



Alliance
homes

alliancehomes.org.uk

**ENVIRONMENTAL, SOCIAL,
GOVERNANCE (ESG) REPORTING**
2019/20



About us

Alliance Homes is a community based social housing provider operating in the West of England. We own and manage around **6,500 homes** and **employ 500 staff**, with an annual turnover of **£43 million**, we work in partnership with local, regional and national agencies to deliver our services.

As a leading housing provider and developer of new homes, we play an important role in ensuring that we offer homes that are affordable to our customers. We do more than provide bricks and mortar, though. We also provide a range of care and support services to improve life chances and wellbeing.

As a result, we are one of the largest providers of housing support services in North Somerset. Through our contract with the Local Authority, we provide a range of services to enable people to live independent lives.

We work in partnership in other ways too. Our Homes Repairs Service provides property maintenance to our own customers as well as the customers of two other Bristol -based registered providers - United Communities and Bristol Community Land Trust. Additionally, through our dedicated care service (Alliance Living Care) we provide care 365 days a year to customers in North Somerset and Bristol.



About ESG reporting

We recognise the need to cement our commitment to environmental controls, energy efficiency and the wider sustainability of both our homes and business infrastructure.

Our Asset Strategy specifically sets our objective of responding to the societal challenges we face now and in future years. We have made reference to the policy aims of:

- Clean Growth Strategy (2017)
- Declaration of the UK's Climate Emergency (2019)
- Local climate emergency declarations

In doing so, we will set our focus to plan for a greener future by investing sensibly to reduce our environmental impacts. We will do this by working collaboratively with partners to achieve mutually beneficial outcomes.

Achieving our goals will be driven, in part, by the principles of the Sustainability Reporting Standard for Social Housing. This crystallises the shared ambition for a more sustainable future, by acknowledging the impact of business processes, operating structures, decision making and asset investment.

Our journey has started and will evolve. As we develop new understanding, refine our data and develop operational plans we intend to build on the achievements to date and embed continuous improvement in our core business practices.

We hope that this report provides a useful insight and is of interest to our key stakeholders - our customers, our funders and our partners.





Summary of criteria themes

The ESG report is broken into the following themes, and these are further broken down into detailed criteria - C1-C47.

Social	T1	Affordability	This theme seeks to assess the extent to which Alliance provides homes that are genuinely affordable to those on low incomes. The theme is made up of four criteria, including the tenure mix of new and existing properties and security of tenure.
	T2	Building safety	This theme seeks to assess how effective Alliance is at meeting its legal responsibilities to protect residents and keep buildings safe. The theme is made up of two criteria, disclosing gas safety checks and fire risk assessments.
	T3	Resident voice	This theme seeks to assess how effective Alliance is at listening to and empowering residents. The theme is made up of three themes that cover board scrutiny, complaint handling and resident satisfaction.
	T4	Resident support	This theme seeks to assess the effectiveness of the initiatives that Alliance runs to support individual residents. The theme is made up of two criteria that cover: <ul style="list-style-type: none"> • What support is provided? • How successful is it?
	T5	Placemaking	This theme seeks to highlight the wider set of activities that Alliance undertakes to create well-designed homes and places that meet local needs and provide great places for people to live and enjoy. This also gives examples of our placemaking work.
	T6	Staff wellbeing	This theme seeks to assess the extent to which Alliance is a good employer to its internal staff. The theme is made up of two criteria, the CEO-worker pay ratio and on being a Living Wage employer.
Environmental	T7	Climate change	This theme seeks to assess how the activities of Alliance are impacting on climate change. This theme considers current practice, as well as the changes being made to improve performance in the future. The theme is made up of eight criteria, including the distribution of EPC ratings and heating sources, emissions data, capacity for renewable energy production, and environmental strategy.
	T8	Ecology	This theme seeks to assess how Alliance is protecting the local environment and ecology. The theme considers both policies and performance results in this area. The theme is made up of six criteria that review different elements that impact the local ecology: sourcing materials, waste management, managing pollutants, water management and biodiversity.
Governance	T9	Board & Trustees	This theme seeks to assess the quality, suitability and performance of the Board of Alliance. The theme is made up of 12 criteria including demographics of the board, ownership, experience and independence of the board.
	T10	Systems & risk management	This theme seeks to assess how well Alliance manages risks and ensure it meets its legal obligations as a provider of affordable housing. The theme is made up of five criteria including RSH grading, reporting against the decent homes standard and disclosing any adverse findings.

