

54N^orth
homes

ESG report 2023/2024

Part of the Karbon Group

Our sustainability summary

3,500 - No. of homes in Yorkshire

99.9% - Decent Homes Standard

28 - new homes completed in 2023/24*

73.2% - of our homes achieve EPC C or above

100% - All new homes built at EPC rating B or above

108.765 tCO2 - estimated saving on energy efficiency upgrades

147 - customers helped through our Money Matters Team, with £115,135 generated

100% - colleagues paid at living wage or above

59.8% - Our rents as an average of a typical market rented property across our region

2.7% - Mean gender pay gap

G1/V1 - top governance and viability regulatory rating

A - S&P rating

* This was against our annual target of 50 new homes, but a considerable number of those were delayed due to extreme weather conditions.

Welcome to our ESG Report

Here at 54North Homes, it is our aim to give all customers the stronger foundations they need to get on with life.

This powerful social purpose drives all that we do and requires us to think carefully about how we can foster sustainability and be socially responsible in all our work. This is typically described as Environmental, Social and Governance (ESG). This report will illustrate the work and impact that 54N has made in these ESG areas during 2023/24.

About us

In December 2022, Leeds & Yorkshire Housing Association and York Housing Association merged to form 54North Homes, a Yorkshire-based subsidiary of the Karbon Group. The key driver behind the merger was both the desire to do more for our customers and do it better.

We build and manage affordable homes for people across Yorkshire. Our footprint covers much of Yorkshire, with around 3,500 homes across a diverse range of communities.

Whilst it is early days in terms of our existence, we are already building a positive profile as a key partner in Yorkshire. We have started to deliver improvements for customers including the provision of a money and debt advice service, improved first point of contact and an increased provision of new homes.

We are proud to be part of the Karbon Group, which has a footprint that covers the North East of England and Yorkshire, with over 33,000 homes across a range of tenures. Karbon has a long history of partnering with other housing associations to deliver added scale and capacity without negating a shared focus on common values and social purpose.

We always make the effort to really understand our customers. We believe that everyone deserves respect. Everyone's voice should be heard. And everyone deserves someone in their corner now and then. We are focused on delivering our three strategic aims – to provide as many good quality homes as we can, to deliver excellent service to our customers, and to shape strong, sustainable places for our communities.

Introduction

Integrating two separate businesses and building new processes, systems and policies has been our key focus over the last year and I am pleased we have delivered much of what we set out to achieve in our first 12 months. I am grateful for the commitment and support we have received from all our colleagues, customers and key stakeholders in helping us to do this.

We are already seeing many benefits in terms of new opportunities and services, as well as economies of scale from being a larger housing association and part of the wider Karbon Group.

We understand that many of our customers are still facing tough times. The cost-of-living pressures continue to bite and we are committed to supporting our customers who are struggling financially. Since becoming part of the Karbon, we have been able to support customers with additional support, including free and impartial financial advice from our Money Matters service and a low-cost furniture appliance rental service called 'Home Comforts'.

This year, we launched our first Corporate Plan for 54North Homes, which sets out our approach to delivering the Group's strategic aims over the next two years, for the period 2024 to 2026.

The plan focuses on three main areas:

- providing as many good quality homes as we can
- delivering an excellent customer service
- shaping strong, sustainable places for our communities

We want our customers to thrive and live well in our homes and communities. We are passionate about improving customer experience by listening to your feedback and acting on what you tell us. Thank you to all our customers who have provided feedback – your views are important to us.

Following feedback from our Customer Experience Committee who scrutinised and challenged our performance on complaints and compliments, we have reviewed our policy to ensure we continue to learn and improve services to our customers. We have also reviewed our damp and mould policy to ensure customer safety is our top priority.

We are continuing to help address the shortage of good-quality, affordable new homes with work commencing on Leonora House, our flagship scheme to build 58 affordable new homes on Railway Street, Leeds. Work has also started on site at our development of 28 new affordable and sustainable homes in the Armley area of Leeds.

In addition to building energy-efficient new homes, which don't rely on fossil fuels, we have invested in our existing homes to ensure we meet the government's net zero targets, by adapting (retrofitting) them so they are more energy efficient and affordable to run for our customers. I'm delighted to see work getting underway to retrofit 98 flats in Chapeltown and Headingley thanks to grant funding through the West Yorkshire Combined Authority Wave 2.1 of the social housing decarbonisation fund.

Mark Pearson
Managing Director

UN Sustainable Development Goals

54N is a social purpose business, with a rich heritage of providing decent, secure and affordable housing for the benefit of the community. We are passionate about the opportunity we have to make a difference and recognise the value that a good home can deliver – a strong foundation to get on with life.

