



# Building a sustainable future: ESG report

for the financial year 2023/24

# Content

Structure of the report	4
Environmental criteria	7
Social criteria	15
Governance criteria	27



# Welcome to our latest Environmental, Social and Governance Report

At Citizen, we're proud to own and manage around 30,000 homes across the West Midlands, from urban tower blocks to rural towns and communities. Our homes reflect the diversity of the region and the people who call them home.

Being a citizen is about belonging. It's about being valued, having opportunities, and sharing rights and responsibilities. At Citizen, we see this as central to everything we do. Our social purpose is simple yet powerful: to provide homes that create a foundation for life.

We know that a good-quality home can transform lives. It impacts health, education, wellbeing, and economic opportunities. That's why we are committed to making a positive difference for the people and communities we serve.

The Environmental, Social, and Governance (ESG) framework is vital to this mission. It allows us to evaluate our impact, understand our risks, and make decisions that align with our values and goals.



**Kevin Rodgers**  
Chief Executive

ESG reporting is more than a process, it's how we hold ourselves accountable and how we share the story of our progress with our customers, colleagues, partners, and stakeholders.

Through regular and transparent ESG reporting, we demonstrate our commitment to sustainability and identify where we can do even more to create positive social and environmental outcomes. It underpins our efforts to improve lives and strengthen communities.

This, our third annual ESG report, highlights the progress we've made over the past year. As I reflect on our achievements, I'm proud of what we've accomplished and pleased to share this update with you.



# Structure of the report

This report has been created using the latest version of the Sustainability Reporting Standard (SRS) for Social Housing. This is an environmental, social and governance standard designed to help the housing sector measure, report and enhance its ESG performance in a transparent, consistent and comparable way.

The standard includes 46 criteria across 12 themes which fit into one of the three areas - Environmental, Social, and Governance.

ESG Area	Theme Name	Description
Environmental	Climate Change	Prevents and mitigates the risk of climate change
	Ecology	Promotes ecological sustainability
	Resource Management	Sustainable management of natural resources
Social	Affordability and Security	Provides affordable and secure housing
	Building Safety and Quality	Resident safety and building quality are well managed
	Resident Voice	Listens to residents' voice
	Resident Support	Supports residents, and the local community
	Placemaking	Supports residents and the wider local community through placemaking
Governance	Structure and Governance	Legal structure of the organisation and its approach to Governance
	Board and Trustees	High quality board of trustees
	Staff Wellbeing	Supports employees
	Supply Chain Management	Procures responsibly

# Highlights

## Environment

Percentage homes rated EPC C and above.	86.62%	
Percentage of new build homes EPC B and above	100%	
Scope one and scope two emission reduction	10.8%	

## Social

Completed new homes	653	
Financial gains generated for customers	£3.9m	
Number of homes with a valid gas safety record	99.94%	

## Governance

Gender pay gap	6.95%	
Governance and viability rating	G1/V2	
CEO: median pay	8.63:1	

For details of these and other ESG metrics please read on.



# Environment



# Environmental criteria

As a large social housing provider, we acknowledge we have a substantial direct impact on the environment. We therefore have an obligation to minimise the environmental impact associated with our operations, will support our customers with the challenges brought about by climate change and will use our influence to encourage others to do the same.



Archival

## Climate change

This theme assesses how the activities of Citizen impacts on climate change. It considers current practice and what changes are being made to improve performance in future.

The theme is made up of six criteria, including the distribution of EPC ratings, Net Zero Strategy, retrofit activities, carbon emissions data, and how climate change risks are managed.

### ● C1: Energy efficiency of our existing homes

	Year end 2023/24	Year end 2022/23	Year end 2021/22	Year end 2020/21
<b>EPC Band</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
A	0.21%	0.09%	0.02%	0.00%
B	14.33%	12.97%	10.10%	7.12%
C	72.26%	73.56%	73.78%	71.50%
D	12.34%	12.57%	15.98%	21.15%
E	0.16%	0.16%	0.12%	0.19%
F	0.01%	0.01%	0.02%	0.03%
G	0.00%	0	0	0
<b>Not yet assessed</b>	<b>0.70%</b>	<b>0.67%</b>		

A more energy efficient home reduces the need for heating, helping reduce the energy bills of our customers and contributes to meeting our carbon reduction targets.

The carbon emissions associated with our customers' energy use in their homes is the largest proportion of our indirect carbon footprint. An EPC rating gives an indication of how energy efficient a home is. We are

In April 2023, **86.62%** of our homes had an EPC rating of level C or above and the average SAP rating of our existing homes was **74.46**.

committed to raising all our homes to at least an EPC rating of C by 2030.

In 2023, we made further strides in enhancing the accuracy of the data used to calculate the EPC (Energy Performance Certificate) ratings for our homes. As part of our commitment to sustainability, we initiated energy surveys for all our rental properties. To date, the first 10,000 surveys have been completed, and the findings are now being integrated into our asset management database.

## ● C2: Energy efficiency of new build homes

Our ambitious development programme commits us to helping meet the ever-increasing need for the right homes in the right areas. We don't just focus on the number of new homes we build but the quality and affordability of the homes we provide.

**We added 653 new homes to our housing stock in 2023/24. All our new build homes rated EPC B or better and the average SAP rating is 84.5.**

	2023/24	2022/23	2021/22
<b>EPC rating of new build homes</b>	%	%	%
<b>A</b>	5.4	3.7	0.4
<b>B</b>	94.6	91.1	93.2
<b>C</b>	0	4.7	4.4
<b>D</b>	0	0.5	1.9
<b>Total number of build homes</b>	653	571	474

## Case study: Cheltenham Croft

In October 2023 we started working on our Cheltenham Croft development in Walsgrave, Coventry, which will see 15 energy efficient and affordable homes built. The homes are all rated an EPC B and have Air Source Heat Pumps installed. An Air Source Heat Pump extracts heat from the outside air and transfers it to the water within the central heating system. This process provides warmth through radiators to heat the homes.

Customers also have the ability to manage their heating and hot water through a smartphone app so they are in complete control of it. This app also means that we can monitor the home remotely for issues and act if there are any problems.

Director of Sales and Programme Delivery Michael Park said: "Having energy efficient homes for our customers is so important and it's brilliant to see our homes at Cheltenham Croft built with Air Source Heat Pumps."



