



# Environmental, Social and Governance report 2021



# Who we are and what we do

Our vision at Thirteen is to provide safe, quality homes and services to the best environmental standards.

We own and manage 35,000 properties across the North East and Yorkshire, providing homes, support and opportunities to grow. As a charitable housing association, we exist to provide housing and support services across the North East of England and Yorkshire. We're here for anyone who needs a home and a helping hand too. We work to improve the fabric of places where our customers live. We offer a home for life, providing housing and support services. We're here for anyone who needs a home and a helping hand too.

Over the next five years, our commitment to our social purpose means we will invest over £1bn to improve our services, tenants' homes and their neighbourhoods, as well as delivering new affordable homes.

We're amongst the biggest 25 housing providers nationally, so we have the size and scale and we're financially strong - but we remain locally responsive. We work hard to support communities in the places we have homes to help address the social, economic and environmental issues that matter to our customers and partners.

Our social purpose and five-year business strategy underpin our commitment to improve key environmental, social and governance indicators.

Thirteen's first Environmental, Social and Corporate Governance (ESG) report brings together a summary of our activities and key metrics to help investors form a view on Thirteen and our performance.



## ESG reporting and social housing

The idea behind creating an ESG reporting standard for social housing was based on a rapidly growing interest across the sector, in particular how ESG factors are likely to form a more fundamental role in the credit process underpinning future investment decisions.

Following widespread consultation with the housing sector, the ESG Social Housing Working Group published its final report in November 2020. The Sustainability Reporting Standard for Social Housing suggested a voluntary standard, which has received a positive response from housing associations and investors alike.

The ESG framework has now been renamed the Sustainability Reporting Framework. So far, more than 70 organisations (39 housing associations and 31 lenders and investors), including Thirteen, have committed to become early adopters of the standard.

# UN Sustainable Development Goals



As a social housing provider with 35,000 homes, we touch the lives of more than 70,000 people, so we know that housing is about much more than bricks and mortar.

By constantly striving to improve in all three areas of ESG we can also have a positive impact in line with a number of the UN sustainable development goals (SDGs), a globally recognised standard.

Within the UN's SDGs, affordable housing is recognised as a universal social good and under the sustainable cities and communities goal, 'access to adequate, safe and affordable housing' is a core target.

Good housing contributes to an array of positive outcomes included in the UN's sustainable development goals, a viewpoint which is endorsed in the ESG Social Housing Working Group's The Sustainability Reporting Standard for Social Housing.

Having a decent, affordable home is an important determinant of:

- providing a route out of poverty (SDG 1)
- good health and wellbeing (SDG 3)
- providing the base from which children can access education (SDG 4)
- reducing carbon footprint through the right energy efficiency and construction measures (SDGs 7 and 13)
- supporting people into stable, suitable employment (SDG 8)
- contributing to reducing inequalities (SDG 10)

## THE 17 GOALS | Sustainable Development



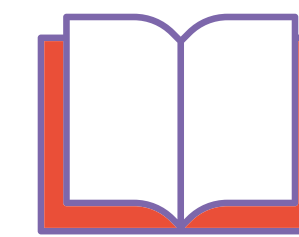
No poverty



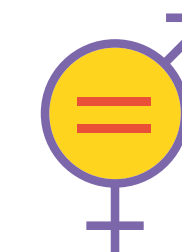
Zero hunger



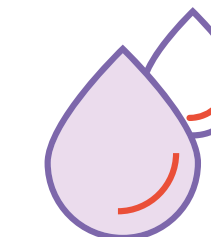
Good health and wellbeing



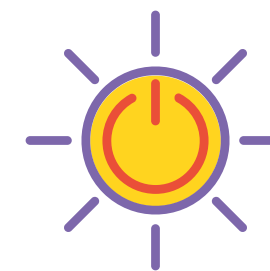
Quality education



Gender equality



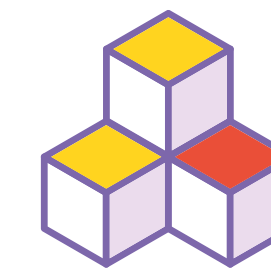
Clean water and sanitation



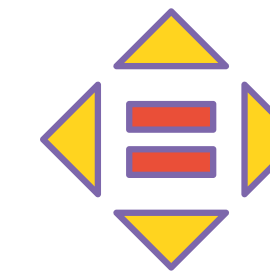
Affordable and clean energy



Decent work and economic growth



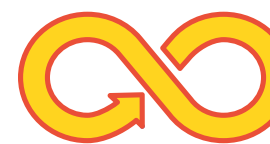
Industry, innovation and infrastructure



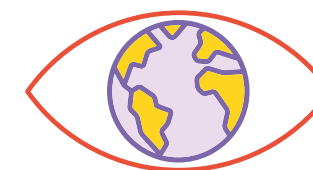
Reduced inequalities



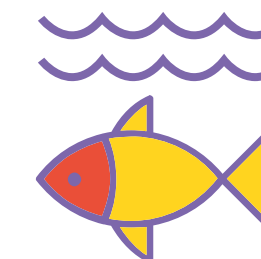
Sustainable cities and communities



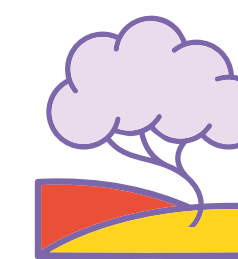
Responsible consumption and production



Climate action



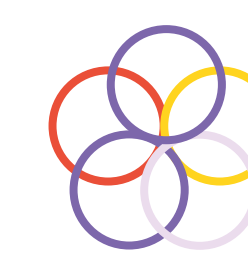
Life below water



Life on land



Peace, justice and strong institutions



Partnerships for the goals

# How we've structured our report

This report outlines our work in line with the themes included in The Sustainability Reporting Standard for Social Housing, taking each area in turn and showcasing our achievements in line with each theme.

ESG Area	Theme	Theme Name	Theme Description
<b>Social</b>	T1	Affordability and Security	Provides affordable and secure housing
	T2	Building Safety and Quality	Resident safety and building quality are well managed
	T3	Resident Voice	Listens to residents' voice
	T4	Resident Support	Supports residents and the local community
	T5	Placemaking	Supports residents and the wider local community through placemaking
<b>Environmental</b>	T6	Climate Change	Prevents and mitigates the risk of climate change
	T7	Ecology	Promotes ecological sustainability
	T8	Resource Management	Sustainable management of natural resources
<b>Governance</b>	T9	Structure and Governance	Legal structure of the organisation and its approach to governance
	T10	Board and Trustees	High quality board of trustees
	T11	Staff Wellbeing	Supports employees
	T12	Supply Chain Management	Procures responsibly



## Social



We are a caring landlord and housing developer. We're here for anyone who needs a home and maybe a little help to get it. We're about investing in neighbourhoods and communities across the Tees Valley, North East and Yorkshire.

# Theme 1: Affordability and security

This theme seeks to assess the extent to which Thirteen provides long-term homes that are genuinely affordable to those on low incomes. The theme is made up of five criteria including the tenure mix of new and existing properties, the security of tenure and fuel poverty.



Affordable housing is at the core of our being; we exist to help provide housing to those who couldn't afford to rent or buy in the open market.

We assess our affordability through comparison of our rents against the median private rental sector equivalent across our operating area. This benchmark ensures that Thirteen's homes are affordable for both those receiving benefits and for low-income workers.

Thirteen's rents are between 29% and 48% less than the equivalent rents charged by the private rented sector in our operating area.

This table shows the average social rent and affordable rents for general needs properties and compares them with average private rents in our operating area.

Properties by size	Thirteen social rent	Thirteen affordable rent	Private rented sector average
Room	£65.54	£96.80	£84.92
Studio	£63.50	No properties	£95.60
One bedroom	£71.84	£88.14	£99.73
Two bedroom	£81.27	£103.95	£116.21
Three bedroom	£89.35	£119.82	£131.87

Data at March 31 2021.



If private rented sector rents were applied to our homes, then Thirteen tenants would be paying more than £49m extra each year.

As people move through life they want more choice, so as well as homes for rent, we provide homes for shared ownership.

Shared ownership is another way to buy a home. The customer buys a percentage and pays rent on the rest. Buying a percentage means a smaller deposit and a smaller mortgage. It's a quicker and less daunting first step on the ladder for lots of people and customers can carry on buying shares until they own their home outright.

When we're evaluating new sites for development, we assess property values against average local incomes to ensure that any schemes are affordable for local people before going ahead.

Find out more at:

Case study - Helping people in housing need during lockdown.

# Theme 1: Affordability and security

## Our homes by tenure type

More than 98.7% of Thirteen homes are provided at social or affordable rent.

