

A year of responsible transformation.



Circle Housing
Corporate Responsibility
Report 2016

Circle
Housing™

Enhancing Life Chances

Our mission

Our mission is to enhance the life chances of our customers.

Our vision

Our vision is to offer greater opportunities for independent, affordable and secure living to people in housing need.

Our core values

We live and breathe our values in order to deliver the best services to our customers.



EFFICIENT

We know how to get things done and deliver value everyday



STRONGER TOGETHER

We're a joined-up team working together for the same purpose



HUMAN FOCUSED

We put our customers and our people at the heart of everything we do



MOVING FORWARD

We're innovative and forward-looking - if there's a better way to do something, we'll find it

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This report reflects on the corporate responsibility performance of Circle Housing from 1 April 2015 to 31 March 2016. Detailed financial performance can be found in the Annual Report 2015/2016.

Financial highlights

We act with a business head and social heart.

£439.2m

Group turnover

£125.7m

Group operating surplus

£3.3m

Investment in social value activities

Non-financial highlights

Our financial strength enables us to provide a wide range of opportunities for putting customers and people at the heart of what we do.

6,150

Financial inclusion support services delivered

See page 28

3,972

Customers accessed our employment and skills services

See page 26

2,500

Heating and insulation upgrades to properties

See page 33

£169

Average bill savings after energy and green interventions

See page 33

103

Staff attending the D&I conference

See page 39 and 40

22nd

(2014/15: 32nd) Stonewall

Top 100 employer
See page 39



Our core business is being a trusted landlord and providing homes for those in housing need. In a changing marketplace, we have continued to provide our customers with greater opportunities for independent, affordable and secure living.

I am pleased to report that the immediate steps we took to improve our repairs and maintenance (R&M) service have resulted in the Homes and Communities Agency (HCA) restoring our compliant governance rating. Our investment and focus on this during the year has resulted in improved performance across the board, including delivering 96% of urgent and emergency repairs on time. We are now consistently achieving higher levels of jobs completed on time than ever before. Many lessons have been learnt in the past 18 months and we have strengthened our internal processes, systems, contract management and lines of communication.

We commissioned an independent review of our governance structure. This found that our federated Group structure with nine Registered Providers was no longer adequate.

To simplify our structure and ensure greater scrutiny and accountability of services, we have proposed the creation of a single landlord, which we are currently consulting our residents and Partner Boards on.

The need for social and affordable housing continues to outstrip demand, especially in London and the South East, where Circle Housing has a strong presence. The Government's proposed extension of the Right to Buy scheme for housing association tenants makes it even more important for us to build more homes, both to replace homes sold and increase the overall number of affordable homes.

This comes at a time when all housing associations have had to cut social and affordable rents by 1% for the next four years, following governmental changes to the rent formula. We forecast that Circle Housing will need to offset a £46 million reduction in rental income between 2016 and 2020.

Against this difficult backdrop, I am pleased to report that we completed 703 new homes during 2015/16, of

which 645 are affordable. Our telecare, care and support businesses posted a solid performance and returned to profitability. This was due to the benefits of our restructure in the previous year, greater demand for our technology-enabled care and support and growth in our private paying customer base.

This year, we ensured that we maintained our commitment to invest in social value activities spanning employment and skills, financial inclusion, community development projects and energy and green programmes. A total investment of £3.3 million provided a social return of £33.9 million, which translates into almost 15,000 interventions that led to positive outcome for our customers.

Welfare reform and the introduction of Universal Credit continue to make it challenging for many of our customers to make ends meet and live independently. Our Universal Credit pilot scheme, Housing Benefit to You (HB2U), demonstrated the importance of early, face-to-face intervention to support customers and minimise rent arrears.

The past year has been one of considerable change for Circle Housing, both internally and externally. We have had to accelerate our transformation programme and find further efficiencies to offset the Government's announcement of an annual 1% cut to social rents. It has been a challenging time, but I am pleased to report that we have continued to deliver strong economic and social value as well as positive environmental impact throughout the year.



