

Futures ESG report

2022 - 23



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Futures Housing Group



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Why we care about the environment, social impact and good governance

Last year we published our very first environmental, social and governance report, aligned with the Sustainability Reporting Standard.

As a not-for-profit organisation set up to help those most in need of housing and support, 'doing the right thing' is in our DNA. But while good intentions are great, they are not really enough. It's important to know that you are actually delivering benefits and truly being a force for good rather than just well meaning.

So adopting the Sustainability Reporting Standard and doing an annual stock take is a really good way of being objective about our achievements in the important areas of helping the environment, supporting communities and keeping our affairs in good order.

Last year's inaugural report showed that we are doing well against the standard. That's reassuring, but this second report is another vital step in evaluating how we're doing and whether or not we continue to move in the right direction with these strategic priorities.

The last year has been really tough for many of our customers. The after-effects of the pandemic and the cost of living crisis have hit many of those who live in our homes hard. We have adapted, for example by deploying our new, focused tenancy support team to target resources at those who are struggling the most. But there are still questions about how best to meet the challenges of our evolving world – especially against a financially turbulent backdrop.

The climate emergency is a major issue for all of us and will likely bring huge challenges for humanity – many of which we do not yet fully understand. How do our plans around carbon-zero stack up though in a new world where just turning on the heating has become unaffordable for many?

That's where reports like this are helpful. They unpack where we are on our journey towards meeting our social impact aims and they help us plan to achieve yet more for people and the planet in the years to come.



Reporting on our ESG work

This report adopts the Sustainability Reporting Standard for Social Housing, put together and overseen by Sustainability for Housing. The standard has now been adopted by more than 160 organisations across England and Wales and we are proud to be one of them.

The standard is an 'open source' tool for explaining our ESG performance transparently and consistently with other housing associations to allow easy comparisons to be made. It was designed from the outset with housing associations and is aligned with the **United Nations' (UN) Sustainable Development Goals** (see below for more information).

We hope this report demonstrates how seriously we take sustainability – for the planet and for our communities - and the many ways in which we are having a positive impact already. It also puts a spotlight on some of the behind-the-scenes work that takes place to ensure we're well run and governed and comply with relevant legislation and standards.

As this is our second year of reporting against the standard we also show how and where our work has evolved.

SUSTAINABLE DEVELOPMENT GOALS



Introducing the Sustainability Reporting Standard

The Standard currently has 48 criteria across 12 themes. The 12 themes are spread across the three umbrella topics – **social, environmental and governance**.

Thirty of the criteria are ‘core’ with a further 18 ‘enhanced’ criteria that don’t have to be addressed to meet the Standard. A consultation launched in April 2023 is expected to lead to an enhanced standard in the future but for now we continue to report against the existing criteria (version 1.0). We expect to continue to report against the standard as it evolves.

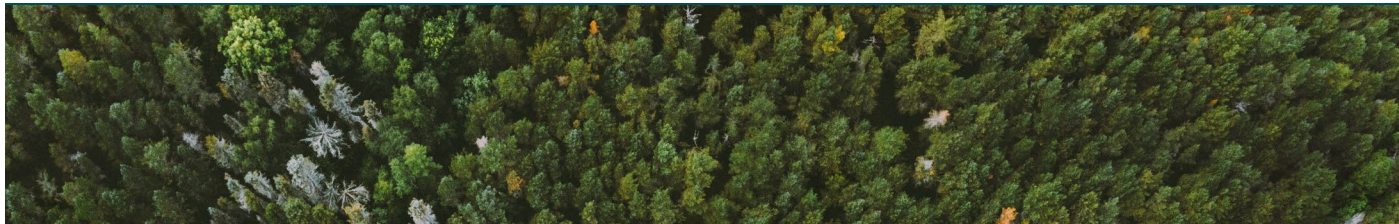
In some cases we can already report against the enhanced standards so that information is included here.



1. Social

Futures is a not-for-profit organisation created by the merger of smaller, more local housing associations that had emerged from local authorities. So housing and supporting people and communities has been a core reason for existing from the outset.

We don’t have shareholders. What matters most to us is the experience of our customers and making a difference. The ‘social’ standards allow us to show how we contribute to society and to see how we compare with other similar organisations.



	Theme	Description	Relationship to UN Sustainable Development Goals
1.	Affordability and security	Provides affordable and secure housing.	11. Sustainable cities and communities 10. Reduce inequality
2.	Building safety and quality	Resident safety and building quality are well managed.	11. Sustainable cities and communities
3.	Resident voice	Listens to residents’ voice.	11. Sustainable cities and communities
4.	Resident support	Supports residents, and the local community.	11. Sustainable cities and communities
5.	Placemaking	Supports residents and the wider local community through placemaking.	11. Sustainable cities and communities



What delivering social impact means to me

Lee Pratt
Repairs Academy Manager



Lots of housing associations talk about their social purpose. You've been with Futures for some time – so what does this social purpose look like from your perspective?

I'm very passionate about this. I grew up locally and so Futures has always been around and I've seen it from both sides. We're clearly very visible as one of the big landlords and support organisations in the area. I think we do genuinely engage with our customers.

We know we have a duty of care to people and I see that having an impact – on our own people as well as those we support. I'd go so far as to say that Futures couldn't exist in isolation from the community. When people and communities thrive that feeds back into us and the work we do. I'm very proud to work for Futures.

You're helping young people from our communities to develop careers for themselves while helping us develop a workforce for the future. What sort of impact do you see our apprenticeship scheme having on the ground?

Most of our apprentices are young adults, although we do have a few older people as well. Obviously it's giving them a new pathway into work that should help them be self-sufficient through their lifetimes and hopefully get the same kind of job satisfaction that I get. I also think we give them a more rounded development opportunity than they might get in a more commercial setting. So that would include some of the softer skills such as communication and a customer-focused approach alongside the technical skills and experience.

I think our apprentice scheme shows customers and the wider community that we're giving something back. If apprentices have a good experience with us, they spread the word. That creates a better reputation for us locally and in turn creates more willingness for others to engage with us in a good way. So it all goes around in a positive circle.

You were out and about on the Futures in the Community Day in December – what were you getting up to?

I spent the day helping out at Salcare, a charity in Heanor which works across the Amber Valley. They have a food bank and people who are struggling can go there for support and to get things like furniture and electrical goods at a very low cost. I've known about them for a long time and seen the difference they make.

I knew our community day was coming up so I got in touch and asked if we could help. I ended up organising a team to go and do various things for them including sprucing up the entrance to the building and providing some vans and willing pairs of hands to pick up donations. Normally they just have two guys and one van available. They said we helped them do about three-weeks' worth of collections in one day which really helped them get on the front foot. That then meant they could get things to people in need much quicker which, given we were heading into winter and at a time when so many people are struggling with the cost of living, made a big difference. We also replaced an unsafe commercial cooker to help them get their community café running again. On top of all that it was great to just be out there working with some colleagues that I don't normally see who had also volunteered their time.



Where would you like to see Futures doing even more to deliver social benefit for our customers?

So many people are having a difficult time right now that you could almost say there is an endless need for us to do more. But of course we're a not-for-profit and have to work within our means.

I think what we do with younger people is really important. My background is in education and we've done a few projects to deliver practical improvements for schools including sprucing up outdoor areas. Alongside that I've been giving talks about what we do and what it's like to work here or in the world of construction. It's a great opportunity to hopefully inspire some youngsters

about the value of the work we do and things they might consider for their own futures. It also puts our organisation in a good light as some of the kids will live in homes we provide or even end up working for us one day.

At the other end of the spectrum we also need to be there for our elderly customers. Even simple things such as keeping our green spaces nice and tidy for them to enjoy can be a big help if it gives people a reason to go out and engage with their community. Plus it helps the environment of course which is an added benefit.

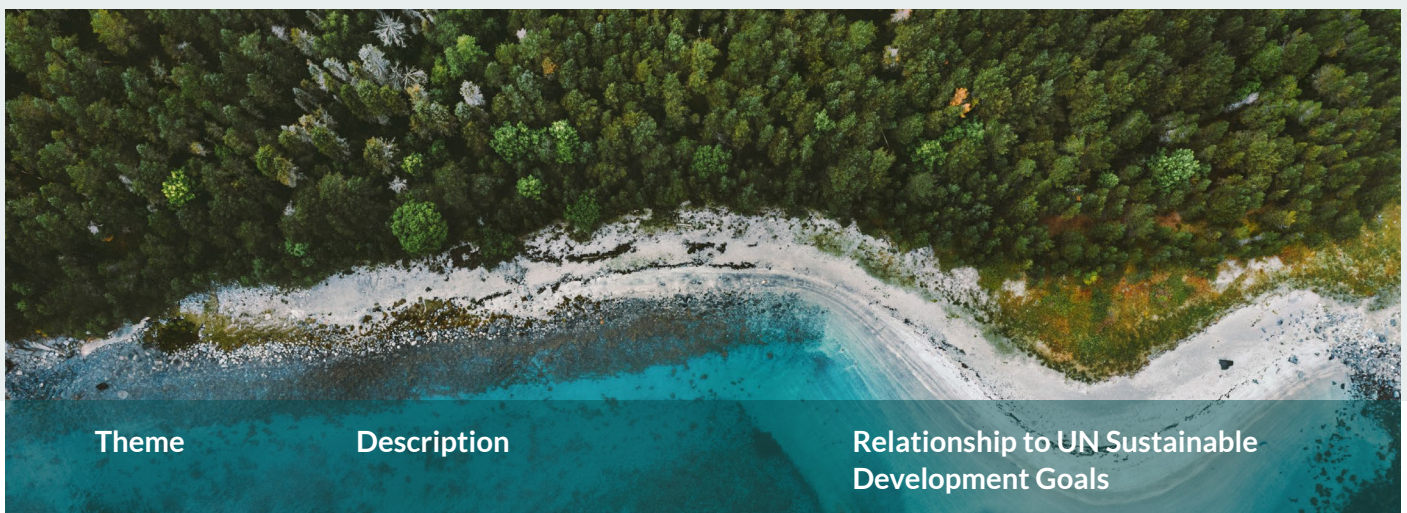
Ultimately, if we invest in our communities, those communities will respect us so it all joins up and everyone wins.



