

Johnnie Johnson
HOUSING

living longer, living better



ESG REPORT 2021/2022

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FOREWORD FROM YVONNE CASTLE

A warm welcome to our 2021/22 Environmental, Social and Governance (ESG) Report.

This is our first ESG report and we hope it sets the scene for what we have achieved over the last 12 months, as well as demonstrating our commitment to support both our customers and the communities in which they live, work and play. As it's our first ever ESG, we would welcome your feedback to feed into future reports.

Despite the many challenges in recent years, we have weathered the storm with resilience and fortitude and have emerged in a much stronger place than before.

We're proud to be an early adopter of the sector's Sustainability Reporting Standard, which underpins this ESG report. And we recognise the need for standardising and harmonising this approach across the housing sector.

Which is why ESG reporting is a significant and logical next step. It's much more than a set of metrics, or a reporting framework, it is a language that helps us communicate outcomes and the positive impact we have, as a housing provider, on society, the economy and the environment. Through this report, we can therefore demonstrate what it is Johnnie Johnson Housing stands for.

As a housing provider we have a strong social purpose where our customer's voice plays a vital part in us shaping the services we offer, as well as being committed to playing our role in tackling climate change, creating energy efficient homes and reducing our impacts on the environment around us.

And with ESG underpinning everything we do, I hope this report helps to demonstrate how we are meeting the demands of our customers and their communities, whilst pushing ourselves to deliver more.

This report is very much an introduction to our ESG story, and it helps to outline our priorities for the next 12 months.



Yvonne Castle,
CEO Johnnie Johnson Housing

UNITED NATIONS DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) are a set of common global goals that demand investors, government, business and society to do more to end poverty, protect the planet, improve inequalities and spur economic growth.

Throughout our ESG report you will see we refer to these goals and what we as an organisation, are doing to help reach these development goals, one step at a time.



A YEAR AT A GLANCE

The last few years have presented us with many challenges but despite these, we have met our objectives in many areas. Here are some of our highlights from the last 12 months:



Overall 81%

of our customers are satisfied with services provided by Johnnie Johnson



70%

feel Johnnie Johnson get it right first time



72%

feel safe and secure in their homes



70%

feel engaged



77%

feel they receive value for money



75%

would recommend Johnnie Johnson to friends and family

SOCIAL

Affordability and security:

This theme seeks to assess the extent to which we provide long term homes that are genuinely affordable to those on low incomes.

The table below shows the average asset rent by Local Authority for Johnnie Johnson Housing residents, which is then compared to the Local Housing Allowance (LHA) cap.

The LHA cap is the maximum amount that residents can claim in Housing Benefit or Universal Credit from the Local Authority. Johnnie Johnson Housing's rent is then shown as a percentage of the LHA cap. Anything over 100% indicates that the resident would potentially have an amount of rent to self-fund.

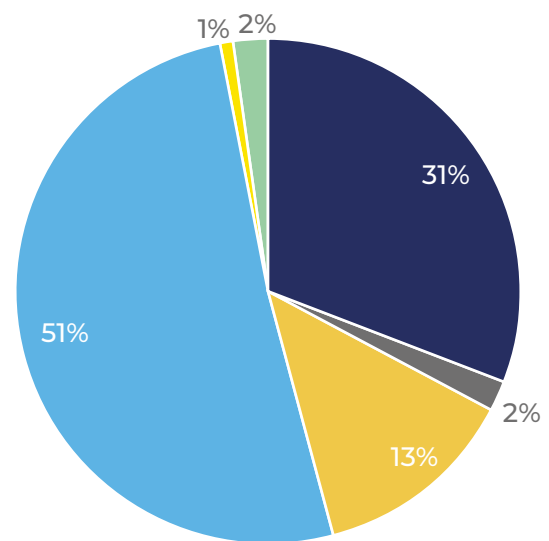
Row Labels	Average of 2022_23 Asset Rent	Average of LHA Cap 2022_23	Average of JJH Rent as a % of LHA Cap
Bolton and Bury	75.04	91.93	81.66
Bradford & South Dales	85.24	86.58	98.87
Central Greater Manchester	80.93	140.86	57.44
Chesterfield	71.98	90.20	79.76
Doncaster	92.65	101.12	91.70
Durham	80.09	76.26	105.16
East Cheshire	105.77	131.93	81.21
Greater Liverpool	70.12	92.50	75.80
Kirklees	92.30	104.44	88.85
Lancaster	78.03	97.10	80.34
Northumberland	81.98	88.43	92.93
Nottingham	73.73	108.68	67.85
Oldham & Rochdale	78.85	92.52	85.23
Rotherham	82.22	92.00	89.36
Sheffield	86.88	115.41	74.81
Southern Greater Manchester	89.42	132.93	67.70
Stevenage & North Herts	99.86	166.85	59.88
Tameside & Glossop	77.16	95.63	80.83
Tyneside	83.54	103.10	81.23
Grand Total	84.38	109.99	79.11

