



Environmental, social and governance report

This report sets out the performance and impact of United Welsh Housing Association Ltd in terms of the Environmental, Social and Governance (ESG) aspects of our business.

We have chosen to use the framework devised by the UK-wide ESG Social Housing Working Group. The Group developed a Sustainability Reporting Standard for Social Housing (SRS) which was launched in November 2020, covering 48 criteria. The Standard develops the 3 ESG areas into 12 themes and each theme is aligned with the UN Sustainable Development Goals. Each theme has one or more criteria against which to measure; some criteria are classed as 'Core' (the most important) or 'Enhanced' (more aspirational).

This is our second report using this framework and shows results for all Core criteria (C) and those Enhanced criteria (E) where we have made some progress. The information will be updated annually.



Environment

| Theme | Type C/E | Criteria | 2021/22 Results |
|---------------------|----------|---|---|
| Resource management | E | Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works? If so, how does the housing provider target and measure performance? | Yes. For self-delivered new homes our preference is to use timberframe construction through our own factory, which has PEFC Accreditation and has been certified by Earthly as a climate positive business. |

| Theme | Type C/E | Criteria | 2021/22 Results |
|----------------|--|---|---|
| Climate change | C | Distribution of EPC ratings of existing homes (those completed before the last financial year) | We measure using SAP ratings, so the following bandings are approximate. Band A: 3% Band B: 60.4% Band C: 32.9% Band D: 3.6% Band E: 0.1% |
| | C | Distribution of EPC ratings of new homes (those completed in the last financial year). | We measure using SAP ratings, so the following bandings are approximate. Band A: 12% Band B: 88% New self-delivered schemes in the pipeline will be EPC A. |
| | E | Scope 1, Scope 2 and Scope 3 green house gas emissions | Not currently tracked |
| | E | What energy efficiency actions has the housing provider undertaken in the last 12 months? | We have participated in the Welsh government sponsored Optimised Retrofit Programme (ORP) and completed works to 21 properties comprising the installation of air source heat pumps, solar panels and battery energy storage. We will be completing ORP works to 234 further properties in 2022/23. |
| | E | How is the housing provider mitigating the following climate risks: <ul style="list-style-type: none"> Increased flood risk Increased risk of homes overheating | Nothing to report yet. |
| | E | Does the housing provider give residents information about correct ventilation, heating, recycling etc. Please describe how this is done. | Ad hoc advice is currently given on request, where a related maintenance issue arises. Development of a strategic approach to this will be considered over the coming years as part of our Net Zero strategy. |
| Ecology | This theme only has Enhanced criteria, against which there is nothing to report yet. | | |



Social

| Theme | Type C/E | Criteria | 2021/22 Results | |
|----------------------------|----------|---|--|---|
| Affordability and security | C | Share, and number, of existing homes (homes completed before the last financial year) allocated to: <ul style="list-style-type: none"> • General needs (social rent) • Intermediate rent • Affordable rent • Supported Housing • Housing for older people • Low-cost home ownership • Care homes • Private Rented Sector | General Needs Older People Supported housing Affordable LCHO | 67% (4205) 13% (828) 14% (883) 2% (102) 5% (304) |
| | C | Share, and number, of new homes (homes that were completed in the last financial year), allocated to: <ul style="list-style-type: none"> • General needs (social rent), • Intermediate rent • Affordable rent • Supported Housing • Housing for older people • Low-cost home ownership • Care homes • Private Rented Sector | General Needs Older People Supported housing Affordable LCHO | 82% (82) 0% (0) 18% (18) 0% (0) 0% (25) |

| Theme | Type C/E | Criteria | 2021/22 Results |
|-----------------------------|----------|--|---|
| Affordability and security | C | How is United Welsh trying to reduce the effect of fuel poverty on its residents? | <ul style="list-style-type: none"> • Support in managing energy bills from Money Advice Team; • Commitment to build to EPC A; • Already have several properties with solar and photovoltaic for domestic energy or hot water; • Piloted houses built to Passivhaus; • Several schemes with ground or air-source heat pumps as primary heating system. |
| | C | <p>For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:</p> <ol style="list-style-type: none"> 1. Rent compared to Median private rental sector (PRS) rent across the Local Authority 2. Rent compared to Local Housing Allowance (LHA) | We base our rents on affordability principles developed by JRF Foundation. For general needs social rented our total charge (including service charges) does not exceed 33% of the Standard National Living Wage (adjusted for tax credits) or 28% of the standard National Living Wage figure (adjusted for tax credits) where there is no service charge. 2022/23 is the final year in transitioning so that all general needs rents meet these criteria. |
| | E | What % of rental homes have a 3-year fixed tenancy agreement (or longer)? | 94% of general needs tenants have assured or secure tenancies. |
| Building safety and quality | C | What % of homes with a gas appliance have an in-date, accredited gas safety check? | 99.89% |
| | C | What % of buildings have an in-date and compliant Fire Risk Assessment? | 99.70% |
| | C | What % of homes meet the Welsh Housing Quality Standard (incl Acceptable Fails)? | 100% |

