

2021

# Environmental, social and governance report

LAUNCH >





# Welcome

**I am very pleased to be publishing our first Environmental, Social and Governance (ESG) report to help provide the level of transparency that our existing and potential colleagues, customers and stakeholders seek.**

We have committed to report our ESG performance in line with the Sustainability Reporting Standard for Social Housing. This standard also has synergies with the United Nations' (UN's) sustainable development goals (SDGs).

As an early adopter of ESG reporting, we welcome the opportunity to understand how we are doing compared to others in our sector, to identify good practice and learn from it as well as to share some of our own good practice and achievements more widely.

For more than 70 years, we have been driven by our social purpose to provide as many high-quality homes as we can at a price people can afford, and our vision to improve people's lives through high-quality homes and services. How we do this has changed over time, but our unwavering commitment to our social purpose has allowed us to make a meaningful, lasting difference to those in greatest need.

Sustainability is a key part of our corporate strategy, while 'Thinking for tomorrow' is one of our three core values. For us, this means listening to, understanding and trying to anticipate people's long-term needs and seeking to improve their lives as a result. It also encapsulates our broader commitment to carefully manage the lasting impact we have on everything around us.

Finally, this is a journey for us, some aspects are well developed, whilst in other areas we have some way to learn and grow.

We hope that by playing our part in ESG process we will be able to learn, share, improve and demonstrate our impact.

**Anne Waterhouse**  
Interim Group Chief Executive





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# About us

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# About us

## Who we are

We are a leading UK housing provider with a social purpose. While we take a commercial approach to housebuilding, we reinvest all

of our profits into building more new homes and supporting the communities where we work.

38,000+

homes owned or managed

5,000+

homes in development

100%

profits reinvested

67,000+

customers

95%

of new customers would recommend buying a house from us

G15

member, a group of London's largest housing associations

Fitch A

credit rating

G1/V2

regulatory rating

£9m

social value achieved through community investment projects



## What we do

At A2Dominion Group, we provide high-quality, sustainable homes and services through our three main brands:



Private and social rented homes



Student accommodation



Domiciliary care services



Key worker accommodation



Temporary accommodation



Homes for older people and supported housing



We work in partnership with designers, architects and our current and future customers to provide high-quality homes for private sale and shared ownership.



We provide a range of property asset management services for our own portfolio of more than 38,000 properties with aspirations to do the same for others in the private, public and not-for-profit sectors as well. Our core services include general maintenance, responsive repairs, voids management, facilities management, fire risk assessment actions electrical safety testing as well as a 24-hour emergency repair service.

## Our ambition

### Our purpose

To provide as many high-quality homes as we can at a price people can afford.

### Our vision

To improve people's lives through high-quality homes and services.

### Our values



**Caring by nature**

We put people at the heart of everything we do. We treat everyone as individuals and always seek to do the right thing.



**Working better together**

We collaborate, creating opportunities to innovate and improve. We empower people to achieve great results together and we take responsibility for our actions.



**Thinking for tomorrow**

We understand and anticipate people's long-term needs and expectations. We take care to manage the lasting impact we have on everything around us.

## Where we do it

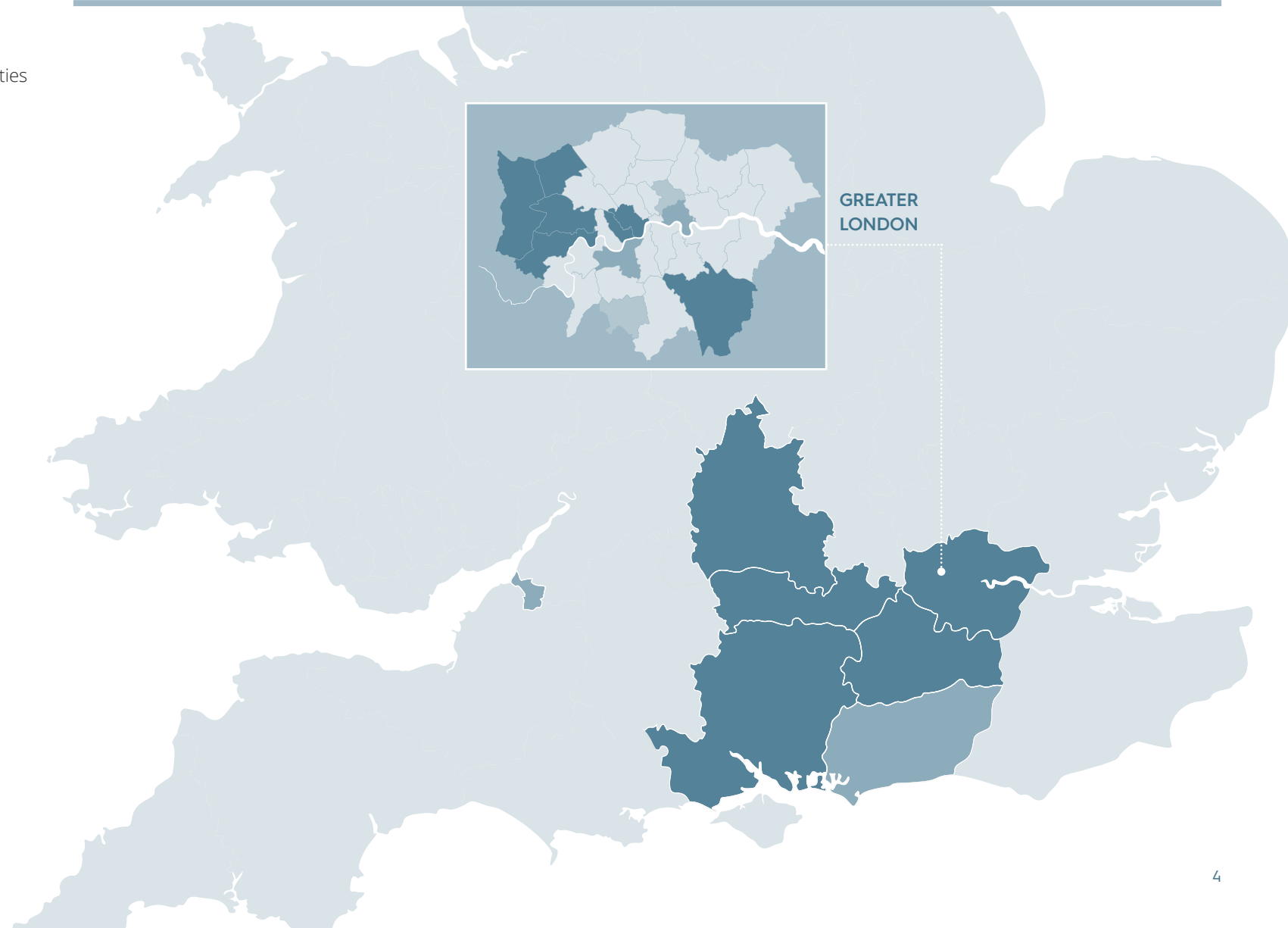
We work with customers and communities across London and southern England.

**Number of properties in management per shaded area:**

- 0-499
- 500-999
- 1000+

# 38,395

total properties in management





# Social

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We are a housing provider with a social purpose to provide as many high-quality homes as we can at a price people can afford. But we don't just build, manage and sell homes. We do our best to create vibrant communities where people feel a sense of pride and belonging.



# Affordability and security

This theme assesses the extent to which we provide long-term homes that are genuinely affordable to those on low incomes. It considers the tenure mix of our new and existing properties, security of tenure, affordability of social rent homes (general needs) and fuel poverty.

## Tenure of homes in management and development

At our core we are a housing association, providing homes at social rent levels for families on low incomes, accommodation for students and key workers, and people getting onto the housing ladder through shared ownership. We have 38,395 properties in management in over 80 local authorities in London and the South East (Table 1).

We know that security of tenure is important to our customers: of our total rental properties, 94% of all general needs tenancies have fixed tenancy agreements of three years or longer.

Table 1. Properties in management: year ended 31 March 2021

Tenure	Properties in management	Share
General needs	17,506	46%
Leasehold and freehold	6,372	17%
Student, key worker, temporary	4,255	11%
Low-cost home ownership (shared ownership)	3,579	9%
Private rent	1,527	4%
Other (office, commercial, garages, community centres)	1,169	3%
Affordable rent	1,149	3%
Supported housing	1,125	3%
Housing for older people	928	2%
Intermediate rent (includes key worker intermediate)	577	1.5%
Care homes	208	0.5%
<b>Grand total</b>	<b>38,395</b>	<b>100%</b>

Our ambition is to provide 60% of homes for rent or shared ownership and 40% for private sale, although in practice the ratio can vary from year to year. The profits generated from our private sale and rented homes are reinvested into providing more affordable homes and services to customers. During 2020/21, we completed 754 new homes and started work on a further 589 (Table 2). These comprised 153 shared ownership and affordable rent, 311 private sale (125 in joint ventures) and 290 private rent homes.<sup>1</sup>

**Table 2. Homes completed: year ending March 2021**

	Homes	%
Private Sale	311	41%
Market Rent	290	38%
Affordable Rent	125	17%
Shared ownership	26	3%
Social Rent	2	0%
<b>Total</b>	<b>754</b>	<b>100%</b>

We are continuing to develop the sites underway and fulfil our programme of development with a target of 953 new homes in 2021/22 (553 affordable and 400 private development). We expect to deliver 5,543 new homes over the next five years in our development programme.