Total units owned - 2021/2022

General Needs - social rent	1,553
General Needs - affordable rent	94
Low Cost Homes Ownership	663
Supported Housing	0
Supported - Housing for older people	2,573
Supported - Housing for older people - affordable rent	14
Intermediate Rent	42
Non Social Rented	0
Social Leasehold	79
Non Social Leased	0

Total **5,018**

Percentage of units owned - 2021/2022



Total **100%**

Share, and number, of new homes (completed in the last financial year), allocated to:

We have built 33 new homes in the last year, consisting of:



11

homes for affordable rent



20

homes for affordable rent for over 55's



2

homes for shared ownership

SOCIAL

How is Johnnie Johnson trying to reduce the effect of fuel poverty on its residents?

Our Investment Programme is based on our stock condition and is centred around an holistic approach to asset management, whereby scheme improvements will be maximised completing as much work as possible, to not only improve customer satisfaction but to create value for money savings over the lifetime of the asset management strategy. The programme works on the principle of a fabric first approach and includes the aim to implement clean heat. Our stock condition lifecycle budget allows for the replacement of like for like heating systems. As a separate exercise, funding requirements have been modelled for the replacement of existing heating systems for renewable heating systems to achieve national carbon zero targets by 2050.

We recently provided our customers with information on fuel poverty through our voices publication and annual rent review documents. We always discuss fuel costs with customers as part of our affordability checks during the sign up process and ongoing tenancy reviews. The team have also worked hard to secure a bulk fuel deal for Independent Living residents to combat energy price increases.

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

We don't offer 3-year fixed term tenancies. All our tenancies are fully assured with the exception of 453 tenancies, which are currently starter tenancies, and these will be converted after a full 12 months.





Building safety and quality:

This theme seeks to assess how effective we are at meeting our legal responsibilities to protect residents and keep buildings safe.

What % of homes meet the Decent Homes Standard?



100%

of our homes comply with the Decent Homes Standard.

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



100%

of our homes have completed an accredited gas safety check.

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



100%

have an in date and compliant Fire Risk Assessment (FRA), which are completed annually.

We work on a risk matrix of 12/18/24 months for when FRAs are required.

Our method of carrying out surveys follows guidance from the Publicly Available Specification (PAS) documents and other areas including our Primary Authority. We undertake a full FRA every two years, alongside an annual review.



SOCIAL

Resident voice:

This theme seeks to assess how effective we are at listening to and empowering our residents.

Our customers are at the heart of everything we do. They are key to us being able to design and shape the services we offer. Through our customer engagement team, we work closely with a group of engaged customers who scrutinise our decisions and help plan future outcomes.

