

# Environmental, Social and Governance Report 2021-22



 Environmental

 Social

 Governance

# INTRODUCTION

The past 24 months has reminded everyone in society of the fragility of our ‘norms’, as we witnessed the COVID-19 pandemic bring pain, loss and uncertainty to friends, families, colleagues and communities. Few around the world have been left untouched. At the same time, the steady deterioration of our natural environment and the particular risks presented by advancing climate change are now clear to all, and the urgent need for action is a key priority for Choice Group and our stakeholders.

This Environmental, Social and Governance Report (ESG), covering the financial year to 31 March 2022, is our second, building on the first report issued earlier this year. Our stakeholders have high expectations of how we behave as a sustainable housing group and our objective in publishing this report is to update them on how we perform annually. We aim to publish every year, in parallel with the publication of our [Annual Report and Accounts](#) (Annual Report), and whilst we hope this document is useful to all interested groups, it is intended particularly for:

- **regulators, and government;**
- **investors and debt providers;**
- **business partners and suppliers;**
- **our colleagues; and**
- **tenants, and the communities we serve.**

The reporting methodology has been changed in this report as we have adopted the Sustainable Reporting Standard for Social Housing (SRS) devised by The Good Economy and monitored by the Sustainability for Housing Board, the organisation set up nationally to promote and develop the standard. Not only have we reported against a set of ESG core criteria, in this report we have reported against a set of ‘enhanced criteria’. These measures are that which we aspire to reporting to ensure maximum transparency and responsibility on our sustainability journey.

Our overall approach is aimed at supporting the fulfilment of our Purpose, to benefit the community through the provision of social and affordable housing, assistance to help house people and the prevention or relief of poverty and can be summarised as:

- identifying our key stakeholders, how they interact with our operations, activities and value chain, and the issues that are relevant to them;
- adopting a logical process for prioritising those issues, to identify the most pertinent; and
- responding to the priorities by developing appropriate strategies, policies, programmes and performance indicators, and reporting regularly and transparently on our progress.

In this way, we intend to become a more sustainable business and, in particular, to fulfil our objective of having a successful transition to Net Zero.



# FOREWORD

The events of this year are likely to change the energy landscape across the world for many years to come. As we operate as part of an internationally interconnected system, the rise in energy prices linked to the tragic events in Ukraine have already set in motion initiatives across the continent of Europe and in the USA. Governments have turned their focus to the challenges of meeting current energy needs without the reliance on a major global suppliers; accelerating energy efficiency measures to manage customer bills; and promote zero Carbon energy sources that will provide both security and reduce the risk of climate change. As an organisation grounded in communities, we aspire to be a force for good. To earn the trust of our tenants and stakeholders we have to be clear about where we can make a difference. This year we published our [Sustainability and Energy Strategy](#) setting out our progress to date and our ambitions for the years ahead. Our organisation continues to advocate for a transition that ultimately leads to zero carbon, but does so in a way that is affordable for all.

At a grassroots level, we are deepening our links with the communities we serve. Our Tenant Support initiatives are designed specifically, in line with our charity partners, to alleviate the financial stress caused by the cost of living crisis. This effort supplements our other programmes such as our apprenticeship and bursary schemes in which we collaborate with our supply chain and other partners to provide training and employment opportunities and educational support for young people. We also work with other organisations in our communities such as the Energy Saving Trust to ensure that energy efficiency assistance is available to tenants who need it.



For our stakeholders who are interested in how we are going to achieve a reduction in our emissions we are pleased, as you will see in this report, that we are now reporting on more criteria through our adoption of the Sustainability Reporting Standard for Social Housing. Reporting using this standard will ensure transparency as our journey to net zero evolves. The board continues to embed ESG principles in our deliberations and we acknowledge the great work of our past chair, Ciaran McAreavey for leading the way in publishing our first ESG report.

Thank you for taking the time to read this report. We welcome your comments and engagement to help make the Choice Group a more responsible and responsive partner in forging a sustainable, secure and affordable future for all our tenants.

