



Sustainability Report

2020/21



Welcome to our first Sustainability Report

It's our vision "to ensure all of our customers live in a home they love and in a community in which they can thrive".

This powerful social purpose drives all our work and requires us to think carefully about how we can foster sustainability and be socially responsible. These are typically described as Environmental, Social and Governance (ESG) impacts.

This report will illustrate the work and impact that Leeds and Yorkshire Housing Association (LYHA) has made in these Environmental, Social and Governance (ESG) areas during 2020/21.



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Overview

This has been a year like no other. The Covid-19 pandemic has changed the way that we live and work dramatically. We continued to provide all our core services but had to make changes to how we delivered them to keep everyone (customers, colleagues and contractors) safe.

We put in place a Customer Support Fund to assist those experiencing hardship and made a promise to customers that nobody would be at risk of losing their home as a result of the pandemic. The organisation responded, quickly adopting more 'agile' and less 'face to face' ways of working yet maintaining customer safety and continuing to provide high quality services. We had positive customer feedback about the level of support we provided and it has been encouraging to see that satisfaction figures have risen year on year.

LYHA launched a new Corporate Plan 'Together 2023' which set out our new mission, vision and values. It was developed in tandem with our customers and colleagues and its ethos is all about partnership and collaboration: building on the big strides forward we've achieved over the last two years and setting out our bold ambitions for the next three. This was followed in November 2020 by The Regulator of Social Housing's announcement that LYHA had retained its top G1 V1 rating, after an In-Depth Assessment (IDA).

We are firmly committed to helping tackle the housing crisis by delivering high quality, affordable and desirable homes which people feel proud to live in. In 2020/2021 we built 32 new homes and have ambitious plans to build another 206 over the next three years. To fund this and our other corporate objectives, we secured new loan funding at a record low interest rate of 1.747% from The Housing Finance Corporation.

Stock rationalisation is necessary to ensure we continue to deliver cost efficiencies and the highest levels of service to customers. We recently sold a small number of homes in the Craven and Pendle districts to a more local housing association, which is in a better position to meet those customers' needs, enabling us to focus more effectively on servicing homes within our core areas.

Finally, decarbonisation is one of the biggest challenges facing the housing sector and LYHA is committed both to delivering new homes which don't rely on fossil fuels and to retrofitting our existing properties so that they are as energy efficient and affordable to run as possible. We procured a baseline study to understand the costs and actions required to convert our homes and are working in partnership with other Yorkshire housing associations on a joint decarbonisation plan to achieve our energy efficiency targets.



Our Sustainability Goals

Leeds & Yorkshire Housing Association is a social purpose business, with a rich heritage of providing decent, secure and affordable housing for the benefit of the community.

We are passionate about the opportunity we have to make a difference and recognise the value that a good home can deliver. A home you love is a platform for a happy, fulfilling life. However, LYHA owns homes located in some of most deprived areas in the country and many of our customers face diverse challenges in their ability to live well.

Our objectives, as with those of much of the social housing sector, are aligned with many of the UN's Sustainable Development Goals (SDGs).

The structure of this report is aligned to the specific themes outlined in The Sustainability Reporting Standard for Social Housing¹. Within each theme we have reported against individual criteria. Our reporting is also aligned to the UN SDGs and the table below gives the themes and the specific SDGs to which they relate.

Each theme contains a number of core and enhanced criteria. This report responds to all of the core, and many

of the enhanced, criteria included in the standard. It is the intention to refine and improve our reporting over time to be in a position to address all the criteria in the standard.

This report is a self-assessment of our work on each criteria. It is not audited or benchmarked and it is not exhaustive. It is intended to present the reader with sufficient evidence to demonstrate LYHA's commitment to operating sustainably and to provide some examples of where we are on the sustainability journey.



¹ESG Social Housing – Building sector standard approach to ESG reporting



The Sustainability Reporting Standard

ESG Area	Theme #	Theme Name	SDG Goal	
Social	T1	Affordability and Security	11	Sustainable Cities and Communities
			10	Reduce Inequality
	T2	Building Safety and Quality	11	Sustainable Cities and Communities
	T3	Resident Voice	11	Sustainable Cities and Communities
	T4	Resident Support		
	T5	Placemaking		
Environmental	T6	Climate Change	13	Sustainable Cities and Communities
	T8	Resource Management	15	Sustainable Cities and Communities
	T3	Resident Voice	12	Sustainable Cities and Communities
Governance	T9	Structure and Governance	16	Peace, Justice and Strong Institutions
	T10	Board and Trustees		
	T11	Staff Wellbeing	8	Decent Work and Economic Growth
	T12	Supply Chain Management	12	Responsible Consumption and Production



Social

Themes 1 – 5 address development goals 10 and 11 and can be seen to relate to LYHA's work to create social value in our communities.