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

There are multiple opportunities for customers to hold management, at all levels, to account including:

Resident Scrutiny Panel – The Resident Scrutiny Panel (RSP) has a prominent role in the governance of Johnnie Johnson Housing (JJH), helping to achieve continuous service improvement and effective engagement through the scrutiny of service delivery and performance, as well as influencing strategic priorities and providing feedback to aid our JJH strategic planning in relation to the Voice of the Customer. This group works directly with our Head of Governance, Risk and Assurance to carry out robust service reviews, making recommendations for improvements where needed. Throughout the pandemic, our Panel also undertook a number of ‘Scrutiny Service Spotlights’, meeting with Heads of Service to review key documentation and make recommendations to improve customer and colleague relationships as well as providing robust feedback for us to act upon.

Regional Forums – our forums are held twice a year in each of our three regions – North West, North East and Yorkshire/Derbyshire. The forums are designed to ensure our customers are able to have their say in what we’re doing within their region, as well as hearing from key Johnnie Johnson team members about upcoming projects. Both the Chair and Vice Chair of each forum group are customers, and they help to shape and lead the discussions at each forum. Throughout Covid we have had to adapt our approach to how our regional forums operate, relaunching them as quarterly digital conferences to ensure our customers voices are still being heard.

Calendar of Engagement – launched in January 2022, our new calendar of engagement has been devised alongside our engaged customers, and includes additional activities and initiatives for all our customers to get involved in. The type of activities include access to online learning, customer centric workshops and health and wellbeing initiatives.

How does Johnnie Johnson measure customer satisfaction and how has it changed over the last three years?

A key element of our corporate objectives is to provide ‘Outstanding Homes and Services’ as well as providing choice and flexibility to our customers through the different services we provide. Inclusivity is hugely important to us which is why we actively engage with a representational cross section of our customers – to ensure we receive open and honest feedback. In addition, this year we undertook a customer satisfaction survey in partnership with The Leadership Factor, this partnership will be used in subsequent years to gather feedback on overall customer satisfaction.

Over the last three years we have seen our customer satisfaction levels remain consistent and we have recently piloted a new initiative, our 'Love Where You Live' customer service offer. This will involve us introducing a new intuitive system to aid customer feedback across all of our feedback channels, making it easier to receive feedback and implement any changes needed as a result.

Our overall customer satisfaction score is 81%.

In the last 12 months, how many complaints have been upheld by the Ombudsman?

In the last 12 months we have had two complaints referred to the Housing Ombudsmen which have both now been closed with the outcome of no maladministration on our behalf.

We currently have a further two complaints with the Housing Ombudsman to review and make a judgement. Our complaints process is robust, and we report on all complaints on a monthly basis. This process includes a full 360 degree approach, where we look at any lessons learnt, as well as understanding what went wrong and how can we put it right.



SOCIAL

Resident support:

This theme seeks to assess the effectiveness of the initiatives that we run to support individual residents.

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

At Johnnie Johnson we offer a range of support services to our customers including:



Benefit and
Money advice



Help with advice on
energy efficiency



Anti-social
behaviour support



Access to Mental
Health services



Digital skills and
confidence training
and support



Domestic violence
help and support



Access to Astraline
as standard

Placemaking:

It also 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.

For all new developments, we are working on new and emerging technology with Astraline our 24/7/365 technology enabled care monitoring centre to ensure that technology is part of the design in our Independent Living schemes of the future.

Across our neighbourhoods, we work in partnership with Astraline and several Russell Group Universities and integrated health sector organisations on a range of preventative health interventions. Our discovery work with residents looks at demographic trends and future needs and includes the use of digital technology enabled care, artificial intelligence (AI) and care robotics. In line with placemaking principles we seek to collaborate and co-design solutions with our residents, their families and informal carers where possible.

We've completed initial work in partnership with 'Hen Power', which promotes and delivers wellbeing activities within our Independent Living Schemes and we intend to roll this out to other schemes in the future.