## ● C3: Net zero strategy

Citizen is committed to achieve net zero in line with the UK Government target of 2050 and interim reduction targets. We will also strive to support the West Midlands Combined Authority's (WMCA) more ambitious interim carbon reduction targets and the target of being carbon neutral by 2041.

Actions to deliver our net zero target are available in our Sustainability Strategy. We have not made a net zero commitment in line with the Science Based (SBT) initiative. However, in the two years since we calculated our carbon footprint baseline, **we have reduced our scope one and scope two emissions by 10.8% and are on track to deliver reductions of 42% by 2030, which is in line with a Science Based Target.**

We have a costed plan for all our homes to achieve EPC level C by 2030 but have yet to develop one aligned to achieving net zero.

## ● C4: Retrofit activities

We continue to invest in our homes to improve their energy efficiency, reducing the amount of energy needed to keep them warm. This year we completed our Wave 1 Social Housing Decarbonisation Funding (SHDF) retrofit programme of 95 properties.

Works included external wall insulation, installing energy efficient doors and windows, increasing loft insulation and improving ventilation to reduce the potential for mould growth.

On the back of our success in delivering Wave 1, we applied for, and were successful in obtaining, Government Wave 2 funding.

All homes retrofitted under SHDF will have their EPC rating raised from a D/E to at least a C.

**Of the 2,257 homes we have plans to retrofit, we completed 606 from April 2023 to March 2024. This is 26.85% of the homes we currently have plans to retrofit.**

In addition, this year we installed new energy efficient windows and doors to 320 properties, as well as 1,070 highly efficient boilers and full heating systems.

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## ● C5: Green house gas emissions

Emission sources	Tonnes CO2e 2023/24	Tonnes CO2e 2022/23	Tonnes CO2e 2021/22
<b>Scope 1</b>			
Citizen offices gas use	73.6	80.3	78.4
Other* gas use	2,033.2	2,133.7	2,184.1
Diesel use	980.4	1,028.3	1,074.4
Petrol use	48.3	41.7	47.7
<b>Total scope 1</b>	<b>3,135.5</b>	<b>3,284.0</b>	<b>3,384.4</b>
<b>Scope 2</b>			
Citizen offices electricity use	115.9	162.4	186.5
Other* electricity use	1,373.5	1,450.2	1,658.0
<b>Total scope 2</b>	<b>1,529.4</b>	<b>1,612.6</b>	<b>1,844.5</b>
<b>Scope 3</b>			
Electricity transmission & distribution	132.3	146.8	163.2
Business travel	193.4	158.7	79.3
Train travel	1.3	1.0	0.2
Homeworking	959.2	1,054.6	853.0
Customers' energy use in their homes	56,528	56,500	55,508
<b>Total scope 3</b>	<b>57,814.2</b>	<b>57,861.1</b>	<b>56,603.7</b>
<b>Annual carbon footprint scope 1,2 &amp; 3</b>	<b>62,479.1</b>	<b>62,757.7</b>	<b>61,832.6</b>

\*Energy use associated with supported living accommodation, communal heating and electricity used in communal areas of residential properties.

Intensity measures	2023/24	2022/23	2021/22
<b>Kgs Co2e per managed home</b>	2,116	2,132	2,180
<b>Kgs Co2e per employee</b>	59,903	62,136	62,584

We calculated our carbon footprint for the first time in the financial year 2021/22.

For scopes one and two we have used energy and fuel consumption data from our suppliers and energy broker. We also used DEFRA 2023 conversion factors to calculate the CO2e emissions. Fuel usage is obtained from fuel purchase transactions, which indicate the type and quantity of fuel purchased. For scope two, electricity emissions include bulk supplies from our electricity provider and electricity from three sites where we are invoiced by the landlord for electricity use. Over 99% of our electricity consumption comes from bulk electricity supplies, all of which are purchased on a green tariff.

**Our scope one and two emissions have decreased by 10.8% since our baseline year (2021/22) due to reduced energy and fuel consumption.**

The most significant source of carbon dioxide emissions (92%) is from the energy our customers use for heating, hot water and lighting. To calculate these emissions, we have used Sava's 'Intelligent Energy' software to analyse the energy performance of our property data.

## ● C6: Assessing climate risks

Currently, we do not have a systematic process for mitigating the risks of increased flooding or overheating in homes, beyond meeting the requirements of planning and building regulations.

Citizen has integrated Environmental Agency historic flood maps and river data into our GIS system to enhance our understanding of flood risk. However, we have not conducted a recent flood risk assessment for all our homes. As a result, a default baseline assumes that 83.33% of our homes are at low risk of flooding, aligning with the Environment Agency's estimate of flood risk across England.

Our Sustainability Strategy outlines actions to strengthen our approach to managing flooding risks and improving resilience.

The revised 2022 Building Regulations include provisions to address overheating, thereby reducing the risk of overheating in newly built properties. An initial review using the SHIFT overheating assessment tool estimated that 80.6% of our homes are at low risk of overheating.



# Ecology

This theme assesses how Citizen is protecting the local environment and ecology. It considers both policies and the results of Citizen. The theme is made up of two criteria which review different elements that impact the local ecology: managing pollutants and biodiversity.

## ● C7: Enhancing green space and promoting biodiversity

Our Sustainability Strategy incorporates actions to improve our performance on green space and biodiversity including developing a green space strategy.

Citizen has collected biodiversity data for our latest SHIFT environmental assessment.

SHIFT's biodiversity calculator used data collected from tree surveys, grounds maintenance contracts and gardens to calculate the tonnes of biomass above ground across our stock.

- 10,249.55 tonnes of biomass above ground
- 16.29 tonnes of biomass above ground per hectare of land owned.

## ● C8: Managing pollutants

Our Sustainability Strategy incorporates actions for actively managing and reducing pollutants.

We have partnered with Severn Trent Water to remove lead water supply pipes from our customers' homes. Some 1,068 properties benefited from replacing lead pipework coming to the end of its operational life, reducing exposure to lead and preventing water leaks.

# Resource management

This theme assesses how Citizen is managing resource use. The theme considers both policies and the results of Citizen. The theme is made up of three criteria: sourcing materials, waste management and water management

## ● C 9: Increasing the use of responsibly sourced materials

While we currently do not have a formal strategy to increase the use of responsibly sourced materials in our building projects, we recognise the importance of a strategy to minimise the environmental impact of our activities. We are actively working on integrating this strategy into our procurement policies.