Homes under management (figure as of 31 March 2020)	Number	Percentage
Social rent	27,132	81.62%
Affordable	4,178	12.57%
Shared ownership	792	2.38%
Social leased	708	2.13%
Lease scheme elderly	146	0.44%
Intermediate market rent	121	0.36%
Non-social leased	81	0.24%
Shared	49	0.15%
Non-social rent	36	0.11%
<b>Total</b>	<b>33,243</b>	<b>100.00%</b>

Data at March 31 2021.

We place enormous importance on building new homes. As part of our strategic plan, we set out our intention to invest in new builds, including affordable rent, shared ownership and market sale, to ensure that we have the right mix and quality of homes to meet the expectations of our tenants now and in the future.

In line with our regulatory requirements and to satisfy the loan requirements of our funders, we prepare a 30-year financial plan on an annual basis.



In 2020-21 we built 355 new properties and most were for affordable rent.

Type	Number
Social rent	4
Affordable rent	265
Shared ownership	47
Private sale	39
<b>Total</b>	<b>355</b>

Data at March 31 2021.

## Theme 1: Affordability and security



### How we reduce the effect of fuel poverty on residents

Thirteen recognises the impact of fuel costs on the affordability of homes and we are working to maximise the energy efficiency of our homes.

Our rolling investment programme helps to reduce customers' energy bills and includes the replacement of windows, doors, roofs and heating systems. Wherever possible we also upgrade loft insulation and cavity wall insulation.

In addition, we have installed solar panels on more than 1,000 properties – a combination of solar photovoltaic and solar thermal panels – which helps to offset the cost of heating these homes.

We take a forward-thinking approach to retrofitting properties to increase their thermal efficiency as we work towards our sustainability goals and we have already completed small-scale pilots on individual properties.

Initially we are focusing on what we call a 'fabric first' approach, improving insulation, replacing double glazed windows with triple glazing, replacing doors and installing ventilation with heat recovery. The learning from these initial pilot projects will be applied across the rest of our homes.

## Theme 1: Affordability and security



### Security of tenure

Security of tenure, or how long someone stays in their home, is a key differentiator between social housing and the private rented sector. On average, our customers stay with us for ten years and evidence suggests that this security makes a huge difference to people's lives and ability to find work, helping them better access local support networks and services, as well as building their family lives.

Because we want to provide a home for life, we only offer secure (or lifetime) tenancies for new customers. Before 2019 we offered fixed-term tenancies and we currently have around 600 of those remaining. We are working closely with those customers to extend their tenancy agreements into secure tenancies, providing they are happy with the change.

## Theme 2: Building safety

This theme is made up of three criteria, disclosing gas safety checks, fire risk assessments and meeting The Decent Homes Standard.

The safety and wellbeing of our customers is our absolute priority and our ongoing commitment to building safety is rigorous and thorough. We take our regulatory obligations, compliance and management of associated risks seriously.



We pride ourselves on our approach to gas safety

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

We pride ourselves on our approach to gas safety and before the onset of the coronavirus pandemic in 2020, Thirteen was 100% compliant with gas safety inspections and had been for more than three years.

The pandemic brought challenges to maintaining gas safety inspections, with some clinically extremely vulnerable customers advised to shield and not allow visitors into their home. We took action to quickly address the challenges, while ensuring customers' wishes were listened to and they were kept safe in their homes.

- Gas engineers were given an appropriate supply of PPE to keep them and our customers safe.
- We made sure that customers knew we were aware of their concerns and responded to them on an individual basis.
- We identified all clinically extremely vulnerable customers who were required to shield and could not allow us inside their homes.
- We gave carbon monoxide alarms to shielding customers who did not have them, to give them some reassurance until we could safely access their homes.
- We worked with our customers to explain why it was important to have their gas safety inspections completed and reassure them about the safety precautions we had in place.
- We tested our gas engineers weekly for Covid-19, providing reassurance for customers and colleagues alike.

Thanks to our proactive and planned approach, despite the challenges of the pandemic, on March 31 2021, only one home had an expired gas certificate and this has since been completed.

## Theme 2: Building safety

### What percentage of buildings have an in-date and compliant fire risk assessment?

Thirteen's homes are regularly assessed for their level of fire risk and our standard inspection cycle is over and above the recommendations set out in Local Government Association guidance, meaning we are going above and beyond to ensure our buildings are kept as safe as possible.

Our approach is underpinned by a complex buildings risk matrix, which includes assessing customer vulnerabilities as well as the height and layout of the building.

Our inspection cycle is:

- High-rise properties are checked every six months.
- Complex or three-storey and above buildings are checked annually.
- Buildings considered low risk are checked every two years.

Our inspections help us identify any fire hazards and what improvements can be made, looking at multiple aspects of how the building is managed and what can be done to reduce the risk of a fire starting.

Despite the challenges presented by Covid-19, our fire risk assessment inspection program remained 100% compliant through 2020-21.

Our regular visits quickly identify and record any defects as well as the actions or repairs undertaken to keep our customers safe. More importantly, we have ensured 100% of post inspections were also completed on time.

As part of our approach, Thirteen's building safety team regularly carries out a range of fire safety checks. Working with a team of joinery specialists, they carried out additional checks to over 6,000 flat doors and communal fire doors before the government's fire safety bill had been introduced.

Our online calendar of events lets customers keep up to date with what we're doing around building safety, so they know when and where they can find out more information. For full transparency we also publish all our fire risk assessments online.



## Thirteen working together to keep our customers safe



### Find out more at:



Case study – Thirteen backs fire door safety campaign

Thirteen pledges its support for National Social Housing Safety and Compliance Week

Throughout Home Safety Week our building safety team worked in partnership with housing services, involved customers and Cleveland Fire Brigade to speak to customers and provide advice and guidance on building and fire safety.

Our customer engagement focussed on a number of safety elements, ranging from preventing accidental fires in the home, to the importance of smoke and carbon monoxide alarms and what we do at Thirteen to ensure homes are safe, such as carrying out gas and electrical safety checks.

We're incredibly fortunate at Thirteen to have a dedicated and experienced building safety team that includes two fire risk specialists, who have both served 30 years with the local fire brigade. This complements the technical expertise within the team, who work together to help keep communities and buildings safe.

## Theme 2: Building safety

### What percentage of homes meet the Decent Homes Standard?

We're continuing to invest in homes and the communities we serve because it's important to the customers we have now and the ones we want to attract in the future.

The Decent Homes Standard is a government-agreed technical definition on the statutory minimum requirement for a home to be classed as 'decent'.

This is a standard national criterion that provides insight into the condition of a housing provider's stock. Thirteen continues to maintain an excellent record on decent homes compliance, at 100%.

#### Work carried out in 2020-21 includes:

Component	Number
Roofs	245
Windows: provided/renewed double glazing and front doors	476
Front door: provided/renewed double glazing and front doors	92
Boilers: includes investment, one-off boilers and empty properties	623

Data at March 31 2021.



### Find out more at:



In the next year we plan to invest £31m on internal and external improvements to our homes, including replacing more than 1,000 kitchens and around 200 bathrooms.



## Theme 3: Resident voice

The theme is made up of three themes that cover board scrutiny, complaint handling and resident satisfaction.



Find out more at:

 Thirteen Involved customers join national panel.

We want to get things right, so we involve customers in developing our services. We want to know what's important to customers and whether our services meet their expectations, as well as listen to their ideas for improving services and performance. Our framework puts our customers at the heart of everything we do.

### What does involvement look like?

Thirteen is committed to involving customers to scrutinise our services and performance, consult on our policy and strategy development, and ensure compliance with the regulatory consumer standards to the leadership team and board.

The Thirteen customer involvement framework, which we call BRICKS, provides a flexible, adaptable, value for money approach designed to support the delivery of our strategic plan and the objectives that sit within it.

BRICKS stands for Build, Review, Interact, Consult, Knowledge and Share. Our framework is based on the following principles:

- Customer involvement is embedded in the organisation and is an integral part of our culture and development.
- Customers are supported and trained to participate in activities based on their interests and skills.
- Customers are at the heart of Thirteen's decision making.
- We provide a wide range of flexible opportunities for customers to be involved so that we can reach more customers and engage with hard-to-reach groups to influence and shape the services they receive.
- Involved customers oversee our community investment fund, supporting tenancy and community sustainability.
- We maximise and report the effectiveness of our customer involvement activities, ensuring we meet regulatory requirements.
- We develop and maintain a sense of ownership and responsibility with our customers, specifically for building safety and regulatory compliance.

The chair of the involvement framework attends every board meeting and event, while other involved customers regularly attend to provide updates on the work they have been carrying out, making regular reports on Thirteen's compliance with the consumer standards.

Our involved customers also provide video updates to the board. The process works both ways and similarly, board directors also record a short video message after each meeting, which is shared with involved customers and on Thirteen's website.