<sup>1</sup>Our total stock in ownership and management changes year on year based on development as well as acquisition and disposal, so the number we complete is not the only factor influencing the way our overall portfolio changes.

## How our social rent compares with private rent and Local Housing Allowance levels

Our general needs homes is around 39% of comparable private rent (Private Rental Sector or PRS), looking across our properties by size of home. This varies from 50% for studios/bedsits/rooms in shared properties (0 bedroom) to 25% for six-bedroom homes. In the local authorities where

we have the most homes, our social rent varies from 19% of private rent (Westminster) to 53% (Winchester) (Table 3). In all areas shown below, our average social rent is lower than the equivalent private rental sector rent.

**Table 3. Rent compared to median Private Rental Sector (PRS) in our top 10 local authorities (by number of properties in management)**

Local authority	A2Dominion average weekly social rent £	Average weekly private rent (PRS) £	A2Dominion social rent as a % of private rent
Bromley	123	327	38%
City of Westminster	144	776	19%
Ealing	126	358	35%
Harrow	148	359	41%
Hillingdon	126	319	40%
Hounslow	130	351	37%
Oxford City	113	289	39%
Slough	126	271	46%
Spelthorne	117	276	43%
Winchester	115	218	53%

Table ranked in order of highest to lowest number of properties in management.



Our general needs (social rent) is around 41% of the Local Housing Allowance (LHA) in London and 50% of the LHA outside London (Table 4). It varies according to size of home and is close to the allowance in larger homes, which is partly due to the cap on the LHA. In the local authorities where we have the most homes, our social rent varies from 36% of the local housing allowance (Westminster) to 58% in Winchester. In all areas, social rent is lower than the LHA.

**Table 4. Rent compared to Local Housing Allowance in our top 10 local authorities by number of properties in management**

Local Authority	A2Dominion weekly social rent £	LHA weekly rent £	A2Dominion average weekly rent as % of LHA
City of Westminster	144	397	36%
Ealing	126	311	40%
Hounslow	130	306	43%
Hillingdon	126	290	43%
Harrow	148	330	45%
Bromley	123	270	45%
Spelthorne	117	253	46%
Slough	126	256	49%
Oxford	113	208	54%
Winchester	115	198	58%

## Fuel poverty

At A2Dominion we provide customers with information and help with managing energy usage to help avoid fuel poverty and ensure customers have the energy and warmth they need.

Our tenancy sustainment officers help customers by going through their income and expenditure and looking at ways they can reduce fuel costs. We also refer customers to 'Connect for help' funded via Ofgem which can provide energy saving devices, such as reflectors on the back of radiators.

During the Covid pandemic we put in place a £50 emergency credit limit to help customers which has remained in place.

In 2020 we provided top tips for customers as part of the big energy saving week – this provided information about reducing energy usage as well as signposting to financial support for customers who are on a low income or entitled to benefits or the winter fuel payment. Our customer contact centre is trained to help customers find out what they can claim and help them access the financial support they are entitled to.

Our help and support will be even more important in the light of upcoming increases to fuel prices and decreases to universal credit.



# Building safety and quality

This theme assesses our effectiveness at meeting our legal responsibilities to protect customers and keep buildings safe. It focuses on disclosing gas safety checks, fire risk assessments and meeting Decent Homes standards.

**Our top priority remains the safety of all of our customers. This year, we increased our investment in our building safety programme.**

Our main focus is on continuing to undertake fire safety investigations at our 450 tall and complex buildings, putting in place interim safety measures where necessary until we are in a position to undertake remediation work. We established a dedicated fire safety project team comprising fire safety experts and brought our fire risk assessments actions, such as repairs, and electrical safety testing in-house.

We have focused on further improving building safety and quality communications

with our customers, supported by a dedicated fire safety communications partner. This includes creating a range of resources on the dedicated building safety help section of our customer website together with building and fire safety FAQs and customer news articles about the latest developments in building and fire safety. We also established a health and wellbeing programme for our customers.

During 2020/21 we continued to safely deliver uninterrupted frontline services to our customers. Even with delayed access to materials and labour and the understandable reluctance of some customers to allow us access to their homes, we still managed to successfully undertake a high percentage of compliance checks, repairs and planned property improvements.

52

stage 3 inspections completed for buildings we are responsible for

22

applications submitted to the Building Safety Fund (BSF) fire safety

45

investigations facilitated for buildings where responsibility lies with other landlords

5

starts on site for fire safety compliance work

2,000+

responses to customer enquiries about fire safety

86

EWS1 forms obtained for 1,100 home owners



## Gas safety, fire risk and decent homes compliance

The challenges of the pandemic made it difficult to gain access to homes and materials as well as reducing our available colleagues and contractors. Nevertheless we achieved high levels

of compliance, very close to our 100% targets and have robust plans in place to ensure compliance with the homes we were unable to assess and address.

**Homes with an in-date gas safety certificate**  
**Target 100%**

99.85%

The percentage of our homes with a valid gas safety record remains high at 99.85%, very close to the target of 100%, which was achieved in 2019/20. Access issues prevented us from inspecting properties where customers were self-isolating or uncomfortable allowing engineers to enter their homes. Work is underway to complete the remaining inspections.

**Buildings with an in-date fire risk assessment**  
**Target 100%**

97%

Our routine building safety activities continued uninterrupted throughout the year, though Covid-19 caused some delays to work. Despite this, we managed to complete 97% of our fire risk assessments within 12 months of the last assessment, which is slightly below our target of 100%, but in line with previous year (2019/20) when it was 97.48%.

**Homes that meet Decent Homes standard**  
**Target 100%**

99.9%

Decent Homes compliance fell just short of target. We have 23 units that are not compliant. All of these homes are scheduled for improvement works or sale in 2021/22. This metric is influenced to a large extent by the planned improvement works in homes. While Covid-19 impacted internal works (for example where customers were shielding), we were able to deliver more of our windows, doors and roof programmes. As a result, we delivered 96% of the original forecast units for planned works.



# Customer voice

This theme evaluates our effectiveness at listening to and empowering customers. The theme covers board scrutiny, complaint handling and customer satisfaction.

**Our customers regularly tell us what matters to them. We have used their feedback to develop three Customer Commitments that apply to everyone, regardless of the type of home they live in, tenure or service they use. These align with our new core organisational values and are being embedded into everything we do.**

The Customer Commitments help raise awareness of our customers' needs and, along with our Customer-First training programme, help to develop a customer-led culture across all of our teams.





## Helping customers hold us to account for the services we provide

There are different ways through which our customers hold us to account.

Our Customer Service Committee (CSC), which comprises a mix of independent industry experts, Group Board members and A2Dominion customers, became a formal committee this year (formerly our Customer Advisory Panel since 2018).



Our customers recently helped to shape the specification for our £40 million environmental service contract; as well as the frequency and cost of gardening and cleaning services where they live.

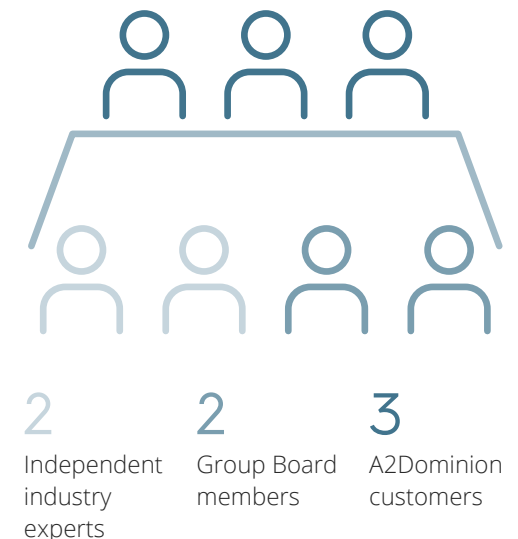
It takes the lead on customer matters across all tenures, including customer satisfaction, performance against customer measures, for example, neighbourhood satisfaction and complaints monitoring. It challenges the Group's decisions and decision-making processes to ensure A2Dominion is a customer-led business and that services are designed to make it easy for the customer to transact and access them.