2. Environmental

There is little doubt now that humanity is facing a climate emergency and that urgent action is needed globally. While we can't solve the issue single-handedly we want to make sure we do all we can to reduce our carbon output and support a healthy planet. Changing how we build homes to make them more sustainable and reduce harm is important. So is investing in the homes we already provide for our customers to make them more comfortable

and affordable to heat. And day-to-day changes in how we work can also have a positive impact on the environment. We know that the outdoor spaces around our homes matter too so we are founder members of the Green Spaces Advisory Board which is working across the sector to help organisations like ours and our customers to get the very best out of the public spaces we manage.



	Theme	Description	Relationship to UN Sustainable Development Goals
6.	Climate change	Prevents and mitigates the risk of climate change.	13. Climate action
7.	Ecology	Promotes ecological sustainability.	15. Life on land
8.	Resource management	Sustainable management of natural resources.	12. Responsible consumption and production



How we're doing more for the environment

Dave Wadsworth

Aboricultural & Grounds Maintenance Technical Lead



What sort of work are you and your team doing day-to-day?

We do grounds maintenance, which is cutting grass and dealing with weeds. Seasonally, we do the shrub and hedgerow pruning and we also have a tree team that specifically deals with all aspects of trees. And we have around 4,500 trees across our patch so looking after them is a substantial part of what we do.

What sort of changes have you been making to help the environment while looking after our outdoor spaces?

One of the biggest changes we've made is stopping using glyphosate weedkiller. We're now using something called a Foamstream machine. It kills weeds with a hot water-based foam. The foam is made with natural materials, not chemicals and it's proving quite successful. The other big change is the introduction of wildflower areas in place of lawns that need mowing. We now have 13,000 square meters of wildflowers across our locations.

Is new technology helping in any way?

Yes, Foamstream is probably one of the more recent additions. We also recently moved over to a mulching blade system on our two ride-on lawn mowers. It leaves things looking much tidier which we know is important for some of our customers. We've also moved over towards battery technology for our mowers. This has reduced vibration meaning that our team members can use them for longer as they get less tired. They are also quieter, more reliable and reduce the risk of injuries. That means a nicer working environment, not just for us but for our customers.

Have there been any challenges taking our customers on this journey with us?

It's not always been easy to be honest. Some customers are used to seeing everything sprayed and no weeds and some were used to seeing the grass cut and collected, rather than the cuttings left behind to be absorbed back into the soil. Our new approach can look messier for a few days but we think the environmental benefits are worth it. We have been working hard to tell customers why we have made these changes and hopefully people will start to get more used to it with time.

What do you think is the 'next big thing' in making our outdoor spaces even greener?

I think we're already on a good path. We're not quite cutting edge or leading the charge, but we're somewhere in the front pack. I think more and more of our areas need to be planted on or to be set aside for wildflowers. I'd also like us to engage younger people more with our outdoor spaces as well as the wider community. We want our spaces to be valuable to people and hearing what they want from them is a very important part of that. It might not be easy but I think it's the right way to go.

Q: We've got lots of goals at Futures for our sustainability journey. How important is that to you and the work that you do?

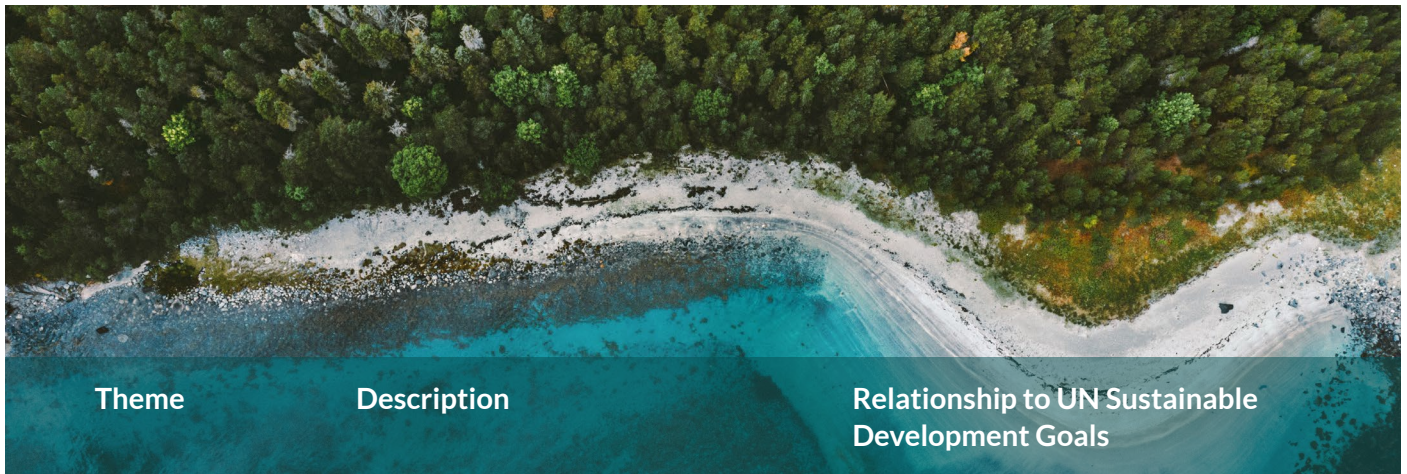
To me, sustainability is important because it ties directly in with making beautiful places for people. I think the two go hand-in-hand. Sustainability for me has always been from the soil up. If we look after the soil then it's good for the plants, and they'll grow well. The importance of soil is often forgotten.



3. Governance

Our customers and our funders look to us to be responsible and to honour the trust they put in us. Strong governance has a crucial role to play to ensure

that we are a well run organisation that delivers value for money and follows the many important standards and regulations across our sector.



Theme	Description	Relationship to UN Sustainable Development Goals
9. Structure and governance	Legal structure of the organisation and its approach to governance.	16. Peace, justice and strong institutions
10. Board and trustees	High quality board of trustees.	
11. Staff wellbeing	Supports employees.	8. Decent work and economic growth
12. Supply chain management	Procures responsibly.	12. Responsible consumption and production





How I'm supporting good governance

Charlie Jordan

Information Governance Coordinator



You joined Futures as a graduate – what's that been like?

So I joined in November 2021 and it's been a really positive experience. I absolutely loved being on The GEM graduate programme – it's given me a chance to visit lots of different places, meet all kinds of people working in the sector and see what life is like for other housing associations across the UK and even overseas. I feel I've been given a lot of responsibility as a graduate and also very supported.

Tell us about the work you've been doing this year...

This year I've been working on 'project halo' which is looking at the quality of our data, how we can get best use out of it and ensuring that we handle it in the right ways. We've reviewed our logistics – such as how we store and manage data day-to-day – and are improving data integrity. This has involved running workshops to map out all the data we have and where it's stored, and to help team members reduce data-related risks. We're also rolling out training to help team members improve their own skills when it comes to everyday data handling. And we've developed an app to make it easy for team members to report incorrect data.

As the newest member of our Governance & Assurance team – what are your first impressions of the difference the team makes?

Well I never really set out to be in housing or governance and assurance, but I feel that ending up here has been a happy accident! I'm currently on the assurance side of the team. People might feel that the work we do sounds dry or boring or that we're here to catch people out but it's not like that at all. We see our role as primarily being there to support team members right across Futures in their decision-making.

Now our data is in better shape – what's next for you?

Well it's actually more of the same as for now. I'm still working on improving our work with data. We need to reach out to even more teams and deep dive into more processes to make sure the data elements are as good as they can be throughout the organisation. And we're only about half-way through the training programme so there are still lots of team members to join us on that. To be truthful – as we become an increasingly digital-first organisation our use of data is only going to grow. So I can see that this will be a piece of work that theoretically never ends!



What's new this year...

Improving what we deliver for the environment and for society are both strategic priorities and long term commitments, as is upholding and improving our already strong governance. Each year we take significant steps forward or change our approach to deliver more.

Momentum around all of these issues is building and our first ESG report has undoubtedly helped by making this work more visible. We've made really great progress over the last 12 months. Some of the new things we did this year to improve our ESG performance include:

1. Social



Mobilising our employees to support an organisation-wide **'Futures in the Community' day**. Team members took part in a huge range of projects including clearing up litter, refurbishing community spaces and delivering cold weather support packs to more vulnerable people.



Publishing **six guides** for our customers full of tips and advice on saving money and doing more to help the planet as part of our response to the cost of living crisis.



Holding a **drop-in day for customers** in Daventry to get support and information as well as a widespread programme of community walkabouts to give many more customers a chance to tell us what they'd like improving around their neighbourhood.



Donating £7,000 to foodbanks to provide immediate and practical help for some of the people most in need of support with the soaring cost of living across our region.



Using our **new tenancy support team** to focus our resources on those customers facing the most challenges.



Promoting **help and support services** as part of Mental Health Awareness Month.

2. Environmental:



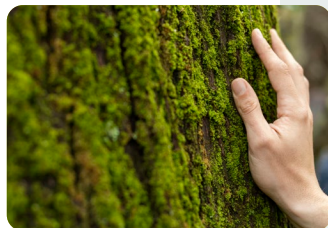
Securing more than £3m from the Government's Social Housing Decarbonisation Fund to improve the energy efficiency of over 300 homes.



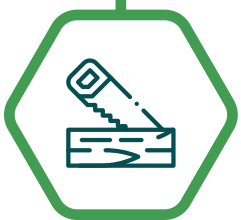
Planting 140 trees in the community to enrich local neighbourhoods as part of the Queen's Green Canopy project.



Introducing a new **chemical-free weedkiller** system to help protect soils and local ecosystems.



Being **awarded a silver certificate** for our SHIFT environmental assessment.



Creating an outdoor classroom for a local infant school to help children explore and value the outdoor environment.



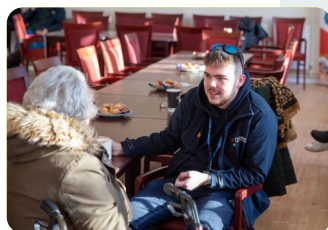
Publishing a **special edition of our customer magazine** focused on working together for greater sustainability.