**Joe Higgins**  
**Group Chairperson**



Climate Change

## C14 - Core

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

Criteria	Measurement Unit	Response
Distribution of EPC ratings of existing homes (those completed before the last financial year).	% of homes rated A	0.8%
	% of homes rated B	27.9%
	% of homes rated C	31.8%
	% of homes rated D	11.4%
	% of homes rated E or worse	1.9%
	% of homes without EPC rating (unknown)	26.2%

## C15 - Core

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

Criteria	Measurement Unit	Response
Distribution of EPC ratings of new homes (those completed in the last financial year).	% of homes rated A	0.0%
	% of homes rated B	100.0%
	% of homes rated C	0.0%
	% of homes rated D	0.0%
	% of homes rated E or worse	0.0%
	% of homes without EPC rating (unknown)	0.0%

## C16 - ENHANCED

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

Criteria	Measurement Unit	Response
Scope 1, Scope 2 and Scope 3 green house gas emissions.	Scope 1: Kg CO2 equivalent	3,615,590
	Scope 2: Kg CO2 equivalent	1,281,940
	Scope 3: Kg CO2 equivalent	67,090
	Scope 1, 2 & 3: Total Kg CO2 equivalent	4,964,620

## C17 - ENHANCED

What energy efficiency actions has the housing provider undertaken in the last 12 months?

### Energy Saving Week

Choice holds an annual energy engagement week to raise awareness of ways to save money and help the environment. During this week Choice publishes articles, videos and tips on our website and through various channels including social media and hard copy leaflets delivered to schemes so that we engage with tenants on saving energy.

During this year's event Choice took focus on five key areas: (1) energy efficiency, (2) fuel switch, (3) heating controls, (4) behavioural change tips and (5) switch and save.

Choice's Energy Saving Week is a central part of our efforts to combat fuel poverty throughout our tenant base.

In the last 12 months, Choice also made significant investment in energy efficiency.

Through our planned maintenance programme we completed works on boiler replacements with a focus on conversion from oil to gas, we installed LED lighting in place of less efficient options and upgraded the loft insulation in many homes.

In addition to these works we continue to implement our Mechanical and Electrical Design Guide to ensure that we only install the most efficient and effective electrical and mechanical systems into our new homes.

## C18 - ENHANCED

How is the housing provider mitigating the following climate risks:

- Increased flood risk
- Increased risk of homes overheating

Our staff are being trained to assess these risks.

## C19 - ENHANCED

Does the housing provider give residents information about correct ventilation, heating, recycling etc? Please describe how this is done.

Choice publishes articles, videos and tips in our newsletter and on our website and social media platforms to inform tenants on correct ventilation, heating systems and controls and recycling. We also provide information through various channels including social media and hard copy leaflets delivered to schemes so that our tenants have the most up to date information available.



**C20 - ENHANCED**

How is the housing provider increasing Green Space and promoting Biodiversity on or near homes?

Choice have included new targets in our new Sustainability & Energy Strategy to positively impact biodiversity and enhance ecosystem services. This includes targets to provide more green space that support local wildlife through habitat restoration and creation. An example of our work in 2021/22 included our membership in the Belfast One Million Trees programme. As a project participant we engaged with Belfast City Council to provide planting locations within the urban landscape of Northern Ireland's regional capital.



**C21 - ENHANCED**

Does the housing provider have a strategy to actively manage and reduce all pollutants?

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

Included in Choice's new Sustainability & Energy Strategy is our three stage plan to transform to a 'Net-Zero Housing Association' by 2050.

In order to achieve this, Choice need to make significant emissions reductions at all lifecycle stages of our homes, including tackling pollutants other than Carbon Dioxide. Our interim plan to 2030 includes the development of a complete 'value chain' emissions footprinting exercise and decarbonisation plan in line with the requirements of the Paris Agreement.



Ecology



Resource Management

**C22 - ENHANCED**

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

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

Planning to develop one.

**C23 - ENHANCED**

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

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

Planning to develop one.

**C24 - ENHANCED**

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

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

Planning to develop one.



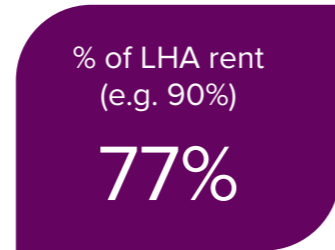
### C1 - Core

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

#### 1) Rent compared to Median private rental sector (PRS) rent across the Local Authority



#### 2) Rent compared to Local Housing Allowance (LHA)



### C2 - Core

Criteria	Measurement Unit	Response		
"Share, and number, of existing homes (owned and managed) completed before the last 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 Rented Sector - Other	Number of General Needs units	7487	% of General Needs units	65.1%
	Number of Intermediate Rent units	0	% of Intermediate Rent units	0.0%
	Number of Affordable Rent units	0	% of Affordable Rent units	0.0%
	Number of Supported Housing units	1853	% of Supported Housing units	16.1%
	Number of Housing for Older People units	1911	% of Housing for Older People units	16.6%
	Number of Low-cost Home Ownership units	0	% of Low-cost Home Ownership units	0.0%
	Number of Care Home units	0	% of Care Home units	0.0%
	Number of Private Rented Sector units	253	% of Private Rented Sector units	2.2%
	Number of Other units	0	% of Other units	0.0%