Despite this year of enormous change, our people have delivered excellent results while dealing with the challenges and uncertainties of our restructuring programme. I would personally like to thank all our colleagues, partners and board members for their tireless work and commitment in the last year.

Change and transformation will continue to be a theme for the year ahead, as the Board approved a business case for the merger of Circle Housing and Affinity Sutton at the end of 2015. We are now consulting with our stakeholders before making a final decision.

If approved by the HCA and the Board, the merger would create a stronger, more efficient organisation with increased financial capacity. This will ensure that we are well placed to adapt to the changes in our sector and respond positively to the demand for investment in new homes.

The new group will also increase our joint ability to improve lives and communities. The merger business case proposes a charitable foundation that will cover key social value themes, including supporting customers into work, financial and digital inclusion, building stronger communities and supporting social enterprise.

Our business and industry face many challenges, but we are financially robust and have a clear, yet flexible, strategy to fulfil our vision and mission.

Mark Rogers
Group Chief Executive

We completed

703

new homes during 2015/16, of which

645

are affordable

Circle Housing Group is split into two main brands: Circle Housing and Centra.



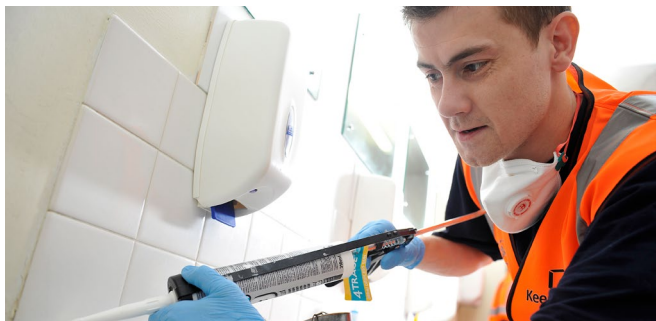
Circle Housing is one of England’s largest housing associations. We house one in every 300 people in England and one in every 100 in London.

We manage over 71,000 units and provide services to around 200,000 people through nine Group partners, known as Registered Providers (RPs):

- Circle Housing Circle 33
- Circle Housing Mercian
- Circle Housing Merton Priory
- Circle Housing Mole Valley
- Circle Housing Old Ford
- Circle Housing Roddons
- Circle Housing Russet
- Circle Housing South Anglia
- Circle Housing Wherry



All our non-social housing business sits under the Centra brand. Centra Care and Support offers a wide range of care, support and telecare services to 100,000 customers. Centra Living brings together our commercial business: private rental sector homes and properties developed for market sale and shared ownership. The surplus we make from these activities is used to build more affordable homes.