In 2020-21 involved customers worked on:

- A rolling programme to provide reassurance to the board against consumer standards including:
  - o Homes Standard
  - o Tenancy Standard
  - o Tenant Involvement and Involvement Standard
  - o Neighbourhood and Community Standard.
- Development and delivering our new customer experience operating model, which we call touchpoints.
- Our environmental impact and how this is assessed within the Thirteen planning process.
- A review of how we support any customers whose homes are scheduled for demolition.
- Reviewing our repairs and maintenance service, shaping our priorities, responsibilities and the timings of our response.
- Developing the process around how our outbound customer contact technology works.

## Theme 3: Resident voice



### How we measure customer satisfaction

Resident satisfaction indicates our customers' perception of the standard of service that Thirteen provides.

Thirteen's performance is measured against eight targets specific to the organisation, allowing us to measure our success over time. Like most landlords, Thirteen seeks feedback through a range of different mechanisms, including one-off perception surveys, transactional surveys and in-depth research.

To measure satisfaction over time and allow us to benchmark against other providers, Thirteen also uses the nationally recognised Star survey. The most recent results are shown in the table below:

Measure: satisfied or very satisfied with	2018	2019
Thirteen's overall services	87.4%	89.1%
Overall quality of home	91.4%	88.3%
Your neighbourhood as a place to live	85.7%	86.6%
Your rent provides value for money	91.9%	90.8%
Your service charge provides value for money	88.4%	75.3%
The way Thirteen deals with repairs and maintenance	81.5%	83.7%
Thirteen listens to your views and acts upon them	74.9%	75%
Net Promoter Score (NPS)	49.6	53.1

In 2020 and in response to Covid-19, we reviewed our way of collecting satisfaction information and have introduced a new customer-friendly survey system, results from which will be included in next year's report.

## Theme 3: Resident voice



Thirteen holds the Customer Services Excellence Award, and on the last visit, in 2020, the assessor noted that:

**“There is a very clear commitment to deal with problems fully. Staff have carried out customer journey mapping of their processes to ensure they are efficient, effective and speedy. There is an escalation process for informal complaints that cannot be resolved at the first point of contact. Staff responding to informal complaints work to the maxim of ‘Own it and fix it’.**

**“The speed of resolution shows that Thirteen takes complaints very seriously and recognises the value of speedy resolution. The very quick average resolution time merits Compliance Plus.”**

At Thirteen, we pride ourselves on how we deal with complaints and believe the manner and timeliness with which we respond to and resolve customer complaints is an important indicator of the standard of service we provide.

Looking at complaints in detail, in 2020-21, Thirteen received 321 complaints: 100% of these were completed in timescale and the average time to respond was 2.95 working days, improving on our target of responding fully to all complaints in less than three days.

For us, ‘respond’ means answered in full rather than simply acknowledging receipt of the complaint.

As is standard across the housing sector, if a complaint cannot be resolved to the customer’s satisfaction, they have the option to refer it to the Housing Ombudsman. Last year, Thirteen had one complaint where the Ombudsman found the complainant was justified. In light of this, we worked quickly to review and revise our processes related to this complaint.

## Theme 4: Resident support



**This theme seeks to assess the effectiveness of the initiatives that Thirteen runs to support individual residents. The theme is made up of two criteria that cover what support is provided and how successful is it.**

We go beyond bricks and mortar to develop targeted help and support, so people in need can live more successfully, becoming the best they can be. The ever-growing range of services includes support to get into work or training, help for young people leaving care and homeless support.

Across our operating area we work to provide services to meet the needs of vulnerable people to support them to make changes to improve the quality of their lives.



## Theme 4: Resident support

### 1. Support for young people

We give priority to care leavers and young people aged 16 to 25 who are homeless or at risk of becoming homeless, helping ensure they have a safe, secure space to call home from which they can build their life.



### 2. Support for families

We work with families as part of national schemes and family intervention projects. Each family we work with receives tailored support to meet their needs. With our help, families can get back on the right path.



### 4. Support for customers

Everyone's lives change from time-to-time and our customers can be referred on for support as and when they need it. It might be because of a traumatic event in a customer's life that results in them having difficulty managing their home or because drug, alcohol or mental health issues arise.

Our service offers personalised, tailored support to customers whose tenancy could otherwise be at risk. We work closely with them for three to six months to ensure they get the help they need to be able to stay at home. As part of the package, we'll also refer customers on to longer-term services to give them the support they need in future.



### 3. Support for ex-offenders

We work closely with a range of partners within the criminal justice system including the police, prisons, the National Probation Service, community rehabilitation organisations and offender management services. We work with ex-offenders to offer a range of support that includes accommodation and help for people at a time of crisis, ensuring that people have somewhere to turn when they need it most.



## Theme 4: Resident support

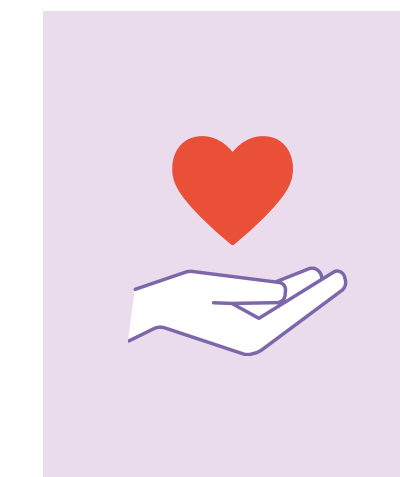
### 5. Domestic violence

We know that domestic abuse can happen to anyone. We support people in their homes or in our specialist accommodation, offering tailor-made programmes that recognise and respond to the unique needs of people who have experienced domestic violence.



### 8. Sheltered accommodation

Our sheltered accommodation offers safe and secure housing for the over 60s, ensuring they can continue to live happy, healthy lives. Sheltered housing focuses on freedom and flexibility, offering a home with support facilities if and when they are needed.



### 6. Volunteering

We offer customers the opportunity to make a difference by volunteering with us. This in turn helps them to develop skills, build their confidence and can support them secure training or employment.

In any one month we give a helping hand to around 4,700 customers

Employability Team

759

Extra Care

2,558

Support Services

631

Money and benefit advice

752

Total 4,700

## Theme 4: Resident support

### How do we measure success?

Last financial year, we reviewed how we deliver our support services and this included looking at how we measure the success of the services we offer.

We have historically focussed on our outputs (which are shown in the table on the next page) and although measuring in this way is useful, it only tells us part of the story, so we're working to better understand the difference we are making in terms of outcomes by digging deeper into the stories our customers are telling us.



## Theme 4: Resident support

### Our support outputs

This table outlines what we have delivered under the main social value themes of social, economic and environment.



Social Value Indicator	Result 2020-21
Number of customers provided with specialist financial advice	4,423
Income gained by claiming unclaimed benefits, better budgeting and arrangements with creditors	£2.04m
Percentage of customers who are able to reduce their arrears within three months	79%
Social value of financial support services and advice given, calculated using the HACT model	£1.2m
Number of customers assisted by the Local Discretionary Housing Fund	1,156
The number of people given assistance through the Hardship Fund	79
Number of volunteers who have moved into employment in a similar field	3
Number of volunteers who have secured employment in Thirteen	1
Number of volunteers who have secured employment or further education	3
Amount of Universal Credit gained by customers	£175,977
Number of people supported into employment or apprenticeships	386
Number of people supported into employment or apprenticeships who are Thirteen tenants	193
Number of people supported into training or education	177
Number of people supported into training or education who are Thirteen tenants	95
Average number of number of people supported/ being supported in employability each month	740

Data at March 31 2021.

## Case study: Customer debt



“When Thirteen rang me to arrange our appointment we were very ashamed at how much debt we were actually in and were reluctant to disclose everything, but our advisor was very reassuring and non-judgemental.

“It took me about 20 minutes to relax and realise that he was trying to help us rather than questioning how we had got to that point which meant a lot. He just kept reassuring us that now we had faced the problem, we were halfway there.

“We owed money to quite a few different people but after everything was paid in July we saw our debt reduce from nearly £18,000 to just over £17,000 - I can't describe how that feels! I'm sleeping better and instead of dreading payday I'm actually looking forward to it because of what is paid off and how much is owing in total. I also don't dread opening post now because I know we are managing things and totals are coming down.

“If someone had said to me before the appointment that we would have cleared £1,000 of debt I would never have believed it. We are doing more as a family because of the social budget we have and I can't tell you how much it is benefiting us all. The kids know we have a certain amount each week and that we can plan things now instead of always saying 'we will see'.

“We want to say a massive thank you. Of all the advice we've been given over the years, this is the one that has stuck and we can actually see huge results almost instantly - the feeling is amazing.”

## Case study: Rob's story



After finding employment with the help of Thirteen, Rob unfortunately fell into unemployment again due to the pandemic. Rob got back in touch with us and was assigned Ann as his caseworker.

Rob met with Ann at our Stockton store weekly, where they would work on enhancing Rob's CV. Ann also helped Rob to set up an account on the National Apprenticeship website and together, they conducted a broad job search, identifying and discussing different options and opportunities.

