a central part of our role as a housing association is to support our customers.

As energy bills continued to rise, we worked to help our customers feel comfortable at home and made available resources to help. We issued 1,150 fuel vouchers to our residents in 2022/23.

A third of all Abri customers claim Universal Credit (UC), with 43% of people in social rented (general needs) claiming UC.

A secure tenancy gives people security and enables them to find and retain employment, access local support networks and services and thrive in their community. We stopped issuing seven-year, fixed-term tenancies in April 2021, and now offer life-time tenancies. While we still have fixed rate tenancies on some existing homes, we no longer have them for any new lets.

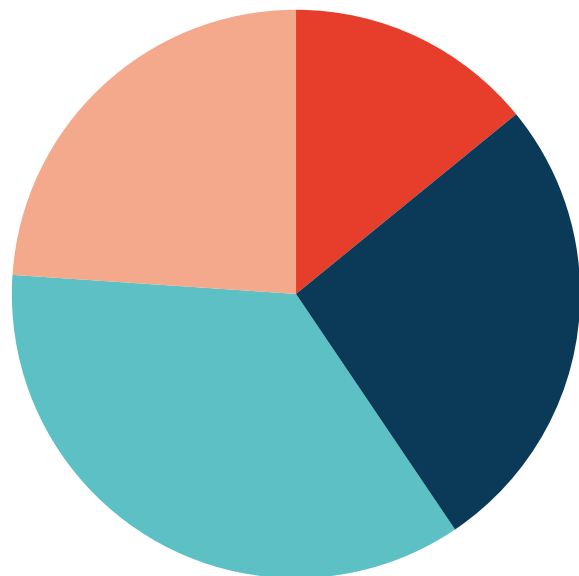
### Our existing homes by type and tenure

	31/03/2023	%	FY23 Add.
General needs (social rent)	21,321	58.3	129
Intermediate rent	1,476	4.1	0
Affordable rent	3,682	10.1	276
Supported Housing	3,249	8.9	0
Housing for older people		0.0	
Low-cost home ownership	3,771	10.4	370
Care homes	112	0.3	0
Private Rented sector	407	1.1	0
Other	2,407	6.6	243
	<b>36,425</b>		<b>1,018</b>

Despite the economic headwinds and greater financial pressures facing housing associations and their residents, we remain committed to building more affordable homes of all tenures and helping to tackle the housing crisis. We see building new homes to help reduce housing waiting lists and homelessness as a core part of our social purpose.

During 2022/23, we completed 1,018 new homes of which 99% were for affordable rent or shared ownership (excluding JVs), we secured plots for a further 914 new homes for our development pipeline. This compares with 850 new homes in 2021/22, of which 700 were for affordable rent or shared ownership, the remainder were for open market sale.

## New homes built in 2022/23



● General Needs - Social rent	129	13%
● General Needs - Affordable Rent	276	27%
● Low-cost home ownership - S/O	370	36%
● Other	243	24%
<b>Total</b>	<b>1,018</b>	

In spite of ongoing economic pressures, we will build 10,000 new affordable homes by 2030 with an additional investment of £1.7bn. This is being achieved through our Strategic Partnership with Homes England, a move towards land-led opportunities, and regeneration of existing estates.





## Theme

# Building safety and quality

**We'll never compromise on our purpose to provide warm, safe, and decent homes.**

At the time of reporting, all of our homes with a gas appliance had an in-date, accredited gas safety check, while 100% of buildings have an in-date and compliant FRA.

All of our homes met the Decent Homes Standard for England.

Our Building Safety Strategy has delivered £5.6m of investment in fire safety enhancements. Over the next five years, we'll invest £29 million in building safety including cladding remediation and wider safety enhancements across our blocks of flats and schemes.

As set out above, we are undertaking a whole-scale review of our stock through a programme of stock condition surveys. This programme has already helped us identify potential issues before they are spotted by our customers, and before they cause a potential problem in their homes. This programme of pre-emptive action will continue throughout 2023/24.



## Theme

# Customer voice

**Across the social housing sector, relationships between housing associations and their customers are being revisited, refreshed and re-set.**

Here at Abri, we work from the inside out, listening to our 100,000 customers on the challenges they face in their communities, and those which we face as a business, to build solid foundations that helps us to deliver a good service. While we may not always get it right first time, we are committed to delivering a really good service and becoming top 10 for customer satisfaction in our sector.