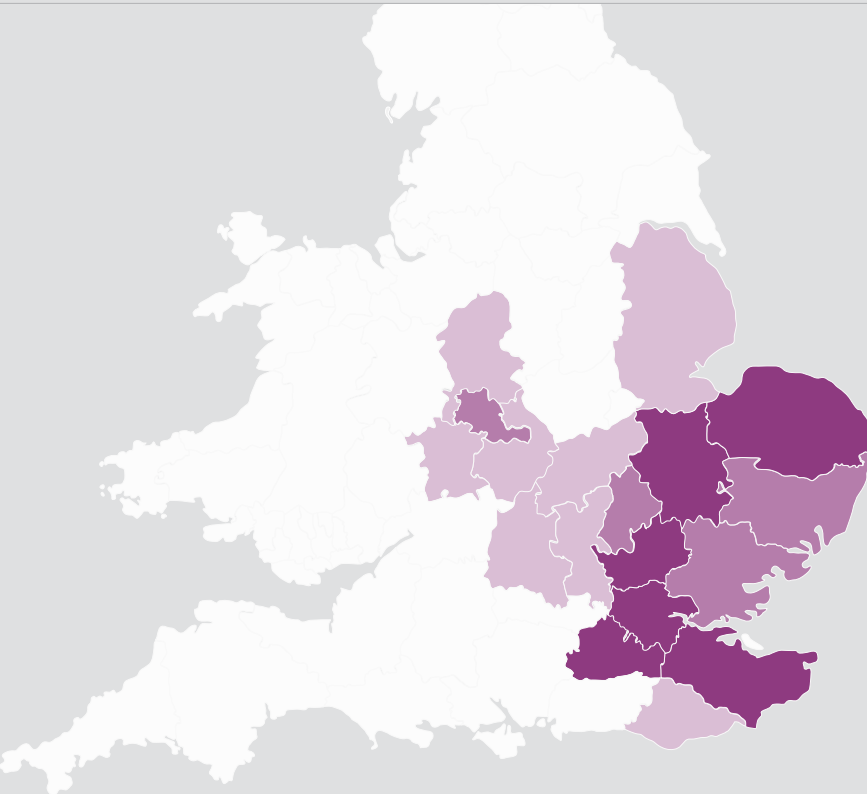


Centra Care and Support
Care and Support
Pulse and Connect

Centra Living
Market sale homes
Private rental sector

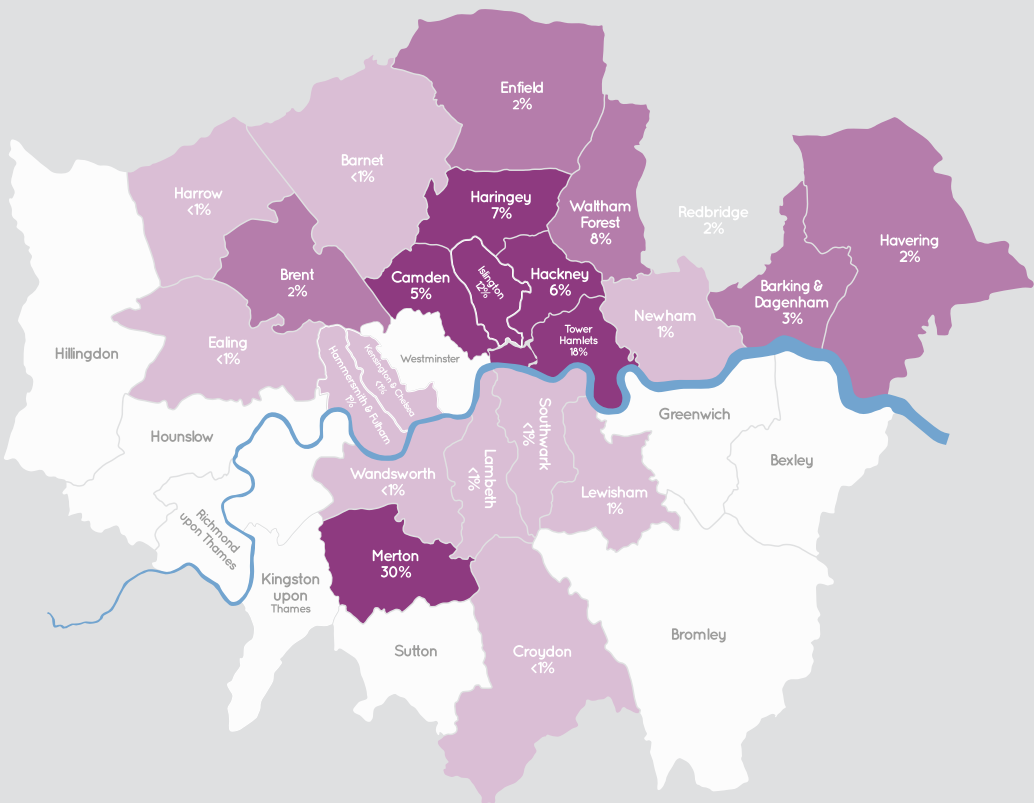
Our presence across England
Both Centra and Circle Housing have strongest presence in London, the South East and East Anglia. This means that we can make the most of our local knowledge and ensure we are cost efficient and deliver value for money to our customers.

Circle Housing and Centra presence across England
● High ● Mid ● Low



Our presence in London
We own and manage over 28,000 homes across 23 London boroughs. These are most concentrated in the London Boroughs of Merton, Tower Hamlets, Haringey, Hackney, Camden and Islington.