This initiative is in progress, and we anticipate presenting the finalised procurement strategy for board approval by September 2024.

## ● C10: Reducing and managing waste

Our Sustainability Strategy includes actions to improve how we manage our waste and make it easier for our customers to recycle.

**During 2023/24 our offices and maintenance depots produced 992 tonnes of waste, 95.7% of this is diverted from landfill through recycling or incineration.**

In 2024 we will start a five year project to roll out MetroSTOR bins to serve our tower blocks and retirement living homes. This initiative will make it easier for our customers to recycle their waste, supporting more sustainable living.

## ● C11: Water management

Our Sustainability Strategy includes actions aimed at developing a comprehensive Water Management Strategy.

Currently, we install dual-flush toilets in our properties, and all bathroom refurbishments include showers over baths to enhance water efficiency.

In addition, we plan to extend our partnership with Severn Trent Water to offer our customers free water efficiency checks, helping them reduce water consumption and where they have a water meter help them save on utility costs.



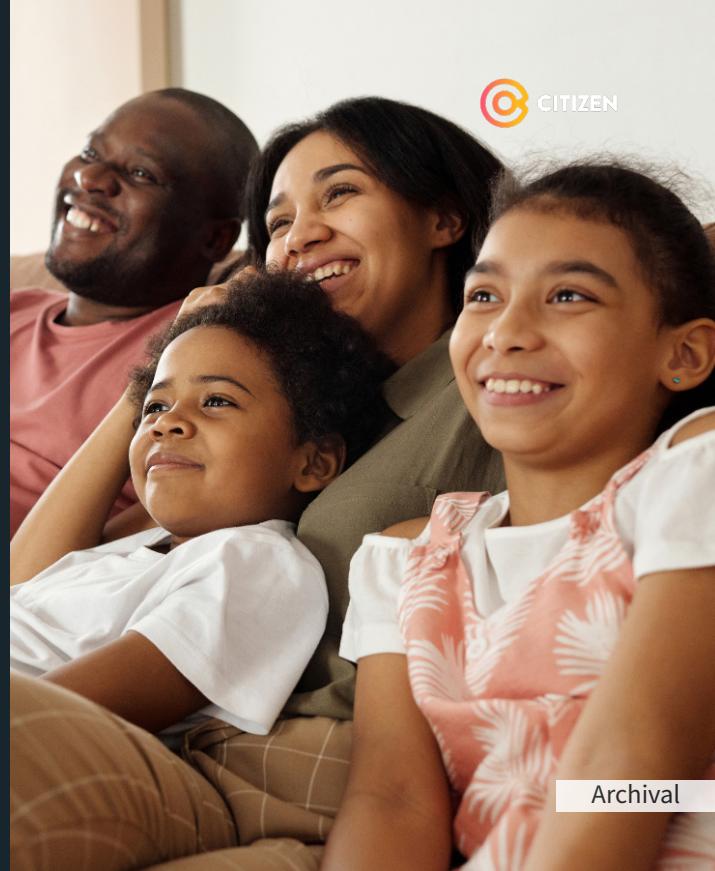
# Social



Swift Court, Coventry

# Social criteria

There are some fundamental challenges that our communities face and we are well placed as an organisation to work with our customers in response to some of these challenges. We believe passionately in our social purpose and strive to provide more than just a home; we want to provide a foundation for life.



Archival

## Affordability and security

This theme assesses the extent of which Citizen supplies homes that are genuinely affordable to those on low incomes. The theme is made up of five criteria including: affordability, the tenure mix of both new and existing properties, security of tenure, and the impact of fuel poverty.

### ● C12. Affordability of our homes

Citizen's average weekly rent as a proportion of the median private sector rent:

Unit Size	Private Market Rent £	Citizen's Ave. Rent £	% Rent Compared to PRS
<b>Studio</b>	118.84	76.13	64.06
<b>One Bedroom</b>	159.83	90.11	56.38
<b>Two Bedrooms</b>	184.16	106.41	57.78
<b>Three Bedrooms</b>	207.44	116.27	56.05
<b>Four Bedrooms</b>	300.66	137.09	45.60
<b>More than Four Bedrooms</b>	299.02	139.12	46.53
<b>All Categories</b>	195.85	109.59	61.05

Citizen manages homes within 23 local authority areas across the West Midlands region. **The highest proportion of our homes (90%) are within Birmingham, Coventry, Herefordshire, Solihull and Worcester.**

Citizen is required by its regulator to set rents in accordance with the Rent Standard. Our rents are set significantly and consistently lower than private sector rents, ensuring that our customers benefit from paying well below market rates.

## ● C13: Our tenure split

Our primary objective is to provide good quality affordable homes. Over 90% of our homes are let at social or affordable rent.

Type	Number owned and managed	Percentage of overall
<b>General needs (social rent)</b>	23,178	79.65%
<b>Intermediate rent</b>	177	0.61%
<b>Affordable rent</b>	3,036	10.43%
<b>Supported Housing</b>	445	1.53%
<b>Housing for older people</b>	679	2.33%
<b>Shared ownership</b>	1,496	5.14%
<b>Care homes*</b>	88	0.3%
<b>Total</b>	<b>29,099</b>	<b>100%</b>

## ● C14: Our tenure split for new homes

Units (NEW homes)	Number	Percentage
<b>General Needs (social rent)</b>	244	36.86
<b>Intermediate Rent</b>	35	5.29
<b>Affordable Rent</b>	179	27.04
<b>Housing for older people</b>	30	4.53
<b>Low-cost home ownership</b>	174	26.28
<b>Total Homes Managed / Owned</b>	<b>662</b>	<b>100.00</b>

With housing waiting lists in our communities continuing to grow we are proud of our role in increasing the supply of quality, new affordable housing in the West Midlands and helping more people to secure a long-term home. We are an organisation that is significantly increasing the number of social and affordable homes in our region, and we want to make sure the homes we provide to our customers are high-quality and cost-effective to live in.

