



Better
Homes
Communities
Business

Better
Futures

Environmental, social, and
corporate governance **2022-23**



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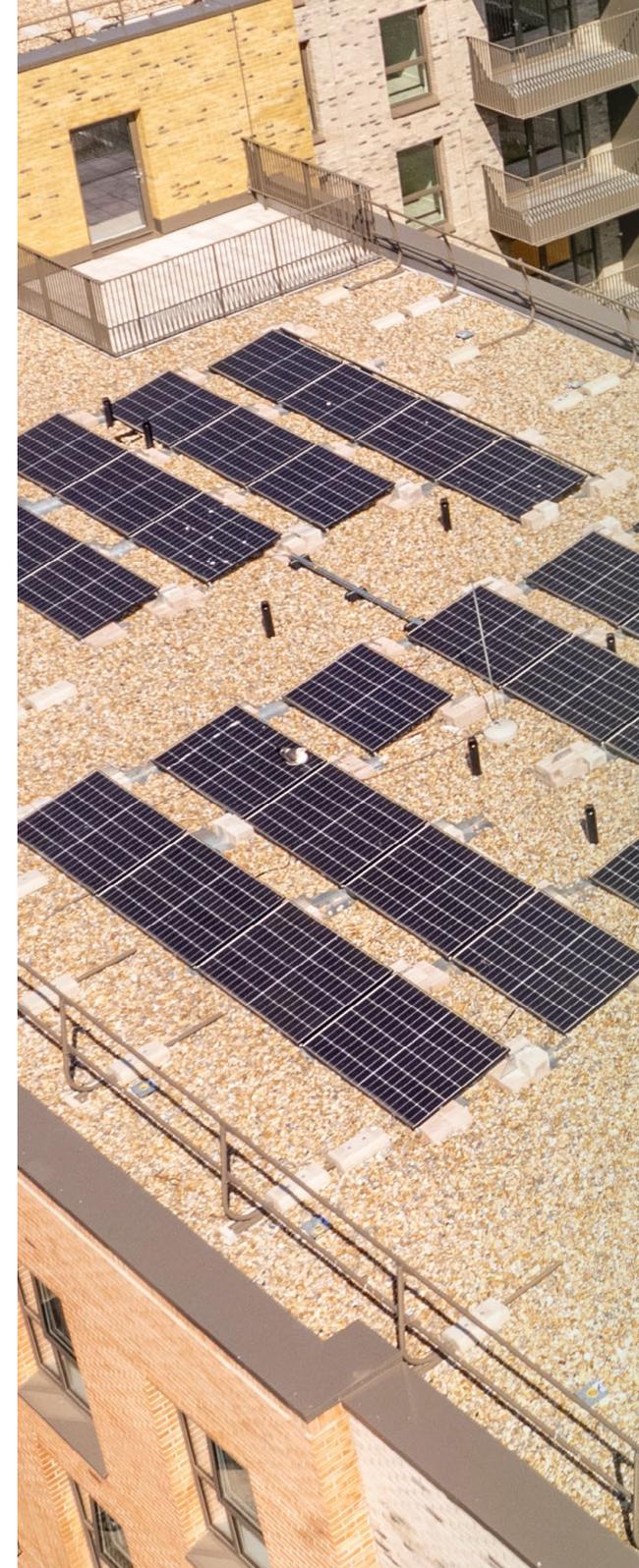
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“

I am proud that we can report on substantial progress this year, particularly in our work to reduce our carbon footprint and adopt more sustainable ways of operating.”

Introductions

Chief Executive's foreword

Our third Environmental, Social and Governance (ESG) report shows that we were well underway on our ESG journey. I am proud that we can report on substantial progress this year, particularly in our work to reduce our carbon footprint and adopt more sustainable ways of operating.

We use the SHIFT sustainability framework (which amalgamates 15 separate ESG KPIs into one overarching score) to measure, guide and benchmark our activities and were pleased to see B3Living ranked 12th amongst the cohort of SHIFT-assessed landlords, which represents a marked improvement from our starting position in 2020 at 32nd. Our overall SHIFT score was also only one point shy of the Gold accreditation, which is our target for 2024. In addition, our successful bid to the Social Housing Decarbonisation Fund ([see page 27](#)) places us well on our way to hit our net-zero carbon goals in 2030.

Elsewhere, 2022-23 was a bumper year for our development activities, with 258 new homes completed. This represented not only the biggest delivery in any year in B3Living's history but also an economic boost within our communities from construction activities as well as a significant contribution towards alleviating the housing crisis locally.

Buying or renting a home in our catchment area is out of reach for many. Our rents save our customer base £22m compared against private market rents and we offer wraparound services to support our customers when

money gets tight or when their lives change. This year, we were able to secure more than £300,000 to assist hundreds of families to maintain their tenancies.

Alongside these achievements, we were pleased to maintain our G1 V1 regulatory ratings, launch a new Procurement Strategy to align our purchasing with our ESG principles and expand our customers' role within our governance structures, to ensure we are being accountable to the lived experience of the people we support.

ESG reporting gives us a welcome opportunity to measure these activities and, with this being our third year reporting against the Sustainability Reporting Standard for Social Housing, has become embedded in our reporting structures. Yet I hope that, as much as it celebrates our progress, this report conveys our enthusiasm to improve and our roadmap for better futures.

Of course, our work around ESG is far from complete. Recent years have proven how difficult it is to predict tomorrow's challenges, but it is unlikely that the economic context within which we operate will become more comfortable in the immediate future. Also, we are aware of our limits as a regional medium-sized provider and where we will rely on developments elsewhere, such as in technology or within our supply chain, to realise our full capacity for sustainable and ethically conscious ways of working.

However, those same forces – such as double-digit inflation and rising interest rates – that squeeze our resources also make it all the more important that we deliver. Those we support are among the most affected by these unprecedented financial pressures. With the rising cost of energy, our effort to help customers sustain their

tenancies becomes more closely linked to our work around decarbonisation. However, B3Living benefits from a long history of investing in our homes at upper quartile levels. We have invested more than £10m in our existing homes a year for last three consecutive years and have had 100% of our stock at the Decent Homes standard for the past decade.

Therefore, our ESG goals will remain at the forefront as we take a long-term approach to these challenges. We will continue to make decisions that prioritise sustainability and social good and thus ensure that our homes can be enjoyed by our current customers and future generations.

Steve Woodcock
Chief Executive



Our ESG story: at a glance

Social



-  **258**
new homes delivered
-  **85%**
overall customer satisfaction
-  **£22.8m**
rent saved against the market

Environment



-  **91%**
homes with EPC rated A-C
-  **Silver+**
SHIFT score
-  **£50m**
in business plan for carbon reduction

Governance



-  **G1 V1**
rating with Regulator of Social Housing
-  **0%**
median gender pay gap
-  **100%**
suppliers pay Real Living Wage

About B3Living

We're a local, not-for-profit housing provider operating chiefly in Broxbourne, south-east Hertfordshire, and the surrounding areas. Given our focused geographical footprint, we enjoy close ties to the communities we work in and many of our colleagues live in the area.

Our offer is substantially different to the private housing market. To tackle the housing crisis locally, we build, own and manage a wide range of below-market housing options by helping local people to rent or buy a home they can call their own.

In our area, the housing market is out of reach to many. We work to create better futures for local people by providing safe, warm and affordable homes and excellent customer services.



Our mission: To make a sustainable, positive change to the housing crisis for our customers and communities.



Sustainable reporting at B3Living

Everything we do is shaped by environmental, social and governance considerations. While ESG reporting offers a way to help us access cheaper sources of finance, it is also about doing our bit to contribute to a more considerate and equitable society that safeguards its future.

Our 2021-24 Better Futures Strategy includes seven themes and in each of these we have targets which thread into our ESG agenda, we seek to cut carbon, support our customers and run a responsible, inclusive business.

The Sustainability Reporting Standard for Social Housing		
	Theme	Theme name
Social	T1	Affordability and security
	T2	Building safety and quality
	T3	Resident voice
	T4	Resident support
	T5	Placemaking
Environment	T6	Climate change
	T7	Ecology
	T8	Resource management
Governance	T9	Structure and governance
	T10	Board and trustees
	T11	Staff wellbeing
	T12	Supply chain management

Our reporting framework

This year (2022-23) represents our third year of ESG reporting, for which we have opted to follow the Good Economy's Sustainability Reporting Standard for Social Housing (the SRSSH). The SRSSH was introduced in November 2020 to help the social housing sector to tap into ESG investment by establishing a common reporting standard.

The standard splits ESG reporting requirements across 12 themes, and these are further broken down into 48 more detailed criteria. These measures examine the role of social landlords in the context of the United Nation's Sustainable Development Goals (SDGs).

One of B3Living's core values is openness, so we welcome a framework that helps us to guide our sustainability objectives and challenges us to reduce any negative contributions we make as a business.

Context

We recognise the potential we have as a housing provider, but we are also conscious of where our reach and influence has limits. Being closest to our operations, we will have the greatest direct impact on the lives of our customers. However, as we extend into our community and environment, we become more reliant on the cooperation of external, like-minded people and businesses.

As a housing association, the social themes of ESG sit closest to our traditional purpose. It has only been in the more recent years that the relationship between housing and wider climate issues has been fully appreciated and we expect to focus on our environmental impact more and more in the coming years.

In 2022 we received an ESG credit impact assessment from Moody's, giving us an overall ESG risk score of 2 (neutral to low). We were also among a group of only 10 housing providers across Europe with an environmental risk score of 2 or lower.



Social

This strand of ESG aligns most closely with our roots. We exist to help people who are priced out of the housing market, and we work hard to address inequalities, to create great places to live and to play an active role in our area. B3Living has a tight geography, but our local focus is an asset which gives us a deep understanding of the communities we serve.