However, 54N owns homes located in some of the most deprived areas in the country and many of our customers face diverse challenges in their ability to live well. Our objectives, as with those of much of the social housing sector, are aligned with many of the UN's Sustainable Development Goals (SDGs).

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

Each theme contains a number of core and enhanced criteria. This report responds to all of the core, and many of the enhanced criteria included in the standard. It is the intention to refine and improve our reporting over time to be in a position to address all the criteria in the standard.

This report is a self-assessment of our work against each criteria. It is not audited or benchmarked and it is not exhaustive. This is also the first Sustainability Report of the newly merged 54North Homes, and, as such, there aren't many prior-year comparatives. It is intended to present the reader with sufficient evidence to demonstrate 54North Homes' commitment to operating sustainably and to provide some examples of where we are on the sustainability journey.



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

The Sustainability Reporting Standard

ESG area	Theme #	Theme name	Description	SDG Goal	
Environmental	T1	Climate change	Prevents and mitigates the risk of climate change	13	Climate Action
	T2	Ecology	Promotes ecological sustainability	15	Life on Land
	T3	Resource management	Sustainable management of natural resources	12	Responsible Consumption and Production
Social	T4	Affordability and security	Provides affordable and secure housing	11	Sustainable Cities and Communities
				10	Reduce Inequality
	T5	Building safety and quality	Resident safety and building quality are well managed	11	Sustainable Cities and Communities
	T6	Resident voice	Listens to residents' voice	11	Sustainable Cities and Communities
	T7	Resident support	Supports residents, and the local community		
	T8	Placemaking	Supports residents and the wider local community through placemaking		

ESG area	Theme #	Theme name	Description	SDG Goal	
Governance	T9	Structure and governance	Legal structure of the organisation and its approach to governance	16	Peace, Justice and Strong Institutions
	T10	Board and trustees	High quality board of trustees		
	T11	Staff wellbeing	Supports employees	8	Decent Work and Economic Growth
	T12	Supply chain management	Procures responsibly	12	Responsible Consumption and Production

Environmental



Themes 1–3 address development goals 12, 13 and 15 and can be seen to relate to 54N’s work to address environmental issues.

Theme 1: Climate change

This theme seeks to assess how the activities of the housing provider are impacting on climate change. It considers current practice, as well as the changes being made to improve performance in the future.

C1. Distribution of EPC ratings of existing homes (those completed before the last financial year)

EPC rating	% of homes
A	1.6%
B	31.4%
C	40.2%
D	16.9%
E+	9.8%

The average SAP rating of these homes is **72.7** According to the Office for National Statistics, homes in England had an average rating of 68.

C2. Distribution of EPC ratings of new homes (those completed in the last financial year).

EPC rating	% of new homes
B	100%

The average SAP rating of these homes is **82.6**

C3. Does the housing provider have a net zero target and strategy?

If so, what is it and when does the housing provider intend to be net zero by?

At 54North Homes we recognise the importance of the climate and ecological crisis - one of the most pressing global challenges of our time. In response, we have developed a Sustainability Strategy, based on our strong commitment to tackling the associated issues so that people and planet can thrive. This strategy will complement our 54North Homes New Build Development projects, which are delivering homes powered by low-carbon solutions.

As part of the overall sustainability strategy, we will create a comprehensive retrofit strategy to ensure all our existing homes meet EPC C by 2030 and net zero by 2050

C4. What retrofit activities has the housing provider undertaken in the last 12 months in relation to its housing stock?

How do these activities align with, and contribute towards, performance against the housing provider's net zero strategy and target?

At 54North Homes, we are committed to delivering both energy-efficient new homes which don't rely on fossil fuels, and adapting (retrofitting) our existing homes so they are energy efficient and affordable to run for our customers.

As part of the York and North Yorkshire Housing Partnership, 54North Homes is one of 23 housing associations who have partnered to work together to scale up the delivery of affordable homes across the region including the drive to net zero.

Work is underway to retrofit 98 flats making them more energy efficient. St Mary's Court and St Mary's Close in Chapeltown, as well as Wood Lane Court in Headingley, are undergoing significant energy improvement works to make the homes warmer and more affordable to heat.

It is estimated that the project will reduce energy bills for our customers living in these flats, by up to £400 per property annually, whilst yearly carbon emissions will be reduced by up to a tonne in each home.

As a result of these improvements, Energy Performance Certificate (EPC) ratings in the flats will increase from as low as E to at least EPC C.

