



CITIZEN

**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE (ESG)**

ANNUAL REPORT

FOR THE FINANCIAL YEAR 2022/23

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SUPPLY CHAIN MANAGEMENT



Welcome to our latest Environmental, Social and Governance Report

Citizen owns and manages around 30,000 homes for diverse communities across the West Midlands, from urban tower blocks to rural villages and towns.

Being a citizen is a hugely important concept. It means being part of society, having a stake, having rights and responsibilities, and being respected.

We have a clear social purpose, which is to provide homes that are a foundation for life.

There is clear and longstanding evidence that the quality of someone's home has a significant influence on their health, wellbeing, education, and economic status.

Environmental, social and governance (ESG) is a framework used to assess an organisation's business practices and performance on various sustainability and ethical issues. It helps us better understand our business risks and shape our future decisions.

We believe that robust, transparent, and regular ESG reporting allows us to demonstrate our sustainability performance to our customers, colleagues, lenders, and

stakeholders. It also provides us with an understanding on the areas where we can do more to make a positive social and environmental impact.

In essence, we see ESG reporting supporting our efforts to improve our customers' lives.

This, our second ESG report, based upon the requirements of the Sustainability Reporting Standard for Social Housing. This ESG report demonstrates the progress we have achieved over the last 12 months. Looking through our achievements I'm delighted to see the progress we've made and to share our latest report with our customers, colleagues, and partners.

I hope you enjoy finding out more about what we are doing at Citizen.

Kevin Rodgers
Chief Executive

Structure of the report

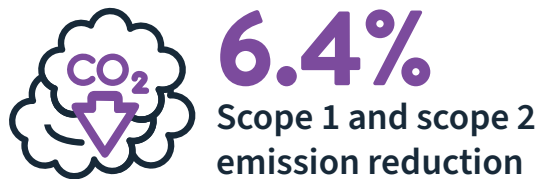
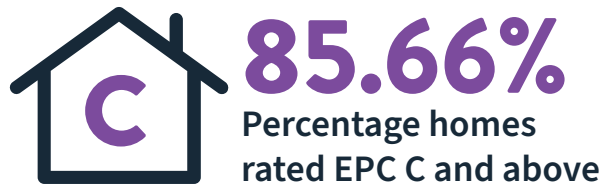
This report follows the Sustainability Reporting Standard for Social Housing (SRS); an environmental, social and governance standard designed to help the housing sector measure, report and enhance its ESG performance in a transparent, consistent and comparable way.

For each ESG theme there are a number of metrics, which we have reported against. In total there are 48 metrics, split into two groupings, core metrics and enhanced metrics. The core metrics are the most important and we have set out how we are meeting these criteria. We have reported against some of the enhanced measures where we are able to; where we have been unable to report against a particular metric, we have stated this.

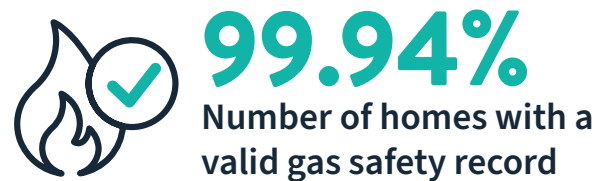
ESG AREA	THEME NAME	DESCRIPTION
Social	Affordability and security	Provides affordable and secure housing
	Building safety and quality	Resident safety and building quality are well managed
	Resident Voice	Listens to residents' voice
	Resident support	Supports residents, and the local community
	Placemaking	Supports residents and the wider local community through placemaking
Environmental	Climate change	Prevents and mitigates the risk of climate change
	Ecology	Promotes ecological sustainability
	Resource management	Sustainable management of natural resources
Governance	Structure and governance	Legal structure of the organisation and its approach to Governance
	Board of governance	High quality board of governance
	Staff wellbeing	Supports employees
	Supply chain management	Procures responsibly

Highlights - how we've been doing

Environment



Social



Governance





SOCIAL CRITERIA

There are some fundamental challenges that our communities face and we are well placed as an organisation to work with our residents in response to some of these challenges. We believe passionately in our social purpose and strive to provide more than just a home; we want to provide a foundation for life.



Affordability and security

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

The theme is made up of five criteria (C1 – C5), including affordability, the tenure mix of new and existing properties, the security of tenure and fuel poverty.

C1: Affordability of our homes. Core metric

Citizen's average weekly rent as a proportion of the median private sector rent.

Local Authority	Bedsit	1 Beds	2 Beds	3 Beds	4+ Beds
Birmingham	61%	61%	58%	54%	41%
Coventry	67%	57%	57%	52%	41%
Herefordshire	79%	79%	66%	56%	43%
Solihull	N/A	64%	58%	52%	36%
Worcester	68%	66%	63%	55%	47%

Citizen manages homes within 23 local authority areas across the West Midlands, Worcestershire and Herefordshire. The highest proportion of our homes

(90%) are within Birmingham, Coventry, Herefordshire, Solihull and Worcester. Citizen sets its rents significantly and consistently lower than private sector rents, so our tenants benefit from paying rents well below the market rental rates.

C2: Our tenure split. Core metric

Our primary objective is to provide good quality affordable homes. Over 90% of our homes are let at Social or Affordable rent.