We provide more than just a roof over someone's head. We are in a unique position to support our customers as their lives change or when they are impacted by wider political or economic forces, a role which particularly called for during cost of living and fuel poverty crises of the 2022-23 year.



Theme: 1

Affordability and Security

Criteria 1. For properties that are subject to the rent regulation regime, report against one or more affordability metric:

1. Rent compared to median private rental sector (PRS) rent across the local authority.
2. Rent compared to Local Housing Allowance (LHA).

We offer our customers substantial savings against the market and the local housing allowance. For the 2022-23 year, our customers collectively saved around £15.6m compared against the local housing allowance and over £22.8m against private market rents.

Our rents saved customers



Compared against local housing allowance

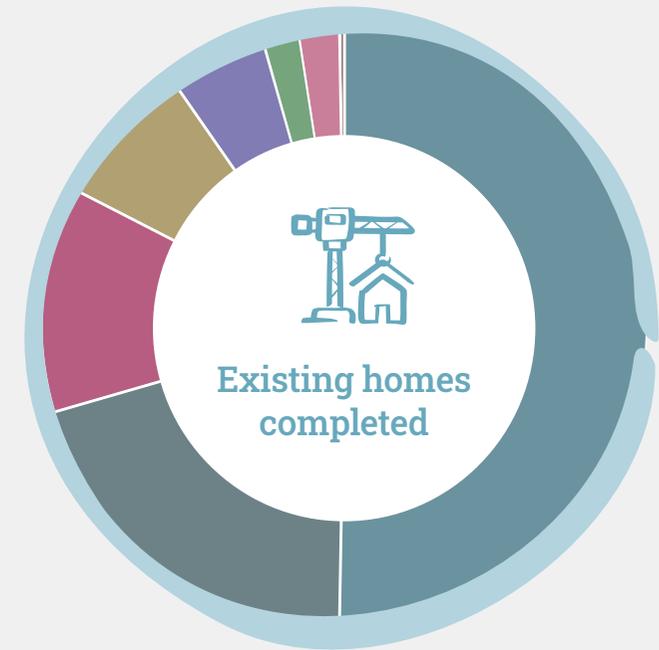


Compared against private market



Criteria 2. Share, and number, of existing homes completed before the last financial year allocated to all residential tenures.

More than 85% of the homes we provide are for affordable tenures, with more than half let out for social rents, supporting those in the greatest housing need.



 Social rent (2,700) 50.5%	 Managed by others (105) 1.96%
 Affordable rent (1,075) 20.10%	 Leaseholder (non-social) (10.5) 1.96%
 Leaseholders (643) 12.03%	 Intermediate rent (11) 0.21%
 Shared Ownership (423) 12.03%	 Market rent (3) 0.06%
 Supported Housing (282) 5.27%	

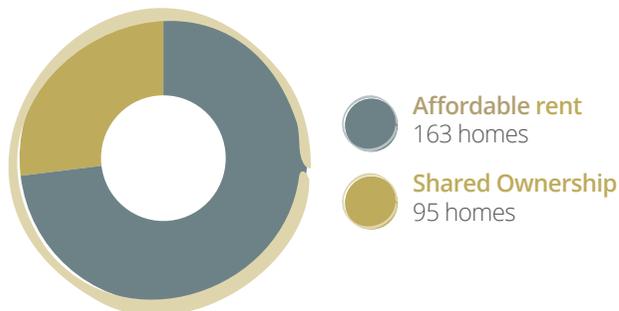
Criteria 3. Share, and number, of new homes (owned and managed) that were completed in the last financial year, allocated to all residential tenures.

Despite the disruption experienced by our construction contractors due to material and labour shortages, as well as their own financial challenges, we managed to deliver a record number of new affordable homes in 2022-23. We completed 258 new affordable homes, of which 163 were affordable rent and 95 shared ownership. This represents a 5% increase in the properties we own which is far greater than sector upper-quartile performance (2.1%) and placed us among the top three fastest growing housing associations.

Past research showed that our geographic area had low levels of social or private development historically alongside house prices that were more than 11 times greater than average earnings.

By building locally we help to tackle the acute effects of the housing crisis in our communities.

In our Better Futures Strategy, we set a target that 70% of our development pipeline would be built in the Borough of Broxbourne. Of the 258 new homes delivered this year, around 93% were built in our heartland of Broxbourne, representing a positive and significant contribution to alleviating the housing crisis in our local community.



Criteria 4. How is the housing provider trying to reduce the effect of fuel poverty on its residents?



When we identify that a customer has a need for additional financial support with their fuel bills, we signpost them to support agencies and work in collaboration with local government.

We enjoy several active partnerships, particularly with local services, but in 2022-23 several of these agencies reported that demand had well exceeded their capacity. Consequently, we doubled down our efforts to support our customers through educational initiatives around energy efficiency as well as proactive interventions for those in need.

Active support

We have also worked closely with Better Housing, Better Health (BHBH), a charity supporting customers to keep warm, stay safe and live well in their homes. BHBH have offered our customers practical support with their energy bills, for example, providing fuel vouchers for customers on pre-payment meters, along with recommendations about how to make their homes more energy efficient.

In 2022-23, we launched a service which sends a text every Tuesday to 500 customers (rotating between all our customers) encouraging them to reach out if they are experiencing financial hardship and need money advice. This has generated a significant volume of responses and, as a result, we are able to support more customers to access fuel vouchers and other debt advice through local partners such as LEAP, Herts Help, the Money Advice Service, Step Change and Citizens Advice.

This year, we helped customers to access approximately £9,500 in the form of fuel vouchers.

We also ran a cost-of-living campaign across the winter of 2022-23. A dedicated landing page on our website was set up to help customers access useful information such as on energy advice, find their nearest 'warm hub', and available financial support. This was promoted via email signatures, newsletters and rent increase letters and we received 65 requests for further money advice.

Raising awareness

We also run 'soft' awareness raising campaigns to help customers reduce their energy usage more generally to avoid fuel poverty and, by extension, their carbon footprint.

Our rent arrears advice leaflet contains information on the quickest ways to save on fuel bills, we hosted four educational webinars for our customer 'Green Panel' and we share regular energy saving tips as part of our 'One by one' campaign, which goes to all customers via our annual printed magazine and to 3,000 customers via our monthly e-newsletter. So far, more than 700 customers have engaged with our energy saving advice and we have seen rising levels of engagement on this topic.

Criteria 5. What % of rental homes have a three-year fixed tenancy agreement (or longer)?

Many of our customers have in the past, or are continuing to experience a significant uncertainty, be it financial or in their personal lives. To offer greater reassurance and stability, we have abolished fixed-term tenancies at B3Living.

Our Board agreed to cease issuing fixed-term tenancies to our customers in March 2021. Following legal advice, we wrote to all our customers who have an existing five-year fixed-term tenancy to let them know that once their current tenancy has elapsed, they will automatically roll onto an assured tenancy. Therefore, in effect, we do not have any fixed-term tenancy agreements in place.

Theme: 2

Building safety and quality



Building and customer safety is a significant priority for our Board, and they have indicated a low tolerance of risk in this area. In recent years we have significantly increased our investment in this area.

We have commissioned a specialist consultant, Manifest, to support us to improve performance and tighten procedures to ensure we meet the Board's expectations and keep our customers safe.

In 2022-23 Savills completed an independent secondary review of our approach to customer and building safety. The report concluded that our systems and processes are robust and include examples of sector best practice.

Criteria 6. What % of homes with a gas appliance have an in-date, accredited gas safety check?

We arrange checks on all applicable homes every year.

In 2022-23 our gas specialist visited and checked 3,570 homes. Where we struggle to get access into individual homes, we have policies in place to ensure we take steps maintain compliance, including court action

or capping gas supplies that cannot be checked.

We have maintained 100% performance in this area for several consecutive years and monitor compliance monthly, reporting to our Board quarterly.

100%

Criteria 7. What % of buildings have an in-date and compliant Fire Risk Assessment (FRA)?

We aim to be as robust as possible on fire safety, so undertake fire risk assessments (FRAs) regularly using specialist external contractors.

For all high-rise residential buildings (HRRB) and any other buildings where the structure, design or occupation type increases risks (e.g. supported housing schemes for older people), FRAs are completed yearly.

At 'standard' homes for general needs residents, we arrange FRA inspections every two years, unless there is a significant change that would warrant an earlier survey.

In the year, we completed external wall surveys on all our high priority/risk blocks with cladding.

100%

Criteria 8. What % of homes meet the national housing quality standard?

We have a long history of investing in our existing homes at sector upper-quartile levels. Our commitment to making significant investments in our existing homes is enshrined with our business plan, corporate plan and Value for Money Strategy.

All our homes meet the Decent Homes Standard and have done so for the last decade. Our past and forecast levels of investment in existing homes will place us in a good position to meet any changes in the Decent Homes criteria.

100%



Theme: 3

Resident voice

“Our goal is to a develop a continuous two-way dialogue with our customers that is broad, live, and deep”

Our goal is to a develop a continuous two-way dialogue with our customers that is broad, live, and deep. We take a holistic view of the “customer voice” as the collective feelings or wishes expressed by our customers, which may reach us via a variety of avenues.

Criteria 9. What arrangements are in place to enable the residents to hold management to account for provision of services?

Between 2020-22, we developed a Customer Influence Framework, which was shaped by our customers via surveys and focus groups, then finalised with the launch of our new Customer Influence Policy in March 2022. Since then, we have used this framework to seek honest feedback from our customers, enabling us to shape our services around their expectations and needs.

Our Framework is broad to help us build a representative picture of our customers’ feelings, concerns, and suggestions for improvement. It also sets out the mechanisms that we use to ensure that the customer voice is heard at all levels in the organisation and used to guide our strategic decision making.