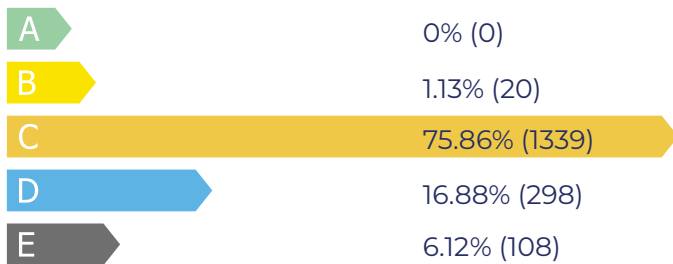
We've undertaken a number of pilots including care at home and befriending and are implementing an in house wellbeing service from April 2022, which will deliver a range of health and wellbeing services and will measure individual wellbeing outcomes for our residents.

ENVIRONMENTAL

Climate change:

This theme seeks to assess how our activities of are impacting on climate change, and how they are mitigating the physical risks of climate change.

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



33 properties

were completed in 2021-22 and all of these homes have an EPC rating of 'B'.

How are you tracking Scope 1, Scope 2 and Scope 3 greenhouse gas emissions?

We don't currently track this but will review this, once we have appointed a partner to aid the creation of a Decarbonisation Plan in 2022-23.

What energy efficient actions has Johnnie Johnson undertaken in the last 12 months?

Over the last 12 months we have retro fitted renewable heating systems into a number of our properties. We are in the process of appointing a partner to help us create a Decarbonisation Plan in 2022-23. During this period, we will continue to review our energy efficiency processes.

How is Johnnie Johnson mitigating the following climate risks?

We work closely with the Environment Agency and have a process in place. We aim to review this with the Partner appointed to aid the creation of a Decarbonisation Plan in 2022-23.

Does Johnnie Johnson give customers information about correct ventilation, heating, recycling etc?

Yes, we have a range of materials available to our customers which offer advice and guidance. On sign up, all new customers receive a welcome pack which includes information about their tenancy as well as help and guidance on various topics.

We also use our regular resident magazine as a platform to communicate these important topics to our customers. All information is also condensed and added to our website and online customer portal. Our neighbourhoods team also work closely with customers to provide information about the effective use of heating and ventilation.

ENVIRONMENTAL

Ecology:

This theme seeks to assess how we protect the local environment and ecology.

How is Johnnie Johnson increasing green space and promoting biodiversity on or near homes?

We have worked very closely with a specialist consultant to devise our Decarbonisation Plan. Our new plan will outline our approach to tackling climate change, increasing green spaces and looking at how we can reduce our environmental impact. The plan includes identifying the decarbonisation targets of the relevant local authorities to determine scenario target setting regionally and feed into the stock modelling, as well as our new build properties. We will then set out a time line to ensure we are doing all we can to tackle these issues head on.

Does Johnnie Johnson have a strategy to actively manage and reduce all pollutants?

We have identified a clear decarbonisation strategy, fabric first approach using retrofit measures to actively reduce Co2 emissions. We will move towards an EPC rating of band C across our portfolio, with a possible net zero carbon ambition across the business. In addition, we are seeking to identify any potential ECO3 funding to supplement investment budgets, where possible.

Resource management:

This theme seeks to identify the extent to which we have a sustainable approach to materials in both the construction and management of our properties.

Does Johnnie Johnson have a strategy to use or increase the use of responsibly sourced materials for all building works?

Within our strategy, we will continue to cover this in our procurement process, within our quality questions, however as materials are at a premium, this will only seek to become more challenging. Our decarbonisation review covered overall corporate emissions including transmission and distribution, employee commuting, business travel, waste, and recycling. As well as purchased goods and services, which enabled us to further understand where sustainability can be achieved.

Does Johnnie Johnson have a strategy for waste management incorporating building materials?

As part of our strategy we require ecology accreditations of our providers, and seek to implement both national and local measures for waste reduction. On each development, contractors waste management procedures are assessed, and copies are saved. Our contractor on a recent development recycled 95% of their waste.

Does Johnnie Johnson have a strategy for good water management?