Social

Affordability

C1. For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:

Rent compared to Local Housing Allowance (LHA)

Measure	Q4 19/20
Rent as a Proportion of LHA	
1 Bed	70.33%
2 Bed	81.45%
3 Bed	70.66%
4+ Bed	64.30%
Bedsit	58.84%
Room	65.75%

C2. 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

Measure	Existing (built pre-1/4/19)
Share, and number, of homes allocated to:	
Affordable Rent	526 (8%)
General Needs (Social Rent)	4623 (72%)
Leasehold	3 (0%)
Supported Housing	1118 (18%)
Shared Ownership	114 (2%)



C3. 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

Measure	New (built post-1/4/19)
Share, and number, of homes to:	
Affordable Rent	29 (39%)
General Needs (Social Rent)	31 (42%)
Leasehold	0 (0%)
Supported Housing	0 (0%)
Shared Ownership	14 (19%)

C4. How is Alliance trying to reduce the effect of fuel poverty on its residents?

Alliance already has a strong reputation for supporting customers to access more affordable energy, with the installation of PV panels to existing homes to reduce fuel related costs.

We have also introduced newer, more sustainable technologies to our new build programme, and this has also been supported by energy advice from external agencies who offer guidance on how to maximise the heating of the home and how to manage energy use more effectively.

Going forward, our Asset Strategy will look to improving the energy performance of homes to reduce the carbon footprint through more sustainable innovations. This will also include improving the thermal efficiency of homes through building fabric retrofit programmes, with the objective of achieving optimum levels of performance.

We will also explore grant funding and partnership opportunities to upskill our customers with new knowledge by offering additional energy advice.

C5. What % of Alliance's rental homes have a three year fixed tenancy agreement (or longer)?

Measure	Q4 19/20
How secure are residents' tenancies?	
Assured Tenancy	95%
Assured Shorthold Tenancy	4%
Other	1%



Building safety

C6. What % of Alliance homes with a gas appliance have an in-date, accredited gas safety check?

Measure	Q4 19/20
What % of homes with a gas appliance have an in-date, accredited gas safety check?	100%

C7. What % of Alliance buildings have an in-date and compliant Fire Risk Assessment?

Measure	Q4 19/20
What % of buildings have an in-date and compliant Fire Risk Assessment?	99.2%

C8. What % of Alliance homes meet the Decent Homes Standard?

Measure	Q4 19/20
What % of homes meet the Decent Homes Standard?	99.30%



Resident voice

C9. What arrangements are in place to enable the residents to hold management to account for provision of services?

We have invested in a new research platform, Alliance HIVE, to understand what matters to our customers. Through this platform we can conduct a range of surveys, polls, discussion forums and focus groups to understand customer views. This has enabled us to have a meaningful dialogue with more customers than ever and allows us to truly represent the breadth of opinion and view from different customer groups - not just those who were able to engage with us through previous models. This goes far beyond traditional resident involvement approaches and is creating a truly representative and inclusive customer voice capability in real time.

We know that many customers were not able to participate in our previous customer involvement approaches, which typically happened during office hours. Our new approach enables customers to participate in a range of activities at a time that is convenient to them. With a wide range of activities and some fun stuff too, customers can choose as much or as little as they like. We are also continuing some telephone surveys to ensure we can reach everyone.

C10. How does Alliance measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?

