

2021/22

**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT**



INTRODUCTION

Our purpose is to improve lives by providing affordable homes, great services and supporting communities. This is our second Environment, Social and Governance Report and covers the financial year ending 31 March 2022.

All three aspects are central to who we are and what we do. Our organisation has an impact on the local and wider environment, both directly through our corporate activities and indirectly through the energy and resource use of our residents. We have a clear social purpose to let homes at affordable levels, supporting people who cannot access housing through the open market. Central to this is strong and effective leadership and governance, providing stewardship of social assets and resources to ensure they are used in the most efficient and effective way.



CARE
LISTEN
RESPECT
DO THE RIGHT THING



ENVIRONMENTAL

Indicator	2021/22 Result	2021/22 Target	2020/21 Result	2019/20 Result
Carbon footprint of business operations	675 tonnes	-	616 tonnes	726 tonnes
Percentage of homes with a C+ energy rating	71%	-	70%	70%
Percentage of homes with solar panels	15%	-	15%	15%
Total renewable energy production	5,163MWh	-	5,739MWh	5484MWh
Percentage of waste diverted from landfill	98%	100%	99%	99%

Over the past year we have returned to a more normal operation following the global pandemic, which meant that we had more vehicles on the road and offices were used more and therefore we have seen an increase in our carbon footprint. If we compare it to the footprint in 2019/20 (pre-pandemic), our carbon emissions are lower.

The percentage of homes with an energy rating of C or above has improved slightly and is a combination of an intake of energy efficient new build homes and major works to improve the thermal efficiency of blocks of flats. We have been successful in a bid for Wave One of the Social Housing Decarbonisation Fund which will see further energy efficiency works to an additional block of flats.

We are currently putting plans together to deliver a programme of works to bring properties below a C rating up to the required standard by 2030. This is becoming ever more important as the cost-of-living increases to potentially unaffordable levels, especially in relation to energy prices.

These plans form part of a wider set strategy to work towards decarbonising our homes and business by 2050 in line with Government targets. During 2021/22 we commissioned a report from Savills to analyse our housing stock information and determine a series of costed options that we could adopt as part of our journey towards achieving net zero carbon for the homes.

The current energy efficiency distribution of our homes is as follows:

	Energy Efficiency Rating							
	A	B	C	D	E	F	G	No EPC
Number of homes	95	1812	8112	3883	125	12	2	54
Percentage of homes	0.67%	12.86%	57.55%	27.55%	0.89%	0.09%	0.01%	0.38%

The Display Energy Certificate for our main corporate building, Plumer House, shows that it is a C rating which is above the average for a public building, which currently stands at a D.

We intend to significantly increase the number of electric vehicle charging points at Plumer House to support electrification of our fleet and provide charging facilities for staff as employees swap to electric vehicles over time. We are also investigating options around increasing employee access to more sustainable business and commuter transport by for example buying a subscription to a car club, electric bicycle hire and wider access to charging facilities across Plymouth. This would enable staff working from home to borrow a vehicle from a location near to their home rather than driving to Plumer House to pick up a pool car as was the case pre-pandemic.

Additionally, we will need to revisit whether we could introduce solar energy generation to the building via new technologies and replace the heating source with a low-carbon solution.

The proportion of homes with solar panel remains the same, as the installation programme has ended. This equates to 2,312 homes. The panels did not perform as well as in previous years and therefore generated less electricity and we received less feed-in-tariff. We also have panels on some of our new-build homes and at The Beacon which are stand-alone systems which will be audited and reported on in next year's report.

The percentage of our waste disposed via more sustainable routes other than landfill reduced slightly compared previous year, meaning that 795 tonnes of our waste were either recycled or sent for energy recovery. The bulk of the waste arises from clearance of empty homes and fly-tipping which is taken to our own recycling centre and each item is sorted for reuse or recycling, which helps keep costs down and allows us to dispose of these items in a more environmentally friendly way. Decent quality items are retained and stored for reuse and are passed on free of charge to residents who need furniture and other household goods.