We recognise the value in both formal opportunities (e.g. surveys, complaints) and informal / indirect channels (e.g. events, behavioural analytics) for customers to give us

feedback on our services. Our customers felt that we should use a broad range of channels to be accessible and inclusive. In 2022-23, membership of our more structured customer network (called our “Customer Community”) grew to 260 customers. This network is designed facilitate co-production and customer involvement in decision making, and during the year they contributed to 10 consultations. To appeal to a diverse audience with different levels of availability, these activities ranged in scope from short online polls (e.g. voting on blinds or carpets to steer our re-let standards) to strategic in-person focus groups (e.g. on rent changes) and a dedicated Green Panel to explore sustainability topics.

Closing the feedback loop is key, so we share our performance with our customers regularly via our email newsletters, magazines and our dedicated annual report to customers. Through these channels we also report back to our customer base on the work of the Customer Community and any service changes we have made in response to their feedback or input.

Originally our Framework incorporated five touchpoints to ensure the customer voice was heard at Board level. These include opportunities like:

- Specific events to enable customers to hold our leaders to account (for example, our annual review with customers, hosted by our Board members).
- A Customer Voice section included in all Board reports and a dedicated Customer Experience report quarterly.

- Advertising our Board vacancies to our customers. This began in 2022 and which we will continue to do for any future vacancies.

In addition to these, in 2022-23 we launched an Operations Committee, a change which stemmed from the desire to have customers more meaningfully embedded into our governance structure. We asked customers what contact they wished to have with this forum, and they requested the opportunity to steer and scrutinise its agenda and for its members to have regular face-to-face contact with Customer Community and customer base more generally.



CASE STUDY:



Great Starts Project

Our Great Starts Project sought to tackle furniture poverty and stigma by improving our re-let homes. We invested £2.3m to give incoming customers a “great start” upping our standard works on void properties to include a full redecoration, sparkle clean and carpets. This project was carried out in co-production with our customers, using focus groups and a two-stage pilot phase to measure its impact. While we hope to support tenancy sustainment in the long term, this investment has made a discernible difference to the customer experience with satisfaction scores rising by 20 percentage points to 95%.



“Satisfaction scores rising by 20 percentage points to 95%.”

Criteria 10. How does the housing provider measure resident satisfaction and how has resident satisfaction changed over the last three years?

Although we recognise informal and indirect feedback as part of our Customer Influence Framework, we have well-established formal processes to monitor customer satisfaction and identify service improvements based on this data.

We conduct several surveys that measure customer satisfaction looking at general perceptions as well as recent experiences with our services. Our transactional surveys measure satisfaction with our repairs, sales/lettings, antisocial behaviour, and complaint handling services.

Our quarterly customer satisfaction perception survey aligns with Housemark's STAR (survey of tenants and residents) methodology and is gathered by an independent agency. We also look at other themes from feedback coming from complaints and our Customer Community and align this data to produce an overall picture of the customer voice. Customer satisfaction scores are reported quarterly to our Board and Operations Committee and form the basis of our Customer Experience working group where actions identified to improve satisfaction are reviewed. Our Customer Ethos Champions also attend the Customer Experience group to help deliver continuous improvement.

Customer satisfaction has remained stable since 2020 and we are pleased to maintain high scores despite the continued challenges in our operating environment.

In the upcoming year we will launch a revised survey covering the Tenant Satisfaction Measures, a set of measures set by the Regulator of Social Housing that social housing landlords must report against.



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?

The Housing Ombudsman did not uphold any complaints cases against B3Living in 2022-23.

We received one evidence request from the Housing Ombudsman in the year, a decrease on the previous financial year (2021-22: four cases). However, the outcome of this case will not be determined until January 2024.

Regardless, we see complaints as a valuable feedback channel, and they act as a key driver of our business improvement initiatives. Our revised complaints process, launched in October 2022, requires colleagues to consider and record any lessons learned before closing all complaints and all Housing Ombudsman enquiries are concluded with a review meeting where we consider

what could have been done differently. At the global level, we analyse trends quarterly, which are presented to our grassroots Customer Experience working group who use the feedback to propose continuous improvement projects which are reported to our Board. Moreover, our Executive and Leadership teams review complaints handling performance and sources at biannual workshops or more frequently, if required.

The following are examples of recent / ongoing projects prompted by analysing our complaints:

- A review of our DLO – looking at resources, structure and processes.
- A reprocurement of our grass cutting contract (see page 19).
- Customer ethos training
- Redesign of the customer journey for new customers
- Improvement of our complaints process





Theme: 4

Resident support

Criteria 12. What support services do the housing provider offer to its residents? How successful are these services in improving outcomes?

One of our seven strategic priorities is to increase our capacity to offer support “when life changes”. Given the tough economic trends of 2022-23, the need to support customers to sustain their tenancies has never been more pressing and we have ring-fenced around £200,000 per annum to support this.

Our support provisions fall into two strands:

- Partnerships
- Internal resources

We are in the process of developing a social impact reporting framework that captures the full range of positive outcomes we see from our support work. Nevertheless, we can report no evictions for rent arrears in 2022-23 and exceptionally low rent arrears (1.1%), suggesting that our interventions have supported some families to avoid rent debt and potential homelessness. Even with the backdrop of a pandemic and inflationary upheavals, our arrears metrics were sector leading for the third consecutive year, again suggesting that the support offer we have in place is robust and adaptable.

Partnerships

At B3Living, we recognise the excellent resources available locally and see leveraging our network as an effective way to support our customers.

To ensure B3Living customers can access important services, we lend our support to external organisations by offering venues for their activities, financing fast-track services for our customers, or assuming a coordinating role to bring charities, public services and local businesses together. For instance, we held a successful community event in July 2022 at one of our larger estates, bringing together a range of support services to offer advice to our customers just outside their front doors. This event was very well attended and well-received by all who were there.

Some examples of services we work with are included below:

Host

Citizens Advice – weekly advice surgeries from our office and hub. In 2022-23, they secured £94,516 for customers, and supported 277 customers with 774 issues (e.g. mental health, preventing homelessness, etc). B3Living also supplies funding for this service.

Food Pantry – warehouse storage and venue for food parcel service.

Fund

JobSmart – employability support helping with CV writing, interview and digital skills. They've supported 181 claimants in Broxbourne, as of 31 March 2022.

StepChange – fast-track debt advice where customers benefit from same-day appointments and ‘warm’ handovers from B3Living staff.

Money Advice Unit – dedicated advisor two days per week. Currently, our advisor supports up to 30 live B3Living cases, all of which require complex support around benefits, unemployment, ill-health, etc. For every £1 spent on the MAU contract, B3Living tenants will get around £12.50 in extra income in this year alone (11 months, April 2022-February 2023).

Coordinate

Household Support Grant – £9,500 secured in partnership with the local authority and DWP. This funding supported 134 customers to clear arrears, access food vouchers or purchase appliances or flooring for their homes.

Broxbourne Financial Support Partnership – working party of up to 12 local agencies, chaired by the B3Living Community Development team.

Internal resources

Whilst developing local partnerships has been a successful approach, we anticipated the growing demand in this year and strengthened our in-house provision over the last financial year:



1x
Dedicated customer coach



£40k
Ring-fenced support fund



Rent
Sustainment Team



302
Receiving Independent Living Support

- We have recruited a full-time Customer Coach who provides additional support and signposting to customers who are at risk of losing their tenancies and have other financial/mental health challenges.
- Following feedback from customers in our annual rent consultation, we will renew our dedicated support fund for a second year in 2023-24. A pot of £40,000 will be available to help customers who have faced financial challenges due to a sudden change in circumstances and who are unlikely to be able to pay any arrears themselves within a reasonable timescale, therefore putting their tenancies at risk.
- Our Rents team have adopted a 'Collecting with care' ethos and offer initial tenancy sustainment support as part of their service.
- We also offer an Independent Living service which works with 302 households, 258 residents in our Independent Living schemes and 44 living elsewhere in the community. Each of these customers receives regular contact to assist them with their day-to-day needs (including financial support, help with paperwork, reassurance, wellbeing checks etc).



SUSTAINABLE
CITIES AND
COMMUNITIES



Theme: 5

Placemaking

Criteria 13. Provide examples or case studies of where the housing provider has been engaged in placemaking or place shaping activities.

In our borough, we are the largest social landlord and the only provider developing affordable housing currently, so we are mindful of the role we play as a placeshaper in our community.

We have engaged in many activities in this regard throughout the year, either through our community partnerships or new homes programme – some examples are on the following pages



CASE STUDY:



Customer influence on cost

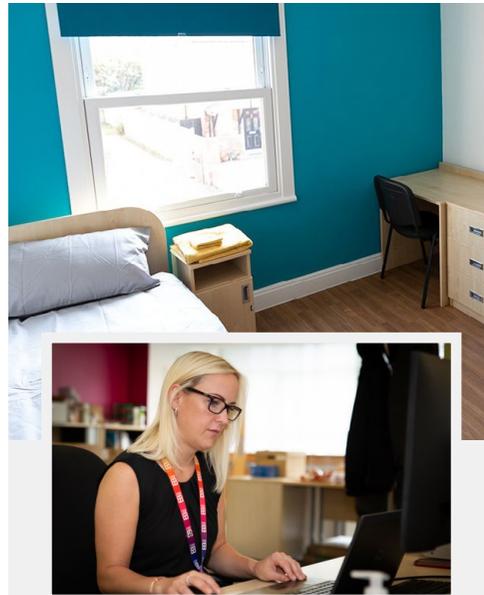
In 2022-23 we enlisted customers to help us to procure a new grounds maintenance contract, after feedback showed that this was a key driver of customer satisfaction. More than 1,400 customers had the opportunity to vote on the quality and frequency of service they wanted to see on their estate and to shortlist the supplier. Our new contract has reduced our costs by between 30-50%, depending on the service chosen by the customers.