Retrofitted 185 more homes to improve their energy performance – making them cheaper to run and more comfortable to live in.



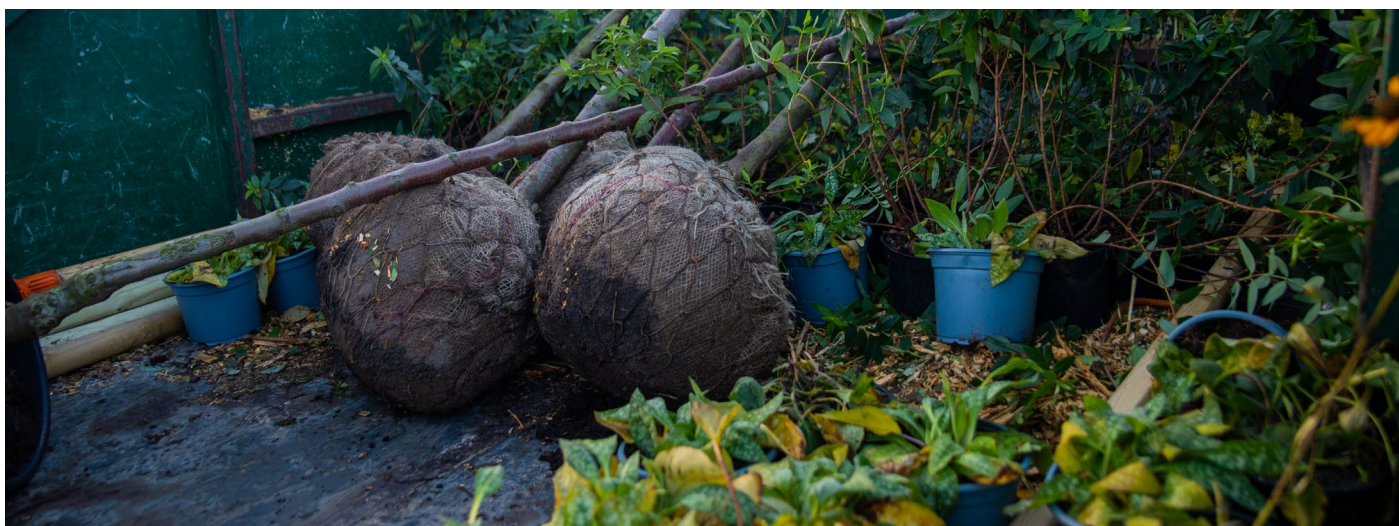
Switching to more **environmentally-friendly fuel** for our two-stroke grounds maintenance machinery in the north region.



Asking customers whose homes have had energy saving improvements about their experience to help us ensure that our approach is meeting their needs.



As a **founder member of the Green Spaces Advisory Board** we've been helping drive forward its work. This will include publishing a roadmap later in 2023 to help other organisations make the best of outdoor spaces.



3. Governance



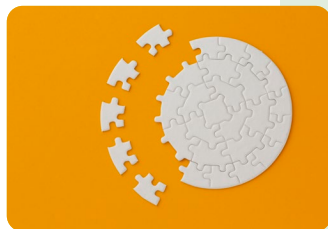
Our Group Board approved our **new sustainability strategy**, setting our path to 2025 and beyond.



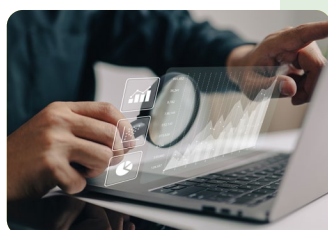
We achieved renewed **G1/V1 ratings** from the Regulator of Social Housing once again, showing that we meet the highest standard for governance and financial viability.



We comply with the **National Housing Federation's 2020 Code of Governance** which the Board adopted from 1 April 2022.



The Board drove the **introduction of tighter monitoring** of how we respond to any reports of damp and mould in our properties. They also approved a new asset maximisation strategy to ensure that we and our customers are getting the best value and performance out of our homes.



Our governance team started a thorough **review of our data quality** and data management.



The Board also took a very close interest in **new Government measures** designed to put customers even more at the core of what we do.

How we meet the Standard

Standards marked with an asterisk are 'enhanced' (ie non-core). The information provided covers the

financial year 1 April 2023 to 31 March 2023 unless otherwise stated.

The social criteria



Introduction

Sarah Wyke
Director of Housing

Social housing in the UK is undoubtedly stigmatised. Far too many people believe the stereotypes that all those in social housing are unemployed, have 'problem behaviour' or are 'taking advantage' in some way.

We know the truth is very different. Most of our customers are no different to anyone else – hard working, responsible people just trying to do the best for themselves and their families.

Like any other community or social group though, some of our customers have more challenges to deal with than others. And as a responsible and caring landlord we want to support people when they fall on harder times.

This year has been especially tough for a lot of people. The pandemic was isolating for many and had a lasting and harmful impact on work and finances. The subsequent cost of living crisis has compounded the issues.

Providing great homes is our number one job but we also want our customers to be able to live well, which is why we provide a range of support services. So this year we've redesigned, reinvigorated, and better resourced the teams that are there to offer help.

We've also focused on engaging with customers more. The pandemic cut us off from people and while technology has improved many aspects of what we do, it's not the answer for all. So we're reaching out and listening more – and ensuring that our people are more visible in the communities where they are needed.

We're not alone in this journey. We have some fantastic partners and supporters of our own and together we've done a lot to help customers through the year - hopefully putting them on a firmer footing for the challenges that undoubtedly still lie ahead. We'd like to say a huge thank you to everyone who's played a part.



1.

Theme: Affordability and security.

Description: Provides affordable and secure housing.

Criteria within this standard:



For properties that are subject to the rent regulation regime, report against one or more affordability metric:

- ▶ rent compared to median private rental sector
- ▶ (PRS) rent across the local authority
- ▶ rent compared to Local Housing Allowance (LHA).

Share and number of new homes (completed in the last financial year), allocated to: general needs (social rent), intermediate rent, affordable rent, supported housing, housing for older people, low-cost home ownership, care homes, private rented sector.

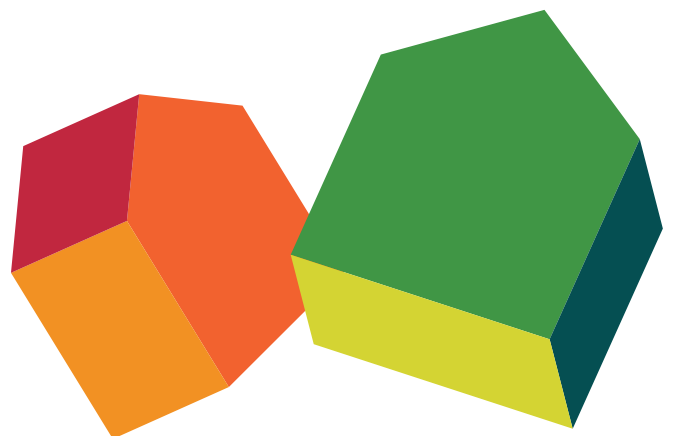
Share and number of existing homes (completed before the last financial year) allocated to: general needs (social rent), intermediate rent, affordable rent, supported housing, housing for older people, low-cost home ownership, care homes, private rented sector.

How is the housing provider trying to reduce the effect of fuel poverty on its residents?

What percentage of rental homes have a three year fixed tenancy agreement (or longer)?

How we meet this standard

- ▶ Data is for all rents subject to the rent regulation regime.
- ▶ Rents for period 1 Apr 2022 – 31 March 2023.
- ▶ LHA rates are year beginning April 2022.
- ▶ Rents are all pro-rata to 52 weeks.



Rent compared to Local Housing Allowance by local authority area

Local authority		Homes	Av. weekly rent	LHA rate	%
Amber Valley	1 bed	1,546	£86.92	£90.90	95.6%
	2 bed	1,952	£93.69	£115.07	81.4%
	3 bed	2,084	£99.24	£136.93	72.5%
	4 bed	78	£107.44	£182.96	58.7%
	5 bed	8	£115.20	£182.96	62.9%
	6+ bed	1	£119.48	£182.96	65.3%
		5,669	£94.11	£117.56	80.1%

Local authority		Homes	Av. weekly rent	LHA rate	%
Erewash	1 bed	10	£88.04	£90.90	96.8%
	2 bed	105	£104.06	£115.07	90.4%
	3 bed	43	£111.56	£136.93	81.5%
	4 bed	4	£132.58	£182.96	72.5%
		162	£105.76	£121.06	87.4%
Ashfield	2 bed	5	£88.05	£80.55	109.3%
Bolsover	1 bed	1	£71.39	£89.75	79.5%
	2 bed	32	£100.40	£103.56	96.9%
	3 bed	13	£106.73	£126.58	84.3%
		46	£101.56	£109.77	92.5%
Derbyshire Dales	2 bed	2	£108.04	£120.82	89.4%
	3 bed	4	£120.72	£143.84	83.9%
		6	£102.47	£136.17	75.3%
West Northampton	Bedspace	8	£92.25	£84.35	109.4%
	1 bed	540	£85.94	£120.82	71.1%
	2 bed	1,195	£102.85	£147.29	69.8%
	3 bed	1,331	£106.61	£172.60	61.8%
	4 bed	145	£118.97	£228.99	52%
	5 bed	2	£123.31	£228.99	53.8%
		3,213	£102.31	£157.06	65.1%
Broxtowe	1 bed	9	£81.63	£108.16	75.5%
	2 bed	36	£113.18	£126.58	89.4%
	3 bed	6	£134.43	£143.84	93.4%
		51	£110.11	£125.36	87.8%
NW Leicestershire	1 bed	16	£113.57	£103.56	109.7%
	2 bed	29	£138.00	£130.03	106.1%
	3 bed	4	£148.22	£155.34	95.4%
		49	£130.86	£123.45	106.0%
N E Derbyshire	2 bed	22	£110.04	£120.82	91.1%
	3 bed	2	£116.02	£143.84	80.7%
		24	£110.54	£122.74	90.1%