**During the financial year 2023/2024, we added **662** homes to our housing stock (653 new build and 9 properties bought to rent) and disposed of 233.**

## ● C15: Reducing fuel poverty and providing warm and affordable homes

Our ambitious retrofit programme demonstrates our commitment to investing in our homes; improving their energy efficiency and reducing the effect of high energy costs for our customers.

Our Advice Services Team continues to support our customers with maximising their income and managing budgets.

We've continued to develop our service offer and have been working to increase our presence within the community by undertaking regular drop-ins and attending community events to offer advice and guidance as well as providing energy saving measures as part of our home energy assessments.

To keep both staff and customers informed about changes related to energy efficiency, we use multiple channels such as briefings, workshops, and regular contributions to our digital monthly customer newsletter.

Additionally, we have launched an energy advice webpage, offering tips, guidance, and signposting customers to additional support. We are actively encouraging customers to utilise this resource.

**Last year our Energy Advice Team: engaged with **659** customers.**

**distributed **129** energy saving measures.**



King's Heath, Birmingham

## ● C16: Security of tenure

Citizen does not operate fixed-term tenancies for our social and affordable housing. Instead, we offer Starter Tenancies, to make sure new tenants are able to manage and sustain their tenancy.

The length of a Starter Tenancy is 12 months. If a tenant demonstrates that they are fulfilling their tenancy obligations – such as paying rent, maintaining the property, and being considerate of their neighbours – during this period, the tenancy will be converted to an Assured Tenancy.

# Building safety and quality

This theme assesses how effective Citizen is at meeting its legal responsibilities to protect residents and keep buildings safe. It is made up of three criteria: disclosing gas safety checks, fire risk assessments and meeting Decent Homes Standards (DHS).

The safety of our customers is of key importance and at the heart of our customer commitments. We have systems and processes in place to maximise the levels of compliance. Our success in achieving compliance is monitored on a regular basis by the Board.

## ● C17. Building safety compliance\*

Percentage of homes with a gas appliance that have an in-date, accredited gas safety check	99.94%
Percentage of homes requiring a fire risk assessment that have an up-to-date fire risk assessment.	100%
Percentage of homes requiring an electrical safety check that had a check completed.	99.51%
Percentage of homes for requiring asbestos management surveys or re-inspections that had one completed.	100%
Percentage of homes requiring legionella risk assessments that had one carried out	100%
Percentage of homes requiring communal passenger lift safety checks that had a check completed	99.30%

\*Compliance status as of 31 March 2024.

## ● C18: The Decent Homes Standard compliance

The Decent Homes Standard is a UK Government standard applicable to all social housing. To meet the standard, homes must meet a statutory minimum standard, be in a reasonable state of repair, have reasonably modern facilities and services, and have a reasonable degree of thermal comfort.

All our properties are maintained to meet Decent Homes Standard. Properties identified through stock condition and Housing Health and Safety Rating System (HHSRS) assessments that then fail decent homes, will have works prioritised to bring the property back to a decent homes standard.

## ● C19: Managing damp and mould

Responding quickly to reports of damp and mould is a real focus for us and we take a proactive approach to managing damp and mould. We set up a specialist damp and mould team, which organises surveys, remedial works and follows up actions.

We encourage customers to report damp and mould and have a dedicated website page giving advice on condensation, damp and mould and how to report it. This year we have:

**Carried out mould treatment to 3,625 homes.**

**Carried out over 800 damp and mould inspections.**

**Fitted over 1,500 extractor fans.**

**Carried out damp and mould remedial work to over 800 homes.**

## Resident voice

This theme seeks to assess how effective Citizen is at listening to and empowering its residents. It's made up of three criteria that cover customer satisfaction, accountability to customers and complaint handling.

## ● C20. Monitoring customer satisfaction

Citizen uses two methods for understanding satisfaction: an annual perception survey and a transactional survey. Both surveys have been running since 2020. Perception surveys ask over 2,500 customers for their views annually.

In 2023/24, the Regulator of Social Housing introduced a standardised survey for all providers known as the Tenant Satisfaction Measures (TSMs) survey. The change in survey methodology makes it difficult to be exact about how our performance has changed over 3 years; we saw a decrease in satisfaction between 2021/22 to 2022/23, but **this year we have seen a 10-point increase in overall satisfaction for our rented customers, moving from 54.1% to 64.2%.**

Our Shared Owners are less satisfied but have seen an increase from 27.1% to 36.7%. Benchmarked against other providers we have moved from the bottom of the lowest quartile to the top of that quartile, and when compared to organisations with a similar sized stock, we are close to the median of 65.2%.

### **Transactional surveys provide us with over 50,000 responses annually across 12 service areas.**

Low scores are picked up by operational staff and responded to individually. Results from all surveys are analysed and shared with all staff, customers, and contractors, through newsletters and annual reports and our website. Staff have received the results through group briefings including Senior and Wider Leadership meetings, and through an all-staff email and articles published on our intranet. All directorates have action plans drawn up in response to the tenant surveys, and they have also been used to shape improvement programmes (including our Putting Our Citizens First), policy reviews and our overall business strategy. Citizen has moved to collecting our Tenant Satisfaction Measures survey quarterly to be able to respond to issues raised and trends identified without delay.

## ● C21: Ways our customers can hold us to account

It is a key priority that the services we provide meet and, where possible, exceed the expectations of our customers and that our customers are involved in the creation and scrutiny of our services.

During 2024, we reviewed and invested in our customer engagement team to lead on our customer engagement activity. Our customer engagement takes place in many ways – whether that's actively seeking feedback through satisfaction surveys, focus and task and finish groups, learning from complaints or direct involvement of customers in scrutinising our services.

Our Customer Assurance Committee (CAC) provides our Board with assurance that the customer voice is heard. It is made up of ten Citizen customers, the chair of our Customer Assurance Committee is also a Citizen board member.

It acts as a committee of our main board and is there to ensure that customers are involved in the governance of our organisation. The committee considers the impact of the decisions we make and how they may affect our customers, assuring our main board that we do care, and we are listening and acting on views before implementing them.

They also monitor that our service standards for customers are being delivered and make sure we are meeting the customer standards set by the Regulator of Social Housing and The Housing Ombudsman. Our customer scrutiny panel is made up of ten customers and it carries out a number of scrutiny reviews each year. Its role is to gather customers' views, carry out site visits and work with Citizen colleagues to identify ways in which we can improve our services.