C5. Scope 1, Scope 2 and Scope 3 greenhouse gas emissions measured in “tonnes of carbon dioxide per year” or tCO2 and average emissions per home

	Kg CO2 equivalent	Kg CO2 equivalent/ home
Scope 1	141.22	0.05
Scope 2	105.44	0.04
Scope 3	5161.23	2.00
Total	5407.89	2.09

C6. How has the housing provider mapped and assessed the climate risks to its homes and supply chain, such as increased flood, drought and overheating risks?

How is the housing provider mitigating these risks?

54North Homes has worked with environmental consultancy SHIFT to assess the climate risks to its homes.

Looking at the risk of overheating, SHIFT has identified 2,244 (88.42%) homes at low risk and 294 (11.58%) homes at medium risk.

Urban heat island – High density urban areas may suffer from the ‘heat island effect’. This is caused by the increased heat retention by urban/artificial surfaces compared to rural surfaces. This is exacerbated at night, coinciding with security concerns that may prevent residents from opening windows for ventilation.

Single aspect – homes with a single aspect (outward facing wall and openings on one side only) do not allow cross-ventilation. This prevents residents from doing nighttime purges of heat to cool their homes

Build date – homes built post-2000, are more likely to have high levels of insulation and be inadequately ventilated

Services – in particular, communal heating and hot water systems may cause excess heat to be discharged into communally heated properties due to the pipework which is routed throughout the building

Region – regions at highest risk from extreme temperatures include the East Midlands, East of England, London, South-East, South-West, and West Midlands

Dwelling type – flats tend to be at higher risk because they exhibit a combination of other risk factors

This assessment is considered a first pass overheating risk assessment. 54North will include overheating factors in our stock condition surveys in future to increase the climate resilience of our homes. New homes are built in compliance with Part O of the Building Regulations which took effect in June 2024, and aims to limit solar gains and remove excess heat from homes.

Considering flood risk, we have recently partnered with Zurich Insurance and will use their Previsco service which allows for automated email warnings of flood risks to our homes and customers.

Theme 2: Ecology

This theme looks to examine how the housing provider promotes ecological sustainability.

C7. Does the housing provider have a strategy to enhance green space and promote biodiversity on or near homes?

54North Homes has developed a Sustainability Strategy, which was launched early in 2024.

The strategy has two goals relating to ecology. Our first goal is to create and maintain sustainable and vibrant green spaces within our existing housing estates that promote biodiversity and enhance residents' wellbeing.

This will be achieved by:

- measuring baseline performance of estate team/contractors/procedures using relevant framework such as SWOT and business model canvas
- changing land management practices
- starting with three sites to work on initially:
Our Elmetes, Spring Valley and St Ann's estates
- carrying out habitat surveys and other preparation work
- identifying areas for tree planting, bird/bat boxes, wild grassing and insect habitat piles
- conducting customer consultations

Our second goal is to ensure that the communal areas of our new build estates are used to promote and enhance biodiversity.

This will be achieved by:

- introducing native plant species that support local wildlife and create diverse habitats
- installing birdhouses, bat boxes, or insect hotels to encourage diverse wildlife to inhabit the area
- where there are large spaces, designating specific zones within communal spaces as protected areas to conserve biodiversity

The benefits are:

- making the estates more aesthetically pleasing, potentially making customers happier
- good for biodiversity, the climate and possibly flood prevention
- good corporate social responsibility
- well-designed biodiverse landscapes can reduce maintenance costs over time
- demonstrating a commitment to environmental stewardship, enhancing the reputation of 54North Homes
- contributing to climate resilience

C8. Does the housing provider have a strategy to identify, manage and reduce pollutants that could cause material harm?

Our Sustainability Strategy also has a goal focussed on pollutant management.

The goal is to develop a pollutant management strategy aimed at reducing potential harm to the environment and public health. This will be done by:

confirming what policies we already have in place to manage asbestos, mould, disposal of paints, PFAs, indoor air pollutants, water pipes containing lead creating policies for those pollutants we don't already manage

Theme 3: Resource management

This theme investigates how the activities of the housing provider promote the sustainable management of natural resources.

C9. 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?

For our new build activity, we require that all timber will be Forest Stewardship Council (FSC)/Programme for the Endorsement of Forest Certification (PEFC) accredited or equivalent, with clear Chain of Custody. A copy of the Chain of Custody Certificate or source documentation and copies of purchase orders/receipts must be provided. All internal finishes must be of softwood. All materials used in key building elements must be responsibly sourced.