Our Voice of the Customer (VOC) framework lies at the core of this approach, with three dedicated committees – Thriving Communities, Safer Lives and Know your Customer.

Our Resident Scrutiny Group meets on a monthly basis and receives regular updates from the business on key areas of resident interest, including sustainability. Abri employees attend these meetings to provide updates on their work, answer questions and listen to feedback.

The group also undertakes a programme of in-depth reviews into priority areas identified via customer consultation. To date these include repairs, sustainability, anti-social behaviour, communication, planned maintenance and complaints. From these reviews, the resident scrutiny group makes recommendations for improvements that are then delivered by the business and formally tracked to ensure they are completed as required. The resident scrutiny group also meets with the group board for a co-regulation event where they present their work for the year, talk about key concerns with the group board and share their experiences of Abri. To date, this has been an annual event but will move to twice yearly during the 2023/24 financial year.

In the 12 months to 31 March 2023, we received 4,484 stage 1 formal complaints, of which 598 (15%) were escalated to stage 2. During the period, 25 customers decided to escalate their complaint to the Housing Ombudsman Service. This represents 0.6% of Abri's complainant customer group.

The Ombudsman asks providers to submit an investigation pack for review in each case and can take a number of months to return a decision to the provider.

A total of 14 investigations were completed by the Ombudsman, of which six (43%) were upheld. This means they were either found to be a maladministration (service failures, maladministrations, severe maladministration) or partial maladministration.

In each case, where an Order or Recommendation is made, we consider any learnings which can lead to a change of practise. These learnings are considered in the round with wider service improvements identified through Root Cause Analysis of all complaints received.



## Theme

# Customer Support

Community investment runs to the heart of our mission at Abri, supporting our customers wherever we can and helping them to thrive. 2022/23 marked year three of our five-year £15 million community investment strategy, focusing on employment, empowerment and health and wellbeing activities in our most deprived areas.

During another tough year for households across the south-west of England, we:

- Issued around 1,150 fuel vouchers to customers struggling to pay energy bills
- Secured c.£3.4m of annualised income through ongoing review of benefits with customers
- Wrote off £99k of rent to support 249 customers experiencing hardship
- Supported 172 households with white goods and furniture, which prevented £337K of appliance poverty
- Received 8,700 referrals for tenancy support including benefits, food vouchers/parcels, fuel vouchers, support with white goods/furniture, and hardship

- Provided 968 food vouchers to customers
- Supported 123 families through the provision of meals for children (Good Grub Club)
- Provided 484 food parcels for customers
- Set up two permanent community pantries in our cafés to provide discounted items to around 400 members
- Delivered 95 interventions with 3,726 attendees covering a wide range of health and wellbeing subjects
- Generated £146k of external funding from schools and local authorities
- Supported 576 people into employment or securing a better role
- Provided volunteering opportunities totalling 4,366 hours of work experience and training through community cafés
- Helped 1,033 customers complete training for digital skills, job support and health and wellbeing

## Employment and training

Our Employment Support Team help coordinate a variety of initiatives to support people into employment.

Initiatives have included our Create Self Employment Course, helping people launch their own businesses; Inspiring Futures, which delivers clear and informed careers advice for 11-19 year olds and their parents or carers in 14 schools across south Somerset; and Abri Work Academy, helping to connect people with employers to find out about opportunities in their area.

Our Employment Support Services have a simple mission to give people the confidence and skills to find a job, start their own business or get the training and support they need to take the next steps. It's all about helping people feel financially secure and independent.

We've already helped more than 2,000 people, but before 2025 we're going to help at least 2,000 more by:

- Working with local employers.
- Encouraging people to work in our sector. Housing is fantastic. There's loads of jobs for people with all interests and skills.
- Working with schools, colleges and universities to create training, job and apprenticeship opportunities.
- Creating new products and services



## Case study

# Turning an idea into a business

Our award-winning Create course was a free self-employment training programme that helped people turn an idea into a real, successful business. It ran until the end of March 2023 with four workshops through Microsoft Teams and covered everything from initial research to formulating a business plan. Create is part of Project Increase VS, which aims to tackle unemployment by supporting people into work and a sustainable pipeline of small businesses in 38 neighbourhoods, benefiting local economies and households, creating up to 1,200 new businesses and helping a further 2,000 into work.