### C3 - Core

Criteria	Measurement Unit	Response		
"Share, and number, of existing homes (owned and managed) completed in the last 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 Rented Sector - Other	Number of General Needs units	145	% of General Needs units	1.3%*
	Number of Intermediate Rent units	0	% of Intermediate Rent units	0.0%*
	Number of Affordable Rent units	0	% of Affordable Rent units	0.0%*
	Number of Supported Housing units	14	% of Supported Housing units	0.1%*
	Number of Housing for Older People units	19	% of Housing for Older People units	0.2%*
	Number of Low-cost Home Ownership units	0	% of Low-cost Home Ownership units	0.0%*
	Number of Care Home units	0	% of Care Home units	0.0%*
	Number of Private Rented Sector units	0	% of Private Rented Sector units	0.0%*
	Number of Other units	0	% of Other units	0.0%*

\* % of total homes i.e. 11,504

### C4 - Core

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

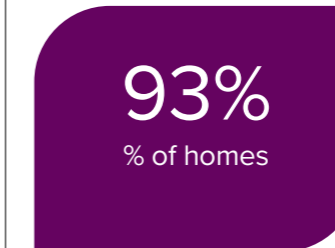
Choice is one of the first housing associations to join the Northern Ireland Fuel Poverty Coalition, where we work collaboratively with other stakeholders to tackle this issue.

Fuel poverty occurs when 10% or more of household income is spent on energy costs with the main causes being high energy costs and low household incomes.

Choice manages some of the most energy efficient homes in Northern Ireland and continues to invest in energy efficiency. To help reduce fuel poverty levels, we advise all of our customers to; use energy wisely, compare energy suppliers, switch if beneficial and have a benefits check carried out by our Financial Inclusion Team.

### C5 - ENHANCED

What % of rental homes have at least a 3 year fixed tenancy agreement?





Building Safety and Quality



Resident Voice

### C6 - Core

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

% of homes  
**99.9%**

### C7 - Core

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

% of buildings  
**99.8%**

### C8 - Core

What % of homes meet the national housing quality standard?

% of homes  
**98.2%**

### C9 - Core

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

Choice believes it is essential to consider the views of tenants with regards to service provision. The Association is committed to putting customers at the heart of service delivery and believes that by listening to and taking tenants views on board we can ensure that policies and services are more responsive to changing needs and rising aspirations. The Chair of the Choice Community Network is a member of the Association's Tenant & Client Services Committee (T&Cs) and attends bi-monthly meetings to review information and performance of the Directorate, and to represent the views of our tenants. The Chairperson then feeds back to tenant groups helping to keep tenant groups connected to T&Cs Committee.

The Choice Community Network Chair and Vice Chair meet the Group Chief Executive and Group Director of Tenant & Client Services bi-monthly, providing a platform to discuss and raise tenant issues. The Chair and Vice Chair of the Choice Community Network also have the facility to meet directly with the Chair of the Group Board and the Group Chief Executive every six months to discuss service delivery and tenant related issues.

### C10 - Core

How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?

Tenants are consulted on service quality performance and housing options to meet diverse needs of tenants. Choice values tenant feedback and uses a variety of methods to collect feedback from tenants, as detailed at C9. In addition, the Association currently works in partnership with Voluntas, an independent company who carry out satisfaction surveys on our behalf. Tenants are contacted in real time once a repair or call has been completed ensuring that tenant feedback is timely and accurate. It is important that tenants feel that their opinions matter and that their voices are heard and as such, all feedback is monitored, reviewed and actioned as necessary.

Tenants have the option to opt out of these surveys if they do not wish to participate. Voluntas surveys allow us to see how we are performing in relation to customer contact and repairs and to analyse how well we are doing and what areas we can improve on. Over the last three years overall tenant satisfaction has fallen from 88% to 86%. This reflects the difficult and challenging work environment for service delivery due to the pandemic.

In addition to measuring our performance, we also use Housemark's Sector Scorecard to benchmark with our peers to measure success and ensure we continue to aspire to achieve best practice standards, helping to do things better, faster and more cost effectively. Benchmarking reports are presented to SMT and the Board.

Choice Annual Report provides a summary of annual performance against targets.