Theme 1: Affordability and Security

This theme seeks to assess the extent to which the housing provider provides long-term homes that are genuinely affordable to those on low incomes

Criteria 1. Housing provider specific “Affordability” indicator

Using the data from our Statistical Data Return (SDR) to the Regulator of Social Housing (the Regulator) we have compared our average rents against the average reported rents in the Private Rented Sector (PRS) for each size property in the local authority areas that we operate. In general, we will charge between half and three-quarters of the rents levied in the private market.

LYHA Rent as % of PRS					
LA	Studio	1-Bed	2-Bed	3-Bed	4-Bed
Leeds	54.5%	48.2%	50.0%	55.6%	32.7%
Scarborough	78.0%	75.5%	66.5%		
Barnsley			72.9%		
Craven	68.1%	65.8%	61.7%	62.5%	
Pendle		76.7%	75.8%		
Wakefield			66.8%	69.5%	
Kirklees			70.9%	53.9%	

Criteria 2.

Share, and number, of existing homes (homes completed before the start of the previous 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 Rental Sector.

Number of units reported in last SDR		
General needs	1112	70.1%
HFOP	76	4.8%
Affordable Rent	256	16.1%
Intermediate Rent	79	5.0%
LCHO	51	3.2%
Market Rent	13	0.8%
TOTAL HOMES	1587	100.0%



Criteria 3.

Share, and number, of new homes (homes that were completed in the previous 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 Rental Sector.



In 2020/2021 we completed 32 new homes, all of which were social housing:

New Homes %		
General needs	10	31.3%
Affordable Rent	12	37.5%
Intermediate Rent	5	15.6%
LCHO	5	15.6%
TOTAL HOMES	32	100.0%

Criteria 4.

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

In 2020/2021 we completed the replacement of an expensive and inefficient electric heating system at our largest estate, The Elmetes, in Roundhay, Leeds with gas central heating following a consultation exercise with customers on their preferred form of heating. Other improvements at The Elmetes included creating improved recycling points and installing cavity wall insulation throughout the estate. Cavity wall insulation has also been

installed at our estates at St Ann's in Burley and St Mary's in Chapeltown.

We work with referral service Energy Angels to support customers in using the market to switch suppliers for better value.

In the year we worked with three local housing associations to jointly procure a "carbon baseline" report to provide a road map to achieving net zero carbon homes by 2050. This work will help us develop future programmes of



work to address those homes that are currently most expensive to heat.

Criteria 5.

What % of rental homes have a 3 year fixed tenancy agreement (or longer)?

We offer assured non-fixed term tenancies for our general needs and housing for older people homes (HOPs). These are lifelong tenancies

which only end if a tenant leaves or breaks the terms of their tenancy. We offer one-year fixed-term "starter" tenancies to customers in their first

year in social housing, which transition into rolling "lifetime" tenancies on successful completion of the first year.



Theme 2: Building Safety and Quality

This theme seeks to assess how effective the housing provider is at meeting its legal responsibilities to protect residents and keep buildings safe. The theme is made up of three criteria, disclosing gas safety checks, fire risk assessments and compliance with the Decent Homes standards.

LYHA takes a proactive approach towards the Health and Safety of its customers, staff, contractors, and stakeholders to ensure it complies with its legislative and regulatory responsibilities. Health and Safety is a standard item on every Audit and Risk Committee agenda.

A health check of LYHA's health and safety compliance data was undertaken in October 2020 by independent consultants Pennington Choices Ltd. The scope of the health check was a compliance review focused on data management to provide assurance that data is

robust and the new health and safety management system, C365, is effectively embedded. Penningtons found that "Overall, we have full assurance that LYHA is managing compliance effectively".

Criteria 6.

What % of homes with a gas appliance have an in-date, accredited gas safety check?

At 31 March 2021 we had 100% of homes with an in-date accredited gas safety check.

Criteria 7.

What % of buildings have an in-date and compliant Fire Risk Assessment?