Participants got:

- **One-to-one mentoring**
- **Access to a business club**
- **Additional training workshops and live audit workshops**
- **Core connection support bubbles**
- **A private Facebook group**
- **Opportunities to sell and promote your products at marketplace stalls organised by Abri**
- **Opportunities to become a Create Ambassador or Mentor and deliver a workshop**

Participants learned how to:

- **Research their market**
- **Do financial forecasting, taxation, insurances and legal issues**
- **Market and brand themselves or their business**
- **Produce goods and supply them to businesses**
- **Create an effective business model**
- **Present their business to an audience**



## Theme Placemaking

Partnership working has been critical in delivering place-based initiatives, from addressing anti-social behaviour (ASB), securing funding, delivering interventions that address local needs, supporting customers with the cost of living crisis to contributing to local strategies.

**In Millbrook**, we developed a Youth Activities Partnership in response to youth related ASB, which resulted in Southampton City Council asking us to work with the partnership to design and implement projects on the estate using £120k home office funding. We worked together for the first round of the funding to deliver a response to Halloween disturbance (based on last year's incidents), developing a coordinated set of activities at different community venues, alongside a general community and police presence resulting in a 60% reduction of ASB incidents compared to last year with over 800 people engaging in the activities on the day.

**In Gosport**, we played a leading role in establishing and contributing to strategic partnerships, fostering a collaborative approach. We've helped drive the Gosport Food Partnership and are now chairing the Sustainable & Wellness,

Eating & Living (SWEL) Working Group. We are engaging the community to make sure their voices are heard alongside partners in a Food Charter that supports affordable food provision in Gosport.

**In Portsmouth**, Our partnership working played a key part in reducing crime in April Square, through a collaboration with the police and Crime Commissioners Office, Portsmouth City Council, Vivid, Home Group and local residents. Funding was secured through the Safer Streets programme, enabling the closure of alleyways that were used as a route to evade police detection and a hotspot for fly tipping. The area is looking cleaner and tidier with a visible reduction in fly tipping. Many residents have been commenting on the improvement, highlighting the power of collaboration on a localised level.

Our partnerships have also supported our transition of reducing CI resources in Portsmouth to enable us to focus in other areas. Pooling funding from other partners ensured continuation of work we had delivered and therefore had minimal impact on the community.



# 7. Governance

Strong governance and oversight underpins everything we do at Abri, from ensuring we meet regulatory requirements, promoting equality, diversity and inclusion to managing our supply chain effectively.

## Key highlights

- G1/V1 highest regulatory ratings retained
- Median Gender Pay Gap of 3.9%, down from 9.8%
- Real Living Wage payer
- Board make up:
  - 25% BAME
  - 58% Female
- 80% of board members are non-executive directors
- Wellbeing Strategy at heart of our culture
- Average number of sick days was 10 in 2022/23





## Theme

# Structure and Governance

Abri Group Limited is a Community Benefit Society and not-for-profit housing association, registered with the Regulator of Social Housing (RSH). We are pleased to be given the highest possible G1/V1 ratings from the Regulator of Social Housing for both governance and viability, along with our strong Moody's A3 credit rating. We subscribe to the National Housing Federation's (NHF) 2020 Code of Governance.

The Abri Group Board has ultimate responsibility for establishing and maintaining a group-wide control framework from which each entity board is able to review the effectiveness of those controls. This control framework is designed to manage and reduce the risk of failing to achieve business and strategic objectives and to provide reasonable assurance, albeit we appreciate no system of internal control provides absolute assurance nor eliminates all risk. Each board retains responsibility for the internal control system, but delegates responsibility to review its effectiveness to the Audit and Risk Committee.

In addition, the Group's internal control framework is designed to give reasonable assurance on the reliability of financial and

operational information, the maintenance of proper accounting records, and the safeguarding of assets, all of which are integral to the achievement of our Group strategic objectives. It focuses on the significant risks that threaten our ability to meet our objectives, effective customer outcomes (including their safety) and the safeguarding of assets.

The Group maintains a risk register, and this is formally reviewed on a quarterly basis, but is subject to continuous update as the risks evolve. A quarterly risk report is provided to the Executive Board, the Group Board and the Audit and Risk Committee. An emerging risks register is also maintained, looking at both threats and opportunities and reported on to the Executive Board, Group Board and Audit and Risk Committee.