Peterborough	Bedspace and bedsits	16	£88.49	£65.59	134.9%
	1 bed	10	£79.20	£110.47	71.7%
		26	£79.20	£82.85	95.9%
N Northants.	Bedspace	9	£88.66	£80.00	110.8%
	1 bed	9	£88.86	£109.32	81.3%
		18	£88.76	£94.66	93.8%
E Cambridgeshire	2 bed	2	£105.78	£195.62	54.1%
		2	£105.78	£195.62	54.1%
Fenland	Bedsits	9	£87.47	£110.47	79.2%
		9	£87.47	£110.47	79.2%
South Derbyshire	1 bed	4	£105.99	£90.90	116.6%
	2 bed	3	£130.27	£115.07	113.2%
		7	£171.13	£148.44	115.3%
Derby	2 bed	51	£139.47	£115.07	121.2%
	3 bed	23	£129.89	£136.93	94.9%
		74	£136.50	£121.86	112.0%
Blaby	2 bed	3	£118.62	£130.03	91.2%
	3 bed	2	£150.02	£155.34	96.6%
		5	£131.18	£140.15	93.6%
Hinckley and Bosworth	2 bed	12	£147.69	£130.03	113.6%
	3 bed	2	£161.54	£155.34	104.0%
		14	£149.67	£133.65	112.0%

Tenure type	Number of existing homes on 31 Mar 2023 completed before 1 Apr 2022.	Share of existing homes on 31 Mar 2023 completed before 1 Apr 2022.
General needs (social rent)	5,591	54.9%
Intermediate rent	69	0.7%
Affordable rent	602	5.9%
Supported housing	24	0.2%
Housing for older people	3,103	30.4%
Low-cost home ownership	442	4.3%
Fixed term: Rent to Buy	93	0.9%
Care homes	0	0%
Private rented sector	269	2.6%
Total	10,193	

Tenure type	Number of new homes completed between 1 Apr 2022 and 31 Mar 2023.	Share of new homes completed between 1 Apr 2022 and 31 Mar 2023.
General needs (social rent)	11	7.6%
Intermediate rent	0	0%
Affordable rent	87	60.4%
Supported housing	0	0%
Housing for older people	0	0%
Low-cost home ownership	31	21.5%
Fixed term: Rent to Buy	15	10.4%
Care homes	0	0
Private rented sector	0	0
Total	144	

This year, like most housing associations, we increased most rents in line with the Government's 7% social rent cap. We know that this will have been unwelcome news for some of our customers, but our costs for maintaining and upgrading the homes we are responsible for are also being pushed up by rising inflation. The Board and senior team gave the issue a great deal of consideration and decided that we had to follow this course to continue delivering services in the way our customers need and expect and to maintain homes at the right standard. To help soften the blow we sent out extra information with the formal rent increase notifications to help explain our decision to customers, making it clear that our costs were rising and that the bulk of their rent payments were reinvested in our customers' homes.

At the same time we heavily promoted our support services so that customers know that they can get help with managing their budgets.

Almost two thirds of the homes we offer (60.8%) are on social and affordable rent tenancies.

Social rents are calculated according to a strict government formula. Affordable rent homes (sometimes called intermediate rent) have their rent capped at no more than 80% of local market rent rates.

We no longer issue fixed-term tenancies. All customers in affordable and social rented homes have lifetime assured tenancies. This gives people more security and allows them to plan with more certainty to build a life and home as part of the community.



Social and affordable rent



Rent cap of local market rents



We want all of our homes to meet EPC (Energy Performance Certificate) Band C by 2030. We're currently prioritising improving the thermal efficiency of our oldest and most inefficient homes to have the maximum impact up-front. More energy-efficient homes reduce our carbon footprint and that of our customers.



have received energy upgrades this year, taking them up to EPC Band C.

At a time of record-breaking energy prices and overstretched household budgets, this also helps our customers financially while making their homes more comfortable.

At the moment we are concentrating our efforts on insulation and other 'fabric first' measures. Our logic is that other changes such as installing renewable energy systems will have less of an impact, on fuel bills for example, if the homes they are fitted in don't retain heat as well as they could.

One hundred homes received a mixture of external wall and loft insulation as well as solar photovoltaic panels thanks to the Local Authority Delivery (LAD) scheme. The work followed the PAS 2035 framework so we're confident the upgrades support affordable warmth, carbon reduction and healthy homes. This project, carried out jointly with Amber Valley Borough Council and the contractor, Westville, won the Best Collaborative Working award at the Building Communities Awards.



**BUILDING
COMMUNITIES
AWARDS**



During the winter months we distributed 450 warm packs to customers as part of our Futures in the Community (FitC) day and through operatives on home visits. This was designed to help elderly and more vulnerable people through what was a particularly cold and difficult winter.

Energy efficiency measures we have taken over the year include:



Installing external wall insulation to **113 homes**.



Adding loft insulation to **63 homes**.



Improving draughtproofing in **61 homes**.



Upgrading **78 homes** with solar photovoltaic panels.



Installing energy-saving LED lighting at **26 locations**.



Putting in **25 more Switchee** smart thermostats in customers' homes.



Upgraded **361** external doors and **325** windows.



Upgraded the heating system in **1,499 homes** (two air source heat pumps, 755 more efficient gas boilers and 85 electric storage heaters).



All of these will have had a direct impact on customers' bills and made their homes more comfortable.

We regularly promote our money advice service to our customers and this year our new tenancy support team got into action offering intensive help to those who are struggling the most. Their interventions are designed to avoid people losing their homes through falling behind with their rent and to help them get their finances, and their lives, running smoothly. This can include help with managing their energy bills and accessing cost of living support. We're also encouraging customers to have smart meters installed to give them more information and control over their energy use and helping people to get e-vouchers for food and fuel.




Switchee smart thermostats in around 200 homes are giving us valuable insights into how they use energy and the indoor environment. This is showing us first-hand that customers have been turning down thermostats this year and this is having a knock-on effect on humidity levels in homes. This of course creates a higher risk of condensation, damp and mould – a topic of growing concern nationwide. In response we ran a campaign to make our customers more aware of these risks and to encourage them to seek help – resulting in a substantial number of new reports. We helped address this by diverting some of our operatives into damp and mould investigations and treatments this year to help deal with homes where this was an issue.



Theme: Building safety and quality.

Description: Resident safety and building quality are well managed.

Criteria within this standard:

-  *What percentage of homes with a gas appliance have an in-date, accredited gas safety check?*
-  *What percentage of buildings have an in-date and compliant fire risk assessment?*
-  *What percentage of homes meet the Decent Homes Standard?*



How we meet this standard

Health and safety for everyone – customers and employees – is one of our top priorities. We closely and regularly monitor checks for the key safety-related 'FLEGAL' risk categories – fire, Legionella, electrical, gas, asbestos and lifts. This year:



Because of growing national concern about mould and damp in homes, prompted by the sad death of Awaab Ishak, we now include key facts and figures about mould and damp, as well as the work we are doing to address cases, alongside our FLEGAL report to the Board and senior team.

We also encouraged customers to tell us about any issues with mould, damp or condensation in their homes during the winter. This generated more than 1,500 reports – well above what we would typically get. This is positive as it means that we can take steps to help eliminate such problems.

In response we diverted four operatives and two surveyors from their usual work to help build up our capacity to tackle the increased number of cases. The good news is that the vast majority of cases were relatively minor and simple to resolve. In the few cases where we found more serious faults we quickly put remediation plans in place.

Since April 2023 we have had a dedicated team to address new mould, damp and condensation reports. We will also be surveying these homes six months later in the Autumn to make sure that the problems have been successfully resolved. If not, we will take further steps where necessary.

3.

Theme: Resident voice.

Description: Listens to residents' voice.

Criteria within this standard:



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

➤ *How does the housing provider measure resident satisfaction and how has resident satisfaction changed over the last three years?*

➤ *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?*

How we meet this standard

While increasing customer engagement is a big priority for the social housing sector at the moment, it's always been important to us. Our Insight Committee, hard-wired into our governance structure, reviews performance and acts as a sounding board to help shape our services. Many of the committee members are customers. During the year the Committee helped us to improve communication and customer engagement and influenced business transformation projects from a customer perspective.

We use an independent research company, IFF, to survey hundreds of customers every three months to get feedback on how key services are performing. We compare these results with those of similar organisations and the information is scrutinised by our Board as well as the Insight Committee.

During the year we worked with IFF to pilot new survey methods that comply with the Government's new, standardised Tenant Satisfaction Measures. These were introduced in the Spring of 2023 and incorporated into our routine performance reporting.

Our MyVoice online community now has more than **250 members** and the number continues to grow. Members take part in regular surveys, polls and discussions to help us stay in tune with what customers are thinking. Each month we also carry out a 'mood monitor' to understand the positive and negative things affecting their lives.

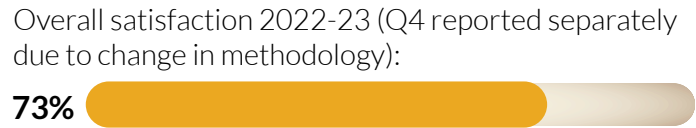
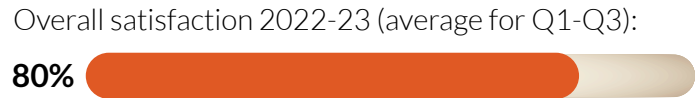
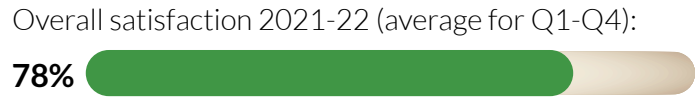
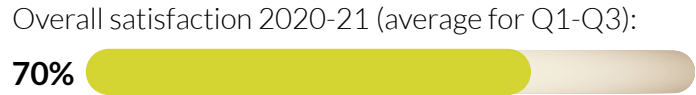
In late 2022 we held a community engagement day in Daventry to give local customers a chance to meet us face-to-face, give feedback and get issues resolved. We're planning more events like this in the future.



Other ways for customers to get in touch include our reviewed and improved complaints process, website and estate walkabouts.

We publish key performance indicators on our website at www.futureshg.co.uk/about-futures/our-performance/ and update them monthly.