Type	Number owned and managed	Percentage of overall
General needs (social rent)	23,373	79.8%
Intermediate rent	190	0.6%
Affordable rent	3,047	10.4%
Supported Housing	448	1.5%
Housing for older people	712	2.4%
Shared ownership	1,520	5.2%
Care homes*	100	0.3%
Total	29,430	100.2%

*our care homes provide accommodation along with personal care for residents with high levels support needs. We directly managed 14 care homes; the others are managed by other organisations.



C3: Our tenure split for new homes. Core metric

With housing waiting lists in our communities continuing to grow we are proud of our role in increasing the supply of quality, new affordable housing in the West Midlands to help more people secure a long-term home. We are an organisation that is significantly increasing the number of social and affordable homes in our region, and we want to make sure the homes we provide to our customers are high-quality and cost-effective to live in.

During the financial year 2022/2023, we completed 573 homes, 99 more than the previous year. This includes 564 new build homes, the purchase of 7 properties on the open market, one property conversion and one home previously not registered.

	Number	Percentage of total
Affordable rent (GN)	228	39.8%
Social rent (GN)	173	30.2%
Fixed term move on	6	1.0%
Supported	1	0.2%
Shared ownership	165	28.8%
total	573	

C4: Reducing fuel poverty and providing warm and affordable homes. Core metric

We continue to invest in our homes to improve their energy efficiency, reducing the amount of energy needed to keep them warm.

We commenced our Wave 1 Social Housing Decarbonisation Funding (SHDF) retrofit programme and completed work on 88 homes by the end of March 2023, leaving seven further homes to be retrofitted to complete this funding programme.

Works included external wall insulation, installing energy efficient doors and windows, increasing loft insulation and improving ventilation to reduce the potential for mould growth.



Customer Ntombiyelanga Mgutshini had energy improvement works carried out on her home including new windows and doors. She said, she is looking forward to seeing the difference it makes.

She told us: “My house looks much better than before and I would definitely recommend having the works done if you are offered it.

“My home felt cold previously and it felt like I would put the heating on, and it wouldn’t make much difference. Now I’ve had the work done I’m looking forward to seeing the impact it makes in the winter.

On the back of our success in delivering wave 1 we applied for and were successful in obtaining Government Wave 2 funding. Our ambitious Wave 2 retrofit programme aims to retrofit a further 2,000 homes.

All homes retrofitted under SHDF will have their EPC rating raised from a D to at least a C.

“My house looks much better than before and I would definitely recommend having the works done if you are offered it.”

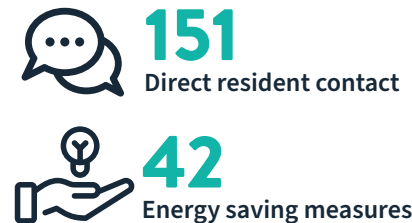
We have installed 1,050 highly efficient boilers and full heating systems.

A total of 820kWP of solar PV on our customers homes generating an estimated 650,000 kWh of electricity each year for our customers to use or that can be exported to the electricity grid.

In addition to these energy improvement measures; our money advice service helps customers with maximising their income and managing budgets.

Citizen recognised the need to further support our customers with the impact of rising food and fuel costs and expanded our services. An energy advice service was set employing two full time energy advisors to provide customers with energy saving information, advice and guidance.

The energy advice team created a guide to saving energy and produced a short animation giving five no cost energy saving tips to help our customers reduce their energy use.



C5: Security of tenure. Enhanced metric

Citizen does not operate fixed term tenancies for our social and affordable housing but does operate starter tenancies with the appropriate review procedures and safeguards. The length of the starter tenancy is typically 12 months. If a tenant demonstrates that they are honouring their tenancy obligations, paying the rent, looking after the property, and respecting their neighbours during the starter tenancy period then the tenancy is converted to an assured tenancy.



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.

It is made up of three criteria: disclosing gas safety checks, fire risk assessments and meeting Decent Homes Standards (DHS).

The safety of our customers is of key importance and at the heart of our customer commitments. We have systems and processes in place to maximise the levels of compliance with gas safety checks and fire risk assessments. Our success in achieving compliance is monitored on a regular basis by the board.

C6: Gas safety compliance. Core metric

The percentage of homes with a valid gas safety record following an inspection by a Gas Safe registered engineer is 99.94%

C7: Fire safety compliance. Core metric

100% of our properties, that are subject to fire risk assessment requirements, have an in-date fire risk assessment.

All our blocks of flats and other larger, shared buildings have a current fire safety policy in place which includes an appropriate evacuation strategy and up to date fire risk assessment. This means we make sure that smoke detectors, fire alarms, fire doors and other fire safety measures are in place and working. We regularly review fire risks and our procedures for preventing and reporting of fires.

C8: The Decent Homes Standard compliance. Core metric

The Decent Homes standard is a UK Government standard applicable to all social housing. To meet the standard, homes must meet a statutory minimum standard, be in a reasonable state of repair, have reasonably modern facilities and services, and have a reasonable degree of thermal comfort.

As of 31 March 2023, Citizen was 100% compliant with the Decent Homes Standard throughout Citizen's maintained housing stock.



Resident voice

This theme seeks to assess how effective the housing provider is at listening to and empowering its residents.

The theme is made up of three criteria that cover board scrutiny, complaint handling and resident satisfaction.