The scrutiny panel's actions are monitored by the Customer Assurance Committee and reported back to Citizen's Board. All members on our scrutiny panel are customers.

This year the panel has carried out three scrutiny reviews on the following areas:

- Customer experience of antisocial behaviour – the panel made 23 recommendations to improve the experience of customers when reporting or experiencing antisocial behaviour.
- Communications in complaints – the panel made 21 recommendations to improve the communications and timings for customers when Citizen is addressing their complaint.
- Cleaning in communal areas – the panel made 25 recommendations to improve the cleaning service in communal areas and to improve communication of the cleaning standards. All the recommendations made by the panel were accepted by our customer assurance committee who monitor us to make sure that we implement them.



Gateway, Coventry

## ● C22. Housing Ombudsman complaints

At Citizen we take complaints seriously and operate in accordance with the housing ombudsman code and use this valuable insight to continually improve our services.

There has been a steady increase in customers referring complaints to the housing ombudsman, as this service becomes more widely publicised.

In 2023/24 there were 17 complaints upheld by the ombudsman with some of the investigation reports received from ombudsman dating back to complaint investigations handled in 2022.

Seven of these were service failures, two determinations related to delays in complaint handling. The other five were the handling of a service charge enquiry, handling of a leak through a managing agent, a missed opportunity to interview a witness to support a complaint investigation, the handling of an ASB boundary dispute, and handling of report of repairs to washing machine and damp/mould.

Many of the services have improved since the determinations were received.

There were ten maladministration cases resulting in learning. Several of these complaints had delays in complaint handling. We have since rolled out staff training to all complaint handlers and introduced an improved system, revised complaints procedure and increased resource. A determination relating to providing evidence for cleaning charged for during the pandemic highlighted the need for improved records, and a revised system has been implemented. We have reacted to the need to improve the process for gaining access in maintenance, particular for repair jobs where there is a serious risk or implication, such as a leak causing damage.

## Resident support

This theme seeks to assess the effectiveness of the initiatives that Citizen runs to support individual residents. The theme covers what support is provided and how successful it is.

## ● C23: Resident support

From providing training and employment opportunities to tackling social isolation, we are committed to investing in our communities through a variety of projects that support our customers.

In 2023-24, we expanded our offering by combining our Employment Coaching and Digital Inclusion services to create joint workshops that focus on employment support and enhancing digital skills. These workshops have proven to be extremely helpful, leading to positive outcomes for our customers.

Overall, the Advice Services team supported 6,793 Citizen customers by helping them manage their household finances, access charitable grants and awards, offer advice on reducing energy bills, and provide employment coaching.

**Financial gains generated for customers: £3,923,624.80**

**Social Value\* gains generated through our positive engagements: £3,064,006.00**

\*Calculated using Housing Association Charitable Trust social value measurement methodology.

## Case study: Advice and support

Mr B moved into his flat in January 2024 after being in temporary accommodation for years. He suffers from extreme depression and anxiety, social anxiety and Post Traumatic Stress Disorder.

He originally contacted Citizen for carpets and council tax support, and when we called Mr B for his appointment, we managed to complete his council tax reduction, however he was extremely distressed and mentioned he prefers face-to-face contact as it makes him less anxious knowing who he is talking to, so we arranged a home visit.

When we visited him, we identified his only income was Universal Credit and discussed further entitlement to Limited Capability for Work (LCWRA) and Personal Independence Payment (PIP). He was financially struggling and had £54 every fortnight being taken from his award for previous tax credits overpayments. A request was made for these overpayments to be reduced whilst he received support with his finances. We called his doctors to provide a fit note and later uploaded this to his journal together to begin the LCWRA process and called PIP to request a form. We also collected the carpet quote he had got and applied to a charity for support.

As a result of this support, £400 was awarded towards costs of his carpets, Council Tax support was awarded, his overpayments reduced from £54 to £10, and the PIP and LCWRA were awarded.

**With the work we completed together, Mr B is now better off by £14,747.28 per year.**

After completing a social value questionnaire together, Mr B now says he is living more comfortably and can save from time to time, which creates a social value of £10,399.



## 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 and enjoy.

The theme covers examples of Citizen' placemaking or place shaping work.

## ● C24: Placemaking

We believe in the power of transforming communities and have a strong track record of success.

Our Hillfields Neighbourhood Plan is an example of our approach to placemaking



### Hillfields neighbourhood plan

In 2023 we trialled a new approach to neighbourhood management in Hillfields, Coventry, which set out our commitment to focus on improving services for customers, tackling anti-social behaviour and crime, and addressing environmental issues such as littering and fly-tipping.

This led to a partnership approach with Coventry City Council and the Police, committing us to working together to ensure we made the best collective use of our capacity and resources in Hillfields.

We carried out a survey during Summer 2022 in which 119 Citizen residents were interviewed. Customers told us they were very concerned about safety when at home and in their neighbourhood. The big issues for them were drug dealing and drug use, Anti-Social Behaviour (ASB), alcohol misuse and sex working. When we asked specifically what would make them feel safer, they told us increasing CCTV and improved lighting, reducing ASB, stopping drug dealing, as well as more security officers and police.

Other areas that customers wanted improvements in were fly-tipping, litter, repairs, improved car parking, increased number of bins, more community green space and more cleaning.

Our achievements to date:

## ASB

- The Collaborations Safe Neighbourhood Task and Finish Group implemented a sustained approach to tackle known offenders in the area as well as Citizen tenancies. Tools such as Community Protection Notices and Warnings, Public Space Protection Orders and stop and search and Closure Notices were utilised.
- Focused work took place with the local policing team and sex worker support agencies. The police re-launched Operation Scarlett focusing on kerb-crawlers and safeguarding sex workers. This has resulted in sex working activity moving away from Citizen's high-rise blocks.
- A decrease in the number of incidents relating to drug dealing, drug taking and street drinking.
- We have increased our communication with customers to inform them of the action that has been taken by sending out newsletters. We produced a video with West Midlands Police to highlight the changes that have taken place and the work we have done in Hillfields to celebrate the National Neighbourhood Policing Team Week.