Our surveys generate around 200 responses a quarter around customer satisfaction and we also ask customers about their experience after a range of interactions with us such as having a repair done or dealing with our contact centre. This gives us several hundred more insights a quarter. Looking back over recent years gives us the following changes in overall satisfaction:



The Housing Ombudsman upheld two complaints against Futures this year.


When a complaint is escalated to stage 2 we ensure that the person investigating and responding was not involved in the original complaint investigation so that they remain impartial and follow the Housing Ombudsman’s Complaint Handling Code. Every complaint is logged and available for our people to review so that they can understand and learn when we leave customers dissatisfied.



Theme: Resident support.

Description: Supports residents, and the local community.

Criteria within this standard:

 *What support services does the housing provider offer to its residents? How successful are these services in improving outcomes?*



How we meet this standard

We reorganised our support teams and how they work this year so that our Customer Contact team can provide more on-the-spot information and advice when customers first get in touch asking for help. This is backed-up by our online Help Hub which provides quick and easy access to our most frequently asked questions.

More specialist colleagues work closely together as part of the Tenancy Support team to offer short-term, intensive support to help those who are struggling the most to get back on track with their lives.

Free support on offer includes helping people to manage their finances such as support with budgeting,

benefits, setting up a bank account or managing debt. They also help customers with job applications, interview preparation, training courses or finding a job. These services have been in high demand as a result of the after-effects of the pandemic and the soaring cost of living. The team also offers more generalised support to help people to live better in their homes, ranging from access to health services to improving their skills and confidence.



The new Tenancy Support team helped **674 customers** this year – **398** with financial advice, **126** with employment issues and **276** with more intensive tenancy support.



53 customers attended job interviews and 24 went on training courses with the backing of our Employment Support team.



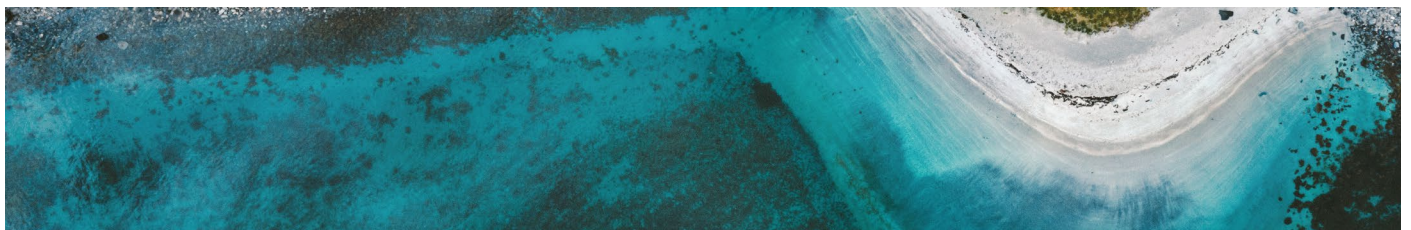
We supported **23 customers** into **25 jobs** – **nine** full-time and **16** part-time roles.



We helped customers to get **£619,000** in benefits they had not claimed but were entitled to.



We supported **eight customers** into ten volunteering roles.



Our Community Housing team works to improve communal areas and helps customers to live well in their homes. They also support people with issues such as domestic abuse and antisocial behaviour.

This year, as part of our efforts to support people through the cost of living crisis, our employees brought in unwanted clothes. These were donated to the Southbrook Community Centre in Daventry to help launch a 'Swap Shop' where people can both donate and take away clothes free of charge. As well as helping those with financial struggles, this avoided pre-loved clothes going into landfill.

Thanks to the generosity of two of our gas servicing contractors, J Thomlinson and Aaron Services, we donated £7,000 to ten local foodbanks. The donations recognised each successful attempt to schedule a customer's free gas safety check on the first attempt. Their generosity has helped thousands of people from Derbyshire down to Northamptonshire to keep putting food on the table at this challenging time.

Case study

One of the foodbanks that received a share of the £7,000 donated by our gas contractors was Oscari near Ripley. Tracey Gibson, Organiser at the foodbank, said: "The cheque we received means a pallet of frozen food. That pallet of frozen food means 300 families are guaranteed a hot evening meal.

"On average, each family has two children, so that makes four people per family. Those four people per family equate to 1,200 people being fed. So, the stark reality of it is that without the generosity of donors like yourselves, 1,200 people would go without food."

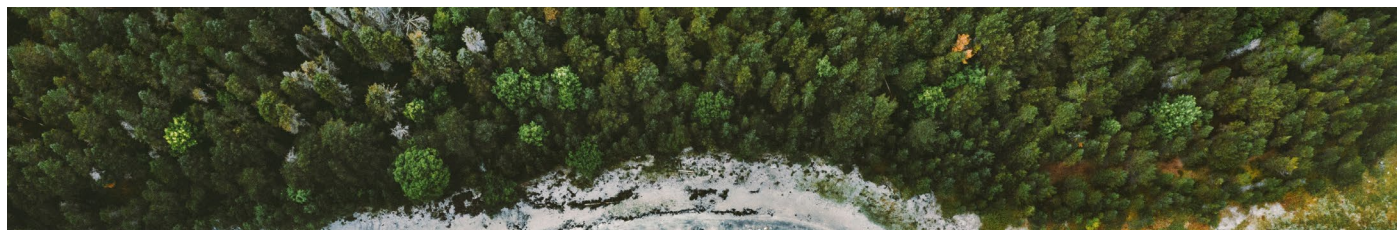
Our **Beep Assist** team has continued to support people with limited mobility, disabilities and long-term health problems to live independently, safely and comfortably thanks to smart technology.

In December, people from across Futures took a day off from their usual job to take part in our Futures in the Community day. Team members went out and helped with more than 20 community projects to improve community facilities and give a helping hand to some of our more vulnerable customers and their neighbours. Projects on the day included:

- opening up ten warm spaces at community centres so that those feeling isolated or struggling to keep warm could get cosy over a cuppa and a chat.
- tidying up communal gardens at sheltered living schemes – in one case with the help of the local mayor.
- sprucing up community facilities such as communal laundries and meeting spaces.



- delivering van-loads of furniture and white goods to Salcare, a charity supporting communities across Amber Valley and Erewash. We also provided and installed a new commercial cooker with help from our partners at Travis Perkins, Harmony Fire and Electrium to get their community café up and running again.



Theme: Placemaking.

Description: Supports residents and the wider local community through placemaking.

Criteria within this standard:

- Provide examples or case studies of where the housing provider has been engaged in placemaking or place-shaping activities.



How we meet this standard

We want our customers to feel that they live in places that they can enjoy and that we, and they, care about. Our customer research tells us that communal areas are important to people so looking after spaces we're responsible for around homes is a very important part of our work. Feedback tells us we don't always meet the standard that our customers expect in this type of work so it's something we're very focused on.

Our '70 for 70' tree planting project is mentioned elsewhere in this report. While it provides great environmental benefits it has also enriched the local environment for nearby customers and the wider community. Other 'greener' management of outdoor spaces is also helping to create more natural and biodiverse places.

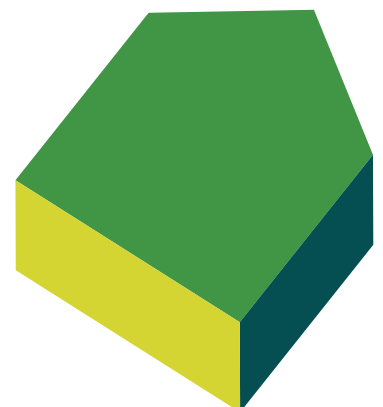
Litter picking and planting projects as part of our Futures in the Community day in December also further improved outdoor spaces used by our customers and the wider community. As well as benefitting places and communities the day was a great opportunity for some of our desk-based staff to get to know our customers and the places where we work – experiences that will help them to engage more with our work and local people for a long time to come. There is no substitute for seeing places first-hand to understand them and how they can be improved.

We've been working alongside West Northamptonshire Council and community groups, including the Southbrook Steering Group, since 2019 to improve public spaces around the Southbrook Estate where we are one of the main landlords. Last year we reopened the community centre after the pandemic and this year we've planted shrubs and flowers in communal areas, delivered an estate 'big clean-up' and installed a new path. With the original Southbrook Action Plan complete we are now focusing

on health and wellbeing in the area together with Well Northants.

Further north we've supported Grow Outside with their community garden project in Ripley. This has included supplying surplus woodchip to use as mulch. The same recycled material has also benefitted other outdoor spaces and projects including Alfreton Nursery School, Belper Friendship Orchard, Lons Forest School and Ironville Junior School Garden Club.

We know that seeing and meeting our customers out and about helps to create a stronger sense of place and community and we're focused on being much more visible and available now that the pandemic is behind us. Our 'touchdown points' in the community provide flexible workspaces to help make our customer-facing staff more accessible and reduce fuel use and travel costs organisation-wide. We are also planning many more structured events and different ways of working so that customers have more chance to meet us.



The environmental criteria



Introduction

James Dial

Head of Sustainability & Asset Maximisation

I'm really pleased to have had the opportunity to become Futures' first lead on sustainability. It's an issue I feel strongly about. This year though, with the energy crisis triggered by the war in Ukraine and the global economic bounce-back after the pandemic, the work we're doing to improve the energy performance of our homes has taken on another equally important dimension. Reducing the amount of energy needed to keep our customers' homes comfortable to live in also makes them cheaper to run. And when many are making hard choices between turning on the heating or feeding the family, it's great to know that the work we're doing will help many through these particularly challenging times.

We've involved our Insight Committee and Asset Investment Committee in reviewing our sustainability strategy and they've confirmed that they think we're still on the right track. This means that we're continuing with our 'worst first' and 'fabric first' approach by insulating some of our draughtier

and harder-to-heat homes to bring them up to EPC band C for energy performance. However, we're committed to investing millions of pounds more to improve the energy performance of our homes over the coming years and decades as we work towards clean and affordable energy for our customers.

Some of our coming priorities include replacing older oil-based heating systems with cleaner heat sources, more work to improve the energy performance of our workspaces, more new homes being build 'off-gas' and more focus on timber-framed homes. We're also delivering staff training on environmental issues to better equip everyone to support this work and make their own contributions to helping the planet.