We currently have around 500 customers who have signed up to HIVE. With a range of surveys, discussion forums and polls, we are developing other new approaches (in and outside of HIVE) in the coming year. Alongside this, we are also developing real time measurement of customer experience through our transactional touchpoints. We have an instant SMS feedback programme for our Homes Repairs Service and are developing consistent professionalised approaches to feedback across the business.

Overall, throughout the year there have been no significant shifts in our core customer experience measures which is to be expected given we are in the process of implementing and or progressing significant changes to affect change.

Two measures, however, have seen a slight uplift: 'Most people would like to live in a house or flat like mine' and 'Alliance Homes meets my needs' (which is our core customer experience measure).

C11. In the last 12 months, how many complaints about Alliance have been upheld by the Ombudsman. How have these complaints (or others) resulted in change of practice within Alliance?

16 complaints were made to the Ombudsman in 2019-20, with only one upheld with a finding of partial maladministration.

We learn from every complaint that is received, and we are currently improving our practice around complaints management to improve speed of resolution for customers and implementing a full root cause analysis of customer complaints.



Resident support

C12. What support services does Alliance offer to its residents. How successful are these services in improving outcomes?

We provide an extensive range of support services to our customers and the wider community, this includes Our Neighbourhood Network, social prescribing and GP support, housing related support, home from hospital services and Young and Adult Carers programmes.

Our Neighbourhood Network was founded by residents who believe that communities thrive when they are well connected. Alliance Homes secured £371,436 of funding from the National Lottery's Community Fund to create the 'Our Neighbourhood Network', a community-based initiative, operating across three areas of Weston-super-Mare where we have the largest number of homes

Support teams help our customers to make informed choices about housing options, providing support on sustaining independence, dealing with debt and financial management and provision of employment, training and volunteering opportunities.

We work with healthcare staff at nominated GP practices to support patients with non-medical issues. Identify carer needs and options for respite and support customer manage caring responsibilities.

To support our existing support services, we also invest in a series of projects which are sympathetic to the needs of our communities. These are either delivered in house or through community partners, which helps to strengthen the third sector in the areas in which we operate.

Some of our achievements over the last 12 months include:





Case study: Naomi and Marks story

Out-of-work, facing eviction and struggling to afford food, Naomi and Mark turned to our Support Services for help. Along with guidance on navigating the benefit system and support with obtaining temporary foodbank vouchers, the team were able to help Naomi, Mark and their four children successfully secure a new family home with Alliance Homes. We also helped the couple to source carpet, furniture and white goods.

With our support Naomi and Mark now have a secure home, new jobs and a positive future ahead.

Placemaking

C13. Provide examples or case studies of where Alliance has been engaged in placemaking activities.

Our place-based investment works to:

- 1

Connect together our business strategies, corporate priorities and partnership ambitions.
To...
- 2

Support cross organisational working, provide clarity of purpose across workstreams and demonstrate VFM.
By...
- 3

Using our property and people data, insights and segmentation to drive targeted and meaningful investment decisions in our homes, communities and neighbourhood services.
Resulting in...
- 4

360 degree profiles of our neighbourhoods to support the development of tailored neighbourhood/locality plans (1. contextual 2. assets 3. insight 4. services 5. project activity)



Environmental



Climate change

C14. Distribution of EPC ratings of existing homes (those completed before the last financial year)

Measure	Q4 19/20
No. homes by EPC band (existing)	
A	145 (2.3%)
B	1399 (22.3%)
C	3232 (51.5%)
D	1041 (16.6%)
E	129 (2.1%)
F	12 (0.2%)
G	8 (0.1%)
No Data	304 (4.8%)

C15. Distribution of EPC ratings of new homes (those completed in the last financial year)

Measure	Q4 19/20
A	0 (0%)
B	54 (91.5%)
C	5 (8.5%)
D	0 (0%)
E	0 (0%)
F	0 (0%)
G	0 (0%)
No Data	0 (0%)

**C16. Scope 1, Scope 2 and Scope 3 green house gas emissions**

We have not currently developed a measurement and monitoring tool for reporting green house gas emissions from the Scope 1 (direct) Scope 2 (indirect) and Scope 3 (all other). We plan to develop a measurement methodology as part of our commitment to reducing carbon emissions.