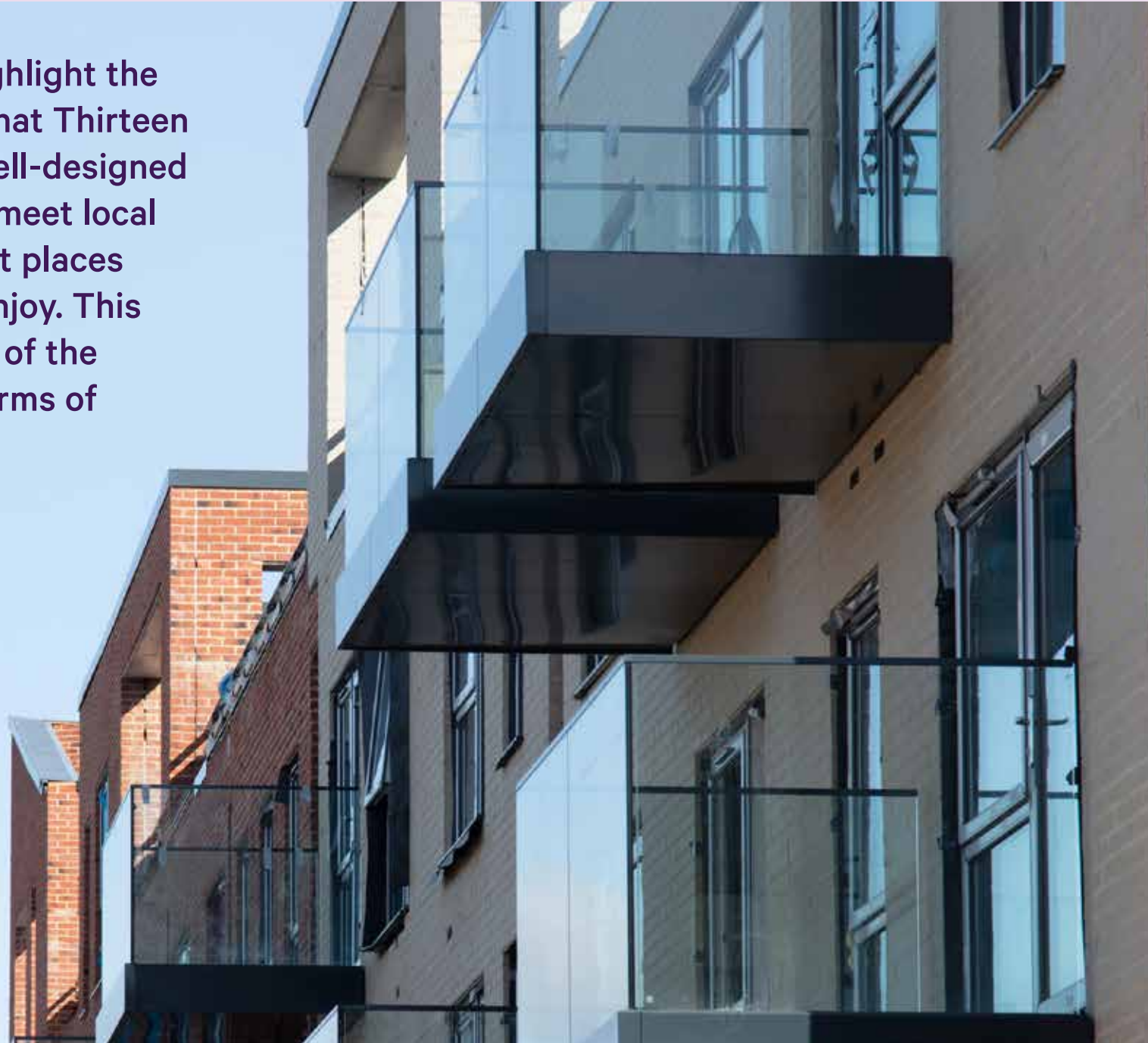
Rob was also supported by our employer engagement team who was able to put Rob's CV to employers with a positive recommendation.

Rob's CV was proving to be effective and he was getting interviews. To support Rob through the interview process, Ann went through various practice runs and interview techniques with Rob for both face to face and virtual interviews.

In January 2021, Rob attended an interview for a warehouse apprenticeship and was successful. He started his new role in April 2021 and is gaining valuable experience as well as a Level 2 qualification in warehousing.

## Theme 5: Placemaking

This theme seeks to highlight the wider set of activities that Thirteen undertakes to create well-designed homes and places that meet local needs and provide great places for people to live and enjoy. This section gives examples of the work we are doing in terms of placemaking.



## Case study: Bohouse North - cutting edge, town centre living

40 modern, flexible apartments where people can work or study from home.

The total cost of the scheme is £5.8m, including funding from Homes England.

Situated in a vibrant location - the Middlehaven regeneration area of the town is in the heart of the Boho Zone - Middlesbrough's digital, creative and business hub.

A contemporary development where residents will keep their bills and carbon footprint low while benefiting from living in an exciting and central location close to everything the town centre offers.



## Case study: Regeneration at NHS site in Stockton

The scheme included 34 houses, apartments and bungalows on the site of an old NHS building, Alma House, and a disused garage - all for affordable rent.

This proved to be a fantastic partnership between Thirteen, Stockton Borough Council and Esh Construction, supported by funding from Homes England, as part of a scheme to deliver housing in the heart of the town centre.

The new site not only complements the recent and ongoing investment in the regenerated town centre but has also helped to transform the site in the heart of Stockton. The homes have made an important contribution to meeting the housing needs within the borough and will contribute to creating a positive housing legacy for years to come.



# Environmental



At Thirteen, improving our approach to environment and sustainability cuts across everything we do. We are taking definitive action to reduce the carbon footprint of the organisation and have set an ambition to reach net zero carbon on direct business emissions by 2035 and on all of our emissions by 2050, in line with government targets.

Find out more at:



Thirteen recognised as top sustainable housing provider

## Theme 6: Climate change



This theme seeks to assess how the activities of Thirteen are impacting on climate change and how the organisation is mitigating the physical risks of climate change. This theme considers current practice, as well as the changes being made to improve performance in the future.

## Theme 6: Climate change

The theme is made up of six criteria, including the distribution of EPC ratings, emissions data, climate risk mitigation plans and environmental strategy.

### EPC ratings in our homes

The carbon emissions from our homes is a large component of our indirect carbon footprint. We are working to improve the energy efficiency of our homes and hundreds of our customers are already benefitting from green, cost effective heating systems in their homes, with renewable air source heat pumps being used to fuel the heating and hot water, instead of a traditional boiler. The table below details the EPC ratings of our existing homes, or those completed before the start of the previous financial year.

Energy Rating	Percentage	Number
A	0.61%	179
B	11.08%	3,241
C	48.79%	14,268
D	36.74%	10,744
E	2.73%	799
F	0.04%	12
G	0.01%	3
<b>Total</b>	<b>100.00%</b>	<b>29,246</b>

Data at March 31 2021.

Thirteen is committed to ensuring that its new homes have the best possible energy efficiency ratings and in 2020-21 all of our new properties were rated at energy rating B.





## Theme 6: Climate change

### Greenhouse gas emissions

At Thirteen we are committed to reducing our environmental impact and carbon footprint. Measuring and setting targets to reduce our carbon footprint is key to achieving this, as it provides us with an understanding of the emissions from our business activities and will help focus our efforts to reduce our impacts.

Since we started our journey to reduce our negative environmental impact, we have come a long way. We scoped out and measured our baseline position in 2019/20 and used this insight to set our ambition to reach net zero carbon by 2035 on our direct business emissions.

We launched our Take Control campaign in 2020 with colleagues and involved customers, which encourages everyone to play their part in helping us achieve our goals and become a much greener organisation.

Our customers are our priority, so we're tackling issues such as fuel poverty and delivering sustainable homes that are fit for the future and right for our customers. There's more information about our Take Control campaign in here:



\*tCO2e: tonnes of carbon dioxide equivalent

### Measuring our emissions

We have measured our carbon emissions in line with the Government's Streamlined Energy and Carbon Reporting (SECR) regulations. We have adopted this approach as it provides reassurance of a recognised and robust methodology, which we can use to track the impact of our actions against our baseline position. The use of the intensity ratios, colleague numbers and turnover allows us to understand and mitigate the environmental impact of changes in colleague numbers and financial turnover.

Scope 1 emissions are direct emissions from owned or controlled sources

Scope 2 emissions are indirect emissions from the generation of purchased energy

Scope 3 emissions account for other indirect emissions, capturing value chain emissions

- In 2020/21 Thirteen emitted **4,323** tCO2e Scope 1 or 2 emissions, with intensity indicators of **2.94** tCO2e per total full-time equivalent employee (FTE) and **23.83** tCO2e per £million turnover.
- Adding Scope 3 emissions brings the total to **6,289** tCO2e with an intensity indicator of **4.28** tCO2e per FTE and **34.67** tCO2e per £million turnover.