The percentage of our London homes in each London Borough
● High ● Mid ● Low



Circle Housing is proud to operate as a business with a social purpose.

Responsible business model

We have built corporate responsibility (CR) into our business model. Because we are both commercial and caring, it works for our customers, investors and stakeholders.

Two areas of income

- 1. Affordable housing:** Social housing, affordable rent, sheltered housing and shared ownership
- 2. Diversified activities:** Commercial care, support, telecare and property sales activities

Two uses for our surplus

- 1. Investing in properties:** Building new homes and upgrading existing ones, and regenerating communities
- 2. Social value:** We forego a portion of our surplus for investing in CR activities

Social value

We recognise that investing in our customers is mutually beneficial, enhancing their life chances, independence and financial resilience while protecting and growing our income to reach more people in housing need.

CR drivers

Our CR approach is driven by our vision, mission, values and culture; our business goals and strategic priorities; and the external risks and opportunities we face. Our social value activities are informed by stakeholder engagement.

Key stakeholders

Circle Housing engages with a wide range of stakeholders, including regulatory and industry bodies, customers, colleagues, suppliers, investors, partners and local communities.



We recognise that investing in our customers is mutually beneficial.

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By mapping the CR issues of most concern to our stakeholders against identified business risks and opportunities, we have chosen to focus our activity in areas where we can have a positive impact and provide the greatest social value to our customers.

Issue	Impact	Risk	Solution
Outdated governance structure	Slows down decision making	Issues not addressed quickly	Single landlord proposal
1% cut in rent for 4 years	£46 million reduction in income	Inability to invest in future customers	Restructure operating model
Welfare Reform Universal Credit	Financial difficulties for customers	Rent arrears	Financial inclusion support
Unemployment	Financial difficulties and social isolation	Rent arrears	Employment and skills support
Cold homes and fuel poverty	Expensive to heat	Rent arrears	Energy and green support and asset management
Lack of diverse workforce	Bias, discrimination and inequality	Legal action, fines, reputation loss, failure to connect with customers	Diversity and inclusion programme

We aim to work within the standards and requirements of the National Housing Federation (NHF) Code of Governance. Two major factors are designed to support these aims: the way we are structured and the process we have for identifying, addressing and mitigating various risks.

During the past year we have been making changes so that we are more accountable, efficient and can offer customers a better quality service. As a result, our R&M performance has improved significantly, which led to the HCA restoring our compliant G2 governance grade in June 2016.

As part of the changes, we commissioned an independent review of our governance structure. It found that our current federated model, with nine Registered Providers, stands in the way of more efficient decision making and that communication between the Group centre and local delivery needs to be improved.

Alongside this, we feel our governance structure needs to deliver greater efficiency and offer flexibility so that we can focus resources where they are most needed.

To simplify our structure and ensure greater scrutiny and accountability of services, we have proposed the creation of a single asset-owning landlord, called Circle Housing. We are currently consulting with our residents and Partner Boards on these proposals.

Customer and stakeholder engagement is crucial and the proposals include creating a mix of Regional and Community Panels supplemented by local Service Improvement Panels and Operations

Committees. Membership of each would be open to residents, local stakeholders and independent members with a remit to review delivery and performance, including R&M.



Responsibility for CR

The single landlord proposals include changes to our CR strategy, management and delivery. Historically, we have had Group-led umbrella strategies for employment and skills, financial inclusion and energy and green work plus nine different local delivery plans for community investment.

To improve the efficiency and effectiveness of community investment, we will develop Group-wide action plans. These will detail the services that all customers can access and what will be delivered locally.

Strategy will be set by a new Social Value Unit. This will have local staff who will work with governance boards and housing management colleagues to establish what activities are needed to meet local needs. The governance boards will be kept apprised of the activities, enabling them to drive the direction of our community investment. Local activities will be commissioned for delivery either through an external service provider or in-house staff.

The Director of Social Value will work with the new Regional Panels to ensure their expectations are met and to provide regular performance updates. The Panels will have influence over the budgets in their areas but ultimate accountability will rest with the Director of Social Value, who will report progress to the Executive Team.