C17. What energy efficiency actions has Alliance undertaken in the last 12 months?

Over the last 12 months we have continued to invest in our new homes programme which has seen the introduction of newer, more energy efficient technologies.

For example, in Bristol we completed the construction of ten homes built using Modern Methods of Construction with specific focus on SIPS panels and solar PV. We partnered with an external advisory body to work individually with new customers to maximise the efficiency and effectiveness of the heating system and to better understand overall building performance. This has been positive and an approach we will look to roll out more widely.

We have also started to develop more intelligent insight about our existing stock. We have analysed our EPC data for all homes and evaluated the cost estimate of bringing these up to a minimum of EPC C as part of the Government's decarbonisation strategy. This is now embedded as a key objective of our Asset Strategy and will stimulate further investment in future years.

We continue to maintain our homes and undertake thermal improvements to tackle fuel poverty where required.

C18. How is Alliance mitigating the following climate risks:

- Increased flood risk

- Increased risk of homes overheating

We operate in an area which is at risk of coastal and fluvial flooding. Much of our stock is either in flood zone 2 or 3 meaning risks are greater than in many other parts of the country.

For existing homes, we need to work to develop strategic flood mitigation plans to ensure that in the event of an extreme flood event, we have appropriate protocols in place, working with the local authority and national agencies as required. This will include the identification of where local property flood defence systems may be required or how to make representation for national flood defence improvement schemes.

Our new build schemes are subject to prevailing planning legislation and the requirements for flood mitigation as part of the design development process. For example, the inclusion of Sustainable Urban Drainage (SUD) systems, the use of permeable paving, deep piling foundations where there are soft ground conditions and raising site levels.

It is much easier to include mitigations for overheating with new homes through a defined engineering solution, but the challenge of protecting existing stock make it more difficult to mitigate and requires further thinking, particularly around ventilation.



C19. Does Alliance give residents information about correct ventilation, heating, recycling etc. How this is done?

There is currently no information given to new customers at the point of letting a new home to them around ventilation, heating and recycling but we have identified these issues as important features for a new welcome booklet for new customers as part of our Transforming Lettings project and we will look to implement this in the early part of next year.

We have just carried out a customer insight exercise on the HIVE around home and environment which has given us some good information around the issues that our customers may have issues with, for example we know that 75% of respondents to the survey know how to prevent condensation in their home but mould in the home is an issue for a quarter of respondents which point to the need for greater information on heating and ventilating their home for some customers.

We also have a useful video for customers with hints and tips for ventilating the home and reducing condensation which we regularly also put out through our social media channels.





Ecology

C20. How is Alliance increasing Green Space and promoting Biodiversity on or near homes?

Improving green space - Westhill

Former garage site at the end of economic and viable use is being redeveloped as eight new affordable homes. This includes upgrading and redesigning green space that links the new development to existing Alliance Homes neighbourhoods. We will be working with existing tenants to design and prioritise funding to ensure maximum impact is achieved.

Additionally, a National Lottery funded project in the Bournville area of Weston super Mare (Patchwork for Prosperity) is underway to stimulate a 'neighbourhood greening' model by establishing a community nursery facility to grow plants and edible produce that can be distributed locally. The objective here is to enable local people to have a sustainable supply of flowers and plants that serve multiple purposes including improving wellbeing, attracting new species, and embedding a local driven sustainable approach to managing spaces that leads to an increase overall in biodiversity.

Biodiversity

We include measures to minimise impact and promote biodiversity net gain which are set out as part of proposals for new homes (e.g. lighting to protect bat foraging corridors, bat boxes, recreating habitats or ensuring green infrastructure links) as required under policy.

C21. Does Alliance have a strategy to actively manage and reduce all pollutants?