C9: Ways our customers can hold us to account. Core metric.

It is a key priority that the services we provide meet and, where possible, exceed the expectations of our customers and that our customers are involved in the creation and scrutiny of our services.

During 2022, we set up our new customer engagement team to lead on all our customer engagement activity.

Our customer engagement takes place in many ways – whether that’s actively seeking feedback through satisfaction surveys, learning from complaints or direct involvement of customers in scrutinising our services.

Our customer assurance committee provides our board with assurance that the customer voice is heard. It is made up of eight involved Citizen customers and two board representatives.

It acts as a committee of our main board and is there to ensure that customers are involved in the governance of our

organisation. The committee considers the impact of the decisions we make and how they may affect our customers, assuring our main board that we do care, and we are listening and acting on views before implementing them. They also monitor that our service standards for customers are being delivered and make sure we sure are meeting the customer standards set by The Regulator of Social Housing and The Housing Ombudsman.

Our customer scrutiny panel is made up of eight customers and it carries out a number of scrutiny reviews each year. Its role is to gather customers’ views, carry out site visits and work with Citizen colleagues to identify ways in which we can improve our services.

The scrutiny panel’s actions are monitored by the customer assurance committee and reported back to Citizen’s board. All of the members on our scrutiny panel are customers.

This year the panel has carried out two scrutiny reviews on the following areas:

- re-let standard – the panel made 11 recommendations to improve the condition of our properties before they are let to customers
- damp and mould – the panel made 21 recommendations to improve the experience of customers reporting damp and mould

All the recommendations made by the panel were accepted by our customer assurance committee who monitor us to make sure that we implement them.



C10: Monitoring customer satisfaction. Core metric.

We use a range of methods to measure Resident Satisfaction with the services we provide.

Annual customer perception survey.

This survey goes out to all customers to ask how they rate our services, rate us as a landlord and whether we are meeting their expectations.

This year the perception survey was answered by over 2,800 customers from across all of our region and customer types including tenants, leaseholders and shared owners.

The overall satisfaction score was 6.7 out of 10, which is lower than last years score. Although this decrease in satisfaction is being seen by other housing associations, when we compare to others, we are in the lower quartile of performers which is why it's really important for us to understand where we can make improvements.

We have spent a lot of time understanding and sharing the results with colleagues across the organisation through face-to-face roadshows. We also used the results to shape the priorities in our new business strategy and develop a business improvement programme that will address the things our customers have told us we need to improve.

Key messages from the latest survey were that customers were satisfied we provide a home that is safe, and that the repairs service when delivered is one which meets their requirements, but that we could improve on how quickly we deliver repairs, how much we invest in communal areas and neighbourhoods and how we deal with complaints.

Year	Perception survey score
2020/21	6.9 out of 10
2021/22	7.1 out of 10
2022/23	6.7 out of 10

Most customers will have answered one of what we call our transactional surveys; these are the text or email surveys received by a customer after contacting us or accessing a service for example having a repair. These ask the customer to rate that service out of five and tell us why.

Year	Transactional survey - overall satisfaction score
2020/21	4.5 out of 5
2021/22	4.51 out of 5
2022/23	4.53 out of 5

The score for overall satisfaction for 2022/23 is based on 55,012 responses. For more detail on our transactional survey scores please see our annual report.

The perception survey is different and asks a number of questions that tell us what customers think of Citizen as a whole. We use both types of survey, alongside other types of feedback to understand where we are going wrong or getting things right and what we can do to improve customers' experience with us.

Read our full Annual report here.





C11: Learning from complaints. Enhanced metric.

At Citizen we take complaints very seriously and are committed to learning from our mistakes.

In 2022/23, six complaints were upheld by the housing ombudsman. Four were service failures for delays in responding to the customer complaint. One was a maladministration for the handling of a report of damp and mould, and the complaint handling being delayed. One was a service failure for the handling of damp and mould.

The service failures for complaint handling were relating to complaints managed historically using our old complaints process.

Ombudsman reported in February 2022, that there had been a 53% increase in the volume of enquires and complaints they had received. This meant they were dealing with an increase caseload. This has impacted in the time taken for these old complaint determinations to come through. Our approach has already changed.

Last year we reported that we had learnt from complaint failure orders. We had revised the complaints policy, standard operating procedures, and the compensation framework. That formal complaints would be handled by the central feedback and resolution team. These service failures for complaint handling were not for complaints managed by this team, and our new complaints process. We are now achieving the target of 90% complaints completed on time.

The learning from the maladministration for damp and mould is that since this complaint was handled, we have a dedicated damp and mould team in place. In December 2022 we carried out a review of the process for reporting damp and mould and a reassessment of its approach to damp and mould against the 26 points highlighted in the housing ombudsman damp and mould spotlight report.



Resident support

This theme seeks to assess the effectiveness of the initiatives that the housing provider runs to support individual residents.

The theme covers what support is provided and how successful it is.

C12: Resident support. Core metric.

From training and employment opportunities to tackling social isolation, we are committed to investing in our communities and run a range of projects to support our customers.

During 2022 we expanded our advice services team to give more support and advice. The team helped 6,793 of customers with managing household finances, helped access charitable grants and awards, provided advice on reducing energy bills and offered employment coaching.