We have reviewed this with the partner appointed to aid the creation of a Decarbonisation Plan in 2022- 23. Currently on each development, contractors water management procedures are assessed, and copies are saved. We aim to further develop this plan in conjunction with our partner contractors.



GOVERNANCE

Structure and governance:

This theme seeks to assess our overall structure and approach to governance.

Is Johnnie Johnson registered with a regulator of Social Housing?

Yes, we are, Johnnie Johnson Housing Trust Limited (JJH) is a not-for-profit organisation and we operate across northern England, with our head office based in Cheadle Cheshire, as well as having other bases for our colleagues to work from in both Rotherham and within the North East.

We are also an exempt charity registered with the Financial Conduct Authority as a Co-operative and Community Benefit Society registration number 19198R. And we are also a registered provider of social housing with the Regulator for Social Housing (RSH) registration number L1231.

Additionally, we also have one subsidiary organisation which is part of Johnnie Johnson Housing named Johnnie Johnson Developments.

What is Johnnie Johnson's most recent viability and governance regulatory grading?

Following our last in-depth assessment in 2020 by the Regulator for Social Housing (RSH), we had retained the highest rating of Governance: G1 and Viability: V1.

Which code of Governance does Johnnie Johnson follow?

We adopted the National Housing Federation's (NHF) Code of Governance in 2020. In 2021 our stability check ensured we retained our G1/V1 regulatory rating.

Is Johnnie Johnson a not-for-profit organisation?

Yes, we are a not-for-profit organisation. The Trust's share capital has been raised by the issue of shares. Each share has the nominal value of one pound, and it carries no right to interest or bonus. Shares are non-withdrawable, and we operate a semi-closed shareholding membership.

Existing shareholders will remain as shareholders as long as they meet the eligibility criteria of our shareholding policy. Our policy will result in additional shareholders being limited to current Board Members and the Chair of the Scrutiny Panel over time. Following our Annual General Meeting (AGM) on 28th July 2021 we had 20 active shareholders.

Explain how Johnnie Johnson's Board manages organisational risks.

We are a registered provider of social housing, and we are regulated by the Regulator for Social Housing (RSH) and as a regulated organisation we must comply with the RSH's regulatory framework. These standards include the Governance and Financial Viability standard which sets out various requirements around risk and this is reviewed by the RSH as part of their in-depth assessment, which we undertook in 2020.

We also manage our day-to-day operational risk through our Risk Management and Internal Control Framework which is integrated into everything we do and is also supported by regular and robust reporting to Executive, our Audit and Risk Committee and our Board.

Has Johnnie Johnson been subject to any adverse regulatory findings in the last two months?

No, we have not been subject to any adverse regulatory findings.

GOVERNANCE

Board and trustees:

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

What are the demographics of the Board? And how does this compare to the demographics of Johnnie Johnson’s customer, and the areas that they operate in?

Our Board:



22%

of our members are women



22%

of our members are from a BAME background



0%

of our Board have a disability



58

is the average age of our Board members

Our Customers:



52%

of our customers are women



5%

of our customers are from a BAME background



11%

of our customers have a disability



65

is the average age of our customers



4.8

years is the average tenure of our Board members



What % of the Board and management team have turned over in the last two years?

Our Board comprises of 9 members. Over the last two years, three Board members have stepped down and have replaced by new members. This equates to a 30% turnover from our Board.

Our management team has seen two colleagues leave us in the last two years, one of these was due to the end of their fixed term contract and the other was resignation.

Is there a maximum tenure for a Board member? If so, what is it?

At Johnnie Johnson we have adopted the National Housing Federation's Code of Governance, and this stipulates that the maximum tenure for a Board member is six years.

What % of the Board are non-executive directors?

100%. All 9 of our Board members are non-executive Board members

How many Board members on the Audit and Risk Committee have recent and relevant financial experience?

We have four members of the Audit and Risk Committee (ARC) who have recent and relevant financial experience, including one Chartered Accountant with over 25 years in professional practice.