### C11 - ENHANCED

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

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

Over the course of the last two years one complaint has been upheld and we have

- Conducted a comprehensive review of our policy and procedures relating to Anti-social behaviour (ASB)
- Implemented a new electronic case management system which issues prompts to the relevant officers to complete the next stage in the ASB investigation in accordance with timescales detailed within the procedure
- Procured a new City Centre Security Service and CCTV monitoring hub at a cost of circa £5.2m
- Contracted Security Services to monitor and report on incidents of ASB
- Provided Complaints Handling training to staff and a new Complaints Officer has been appointed
- Provided Effective ASB management training for front line staff, facilitated by Housing Rights Service.



Resident Support

### C12 - Core

What support services does the housing provider offer to its residents. How successful are these services in improving outcomes?

#### Community Investment

As a social purpose organisation, Choice has a key role to play not only in providing homes, but also in creating vibrant, resilient communities, and supporting individuals and families through the provision of great services. We have a history of providing a variety of services for our tenants that can broadly be understood as 'Community Investment'.

This is a key way that we, as a housing association, differentiate ourselves from other landlords, and is central to how we demonstrate our social purpose.

Utilising the UK Social Value Bank ('UKSVB'), developed by HACT and Simetrica we are able to measure the impact of our community investment activity.

- **£9,459,550** on seven initiatives generating **£19,419,842** of additional Social Value
- Estimate Gross Value Added to the NI economy through Choice's business activity is GVA **£64,162,399**
- Sustaining an estimated **1,182** jobs throughout the supply chain.

#### Building Futures

In 2021-22 Choice continued its partnership with Bryson Future Skills to deliver WorkChoice, a programme aimed at upskilling people to help them secure long-term employment. WorkChoice equips participants with practical training alongside OCN accreditations whilst enabling participants to earn a salary. Choice also continued to work with Queen's University and Ulster University to provide financial support to students facing financial, social or logistical barriers to furthering their education through a scholarship programme.

#### Promoting Integration

Throughout 2021/22 Choice continued to deliver on its commitment to bringing communities together through projects such as the 'Housing Associations' Integration Project' Peace IV and Together: Building United Communities (Housing For All) projects. These unique partnerships consisting of Northern Ireland Federation of Housing Associations (NIFHA), social housing providers, Northern Ireland Housing Executive (NIHE), and Department for Communities (DfC) aim to improve good relations, promote community integration and shared housing.



#### Tackling Homelessness

Choice have been in partnership with Street Soccer NI for a number of years. Street Soccer NI work with individuals who are homeless or threatened with homelessness.

Our annual sponsorship of both the NI women's and men's teams ensures the players compete at national and international events. Each player completes a support plan and is given one to one support to make positive changes in their lives.

#### Young Entrepreneurs

Four groups of young people aged 13-18 were supported by Choice to take part in the Access Enterprise programme organised by Young Enterprise. This programme is an activity-based, community education project that supports the development of enterprising and employability skills.

#### Tenant Support

At a particularly difficult time with rising cost of energy and general cost of living, Choice has partnered with a range of organisations to support tenants financially. Working with Trussell Trust, we supplied much needed food parcels to families in need across Northern Ireland. In a similar partnership with local charity Homeless Connect we worked together to provide people moving from homelessness into a new tenancy with much needed support as they begin their tenancy journey.



Place Making

### C13 - ENHANCED

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

Choice is committed to promoting inclusive and diverse communities. Throughout 2021-22 we continued to deliver on the Together: Building United Communities (T: BUC/Housing For All) shared housing programme. Choice is keen to participate in future peace funding models supporting shared housing and are key partners in a new Peace Plus partnership working through a new peace building bid for the sector. The Association's new shared housing development at Hulls Hill, Lisburn is now fully occupied with a new cross sectoral Advisory Group formed from across Lisburn helping to oversee the outworking of the area good relations plan. The new shared housing scheme in

Mullaghmore Road, Dungannon will be ready for handover in March 2023, we have been very active partners in the Joint Advisory group in Dungannon and delivering various good relations initiatives in preparation for our new tenants taking up occupancy in their new homes. Choice have submitted three new schemes for consideration onto the 2022-23 T: BUC/Housing for All shared housing programme, Ballyoan Derry~Londonderry, Stiles Way Antrim and Old Eglish Road Dungannon which, if successful, will further expand our portfolio of shared housing schemes.

The partnership approach utilised by Choice through working with local authorities, statutory, community and voluntary sectors in the delivery of the T: BUC/Housing for All programme is a key factor in helping to meet the outcomes of improving good relations, promote community integration and successfully delivering the shared housing programme.

Tenants in participating communities benefit from:

- A community where residents feel welcome and where everyone has opportunities to make positive contributions to their community; developing a sense of belonging, community ownership and shared identity;
- Enhanced neighbourliness through building community spirit and encouraging involvement; and
- Opportunities to live in a shared housing environment thus increasing access to housing opportunities.