Holdbrook Hub

We have continued to provide on-site support through our partners, Citizens Advice, from our Holdbrook Hub in Waltham Cross. The Hub is well placed to support some of the most deprived communities in our borough and hosts several local agencies such as: PCSO surgeries, 'Grab and Go' breakfasts for school children, holiday sports programmes, drop ins with the charity Herts Young Homeless, and more.



Supported housing

Research in local housing needs identified a pressing shortage of supported accommodation in our borough. Consequently, we formed partnerships with local charities and converted two available properties to offer housing for young people and adults with mental health or dependency issues.



Oaklands

Our 60-home land-led development was shortlisted for awards in recognition of its role as a flagship townscape statement. The site enjoys a prominent placement along the river, at the entrance of a new bridge into Hoddesdon and our team seized a placemaking opportunity by purchasing the land of a former trucking depot and amalgamating it with an adjacent B3Living garage site, thus maximising the potential of the site.



Newgatestreet Road

This site is set to create a new focal point for the village of Goffs Oak, just outside Cheshunt in Hertfordshire. The new homes will benefit from a large area of outside space designed in the style of a traditional village green, whilst other ecological features include a wildflower grassed area, new ornamental trees and enhanced hedgerows. B3Living was able to secure 60% of the homes on this site, 15 as part of the Section 106 agreement, plus an additional eight homes thanks to Homes England funding.

CASE STUDY:



Communities together again

In July 2022, we brought many of our community partners – including the CAB, Money Advice Unit, Broxbourne Council, Families First, the local Police and Fire Brigade – together at one of our largest estates in Wormley. The day was a huge success, with games for children and a dog show attracting a large number of customers, who benefited from direct access to support and advice on their doorstep.



ESG SPOTLIGHT



Cheshunt Lakeside

B3Living's largest development to date, Cheshunt Lakeside is a flagship placeshaping project on one of the UK's largest brownfield regeneration schemes. We secured the first phase of homes in this new urban village in 2020 and were proud to officially open the estate in 2023.

Not only were we able to designate all of our homes as affordable, the design of the development has also been praised for its emphasis on sustainability, biodiversity, building safety and overall build quality.



195 affordable homes



1-2 bedroom homes



£50m B3Living Investment



Sprinklers in all homes



Non combustible balconies



Traffic-free/ pedestrian routes



Green habitat corridors



Bat nesting boxes



Electric heating/no gas





40 electric car charging points

Low service charge
wild flower planting



“As soon as I walked in, I burst into tears. I was just overwhelmed because it just looked so amazing... the whole space feels very zen, and I love to do my university work outside.”

Corin, new resident at Cheshunt Lakeside



Solar PV and Sedum “Brown Roofs”



Environmental

Tackling climate change is not a “nice to do”. Housing represents 25% of UK carbon emissions and disproportionately affects those who are vulnerable or living on lower incomes.

We provide more than just a roof over someone’s head. We are in a unique position to support our customers as their lives change or when they are impacted by wider political or economic forces, a role which was particularly called for during the cost of living and fuel poverty crises of the 2022-23 year.



Theme: 6
Climate change

Criteria 14. Distribution of EPC ratings of existing homes (those completed before the last financial year).

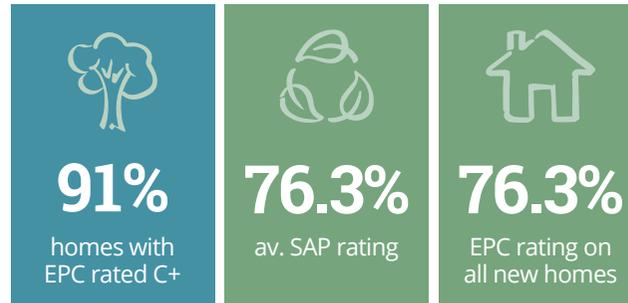
A significant proportion of our customers' energy consumption happens at home. Therefore, we're mindful of the contribution we can make towards climate change by improving the energy efficiency of B3Living-owned properties. This year, we were proud to learn that our performance in this area has become sector leading.

More than 91% of our homes are EPC rated C or higher and we have an average SAP rating of 76.3, placing us as the best performing provider for both metrics among the social landlords reviewed by Suss Housing's SHIFT sustainability standard (see chart, right).

We can attribute our strong EPC performance to our long history of investing at sector upper quartile levels in our homes. For example, we have historically installed A-rated boilers and were an early adopter of solar PV.

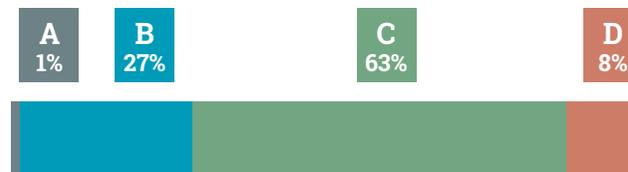
But in addition, our stock profile shows a relatively high and growing proportion of B-rated homes (see chart, right), an ongoing trend generally driven by the number of new rented homes we have delivered over the last decade.

While this gives us a healthy starting position, during the year we have initiated further projects to move us towards our goal of 100% EPC C and above homes by 2030. Our Warm Front project pushed a further 7.4% of our homes from D to C ratings and towards the close of the financial year, we were successful in our bid to the Government's



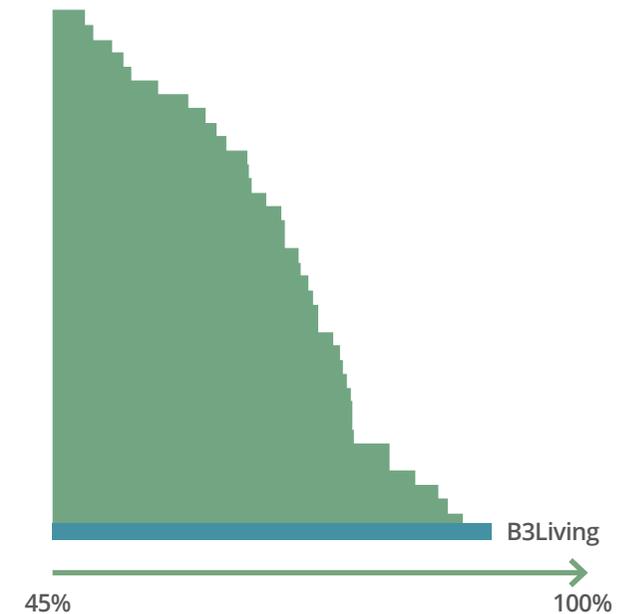
Social Housing Decarbonisation Fund (SHDF), as part of the Greener Herts consortium of neighbouring Hertfordshire landlords. Works for the latter are set to begin in 2023-24.

We have ambitious goals and it is highly likely that the SHDF project will not represent the entirety of our work to improve the energy efficiency of our homes. However, should all other factors remain constant, this programme alone is expected to bring our total homes at EPC rated C and above to 98% by March 2025, leaving us with only 80 homes left to address well ahead of the deadline.



EPC rating for B3Living rented stock

Housing providers - % homes with EPC C+



Criteria 15. Distribution of EPC ratings of new homes (those completed in the last financial year).

As we have reported against Criteria 3 (see page 12), 2022-23 was a record year for our completion of new affordable homes. It is important to us to build sustainability into the new homes entering our stock, which is why all homes delivered in the year were constructed to a B EPC rating.

Criteria 16. Scope 1, Scope 2 and Scope 3 greenhouse gas emissions.

Greenhouse gas emissions is another area where we tracked improvement during the 2022-23 year.

We can observe a decrease in emissions across several key drivers. There has been an increase only in home maintenance activities and via indirect emissions from business mileage, but these trends are likely attributable to the return of normal working practices around day-to-day repairs, planned maintenance and in-office during first full financial year post pandemic.

B3Living has a Net-Zero Carbon working group who have promoted more sustainable working practices within our communal areas and our offices (Criteria 17, see page 28), so we are pleased to see decreased emissions in these areas.

Unsurprisingly, our existing homes are the largest contributor to our carbon footprint (85%) but this has also been an area of improvement. With the Warm Front programme coupled with the SHDF works, we expect to have 98% of our homes at EPC C or higher by 2025, leaving us in a strong position to deliver against the Government’s target of 100% by 2030.

These existing works will reduce our carbon footprint significantly, and we anticipate other workstreams will emerge in this area. However, it is likely that the transition away from gas boilers coupled with access to affordable clean and sustainable electricity, or another energy source, will be the most likely way to reach our strategic target of carbon neutral operations by 2050.

“It is important to us to build sustainability into the new homes”

Emissions drivers	Tonnes CO ²		
	Scope 1	Scope 2	Scope 3
Homes			8,618.85
Communal areas	220.94	330.92	
Communal heating systems	586.25		
Home maintenance activities	132.00		168.00
Offices	51.95	24.14	
Business mileage			9.40
2022 totals	991.14	355.06	8,796.25
2021 totals	964.59	388.89	8,941.22

We expect to have 98% of our homes at EPC C or higher by 2025



Carbon cutting projects



Initial investments 2021-22

- **£1m** B3Living investment
- Window, door and roof replacements



Warm Front 2022-23

- **295 homes** (7.4% of rented stock)
- Energy Company Obligation (ECO) funded
- Cavity wall insulation - non-bonded beads



Cosy Homes 2023-24

- **260 homes** (6.5% of rented stock)
- **£5.9m grant** from Social Housing Decarbonisation Fund
- Insulation, solar PV, efficient lighting, air source hot water



Criteria 17. What energy efficiency actions has the housing provider undertaken in the last 12 months?

Cutting carbon is a key theme of the Better Futures Strategy and in 2021-22 we made a £50m provision in our business plan to support this agenda. As our homes account for the most significant proportion of our carbon footprint, initially our sustainability strategy is concentrated on upgrading our existing homes with “tried and tested” technologies to bring the EPC D or E-rated homes to at least C by 2030, if not before.