| Theme | Type C/E | Criteria | 2021/22 Results |
|------------------|----------|--|---|
| Resident voice | C | What arrangements are in place to enable the residents to hold management to account for provision of services? | We use a range of feedback mechanisms from telephone surveys, focus groups and online discussion forums. We are currently developing a refreshed Tenant Engagement Strategy. |
| | C | How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years? | Rolling independent telephone perception survey surveying approx. 75 tenants per month. Results monitored through quarterly reports to the Executive Team. No targets set, aiming to maintain satisfaction levels, so look for dips. Satisfaction in many measures has dropped during 2020/21 and 2021/22. A slight upturn is visible in early 2022/23 results. |
| | E | In the last 12 months, how many complaints have been upheld by the Ombudsman. How have these complaints (or others) resulted in change of practice within the housing provider? | 4 complaints were escalated to the Ombudsman, none were upheld. |
| Resident support | C | What support services does the housing provider offer to its residents? How successful are these services in improving outcomes? | <p>Jobs & Training – 66 tenants placed in work in 2021/22; 30 tenants provided with training and others supported in trying to find work or how to cope when they have lost their jobs.</p> <p>Money Advice – provide advice in how to manage money, supporting to make claims for UC, DHPs and other benefits (765 people supported in this way in 2021/22).</p> <p>Connect and Working with Families – signpost to services re mental health and physical health, reduction of loneliness, connecting with neighbours post pandemic.</p> |
| Placemaking | | This theme only has Enhanced criteria, against which there is nothing to report yet | |



Governance

| Theme | Type C/E | Criteria | 2021/22 Results |
|--------------------------|----------|---|--|
| Structure and governance | C | Is the housing provider registered with a regulator of social housing? | Yes , Welsh Government |
| | C | What is the most recent viability and governance regulatory grading? | Governance (including tenant services): Compliant – Green Financial Viability: Compliant – Green (highest possible rating for Welsh Government system of assessments). |
| | C | Which Code of Governance does the housing provider follow, if any? | Community Housing Cymru and National Housing Federation |
| | C | Is the housing provider Not-For-Profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control? | Yes , not-for-profit |
| | C | Explain how the housing provider's board manages organisational risks. | Strategic Risk Map with accompanying Assurance Map |
| | E | Has the housing provider been subject to any adverse regulatory findings in the last 12 months (e.g. data protection breaches, bribery, money laundering, HSE breaches or notices) – that resulted in enforcement or other equivalent action? | No |

| Theme | Type C/E | Criteria | 2021/22 Results |
|---------------------------|----------|--|---|
| Board and Trustees | C | What are the demographics of the board? And how does this compare to the demographics of the housing providers residents, and the area that they operate in? Add commentary if useful | Board – 36% female; 9% minority ethnic; 9% have a disability. Average age is 54; average length of service to date is 4.9 years. Tenants – 58% female; 8% minority ethnic; Median age for new tenants over the last 3 years or so is in the range 45–54. |
| | C | What % of the board AND management team have turned over in the last two years? Add commentary if useful | 23% |
| | C | Is there a maximum tenure for a board member? If so, what is it? | Yes – 9 years for non-executive board members |
| | C | What % of the board are non-executive members? | 83% |
| | C | Number of board members on the Audit Committee with recent and relevant financial experience | 3 out of 5 Audit & Risk Committee members have experience as finance directors, group financial controllers or heads of risk. |
| | C | Are there any current executives on the Remuneration Committee? | No |
| | C | Has a succession plan been provided to the board in the last 12 months? | No |
| | C | For how many years has the housing provider's current external audit partner been responsible for auditing the accounts? | 2021/22 was the current engagement partner's second year. The firm rotate the engagement partner at regular intervals. |

| Theme | Type C/E | Criteria | 2021/22 Results |
|--------------------|----------|---|---|
| Board and Trustees | C | When was the last independently-run, board-effectiveness review? | 2021 |
| | C | Are the roles of the chair of the board and CEO held by two different people? | Yes |
| | C | How does United Welsh handle conflicts of interest at the board? | For a matter coming up to a board decision, if there is a conflict of interest the Chair determines whether it is appropriate for the board member to stay in the room (possibly to answer questions of clarification) or to leave the room. In relation to other code of conduct issues the Chair will discuss the matter with the board member and agree a way forward. |
| Staff wellbeing | C | Does United Welsh pay the Real Living Wage? | Yes |
| | C | What is the gender pay gap? | 15% (2021: 18%) |
| | E | What is the CEO-worker pay ratio? | As at 31-03-22 the ratio of CEO pay to median staff salary was 4.8 |
| | E | How does United Welsh support the physical and mental health of their staff? | <ul style="list-style-type: none"> Totally flexible trust based working in terms of hours to support work/life balance. Full time Staff Wellbeing Lead. Provide counselling service. Space in our MS Teams network for staff to post helpful articles or comments. Collective Voice – our team who collaborate with management on staff issues (also act as trades union reps). Eye tests. Health scheme benefit on offer. |
| | E | Average number of sickdays taken per employee | 5.15 days for the year ended 31 March 2022 |

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|-------------------------|----------|--|--|
| Supply chain management | E | How is Social Value creation considered when procuring goods and services? | Development contracts have a value base in either providing apprenticeships or by including a % of contract value to gift to our Together Fund which funds community activities. |
| | E | How is Environmental impact considered when procuring goods and services? | Nothing to report yet. |