However, 54North Homes does not currently have a strategy to increase the use of responsibly sourced materials but it is our intention to develop a sustainable building procurement policy.

C10. Does the housing provider have a strategy for waste management incorporating building materials?

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

Our Sustainability Strategy also has a goal focussed on waste management.

The goal is to develop a waste management plan that embraces circular economy principles before resorting to traditional recycling and disposal methods.

This will be achieved by:

- identifying the types and amounts of waste generated from maintenance, estate maintenance, IT and our offices
- analysing the 'products' lifecycle so that we can identify areas where waste can be reduced or eliminated
- seeking collaboration with businesses offering services aligned with the principles of the circular economy such as The Recycle Project in York
- identifying ways to reduce fly tipping
- collaborating with waste management companies with high environmental performance for waste we need to dispose of.

The benefits of this activity are:

- environmental protection
- public health improvements
- regulatory compliance and risk mitigation.

C11. Does the housing provider have a strategy for good water management?

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

Our Sustainability Strategy also has a goal focussed on water management.

The goal is to increase water efficiency in both our business operations and homes, for a more resource-conscious future.

This will be achieved by:

- collaborating with planned maintenance to ensure our kitchen and bathroom replacement programmes include installing more water efficient taps, toilets and showers
- installing showers over baths
- ensuring our offices are fitted with water efficiency measures
- undertaking detailed water efficiency calculations through SHIFT.

The benefits of this activity are considered to be:

- reducing strain on water supply demand – water is a finite resource
- energy savings
- happier customers as less water used = lower costs.

Social



Themes 12–16 address development goals 10 and 11 and can be seen to relate to 54N’s work to create social value in our communities.

Theme 4: Affordability and security

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

C12. Housing provider specific “Affordability” indicator

We assess the affordability of our homes when considering the level of annual rent increase to charge.

From this data, we can see that our rents are on average 59.8% of market rents, as per the Office of National Statistics.

Compared with Local Housing Allowance, our rents are on average 77.7% of LHA rates.

C13. Share, and number, of existing homes (homes completed before the start of the previous financial year) allocated to: General needs (social rent), intermediate rent, Affordable rent, Supported Housing, Housing for older people, Low-cost home ownership, Care homes, Private Rental Sector.

	Number of homes	%
General needs	1488	57.36
Intermediate rent	84	3.24
Affordable rent	467	18.0
Housing for older people	209	8.06
Supported housing	182	7.02
Low-cost home ownership	124	4.78
Student housing	27	1.04
Private rented sector	13	0.50

C14. Share, and number, of new homes (homes that were completed in the previous financial year), allocated to: General needs (social rent), intermediate rent, Affordable rent, Supported Housing, Housing for older people, Low-cost home ownership, Care homes, Private Rental Sector.

In 2023/2024, we completed 28 new homes, all of which were social housing:

	New homes	%
General needs	9	32.14
Intermediate rent	4	14.29
Affordable rent	2	7.14
Low cost home ownership	13	46.43

C15. How is the housing provider trying to reduce the effect of fuel poverty on its residents?

We take a strategic approach to reducing energy costs for residents. Firstly, we try to protect those who face additional costs due to their homes being less energy efficient, by seeking to bring all our homes to at least an EPC C rating. Our stock condition surveys are vital in helping us find the homes where people may be most exposed to higher costs. We feed the data into our strategic asset management tools to help guide our efforts towards the homes we need to prioritise and to tailor different solutions to different house types. In cases where fuel poverty has taken hold, our Money Matters Team offers a range of support mechanisms including energy crisis vouchers and hardship loans (see C23).

C16. How does the housing provider provide security of tenure for residents?

We issue tenancies appropriate to the housing model (general needs, supported, sheltered etc.) but where possible we provide the highest security of tenure - assured lifetime tenancies.

Throughout the customer journey we look to embed security, either pre-emptively or in response to crisis. For example:

our Income Team undertook pre-tenancy assessments last year to make sure new customers have their incomes maximised and are given the financial advice and support they need to start their journey in the best possible way

with all new tenants, we attempt to make two visits in their first year, demonstrating our commitment to ensuring a positive experience.

Theme 5: Building safety and quality

This theme seeks to assess how effective the housing provider is at meeting its legal responsibilities to protect residents and keep buildings safe.

54North Homes takes a proactive approach towards the health and safety of our customers, staff, contractors and stakeholders to ensure it complies with our legislative and regulatory responsibilities.