## Communal areas

In the last 12 months we have:

- Installed four sets of new steel communal front doors.
- Installed three new airlocks which add a second layer of security onto our high-rise blocks.
- Painted all the communal areas in Hillfields House.
- Painted the ground floor communal area in four blocks.
- Laid new flooring in the ground floor communal areas in four blocks.
- Worked with Coventry City Council to clean up the Closes area, removed fly-tipping, litter and have planted out 28 shrub beds with new colourful shrubs & plants.
- We removed several trees to open up the areas and some of the lampposts were upgraded to LED by Coventry Council to throw out more light.

## Waste management

We are piloting introducing using Metrostors bins in Thomas King House. This approach will see us trial closing off the bin chutes and installing an external bin store with recycling facilities being made available for high-rise customers for the first time in Coventry.

## Carpark Management

Customers told us that our Hillfields high-rise carparks are being used by people who do not live in the block. We consulted with our customers about introducing a permit-based system that will be managed on our behalf by UK Carpark Management and following the consultation we rolled this out.

## Citizen Services

- Our new neighbourhood service will be local, and patch-based, and longer term our housing team will have a smaller number of homes to manage, so customers will see more of us. We will make it easy for them to get in touch with us, and we'll listen and act when they do. When there are issues, we will own them and work with customers to reach the best solution.
- We have reviewed our grounds maintenance service and introduced a new service standard that will see us complete all tasks such as grass cutting, shrub maintenance and weed spraying in one visit. Previously, these tasks were completed as separate visits.
- We have relaunched our residents' meetings. Currently taking place around three times a year, these meetings provide customers an opportunity to speak to us directly about any issues and an opportunity for us to update them on Citizen services and work we have doing to improve the area.
- We have started Annual Tenancy Management Checks in Hillfields House, and we carried out a review of high-rise cleaning and security services, which resulted in a pilot to have caretakers in specific blocks for enhanced cleaning and grounds maintenance standards, and increasing the presence of the concierge service, with both teams being able to respond directly to customers' reports of ASB and crime.
- Electronic notice boards have been installed in the communal areas of high-rise blocks to improve communication with key messages being constantly reinforced.





# Governance



# Governance criteria

We firmly believe that strong governance is essential for Citizen to fulfill our purpose, effectively manage risks, and actively engage stakeholders in shaping our business.



## Structure and governance

This theme seeks to assess the quality, suitability, and performance of the corporate and governance structure. The theme is made up of six criteria including ownership, governance, and risk approaches.

### ● C25. Regulation

Citizen is registered with the Regulator for Social Housing and our registration number is 5075.

### ● C26. Governance and viability rating

Our Governance and Financial Viability Grading is G1/V2.

From April 2023 we've been carrying out energy efficiency works to properties in Coventry to bring the EPC rating up to a minimum of C. This is being achieved thanks to our success in bidding for Wave 2 funding from the Social Housing Decarbonisation Fund.

We will spend nearly £74m by the end of 2025 to bring more than 4,000 homes up to a minimum EPC rating of a C, well ahead of the Government's 2030 target.

These investments in our current homes are reflected in the Regulator of Social Housing's financial viability regrade from V1 to V2 in October 2023.

We remain compliant with our G1/V2 and we maintained our Moody's rating of A3 (stable) at the end of December 2023.



Citizen offices, Birmingham

## ● C27. Code of Governance

Citizen has adopted the National Housing Federation's code of governance 2020.

## ● C28. Is the housing provider a Not-For-Profit?

Citizen is a not-for-profit organisation. Citizen Housing Group Limited is registered under the Co-operative and Community Benefit Societies Act 2014.

## ● C29. ESG risk management

Standing orders set out how risk is managed including the role of Boards and Committees. They are supported by the Risk Management Framework which details our approach to identifying, managing, and reviewing risks.

We have a strategic risk register and operational risk registers in place which are managed and monitored through our management teams, the Audit and Risk Committee and the Board, who review and set the organisation's risk appetite on an annual basis. Environmental, Social and Governance Risks are included throughout our suite of risk registers, for example in relation to decarbonisation and meeting EPC and carbon zero targets, providing decent and safe homes, listening to our customers and ensuring we have a strong governance structure in place.

The Audit and Risk Committee maintain a regular overview of all risks on an exceptions basis and request detailed reports on any risks they believe should be subject to further detailed review and scrutiny.

All risks are managed in the organisations' risk management system which provides up to date dashboard reporting and allows us to link risks to business strategy objectives. External auditors include an assessment of risk in their overall audit of the financial statements.

## ● C30. Adverse regulatory findings

Any issues of non-compliance are reported to the Regulator. In 2023/24 we have not had any adverse regulatory findings.



Committee away day, Coventry

## Board and trustees

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

### ● C31. Board Diversity

We believe it is crucial that the people in our communities are directly involved in our work and influence the decisions we make.

That's why we have a Customer Assurance Committee made up of people who live and work in our communities, and a Customer Scrutiny Panel which holds us to account.

The Customer Assurance Committee is part of our formal board structure – which means its work, oversight, and scrutiny directly influences what we do and the services we provide.

Recruitment to the Board and Customer Assurance Committee is in line with our Equality, Diversity and Inclusion policy.

The demographics for our Board are as follows:

Financial year	% Board women	%Board BAME	% Board residents	% Board Disabled	% Board LGBTQ+	Average age	Average tenure
2023/24	56	33	11	11	11	56	3.5 years

## ● C32. Board and executive leadership turnover

Any issues of non-compliance are reported to the Regulator. In 2023/24 we have not had any adverse regulatory findings.

56% Board members that have turned over in the last two years.

28% Senior Management team that have turned over in the last two years.

Senior Management is made up of our Executive Leadership Team (ELT) and Senior Leadership Team (SLT). Over the last two years there have been no changes to ELT while SLT numbers have reduced from 16 to 14 members and had a turnover of three.

## ● C33. Board Member involvement with our Audit and Risk Committee and their financial experience

Two members of the Audit Committee have recent and relevant financial experience.

**David Blower:** is chair of the committee and has 30 years' experience in Social Housing. A qualified accountant and, until his recent retirement, he has been strategic executive lead in the housing sector for Finance, Treasury, Risk, Technology, People & Culture, Governance and EDI. He is currently a non-executive of IOSH (Health & Safety body).

**Stephen Russell:** Stephen is Director of Data, Strategy and Technology at Warwickshire Police and brings a strong data and IT skillset to the Board. He also has 10 years sector experience with Midland Heart.