Our customers get involved in a range of improvement activities across the communities where we work. For instance, helping to allocate our Neighbourhood Improvement Fund and Care & Support Donations Fund or sitting on forum to improve anti-social behaviour. We also provide opportunities for customers to scrutinise and influence changes in local area improvements, larger regeneration and redevelopment projects, service levels for new contracts, digital service design, and preferences over how we communicate.

Core to our Customer Commitments is listening to what matters to our customers. We seek feedback through a range of channels such as surveys about a particular service or experience; focus groups and other onsite activities about individual schemes or local areas; and through our complaints and other day-to-day interactions.

We let our customers know how we are performing against our Customer Commitments through our Customer Annual Report, our customer service standards and our robust complaints process and policy.

### Customer Service Committee



99%+

customer complaints resolved without escalation to the Housing Ombudsman

93%

of our 3,313 complaints were resolved at stage 1 of the process

## Complaint handling

During the year, less than 1% of customer complaints were escalated to the Housing Ombudsman, well below our target of <5%.

For the period April to October this year, we recorded 84% satisfaction with our complaints handling service – surveys were put on hold in November following the launch of the new Ombudsman Code which required a change to our IT system.

In the last financial year (2020/21) we resolved 3,313 complaints with 93% being resolved at stage 1 of the process. We received 29 determinations from the Housing Ombudsman (down 26% compared to 2019/2020).

## Customer satisfaction

We use a range of methods to help us understand customer satisfaction, ranging from surveys and focus groups to complaint monitoring. These insights help us to build a better picture of our customers' experience of us and allows us to take action where particular aspects of delivery or groups of people show lower results – for example customers in particular types of tenure, from different demographic groups, or users of different channels or services. This insight also informs our equality, diversity and inclusion plan and delivery. Our key metrics are set out below (Table 5) and show an overall improving picture, despite the challenges presented by the Covid-19 pandemic.

### We use surveys to measure:



Net promoter score



Customer satisfaction



Customer effort score



Customer trust



Customer voice



Overall, our customer satisfaction is above target and up on the previous year, as is customer satisfaction with responsive repairs. Our ability to provide a full customer contact service and to maintain an uninterrupted service for responsive repairs throughout the pandemic, were key

contributors to our performance in this area. While it took longer to complete some repairs, our communication with our customers about the importance of working safely helped to manage their expectations.

**Table 5. Customer satisfaction performance**

	2018/19	2019/20	2020/21	2020/21 target
Overall satisfaction score (based on satisfaction with complaints, repairs and contact centre)	81%	73%	83%	>82%
Customer effort scores from 2 to 10 with 2 the most positive (least effort for customers)	Not reported	Not reported	4.6	<5.2
Satisfaction with responsive repairs	90%	87%	88%	>85%
Satisfaction with how we've dealt with a complaint*	86%	86%	84%	>83%

*\*Surveys on complaints were paused in October 2020 due to a technical issue – which affects the overall satisfaction and customer effort score.*



83%

overall customer satisfaction, against a target of 82%



88%

customer satisfaction with responsive repairs, against a target of >85%





customer effort score,  
against a target of <5.2 and  
a national benchmark of  
<4.9 across all sectors.

### Making customers' lives easier

Keeping things simple is important to us so we introduced a new key performance metric this year to measure how easy customers find working with us.

Customer Effort Score (CES) measures the amount of effort a customer has to exert when using our services, to find the information they need or to get an issue resolved.

The clear correlation between low customer effort (minimum 2 is no effort, maximum 10 is high effort) and high customer satisfaction allows us to better predict customer loyalty and behaviour. When analysed with customer voice, we find it more actionable than customer satisfaction scores alone.

The metric is based on a weighted average of responses from the contact centre, repairs, new homes and complaints.

We exceeded our target this year, achieving 4.6, against our target of <5.2, and a national benchmark of <4.9. Our target for 2021/22 is set at 4.5, significantly ahead of the sector but better/tighter than the year's results to take into account complaint scenarios and the impact of lockdown.



## Turning feedback into action

Customer feedback tells us what we are doing right as well as how we can improve to make people's lives easier. We have made a number of recent improvements as a result of our customers' feedback.

### They said:

**Our customers said they wanted online access to more of our services 24/7**

### ✓ We did:

Improved our website and customer portal to enable access to a wider range of services online with more changes planned to help customers self-serve 24/7.



### They said:

**Our customers said they wanted their private sale homes to have fewer defects at the time of handover and for any issues to be resolved quickly**

### ✓ We did:

Our dedicated New Homes team now offers gold-accredited support and aftercare to customers who move into our new-build properties.



### They said:

**Our customers said they wanted repairs completed more quickly**

### ✓ We did:

Through further investment in our Repairs team we reduced the target for completing communal repairs to 15 days.



## Continually improving

We are committed to listening to what matters to our customers so we can continually improve our services and make their lives easier. Below are some examples of changes we have implemented as a direct result of learning from complaints.

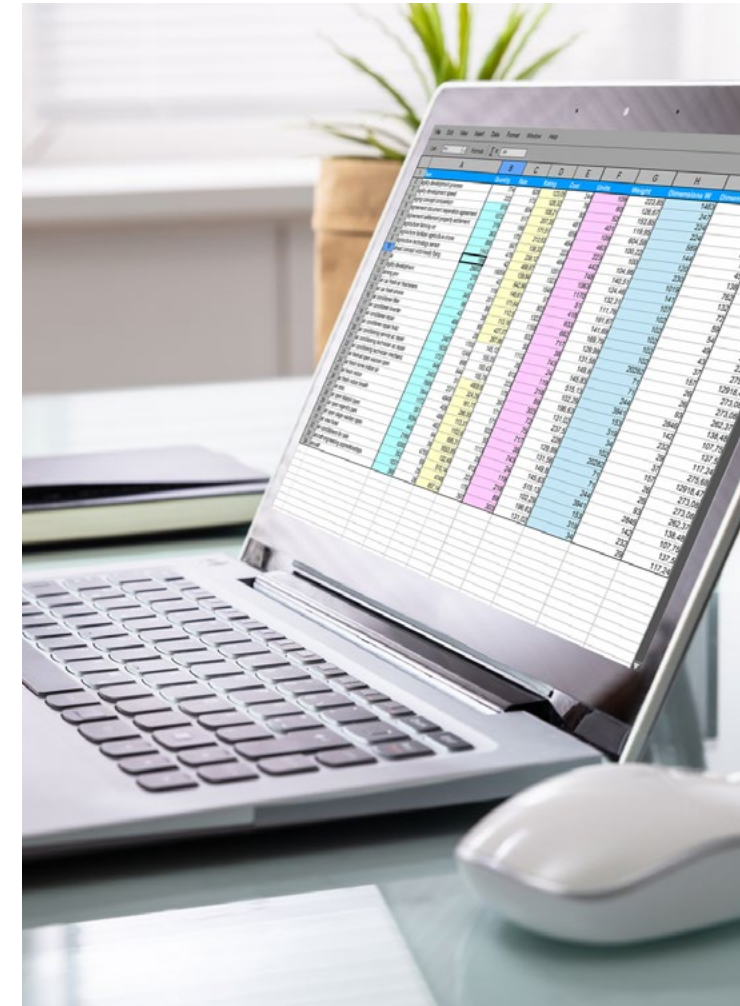
### • Improving how we engage with our customers

To reduce the number of repeat complaints, we developed and rolled out 'Customer-First' training across the Customer Experience teams. The programme focuses on listening to customers, engaging effectively and responding in a considered way that addresses all of their issues. We will roll the training out more widely across the Group



- We have established a project team within Housing Services to analyse and address key issues that drive complaints in the first place and ensure effective handling of complaints within the new framework
- Linked to this, is the development and launch of our organisation-wide 'Every Communication Counts' initiative focused on our quality of response to customers
- **Improving contractor performance and management**

A key challenge across property-service-related complaints is the responsiveness and delivery of promise dates through our contractors. This has a heightened focus among our senior leaders. Performance conversations have been supplemented by the adoption of 'Customer-First' training across this community. We are also scoping contract management training to help embed the right practices that will be driven through management oversight and review





# Customer support

This theme explores the effectiveness of the initiatives that we run to support individual customers. The theme considers the type of support and its success or impact.

As a housing provider rooted in the principles of affordable rent and delivering good quality homes, our community investment and tenancy sustainment work ensures our customers remain in their tenancies and are supported to fulfil their potential in life. We use social value, customer insight data, customer survey results, and how effectively we engage with customers to measure the impact of our work. We focus on three key areas (over page).