A health check of our health and safety compliance data was undertaken in summer 2024 by independent consultants Pennington Choices Ltd. The scope of the health check was a compliance review focused on data management to provide assurance that our data is robust and the health and safety management system, C365, is effectively embedded across the merged organisation.

C17. Describe the condition of the housing provider's portfolio, with reference to:

% of homes for which all required gas safety checks have been carried out.

% of homes for which all required fire risk assessments have been carried out.

% of homes for which all required electrical safety checks have been carried out.

% of homes (with gas safety checks)	100.0%	% of homes (with asbestos checks)	100.0%
% of homes (with fire risk assessments)	100.0%	% of homes (with legionella assessments)	100.0%
% of homes (with electrical safety checks)	99.7%	% of homes (with lift safety checks)	100.0%

Just 16 homes were outside our policy of completing inspections of electrical circuits every five years. All homes are well within the 10-year re-inspection timescale expected by law.

Pennington Choices found that:

“Overall, we have full assurance that 54North Homes is managing compliance effectively.”

C18. What % of the housing provider's homes meet the national housing quality standard?

Just six homes failed to meet the Decent Homes Standard. In each case, works had been identified and scheduled, but due to some complexities with delivery, or supply chain, the work had not been completed at the year-end date.

C19. How does the housing provider manage and mitigate the risk of damp and mould for its residents?

Tackling damp and mould and providing safe and secure homes for our customers remains a top priority at 54North Homes.

We have robust systems and processes in place to ensure we proactively identify any damp and mould problems and promptly respond to any issues raised.

Performance in this area is also reported quarterly to our board.

Housing providers within the West Yorkshire Housing Partnership, of which 54North Homes is a member, are also working together to create shared resources.

We provide a handy guide with lots more information on our website:

www.54northhomes.co.uk/your-home/customer-documents

Theme 6: Resident voice

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

C20. What are the results of the housing provider's most recent tenant satisfaction survey?

How has the housing provider acted on these results?

In order to allow customers to hold landlords to account and to increase accountability for the delivery of quality services, the Regulator of Social Housing has developed a range of Tenant Satisfaction Measures (TSMs) which they will collect and publish, and which landlords must ensure that they report to their customers. TSMs are reported to the Regulator at a "Group" level, so 54North's scores will not be directly collected, but we have measured our performance as per the requirement and publish the first year's performance here:

77% Overall satisfaction

77% Satisfaction with repairs

79% Satisfaction with time taken to complete most recent repair

79% Satisfaction that the home is well maintained

88% Satisfaction that the home is safe

68% Satisfaction that the landlord listens to tenant views and acts upon them

81% Satisfaction that the landlord keeps tenants informed about things that matter to them

84% Agreement that the landlord treats tenants fairly and with respect

33% Satisfaction with the landlord's approach to handling complaints

Please see page 30 to find what we have learned from our complaints and what action we are taking.

61% Satisfaction that the landlord keeps communal areas clean and well maintained

76% Satisfaction that the landlord makes a positive contribution to neighbourhoods

62% Satisfaction with the landlord's approach to handling anti-social behaviour

Two areas stand out as performing worse than our peers: keeping communal areas maintained, and handling complaints. We revised our approach to complaint handling in 2023/24. We noted from the survey a mismatch between customers who felt they had made a complaint, compared to a much lower number of formal complaints handled by the organisation. We are now recording a much higher level of formal complaints and expect that treating more enquires through the complaints process should drive up customers' satisfaction in this area.

Our Estate Policy has also been reviewed and relaunched in 2023/24 which will make an impact on perceptions regarding the maintenance of communal areas.

C21. What arrangements are in place to enable the residents to hold management to account for provision of services?

Our Customer Experience Committee (CEC) is responsible for overseeing customer experience and customer engagement: ensuring that customers have their voices heard; that the needs and safety of customers are at the heart of the Board's decision making; and that our performance is monitored to strive for excellence across all our services.

The CEC holds 54North Homes to account on customer-related matters and provides feedback and insight to ensure that services are developed in partnership with our customers.

We produce an Annual Report to Customers that provides significant qualitative and quantitative information about service performance, both good and bad, that is sufficient for customers to understand the organisation's relative performance.

Effective engagement with our customers is vitally important to 54North Homes and we have co-created an improved Customer Engagement Policy, working with customers, colleagues and the Tenant Participation Advisory Service (TPAS). The new policy greatly enhances the opportunities for customers to engage with 54North Homes and offers a range of ways to get involved.

C22. In the last 12 months, how many complaints has the national Ombudsman determined that maladministration took place?

How have these complaints (or others) resulted in change of practice within the housing provider?