Hear from Michael Clarke, our advice services manager, explaining about the service and some of its successes this year. [Click here](#)



6,793

Number of customers supported



£2,630,808.13

Financial gains generated for customers

Case study



Natalie French, a money advice officer supported a working age couple with a disabled nondependent son.

The client was working part time and caring for her husband and son. The couple both had multiple health issues and the husband was unable to work.

Natalie identified errors made by the Department for Work and Pensions (DWP) in dealing with the couples benefit entitlement.

After multiple telephone and home visit appointments, Natalie was able to support the couple in challenging the DWP.

The couple were awarded £26,727 in back dated payments and monthly benefit payments of £523.41.

 **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 covers examples of the housing providers' placemaking or place shaping work.

C13: Placemaking. Enhanced metric.

We believe in the power of transforming communities and have a strong track record of success. We know successful regeneration is about much more than bricks and mortar. It means creating the right mix of homes so that people stay in their area; it means creating real ownership in a community and investing in education, health, employment, transport, and leisure.



We continue to deliver the Spirit Quarters regeneration programme, which since 2010 has seen major transformational change with over 500 homes being demolished and replaced with around 1000 new homes, new public realm and play areas. This regeneration area has seen an 83% improvement in the social indicators compared to an overall 0.75% improvement for Coventry.

During 2022/23, Phase 5 of the regeneration programme started on site, which will see 94 new homes built and we have started negotiations with our developer partner on delivering the final phase of the project which will see around a further 170 homes demolished, and 220 new homes built.

In addition to the Spirit Quarters regeneration, we have announced proposed plans that will see an investment of £120million to transform Spon End which plans to build 750 new homes over the next ten years.

See link for further details about our regeneration plans and consultation that has taken place. www.citizenhousing.org.uk/spon-end/



During the initial consultation event residents have told us they want Spon End, Coventry to be a safer place to live, with modern homes that are warm and energy efficient located in a pleasant environment with more car parking and quality green space.

Of the 83 feedback forms completed by residents attending the consultation 78% supported the proposals.

We believe our ambitious redevelopment proposals for Spon End will:

- deliver new, modern, safer homes which are energy efficient
- create a central green space in middle of the estate
- improve and open up the river Sherbourne for residents
- improve connectivity across the estate
- increase car parking.

The Citizen Local Fund offers grants of up to £5,000 to fund groups, projects, and initiatives to promote mental and physical wellbeing, reduce social isolation, bring communities together and enhance local areas.

The projects which received funds were:

- **Hillfields People Project Watch Centre** – the funding will be used to expand their work of providing life-skills support, advice and guidance activities for young people and adults living in Hillfields
- **St Peter’s Centre, Hillfields** – the money will help to buy a new cooker, fridge and freezer to help with the community lunch that is held there. There is an increase in demand for their service due to the cost of living.
- **Coventry Rape and Sexual Abuse Centre** – the centre plans to use the funding to create animation which will address the myths and stereotypes that create a culture of rape as well as removing the stigma around talking about sexual violence and abuse.
- **Wardon Community Lunch, Worcestershire** – the money will help support a community lunch event where people from the local community prepare and eat a meal free of charge all under the guidance of a professional chef.
- **Coventry House Project with Coventry City Council** – the project supports young people aged 16 and 17 who are in care to move into their own flats and learn the life skills they need.

- **Drought Resilient Allotment and Garden Plan, Worcester** – money will be used to build a raised bed with water storage underneath for 1,000 litres of water to use during a drought.
- **Shine a Light, Play Therapy for Children with Cancer, Coventry** – this will help fund counselling support provided by counsellors and therapists for any child who is affected by any type of cancer. It will also support play therapy sessions with a qualified specialist.
- **Cyclemoor, Stoke Aldermoor** – the club will use the money to help people in Stoke Aldermoor learn how to ride bikes, enjoy outdoor activities, and improve their mental and physical wellbeing.
- **Skipton Lodge Breakfast and Lunch Clubs, Coventry** – funding will help to provide cooking equipment needed to host the clubs in the kitchen at Skipton Lodge
- **Coventry Rape and Sexual Abuse Centre** – who used the funding to host a Survivor Voices Art Exhibition which highlighted survivor recovery journeys through art.
- **Stoke Aldermoor Community Association** - used the funding towards a project called Lift Me Up by tackling fly tipping and turning disused places into space that can be used.
- **BME Mental Health Association used the money towards the Single Parent Package** – a project providing essential items and counselling to single parents who need it.
- **Coventrians under-13 football team** – to pay for a new kit for the whole team.





ENVIRONMENTAL CRITERIA

As a large social housing provider, we acknowledge that we have a substantial direct impact on the environment. That we therefore have an obligation to minimise the environmental impact associated with our operations, support our customers with the challenges brought about by a changing climate and to use our influence to encourage others to do likewise.

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 five criteria, including the distribution of EPC ratings, emissions data, climate change impact risk and resident information provision.

C14: Energy efficiency of existing homes. Core metric.

	Year end 2022/23	Year end 2021/22	Year end 2020/21
EPC Band	%	%	%
A	0.06	0.02%	0.00%
B	13.37	10.10%	7.12%
C	72.23	73.78%	71.50%
D	14.22	15.98%	21.15%
E	0.11	0.12%	0.19%
F	0.01	0.02%	0.03%
G	0	0	0

The carbon emissions associated with energy use by our customers in their homes is the largest proportion of our indirect carbon footprint. We are committed to improving the energy efficiency of our homes.