Hulls Hill, Lisburn





Structure and Governance



Board and Trustees

Criteria # and Type	Criteria	Measurement Unit	Response
<b>C25 - Core</b>	Is the housing provider registered with the national regulator of social housing?	Yes / No	Yes
<b>C26 - Core</b>	What is the most recent regulatory grading/status?	Varies by nation	1
<b>C27 - Core</b>	Which Code of Governance does the housing provider follow, if any?	Name of code	The National Housing Federation Code of Governance 2020
<b>C28 - Core</b>	"Is the housing provider Not-For-Profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control?"	Yes / No If no, name, %, %	Yes

### C29 - Core

Explain how the housing provider's board manages organisational risks.

Choice operates a robust internal control framework covering all aspects of the business. This is evidenced by policies, procedure manuals, staff training and supervision and management reporting. Internal controls are reviewed regularly as part of the risk management policy and are subject to external review by internal and external auditors.

The Audit & Risk Committee scrutinises the internal control framework on behalf of the Board. A range of corporate materials covering strategy, planning and risk are fully accessible by Board and Committee members on our e-Board solution.

Our Board induction process ensures that any new Board or Committee member is provided with training and support to ensure that they fully understand their role and responsibilities with regards to strategic decision making, scrutiny and financial management. Choice has a risk management policy which establishes a risk management and internal controls assurance framework in line with best practice. Risk registers are prepared at strategic, operational and project levels and are regularly reviewed. The risk and controls framework is reviewed by internal audit regularly and scrutinised by the Audit & Risk Committee.

### C30 - ENHANCED

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

YES/NO

**NO**

### C31 - Core

Board demographics

**42%**

% of the board that are women

**53**

Average age of board members (years)

**4.5**

Average board tenure (years)

### C32 - Core

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

**42%**

% of the board

**14%**

% of management team

### C33 - Core

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

YES

**9**

Years

### C34 - Core

What % of the board are non-executive directors?

**100%**

% of the board

### C35 - Core

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

Members have experience in managing risk (operational and compliance) within a Retail and Corporate Banking Operational environment, Chartered accountancy and Actuarial Function within the Insurance Industry.

**3**

members





Staff Wellbeing

Criteria # and Type	Criteria	Measurement Unit	Response
<b>C36 - Core</b>	Are there any current executives on the Remuneration Committee?	Yes/ No	No
<b>C37 - Core</b>	Has a succession plan been provided to the board in the last 12 months?	Yes/ No	Yes
<b>C38 - Core</b>	For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?	Number of whole years	1
<b>C39 - Core</b>	When was the last independently-run, board-effectiveness review?	Date (month/year)	February 2022
<b>C40 - Core</b>	Are the roles of the chair of the board and CEO held by two different people?	Yes/ No	Yes

**C41 - Core**

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

Conflicts declared at the meeting and those involved do not take part in discussion or voting. All conflicts recorded in minutes and reported to Department annually.

**C42 - Core**

Does the housing provider pay the Real Living Wage?

YES/NO  
**YES**

**C44 - ENHANCED**

What is the CEO: median-worker pay ratio?

**5:1**  
Total annual CEO remuneration divided by annual median working remuneration

**C45 - ENHANCED**

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

We support the physical and mental health of our staff through:

- Our trained Mental Health First Aiders, Health and Wellbeing Champions, First Aiders and Menopause Champions;
- Occupational Health Referrals;
- Health Cash Plan and Employee Assistance Programme providing 24/7 Counselling support;
- Health & Safety Manager and Committee; and
- Dedicated Health and Wellbeing page on our intranet.

**C46 - ENHANCED**

What is the average number of sick days (both long and short term) taken per employee?

**5.4**  
Number of days



**C47 - ENHANCED**

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

Procurement Plans for Supplies, Services and Construction are developed in line with PPN01/21 Scoring Social Value and is reflected in all ITT documentation for above threshold procurements.



**C48 - ENHANCED**

How is Environmental impact considered when procuring goods and services?

Procurement Plans for Supplies, Services and Construction are developed in line with PPN01/21 Scoring Social Value and is reflected in all ITT documentation for above threshold procurements. This includes Zero Carbon themes and indicators.



Supply Chain



Great George's Street



**Choice Housing  
Ireland Limited**  
Leslie Morrell House  
37 - 41 May Street  
Belfast  
BT1 4DN

T: 0300 111 2211  
[choice-housing.org](http://choice-housing.org)