At 31 March 2021 we had 100% of qualifying blocks with an in-date and compliant Fire Risk Assessment (FRA).

FRAs are conducted on a cycle of 1, 2, or 3 years dependent on the risk inherent in the building and with

reference to the vulnerability of the residents. We have no blocks over 18 meters or 6+ storeys.

Criteria 8.

What % of homes meet the Decent Homes Standard?

As at 31st March 2021, 4 homes (0.2%) are deemed to not fully comply with the Decent Homes Standards. This was declared in our statistical data

return to the regulator and results from customers declining replacement of components, usually as a result of ill-health.



Theme 3: Resident Voice

This theme seeks to assess how effective the housing provider is at listening to and empowering residents. The theme is made up of three themes that cover board scrutiny, complaint handling and resident satisfaction.

Criteria 9.

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

LYHA is fully committed to engagement with our customers. Our current corporate plan is called "Together 2023" to illustrate the fundamental importance of co-creating the plan with customers. In creating the plan we consulted with customers involved in our governance structure, either on the Board or Committees, as well as a very well received broad digital consultation.

We have one Board Member who is also a customer. We also operate a Customer Experience Committee which is jointly made up of Board Members and customers (with customers in the majority). This is a standing committee of the Board and the Chair of the Board periodically attends the committee, offering direct access to the Chair for customer members.

We have operated an independent scrutiny group who have in the past conducted reviews of services. In



2020/21 this has been more difficult to arrange as a result of the pandemic, but the scrutiny group was involved in the selection of our main repairs contractor when this contract was re-procured in 2020.

On an annual basis we produce a Report to Customers detailing the activities and performance of LYHA over the year, providing customers with the information they need to assess the quality of the services they are receiving.

Effective engagement with our customers is vitally important to LYHA and our Improving Customer Experience Strategy places this at the heart of achieving high levels of customer satisfaction. We will be working with customer engagement specialists TPAS in 2021 to develop and enhance our engagement policies.

Criteria 10.

How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?

In April 2020 we introduced a quarterly “tracker” satisfaction survey, replacing our formerly annual survey.

Overall satisfaction has now risen for three successive years to 73% in 2020-2021.

In addition to the tracker perception survey, we also undertake up to 1,000 transactional satisfaction surveys a year for our key services: repairs, estates maintenance, lettings, gas servicing and new homes.



Criteria 11.

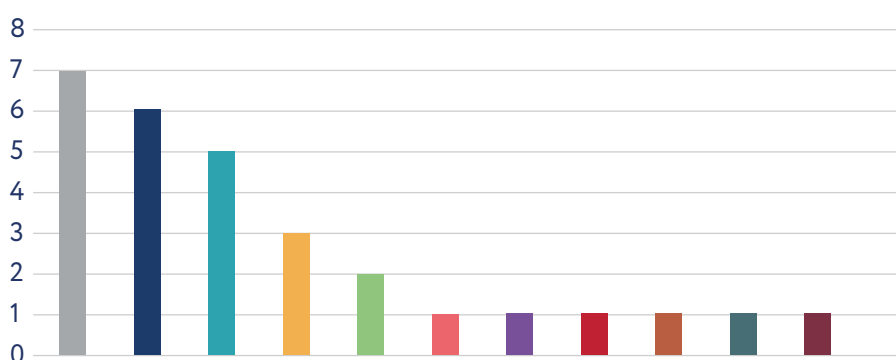
In the last 12 months, how many complaints have been upheld by the Ombudsman. How have these complaints (or others) resulted in change of practice within the housing provider?

We had no complaints referred to, or upheld by, the Ombudsman in 2020/2021.

We recorded 57 complaints in 2020/2021. In responding to each complaint we consider what lessons could be learned.

The key themes from this analysis show issues with communication, process and administration. These have been addressed through training, the introduction of new software for key services, and making self-service options available to allow customers to keep themselves informed on the progress of applications and cases.

Lessons Learned Themes



- External Communication
- Process
- Administration
- Internal Communication
- FPOC Failure
- Colleague Professionalism
- Contract Management
- Customer Commitment
- Fairness
- Keeping Promises
- Record Keeping



Theme 4: Resident Support

This theme seeks to assess the effectiveness of the initiatives that the housing provider runs to support individual residents. The theme is made up of two criteria that cover: What support is provided? And how successful is it?

Criteria 12.