An EPC rating gives an indication of how energy efficient a home is. Of our homes in April 2022, 85.66% had an EPC rating of level C or above. During 2022 we significantly improved the accuracy of the data used to calculate our homes' EPC rating. The improvement between April 21 and April 22 EPC distributions is partly due to our more accurate EPC data; but also reflects the energy efficiency improvements made to our existing homes and the higher EPC ratings of our new build homes.

We are committed to raising all our homes to at least an EPC rating of C by 2030. During 2022/3 we submitted a bid for a £23.9 million grant from the Social Housing Decarbonisation fund to retrofit over 2,000 of our least energy efficient properties. This funding, with additional investment from ourselves, will enable these homes to benefit from external wall insulation, energy efficient door and windows, loft insulation, more energy efficient heating systems and improved ventilation.

C15: Energy efficiency of new homes. Core metric



We added **564** new build homes to our housing stock in 2022/23.



95.9% Percentage of new build homes rated EPC B and above

	2022/23	2021/22
EPC rating of new build homes	%	%
A	3.7%	0.5
B	92.2%	99.3
C	4.1%	0.2

C16: Corporate greenhouse gas emissions. Enhanced metric.

Emission sources	Usage kWh 2022/23	Tonnes CO ₂ e 2022/23	Base year usage kWh 2021/22	Base year tonnes CO ₂ e 2021/22
Scope 1				
Citizen offices gas use	440,039	80.3	427,873	78.4
Other* gas use	11,689,019	2,133.7	11,924,298	2,184.1
Diesel use	4,204,376	1,028.3	4,537,211	1,074.4
Petrol use	183,912	41.7	207,515	47.7
total scope 1	16,517,346	3,284.0	17,096,897	3,384.4
Scope 2				
Citizen offices gas use	440,039	80.3	427,873	78.4
Other* gas use	11,689,019	2,133.7	11,924,298	2,184.1
Diesel use	4,204,376	1,028.3	4,537,211	1,074.4
Petrol use	183,912	41.7	207,515	47.7
total scope 1	16,517,346	3,284.0	17,096,897	3,384.4
Scope 3				
Electricity transmission & distribution		146.8		163.2
Business travel		158.7		79.3
Train travel		1.0		0.2
Homeworking		1,054.6		853.0
Customer's energy use in their homes		56,500		55,508
Total scope 3		57,861.1		56,603.7
Annual carbon footprint scope 1,2 & 3		62,757.7		61,832.6

*Energy use associated with supported living accommodation, communal heating and electricity used in communal areas of residential properties.

We calculated our carbon footprint for the first time for the financial year 2021/22.

For scopes 1 and 2 we have used energy and fuel consumption data from our suppliers and energy broker and used DEFRA 2022 conversion factors to calculate the CO₂e emissions. Fuel usage is obtained from fuel purchase transactions which indicate the type and quantity of fuel purchased. For scope 2, electricity emissions include bulk supplies from our electricity provider and electricity from three sites where the landlord invoices for electricity use. Our bulk electricity supplies, which make up over 98.5% of our electricity use, are purchased on a green tariff.

Our scope 1 and 2 emissions have decreased by 6.4% since our baseline year (2021/22) due to reduced energy and fuel consumption and a lower emission factor of grid electricity for 2022 compared with 2021.

The most significant source of carbon dioxide emissions (92%) is from the energy our customers use for heating, hot water and lighting. To calculate these emissions we have used Sava's 'Intelligent Energy' software to analyse the energy performance of our property data.



C17: Actions taken to improve energy efficiency. Enhanced metric.

To reduce the energy use by our customers during this reporting period we:

- retrofitted 88 homes as part of our Wave 1 SHDF
- installed 1,050 high efficiency boilers and full heating systems,
- have an ongoing programme to convert communal lighting to LED lighting.
- submitted a bid and were successful in obtaining Government wave 2 SHDF to retrofit a further 2,000 homes.

C18: Managing increased risks from flooding and overheating. Enhanced metric.

Currently we do not have a systematic process for mitigating against increased flood risk and risk of homes overheating beyond meeting the requirements of planning regulations.

We have not completed a recent flood risk assessment. Therefore, a default baseline of 83.33% of homes have been deemed at low risk of flooding, in line with the Environment Agency estimate of flood risk across England.

Overheating provisions are included in the revised 2022 building regulations therefore reducing the risk of new build properties from overheating.

An initial review of overheating risk using the SHIFT overheating assessment tool indicated that 81.70% of homes were estimated to be at low risk of overheating

Our Sustainability Strategy includes actions to improve our response around the risk of flooding and overheating.

C19: Informing residents about correct ventilation, heating and recycling. Enhanced metric

We take issues of damp and mould really seriously. Our website provides information to customers in dealing with damp and mould in their homes. If our customers think that the damp and mould is the result of a more serious problem, they are encouraged to get in touch as soon as possible. The website explains the causes of damp and mould and provides advice on how to prevent it. This includes the importance of ventilation.

Our website also offers energy advice and support which includes a guide to saving energy and a short animation giving five no cost energy saving tips to help our customers reduce their energy use.