Horizon scanning incorporates sector and non-sector specific intelligence sources and extends out over a 25-year time horizon. Risk events are also reported and studied;

where risks have materialised for the business they are subject to root cause analysis and control weaknesses are addressed.

We stress test the business plan to understand the sensitivities of the plan (and our corporate strategy) to changes in underlying assumptions. We have also modelled scenarios to assess the long-term impact of our decisions on the business. When forming the scenarios to stress test, we consider multiple factors including our operating environment, the sector risk scorecard, our risk-register and advice from risk and treasury advisors.

### Housing Ombudsman Judgement, March 2023

Abri received a severe maladministration judgement from the Housing Ombudsman (HO) in March 2023. The customer went through Abri's complaints process and Abri upheld the complaint and offered an apology and compensation, however the customer subsequently referred the matter to the HO. The matter has been disclosed through Abri's governance structure and a notification has been made to the Regulator of Social Housing.

**Theme**

**Board and Trustees**

The maximum tenure for Board members is typically up to six consecutive years, comprising two terms of office. However, where a member has served six years, and the Board agrees that it is in the organisation’s best interests, their tenure may be extended up to a maximum of nine years. The average tenure of our Board in 2022/23 was 4.5 years. This figure includes a current co-optee to the Board, one full Board member’s previous tenure as a co-optee, and a Board member who left Abri at the end August 2022.



**Gender:**

	2022/23	2021/22	2020/21
Female	7 (58%)	8 (62%)	7 (58%)
Male	5 (42%)	5 (38%)	5 (42%)

**Ethnicity:**

	2022/23	2021/22	2020/21
BME	3 (25%)	3 (23%)	1 (8%)
Non-BME	9 (75%)	10 (77%)	11 (92%)

**Age:**

	2022/23	2021/22	2020/21
<44 years	3 (25%)	3 (23%)	3 (11%)
45-64 years	7 (58%)	9 (69%)	7 (67%)
65+ years	2 (17%)	1 (8%)	2 (22%)

**Disability:**

	2022/23	2021/22	2020/21
No disability	11 (92%)	12 (92%)	7 (100%)
Disability	1 (8%)	1 (8%)	0

In total, 80% of Board members are non-executive directors. The roles of the chair of the Board and CEO are held by two different people.

Our audit committee includes Joanna Makinson, who is currently chief finance officer of GreenSquareAccord and previously finance director at United Communities, having qualified as an accountant in Pricewaterhouse Coopers' public-sector team. Simon Porter is a qualified chartered accountant with over 30 years' experience in the financial sector specialising in audit, transaction support and risk management. Kevin Williamson is an experienced executive and non-executive in public and not-for-profit sectors, including roles in HM Treasury, the Cabinet Office and the Financial Ombudsman Service.

Our chief executive is a member of the committee responsible for nominations and remuneration (People and Culture Committee). This decision was taken because he has the requisite skills to contribute to the wider remit of the committee, which also focusses on organisational culture and equality, diversity and inclusion. We make this declaration in our annual report and accounts. In 2022-23 the Group Board resolved to approve the succession plan.

The last independently run Board effectiveness review was conducted throughout Q3 2021-22 by Savills, with the final report received January 2022.

## Handling conflicts of interest

We have a robust conflict of interest policy which acknowledges that the operation of a Group combined Board arrangement carries an increased risk of conflicts of interest arising amongst Board members when making decisions. The policy aims to address these concerns and to demonstrate integrity and transparency in the Group's governance arrangements by setting out:

- **Where Group combined Board arrangements are present in the Group's corporate structure and the reasons for operating a Group combined Board;**
- **The duties and expectations that are applicable to Board members when acting on the Group combined Board;**
- **The difference between an 'interest' and a 'conflict', and the consequences of each on the Group's decision-making processes, including the process that the Group combined Board will follow in the event a conflict arises that cannot be resolved; and the practical arrangements put in place by the Group to manage these issues.**





## Theme

# Colleague Wellbeing

Our Wellbeing Strategy runs to the heart of our culture and we remain committed to creating and nurturing a safe and welcoming environment for everyone across Abri.