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

LYHA has an objective to help our customers and communities to live well. We have ambitious plans but recognise that we can't achieve all we want to achieve on our own. Where LYHA does not have the skills or resources, we will seek to work with partner organisations who share our

values and have similar objectives. We will also seek to innovate in our approach to procurement, working with contractors and supply chains to maximise social value for our customers.

We measure the outcomes of our

work through the HACT social value analysis, which gives outcomes an equivalent financial value.

In 2020/2021 we have supported 59 people through a variety of programmes delivering the equivalent of £137k of wellbeing.

Associated outcome / value	Average person value	No. of participants/beneficiaries				Total
		Age unknown	Under 25	25-49	50+	
[] Energy efficiency improved by one EPC band	£217	5				£1,085
[] Energy efficiency improved by two EPC bands	£434	12				£5,208
[] Energy efficiency improved by two EPC bands	£651	18				£11,718
♦ Apprenticeship	£2,353		1			£1,492
♦ Part-time employment	£1,229		1			£627
♦ Part-time employment	£1,229		1			£627
♦ Government training scheme	£9,447	7				£57,095
▣ Active in tenants group	£8,116	4				£25,779
▣ Gardening	£1,411	3				£3,555
▣ Active in tenants group	£8,116	4				£25,779
▲ Access to internet	£2,353	3				£4,102



Theme 5: Placemaking

This theme seeks to highlight the wider set of activities that housing providers undertake to create well-designed homes and places that meet local needs and provide great places for people to live and enjoy. The theme is made up of one criterion, a space for the housing provider to give examples of their placemaking or placeshaping work.

Criteria 13.

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

Leeds & Yorkshire Housing Association created an outdoor 'Forest Classroom' for pupils at Horsforth Featherbank Primary School in Leeds.

The LYHA team turned a previously overgrown, wooded area next to one of their developments into a community garden that was adopted by the school as an outdoor classroom. It is called 'Featherbank Forest' (as named and voted on by the children) and has been used to deliver learning for all pupils in a natural, outdoor setting.

The site is just 50 metres from the school gates and the LYHA team, in partnership with the school and the Conservation Volunteers, worked hard to develop the space. "We have created an outdoor classroom made of logs covered by a tarpaulin (so it can be used in all weathers), together with a fire pit, structures to make dens, a see-saw, climbing frame and wooden xylophone which all embrace the Outdoor Learning ethos. It has been a really exciting project to work on

and we are delighted that it will bring tangible benefits to the school and local families" said Joanna Chambers, LYHA's Director of Assets and Growth.

Lorraine Scudder, Headteacher at Horsforth Featherbank School, adds:

"The whole school is really excited about it. It's fantastic to have somewhere where we can investigate science and deliver all aspects of the curriculum in a safe, natural, outside space, in close proximity to the school. We are hoping that our children are given lots of opportunities to use the space to its full potential. Our teachers and governing body are passionate about encouraging the use of outdoor spaces and developing links with the surrounding community. We'd like to thank LYHA for their hard work and generosity in donating this space to us. We are sure that it will enrich the children's learning and add to their enjoyment of their time in school."



The pupils were very excited about the new outdoor space:

"It's really good. The best bits are the climbing frame and seesaw. I can't wait to play on them with my friends."
Holly Rule, age 6.

"It's epic. I love it."
Ben Bottomley, age 6.

The school provides LYHA with an annual report detailing how the space was used over the school year and how many pupils benefitted from the outdoor learning experience. It is always a joy to read.



Environmental

Themes 6 – 8 address development goals 7, 9, 13 and 15 and can be seen to relate to LYHA's work to address environmental issues.



Theme 6: Climate Change

This theme seeks to assess how the activities of the housing provider are impacting on climate change. This theme considers current practice, as well as the changes being made to improve performance in the future. The theme is made up of eight criteria, including the distribution of EPC ratings and heating sources, emissions data, capacity for renewable energy production, and environmental strategy.

Criteria 14.

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

EPC Rating	% of Homes
B	21.8%
C	28.0%
D	13.4%
E	8.6%
F	2.8%
G	0.6%
No Data	24.7%

Criteria 15.

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

EPC Rating	Count of Reference
A	25.00%
B	59.38%
C	15.63%

Criteria 16.

Scope 1, Scope 2 and Scope 3 green house gas emissions measured in “tonnes of carbon dioxide per year” or tCO₂.