Ecology

This theme seeks to assess how the housing provider is protecting the local environment and ecology. The theme considers both policies and the results of the housing provider. The theme is made up of two criteria that review different elements that impact the local ecology: managing pollutants and biodiversity.

C20: Promoting green space and Biodiversity. Enhanced metric.

Citizen has collected biodiversity data for our latest SHIFT environmental assessment.

SHIFT's biodiversity calculator used data collected from tree surveys, grounds maintenance contracts and gardens to calculate the tonnes of biomass above ground across our stock.

- **10,289** tonnes of biomass above ground
- **14.88** tonnes of biomass above ground per hectare of land owned.

Our Sustainability Strategy includes a number of actions to improve our performance on Greenspace and Biodiversity.

Case study

The communal garden at the Gateway has reopened following a refurbishment



Last year the communal garden at the Gateway in Coventry was refurbished and re-opened after two years of restricted access after Covid. A BBQ and social event took place to mark the reopening and it was attended by customers and colleagues involved with the refurbishment.

Communal spaces are vital to delivering a safe and inclusive environment to residents, particularly those vulnerable with poor mental and physical health. The loss of this outdoor space meant residents were often left feeling isolated and cooped up inside, so to have it refurbished and reopened was a huge boost for Gateway residents. We worked with construction company Seddon to refurbish the garden and works included repainting fences, planting shrubbery and repainting garden furniture. Seddon funded the works as part of its 125th birthday celebration.

Customers have also set up a gardening group taking it in turns to ensure the plants are watered and the garden is maintained and it's become a real social hub for residents. It makes a huge difference to the accommodation, adding a refreshed atmosphere.

C21: Managing pollutants. Enhanced metric

We do not have a strategy for actively managing and reducing all pollutants. Our Sustainability Strategy includes a number of actions to begin this work.



Resource management

This theme seeks to assess how the housing provider is managing resource use. The theme considers both policies and the results of the housing provider. The theme is made up of three criteria that cover: sourcing materials, waste management and water management

C22: Sourcing materials responsibly. Enhanced metric

We include such measures within our new build programmes and both planned and reactive maintenance projects. However, this is not part of an existing strategy and activity is consequently not part of ongoing monitoring and reporting. Our sustainability strategy includes actions to begin this work.

C23: Reducing waste. Enhanced metric

We include waste management strategies within our new build programmes and both planned and reactive maintenance projects.

During 2022/3 we produced 835.6 tonnes of waste of which 96% is diverted from landfill through recycling or incineration.

Our sustainability strategy includes actions to improve how we manage our waste.

C24: Using water responsibly. Enhanced metric.

We do not have a water management strategy. Our sustainability strategy includes a number of actions linked to developing a water management strategy.





GOVERNANCE CRITERIA

We passionately believe in the role of good governance in enabling Citizen to achieve our purpose, identify and mitigate risk and fully involve stakeholders in our business.

Structure and governance

This theme seeks to assess the quality, suitability, and performance of the corporate and governance structure. The theme is made up of six criteria including ownership, governance, and risk approaches.

C25: Regulation. Core metric

Citizen is registered with the Regulator for Social Housing and our registration number is 5075.

C26: Governance and viability rating. Core metric

We were delighted to have our G1/V1 status reconfirmed in December 2022 by the Regulator of Social Housing (RSH).

G1 is the highest rating a housing provider can achieve, showing that we meet the RSH's governance requirements. V1 is the highest rating for financial viability, indicating that we meet the RSH's viability requirements and have the financial capacity to deal with a wide range of adverse scenarios.

C27: Code of Governance. Core metric

Citizen has adopted the National Housing Federation's code of governance 2020.

C28: Ownership. Core metric

Citizen is a not-for-profit organisation. Citizen Housing is registered under the Co-operative and Community Benefit Societies Act 2014

C29: Organisational risk management. Core metric

Standing orders set out how risk is managed including the role of Boards and Committees. They are supported by the Risk Management Framework which details our approach to identifying, managing, and reviewing risks. The Framework is reviewed annually.

We have a strategic risk register and Directorate risk registers which are managed and monitored through the Audit and Risk Committee (A&R), board and associated management teams.

The A&R Committee maintain a quarterly overview of all risks on an exception basis and request detailed reports on any risks they believe should be subject to further detailed review and scrutiny.

All risks are managed in the organisations performance management system which allows us to clearly link operational risks to business strategy objectives and strategic risks within our risk dashboards and reports. External auditors include an assessment of risk in their overall audit of the financial statements.