The UK social housing and care markets are going through a period of enormous change. We continue to rise responsibly to the many challenges our business and customers face.

The housing market

Demand for all types of homes and tenures – social, affordable and private – continues to grow. However, reduced Government grants, new initiatives that favour first time buyers and the 1% four-year cut in social housing rents from April 2016 are having an impact on the development of new affordable homes.

The cost of homes and living, particularly in the areas we operate, is rising. Many of our customers tell us they are struggling to stay in the communities they were born in.

Extending Right to Buy to housing associations could further reduce the number of social homes in higher-value areas, such as London. Welfare reforms could also have a significant impact on many customers' budgets.

The vote to leave the European Union has only increased the level of change, and is likely to impact house prices across the country.

Care and support sector

Our ageing population is putting more pressure on health services and more people are going into full time care. The Better Care Fund and the Care Act 2014 introduced national standards for assessing individual care and who should pay for it.

The cost of providing care and support is increasing and changes to housing benefit, such as the Local Housing Allowance Cap, add uncertainty to the way supported housing will be provided in the future. Proposed cuts to supported housing rents have been postponed for a year to review the impact of these policies.

With less public money available for care, we are seeing more demand for private services. The introduction of a cap on people paying for their own care – from April 2016 – will provide some relief.



How we are responding

We liaise with industry bodies, government ministers, civil servants and other policy makers so that we can prepare for any change.

We are making significant cost reductions through our operational transformation programme to offset the rent reductions and grow our financial capacity in order to build more new homes. Our new governance structure proposals will bring in major efficiencies enabling us to offer more consistent services at lower cost. The proposed merger with Affinity Sutton would make us larger and financially stronger and potentially give us access to more funding.

By growing our commercial activities, we are able to invest in building more homes and giving support to customers in need. From 2018 we are aiming to build an average of 1,000 new homes each year and we are buying land so that we can achieve this. All our housing developments and regeneration programmes offer a mix of accommodation to fit our customers' budgets and needs.

We are increasing our open market sales programme in a controlled way to generate surpluses to subsidise additional affordable rented accommodation.

We continue to provide a range of services and advice to our customers to help them be independent and resilient, learn new skills and gain qualifications and enter paid work. We are looking to offer services through a range of channels. By embracing new technologies, we can provide this at lower cost and more efficiently.

New and decent homes

During 2015/16, we completed 703 new homes, of which 645 are affordable. Several of these are located in areas of community development and regeneration (see page 20).

All of our social housing complies with the Decent Homes Standard apart from a few homes at Circle Housing Merton Priory, which will be addressed as part of the Merton Regeneration Project.

Rent arrears and re-lets

To make sure we can continue investing in homes, keeping rent arrears as low as possible is extremely important. Arrears increased slightly during 2015/16. The percentage of rent owed by current tenants compared to the annual rent charge was 2.7% (2014/15: 2.6%). This reflects the effect of more homes offered at affordable rents and some tenants transitioning to Universal Credit where benefits are paid directly to the customer.

The average time it takes us to re-let void properties improved during the course of the year to 25 days in parallel with the restoration of our R&M service. We also refined and improved our internal processes and operational performance. Together, these factors led to a quicker turn around in preparing homes for new tenants.

House Exchange

Our not-for-profit online property swapping service, House Exchange, has continued to grow. New contracts secured during 2015/16 with four large northern providers have increased the geographic opportunities for all social housing and local authority tenants looking to move. With 230 partner landlords across the UK and 50% of social housing coverage in London, there are now even more matches available.

We also relaunched the houseexchange.org.uk website, giving it its first major refresh in four years and making it fully optimised for mobile. This increases flexibility for residents over where, when and how they search for their move.

From 2018 we are aiming to build an average of

1,000

new homes each year



During 2015/16, Circle Housing undertook multiple activities that contribute towards community development and regeneration: building new homes, buying land for new homes and consulting with residents.



Sustainable homes and communities

In summer 2015, Circle Housing Roddons delivered 21 affordable new homes in the village of Elm, near Wisbech in Cambridgeshire. These modern and energy-efficient homes achieved Level 3 of the Code for Sustainable Homes and are helping people to stay in their local community.