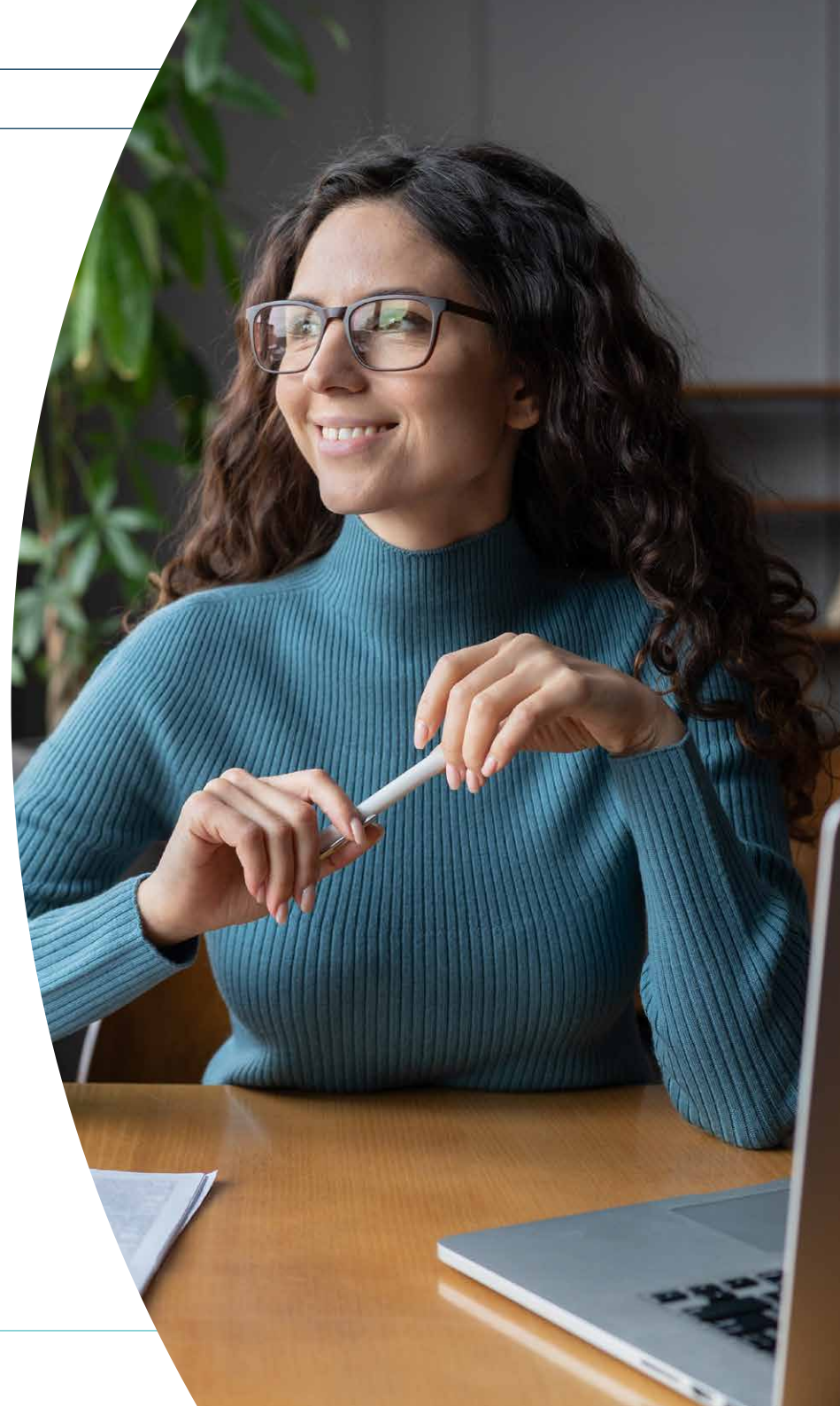
The cost of living crisis has affected our customers and colleagues alike. This year saw us run financial wellbeing webinars, along with guidance and information on how to take proactive steps to improve health and wellbeing. We provide a range of resources and support to colleagues, including Mental Health First Aiders, Occupational Health support, an Employee Assistance Programme and flexible ways of working.

Our 'Elephant in the Room' sessions enable colleagues to share experiences and learn about personal and sometimes sensitive subjects. An Occupational Health Adviser works with Occupational Health Doctors and HR to assist colleagues with their health and wellbeing. They also have responsibility for health surveillance for colleagues using machinery or anyone at higher risk.