Are there any current executives on the Remuneration Committee?

No, we don't have any current executives sitting on our Remuneration Committee.

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

Yes, our Board were presented with a succession plan in June 2021.

For how many years has Johnnie Johnson Housing's current external audit partner been responsible for auditing the accounts?

Six years, our Audit and Risk Committee carry out an effectiveness review annually. The service, however, will be retendered in 2023 in line with our Financial Regulations for the business year 2023-24.

When was the last independently-run, Board effectiveness review?

External Consultant Altair undertook a Governance Review, including Board Effectiveness in 2018. Altair then conducted an implementation review in July 2020. It is standard practice for us to undertake an external review every 3-5 years, the next one will take place in 2023-24.

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

Yes, our Chair of the Board is John Sandford, and our CEO is Yvonne Castle.

How does Johnnie Johnson handle conflicts of interest at the Board?

All of our Board members are required to confirm any declarations of interest on an annual basis. If there are any changes in a Board member's interests during the year, those changes are notified to the Company Secretary and their declaration is updated to reflect these changes.

At the start of every Board and/or Committee meeting, we also provide an opportunity for any conflicts of interest to be noted.

ENVIRONMENTAL

Colleagues wellbeing:

This theme seeks to assess how colleagues are supported and how their wellbeing is considered.

Does Johnnie Johnson pay the Real Living Wage?

We have committed to pay the Real Living wage to all our colleagues from April 2022.

What is the gender pay gap?

For 2021 our mean average is **4.1%**. As we fall below the reportable threshold, we do not need to report our gender pay gap average. However, we do choose to report the figure in the annual report to our Nomination and Remuneration Committee.

What is the CEO-worker pay ratio?

We do not need to report on CEO-worker pay gap, as we fall below the reportable threshold. We have however, completed the calculations for this first time in Q3 of 2021-2022 and this will be included in our 2022/2023 ESG report.

How does Johnnie Johnson support the physical and mental health of their staff?

We are committed to taking an active approach on wellbeing to attract, recruit, retain, develop and engage our colleagues. We provide our colleagues with a selection of benefits including:



An Employee Assistance Programme (EAP) with 24-hour counselling access, this is also available in some instances to family members as well)



Mental Health awareness training



Mental Health first aid training (accredited by the Mental Health Foundation)



Wellbeing activities throughout the year, focusing on physical and mental health topics



Organised wellbeing events, such as mindfulness sessions and external speakers



Access to an external Occupational Health (OH) provider, who work with our leaders to support colleagues with their health matters



An enhanced sick pay scheme



A benefits platform for all colleagues to access to receive discounts and reduced costs to health providers including medical insurance.

What is the average number of sick days taken per employee?

- Average hours lost per FTE (for all sickness) is 5.59 hours per annum
- Average hours lost per FTE, excluding long term sickness is 3.77 hours per annum

Supply chain management:

This theme seeks to assess if we procure responsibly.

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

We recognise that many of the goods and services we procure have a direct impact on our customers, which is why being able to demonstrate tangible Social Value outcomes for our customers is so important to us.

Social Value was a key element in the procurement of our Integrated Asset Management Contract (IAMC) with Fortem, our repairs and maintenance partner. As part of the contract with Fortem, we have been provided with a Social Value Manager to ensure we are always adding value for both our customer and the business throughout the lifetime of the contract. Under the social value element of the IAMC contract, Fortem have agreed to undertake 100 repair action days during 22-23, covering 5 repairs per property at £69.00 plus VAT. In addition, there are 20 internal and external days for works at our schemes annually supported by Fortem, as well as support with work experience days and volunteer initiatives. In conjunction with framework providers, there are also apprentice opportunities linked directly to our gas management and investment programs.

How is environmental impact considered when procuring goods and services?

As part of the procurement process the quality questions that form part of the scoring, larger tenders are weighted 60% quality and 40% price.

www.jjhousing.co.uk

CONTACT

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