The development is a classified rural exception site and two thirds of residents moving into the new properties have a connection to the local area. This can be through family links, employment or their previous living situation.

In Bookham, Surrey, work has started on our £17.5 million regeneration to replace 46 post-war limited lifespan properties which had fallen below acceptable standards. The regeneration will deliver 47 affordable and social rent homes, 22 for shared ownership and 10 for private sale.

Community in the capital

Twenty-one flats and family houses for shared ownership and affordable rent were built by Circle Housing Circle 33 on South Access Road in Walthamstow. This was part of the redevelopment of the Pumphouse Transport Museum, which had been used for storing old vehicles.

The modern brick and steel construction is designed to complement the existing museum and every home has access to a private balcony or garden.

Diana Mensah, 49, and her two children moved into a new two-bedroom flat having previously lived in a one-bedroom flat:

It feels like we could have a nice little community going. It's a lovely development and having the extra space is really important to us.



Circle Housing Old Ford has transformed a redundant garage site in Bow, which had been a magnet for anti-social behaviour, into an attractive mews with six family homes for affordable rent. The three-storey homes have terraces, balconies and living room windows overlooking a public green space.

The development has benefitted new and existing residents alike. Najmul Miah had been living in a home with damp and had been on the waiting list since 2005 for a home that suited his son's accessibility needs. While Irene Delorenzis feels the transformation has "greatly improved" the area outside her home and believes the green space will strengthen the sense of community.

New land for new homes

There is a critical need for housing throughout London. Tower Hamlets alone has a waiting list with 22,000 families in need of affordable housing. There is a limited supply of sites we can use, so we need to make the best use of existing land and purchase it when it comes available.

In a joint venture partnership with Crest Nicholson, Circle Housing has bought the former London Chest Hospital site in Bethnal Green, Tower Hamlets. Empty and unused since April 2015, we have a wonderful opportunity to reinvigorate this four acre site and its iconic tower so that it benefits the community. Our pre-planning application proposes to build a mix of homes in a collection of well-designed buildings in an attractive landscaped setting.

Through partnership working, we have brought together a team of architects, landscape architects, arboriculturalists and heritage and transport specialists to ensure that the proposals enhance the conservation area. We will also be consulting with the local community whose views are critical to the success of the development.

Consultation and planning

We have completed our consultation with residents on the potential regeneration of three estates in the London Borough of Merton. This has informed our planning applications, which we are now submitting.

Circle Housing Russet has been granted planning permission for 125 new homes within Castle Hill – the first village at Ebbsfleet Garden City's Eastern Quarry site in Kent. Fifty-two will be available for affordable rent and 73 for shared ownership. This forms part of our wider plans to deliver a total of 375 homes in the area over the next six years.

The successful planning application followed a public consultation with local people and detailed discussions with the Ebbsfleet Development Corporation, Dartford Council and landowners, Land Securities.

R&M is the single most important service that we offer our residents. We are now delivering a service which is above the sector benchmark and have had our compliant governance rating restored.



Sustaining performance and satisfaction

Continuing to deliver a consistent and quality repairs service for our customers remains our top priority. We are now in the process of putting in place new, long-term R&M contracts for London and the West Midlands, as agreed with the HCA. We are confident the new contracts will have the right structure and flexibility for us to maintain a consistent and reliable R&M service fit for the future.

Our proposal to create a single housing association with Regional and Community Panels, supplemented by local Service Improvement Panels and Operations Committees, is an important part of our plans for increased customer and stakeholder engagement.

The new structure would allow residents and independent stakeholders to become members of the panels, to create and monitor the long-term vision for the delivery of services – including R&M – and to scrutinise performance.

Delivering social value is central to our culture and business model. Our community investment helps us to enhance our customers' life chances, increase their independence and support their financial resilience.



Understanding our customers

Research shows that a larger proportion of social housing tenants are now in work than in past decades. However, many work short hours and average hourly wages among social housing tenants are very low in comparison to the economy as a whole.