We still have a long way to go and who knows what new challenges the climate emergency may yet bring. But we've made a great start and have a clear commitment to do much, much more.



Theme: Climate change.

Description: Prevents and mitigates the risk of climate change.

Criteria within this standard:



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

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

➤ *Scope 1, Scope 2 and Scope 3 greenhouse gas emissions.*

➤ *What energy efficiency actions has the housing provider undertaken in the last 12 months?*

➤ *How is the housing provider mitigating the following climate risks: increased flood risk, increased risk of homes overheating?*

➤ *Does the housing provider give residents information about correct ventilation, heating, recycling etc? Please describe how this is done.*

How we meet this standard

It's only a year since we put together our first ESG report. And yet in that short time we've seen what appears to be a significant increase in extreme weather events around the world with widespread belief that this is climate change in action. We're also getting more frequent warnings that humans are at risk of missing vital deadlines for cutting carbon emissions. It's not exaggeration to say that the climate emergency is already on our doorstep.

While we can't change the entire world ourselves we know we can make a positive difference as part of

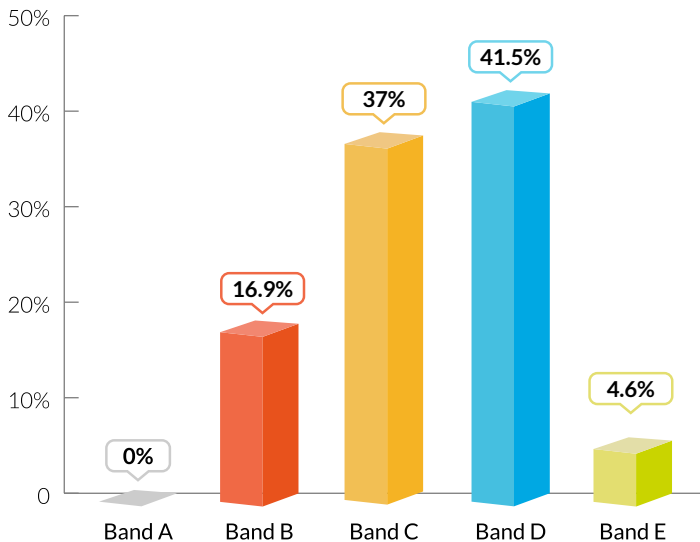
global efforts and our new sustainability strategy is designed to do this.

The 10,000-plus homes we manage across the region are responsible for much of our carbon footprint. We have a target to get all of them to EPC Band C or above by 2030 at the very latest and around half already meet that standard. It's going to take time and resources to upgrade the rest but we've made good progress this year and as we've started with those homes that need the most interventions we expect our pace to accelerate significantly as we move ahead.

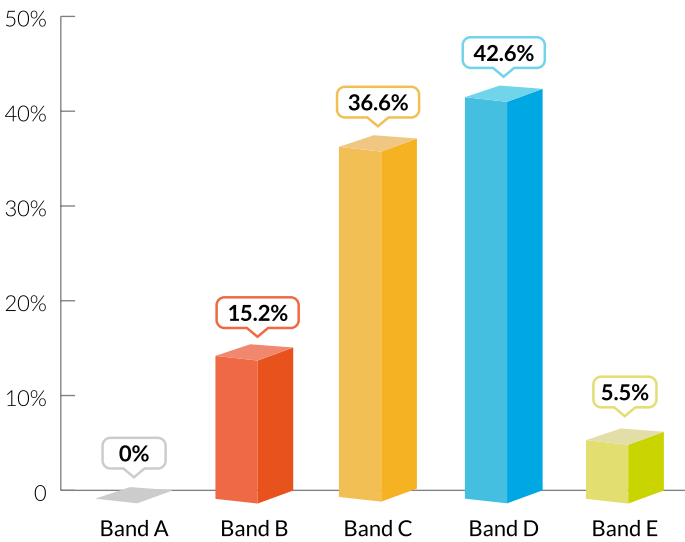
EPC performance of existing homes for the last two years: (excluding new-builds)

Based on actual and estimated EPC data.

2022-23

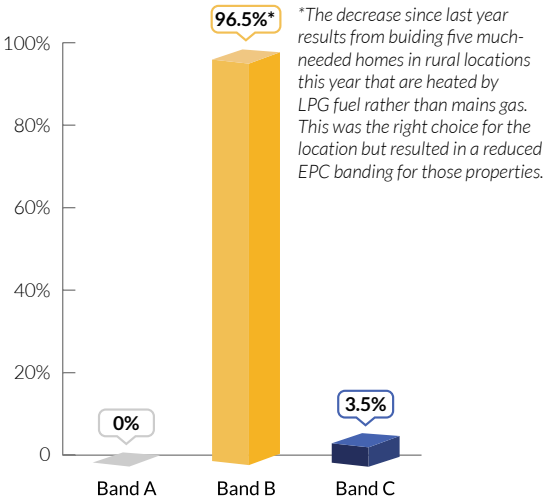


2021-22

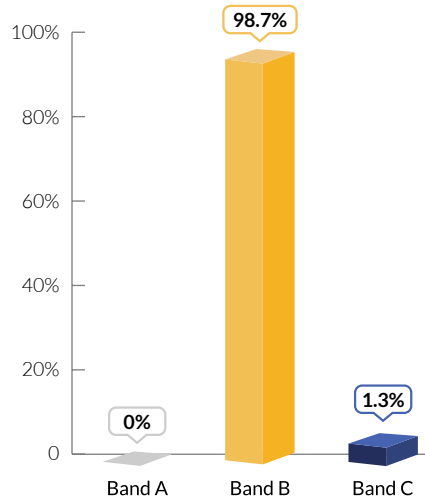


EPC performance of our new-build homes completed in the last two years:

2022-23



2021-22



Based on actual in-date EPC data.

Our CO2 emissions:



	2022-23 (tonnes)	2021-22 (tonnes)
Scope 1 (direct emissions)	648.7	647.9
Scope 2 (indirect emissions from purchased electricity)	168.2	247.3
Scope 3 (all other indirect emissions)	27,504.3	27,890.7

Total carbon footprint for 2022-23 = 28,321.1 tonnes (28,785.9 in 2021-22)

Data is based on our 2022-23 streamlined energy and carbon report produced and quality assured by SHIFT.

We were delighted to be awarded £3.1m under Wave 2.1 of the Social Housing Decarbonisation Fund as the financial year came to a close. This will enable us to upgrade a further 300-plus homes during 2023-25.

Eighty more homes are having draughtproofing and insulation installed with £1m of funding from Wave 1 of the Social Housing Decarbonisation Fund (SHDF). This work is nearly complete and all homes will achieve EPC C or above thanks to support from the Midlands Net Zero Hub, our principle contractor Sustainable Building Services, and a specialist retrofit company Crawford and Co.

We retain the silver certificate for our SHIFT Environmental Impact Assessment with a score of 47.15 (November 2022). While we still do not have detailed flood or overheating risk data for every individual property, our assessments to-date tell us that 83.3% of our existing homes are at low risk of flooding and 96.8% are at low risk of overheating. We've now reduced the risk of flooding for several homes that had a history of problems by improving rainwater gullies. Planning requirements for new homes ensure that we consider comments from the Lead Local Flood Authority.

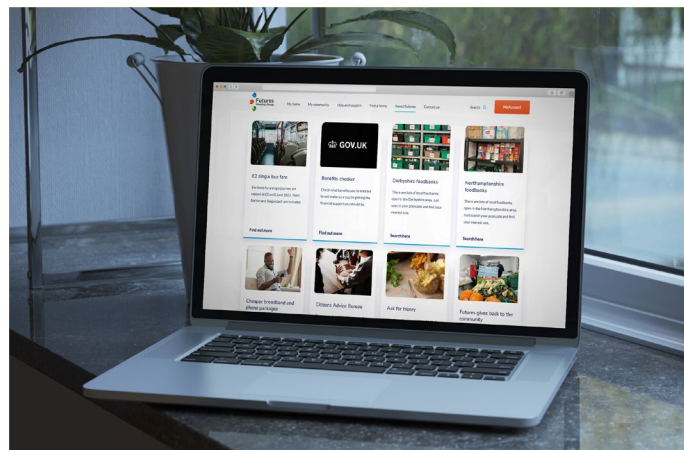
We're committed to being early adopters of the Future Homes Standard 2025 for all of our land-led schemes. This will help to reduce the risk of overheating in our

new build homes. We have partnered with an established construction consultancy to ensure that our new build specification is aligned to the Standard.

Alongside our responsibilities for the environment we have a duty to support our customers to live well and comfortably. The huge increases in energy prices over the last two years have had a disproportionately high impact on a lot of our customers. This has made turning on the heating a luxury for many. Thankfully our work to cut carbon emissions will also have a direct impact on customers' energy bills and their day-to-day comfort.



Promoting environmental awareness to customers this year has included:



Introducing a comprehensive new tenancy sign-up pack which includes information on heating, ventilation and condensation prevention tailored to that home.

Sharing regular website updates and social media messages with energy saving tips and information about other environmentally-friendly lifestyle choices.



Publishing six magazine-style guides for customers full of advice on managing the increasing cost of living and developing a more sustainable lifestyle.

Promoting planet-friendly advice and news in our digital customer magazine.

The Help-Hub on our website includes lots of information about helping the planet and managing home-costs. We've been extensively promoting this comprehensive self-help system with a five-fold increase in visits during the year which suggests that some of these messages are getting through.

Towards the year-end we contacted more than 500 customers whose homes have had energy efficiency measures installed over the last ten years to survey their views and experiences. Almost 100 responded and their insights will help us further evolve our approach to fitting energy-saving measures.



Theme: Ecology.

Description: Promotes ecological sustainability.

Criteria within this standard:

- *How is the housing provider increasing green space and promoting biodiversity on or near homes?*
- *Does the housing provider have a strategy to actively manage and reduce all pollutants? If so, how does the housing provider target and measure performance?*





How we meet this standard

Our grounds maintenance teams have continued their work to better support biodiversity and customer well-being. In a special project to celebrate the late Queen’s jubilee we worked closely with local community groups as part of the national tree planting programme, The Queen’s Green Canopy. This resulted in planting not just one but two batches of 70 trees to celebrate each year of her reign – one set in our northern region and one to the south around Daventry.