In 2023-24, the Ombudsman considered two complaints from 54N customers. In no case did it find any maladministration.

We review themes from complaints made, as well as specific learning from each case.

Recent learning includes:

Repairs not completed to timescales have caused complaints. We have improved our internal management information to ensure we're clear on which repairs remain outstanding, and we're working with our main contractors to prioritise outstanding works.

We've had complaints arising from defects with new build homes. We have undertaken a review of the defects process, improved the understanding of the process for customer-facing colleagues and developed a process map to aid understanding for colleagues and customers.

We have reviewed and amended our prioritisation of reports of faults with foul-waste disposal. These are now treated as emergencies and passed to our contractors immediately.

Theme 7: Resident support

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

C23. What are the key support services that the housing provider offers to its residents?

How successful are these services in improving outcomes?

Money Matters

The cost-of-living crisis continues to be a challenge for us all. If our customers are experiencing money struggles, they can contact our Money Matters Team who will be able to help.

Money Matters is a confidential welfare benefits and money advice service. Our experienced advisors provide free and confidential money guidance and can help find other support that will make life easier.

During the year **147** customers accessed the Money Matters service, securing **£115,135** of additional income gains.

Theme 8: Placemaking

This theme seeks to highlight the wider set of activities that housing providers undertake to create well-designed homes and places that meet local needs and provide great places for people to live in.

C24. Describe the housing provider's community investment activities, and how the housing provider is contributing to positive neighbourhood outcomes for the communities in which its homes are located.

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

54North Homes is a not-for-profit landlord. As well as providing high-quality housing, we also want to help customers thrive in communities by offering targeted investment and support where it is most needed. Here are some of the projects we've supported:

Positive Footprints

We have continued to provide funding to a charity called Positive Footprints to engage with local primary schools to raise aspirations. They have created opportunities for children and young people to discover their potential, explore the world of work and develop the skills they need for the future.

Our funding has engaged five schools this year including Athersley South and Knexborough in Barnsley and Park Spring, Raynville and Rothwell Victoria primary schools in Leeds.

A total of **82%** of the schools taking part rate the impact of the partnership and associated activity as very high.

124 hours of learning have been delivered with pupils engaging in an average of 10 hours of careers-led learning with different businesses and local organisations.

Our partnership has created **£100,076** of social value with the project generating £9.10 of social value for every £1 invested by 54North Homes.

Featherbank Forest

54North Homes has created an outdoor 'forest classroom' for pupils at Horsforth Featherbank Primary School in Leeds.

Working in partnership with the school and local conservation volunteers, we have developed the area to include an outdoor classroom made of logs covered by a tarpaulin (so it can be used in all weathers), together with a fire pit, structures to make dens, a see-saw and climbing frame which all embrace the outdoor learning ethos.

The area has now been formally adopted by the school as an outdoor classroom, called 'Featherbank Forest' (as named and voted on by the children) and is being used daily to deliver learning for all pupils in a natural, outdoor setting.

Every class has accessed and used the Forest with **212** children benefitting this academic year. Art, Science, Phonics, RE, Maths and Geography classes have all been taught in the Forest.

St. Mary's Rooftop Garden

We have teamed up with community environmental experts, Hyde Park Source, to deliver a year-round weekly gardening group at our community roof-top garden on top of our St Mary's scheme in Chapeltown in Leeds. This is one of our longest-running and most successful community projects.

The friendly group which runs every Friday afternoon 2.30pm-4.30pm, is open to 54North Homes customers, members of the local community and people throughout Leeds.

Sessions range from growing all kinds of fruit, vegetables and flowers and learning new horticultural skills, through to outdoor cooking using the fresh food grown in the garden!

There are 12 regular members with four being St. Mary's residents.

One group member said:

"The rooftop garden group has a happy and calming effect on me. We all have similar mental health issues so we can relate to each other and try and listen and help as much as we can. Also, sharing our experiences and knowledge on gardening helps tremendously.

"I look forward to the gardening group each week as it really helps with my anxiety, social skills and communication.

"The rooftop garden is a fantastic place and it boosts my confidence within myself and my self esteem. It's a lifeline for me as I do get anxious and nervous, but once I am here I feel so much better. Mentally and physically."

Governance



Themes 9–12 address development goals 8, 12 and 16 and can be seen to relate to 54N’s Governance arrangements

Theme 9: Structure and governance

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

C25. Is the housing provider registered with a regulator of social housing?

Yes, registration number LH1019.

C26. What is the most recent viability and governance regulatory grading?