### Between 2019/20 and 2020/21:

- Thirteen's emissions for Scope 1 and 2 have fallen by **13.6%** (a reduction of 681 tCO2e).
- When we add in the Scope 3 emissions, this results in a total emissions reduction of **11.6%** (825 tCO2e).

**1,016,000** kWh of energy was produced via photovoltaic panels on our office buildings and domestic properties, preventing the emission of **23.60** tCO2e within 2020/21.

## Theme 6: Climate change

### Offsetting our emissions

Through a partnership with Forest Carbon, Thirteen has purchased 2,362 trees across 102 hectares of new woodland on the outskirts of Crook, Durham, named Jon's Wood. Through the growth of these trees, Thirteen has purchased a potential 727 tonnes of carbon capture credits. This equates to 16.8% of Thirteen's scope 1 & 2 emissions for 2020/21. These credits are registered and independently audited in line with the Woodland Carbon Code.

### 2019/20 energy efficiency improvements to homes

**43** air source heat pumps were installed.

**95** properties had their lofts insulated.

**21** properties benefited from 'fuel switch' - replacing storage heaters with full central heating systems.

**39** properties had cavity wall insulation.

Solar PV systems across our properties generated **1,169** megawatts.



### Find out more at:

Thirteen partners with Forest Carbon to create County Durham woodland Thirteen partners with Forest Carbon to create County Durham woodland

## Case study: Investment at Norton's Chesterton Court



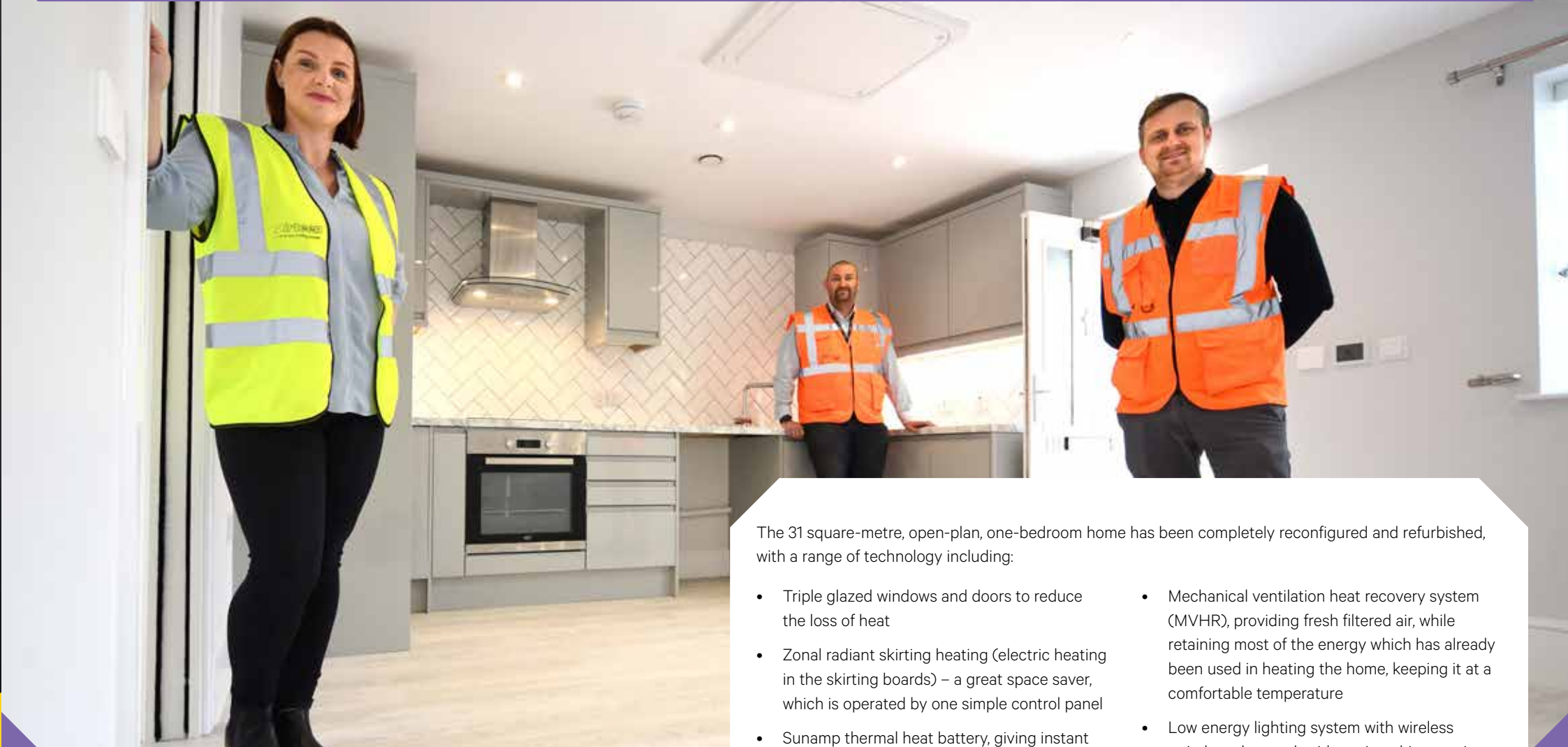
The investment work at Chesterton Court in Norton has completely transformed the homes for our customers and now they're warmer and more cost effective to run, with some of the homes benefitting from air source heat pumps to fuel the heating and hot water.

Air source heat pumps are safe and reliable for the customers, with no carbon monoxide, greenhouse emissions or fear of gas leaks. They work by extracting the heat from the

air outside the house and pumping it through the heat exchanger providing up to 30% renewable heat.

Thirteen's investment team also fitted new windows, kitchens and bathrooms, with improvements made to the communal areas and roofing to ensure the homes remain wind and watertight.

## Case study: Green technology put to the test in Middlesbrough home



The 31 square-metre, open-plan, one-bedroom home has been completely reconfigured and refurbished, with a range of technology including:

- Triple glazed windows and doors to reduce the loss of heat
- Zonal radiant skirting heating (electric heating in the skirting boards) – a great space saver, which is operated by one simple control panel
- Sunamp thermal heat battery, giving instant hot water without the need for gas
- Prioto zonal control units (smart monitoring system that sends various sources of information back to a central platform)
- Vacutherm internal insulation panels to external walls and floor
- Mechanical ventilation heat recovery system (MVHR), providing fresh filtered air, while retaining most of the energy which has already been used in heating the home, keeping it at a comfortable temperature
- Low energy lighting system with wireless switches, that work with a microchip, creating kinetic energy that sends a signal for the lights to switch on.

This is an opportunity to test out a range of new products, services and smart technologies which we could use in the future, while creating a safe, modern, energy efficient home for one of our customers.

At Thirteen we're looking at how we can use lower carbon renewable technologies at a number of pilot schemes, as we move towards our goal of being carbon neutral in the future while lowering costs for customers and providing a new standard of aspirational homes.

Working in partnership with Vision Building Services, Thirteen transformed a 1960s bungalow in Coulby Newham into a modern living space, with all of the latest technology.

## Theme 6: Climate change



### Managing environmental risks

Climate change brings increased environmental risk for the future for all housing providers, with the risk of homes overheating or flooding increasing as the planet warms.

At Thirteen, we have a high-level strategic risk register in place and we're working to develop a climate change risk and adaptation plan. As a result of this, we have a greater

understanding of the risk to our homes and all properties that could be at risk of flooding have been identified.

As this work progresses, the results will be mapped in our environmental management system and risk management developed in line with our asset management strategy and future investment plans.

### How do we tell residents about ventilation, heating and recycling

Our Take Control campaign targets colleagues, partners and customers alike, aiming to influence all our stakeholders to make more sustainable choices, reduce carbon emissions and strive towards a more sustainable way of life.

## Case study: Thirteen customers are getting behind the organisation's campaign to reduce its environmental impact

To make Thirteen more environmentally conscious and get colleagues on board in helping stamp out its direct carbon emissions, in turn reducing the negative impact on the planet, the Take Control campaign will see the organisation achieve its goals to becoming a much greener organisation, in line with the government's target of 100% reduction in carbon emissions by 2050.

With an important part to play in helping to achieve this target, Thirteen has set its ambition to reach net zero carbon by 2035 on its direct business emissions.

Thirteen customer and mum-of-two from Stockton, Katie Ball is training to be a midwife after successfully gaining a scholarship from the Thirteen Academy.

**She said: "I'm proud to be supporting this campaign. As a mum with two young daughters, it's important that we teach our children about looking after the planet from an early age and set an example to them.**

**"Hollie is just three and a half years old and she knows about recycling and why we do it, it's just become second nature. Making simple changes can have a big difference. Whether that's donating old clothes and school uniforms, so they can be re-used by someone else or remembering to take re-useable bags to the supermarket, rather than using plastic. I always think about what we can re-use and hand down to Hollie's little sister Harper too.**

**"We must all take action now to protect the environment for future generations."**



Providing adequate ventilation in our customers' homes is important to help maintain a healthy environment to live in. As part of our investment programme, we replace existing fans and carry out new installations where they do not exist in all kitchens and bathrooms and cloakrooms.