According to the Social Market Foundation, an individual living in social housing earns an average of £7.78 per hour compared to an average of £11.11 per hour for those living in other types of accommodation. Around 45% of workers living in housing association homes earn below the low pay threshold compared to nearer a fifth of the rest of the population.

Any slowdown in the economy and the reduction in public spending, cap on benefits and rollout of Universal Credit and online services hits our customers particularly hard.

Targeting our investment

It is important that we target our community investment to maximise positive outcomes and impacts for our customers and our business. In 2015/16, we invested £3.3 million in activities that aim to support our customers towards increased independence and financial resilience.

Increasing independence

We help our customers achieve independence through:

- Support to gain and retain employment
- Access to training and skills development
- Access to apprenticeships, work placements and volunteering
- Help to set up their own business
- Access to social and educational opportunities for young people
- Support for older people to be involved in local communities
- Partnerships that benefit health and wellbeing.

Developing financial resilience

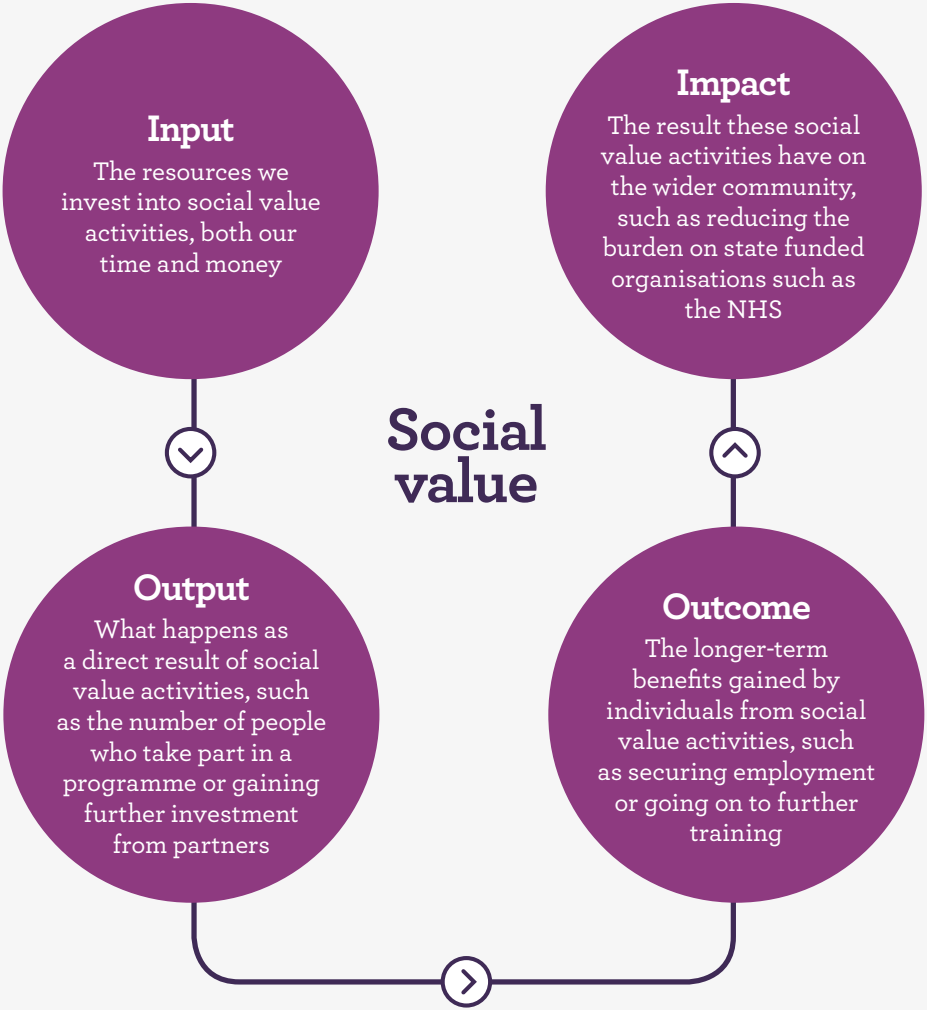
Our programmes support financial and digital inclusion through:

- Access to advice on money management, debt management and welfare benefits
- Access to affordable and responsible financial services
- Energy saving advice
- Access to computers, the internet and training.