G1/V1 awarded to the Karbon Group in 2022 following an IDA and confirmed in 2024 via a strapline judgement.

C27. Which Code of Governance does the housing provider follow, if any?

The National Housing Federation’s Code of Governance 2020.C28. Is the housing provider Not-For-Profit?

Yes.

C29. Explain how the housing provider’s board manages ESG risks

On an annual basis, the Board considers and sets the risk appetite for all strategic risks. Embedding sound ESG principles is one of three strategic enablers in the 54N Corporate Plan, supporting the three core objectives of Place, Homes and Customers, and so ESG risks are incorporated into the risk register.

As ESG risks emerge, whether through new consumer legislation or new policy, they are built in to our risk management framework. During last year’s internal audit programme, our auditors analysed our risk management approach and returned a ‘substantial’ assurance rating, the highest available. Our Group Audit and Risk Committee (GARC) is an important part of this approach. GARC oversees the risk management framework, scrutinises our risk register, manages our internal audit programme and reports assurances to 54North and Group Boards. GARC and our board receive detailed strategic risk reports on a quarterly basis, including risks that may be escalating or need a ‘closer watch’.

C30. Has the housing provider been subject to any adverse regulatory findings in the last 12 months (e.g. data protection breaches, bribery, money laundering, HSE breaches or notices) — that resulted in enforcement or other equivalent action?

No.

Theme 10: Board and trustees

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

C31. How does the housing provider ensure it gets input from a diverse range of people into its governance processes?

Does the housing provider consider resident voice at the board and senior management level?

Does the housing provider have policies that incorporate Equality, Diversity and Inclusion (EDI) into the recruitment and selection of board members and senior management?

Our board's Membership and Recruitment Policy ensures that there is a fair and balanced approach to recruitment. The policy is supported by our Code of Governance which states that the board should reflect the communities it serves.

Analysis of board data against customer data tells us how representative our board is, and we work proactively to improve the diversity of our board through succession planning when we know someone is due to step down. For example, we have tried to balance the age of our board by recruiting a younger demographic. We do this through a range of tactics including:

- employing different recruitment partners with access to different talent pools
- using alternative media to advertise the roles and diversify our reach
- our skilled and committed Customer Experience Committee provides an opportunity for customers to enter our governance structure and can be a springboard to full board membership (see C21).

42% of board are women

25% of board are BAME

8% of board are residents

8% of board have a disability

55 Average age of board members (years)

2.6 Average board tenure (years)

C32. What % of the board AND management team have turned over in the last two years?

25%, or three members of our board of 12, have resigned over the last 18 months following the merger. One Executive Team member has left the business in the same period and was not replaced.

C33. Number of board members on the housing provider's Audit Committee with recent and relevant financial experience.

Five out of the current six board members on the Group Audit and Risk Committee have recent and relevant financial experience. Two are qualified accountants or auditors.

C34. What % of the board are non-executive directors?

83% (10 of 12) board members are non-executives, with the Managing Director of 54N and the Group CEO both holding board positions.

C35. Has a succession plan been provided to the housing provider's board in the last 12 months?

Yes. The board annually considers forthcoming retirements or re-appointments.

C36. For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

We have worked with auditors Beever and Struthers for a number of years but with a new Audit Partner three years ago.

C37. When was the last independently-run, board-effectiveness review?

Altair have undertaken a review of the Group governance arrangements, concluding in February 2024.

C38. How does the housing provider handle conflicts of interest at the board?

Board members complete an annual declaration of interests which informs us of any changes to their situation. At board and committee meetings, members raise any potential conflicts of interest for the business being discussed. The member may then be asked not to contribute to the decision or to leave while the business is discussed.

Theme 11: Staff wellbeing

C39. Does the housing provider pay the Real Living Wage?

Yes

C40. What is the gender pay gap?

The results show that the median female is paid £36,465 and the median male is paid £37,463. The “pay gap” measured on median contractual full time equivalent pay for females and males showed a 2.7% pay gap.

C41. What is the CEO-worker pay ratio?

Our CEO to average pay ratio is 4 : 1, which compares well to the FTSE 100 where it is closer to 100 : 1.

25th Centile	Median	75th Centile
5.3	4.0	3.3

C42. How is the housing provider ensuring equality, diversity and inclusion (EDI) is promoted across its staff?

‘Inclusion and belonging’ is the way we talk about EDI and as a housing association we feel it’s important that our policy goes beyond the regular protected characteristics to consider additional factors such as socio-economic status and languages spoken. Colleagues are asked to confirm familiarity with the EDI policy (as part a mandatory process which includes our annual declaration of interests), and we provide additional training through our learning management system.