In 2022-23, much of our activities around reducing our carbon consumption focused on our successful bid to the Social Housing Decarbonisation Fund, which will improve the energy efficiency of 260 homes.

However, since the launch of our Better Futures Strategy, we have engaged a Net-Zero Carbon working group to deliver smaller initiatives. While the following examples have not made a material impact on our carbon footprint individually, we believe we will see a difference through the cumulative and long-term impact of building a carbon-conscious culture.

“...our sustainability strategy is concentrated on upgrading our existing homes with “tried and tested” technologies”





Better lighting

- We have updated our empty homes specification to ensure we fit LED lighting in all empty homes.
- All communal lighting has been replaced with low energy LEDs, which are 85% more efficient than traditional bulbs. This has improved the EPC and SAP ratings of our buildings, as well as cutting service charges and energy bills for our customers.
- Converting our office lighting to LEDs has also halved our consumption.



Better driving

- Using the tracker systems in our new hybrid van fleet, we have given rewards to the most economical, and thus environmentally friendly, drivers in our team. Many of our operatives have increased their van stock, reducing their trips for supplies and, thus, their fuel consumption.
- We have also introduced an electric car leasing, salary sacrifice scheme for all our employees.
- We have installed an electric car charging point at the head office, plus a further 40 charging points in our estates.
- We revised our new build specification to ensure all new developments include electric car provisions (incl. fitted charging points as well as passive EV infrastructure).



Better waste management

- We replaced all individual desk-side bins with central recycling bins, a small adjustment to embed our commitment and shift staff mindsets.
- Our 'Carbon Controller' campaign raised awareness among colleagues about recycling.
- In the year we removed all of the bins next to our staff's desks and replaced them with central recycling bins. This small adjustment has helped embed our commitment to being more conscious about our actions and how small adjustments can be easily made.



Criteria 18. How is the housing provider mitigating the following climate risks?

1. Increased flood risk

2. Increased risk of homes overheating

We are in the advantageous position of having a relatively low risk of flood and overheating across our stock.

Assessments of fluvial, tidal, groundwater and surface water flooding risks have placed 89% of our homes at a low likelihood of flooding, with 5.5% at medium risk and 5.3% at high risk. Similarly, the SHIFT overheating risk assessment tool estimates that 100% of our homes are at low risk of overheating. This performance was reflected in our new build pipeline as well as our existing homes.

Nevertheless, we also employ proactive measures to mitigate against these risk factors and to ensure we have suitable measures in place, such as:

- Ensuring new building designs follow the 'Cooling Hierarchy', are assessed against CIBSE overheating criteria and have a flood risk assessment.
- Incorporating underground crate water storage and retention ponds into the design of new estates to manage surface runoff. Our Farnham Road, Newgatestreet Road and Cheshunt Lakeside developments include examples of these measures.
- Undertaking further reassessments of flood risks at appropriate frequencies.
- Liaising with the relevant drainage authority in areas susceptible to surface water flooding to ensure drains are fully functional and maintained.
- Having a plan of responsive actions in place to help us manage instances of flooding.

- Planning to engage with residents in the coming year to ensure they have information on managing their homes during periods of high heat and in instances of flooding. We will encourage those in medium-high flood risk areas to sign up to early alerts.



Criteria 19. Does the housing provider give residents information about correct ventilation, heating, recycling etc? Please describe how this is done.

Yes.

In recent years raising awareness about the environment has become part of our routine. We share tips in our regular newsletters and annual magazine, publish energy-related advice on our website, promote at community events and use posters, stickers and other on-site materials to encourage recycling. Our frontline teams disseminate information at repairs appointments, wellbeing visits and damp/mould checks and, as part of our annual gas appliance safety checks, our third-party contractor helps customers to learn how to use, or make better use of, the heating equipment in their homes.

Furthermore, all our new build homes are provided with a Home User Guide (HUG) that explains how the new home and its installations work. The HUG covers areas such as the most efficient use of heating systems, ventilation, recycling, and electricity / water saving.

To nudge changes in behaviour, we run proactive campaigns targeting key issues as well as sustainability more generally. Our 'Dump Me Properly' campaign targeted fly-tipping and recycling decisions on our estates, using a tongue-in-cheek dating theme and on-site materials to educate customers on their waste disposal options. We also ran a cost-of-living campaign in winter 2022-23, which was promoted via our email signatures and rent increase notices.

Our general sustainability campaign, our 'One by One' campaign, aims to shift mindsets by showing customers that we are on a shared journey. We regularly share updates on our net-zero carbon progress alongside bitesize energy-saving advice. We have more targeted campaigns planned for 2023-24 covering ventilation and flooding, as well as a review of the sustainability guidance given to new customers via our Great Start project.

CASE STUDY:



Bidding for Greener Herts

B3Living is among the founding members of the Greener Herts consortium. It brings likeminded Hertfordshire landlords together as we feel that we can achieve our net-zero carbon goals more quickly by working in partnership.

Alongside our housing association partners, settle and Watford Community Housing, Dacorum Borough Council joined the consortium in 2022 to submit a bid to the Social Housing Decarbonisation Fund (SHDF). Towards the close of the financial year, we were pleased to learn that our application had been approved and more than 1,500 Hertfordshire homes will benefit from £40m energy efficiency upgrades (including 260 B3Living homes – [see page 27](#)).





Theme: 7 Ecology

Criteria 20. How is the housing provider increasing green space and promoting biodiversity on or near homes?

Our customers' quality of life is influenced by the neighbourhood they live in, as well as their individual home, and we recognise the many benefits of integrating the natural world into these spaces. Our stock has an estimated 26.6 tonnes per hectare above ground biomass, the second highest volume among the cohort of landlords reporting against the SHIFT sustainability standard.

We enjoy the greatest opportunities on our new build estates, where biodiversity and green space can be built in at design.

For example, new B3Living homes at our Newgatestreet Road site (Goffs Oak, Cheshunt) have access to a large communal "village green", while The Stiles (Bengeo, Hertford) is outlined by wildflower turf and amenity grass areas. At both sites, and at our land-led garage site redevelopments, currently in the planning process, we aim to retain existing trees and hedges where possible, particularly those that are well established offering good quality habitats. We are also working to achieve at least 10% biodiversity net gain in these upcoming sites, in advance of the implementation of the Environment Act (2021). The current plans for our Scania/Amwell House site in Hoddesdon exceed this target.

At our Cheshunt Lakeside flagship scheme (see page 22-23), the original site was 90% concreted as the former Tesco headquarters. The masterplan for the regeneration will restore eight football pitches of green space and has

numerous ecological design features including habitat corridors, bee and swift 'bricks', bat nesting boxes, sedum "brown roofs" and wildflower shrubberies in communal 'pocket parks'.

Prospects for increasing biodiversity on existing estates are more limited, but we take several steps to support the green spaces we manage, such as:

- Avoiding hedge or tree pruning during bird nesting seasons
- Promoting gardening clubs and wildflower planting. For example, our Grounds Maintenance team volunteers their time to work alongside residents in our Independent Living schemes to support them to improve their communal gardens.
- Partnering with horticulture experts, such as with local charity, Wyld Edges, in the Harmony Garden. This project is Broxbourne's first permaculture project and we hope to use its success to promote similar ventures on underused land.

"Our stock has the second highest volume of above ground biomass of our SHIFT peers"



Criteria 21. Does the housing provider have a strategy to actively manage and reduce all pollutants?

If so, how does the housing provider target and measure performance?

Yes.

Our Better Futures Strategy includes a 'Cutting Carbon' theme, which is underpinned by a net-zero carbon workstream which aims to reduce the ways we generate, or have the potential to generate, pollution. We work to build sustainable working practices into our business culture, **for example:**

- We have a team that collect waste including paint for a recycling centre.
- An estimated 37% of our office consumables are responsibly sourced.
- An investigation in winter 2022 highlighted that we have relatively low reports of damp and mould in our homes. Even still, we have also developed a full action plan to ensure we are offering the right support for our customers in this area.
- We generate approx. 2.4kg CO2 per home in emissions from business mileage and hope to reduce this further as we have introduced cycle to work and electric car leasing schemes.
- We favour local suppliers in our procurement to support our community and reduce business-related travel associated with our services.
- We monitor fuel usage and CO2 emissions across our van fleet via our dashcam and telematics system and incentivise efficient driving.



Waste paint collection



37% of office consumables are responsibly sourced



We monitor fuel usage and emissions



Theme: 8

Resource management

Criteria 22. Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works?

If so, how does the housing provider target and measure performance?

Yes.

Our commitment to responsible sourcing was incorporated into our Procurement Strategy and Policy in 2023 (see page 47). We have established a target in which all tenders from 2023 onwards will allow at least a 20% weighting for the quality of the submission, which includes adherence to our values and considerations around sustainable sourcing of materials, such as reducing any use of virgin raw materials (e.g. hardwoods).

As part of our strategy, we have invested significant energies in engaging with our supply chain. During the year we conducted a light-touch audit with contractors, writing to them to confirm details of their sourcing and ethos around sustainability. For example, our primary builders' merchant has confirmed that all their wooden products are from 100% sustainable sources and our cleaning materials supplier has confirmed that they use 100% renewable energy.

Currently, we estimate that 43% of the materials used in our home maintenance services are responsibly sourced, and we expect that this level will be higher for our new build development activities. However, our outreach efforts highlighted the difficulties our supply chain is facing around responsible sourcing or around accurately reporting on their sourcing. The progress we, as a regional provider seeking to support the local economy and community, can make may consequently be limited until we see the market advance further.

Criteria 23. Does the housing provider have a strategy for waste management incorporating building materials?