## Successes and impacts in 2020/21:

£9m

social value achieved through community investment projects, against a target of £7m

6,500

customers supported through our health, wellbeing and financial inclusion projects

£500k+

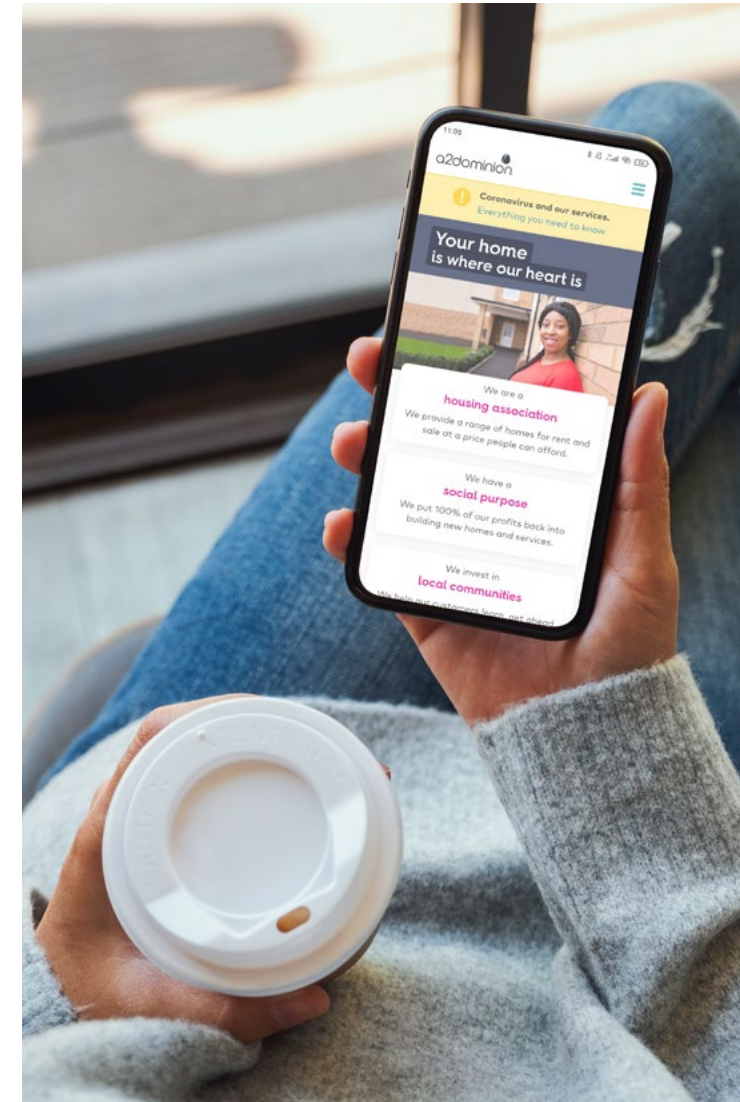
raised to develop our services for customers

£650k

generated in social value from our community-based activities

£300k+

generated in social value from digital inclusion work



## Strengthening communities

**Increasing people's sense of belonging, reducing social isolation and increasing access to local services for children and families.**

Our community work in high priority areas benefits both customers and the business. Working collaboratively with colleagues across operations, with local authorities, and partner organisations, we are able to tackle inequality and create opportunities for customers to improve their life chances.

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# 1,000+

customers benefited from educational support, social, physical, mental health and community activities, creating opportunities to improve their quality of life

The Summer Mini Olympics project, run in partnership with Brentford FC Community Sports Trust, ran across our priority neighbourhoods.





## Reducing health inequalities

**Supporting people to improve their lives through targeted services focused on physical activity, healthy eating, mental health and tackling social isolation.**

We recognise that there is a link between poor health and an individual's ability to work, pay their rent and contribute positively to society. Many of our customers who require our support have mental health difficulties, which can impact on their ability to manage their finances.

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## £1.8m

invested in social and physical activities across the communities where we work

The *HACT* report on our Covid-19 activities highlighted the need for support in this growing area of risk for the business. As a direct response to the report, we launched emotional wellbeing pilots as part of our wider mental health support programme to help increase our customers' ability to sustain their tenancies.

Our mental health support programme has been accessed by over 60 people since its launch in December 2020, with 90% seeing a measurable improvement in their emotional wellbeing.

Our services include one-to-one support and advice, group therapy sessions, and referrals to relevant third parties including *Togetherall*, an online community that supports mental health.





## Increasing financial capabilities

**Supporting people to be digitally connected, increase their employability and enable access to advice services.**

Many of our customers have been impacted financially by Covid-19, with an increase of new Universal Credit claims from an average 127 per month in 2019/2020, to 168 in 2020/2021. This increase highlights the additional financial support our customers require, and the work of our Employment and Tenancy Sustainment teams enables them to improve their financial prospects and manage household bills such as rent.

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## £8.3m

secured by the Tenancy Sustainment team maximising the income for us and more than 2,750 customers



We have supported 123 customers to get online, providing the hardware and broadband required to overcome the barriers to accessing online services, including My Account. Our partnership with We Are Digital supports A2Dominion's digital first strategy. We also have a dedicated Digital Inclusion Officer.



We provided employability support to 327 customers and helped 108 people into jobs.

"This service was absolutely fantastic. My adviser Yasmeen was very helpful and helped me with my job search. In less than two weeks I was able to get a job.

"She helped me fix up my CV and gave me useful tips, including interview tips which helped me a lot. I would recommend this service to everyone, especially during these hard times!"

**Rebekar Oluyadi,**  
an A2Dominion customer



# Placemaking

This theme seeks to highlight the wider set of activities that we undertake to create well-designed homes and places that meet local needs and provide great places for people to live and enjoy. The theme showcases our placemaking and place-shaping work.

**Neighbourhoods need to have their own character, distinct within a locality but with a strong sense of place, which strengthens local identity. People want their neighbourhoods to be vibrant, exciting places in which they also feel safe and comfortable.**

Placemaking is a part of the A2Dominion Design Guide which describes our standards and requirements for all developments, regardless of location, size or tenure which steers the design and development process, for colleagues, consultants, development partners and architects. Our placemaking principles are based on The Design Council's *Building for Life 12*, a series of 12 questions related to placemaking that we answer each time we consider a scheme. Doing so helps us to create sustainable, integrated communities and a sense of place.

Social value is also important in placemaking for a scheme to be successful once delivered. Right from the outset of our tender processes, we identify opportunities to create social value through wide stakeholder engagement, capturing the needs of our customers.

In order to provide an end to end approach to placemaking, our development and housing teams come together regularly to ensure the homes we develop are sustainable and fit for customers/maintenance from the very start through to handover and beyond.

Within our existing homes, we also work closely within communities to improve and enrich community life and surroundings.



## West King Street, Hammersmith & Fulham

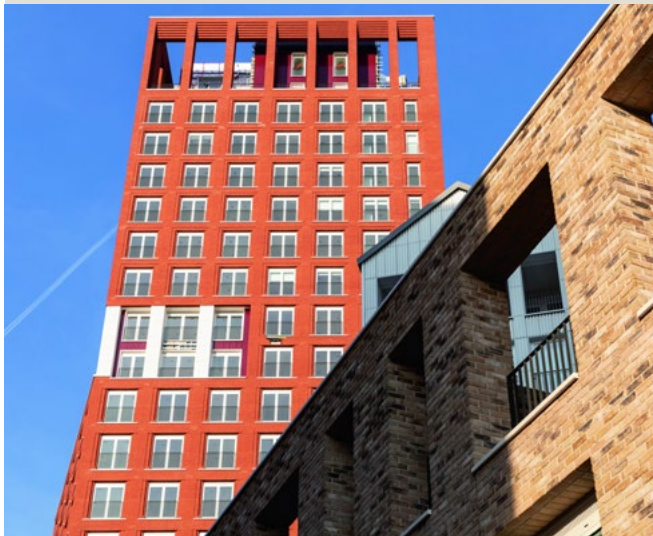
The western end of King Street in Hammersmith will be revitalised by the extension and full refurbishment of the Grade II listed Town Hall, the delivery of new homes and the creation of new community facilities. In partnership with the London Borough of Hammersmith & Fulham, the redevelopment will include 204 new homes, of which 52% will be affordable. This will include a new cinema, corporate offices, shops, restaurants and cafes, as well as community art and event spaces for public use.

The scheme won the People's Choice award at the 2020 New London Awards. The extensive public consultation was described by one nominator as "ground-breaking inclusion: coproduction that has never been seen before". Another person said: "The scheme speaks to the people it serves and will be a focal point for the community."

### Keybridge, Lambeth

Keybridge, the UK's tallest residential brick tower at 37 storeys, lies in the heart of London's regenerated Vauxhall. Completed in March 2021 in joint venture partnership with Mount Anvil, the development features 470 mixed-tenure homes, while 9,000sqm, almost a third of the development, was set aside for the creation of new public and private open spaces, with sculptures and artwork by Tom Price. This includes a new public square, a central garden, a children's playground, communal courtyard gardens and terraces with water features as well as a new primary school and commercial space.