In addition to furniture and household goods, we receive hundreds of good quality toys at the centre. Instead of disposing of them, we recently held a toy fair in Efford where we gave the toys away to children living in the local neighbourhood and we plan to hold another event in Ernesettle over the Summer 2022.

As part of our role in the Plastic-Free Plymouth group, we have made a commitment to longer offer plastic merchandise at events held in our communities and use sustainable options instead. Over the coming years, this will be widened further across our supply chain to work with suppliers to provide goods in less packaging and in more sustainable and recyclable containers.

We continue to hold certification in the ISO14001:2015 standard for Environmental Management, audited and certified by the British Standards Institute.



SOCIAL

Indicator	2021/22 Result	2021/22 Target	2020/21 Result	2019/20 Result
Affordability				
Percentage of rents set below LHA limits	99.9%	-	99.8%	99.9%
Percentage split of homes by tenure:				
Social rent:	70%	-	70%	74.6%
Affordable rent:	27.8%	-	28%	24%
Shared ownership:	2.2%	-	2%	1.4%
New homes completed or acquired – affordable rent	82	-	58	80
New homes completed or acquired – social rent	70	-	39	3
Current tenant arrears as a percentage of amount due	1.5%	2%	1.36%	1.43%
Number of evictions carried out for rent arrears	0	-	1	14
Buildings				
Percentage of homes with a valid gas safety certificate	99.97%	100%	99.95%	99.98%
Percentage of homes with a valid fire risk assessment	100%	100%	100%	-
Percentage of homes meeting the Decent Homes Standard	100%	100%	99.7%	93%
Resident satisfaction and complaints				
Percentage of residents satisfied with PCH as their landlord	86.08%	-	91.2%	91.2%
Percentage of residents satisfied with the repairs service	96.5%	95%	97.2%	89.6%
Percentage of residents satisfied with major works	98%	95%	97.1%	81.4%
Number of stage 1 complaints received	299	-	236	311
Number of stage 2 complaints received	19	-	13	7
Number of stage 3 complaints received	2	-	4	0
Percentage of complaints closed within timeframe	99%	100%	97%	99%

Our social purpose is central to the way we do business. We are here to meet the housing needs of people who cannot afford private rented housing, have additional support requirements, or need help with sustaining their tenancy.

The rents charged are some of the lowest in the sector; our social rents are on average £10 per week lower than other Registered Providers in the Plymouth area due to legacy low rents arising from the stock transfer in 2009. The table below compares our median monthly rent to the median private rent by Local Authority area, which shows the considerable difference:



Local Authority Area	PCH Median Rent	PRS Median Rent	Difference
Plymouth	£356	£625	55%
Cornwall	£585	£715	20%
South Hams	£585	£775	28%
West Devon	£542	£675	22%

Our Plymouth rents may be low, but we pride ourselves on offering excellent quality homes and services to residents. Overall, we have converted just under 28% of rented homes to Affordable Rent to support our development programme however we are in the process of reducing these rents year on year and at the end of March 2022 they will return to social rent levels.

In addition to rented homes, we have an ever-growing portfolio of shared ownership properties, helping people to take the first step to home ownership in an affordable way. We continue to expand our reach outside of Plymouth, by building or purchasing homes for rent and shared ownership in areas such as Cornwall, West Devon and the South Hams. During the year we brought an additional 151 rented homes into our stock, and 49 homes for shared ownership.

We also started our first development for market sale in a joint venture with Halsall Homes. Any surpluses generated from these homes will be ploughed back into further development or services for residents. We received more complaints last year than previously and following one complaint we received a determination of maladministration from the Housing Ombudsman in relation to how we and another Housing Association had handled a mutual exchange. We have amended our working practices, given staff refresher training and we have also updated a number of tenancies to reflect the correct tenancy type on our housing management system.

Building safety is a key focus for our organisation. During the past year 99.97% of homes with a gas supply had a valid safety certificate and all homes requiring a fire risk assessment had one in place. We have also embarked on a programme to carry out electrical safety tests every

five years instead of every 10, and 97.8% of homes have a certificate that is no more than five years old. The remaining homes have a valid 10-year certificate, which is legally compliant.