If so, how does the housing provider target and measure performance?

Yes.

Working in partnership with our contractors and our own direct-labour organisation (DLO), we aim to ensure that the minimum waste from our major works arrives at landfill.

Where possible, we reuse materials from roofing replacements and, following a recent procurement exercise, we have secured commitment from our third-party contractor that 95% components from kitchen and bathroom removals will be recycled. A

similar approach is also adopted across our new build projects where as much hardcore as possible is repurposed. At our Cheshunt Lakeside development, only 1% skip waste was taken to landfill.

We know we have scope to improve further in this area better track the afterlife of our building materials, and we have plans to focus on waste management arrangements in more detail during 2023-24.



Criteria 24. Does the housing provider have a strategy for good water management?

If so, how does the housing provider target and measure performance?

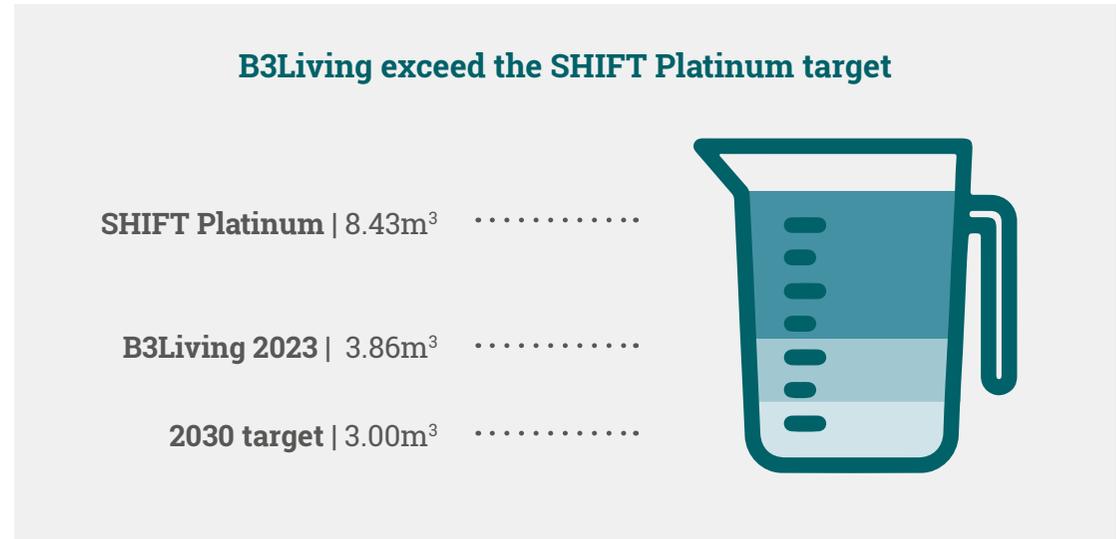
Yes.

In recent years we have tracked our water efficiency via our annual SHIFT assessment and used the associated recommendations to feed into our net-zero carbon strategies, both in terms of our office usage and the estimated consumption within our homes.

Throughout the past two years, we have upgraded our relet, new build and bathroom refurbishment specifications to ensure our incoming customers move into homes with low-flow taps and showers, water aeration and saving devices and dual-flush toilets. In addition, we have a number of homes serviced by water butts and with water meters, and we work with Thames Water (our local water utility supplier) to provide free devices for our customers.

Using our SHIFT assessment, we estimate that the average daily domestic water use across our homes now is 151l per person. The Environment Agency's recommended target is to reduce usage to 130l per person per day by 2030, so in 2023-24 we will explore options for rolling out water-saving measures across all our whole stock.

In terms of office usage, we already exceed the SHIFT Platinum target of 8.43 m³ per employee per year. In the year our consumption reduced significantly from 7.63 m³ (2021-22) to 3.86 m³ (2022-23), placing us in a good position to achieve the 2023-24.



CASE STUDY:



Permaculture comes to Broxbourne

One year ago, B3Living partnered with local gardening charity, Wyld Edges, to create Harmony Garden in Cheshunt.

The charity, alongside 12 local residents and volunteers, have transformed a previously disused space into Broxbourne's first permaculture project, designed to have the diversity and stability to support human needs and the ecosystem. The team are monitoring wildlife attracted by the garden and have already seen a significant reduction of heavy metals in the soil, making it safe to eat the produce grown.



Governance

ESG is relevant in what we deliver but also in the way we work. We believe in holding ourselves to high standards around corporate governance and risk management to maintain the trust of our customers and partners, and people are key to this.

We strive to be a great, inclusive business that is run responsibly and sustainably. This means having the right structure and leadership in place, looking after our team, and thinking outwardly to the wider network linked to our operations. These are all areas we have explored more deeply throughout 2022-23.

PEACE, JUSTICE
AND STRONG
INSTITUTIONS



Theme: 9

Structure and governance



Criteria 25. Is the housing provider registered with the national regulator of social housing?

Yes.

We are registered with the Regulator of Social Housing in England.



Criteria 27. Which Code of Governance does the housing provider follow, if any?

NATIONAL
HOUSING
FEDERATION

We fully adopted the National Housing Federation Code of Governance 2020 in 2021-22.



Criteria 26. What is the most recent regulatory grading/status?

V1 (Viability)

G1 (Governance)



Criteria 28. Is the housing provider not-for-profit?

Yes.



Criteria 29. Explain how the housing provider's board manages organisational risks?

Our Board approved our current Risk Management Strategy in the 2020-21 year, which breaks our approach into five distinct elements:

- **Risk appetite** - categorisation of key risk areas to the business and consideration of the amount and type of risk that the organisation is willing to accept to meet its strategic objectives and tolerance levels.
- **Identifying and recording risk** - categorisation and identification of individual significant risks to the organisation. This is discussed at every Board and Audit and Risk Committee meeting, and time is set aside at Board away days to promote 'blue sky thinking' about potential risks.
- **Evaluating and managing** – evaluation of risk based on the multiple of the likelihood and impact of each risk, before and after management actions have been applied (residual score), as well as setting a target risk score based on the Board's risk appetite. The impact score is not solely based on financial cost but also considers reputation, health and safety, achievement of corporate objectives, etc.
- **Governance** – ensuring that B3Living maintains an appropriate Risk Register and Risk Management Framework. This responsibility sits with the Board, which reviews and debates all corporate risks with a residual score greater than 12 at each meeting. The Audit and Risk Committee and the Executive team have been delegated authority to review and maintain the entire corporate risk register. B3Living also manages risks via a three lines of defence model and annual risk maturity reviews.

- **Risk management culture** – maintenance and promotion of a risk aware culture across the business. To promote a proactive risk management culture all members the Executive and Leadership teams ensure that identifying and managing risk is a regular agenda item on all team meetings so all risks can be effectively recorded and escalated. To support and embed this culture, we provide annual training for the Leadership team and include a risk section in all board and committee reports.

Criteria 30. Has the housing provider been subject to any adverse regulatory findings in the last 12 months that resulted in enforcement or other equivalent action?

No.





Theme: 10

Structure and governance

Criteria 31. What are the demographics of the Board? And how does this compare to the demographics of the housing providers' residents?

A few years ago, we recognised that our Board was not as representative as we would wish it to be and have taken proactive steps to address this, which have yielded positive results. In our 2022 recruitment, we explored non-traditional routes for recruitment and were candid about our current position. This generated a very healthy response from a wider pool of applicants, and we were delighted to welcome two new Board members in January 2023.

Our Board is pleased to be broadly representative of our customer profile in terms of gender, sexual orientation, ethnic diversity, and religion.

We have been actively promoting board vacancies to people living with a disability, those from the LGBTQIA+ community, and those with lived experience of social housing to better reflect the diversity of our customer base and community. We also hope to make further inroads in recruiting younger board members in the future.

Aged 50 and over

Board

67%

Customers

40%

Ethnic diversity

Board

20%

Customers

16%

Aged 30 and under

Board

0%

Customers

22%

LGBTQIA+

Board

8%

Customers

1%

Minority religion

Board

8%

Customers

4%

Female

Board

50%

Customers

56%

CASE STUDY:



Welcome to our new Board members

We were very happy to welcome Marianne Davies and Stephen Glover to our Board this year.

Marianne is Global Head of People Services with GSK plc and brings significant experience from her trustee roles with a number of charities, such as the Youth Action Alliance and SPANA, and her work on equality, diversity and inclusion with the Royal College of Obstetricians and Gynaecologists.

Stephen brings financial expertise to the Board with his background as a chartered management accountant, CIMA fellow and in his current role as Director of Financial Planning and Analysis at University College London. He can also draw on experience as a Board member of a multi-academy trust and as a BACP accredited psychotherapist specialising in supporting LGBTQIA+ clients.

Marianne Davies



Stephen Glover



Following an open recruitment, both Marianne and Stephen formally joined the Board in January 2023.

Criteria 32. What % of the Board AND management team have turned over in the last two years?

12.5%

- 0 of 4 directors
- 2 of 12 Board members



Criteria 34. What % of the Board are non-executive directors?



Criteria 33. Is there a maximum tenure for a board member? If so, what is it?

Yes

In line with National Housing Federations Code of Governance 2020, the maximum tenure for a board member is normally up to six years. Board members are required to reapply after the first three years. In exceptional cases after six years, and where it is in the organisation's best interests, tenure may be extended up to a maximum of nine years, but in this case, individuals would be required to reapply every year.



Criteria 35. Number of Board members on the Audit Committee with recent and relevant financial experience.

3. Of the five, three of the Board members on our Audit and Risk Committee have recent and relevant financial experience to ensure we are compliant.

Examples of experience include:

- 35 years' experience in the financial industry, including with the Royal Bank of Scotland.
- A financial director and chartered management accountant.
- 30 years' experience in property taxation and work as a tax partner in global businesses.