When an individual customer reports any issues with ventilation or mould growth in their home, we send out a building surveyor to identify the root cause of the problem and we will install additional ventilation, improve the insulation and complete any associated works in order to resolve the problem. The surveyor attending will also offer the customer advice on heating and ventilating their home adequately.

**9,200**  
positive input ventilation  
units installed.  
Replaced every ten years.

## Theme 7: Ecology



**This theme seeks to assess how the housing provider is protecting the local environment and ecology. The theme is made up of two criteria around managing pollutants and increasing biodiversity.**

Trees are the most effective natural way of helping to remove greenhouse gases from the atmosphere and Thirteen is increasing biodiversity in the green areas we manage to support and protect the natural habitats of birds, bees and insects.

We're also working with members of local residents' groups, so the trees being planted will help to bring communal land back to life, providing fresh fruit for the community and create greener neighbourhoods and encourage customers to take pride in the area they live.

## Case study: One hundred trees planted in Middlesbrough



A partnership project with Middlesbrough Council has seen one hundred trees planted in the town. The first trees were planted at Pennyman Primary School, where the children got their hands dirty and learned more about the environment.

The trees, which require limited maintenance, will begin to bear fruit in the next year and form attractive mini orchards. Learning about the environment and why trees are so important is such a valuable lesson for children and their families. This project is all about giving something back to the community and any produce from the trees will be shared between the communities living on the estates. It is one of many community projects that we're working on to improve the environment for our customers.


## Case study: Thirteen provides a home to 200,000 bees



Thirteen's unique ecology centre is providing a home to over 200,000 bees. Experienced beekeeper and environmental specialist John Woods has been privileged to bring in four colonies of bees into the bee enclosure at Thirteen's ecology centre, to educate people about what bees do for us in the world and why they are so incredibly important.

We'll soon be working with community groups to raise awareness of the environment and nature and how we can all make a positive environmental impact. Sadly, the population of bees is threatened by the loss of habitats and climate change, so by having four colonies at the centre, we're doing our bit to protect them.

### Find out more at:

 [Thirteen provides a home to 200,000 bees.](#)

## Theme 7: Ecology



## How are we increasing green space and promoting biodiversity on or near homes?

We are working on our approach to promoting biodiversity and improving green space around our homes and have mapped the green space we have. The next steps will be to measure the diversity of the space, establishing a baseline and from there we will begin to track the improvement in the biodiversity of our space so we can fully understand the impact of our interventions and how they align to the goals of the business.

Our approach to managing and reducing pollutants is being developed via an environmental management system. The activities that may give rise to an environmental risk, known as 'aspects', are being defined and these will be combined with our legal and risk register to allow us to model an approach to manage and report progress.

## Theme 8: Resource management

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



The theme is made up of three criteria that cover sourcing materials, water management and waste management.

### Our strategy for waste management

Thirteen opened a state-of-the-art environmental centre in Billingham in 2020, which gives us control over how we manage and processes our waste. The centre is unique in the region and the housing sector.

In the six months since the centre has been open, we have gained control over the waste generated in day-to-day housing management. Waste generated through planned maintenance work, repairs, environmental improvements and getting homes ready for the next customer is all now redirected through the

centre. This has significantly reduced the amount waste going to landfill and 2025 we are aiming to have 90% of all waste diverted from landfill.

Our environmental management system will provide a clear reporting mechanism for our performance on waste, providing assurance via the aspects, legal and risk register that all legal and control is in place operationally.

### Case study



### Water management and supplier contracts

We are working on understanding the quality and the availability of the data to develop our approach to water management. Our environmental impacts from water management will be measured and reported as part of our environmental management system, which will give us the base to target improvement and report on performance against our targets.

We are also reviewing our supplier contracts, with the aim of increasing the use of responsibility sourced materials across our building works.

Since Thirteen's recycling centre has been operating, from the waste materials generated through planned maintenance work, repairs, environmental improvements and getting homes ready for the next customer, it has reclaimed:

General waste <b>108.9</b> tonnes	Wood <b>58.3</b> tonnes	Scrap metal <b>9.679</b> tonnes
Tyres <b>83</b>	Fridges <b>114</b>	TV monitors <b>117</b>
Flo tubes <b>154</b>	Soil and rubble <b>42.66</b> tonnes	Mattresses <b>222</b>
Bulky furniture <b>183</b>	Copper tanks <b>27</b>	Paint tins <b>358</b>
Gas boilers <b>49</b>	Small waste electrical <b>4</b> tonnes	Cardboard <b>3.2</b> tonnes

# Governance



Thirteen is a registered society under the Co-operative and Community Benefit Societies Act 2014. We are regulated by the Regulator of Social Housing, ensuring we meet the standards they set to protect the interests of our customers.

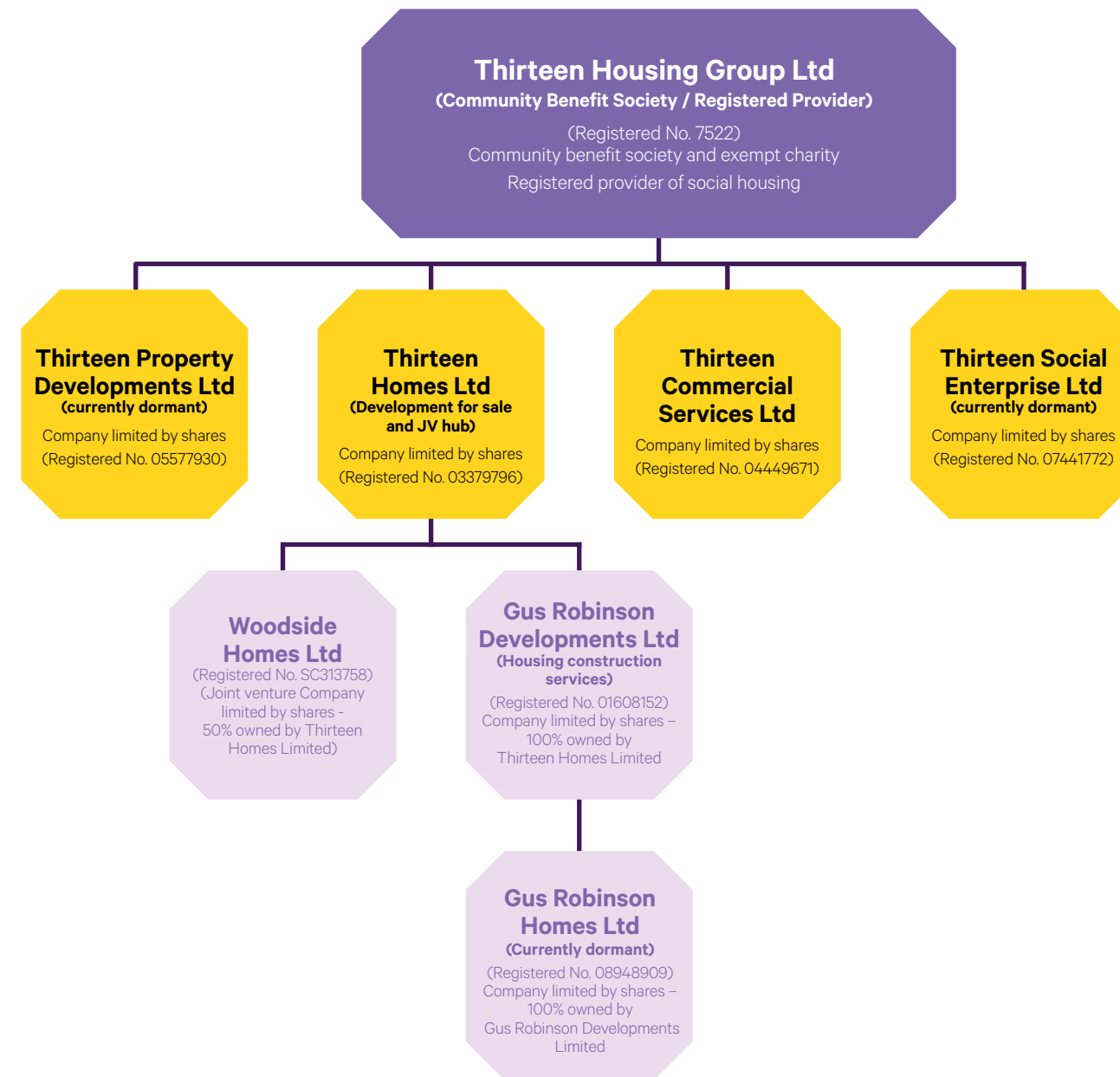
## Theme 9: Structure and governance

This theme seeks to assess our overall structure and approach to governance. The theme comprises six criteria covering the regulator, code of governance, risk management and ownership.