We chose native trees, including fruit trees that are common across Derbyshire and Northamptonshire. We also included Oaks for their biodiversity as well as Sweet Chestnut, Yew and Hornbeam trees which all do

a great job of absorbing atmospheric carbon. Rowan, Field Maple and Whitebeam trees were added to the mix for their sheer beauty and adaptability. Wildflower meadow planting around the trees will further support us on our journey to support biodiversity and reduce carbon emission and weedkiller use associated with traditionally grassed areas. This project will provide environmental benefits and enrich neighbourhoods for decades to come.

It wasn’t just trees we were out planting though. This year we also got out our trowels and dug-in or seeded the following:

	2022-23	2021-22
 New flowering shrubs	159	3,000+
 New hedging plants	375	300+





New areas of wildflower meadow

2022-23

2021-22

25

12,000 m²



Fruit trees

8

4

Clearly last year was our ‘big hitter’ in terms of new and more environmentally-friendly planting, but this year’s additional planting shows that we are continuing along the same path, albeit at a slower pace (as, for example, most of the areas suitable for converting to wildflowers were tackled previously).

We don’t have a written strategy for managing pollutants but we have been working substantially reduce our use of glyphosate weedkiller. This year, after extensive testing, we went even further on our journey to stop using chemical weedkiller by switching to a **new system – Foamstream**. This uses heat and plant-based foam to kill off unwelcome or out of place

plants. It enables us to manage our green spaces efficiently without damaging the environment. As a result we are no longer using glyphosphate weedkiller in our northern region.


Our vehicles carry kits to deal with any petrol or diesel spills. We have also significantly increased our use of water-based paints. These have fewer volatile organic compounds compared to solvent-based paints. They are better for both the environment and human health.




Theme: Resource management.

Description: Sustainable management of natural resources.


Criteria within this standard:

- 

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?
- 

Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?



- 

Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance?

How we meet this standard

We're continuing our work to develop a strategy for using responsibly sourced building materials. We're looking at how the procurement consortiums we engage with have embedded sustainability and social value into their framework.



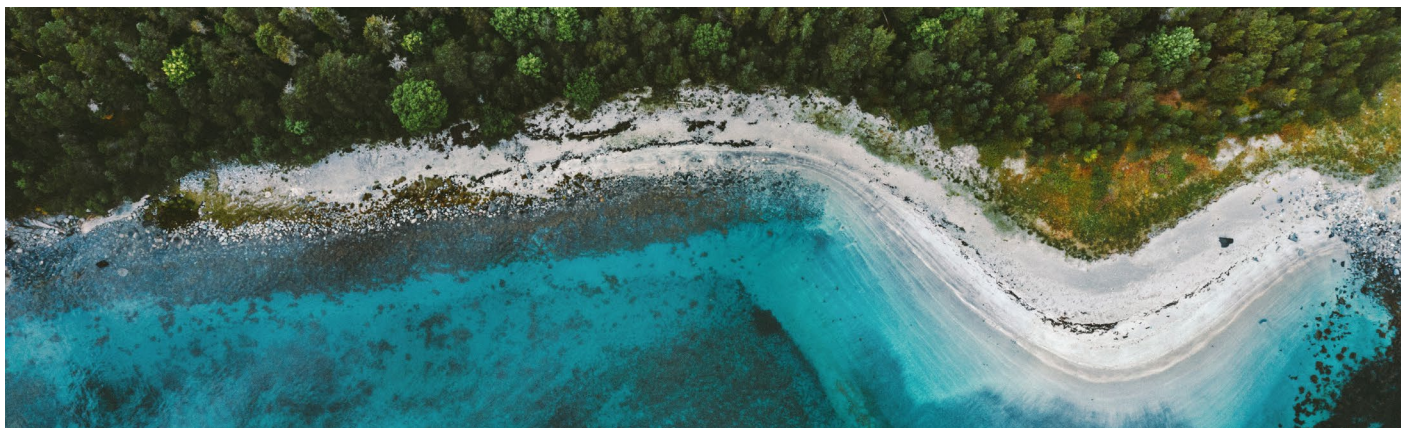
More than three quarters (77%) of building materials from Travis Perkins (one of our main suppliers) were responsibly sourced in 2021-22.

Our ISO 14001 accreditation lapsed in December 2021 but we have adopted much of the best practice that went with that accreditation and continue to have high recycling and waste diversion rates.

This year that has included improving waste management for our repairs and maintenance work.

We carry out monthly, three-monthly and six-monthly water safety tests for our communal bathing facilities and communal water systems to keep customers safe from risks such as Legionella. We've also updated our water risk assessment, aligned with guidance from the Health & Safety Executive.

We don't current have a strategy to manage water consumption but we are reviewing and re-designing our new build specification to include low water consumption bathroom components. We aim to complete this work by the year-end. At the same time we are reviewing our office energy and water consumption.



The governance criteria



Introduction

Penny Huggard

Head of Governance & Assurance

Over the last year the Group's Board and Committees have worked together to continue delivery of our corporate plan, which was extended to 2024. There is a golden thread of communication between the Boards and Committees which ensures that we are all working towards delivering key outputs, many of which are featured in this report.

To enhance our governance, the Board approved the adoption of a new code of governance which we implemented during the year, and I'm pleased to say that our first self-assessment shows that we are fully compliant. This was also given a clean bill of health by our independent internal auditor.

The nature of governance in social housing is changing quickly and this is expected to continue over the next two years as the *Social Housing (Regulation) Act 2023* received Royal Assent in July 2023. The last year has already seen the introduction of new Tenant Satisfaction Measures which will enable our customers to see how well we are performing

compared with other housing associations.

Over the next year we will take part in consultation on further proposed changes to Consumer Regulation. These will include new requirements for the sector, for example, on transparency through an 'Access to Information' scheme and ensuring that all properties owned by housing associations provide safe and decent homes for their customers. We welcome the clarity this brings and it will create opportunities for our customers to engage with any significant changes which will help us to ensure that we meet or exceed all our obligations.

Since the current regulatory framework was introduced in 2015, we have consistently achieved top regulatory gradings of G1 for governance and V1 for financial viability. Shortly after the end of the year the Regulator of Social Housing announced that we would be subject to a four-yearly in-depth assessment and subsequently confirmed that we had retained our top V1/G1 gradings yet again.



Theme: Structure and governance.

Description: Legal structure of the organisation and its approach to governance.

Criteria within this standard:

- *Is the housing provider registered with a regulator of social housing?*
- *What is the most recent viability and governance regulatory grading?*
- *Which code of governance does the housing provider follow, if any?*
- *Is the housing provider not-for-profit? If not, who is the largest shareholder, what is their percentage of economic ownership and what percentage of voting rights do they control?*



- *Explain how the housing provider's board manages organisational risks.*
- *Has the housing provider been subject to any adverse regulatory findings in the last 12 months (eg data protection breaches, bribery, money laundering, HSE breaches or notices) that resulted in enforcement or other equivalent action?*

How we meet this standard

We are a 'not for profit' registered provider of social housing registered with the Regulator of Social Housing and have consistently maintained our top ratings of G1/V1 for governance and financial viability. Our gradings were renewed by the regulator during the year.

We have adopted the National Housing Federation's Code of Governance and assess and report on our compliance every year.

We have comprehensive strategies and operational risk registers and our Audit & Risk Committee reviews them regularly. The Group Board has overall responsibility for risk. This includes setting the risk appetite and regular oversight of risk management. Our internal auditors also assess risk management.

We're pleased to report that we received no regulatory notices or enforcement actions during the year.



Theme: Board and trustees.

Description: High quality board of trustees.

Criteria within this standard:



- *What are the demographics of the board? And how does this compare to the demographics of the housing provider’s residents, and the area that they operate in? Add commentary if useful.*
- *What percentage of the board and management team have turned over in the last two years? Add commentary if useful.*
- *Is there a maximum tenure for a board member? If so, what is it?*
- *What percentage of the board are non-executive directors?*
- *Number of board members on the Audit Committee with recent and relevant financial experience?*

- *Are there any current executives on the Remuneration Committee?*
- *Has a succession plan been provided to the board in the last 12 months?*
- *For how many years has the housing provider’s current external audit partner been responsible for auditing the accounts?*
- *When was the last independently-run, board effectiveness review?*
- *Are the roles of the chair of the board and CEO held by two different people?*
- *How does the housing provider handle conflicts of interest at the board?*

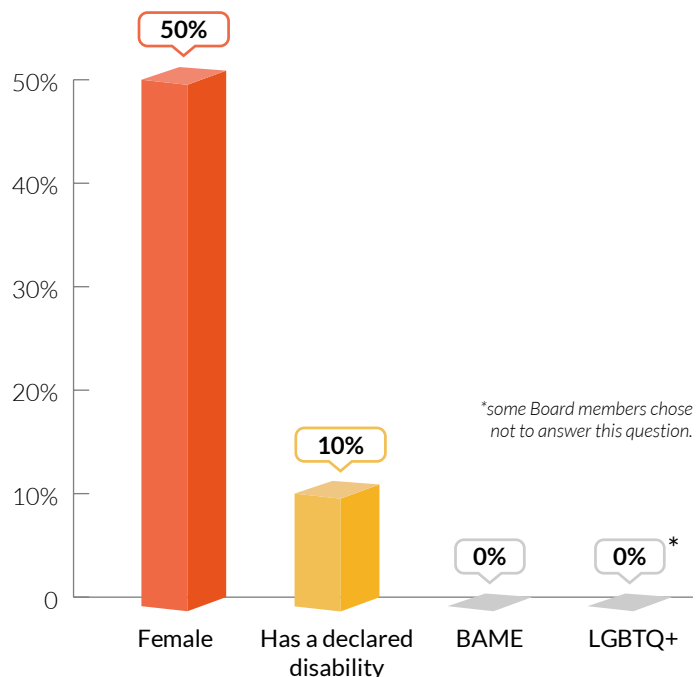
How we meet this standard

Our Board has up to 12 board directors, one of which – the Chief Executive – is an executive appointment. During the year we had 12 Board members of which 90% were non-executive. A quarter (24%) of board directors have left the Board over the last two years and turnover for the Executive Team over the same period was 12%.