We have an overarching Group Inclusion and Belonging Strategy, and 54N has an Inclusion and Belonging Action Plan, progress against which is reported periodically to the board.

We’re also undergoing accreditation with the National Centre for Diversity.

C43. How does the housing provider support the physical and mental health of their staff?

We take mental health seriously at 54N and provide the following support:

- the Employee Assistance Programme offers up to six face-to-face sessions with a fully qualified counsellor
- we subsidise free access to the Headspace app which has become hugely popular with colleagues
- the Wellness Cloud is an app which promotes live support events and remote wellbeing consultations for colleagues
- we have colleagues who are trained mental health first aiders

C44. How does the housing provider support the professional development of its staff?

Our People Strategy outlines how our approach to learning and development helps our colleagues keep their skills and knowledge up-to-date and continuously build expert knowledge.

For us, professional development is about addressing specific skills gaps so that we can deliver our strategic objectives while also creating an environment where everybody has the opportunity to learn and grow. Development doesn't just mean training. In fact, when thinking about learning and growing, formal and structured training tends to be one of the least effective methods of development. At 54N we talk about the three Es of development: Experience, Exposure and Education.

Individuals can access a range of support which includes:

- one professional membership granted to each employee
- funded training for development in your current role, as well as potential future roles
- qualification funding
- apprenticeship opportunities
- a learning management system (accessed via desktop and remote devices) filled with a broad range of content
- the 54N Executive Team have joined colleagues from Karbon's senior leaders to complete a leadership development programme with development specialists Oasis
- the Adaptive Leader programme in-person and online sessions where managers develop their leadership styles underpinned by key models and common principles that we have adopted at 54N

Theme 12: Supply chain

C45. How is social value creation considered when procuring goods and services?

Social housing is one of the most significant sources of spending in many local economies – especially within emerging industries such as domestic retrofit. As a housing provider, we realise that the way we procure has an impact on the future of local economies. We therefore have a duty to turn these levels of spending into opportunities for our communities and a sophisticated approach to social value (SV) is key to how much we can deliver.

We have recently launched our 'Approach to Social Value' Policy and introduced the role of a Social Value Coordinator into the business. The role enables us to take a partnership approach to SV helping suppliers channel targeted contributions into our communities with more purpose and with lasting impact. SV is included in all 54N tenders over £100,000 and bidders are asked to commit to a tailored set of SV activities which have a 10% weighting in the tender evaluation.

We use measures from the National TOMs (Themes, Outcomes and Measures) to evaluate and measure SV and we monitor delivery against each contract ensuring the promises made at the bidding stage are fulfilled.

C46. How is sustainability considered when the housing provider is procuring goods and services?

The 54N Procurement Policy sets out the aims to embed sustainable procurement in all appropriate contracts and support local businesses and SMEs by:

- ensuring that the three pillars of sustainability – social, environmental, and economic, are considered in all relevant procurement processes
- including in tenders and monitoring the successful completion of social value activities.

The policy also requires each procurement to consider the following:

- tackling climate change and reducing waste by:
- contributing to the UK Government's legally binding target to reduce greenhouse gas emissions to net zero by 2050

reducing waste, improving resource efficiency, and contributing to the move towards a circular economy, where:

- waste and pollution are eliminated
- products and materials are re-circulated
- nature is regenerated

taking product lifecycles into account, considering:

- ease of maintenance and parts availability
- alternative viable products whose manufacture has a reduced environmental impact
- considering end of life disposal, and which parts can be reused, recycled, or are toxic hazardous and require a licensed waste carrier.

This information is about 54North Homes, part of Karbon Homes.

If you'd like this in another format, such as translated or audio version, please let us know. We would love to hear your feedback on the report, from the content to the way it has been designed, so we can understand if it works for you and how we might improve it in the future.

It's easy to get in touch with us:

Email: **hello@54northhomes.co.uk**

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Website: **www.54northhomes.co.uk**

Or visit our social media pages

This report has been approved for publication and we've made a digital version available on our website. We've created a plain text version to support those using accessibility tools such as translation, audio, changes to the size of text, ruler and screen mask.

We also aim to make our information and services more accessible by using plain English in our communication, and offering sign language and language interpreters where required.

If you would like this document in an alternative format or have any questions relating to the report, please contact: **hello@54northhomes.co.uk**

54North Homes is part of the Karbon Homes Group and is a charitable registered society under the Co-operative and Community Benefit Societies Act 2014.