C30: Adverse regulatory findings. Enhanced metric

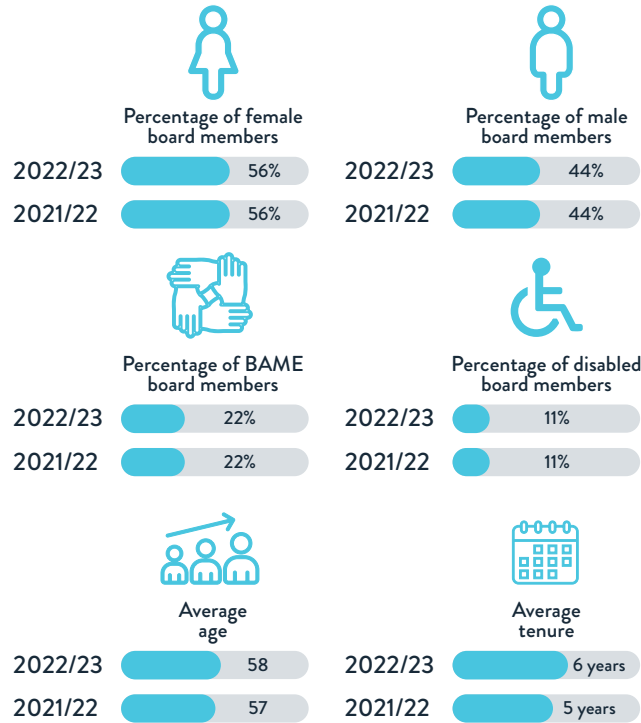
Any issues of non-compliance are reported to the Regulator. In 2022/23 we have not had any adverse regulatory findings.



Board of governance

This theme seeks to assess the quality, suitability, and performance of the board of trustees. The theme is made up of eleven criteria including demographics of the board, ownership, experience, and independence of the board.

C31: Board Diversity. Core metric



C32: Board and Executive Leadership turnover. Core metric

Our Board consists of nine members. In August 2021 one Board member left and was not replaced.

Our executive leadership team consists of four members. Our chief executive, chief operating officer, executive director of development and chief finance officer. executive leadership team turnover within the last two years is 25%. Our Chief Operating Officer joined in July 2021

C33: Maximum tenure for board members. Core metric

Term limits of Board Members is in accordance with the NHF Code of Governance 2020. This is set at a 6-year term with annual extensions permitted up to a maximum of 9 years.

C34: Proportion of non-executive directors on the Board. Core metric

Citizen board is made up of 9 members this includes the CEO and 8 non-executive directors.

The % of the board that are non-executive directors is 89%.

C35: Board Member involvement with our Audit and Risk Committee and their financial experience. Core metric

The number of board members who are on the audit committee is two.

They are:

Richard Nowell: Richard joined the board in July 2015. He is also chair of citizen’s audit and risk committee. Richard is a chartered accountant with over 20 years’ experience in assurance and finance roles across a range of sectors, with a particular focus on social housing treasury and corporate finance.

Claire Williams: Claire is a non-executive director of the Utility Regulator for Northern Ireland and of the Single Source Regulations Office. She has held senior positions in the electricity, renewable energy and rail sector for over 20 years. Claire has worked on major construction, civil engineering and infrastructure projects as well as in the private, public and not-for profit sectors. She has in-depth governance, regulatory and outsourcing experience and has been General Counsel for various companies. Claire has a Masters in Law from Cambridge University.

C36: Executive involvement with Remuneration decisions. Core metric

No members of our executive team sit on the remuneration committee. The committee is made up of non-executive directors.

C37: Succession planning. Core metric

Yes, a succession plan has been provided to our remuneration committee.

C38: Auditing our accounts. Core metric

Beever & Struthers have been our external auditors since February 2015. Their current contract runs until the audit of the 2023/24 financial statements, and we have the option to extend the contract for a further 2 years.

C39: Board effectiveness. Core metric

board effectiveness is externally reviewed every 3 years. The external review took place in June 2022.

C40: Separation of the chair of the board and Chief Executive Officer. Core metric

The roles of the chair of the board and CEO are held by two different people.

Citizen’s standing orders set out how the board, committees, chief executive, leadership team and the wider staff body conduct the business of the organisation. This is supported by the Probity Policy. Role profiles are in place for the chair, senior independent director and board members and are subject to an annual appraisal. A Board Member Agreement for Services is in place setting out the role and responsibilities for non-executive board members. The chief executive’s delegations are set out in group standing orders.

C41: Conflicts of interest of the Board. Core metric

A robust Probity policy is in place to manage situations where potential conflicts of interest or suggestions of bias on the part of decision-makers might arise.

At each board meeting members are invited to disclose “declarations of interest” in any of the items of business on the agenda.



Staff wellbeing

This theme seeks to assess the extent to which the housing provider is a good employer to its internal staff.

The theme is made up of five criteria, the CEO-worker pay ratio, a disclosure on being a Living Wage employer, gender pay gap, sick days and support provided to employees.

C42: The Real Living Wage. Core metric

It was decided during 2022 that Citizen would increase the pay of our lowest paid colleagues to meet the Real Living Wage. This came into effect from April 2023.

We are committed to an inclusive working environment in which everyone is given the opportunity to thrive; an environment in which people feel valued and appreciated and where everyone is free to be themselves and feels that they belong.

C43: Our gender pay gap. Core metric

Our latest gender pay gap report outlines the improvements we have made during 2022, the areas where we still need to do more work and details our future commitments on how we are going to improve on our current position.

Financial year	Mean gender pay gap	Median gender pay gap
2022/23	5.56%	5.45%
2021/22	9.06%	9.43%

While we are pleased with the improvements made to our mean and median gender pay gap, there is still a lot more work to do.

C44: CEO-worker pay ratio. Enhanced metric

We calculate the ratio of CEO and median pay of workers using the Department of BEIS methodology, the pay ratio is as follows:

Financial year	25th percentile pay ratio	Median pay ratio	75th percentile pay Ratio
2022/23	11.43:1	8.76:1	7.38:1
2021/22	10.64:1	8.33:1	6.83:1



C45: Wellbeing of colleagues. Enhanced metric

Citizen continues to support health and wellbeing with it being an agenda item at every Staff Consultative Forum meeting.