## ● C34. Proportion of non-executive directors on the Board

Non-executive directors play an important role in an organisation in bringing an impartial view to governance and management decisions.

89% of the Board members are non-executive directors.

## ● C35. Board succession planning

A succession plan was presented to the Board within the last 12 months.

## ● C36. Auditing our accounts

Beever & Struthers have been our external auditors since February 2015. Their current 3-year contract has just been extended for a further 2 years as permitted under the terms of the tender exercise and runs until the audit of the 2025/26 financial statements.

## ● C37. Board effectiveness

An independent review of the Board and Board governance arrangements was undertaken in May 2022.

As recommended by The UK Corporate Governance Code best practice, the Board undertakes externally facilitated board-effectiveness reviews every three years.

## ● C38. Conflicts of interest of the Board

A robust Probity policy is in place to manage situations where potential conflicts of interest or suggestions of bias on the part of decision-makers might arise.

At each Board meeting members are invited to disclose “declarations of interest” in any of the items of business on the agenda. All conflicts of interest are recorded in the declaration of interest register.

# Staff wellbeing

This theme seeks to assess the extent to which Citizen is a good employer to its internal staff.

To deliver the best services for our customers we need employees who are passionate, committed and engaged. We strive to create a culture where every individual feels comfortable and confident to be themselves and the wellbeing of our employees is a priority. Our aim is to be an employer of choice.

## ● C39: The Real Living Wage

It was decided during 2022 that Citizen would increase the pay of our lowest paid colleagues to meet the Real Living Wage. This came into effect from April 2023.



Citizen offices, Worcester

## ● C40: Our gender pay gap

We are committed to an inclusive working environment in which everyone is given the opportunity to thrive; an environment in which people feel valued and appreciated and where everyone is free to be themselves and feels that they belong.

Our mean gender pay gap has increased from last year's reported 5.56% to 6.95% this year. Our median gender pay gap has increased from last year's reported 5.6% to 9.33%.

We remain determined to close the existing gender pay gap and ultimately achieve pay neutrality in our organisation.

Interim results of our latest gender pay gap figures indicate that the gap is closing.

Our latest gender pay report outlines the areas where we still need to do more work and details our future commitments on how we are going to improve on our current position.

Financial year	Mean gender pay gap	Median gender pay gap
2023/24	6.95%	9.33%
2022/23	5.56%	5.45%
2021/22	9.06%	9.43%

## ● C41: CEO-worker pay ratio

We calculate the ratio of CEO and median pay of workers using the Department of BEIS methodology, the pay ratio is as follows:

Financial year	25th Percentile Pay ratio	Median pay ratio	75th Percentile Pay Ratio
2023/24	10.38:1	8.63:1	6.85:1
2022/23	11.43:1	8.76:1	7.38:1
2021/22	10.64:1	8.33:1	6.83:1



## ● C42. Equality, diversity and inclusion (EDI)

We've taken several opportunities during the year to promote EDI to colleagues at Citizen.

### Listening Circles

Between April and June 2023, we promoted and conducted listening circles with our colleagues to understand the experience of working at Citizen in greater detail. The circles were facilitated by our partners at Business in the Community (BiTC), who were commissioned to run three sessions focused on Race, Gender and LGBTQIA+. Colleagues were asked to share their experiences of:

- Culture
- Career Aspirations
- Role of our Leaders

Although each session had questions themed around these topics, they were designed as open discussions, and the style of the session allowed colleagues to discuss what was important to them whilst enabling us to gain an in-depth understanding of these topics. From each of our sessions we learned that we could make improvements in:

- Consistency of manager behaviours.
- Confidence when dealing with issues related to EDI, especially in relation to race equity.
- More role models and representation at senior levels.
- Building confidence in calling out non inclusive behaviours.
- More time for career development and discussions about career aspirations.
- Our colleagues wanted more opportunities to continue open dialogue and discussion on matters that concerned them



The feedback from colleagues who took part in the listening circles provided us with valuable learning and insight and has played a large part in shaping our approach to EDI at Citizen during the year.

Following the Listening Circles, BiTC produced a detailed report and made several practical recommendations for Citizen to follow. We shared the final reports with all listening circle participants. A feedback session was also conducted by BiTC with the Executive Team in October to ensure they heard directly from our independent experts. This was then followed up with a workshop at our Directors and Heads Away Day and a presentation to our EDI Forum during the same month.

### **Belonging and Inclusion Strategy development**

We plan to develop a new Belonging and Inclusion Strategy for publication in 2024 focused on the actions that would create positive change for Citizen and that would respond to our challenges.

To facilitate this, we hosted a Teams Live session in February 2024 and invited all colleagues at Citizen to attend to hear an overview about the vision for the strategy, the pillars that would underpin it, and our proposed approach to embedding EDI for the next three years. Colleagues were also invited to provide their input via a live Q&A session with a panel which included the Chief Executive Officer and the Director of Assurance & Business Services.

In addition to the Teams Live event, the Equality and Inclusion Manager has provided additional updates on the development of the Belonging and Inclusion Strategy and our approach to key stakeholders and teams at Citizen throughout the year. This has included progress updates to Board members in November 2023, an update to the People Directorate in December 2023, and an update to the Remuneration Committee in February 2024.

## **● C43. Wellbeing of colleagues**

Citizen continues to support health and wellbeing with it being an agenda item at every Staff Consultative Forum meeting. All employees can access a range of wellbeing activities which have a clear focus to support, prevent, and treat.

The wellbeing of our staff is our top priority. The people and communications teams have developed a programme of activities for each quarter which correlates with our absence data and supports Citizen to drive down absence where possible.

In addition to offering many services to support health and wellbeing across our organisation, Citizen offers its employees competitive and generous terms and conditions, including the following:

- Annual leave starts at 25 days per year plus statutory bank holidays
- Annual leave purchase scheme – option to buy up to an additional 5 days per year.
- Enhanced family leave (maternity, paternity, and adoption).
- Organisational sick pay.
- Generous pension scheme – the option to contribute 4%, 6% or up to 10% which Citizen will match.
- Life cover of three times annual salary.

Some terms and conditions, such as annual leave and sickness pay increase inline with completed years of service to support attraction, retention and recognition.