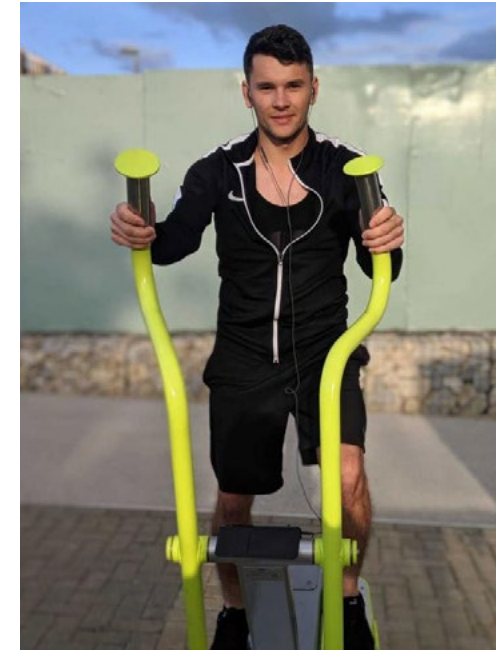
The scheme won Gold at the 2019 What House Awards for Best Partnership.



### Community Mosaic Project

Part of our placemaking activity involves working closely with communities to improve and enrich community life and the surroundings.

Last year, in partnership with Art4Space, we invited customers to take part in our community mosaic project to create a mural at Green Man Lane in Ealing, London. Both our customers and even some of our colleagues took part in outdoor workshops and submitted artwork entries to help build the pieces of the mural.



### Great Places to Live

We continue to trial our Great Places to Live programme which identifies areas and individuals in highest need that will benefit most from incremental improvements. Eventually, we hope to bring Great Places to live to more neighbourhoods. Everything we learn throughout the project will help to improve the communities where we work.



# Environmental

As a housing provider with more than 38,000 properties, we recognise the importance of carefully managing the impact that we have on the environment in order to protect the planet for future generations. It is embedded into our corporate strategy and woven into our culture.



# Climate change

This theme seeks to assess how our activities are impacting on climate change, and how we are mitigating the physical risks of climate change. This theme considers current practice, as well as the changes being made to improve performance in the future. The explores the distribution of energy performance certificate (EPC) ratings, emissions data, climate risk mitigation plan and environmental strategy.

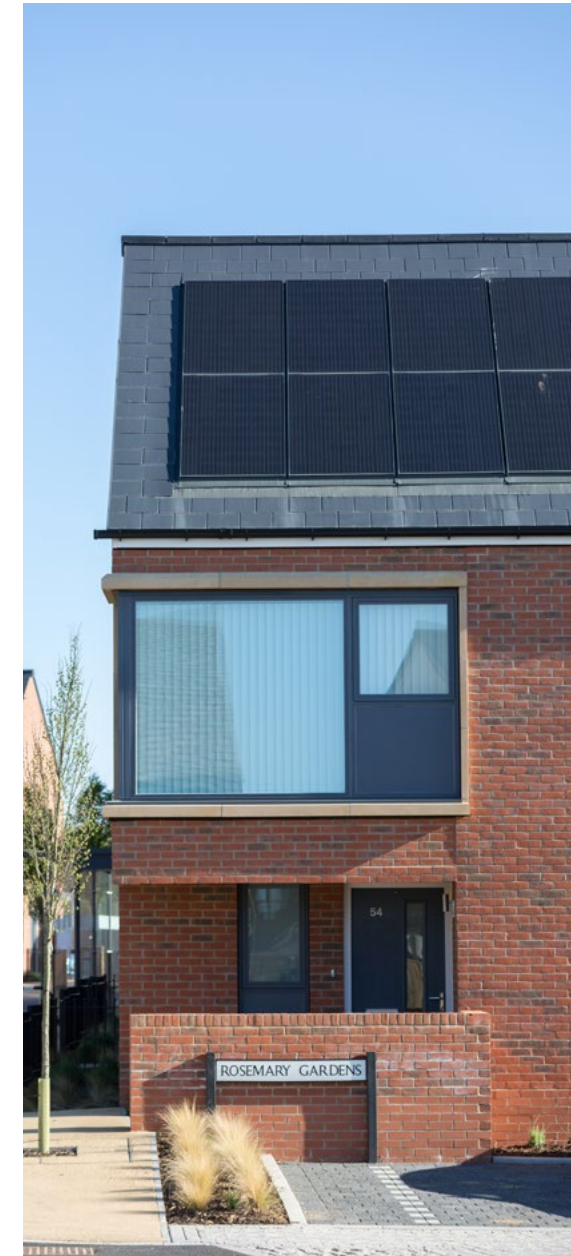
## EPC ratings

We have good data on the homes we develop and 97% of these are rated A or B, with only 3% at C. Our existing homes tend show a mixed but improving picture of energy performance and we are working hard to improve reporting of our EPC ratings and to take steps to improve the performance of our homes across our portfolio.

**Table 6. Distribution of EPC ratings of existing homes and homes built in 2020/21**

EPC rating	Homes in management 2020/21 (%)	Homes developed in 2020/21 (%)
Homes rated A	<1	6
Homes rated B	15	91
Homes rated C	37	3
Homes rated D	29	0
Homes rated E (or below)	3	0
Data not available	15	0
No. of properties	28,653	754

*Note: We do not have complete coverage of EPC data for our homes and properties and are continuously working to improve reporting.*



## Greenhouse gas emissions

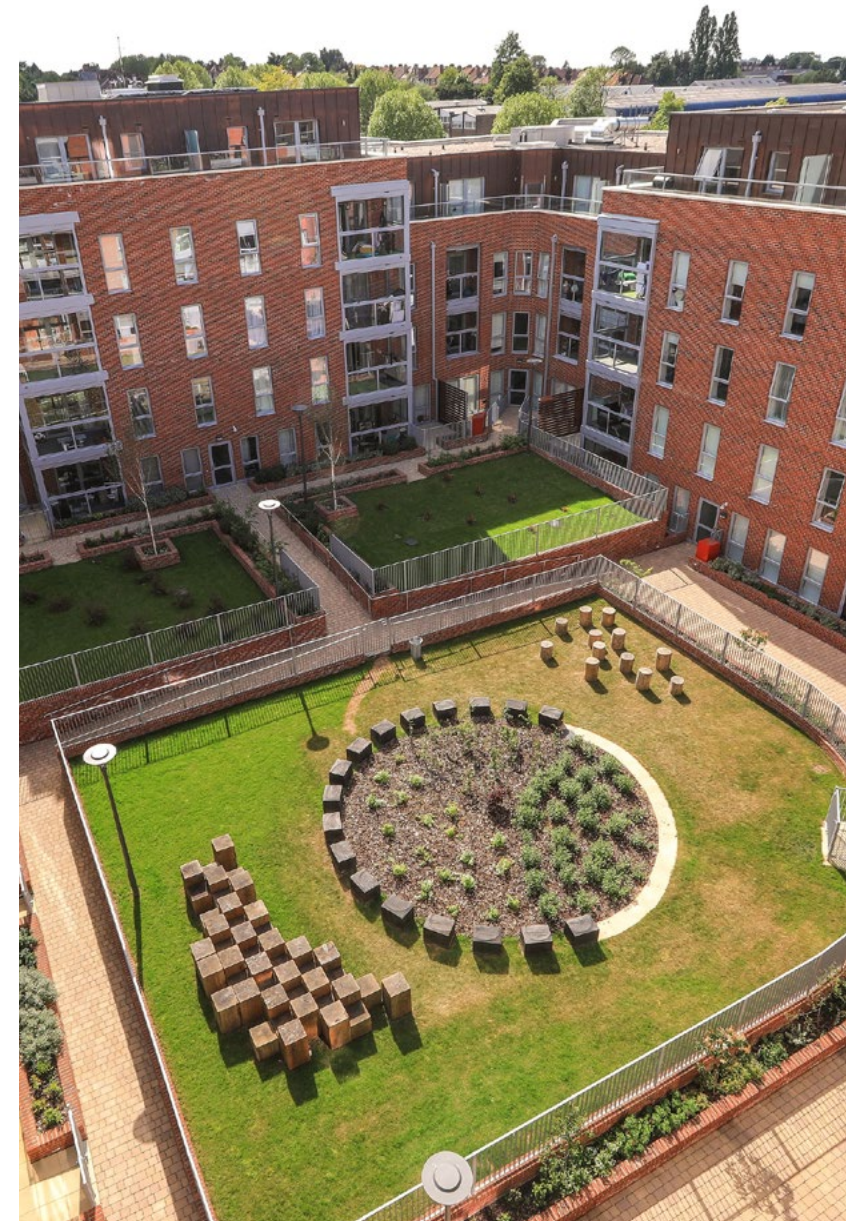
We monitor different types of emissions (called scopes) through SHIFT (Sustainable Homes Index For Tomorrow), a voluntary sustainability assessment for social landlords. Scopes 1 and 2 are measured using billing data. Scope 3 emissions are more complicated as these are predominately from our housing stock and have no access to consumption data. SHIFT uses Standard Assessment Procedure (SAP) ratings and heating system data to estimate emissions. An assessment of our

performance in 2020/21 resulted in a silver award, an improvement from 2019/20 when we achieved bronze. Two factors contributed to this improvement:

- Strengthening of the organisational commitment to sustainability through the Boards adoption of new sustainability targets
- Allocating resources and commitment to the Sustainability Strategy Action Plan

**Table 7. Greenhouse gas emissions by scope (tCO2e) 2020/21**

Scope	Homes in management 2020/21	Emissions (tCO2E)
1	Activities for which the Group is responsible involving the combustion of gas, or consumption of fuel for the purposes of transport.	3,471
2	The purchase of electricity by the Group for its own use, including for the purpose of transport.	3,668
3	Emissions associated with third party logistics providers which occur at sources which A2Dominion does not own or control. Although not mandatory for inclusion in the SECR report, Scope 3 emissions have been considered from well-to-tank for natural gas and diesel fuels and also for the transmission and distribution losses (T&D) element of delivered electricity.	56,097





## Energy efficiency actions

We are wholly committed to supporting the UK's zero carbon target by 2050 which we will do by developing new homes that are energy efficient and carefully managing and improving the efficiency of our existing properties.