At the end of 2021/22, all homes requiring a legionella risk assessment had received one, and it had been reviewed and 99.71% of homes had an asbestos management plan. Most of the homes without a management plan were from a recent stock transfer and we are working with the residents to complete a survey and develop a plan. All checks to non-domestic areas were complete at the end of the year.

All passenger lifts had received an inspection at the end of 2021/22.

Another key aspect of our organisation is to support tenants in times of financial and other difficulty. Our Incomes Team continue to provide high levels of support to residents to help them with budget management, benefit claims and support with other funds available. Arrears levels have reduced since the height of the pandemic, although they are slightly higher than the previous year. There were no evictions for rent arrears during the year.

We also support residents by tackling and preventing anti-social behaviour which can have a significant impact on peoples' lives. 96.9% of residents who had made an anti-social behaviour complaint reported that they were very or fairly satisfied with the outcome.

This is all part of our role as a placemaker and community leader, supporting our residents to live in well-managed and thriving neighbourhoods.



GOVERNANCE

Indicator	2021/22 Result	2020/21 Target	2020/21 Result	2019/20 Result
Number of Board members	11	12	12	12
Of which male:	45.5%	-	42%	41%
Of which female:	54.5%	-	58%	59%
Average age of Board members	61	-	62	51
Percentage of Board members who are ethnically diverse	0%	-	0%	0%
CEO - lowest paid worker ratio	8.7x	10x	9.81x	9.81x
CEO – median paid worker ratio	6.1x	-	-	-
Gender-pay gap	1.3%	0%	-1.5%	1.5%
Regulatory grading – governance	G1	G1	G1	G1
Regulatory grading – financial viability	V1	V1	V1	V1
Code of Governance	NHF 2020	-	NHF 2020	NHF 2015
Investors in People Rating	Gold	-	Gold	Gold
Standard and Poors credit rating	A+	-	A+	A+

Strong corporate governance is essential in a thriving and high-performing organisation. Our Board is a group of 12 non-executive directors who are responsible for the overall strategic direction and governance of the organisation. The Board is supported by a Chief Executive and three Executive Directors who are responsible for the day to day running of the business.

Plymouth Community Homes is registered under the Co-operative and Community Benefit Societies Act 2014 and has charitable status. It has no majority shareholder, although interested parties can purchase one share to gain voting rights on the company rules. Each share has a nominal value of £1, which no right to interest, dividend, or bonus.

PCH has a transparent corporate group structure as a parent company with three subsidiary companies, this allows us to trade in a for-profit context whilst reducing the risk associated with such activities. During 2021/22 we put one of the subsidiaries, Plymouth Community Homes Manufacturing Services, into liquidation as the pandemic resulted in the business being unviable. Fortunately we were able to sell the Window Factory to another company and some staff from other workshops were able to fill vacant positions within PCH meaning that the impact on employees was very low.

Each year our Boards and Committees must consider their effectiveness in line with regulatory guidance. Once every three years, the National Housing Federation Code of Governance requires members to have a formal review at least every three years, which was last carried out in 2019. We are in the process of implementing the new 2020 Code of Governance. This places additional requirements on our organisation to place residents at the centre of strategic decision making, to make sure we have measures in place to keep residents and staff safe, and finally to make sure that the Board has a thorough oversight of risk and has fully stress-tested a range of scenarios which may adversely affect our organisation's future.

We are registered with the Regulator of Social Housing, who adopt a co-regulatory approach where the Board and residents hold us to account. Our robust governance arrangements ensure that we have not been subject to any adverse regulatory findings. The most recent review of our regulatory gradings took place in December 2021, when we received an in-depth assessment and our G1, V1 gradings were reconfirmed. These are the highest gradings possible.

Over and above achieving the highest regulatory gradings possible, the international credit rating agency Standard and Poor's has given Plymouth Community Homes an A+ credit rating, demonstrating robust financial management and stability to potential investors in our organisation.





Plymouth
Community Homes



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