57
years
Average age of Board members

4
years
Average tenure of Board members

Board demographics for the year:



Board members have a tenure of six years which, under certain criteria, can be extended up to nine years. The Audit & Risk Committee has three board directors and one independent member and two of its members have recent and relevant financial experience. The Remuneration Committee consists entirely of non-executive directors.

Our Chair and Vice Chair track Board terms of office and plan succession for future turnover. The Board has regular reports to help it to plan for forthcoming vacancies and recruitment. External audit services are subject to tender every three years (with a two-year contract extension option). The current external auditor is in the fifth year of contract.

An independent external review of the Board's effectiveness took place as part of a governance review in November 2019.

The Chair is an independent non-executive director. The Chief Executive Officer post-holder is a different individual and an executive member of the Board.

The code of conduct for our Board members sets out how we manage conflicts of interest. Board members must declare any actual, potential or perceived conflict of interest and these are formally recorded and managed accordingly. The Governance team checks any declarations of interest for missing or inaccurate information quarterly.

This is referred to in the probity policy and the requirement to declare any interest is also set out in the Articles of Association or Rules for each company. The standing orders also set out how conflicts of interest should be dealt with.

Additionally all Board members are asked to declare any conflict of interest at the start of every Board or committee meeting. The individual concerned would withdraw from relevant discussion and decisions if there is a material conflict of interest.

A register of interests is published annually on the website alongside profiles of all Board members.



Theme: Staff wellbeing.

Description: Supports employees.

Criteria within this standard:



- Does the housing provider pay the Real Living Wage?
- What is the gender pay gap?
- What is the CEO-worker pay ratio?
- How does the housing provider support the physical and mental health of its staff?
- Average number of sick days taken per employee?



How we meet this standard

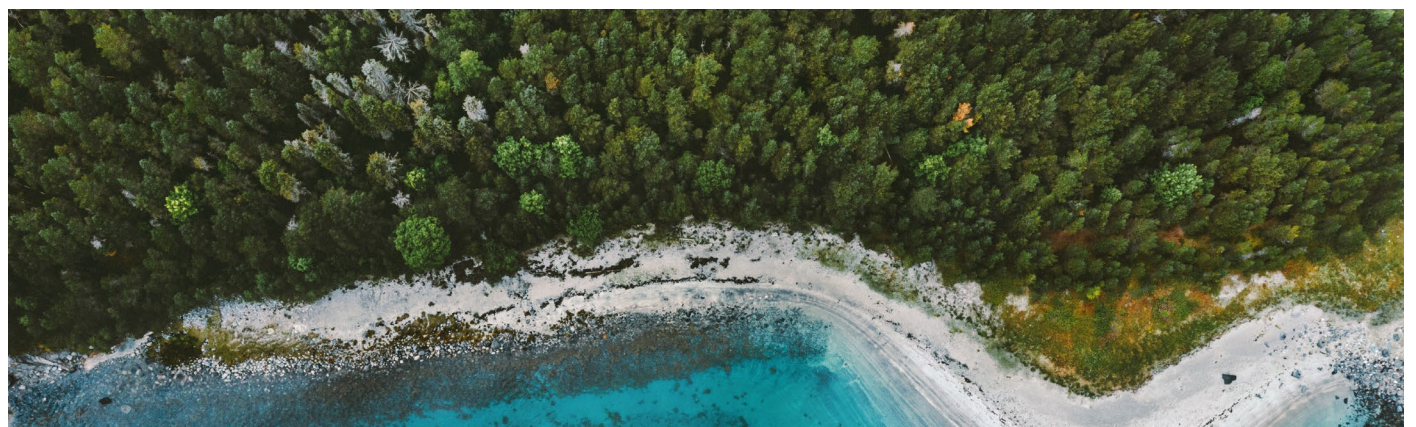
While housing is our main business, our work is more fundamentally about people. We want our customers to have comfortable, safe and secure lives and providing a good home with support services for those who need them is how we enable that. So as a people-focused organisation, our employees really matter to

us too – we can't do what we need to without them and their skills, experience and commitment. We therefore focus heavily on our culture and the well-being of the people who work for us.

We have paid the Real Living Wage since April 2021.

Key people statistics:

	2022-23	2021-22
 Median gender pay gap	-6.9%	-5.3%
 CEO: media-worker pay ratio	7.5:1	7.5:1





Median staff salary

2022-23

2021-22

£44,704

£36,352



Average number of sick days per employee

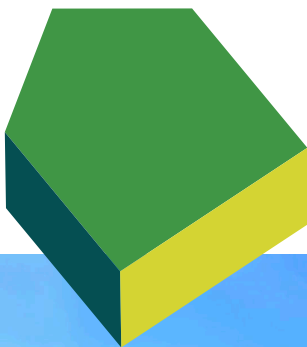
7.5

7

We offer our employees a range of help and support packages as part of their overall remuneration.

This includes:

- ▶ regular communication campaigns and an online forum.
- ▶ a 24/7 employee assistance programme.
- ▶ mental health first aid training.
- ▶ a health cash plan supported by an app giving information and advice.
- ▶ offering private medical insurance.
- ▶ a cycle to work scheme.
- ▶ access to a wide range of high street discounts which has really helped employees to offset some of the impact of the cost of living crisis.
- ▶ free information and advice on money-matters from specialist and independent financial advisors.



Theme: Supply chain management.

Description: Procures responsibly.

Criteria within this standard:

- ▶ *How is social value creation considered when procuring goods and services?*
- ▶ *How is environmental impact considered when procuring goods and services?*



How we meet this standard

We have more than 10,300 homes across the East Midlands. Like all properties they need repairs and maintenance to keep them in good shape. We're also building and commissioning new homes and over recent years have been upgrading our workspaces. All this means that we are very dependent on a range of suppliers for parts and materials and to supplement our workforce.

We are also in the middle of a multi-year change programme to become a more digitally-enabled organisation. As a result we are investing heavily in technology to better serve our customers. We depend on a wide range of hardware and software specialists for this work.

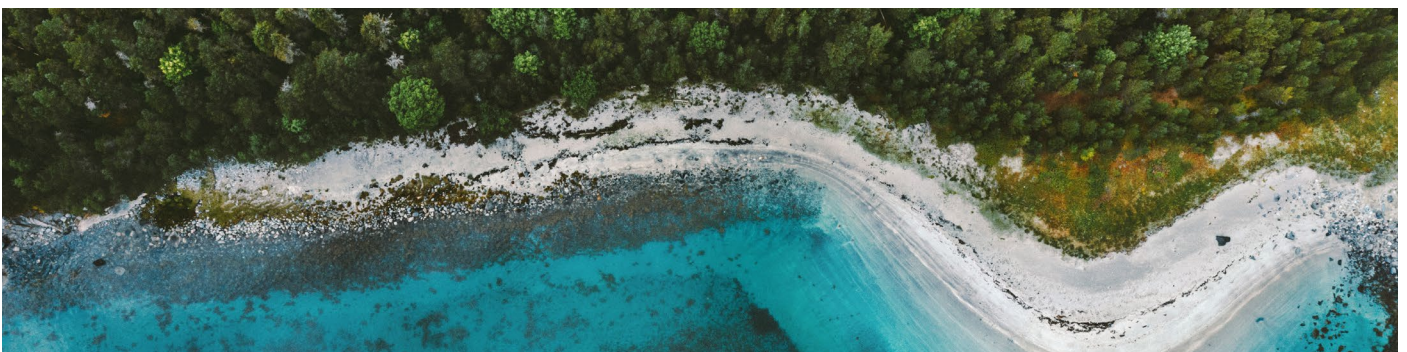
Alongside this, most of the money we spend comes to us from our customers through their rent. With that comes a huge responsibility and a need to deliver great value for money. And on top of all this we want to use our purchasing power to support the local economy wherever possible. So our procurement processes have to be strong and effective.

Our tender questionnaire includes three questions about added social value and is weighted 60/40 for quality vs price. The questions are:

- ▶ **What added value will your company provide for Futures?**
- ▶ **Outline your company's existing training and apprenticeship targets.**
- ▶ **Outline your company's proposed or existing sustainability targets.**

Bids are ranked accordingly and we consider environmental impact and confirm the added social value before contracts are awarded.

Our Procurement Team is reviewing both sustainability and social value as part of a wider and more structured approach to sourcing responsible products and social value when onboarding and working with suppliers.



Looking to the future

This is only our second year of formal ESG reporting but we are already recognising the benefits of an annual stocktake of where we are on our journey to greater success for the environment, for society and in stronger governance. The pace of life means that it's easy to lose track of progress or, indeed, where things lose their way. So this report is an important tool in keeping us on the right track and focused on continual improvement.

Some of the issues at the heart of ESG require sustained, long-term work to address. So a lot of the projects and plans featured in this year's report are work in progress. Projects such as hitting our target of all homes reaching EPC Band C by 2030 will take a lot of work and resources over years to come. But as this and last year's reports demonstrate, we've made a great start and are forging ahead.

We also need to work with and respond to our customers on our journey. So, for instance, we are now reviewing our plans for making homes more energy efficient in light of the huge increases in fuel prices. Retrofitting homes can help the planet, make properties more comfortable to live in and cut energy bills.

But different choices and solutions can shift the balance of those benefits. And right now, when so many are struggling to manage their home finances, helping keep costs down feels more significant for our customers than longer term gains for the planet. Our approach might need to evolve in response to get the balance right as both are clearly important.

This coming year we will also lay the foundations for our next corporate plan which will set out our priorities from 2024. The current plan was developed with great input from our team members. One of the outcomes of that was the fact that sustainability featured so strongly in it – that's what our employees told us they wanted to see. Once again we will be talking to our people as we develop our new plan. This report will help to frame those discussions and we fully expect not just sustainability but other themes relevant to ESG to feature strongly.

Thank you for taking an interest in our work and our progress around ESG. If you have ideas to share or want to help us move forward at an even greater pace, we'd love to hear from you.

Drop us a line at partnerships@futureshg.co.uk.



Thank you



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