We are currently refining our stock data to ensure that we have a clear understanding of the measures required and that we develop appropriate work packages and cost-effective delivery mechanisms. We will follow the Energy Hierarchy (a classification of energy options prioritise to assist progress towards a more sustainable energy system) and, where opportunities present themselves, we will adopt a whole-house approach.

Following a programme of energy efficiency upgrades there has been an estimated reduction of 474 tonnes of CO<sub>2</sub> equivalent from our homes (described as tCO<sub>2</sub>e).

All of our electricity has been purchased from a supplier that sources it from 100% renewables. The cost of energy efficiency upgrades has been built into our long-term financial plan with dedicated funds allocated to support specific carbon reduction projects.

During the year we installed loft and cavity wall insulation in around 200 of our properties, nearly 700 new Band A boilers, more than 300 double-glazed windows and almost 500 new, low energy lights. These improvements will reduce carbon emissions and reduce energy bills for our customers.

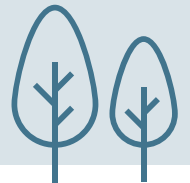
Our new sustainability budget helped us to improve our existing housing stock, including installing loft and cavity insulation in hundreds of homes, in turn reducing carbon emissions and energy bills for our customers.



# 474 tCO<sub>2</sub>e

reduction in annual emissions of our housing stock due to energy efficiency works.

According to estimates from the climate neutral group, this is equivalent to the carbon capture from 23,700 trees growing for one year.



## Sustainability strategy

Our new Sustainability Strategy focuses on four key areas of work where we can have the most beneficial impact on the environment, which subsequently benefits the wellbeing and security of our customers. These include reducing carbon emissions, tackling fuel poverty, improving stock performance and minimising waste.

We have also established reporting mechanisms for Streamlined Energy and Carbon Reporting (SECR), the Energy Savings Opportunity Scheme (ESOS) and the SHIFT sustainability standard. These help us to understand the full environmental impact of our activities and provide a baseline for improvement.

## Mitigating flooding and overheating risks

Flood risk assessments are a formal part of site acquisition and are considered carefully prior to purchase and we produce flood risk assessments and mitigation plans as part of any development planning applications. Overheating is considered at design stage and during the build. An Energy Strategy, contained with our employer's requirements, sets out heating requirements which prevent overheating. We have a specialist consultant retained who assesses overheating risk at the earliest design stage and remains involved right through to the build and testing stage.

Flooding and overheating is part of the SHIFT assessment for our existing stock.

## Providing information to customers

When it comes to our customers, we provide them with comprehensive information and guidance around the efficient and correct use of heating and ventilation.

Our customers receive:

- Information packs when they first move into their homes
- Help and advice for heating and hot water usage via our customer website
- Ongoing support through a third-party advice service
- Efficiency advice from gas engineers when undertaking gas safety checks
- Referrals to 'Connect for help', funded via Ofgem, which can provide energy-saving devices, such as reflectors on the back of radiators – this also helps address fuel poverty

We work in communities to signpost and connect to local initiatives, for example by:

- Providing recycling information and other suggestions from the local authority or other local partners
- Working with our contractor to provide more proactive communications around the bulk refuse service



A low carbon development at Bicester provides hundreds of customers with real time energy consumption, recycling and heating information in addition to real time displays for public transport and access to an electric car share club.

# Ecology

This theme explores how we are protecting the local environment and ecology. The theme is made up of two criteria around increasing biodiversity and managing pollutants.

## Increasing biodiversity

We promote and consider biodiversity and increased green space as part of our A2Dominion Design Guide, which describes our standards and requirements for all developments for colleagues and all third-party partners

and suppliers. For obvious reasons, new developments and areas of regeneration naturally create more opportunity to improve or increase biodiversity and ecology than within our existing stock and communities.







We undertake an ecological assessment during the initial planning stage of all our new developments regardless of size and the recommendations are put forward as part of the local planning process. Our Environmental Services team then works within our schemes to implement what has been agreed with the planning authorities.

For our existing homes, we have a Landscape Design and Maintenance Manager, who investigates our schemes in situ and organises for bids for improvements to be submitted to our Great Places to Live Fund, which is managed by a panel of senior managers who allocate funds for works in some of the areas where we work. This could include such activities as creating community allotments or developing/preserving wildlife habitats.

We supplied data to SHIFT showing we have produced an estimated 206 tonnes of biomass above ground and 1.27 tonnes of biomass above ground per/hectare of land which we own. This is being used as a baseline to monitor our contribution to increased green space and biodiversity.

## Managing pollutants

Ground and site pollutants are carefully considered prior to the land acquisition process. Any contaminants, including Japanese knotweed, are fully remediated in accordance with statutory and regulatory requirements using best practice methods to provide a clean site from which to work. We plan to develop a Group-wide strategy to manage and reduce all pollutants which will include associated targets and measurements.

# Resource Management

This theme seeks to identify the extent to which the housing provider has a sustainable approach to materials in both the construction and management of properties. The theme comprises sourcing materials, water management and waste management.



## Responsible sourcing

We endeavour to put environmental priorities at the heart of all of our building works from responsibly sourced materials to waste and water management.

When it comes to our development projects, our A2Dominion Design Guide sets out that our materials should be sustainably sourced. Using the Guide, we work together with our framework contractors to deliver sustainable resource management through all our delivery models whether undertaken ourselves or in joint ventures.



## Waste management strategy

Minimising waste is one of the core tenets of our new Sustainability Strategy. We have set targets this year for the first time and will be reporting on them annually starting in 2021/22.

Sustainable resource management of material selection and waste management is part of our approach to sustainable procurement. We use it to assess potential partners when procuring large contracts such as for our existing planned and cyclical frameworks and our new building projects frameworks.

Our Sustainability Strategy addresses the need to reduce the use of natural resources, but we have not yet established specific targets around water usage. We are in the early stages of metering and monitoring water consumption which will inform our future priorities and work.





# Governance

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Our financial and regulatory strength, combined with compliance, provides a sustainable basis for all our work delivering high-quality homes and services.

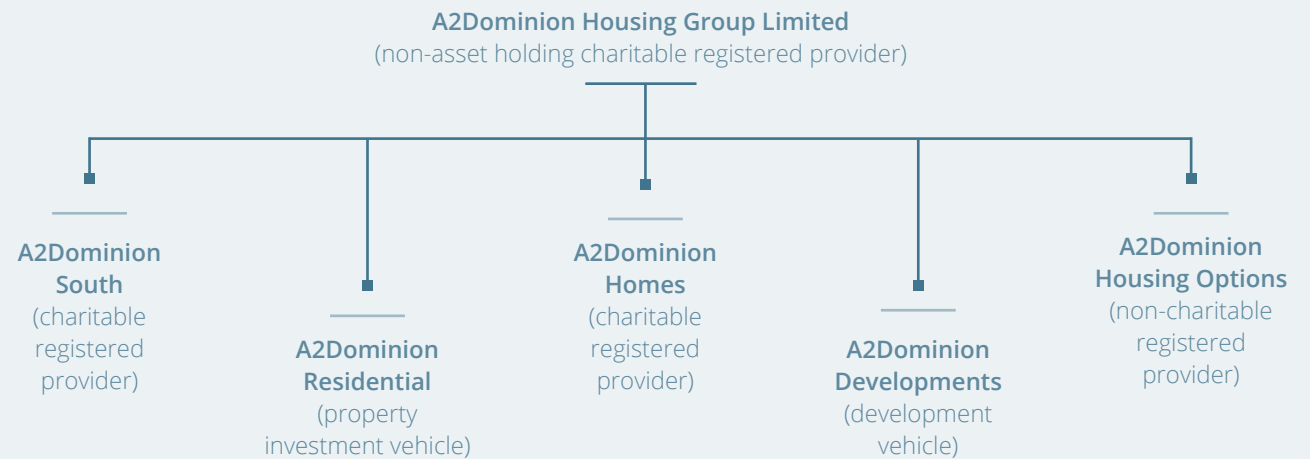
# Structure and governance

This theme assesses our overall structure and approach to governance. The theme explores the regulator, code of governance, risk management and ownership.