Criteria 36. Are there any current executives on the Remuneration Committee?

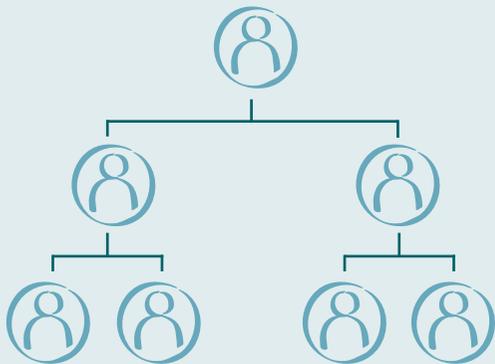
No



Criteria 37. Has a succession plan been provided to the Board in the last 12 months?

Yes

In line with our governance compliance, the Board considered a formal succession planning report in January 2023. Board members were given oversight of the next three years.



Criteria 38. For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

17 years.

A full and open tender process was conducted in 2019 and Beever & Struthers were the only creditable applicant, despite our best efforts to attract new auditors to complete a tender. Because we are a Public Interest Entity due to our public bond, the additional scrutiny this entails dampened tender interest.

Criteria 39. When was the last independently-run board-effectiveness review?

This took place in the early spring of 2022 and was reviewed by the Board in May of that year.



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?

We have a Board Conflicts of Interest Policy that sets out how these instances are handled. Our register of interests is published on our website and presented at every Board meeting as a standing item at the beginning of each meeting, and members are prompted as to whether there are any interests that affect any of the agenda items.



Theme: 11

Staff wellbeing

Criteria 42. Does the housing provider pay the Real Living Wage?

Yes.



We are also an accredited Living Wage Employer. This means we have also made a commitment to ensure that those working in our properties employed by third parties also receive the living wage, creating a more socially conscious supply chain.

An audit of our supply base in 2022-23 who are contracted on our terms and conditions, showed that all our suppliers pay the Real Living Wage or higher.



Criteria 43. What is the median gender pay gap?

	Median gender pay gap
April 2022	0%

Although we are pleased to have a 0% median gender pay gap, we are still working to reduce our mean gender pay gap (2022-23: 5.73%) and encourage women to join and progress within our business.

For us, reducing the gap is an ongoing process of adapting our approach to recruitment, retention and career progression to better support cis and trans women and work towards equity.

For example, we:

- Continue to advertise all our vacancies as open to flexible working and 20.5% of our staff work part time, often to accommodate childcare.
- Ensure we kept our policies around anti-discrimination, maternity and paternity leave up to date with generous provisions.
- Have introduced a new policy to support those experiencing menopause.
- Anonymise CVs through our applicant tracking system and use a streamlined application process with plain English recruitment literature.

Criteria 44. What is the CEO: median worker pay ratio?

We report the CEO-worker pay ratio based on the Business, Energy and Industry Strategy (BIES) methodology. The methodology followed applies a ranking from low to high of all permanent staff, adjusted for part-time staff members, and fixed-term employees to derive a single total figure of remuneration at each 25th (5.45:1), 50th median (4.59:1) and 75th percentile (3.75:1).

At B3Living we have one standard pension offer, however not all employees either opt to contribute to a pension or maximise on the benefit we offer. Therefore, for this exercise we have removed pensions from the calculation.

Year	Median gender pay gap
2022-23	4.59:1

Criteria 45. How does the housing provider support the physical and mental health of their staff?

We have a range of initiatives in place to support the wellbeing of our colleagues (see table)

Flexible working	<p>To support colleagues to achieve a work/life balance we offer a range of flexible working options, including hybrid-working, and a large proportion of colleagues value this highly. We also offer generous annual leave, extra statutory family leave and pay, a range of special leave options (e.g. compassionate leave, emergency leave, paid time off for doctor, hospital and dental appointments). Furthermore, are developing a fertility policy offering paid time off and support for those experiencing the emotional and physical impact of fertility treatment.</p>
Physical & mental health provisions	<p>We introduced a Wellbeing Policy in 2022 which sets out our approach to supporting the health and wellbeing of colleagues and explains the various support mechanisms in place.</p> <p>All colleagues are eligible for subsidised private medical insurance. Those who do not wish to join this scheme are opted into a health cash plan, funded by B3Living to level 2, which offers reimbursement for everyday health costs, such as optical and dental, complementary treatments and alternative therapies. Members are also able to access an online GP, health screening and digital physiotherapy.</p> <p>A confidential employee assistance line and app are available to staff 24 hours a day, where necessary face-to-face counselling is also accessible through this service. We also offer generous sick pay entitlements, carry out health surveillance, and refer staff for occupational health assessments where appropriate.</p> <p>We are also keen to raise awareness and cultural change, so we run wellbeing campaigns, events and webinars covering issues such as mental health, menopause and hidden disabilities.</p>
Managing stress	<p>We carried out our first annual stress audit in 2022 in order to better understand how colleagues perceive stress in the workplace. As a result, we have developed an action plan to address priority areas and set up a steering group sponsored by an executive director and including colleagues across all levels and teams. In addition, we run training on managing stress at work and mental health awareness for managers and are in the process of setting up a system of mental health champions</p>
Dialogue & feedback	<p>We seek feedback from our workforce via pulse surveys every six weeks and have set up quarterly discussion forums for line managers and colleagues enabling them to contribute their views, ideas and concerns. Maintaining an open dialogue with colleagues in this way helps us to identify when support is needed and what we can do to look after our team.</p>

CASE STUDY:



Support during menopause

To mark International Women’s Day in 2023, we launched our Menopause Policy with the aim of creating an environment where colleagues feel able to talk about it openly, without embarrassment, and feel comfortable asking for support. Our Policy outlines how menopause-related absences can be supported under our sickness policies, reasonable adjustments available to assist those experiencing symptoms, and the role of line managers.

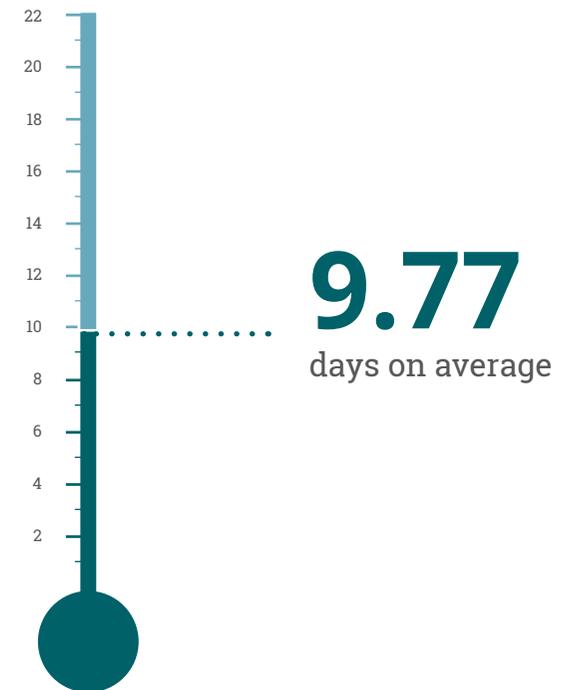
Alongside the new Policy, we have hosted popular menopause webinars and introduced a new training module for line managers.



Criteria 46. Average number of sick days (both long and short term) taken per employee?

Long term:
2.75 days

Short term:
5.53 days





Theme: 12
Supply chain

Criteria 47. How is social value creation considered when procuring goods and services?

Every day we procure products, services and works that impact people’s lives. Therefore, we appreciate the ways procurement can help us to maximise positive outcomes, whilst minimising any negative ones.

Our long-term aim is to change the way that social value is accounted for in our procurement process. To achieve this, we are adopting a framework based on the “principles, practice, people and power” model. This model will help us to ask the right questions to understand the impact we already have and, more importantly for commissioning, it will help us to understand the impact that we want to have.

For all procurements above £25,000, we measure the social value impact of such procurements by engaging with stakeholders, such as our customers, operational teams, and suppliers. Areas that we typically focus on include reducing the use of fossil-based fuels, encouraging the use and reuse of recyclable materials, and reducing the amount of waste sent to landfill sites. Our primary objective is to reduce the negative impact of waste on our local environment.

We also have a drive to source goods and services from our area of operation as far as possible. This helps us to do our bit to support a thriving local economy and its job market.

By incorporating these considerations into our procurement strategies and policies, we hope to reduce any separation between how we procure goods and services and their subsequent impact on our community.

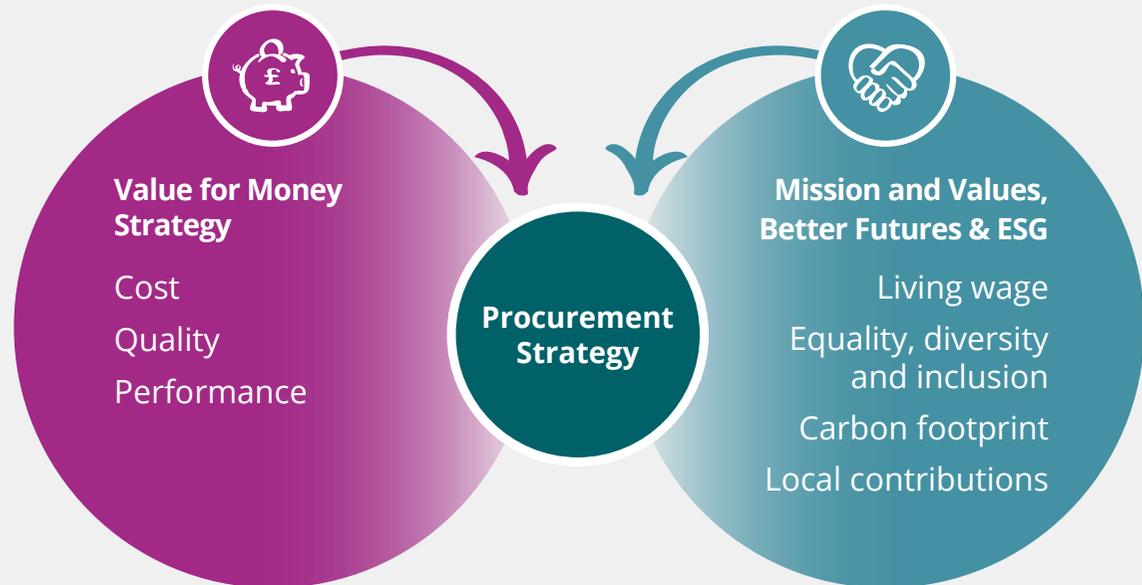
CASE STUDY:



Responsible business through procurement

During the year we introduced a revised Procurement Strategy to reinforce our value for money ethos which seeks to balance cost, quality and performance. The Strategy also sets a clear direction which we hope will promote opportunities for those suppliers who share our values and vision. For example, we now specify that any supplier’s staff who work on behalf of us are paid at a level of, or greater than, the Real Living Wage. On an audit of our contracts, all suppliers reported compliance with this requirement. We also have a drive to source goods and services from our area of operation as far as possible. This helps us to do our bit to support a thriving local economy and its job market.