Emission source	Scope 1	Scope 2	Scope 3	Total
Housing			Heating, hot water and lighting 4,087	4,087
Offices	Gas 18	Electricity 12		30
Travel	Business travel company car 14.57		Business travel private car 11.45 Commuting 39	65
Total	32.57	12	4,137.45	4,182

Theme 7: Ecology

We are not currently in a position to report on the enhanced criteria related to Theme 7: Ecology.

Theme 8: Resource Management

We are not currently in a position to report on the enhanced criteria related to Theme 8: Resource Management.



Governance

Themes 9 – 12 address development goals 8, 12 and 16 and can be seen to relate to LYHA's Governance arrangements.



Theme 9: Structure and Governance

This theme seeks to assess the inherent characteristics of the organisation and any risks or benefits that may flow from this.

Criteria 25.

Is the housing provider registered with a regulator of social housing?

Yes, registration number LH0704.

Criteria 26.

What is the most recent viability and governance regulatory grading?

G1/V1 awarded in November 2020 following an In-depth Assessment.



Criteria 27.

Which Code of Governance does the housing provider follow, if any?

Through 2020/2021 LYHA followed the National Housing Federation's (NHF) 2015 Code of Governance. The Board adopted the NHF's 2020 Code for 2021/2022.

Criteria 28.

Is the housing provider Not-For-Profit?

Yes. LYHA is a registered society under the Cooperative And Community Benefit Societies Act 2014, registration number 14238.

Criteria 29.

Explain how the housing provider's board manages organisational risks

LYHA's Risk Management Policy, approved by the Board, includes a combined assurance approach adopting the principles of Three Lines. The strategic risk map and register have been thoroughly reviewed by the Board, and an assurance map has been developed to illustrate the depth and quality of assurance against key controls. The Board reviews the risk register at each meeting and delegates the monitoring of the Strategic Risk Map and Register along with the review and assurance of the management actions to the Audit & Risk Committee. In 2020 the Board fundamentally upgraded its Risk Appetite Statement, now detailing a nuanced risk statement for each of the main drivers of risk facing the Association.

Criteria 30.

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 10: Board and Trustees

This theme seeks to assess the quality, suitability and performance of the board.

Criteria 31.

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?

In 2020 we undertook a successful recruitment campaign to improve the skills and diversity of the board.

Our Board of 11 Members is 36% women, 27% BAME and 9% live with a disability.

The average age is 55.

Criteria 32.

What % of the board AND management team have turned over in the last two years?

Three members of our Board of eleven have resigned over the last two years. No members of the Executive Team have departed over the same period.

Criteria 33.

Is there a maximum tenure for a board member? If so, what is it?

The maximum tenure for a Board member is nine years. In adopting the NHF Code of Governance 2020 for the year 2021/2022 we will be working towards a normal expectation of a maximum tenure of 6 years.

Criteria 34.

What % of the board are non-executive directors?

Our Board is comprised solely of non-executive directors.

Criteria 35.

Number of board members on the Audit Committee with recent and relevant financial experience.

Two members of the Audit and Risk Committee have recent and relevant financial experience.

Criteria 36.

Are there any current executives on the Remuneration Committee?

No.

Criteria 37.

Has a succession plan been provided to the board in the last 12 months?

Yes, the Board has considered succession planning in the last 12 months.

Criteria 38.

For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

In signing-off the 2020/2021 accounts, auditors Beever and Struthers have completed five-years of audits. Following a procurement exercise they have been re-appointed with a new Responsible Individual.



Criteria 39.

When was the last independently-run, board-effectiveness review?

Consultants DTP undertook an independent governance review in October 2018.

Criteria 40.

Are the roles of the chair of the board and CEO held by two different people?

Yes.

Criteria 41.

How does the housing provider handle conflicts of interest at the board?

Board members are required to complete an annual declaration of interests and inform LYHA of any changes to their interests during the year in line with the Code of Conduct.

At Board meetings, members raise any potential conflicts of interest for the business being discussed and the member will be asked not to contribute/vote on the decision or be asked to leave the room.

Gender pay gap:

Male

£21,827

LQ

£28,620

Median

£34,803

UQ



Female

£22,783

LQ

£28,620

Median

£28,620

UQ



Criteria 42.

Does the housing provider pay the Real Living Wage?

We are not an accredited Real Living Wage employer but we do pay above the Real Living Wage levels, with the exception of apprenticeship posts.

Criteria 43.

What is the gender pay gap?