## Our structure

### Group structure

A2Dominion Housing Group Limited, as the parent association, provides strategic direction for the organisation, along with central, financial and development services.



## Regulator of social housing

A2Dominion Housing Group Limited is registered with the Regulator of Social Housing.

## Viability and regulatory grading

The Regulator of Social Housing reconfirmed our high regulatory grading of "G1" for governance and "V2" for financial viability, in its latest regulatory judgment published in December 2020.



## Code of governance and compliance

We follow the National Housing Federation's Code of Governance 2015. We comply with the Co-operative and Community Benefit Societies Act 2014, the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

## Not for profit status

A2Dominion Housing Group Limited is a not-for-profit Registered Provider of Social Housing. It is administered by a board of directors with a broad range of expertise and experience. It is also the parent entity of A2Dominion Group. There are 26 legal entities, including five other Registered Providers, for which A2Dominion is either the controlling entity or a significant partner.

## Risk management

The Board and each committee receives a report on the key strategic and operational risks faced by the Group at each of their respective meetings. This includes an analysis of the controls in place, further actions required and the current risk rating.

## Regulatory findings

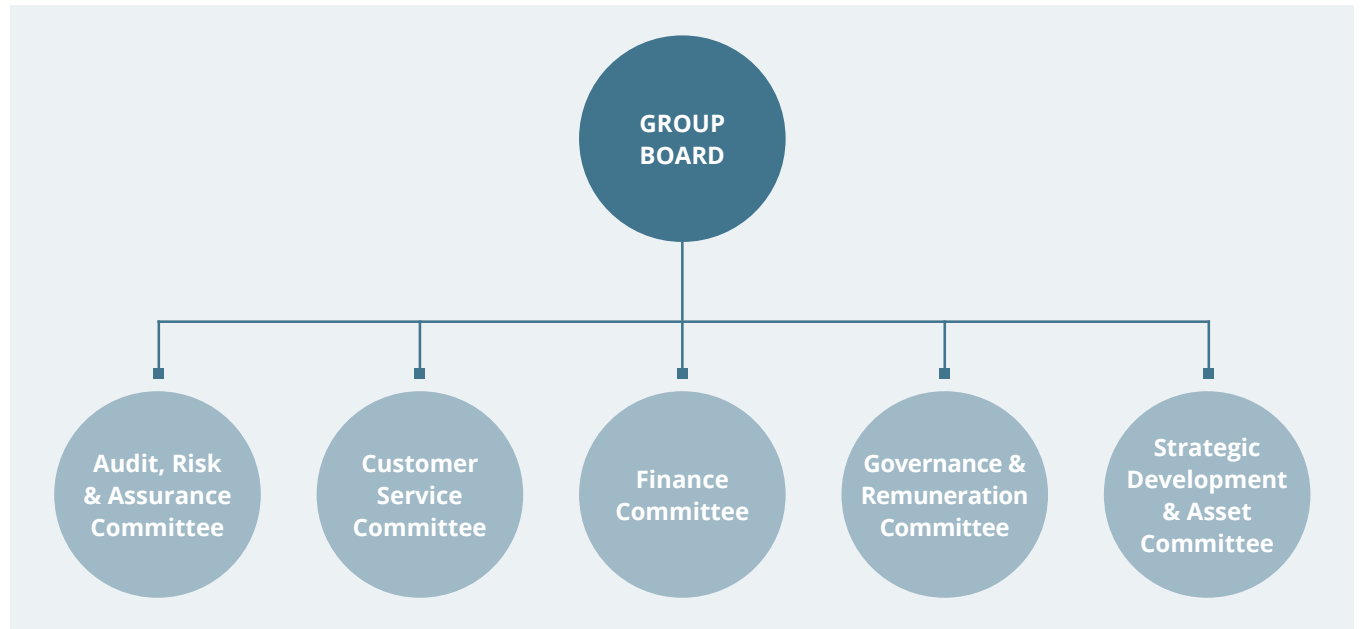
We have not been subject to any adverse regulatory findings in the past 12 months that resulted in enforcement or equivalent action.





# Board and Committees

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



**Our Board leads the Group, oversees its activities, sets the Group's vision, strategies, plans and resources and directs its business. Its primary responsibility is protecting the Group's assets, ensuring they are used to fulfil our objectives and that we act lawfully and in accordance with the generally accepted standards of governance, performance and probity.**

In accordance with the adopted Code of Governance, the Board has a number of matters reserved to it. While it may delegate review of these to other bodies, only the Board may approve decisions.



#### Board diversity

**36%** women  
**9%** diverse ethnic groups  
**9%** disability

Average age

**54.4**

### Board and committee demographics

Our Board aspires to represent the communities we serve. It comprises nine non-executive members and two executive members, including 36% women, 9% people from diverse ethnic groups, 9% people with disabilities, an average age of 54.5 and an average tenure of 4.7 years.

We compare our demographic diversity with that of our customers and communities:

- 54% of our customers are female, slightly higher than the population of the areas where we work (50% of the people living in the areas where we work are female)
- 43% of our customers are from diverse ethnic groups (45% of the people living in the areas where we work are from diverse ethnic groups)
- 25% of our customers have disabilities, slightly lower than the areas where we work, where 28% of the population has a disability

### Board, committee and executive team turnover

We have in place a diverse and robust workforce and governance succession plan to retain, attract, grow and develop high-quality employees and Board members. Over the past two years there has been a 33% turnover (due to terms coming to an end), with three new non-executive Board directors appointed in 2021 as part of the Board succession planning. All are leaders in their fields and bring diverse experience and insights to our Board. While we are

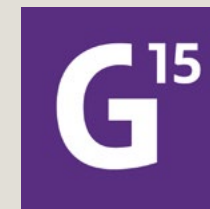
making progress with equality, our focus is on inclusivity more broadly. One executive director joined the Executive Management Team in January 2021, in advance of the retirement of another member in March 2021.

### Board member tenure

The maximum term for a Board member is nine years, comprising two three-year terms and up to three further one-year terms.

### Non-executive directors

82% of the Board are non-executive Directors.



In April 2020, our Chief Executive signed up to a pledge, alongside his G15 counterparts, to encourage more diversity at senior management and board level to try to reflect the diversity of the communities in which

we work. In support of this pledge, six talented A2Dominion managers were selected to take part in a new 18-month G15 Accelerate Chartered Management Institute leadership development programme to support colleagues from diverse ethnic groups to advance their careers.



### **Financial experience of Audit Committee members**

Two members of the Board sit on our Audit, Risk & Assurance Committee of which one has extensive financial experience. One independent non-executive member with relevant financial expertise and experience also sits on the Committee.

### **Succession planning**

A succession plan has been provided to the Board during the past 12 months.

### **Audit partner**

BDO LLP has been our external audit partner responsible for auditing our financial accounts for more than 15 years. In line with our regular practice of retendering our contracts, the audit contract was last tendered in 2018.

### **Effectiveness review**

The last independently run Board effectiveness review was held in 2019. This review led to a revised governance structure and revised Terms of Reference for the Board and each of its committees which was implemented from December 2020.

### **Chair and Chief Executive roles**

The Chair and Chief Executive roles are held by two different people.

### **Conflicts of interest**

Any Board member interests are tabled at individual meetings as per a standing agenda item and any conflicts of interests are managed, on advice from the Company Secretary, with the Chair.