Colleagues also have access to a wide range of online courses, workshops, fitness classes and offers through the wellbeing centre on ROAR (our Rewards, Opportunities and Recognition portal) and through LEAP (our Learning, Educations and Performance platform).

Our Health, Safety and Wellbeing team continue to protect the health and safety of colleagues and customers through risk assessments, guidance on illness, PPE, managing stress, accidents/first aid and safe working practices.

The average number of sick days was 10 per year in 2022/23. This can be broken down as 5.4 short-term and 4.6 long-term sick. In 2021/22, the average sick days taken by staff was 10.6 per year.



## Pay

Part of our Inclusion and Belonging report and our focus on EDI includes fair pay. We work closely with ConneXus, our team of colleague representatives, to make sure we address the gender pay gap and ensure we have equal opportunities in the organisation. Abri has a proactive Gender Pay Gap reduction plan. This is approved by our EDI Committee and its delivery is formally tracked through our governance structure.

Gender Pay Gap reporting and associated remedial activity is high-profile within the business and is in the direct eyeline of the Group Board. Abri has very recently acquired software that allows the regulatory reporting of organisation-level pay gaps to be supplemented with additional actionable data at the level of departments and teams. This has also opened up the opportunity to report on ethnicity and disability pay-gaps in 2023, in order to also create insight against those protected characteristics and generate further action plans where required.

Now our Median Gender Pay Gap is 3.9%. We are also now reporting ethnicity pay gap. In keeping with our previous Gender Pay Gap report, our actions are focused on attracting, progressing and

keeping women in the workforce. Our action plan includes new interventions to reduce the gap.

New actions include:

- **Holding a series of listening groups to understand the barriers to progression within Abri**
- **Using the talent and succession module within our Learning and Education platform to identify a talent pipeline within Abri**
- **Establishing a women's network to support women at all levels in the organisation**
- **Using Gender Decoder to remove the potential for bias in our job adverts**
- **Exploring becoming signatories of the Tech Talent Charter and Tech She Can Charter**
- **Putting in place robust policies to support women experiencing bullying and harassment in the workplace to create a positive environment in which they can develop and progress their careers**

## Theme

## Supply Chain

A number of community projects have launched thanks to our supply chain and social value fund. These include financial donations to a Slow Cooker project, community pantry and creative workshops to support wellbeing, along with apprenticeships and job offers from suppliers to Abri customers.

The procurement team aims to ensure that all tender opportunities are undertaken with suitable consideration for social value and sustainability. To achieve this, an added value section is included in tenders, which aims to be in the range of 5-20% of the total tender weighting.

The percentage is adjusted reflective of the project requirements and spend. To achieve social value and sustainability through the tender process the team include a social value matrix that is evaluated and awards a score to the supplier based on the amount of added social value they will provide, and responses to their sustainability goals and processes.

## 8. Conclusion

**We are proud of the progress we are making on our ESG and sustainability journey, but believe ESG remains a constant work in progress for all businesses and is something that requires continual stakeholder engagement.**

The launch of our ESG dashboard and commitment to a set of tangible KPIs marks another important milestone in promoting transparency and accountability, while we hope that producing a data performance sheet alongside our report makes our ESG disclosures accessible and useful to our stakeholders.

In the year ahead, we will:

- Continue our work on a forward-looking ESG dashboard that will provide a clearer picture of our objectives and our progress
- Roll out wider stakeholder engagement on ESG topics
- Work on how we can better communicate the benefits of sustainability to customers
- Further strengthen our collaborative working through the Greener Futures Partnership, leveraging our combined strength, influence and procurement power
- Continue to collaborate with our fellow housing associations and other partners to deliver on net zero.
- Continue to embed sustainability across workforce – including in induction process – to encourage better colleague connection
- Further embrace international reporting mechanisms that demonstrate our work to manage climate-related risks and protect the natural habitat, such as TCFD and TNFD
- Put a greater focus on outcomes and impact measurement

We would very much welcome your views on this report, our progress and our ESG reporting process.





Links to other key documents:

- [Abri ESG Report – data performance sheet](#)
- [Sustainable Finance Framework 2022](#)
- [Abri ESG Report 2021/22](#)
- [Customer Annual Report](#)
- [Gender Pay Gap Report](#)
- [Annual Inclusion and Belonging Report](#)
- [Our Customer Performance Scorecard](#)

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