Currently, we do not have a strategy to manage pollutants beyond legal limits and health & safety legislation / good practice. Going forward, we will need to understand this technical area in more detail using specialist third party engineering advice to develop a baseline understanding, before we can look to improve on our performance.



Resource management

C22/23/24. Does Alliance have strategies for the use of responsibly sourced materials for all building works, waste management incorporating building materials and good water management?

We don't have strategies for these areas, but we plan to consider these as part of our journey to sustainability.

Alliance aims to work with contractors that are accredited under the Considerate Contractors Scheme (CCS) - an independent code of practice that commits sites, companies and suppliers registered with the scheme to care about appearance, respect the community protect the environment and secure everyone's safety and value their workforce.

The environmental strand requires:

- Identifying and communicating environmental issues through initial assessment, workforce and supply chain
- Avoiding waste and minimising the use of resources through policy and planning, reducing, reusing and recycling
- Bringing in specialist input where required - eg. noise monitoring, lighting, water/ energy saving measures, carbon footprint monitoring
- Communicating performance

Each development is independently assessed and scored against the Code of Considerate Practice to effectively measure performance. A monitoring report is produced incorporating constructive feedback and highlighting where improvements can be made in the performance of the lifetime of a development site.

Governance



Structure & governance

C25. Is Alliance registered with a regulator of social housing?

Yes

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

G1 V1

C27. Which Code of Governance does Alliance follow, if any?

We have adopted and are compliant with the NHF 2015 Code of Governance

C28. Is Alliance Not-For-Profit?

Yes

C29. Explain how Alliance's board manages organisational risks

The Group is committed to effective risk management. We ensure that we monitor our operating environment so that risks and their drivers are continuously assessed and that we respond accordingly.

We proactively identify and address the key risks that threaten the attainment of our Plan A Objectives. Risks that may prevent us achieving our objectives are considered and reviewed quarterly by the Strategic Leadership Team, the Audit Committee and the Board.

In particular, the Audit Committee plays a key role in risk management by monitoring and reviewing the Risk and Control framework, including the assessment and management of the risk system, ensuring there is a rigorous process for the identification and classification of risks. The Committee ensures detailed scrutiny and evaluation of risks on behalf of the Board, assisting the Board in the identification and regular review of the individual and combined material risks faced by the organisation and its plans and strategies to mitigate and manage them effectively.

All our risks are assessed in terms of their impact and probability, across their life cycle of inherent, current and target scoring. Amendments to risks, including the identification of new risks are proposed as part of decision making, which are then approved by the Board or Audit Committee. In addition, reports presented to our Boards and Committees outline the risks involved in the matter under consideration.

An annual review of our management of risk is carried out by an Independent Advisor.

C30. Has Alliance 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



Board & Trustees

C31. What are the demographics of the Alliance board? And how does this compare to the demographics of all residents, and the area that they operate in?

The Board is made up of ten Board Members with an equal male /female split. The board has 10% BAME representation. This compares with a 3% of the population being BAME as a whole in North Somerset.

C32. What % of the Alliance Board and Strategic Leadership Team have turned over in the last two years?

Six board members have left in the past two years; four retired as they came to the end of their permitted term, one council nominee was replaced by the Council and one Board Member died.

There are six members of the Strategic Leadership Team. One member left in the period

C33. Is there a maximum tenure for a board member? If so, what is it?

Yes. We limit Board Member Term to nine years (three x three) in line with our adopted Code of Governance. The Chair is limited to a six year term.

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

All but one of the board members are non - executives. The Chief Executive is appointed to the board therefore 90% of the Board are non - executive directors

C35. Number of board members on the Audit Committee with recent and relevant financial experience

Our Audit and Risk Committee has four members, two of whom are qualified accountants

C36. Are there any current executives on the Remuneration Committee?

No

C37. Has a succession plan been provided to the board in the last 12 months?

Yes

C38. For how many years has Alliance's current external audit partner been responsible for auditing the accounts

We are in our first year of the current audit provider

C39. When was the last independently-run, board-effectiveness review?