# Colleague wellbeing

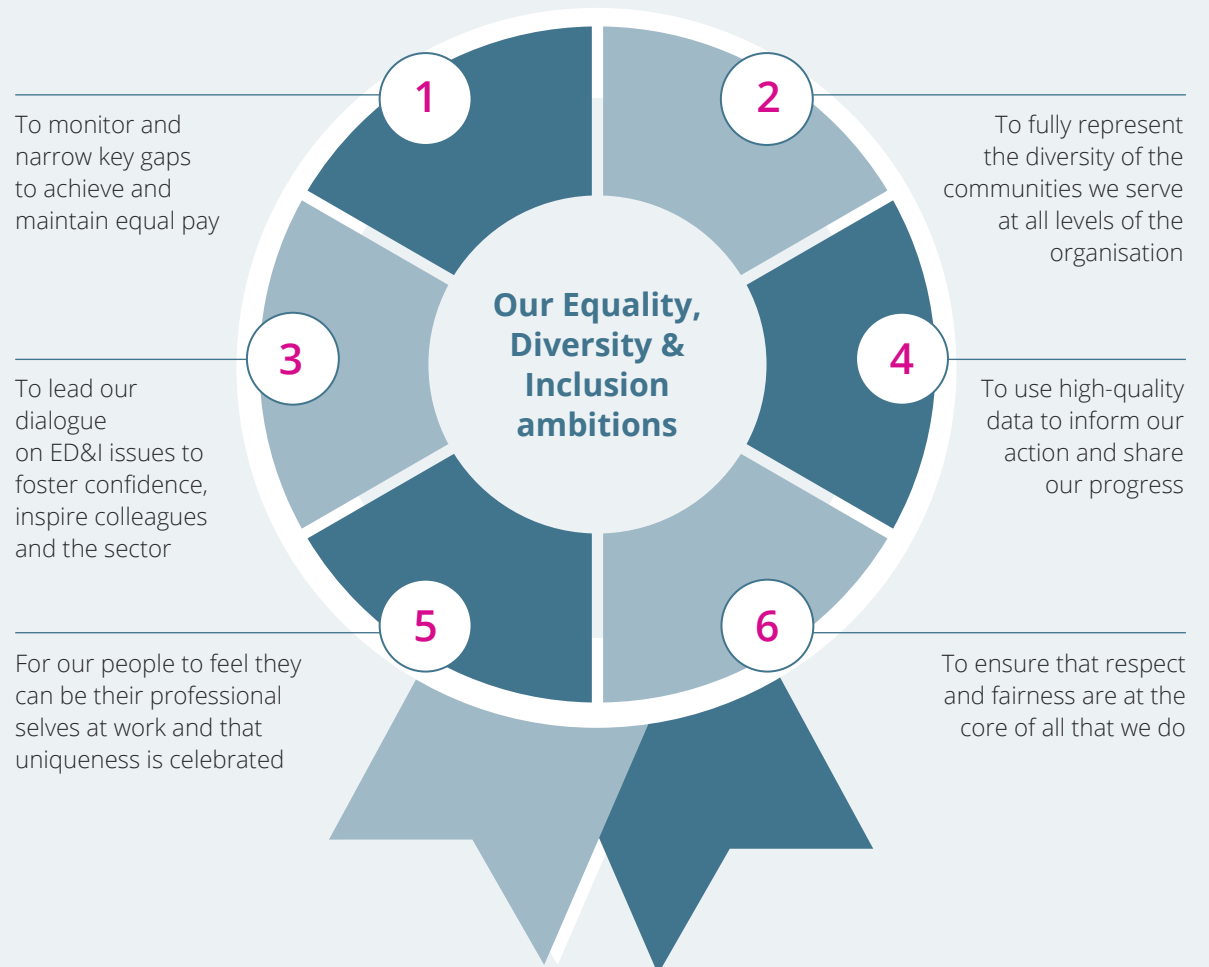
This theme seeks to assess how colleagues are supported and how their wellbeing is considered. The theme considers salary information, additional support for colleagues and average sick days.

**Our success comes from our people. We therefore need to attract, retain and develop individuals with the right skills for now and the future, who are representative of the communities in which we work and who share our values.**

We are committed to creating a diverse, inclusive and fair environment in which everyone has an opportunity to achieve their full potential and feel like they belong. Our new Equality, Diversity & Inclusion (ED&I) Strategy sets out our six ambitions for the next five years. Each member of the Executive Management Team sponsors one ambition, demonstrating our commitment to ED&I.

Our ED&I Steering Board, chaired by the Chief Executive, ensures that we meet all of the objectives set out in our ED&I Strategy and Action Plan. Our ED&I Network (EDIN) is empowered to deliver events and activities locally as a way to make improvements and raise the profile of our ED&I work. Each ambition has an individual activity and engagement plan for the coming year. These plans are part of a wider learning and engagement programme being rolled out across the Group.

## Our six ED&I ambitions



## Real living wage, CEO-colleague pay ratio and fair pay

We pay the Real Living Wage and the ratio of pay for our chief executive compared to our lowest paid worker for 2021 is 8:1.

One of our six ED&I ambitions is to monitor and narrow key gaps to achieve and maintain equal pay so that people who do the same jobs are rewarded fairly and that we strive to understand, address and reduce gaps in pay between groups.

To further this ambition we are currently undertaking a number of activities, including:

- Refreshing our pay ranges to continue to monitor market trends
- Monitoring, reporting and reducing key pay gaps
- Ensuring that all colleagues are remunerated in line with the Living Wage and we are pursuing accreditation for our approach
- Focusing on gender pay and plan to also report on ethnicity gaps (and disability when it comes on stream)
- Striving towards equality of opportunity

## Gender pay gap

Each year, we publish a gender pay gap report showing the difference in average earnings between men and women across the organisation. Including two of our subsidiaries (Pyramid Plus London and Pyramid Plus South), we reduced the mean gender pay gap in 2020/21 from 16.07% to 15.88% (the gap within our parent company reduced from 25.39% to 24.51%).

## Supporting physical and mental health and wellbeing

We are committed to providing a positive work environment where every individual, whatever their role feels empowered, engaged, healthy and productive. Retaining our *Investors in People Gold accreditation* (for the fourth successive year) and achieving a Health and Wellbeing Good Practice Award this year reflects our continuing focus on this important area.

While wellbeing has always been central to what we do, the coronavirus pandemic increased our wellbeing efforts, starting with helping colleagues to adapt and acclimatise to remote working. The results from two pulse surveys and our colleague engagement survey confirm that we responded very well to that challenge.

Our new three-year Wellbeing Strategy focuses on all four areas of colleague wellbeing: psychological, physical, financial and social. In January, we launched our Wellbeing Matters Forum comprising mental health first



"A2Dominion has done a fantastic job of supporting, nurturing and enabling its people to give their best during an exceptional time of personal stress, anxiety and concern.

"[They are] a great example of how a strong and clear ethos enables swift decision-making. This was also helped enormously by the fact that the technology had been developing 'in the background' toward enabling flexible ways of working."

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aiders who can provide frontline support and guidance to colleagues; and ambassadors from different areas of the business who promote all areas of wellbeing. Using the lessons learned during the pandemic, we are engaging with colleagues to define new ways of working that build on the benefits of hybrid working, looking to increase flexibility where appropriate.

## Sick days

Of our total colleague base, the mean number of working days taken sick per colleague was 4.6 days. This is below the UK average which was 5.8 per employee in the UK in 2020.

We run an employee assistance programme to provide colleagues with support and information needed to help with everyday life. This provides access to:

- Stress helpline
- Structured telephone counselling
- Referral to face-to-face counselling
- Referral to serious illness and accident support
- Tax advice
- Legal advice (the EAP will not provide employment law advice)
- Eldercare
- Childcare
- Medical information





# Supply chain management

This theme seeks to assess how we procure responsibly. The theme explores how social value and environmental impact are considered.

Considering the social and environmental impact of projects and programmes throughout the procurement lifecycle is central to our broader commitment to carefully manage the lasting impact we have on everything around us. Our Procurement Policy specifies that where relevant in the tender process we should promote social value and environmental activities. Our anti-slavery and human trafficking statement reflects our commitment to acting ethically and with integrity in all our business relationships.

## Social value

We understand the importance of early engagement with stakeholders to identify the needs of our customers. From the early stages of the tender process, we identify whether there is an opportunity to create social value. We do this by engaging the relevant teams within the Group to identify the different types of social value that could be delivered from the tender, such as employment opportunities, training. The social value determination is based on the type and scalability of the contract.

When appropriate, for instance, we work closely with our internal Community & Investment team to create a social value statement that we would then include in our tender documentation.

We also include social value as part of our tender criteria in later stages of the procurement so that it forms part of the final bid scoring. The score is weighted and evaluated.



## Environmental impact

We understand the power of procurement to reduce the environmental impact. In 2020, our Sustainable and Ethical Procurement Policy was approved to help encourage more sustainable procurement activities. Where it is applicable, we include 'sustainable impact' as part of the tender criteria so that we can score tenders according to that criteria.



A recent assessment of tenders for estates services contracts compared the social value contribution of tenders received for services, such as communal cleaning and grounds maintenance.

As part of the tender evaluation criteria, there was a 5% weighting dedicated to proposals and commitments specifically related to the delivery of social value within the contract(s). We asked the bidders in their proposals to link to the desired outcomes and focus areas that were set out in the *A2Dominion Social Value Statement*, which formed part of the invitation to tender.

The proposals were then evaluated on the basis of their estimated social value in monetary terms, and in their relevance to meeting the requirements of the Statement.

The tenders provided social value commitments in relation to:

- Apprenticeships
- Employment and training opportunities
- Volunteering commitment
- Sponsorships and donations
- An overall estimate of social value



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