We are a community benefit society registered with the Financial Conduct Authority. Thirteen is the parent organisation and landlord of the group and owns all the group's assets.

Our principal activities are the management of social housing, the development of affordable homes, and housing-related support and employability services.

We have the highest achievable rating for governance and viability. The regulator confirmed in November 2020 that it was reaffirming our G1 and V1 ratings, demonstrating our culture of strong governance and financial viability.



## Theme 9: Structure and governance

The Thirteen board has adopted the National Housing Federation's Code of Governance, issued in 2020. This is designed to help housing associations achieve the highest standards of governance and board excellence and demonstrate compliance with best practice in the housing sector.

The code is built around the key values of good governance: accountability, integrity, openness and equality, diversity and inclusion.

Our strategic assurance framework consolidates our approach to assurance and identifies the critical components of an effective assurance framework, including risk management, stress testing, internal controls, business continuity, internal audit, insurance and governance.

The framework enables our board and committee members as well as our leadership team and service directors to understand, manage and review assurance arrangements, ensuring that the outcomes of our assurance activity are used to inform strategic decisions and protect and improve the business.

The board agrees on a set of strategic risks at least once a year, considering any risks that could result in us being unable to deliver our strategic ambitions or our core business.

The Thirteen board reviews the status of these risks each time they meet and consciously seeks assurance to understand the wider strategic impacts, inform the decision-making process, demonstrate effective governance and maintain the reputation of Thirteen.

The board has ultimate accountability and responsibility for ensuring appropriate and effective assurance and risk management arrangements are in place, and has delegated authority to the Audit and Risk Committee to scrutinise risk

controls and mitigating actions. We operate a 'three lines of defence' approach to assurance, which incorporates:

- management controls and oversight
- assurance and performance reporting, independently scrutinised by an appropriate body, Board or committee
- external, independent assessments including internal and external audit and consultant reports where appropriate.

Risk management is embedded across all projects and functions. We have a set of key risk indicators and financial golden rules to act as early warning indicators, triggering an appropriate response.

Thirteen has not been subject to any adverse regulatory findings in the last 12 months that resulted in enforcement or other equivalent action (this would include data protection breaches, bribery, money laundering, HSE breaches or notices).



## Theme 10: Board and trustees

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

A board of ten non-executive directors and one executive director (the chief executive) currently governs the Group, supported by one subsidiary board (Thirteen Homes) and four committees: Remuneration, Audit and Risk, Treasury and Development & Investment, with day-to-day management delegated to the Executive Team.

The chairs of each of the four committees hold positions as non-executive directors on the Thirteen board, as does the chair of Thirteen Homes, with the balance made up of five independent non-executive directors, including the chair of Thirteen.

The board is committed to improving its diversity profile, focusing initially on women, young people and people from minority ethnic communities. There are currently two female members, and the overall average age is 53.

Non-executive board directors are appointed for a fixed term of six years, subject to a satisfactory annual performance review unless the board determines a different fixed period before the appointment. Non-executive board directors retire at the end of their fixed-term but may be reappointed by the board up to a maximum term of nine years in exceptional circumstances.

The average length of the board members' service is 3.4 years, with a turnover in the last two years of 27%, with directors moving on when they reached their maximum term.

The Audit and Risk Committee assures the board that we are complying with our statutory duties. Two of the members on the Audit Committee have recent and relevant financial experience. There are no current executives on the Remuneration Committee.

All board directors within Thirteen Group have been appointed with the support of an external consultant to achieve a complementary blend of skills and experience to ensure that the board possesses the necessary competencies to carry out its duties. This is supported by a board succession and performance review programme, as well as board induction, development and training.

PricewaterhouseCoopers LLP was appointed as Thirteen Group auditors in 2014/15 following a competitive tender exercise and are now in the final year of that contract. The last independently run, board-effectiveness review took place in 2019, and an external governance review is currently ongoing, with the outcomes expected in September 2021.

The roles of the chair of the board and chief executive are held by two different people.

The process for handling conflicts of interest is detailed within the transparency policy and code of conduct for Board members. All board members are required to complete a declaration of interest form that must be updated at least annually and whenever their circumstances change.



**George Garlick**  
Chair of the Thirteen Board

Declarations of interest are requested at the start of each meeting when members are required to declare any conflicts relating to matters to be discussed. They are also expected to declare throughout the meeting should a matter of conflict arise. The nature of the conflict will determine whether they can still take part in discussions or need to be excluded from the discussion and/or meeting.

## Theme 11: Colleague wellbeing

This theme assesses how colleagues are supported and how their wellbeing is considered by Thirteen. The theme is made up of five criteria including salary information, additional support for colleagues and the average number of sick days.



We want all of our colleagues to feel part of Team Thirteen and have great days at work. Our colleague promise pledges: "Be the best you can be at Thirteen and we'll do our best to create great days at work, working with you to create an experience that helps you feel proud, valued, energised, in control and challenged, as well as connected and informed."

We are committed to ensuring all our colleagues are fairly rewarded for the work they do. In developing our pay offer we benchmark our salaries against other housing providers as well as other major local and national employers, considering pay trends to ensure we can attract and retain the best talent in our business.

While we're not an accredited Living Wage employer, we match the Living Wage Foundation (LWF) rate. In our last three pay settlements, we matched our entry level salary point to the LWF rate, ensuring all our staff are fairly rewarded for the work they do.

### 2021 salary comparison:

Median full-time salary is **£26,457**/year (£507.40/week) in Middlesbrough. Thirteen's median salary of **£27,709** is **4.7%** higher.

Median salary for Thirteen's trades, including joiners and bricklayers, is **£27,959**, meaning Thirteen's median salary is for trade colleagues is **5.7%** above Middlesbrough pay rates.