2018

C40. Are the roles of the Chair of the Board and CEO held by two different people?

Yes

C41. How does Alliance handle conflicts of interest at the board?

Declarations of interest are made on first appointment, annually thereafter and also required following any material change of circumstance. In addition, Board members are asked to declare any actual or potential conflict or duality of interest at the start of each meeting and at any point during the meeting should the situation require it.



Staff wellbeing

C42. Does Alliance pay the Real Living Wage?

We are not an accredited Living Wage Employer. In April this year, a change in pay rates allows us to apply for accreditation in respect of our parent company, Alliance Homes.

C43. What is the gender pay gap?

The gender pay gap at Alliance Homes as of the 5 April 2020 is 7.34%

C44. What is the CEO-worker pay ratio?

Measure	Inc. ALC	Exc. ALC
CEO Pay Ratio (inc. ALC)		
25th percentile pay ratio	9:1	6:1
Median pay ratio	6:1	5:1
75th percentile pay ratio	4:1	4:1

C45. How does Alliance support the physical and mental health of their staff?

Alliance offers a range of wellbeing activities and enhanced benefits and is committed to developing and maintaining a working environment that promotes and protects the health and well-being of all colleagues.

As part of Alliance's benefit package, we provide a free, 24 hour a day confidential Employee Assistant Programme. Also, we provide access to Medicash Health plan which provides money back for everyday health expenses and treatments. On our Reward House scheme there is a Wellbeing Centre which provides supportive tools to help colleagues live a healthier and happier life, covering the four M's of wellbeing, Move, Munch, Money and Mind.

Alliance has a wellbeing resource page and a Mental Health First Aid page on its intranet HOME. On the wellbeing resource page there is further information on other supportive tools available to help support colleagues, this includes occupational health referral, carers passport, wellness action plan, cycle to work scheme, make a difference volunteering and career break application progress.

Alliance's Mental Health First Aiders (MHFA's) are a group of colleagues who've been trained to spot the signs and symptoms of mental ill health and are keen to end mental health stigma. They understand the importance of non-judgemental listening and are there to help colleagues who need to speak to someone about their mental health or a colleague they are concerned about.

C46. Average number of sick days taken per employee

9.25 days (including long term sickness)
5.26 days (excluding long term sickness)

Supply chain

C47. How is Social Value creation considered when procuring goods and services?

Alliance considers the potential for realising social value benefits whenever it undertakes a procurement exercise. This is irrespective of value or work type; the scope Alliance considers being wider than that required by The Public Services (Social Value) Act 2012.

When included as part of the procurement decision, social value is an identifiable area of the procurement activity and is assessed separately and by suitably qualified personnel. Alliance aims to target social value activities so that social, economic and environmental benefits are maximised in the areas in which it operates. To assist with this, it provides the potential supply chain with guidance during the procurement process. During the life of a contract, members of Alliance's Community Investment teams are integral to the contract management process, thereby ensuring social value commitments are delivered and benefits maximised.

The type of social value captured varies depending upon the procurement subject and where benefits can make the most difference. As a result, social value can come in a variety of forms such as apprenticeships, work placements, school visits, community labour or cash donations.

This has delivered the following outcomes in 2019/20:

- Nine apprentices taken on by supply chain
- £28,000 contractor donations made to Community Projects
- One job offer

Social value and the achievement of greater opportunities for our customers and communities, is something that is high on the agenda for Alliance Homes and something we intend to build upon, through our developments and procurement activity.

C48. How is Environmental impact considered when procuring goods and services?

Currently, the consideration of environmental impact is not embedded in the procurement of goods and services.

However, there are specific instances where this has been considered as part of a procurement process, examples include the purchase of FSC timber products and the carbon footprint resulting from Grounds Maintenance services.

Building environmental considerations into specifications and tender evaluation is something that Alliance views as being instrumental in assisting in achieving it's wider community investment aims. As a result it will be actively pursuing the integration of environmental aspects into its procurement activities over the next two years.





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