By incorporating these considerations into our procurement strategies and policies, we hope to reduce any separation between how we procure goods and services and their subsequent impact on our community.



Criteria 44. How is environmental impact considered when procuring goods and services?

In 2022-23 we approved a new Procurement Strategy to further strengthen our stance on the environmental impact of our supply chain.

In our Strategy we double down on sustainability as one of our principal concerns, incorporating more stringent terms and conditions for our framework agreements. These give our suppliers greater obligations around working with us to minimise the any negative impact that our business has on the local environment throughout the period of the agreement.

We expect our suppliers to make all reasonable endeavours to reduce any harm on the environment caused by any supply of products, services or works to us. Although we rely on open market forces to promote supplier innovation, our purchasing decisions give preference to those who can support our strategic ambitions for corporate sustainability and carbon neutrality.

We encourage suppliers to work with us in exploring carbon neutral solutions such as:

- A. Seeking more environmentally friendly and ethically traded alternatives to products, services or works which are detrimental to the environment or wellbeing of society.
- B. Minimising the consumption/production of transport emissions, energy, water and waste associated with any products, services or works supplied to us.
- C. Reducing their use of virgin raw materials, particularly non-renewable resources, by maximising reuse or the use of recycled materials.

- D. Seeking to cut all waste going landfill by ensuring that their products, services or works can be reused or fully recycled at the end of their useful life.
- E. Stimulating the demand for environmentally friendly products, services or works, which would thus build sustainability into the entirety of our business supply chains.

Embedding this Strategy is an ongoing process. A mini 'audit' of our existing contracts highlighted where our supply chain needs to develop to better track environmental impact (see [Criteria 22, page 34](#)).

However, we are committed to understanding and managing the impact of our activities and see our suppliers, both large and small, as important partners in our journey to becoming more socially aware, sustainable and carbon neutral. Consequently, we plan to review our framework agreement management processes, partnership engagements, and supply chain risks to ensure that sustainable principles are embedded within every aspect of the procurement journey.



Appendix 1: UN Sustainable development goals

1 
No poverty

2 
Zero hunger

3 
Good health and wellbeing

10 
Reduced inequalities

4 
Quality education

5 
Gender equality

6 
Clean water and sanitation

13 
Climate action

7 
Affordable and clean energy

8 
Decent work and economic growth

9 
Industry, innovation and infrastructure

16 
Peace, justice and strong institutions

11 
**Sustainable cities
and communities**

12 
**Responsible
consumption and
production**

14 
Life below water

15 
Life on land

17 
**Partnerships for
the goals**



Appendix 2

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Affordability and Security	Sustainable Cities and Communities Reduce Inequality	C1	Core	For properties that are subject to the rent regulation regime, report against one or more affordability metric: 1. Rent compared to median private rental sector (PRS) rent across the local authority 2. Rent compared to Local Housing Allowance (LHA)	% of PRS rent % of LHA rent
		C2	Core	Share, and number, of existing homes (homes completed before the last financial year) allocated to: <ul style="list-style-type: none"> • General needs (social rent) • Intermediate rent • Affordable rent • Supported Housing • Housing for older people • Low-cost home ownership • Care homes • Private Rented Sector • Other 	% properties Number of properties
		C3	Core	Share, and number, of new homes (homes that were completed in the last financial year), allocated to: <ul style="list-style-type: none"> • General needs (social rent) • Intermediate rent • Affordable rent • Supported Housing • Housing for older people • Low-cost home ownership • Care homes • Private Rented Sector • Other 	% properties Number of properties
		C4	Core	How is the housing provider trying to reduce the effect of fuel poverty on its residents?	Qualitative response
		C5	Enhanced	What % of rental homes have a three-year fixed tenancy agreement?	% of homes

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Building Safety	Sustainable Cities and Communities Reduce Inequality	C6	Core	What % of homes with a gas appliance have an in-date, accredited gas safety check?	% of homes
		C7	Core	What % of buildings have an in-date and compliant Fire Risk Assessment?	% of buildings
		C8	Core	What % of homes meet the national housing quality standard?	% of homes
Resident Voice		C9	Core	What arrangements are in place to enable the residents to hold management to account for provision of services?	Qualitative response
		C10	Core	How does the housing provider measure resident satisfaction and how has resident satisfaction changed over the last three years?	Qualitative response
		C11	Enhanced	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?	Number Qualitative response
Resident Support		C12	Core	What support services does the housing provider offer to its residents. How successful are these services in improving outcomes?	Qualitative response
		Placemaking	C13	Enhanced	Provide examples or case studies of where the housing provider has been engaged in placemaking or placeshaping activities.

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Climate Change	Climate Action	C14	Core	Distribution of EPC ratings of existing homes (those completed before the last financial year).	% of homes rated A % of homes rated B % of homes rated C % of homes rated D % of homes rated E or worse % of homes without an EPC rating
		C15	Core	Distribution of EPC ratings of new homes (those completed in the last financial year).	% of homes rated A % of homes rated B % of homes rated C % of homes rated D % of homes rated E or worse % of homes without an EPC rating
		C16	Enhanced	Scope 1, Scope 2 and Scope 3 greenhouse gas emissions	kg CO2 equivalent
		C17	Enhanced	What energy efficiency actions has the housing provider undertaken in the last 12 months?	Qualitative response
		C18	Enhanced	How is the housing provider mitigating the following climate risks: • Increased flood risk? • Increased risk of homes overheating?	Qualitative response
		C19	Enhanced	Does the housing provider give residents information about correct ventilation, heating, recycling etc. Please describe how this is done.	Qualitative response
Ecology	Life on Land	C20	Enhanced	How is the housing provider increasing green space and promoting biodiversity on or near homes?	Qualitative response
		C21	Enhanced	Does the housing provider have a strategy to actively manage and reduce all pollutants? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Resource Management	Responsible Consumption and Production	C22	Enhanced	Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy
		C23	Enhanced	Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy
		C24	Enhanced	Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy
Structure and Governance	Peace, Justice and Strong Institutions	C25	Core	Is the housing provider registered with the national regulator of social housing?	Yes/No
		C26	Core	What is the most recent regulatory grading/status?	G1/V1 etc.
		C27	Core	Which Code of Governance does the housing provider follow, if any?	Name of code
		C28	Core	Is the housing provider not-for-profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control?	Name % %
		C29	Core	Explain how the housing provider's board manages organisational risks.	Qualitative
		C30	Enhanced	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?	Yes/No

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Board and Trustees	Decent Work and Economic Growth	C31	Core	What are the demographics of the Board? And how does this compare to the demographics of the housing providers' residents? Add commentary if useful.	Qualitative
		C32	Core	What % of the Board AND management team have turned over in the last two years? Add commentary if useful.	%
		C33	Core	Is there a maximum tenure for a Board member? If so, what is it?	Yes/No, Length of tenure
		C34	Core	What % of the Board are non-executive directors?	%
		C35	Core	Number of Board members on the Audit Committee with recent and relevant financial experience.	Number Description of experience
		C36	Core	Are there any current executives on the Remuneration Committee?	Yes/No
		C37	Core	Has a succession plan been provided to the Board in the last 12 months?	Yes/No
		C38	Core	For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?	Number of whole years
		C39	Core	When was the last independently-run board-effectiveness review?	Date
		C40	Core	Are the roles of the Chair of the Board and CEO held by two different people?	Yes/No
		C41	Core	How does the housing provider handle conflicts of interest at the Board?	Qualitative

Theme	SDG Goal	Criteria #	Type of Criteria	Criteria	Measurement Unit
Staff Wellbeing	Responsible Consumption and Production	C42	Core	Does the housing provider pay the Real Living Wage?	1. Yes/No
		C43	Core	What is the median gender pay gap?	2. % gap
		C44	Enhanced	What is the CEO : median-worker pay ratio?	3. Number
		C45	Enhanced	How does the housing provider support the physical and mental health of their staff?	4. Qualitative
		C46	Enhanced	What is the average number of sick days (both long and short term) taken per employee?	5. Number of days
Supply Chain		C47	Enhanced	How is Social Value creation considered when procuring goods and services?	6. Qualitative
		C48	Enhanced	How is environmental impact considered when procuring goods and services?	7. Qualitative





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B3 Living Ltd is a charitable registered society under the Co-operative and Community Benefit Societies Act 2014 (29876R). We comply with the National Housing Federation Code of Governance and are registered and regulated by the Regulator of Social Housing (registration no. L4455), HM Revenue and Customs (Charities Division number XR92753).