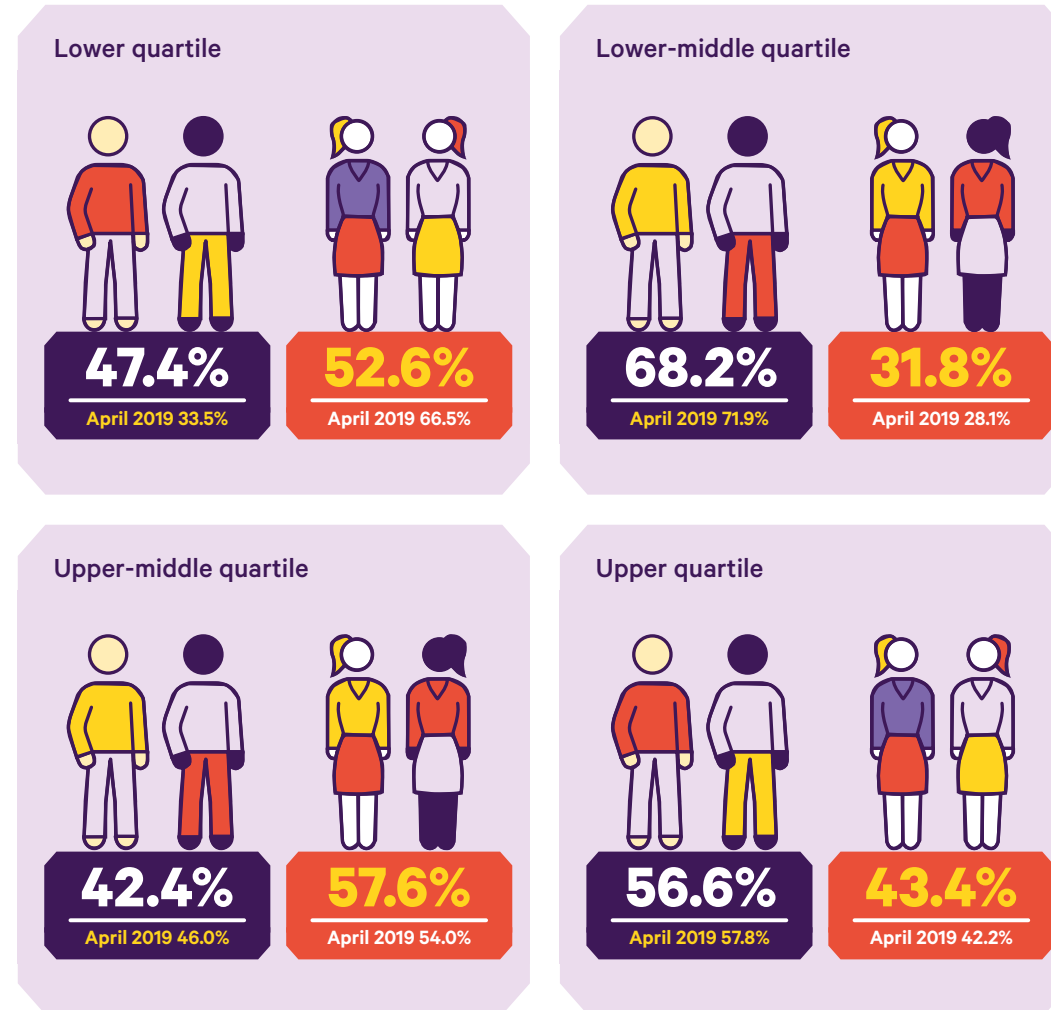
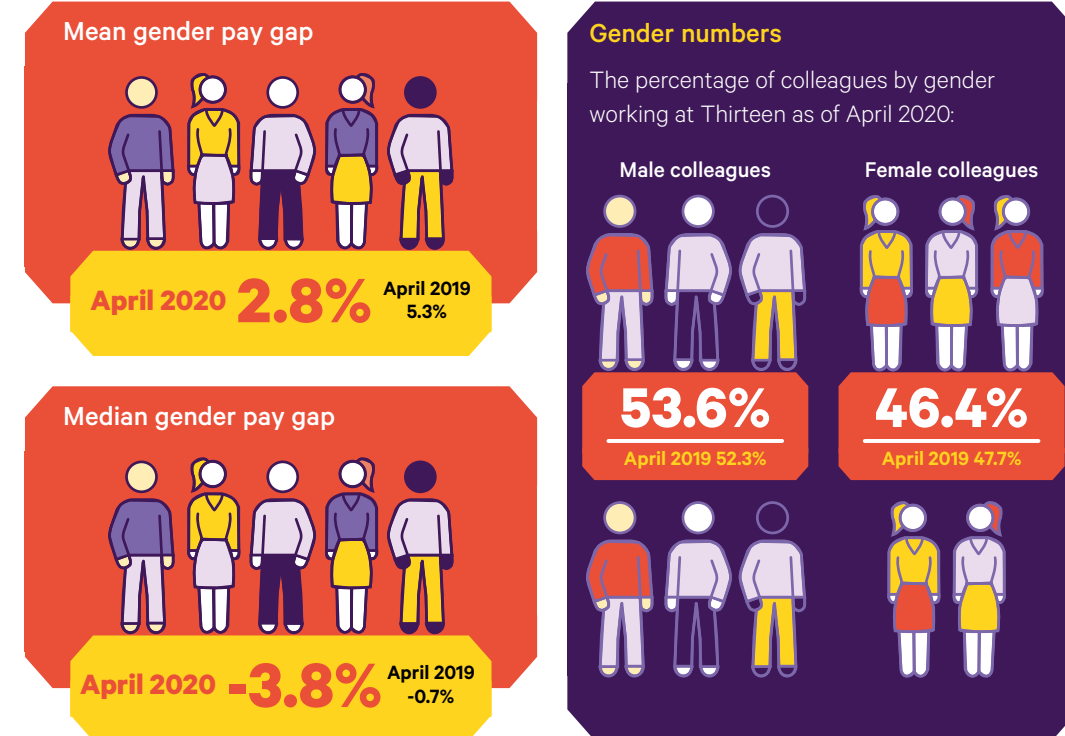
# Theme 11: Colleague wellbeing

## How we're performing

Thirteen's gender pay gap is narrowing and is less than the national mean average of 7.4% among full-time employees.

At Thirteen, female colleagues earn on average 2.8% less than their male colleagues.

The mid-point (median) earnings of male and female colleagues differs by -3.8%. This means that the median salary for females is 3.8% higher than the median salary for males.



# Theme 11: Colleague wellbeing

## CEO salary

The CEO-worker pay ratio demonstrates a housing provider's pay dispersion between the CEO and the organisation's median earner. At Thirteen, the 2020-2021 CEO median pay ratio is 7.76:1, a favourable rate compared to the typical FTSE 100 CEO, which according to the CIPD's 2020 executive pay review, is typically around 84:1.

## Supporting health and wellbeing

The health and wellbeing of colleagues is really important to everyone at Thirteen. We work hard to put processes and support in place to help colleagues increase their wellbeing and ensure everyone has great days at work.

Our approach to mental health support is led from the top, with an executive sponsor taking responsibility. During lockdown our senior leaders continuously worked with managers to ensure they encouraged their teams to work flexibly, take more frequent breaks, get out to exercise and look after their own physical and mental wellbeing. We also delivered health and fitness classes to colleagues, from yoga and bootcamp sessions to online mindfulness sessions, encouraging colleagues to take time out for a break during the working day.

We've trained all our line managers in managing mental health in the workplace and given them various tools to support this, so they are comfortable and confident facilitating conversations about mental health and know how to spot early warning signs. We also run regular mental health awareness sessions for colleagues and offer personal resilience-building courses as part of our online learning.

Meanwhile our 50-strong mental health advocate group has a broad-ranging reach across the organisation, excelling in supporting and signposting colleagues to advice and guidance and running campaigns and events to help tackle the stigma

that can still exist around mental health. The advocates played an important role in lockdown, making calls to all colleagues to enquire about their welfare and just generally lending a friendly ear.

Alongside our mental health advocates, Thirteen has a group of staff volunteers to act as LGBT+ champions. The champions work on events and projects to highlight LGBT+ issues to colleagues and customers throughout the year.

As well as taking the time to check in with colleagues about how they are feeling, our mental health advocates created a special video with more information about their role and how they can help. The video, which is featured on our staff intranet, highlights that anyone can be affected by mental health and promotes the support available for people working at Thirteen - take a look by clicking the link on the previous page.

As part of creating great days at work, our people strategy focusses on valuing, promoting and supporting wellbeing. This includes identifying preventative support services for colleagues who might deal with stressful situations as part of their work, as well as developing our approach to managing the menopause in the workplace.

Our hard work is paying off and our most recent employee engagement survey showed encouraging results. When asked if colleagues were feeling mentally well and maintaining a healthy work-life balance, the score was seven out of ten.

When asked if colleagues knew about actions to take to help them stay mentally well and asked if they are having meaningful check ins with their manager, we scored 8.2.



## Sickness and absence

We work hard to support managers and colleagues who are absent, reaching out to have regular conversations and offering ongoing support to employees returning to work. This has made great strides in reducing long-term absence, from an average of eight days lost per employee a year to 5.5.

We have ended the year below our sickness absence target, recording 9.2 days per employee against a target of 12.1 days, including any absences linked to coronavirus. Despite the pandemic, the result is still improved on the previous year's recording of 11.3 days.

## Find out more at:

Colleagues boost their wellbeing at Thirteen's environmental centre

# Theme 11: Supply chain management

## Thirteen's six key principles of social value

### 1: Employing local

Thirteen recognises that training and employment provide significant opportunities to create a resilient and innovative local economy, so we will create training, employment and development opportunities, focusing on local priorities wherever possible.

### 2: Buying local

Thirteen understands the social, environmental and economic value of buying local. We support local organisations and encourage our partners and suppliers to do the same.

### 3: Creating more resilient communities

Thirteen recognises we can drive community wealth through our business activities, sharing resources with local communities and encouraging our partners to do the same.

### 4: Protecting the environment

Thirteen is committed to decarbonising and safeguarding our world and encouraging others to share this commitment.

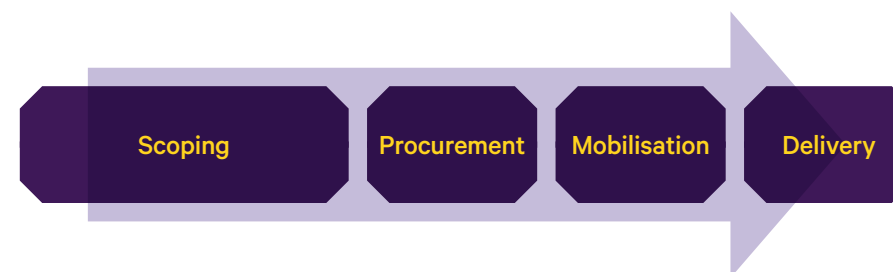
### 5: Supporting good employers

Thirteen values the wellbeing of our colleagues and will work with our partners and suppliers to do the same.

### 6: Involving customers

Thirteen is committed to involving customers and working to ensure that others are also committed to this.

We recognise that clear objectives and early engagement with potential partners is essential to deliver maximum value. The framework requires social value to be considered within the four key stages shown in the diagram:



We have also adopted the National TOMS framework to allow us to be frame our ambition in clearly stated outcomes and measures relating to:

- Employment
- Environment
- Supporting regional business
- Promoting social innovation
- Safer and more resilient communities

This methodology is also being employed with our programme management framework so that business as usual activities, which may not involve procurement, also take account of social value considerations.

**For more information about this report contact Michael Cook, head of insight and impact, on [Michael.Cook@thirteengroup.co.uk](mailto:Michael.Cook@thirteengroup.co.uk)**