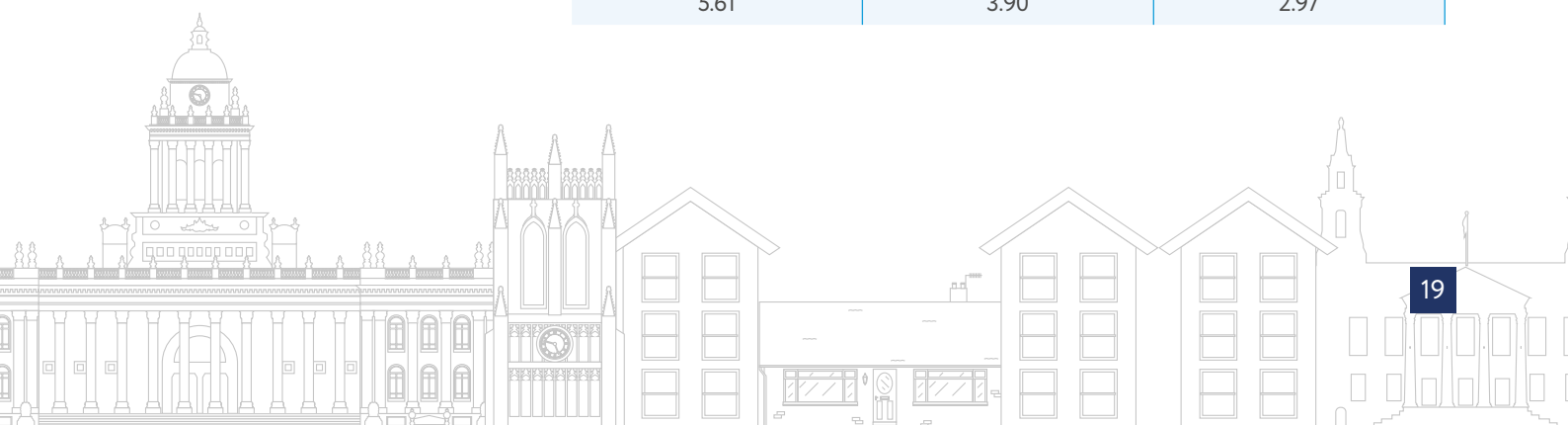
The results show that the median female is paid £28,620 and the median male is also paid £28,620. The "pay gap" measured on median contractual full time equivalent pay for females and males showed a 0% pay gap.

Criteria 44.

What is the CEO-worker pay ratio?

Our CEO to average pay ratio is 3.9 : 1, which compares well to the FTSE 100 where it is closer to 100 : 1.

25th Centile	Median	75th Centile
5.61	3.90	2.97



Theme 11: Staff Wellbeing

Criteria 45.

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

LYHA is committed to providing an environment where all our colleagues can thrive. We have appointed a wellbeing champion who leads on colleague wellbeing matters. We operate a dedicated intranet focussing on the five pillars of wellbeing: Connect; Active; Learn; Give; Mindful.

We provide all colleagues with a healthcare plan, and which includes access to a counselling hotline. In 2020, five members of our staff team trained in mental health awareness and are now mental health champions. A range of activities and opportunities are provided to colleagues through the year, such as a regular quiz, shared social activities, volunteering time and opportunities and access to learning.

We regularly survey colleagues to assess their levels of engagement and regularly exceed 85% engagement, which benchmarks very well with our peers. We have also undertaken an assessment with Investors in People, who have awarded LYHA with the Silver Award in 2020.

Criteria 46.

Average number of sick days taken per employee

In 2020/21 our colleagues were absent for an average of 1.6 days short-term sickness and 7.0 days long-term sickness.

WE'RE SILVER



INVESTORS
IN PEOPLE

Theme 12: Supply Chain

We are not currently in a position to report on the enhanced criteria related to Theme 12: Supply Chain.





Who's Who

Executive Management Team

Mark Pearson

Chief Executive

Adam Hutchinson

Director of Resources

Joanna Chambers

Director of Assets and Growth

Gavin Fisk

Director of Customer Services

Our Board

Mike Gaskell (Chair)

Liz Sandwith (Deputy Chair)

Jon Prashar

Adele Rae

Anne McMaster

Simon Edwards

Carla Makepeace

Ulfat Hussain

Anthony Brown

Matt Edgar

Haroon Rashid

Jeremy Earnshaw

Get in touch

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Leeds & Yorkshire
Housing Association