All employees can access a range of wellbeing activities which have a clear focus to support, prevent and treat.

The people and communications teams have developed a programme of activities for each quarter which correlates with our absence data and supports Citizen to drive down absence where possible. The wellbeing of our staff is our top priority, we have competitive terms and conditions and many services available to aid wellbeing across our organisation. including:

Terms and conditions

- Annual leave starts at 25 days per year plus bank holidays and increases with length of service.
- Annual leave purchase scheme – option to buy up to an additional 5 days per year.
- Enhanced family leave (maternity, paternity, and adoption).
- Organisational sick pay.
- Generous pension scheme – The option to contribute 4%, 6% or up to 10% which Citizen will match.
- Life cover of three times your annual salary if you join the pension scheme.

Learning and Development

- Extensive learning and development opportunities.
- Opportunity to study for a professional qualification.
- Opportunity to join the staff consultative forum and EDI forum.

Health and wellbeing

- an award-winning flexible working scheme ‘Live work better’ which actively encourages work-life balance. We provide IT and home office equipment to support home working.
- occupational health.
- cashback scheme – cashback on optical, dental, prescriptions and a range of other medical costs meaning the costs are covered for employees. The scheme also offers GP Access, digital physiotherapy app, retail vouchers and discounts, discounted gym memberships and more!

- access to Citizen’s wellbeing initiatives and wellbeing platform where staff can access a range of e-learning modules including, back pain, menopause, mental health and diet, and mindfulness.
- face to face wellbeing sessions such as financial wellbeing pre-retirement sessions, men’s health workshops.
- employee assistance programme, is a free confidential service which provides support to all staff on a range of everyday issues. This includes difficulties at home such as finances, debt, relationships, family, bereavement, childcare and work-related issues such as stress, change, conflict, and pressure. The service provides free advice and information 24 hours a day, 365 days a year.
- wellbeing hub available to all staff on the organisational intranet.
- mental health first aiders across the organisation. who are trained to spot and support the signs and symptoms of mental illness and guide colleagues towards the right, professional help.

C46: Sickness absence. Enhanced metric

Financial year	Average working days lost
2022/23	11.52
2021/22	13.78



Supply chain

This theme seeks to assess the extent to which the housing provider uses its supply chain to achieve positive outcomes. The theme is made up of two criteria covering social value and environmental impact in procurement.

C47: Delivering social value through procurement. Enhanced metric

As a social housing organisation with a strong social purpose, it is very important to us that we work with companies that are aligned with our social values. Citizen is committed to maximising social value delivered through our contracts. We want to see the positive social value achieved impacting directly in our local areas and benefitting our customers.

To deliver social value we have set out the following overarching themes which are considered before procuring goods, works and services:

Economic Engagement

- consideration is given on utilising SME's and local suppliers to inject stability within our local economy.

Community Engagement (and building resilience)

- promotion on hosting community workshop sessions, customer training sessions and CV/employment workshops.

One example of social value being delivered is through our waste management contract with 'Recycling lives'.

Recycling Lives are a social value enterprise and over the year the contract delivered £252,967 of social value. This means that through our relationship with Recycling Lives we helped various community programmes run by Recycling Lives.

These support programmes include:

- **feeding communities through their food redistribution programme** by redistributing surplus stock from supermarkets and suppliers to charities. This stops food being thrown away and ending up in landfill. The contribution from our spend with recycling lives provided 1,674 meals last year.
- **reducing reoffending by supporting rehabilitation programmes** and supporting a wide range of community-based programmes
- **providing accommodation and training for men experiencing homelessness.** Recycling lives support residents as they grow in confidence and gain new skills ready to move into a good job and stable home of their own.





C48: Minimising our impact on the environment through procurement. Enhanced metric

To drive environmental sustainability, we have set out within our procurement strategy the following theme to be considered before procuring goods, works and services:

Sustainability

- With a focus on carbon reduction strategies, increasing efficiencies in waste management and greener processes.

In order to improve our environmental sustainability performance, factors such as waste management / recycling, carbon reduction plans, and local labour are factored into our contracts.

For example, in a recent exercise for the procurement of windows and doors replacement, strong consideration/ quality weightings were placed on the supplier's approach to waste management and recycling. As a result of this, Citizen was able to secure a contract whereby the supplier will recycle the 'old' window components and remanufacture these into new UPVC frames. The supplier has also committed to utilising local resources to reduce their output of green house gases.

In addition to the above, through the recent procurement of the planned maintenance and property reinvestment works contract, emphasis was placed on the how the tenderer will deal with environmental and sustainability issues. As a result of this, strong commitments have been made towards how the supplier will utilise a local workforce to minimise carbon emissions, and where possible electric vehicles will be utilised. They have also committed to ensure (when possible) all materials are recycled and disposed of utilising sustainable practices.

To further develop reductions in our environmental impacts, we are now requesting Carbon Reduction Plans to be submitted for contracts in excess of £5 million. This will enable Citizen to identify where further reductions and improvements can be made, and to work with our suppliers to generate a greener future for all.