## Learning and Development

- Extensive learning and development opportunities.
- Opportunity to study for a professional qualification.
- Opportunity to join the staff consultative forum and EDI forum.

## Health and wellbeing

- An award-winning flexible working scheme which actively encourages work-life balance. We provide IT and home office equipment to support home working.
- Occupational health.
- Cashback scheme – cashback on optical, dental, prescriptions and a range of other medical costs meaning the costs are covered for employees. The scheme also offers GP Access, digital physiotherapy app, retail vouchers and discounts, discounted gym memberships, and more!
- Access to Citizen's wellbeing initiatives and wellbeing platform where staff can access a range of e-learning modules including, back pain, menopause, mental health and diet, and mindfulness.
- Face to face wellbeing sessions such as financial wellbeing pre-retirement sessions, men's health workshops.
- Employee assistance programme, a free confidential service which provides support to all staff on a range of everyday issues. This includes difficulties at home such as finances, debt, relationships, family, bereavement, childcare and work-related issues, such as stress, change, conflict, and pressure. The service provides free advice and information 24 hours a day, 365 days a year.
- Wellbeing hub available to all staff on the organisational intranet.
- Mental health first aiders across the organisation, who are trained to spot and support the signs and symptoms of mental illness and guide colleagues towards the right, professional help.



## ● C44. Professional development of staff

We support the professional development of staff in many ways:

### **Training**

All staff at Citizen have access to MyLearn, our Learning Management System (LMS). This is where staff can manage their compliance training as well as complete and sign up to developmental training. There are just under 300 courses available in our system, and this includes face to face training, e-learning and other learning material.

### **Qualification Sponsorship**

Staff at Citizen, with the support of their line manager and director, can develop themselves professionally by completing a qualification where it's business critical, and we will pay the course fees. There are also circumstances where the budget allows that we will support developmental qualifications to support with upskilling staff and furthering our skills capability.

### **Performance Management Framework**

We have a structured Performance Management Framework which includes managers and staff having regular conversations about their performance, wellbeing, learning needs and development. One-to-one check-ins are required at least three times a year, in addition we have an annual Performance Review to summarise the previous year's performance and to set further objectives for the coming year. We are reviewing our current process to ensure it is fit for purpose; we want to ensure consistency across the business and make it easier for staff and managers to access and successfully complete reviews.

### **Talent Management and Talent Conversations**

As part of the Performance Management Framework, managers are asked to rate their staff against a talent grid to assess their performance, behaviours, potential and desire to progress. Along with this they have a Talent Conversation with their staff as part of performance reviews. This is a coaching conversation which asks staff what further development they would be interested in and where they would like to progress to within their career.

### **Succession Planning**

In addition to Performance Management and Talent Management we are working with our senior leadership team on a new consistent approach to succession planning, this is something that is key to not only the success of the business but our staff development in line with our commitment to being an 'employer of choice.'

### **Leadership Academy and Talent Development Programmes**

We have recently launched a Leadership Academy for all managers to ensure a consistent approach to what being a leader is at Citizen, ensuring all our managers are upskilled to lead effectively, and over the coming year we plan to roll this out to all managers.

Recently we have also launched and began piloting our Aspire programme, a talent development programme that focuses on aspiring managers and supporting them in their aspiration to become a manager. We also plan to develop a future leaders programme which focusses on aspiring Heads of Service and Directors.

## Case study: Aspiring Managers Programme

The Aspire Programme has been created for Citizen colleagues who haven't yet had their first people management role but want to develop their career in that direction.

The programme is divided into six sessions over three months, and through discussions, activities and relevant theory, participants learn a range of outcomes, such as improving personal confidence, reviewing personal effectiveness, and practicing people management skills.

Roxann Crouch, Governance Officer at Citizen, completed the programme in 2024 and feels that it has made her better equipped to apply for a management role.

She said: "I completed the course from July to November after being volunteered by my SLT member, which gave me a lot of confidence as they could see that potential in me.

"I now feel better equipped to go for roles as I have been able to acknowledge my own achievements and improved my interview technique.

"I've also been able to see how Citizen's values play a big part in being a manager. It's been so informative, and I would highly recommend it for anyone at Citizen who wants to develop their career."



# Supply chain

This theme seeks to assess the extent to which Citizen uses its supply chain to achieve positive outcomes. The theme is made up of two criteria covering social value and environmental impact in procurement.

## ● C45. Creating social value when procuring goods and services

Citizen is strongly committed to the Public Services (Social Value) Act 2012 and carefully considers the social impact of all procurements exceeding £200,000. We ensure that social value requirements are proportionate and appropriate to the nature, value, and duration of each contract we procure.

We strive to generate positive social value outcomes that directly benefit the communities in which we operate, thereby creating additional value for our customers.

In all tenders above the regulatory threshold, we strive for at least 10% and set a minimum of 5% quality weighting for social value.

Over the past 12-months, several social value initiatives have been secured and delivered.

Some of our secured commitments include:

- Five apprenticeship opportunities
- 20 work experience opportunities
- Four school engagement sessions
- Six resident workshops
- Refurbishment of a community/school play area including new tarmac, refurbishment of railings, and re-painting other structures
- Over £60,000 received in financial donations or contractual rebates, to be injected back into our local communities and hardship schemes



## ● C46. Sustainable procurement of goods and services

Citizen is committed to reducing our environmental impact and providing sustainable homes for our customers.

We expect our service providers to have similar values and sustainability commitments.

Within our tenders, we place a strong emphasis on ensuring our supply chain deliver environmentally friendly services, reduce waste, minimise their carbon outputs, and seek materials from sustainable sources.

New suppliers are vetted to assess their environmental performance, and where applicable, are given recommendations for improvements.

To demonstrate our commitment to sustainability, we have recently secured a new personal protective equipment provider who has demonstrated several social value and sustainability initiatives, including:

- Employing local candidates to boost the economy within Coventry.
- Offering work experience and placements to colleges, universities, and local job seekers to develop key skills and workplace experience.
- Sourcing materials and services from environmentally friendly and ethical suppliers.
- Prioritising sustainable packaging by repurposing supplier boxes instead of using new cardboard packaging.
- Using a 30% recycled film for pallet wrapping.





Building a sustainable future  
ESG report  
for the financial year 2023/24

[www.citizenhousing.org.uk](http://www.citizenhousing.org.uk)