Social return on investment

Social value is the collective benefit derived from services that positively impact our customers' lives. It can be financial and non-financial, including health, wellbeing, happiness, empowerment, inclusion and independence.

Circle Housing has to show the value of our services in terms of the benefits to our organisation and communities and the savings we make for the taxpayer. We do this by calculating our social return on investment using our accredited model.



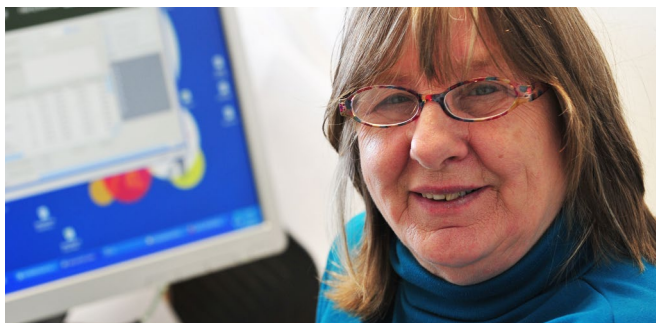
In 2015/16, we maintained our social return on investment at £10 for every £1 invested. In total, our investment returned

£33.9m

in social value for the year.

Our employment and skills (E&S) programme has continued delivering a wide range of services to assist customers along the journey from unemployment into paid work.

Under the most recent work and welfare legislation, there is an increased expectation for individuals to be economically active. Given the disproportionate number of social housing customers who are unemployed and in receipt of benefits, Circle Housing’s E&S programme aims to help customers into long-term and sustainable work.



In 2015/16, our E&S programme:

Delivered a total of	Helped over	...including
3,972	430	31
E&S interventions	people to find sustainable employment...	young people who started an apprenticeship
Assisted	Supported	Delivered
2,979	363	£11.8m
people into services to gain valuable new skills	people to gain qualifications to enhance their careers	of social value

Actively involved

Circle Housing Wherry resident, Rob Duhig, returned to work after more than 12 years. From volunteering as an involved resident for a couple of hours a month, he went on to become a full-time Community Warden.

The warmth and respect shown to me by the staff and the training and support from Circle Housing and TPAS really helped to give me the confidence to believe in myself again and seek treatment for the various ailments, including depression, that had caused my medical retirement. I enjoy being treated like a useful member of society again.



All-round support

We provide support – interventions – every step of the way, including advice and guidance sessions; CV, digital and interview skills; formal training and work experience. Working closely with many local and national charitable partners, we are able to meet diverse needs. For example, supporting customers who lack suitable clothing for interviews or essential equipment for a job.

More customers than ever now have the opportunity to access apprenticeships and job opportunities with Circle Housing, our suppliers and partners. We have strong links with the construction industry and extensive knowledge and experience of creating apprenticeships. Once in work, we offer job holders ongoing support.

Supporting customers in this way not only leads to paid employment, it generates wellbeing and a sense of belonging and leads to long-term independence.

Training and qualifications

As well as offering free E&S information and advice to all residents, Circle Housing runs a number of training initiatives and programmes at our community centres.

Training courses and qualifications include IT skills; construction skills: carpentry, plumbing, painting and decorating; food safety; first aid; and English for speakers of other languages.

Customers can find the latest information and opportunities for volunteering, training and jobs on our dedicated website circleopportunities.org.uk

Love London Working

Working with lead partner, Affinity Sutton, we are among 16 key social landlords to have secured funding for a new three-year employment and skills programme in London. The aim of the project is to help 20,000 customers into work or training.

The Circle Housing programme will work with 1,345 customers and will be tailored to meet the training and employment needs of the long-term unemployed, with a particular focus on women, customers over the age of 50 and ethnic minority customers.



Financial resilience for our customers is about making sure they are less stressed about money issues, better able to deal with financial shocks, can confidently manage their money and outgoings and be in a position to achieve their aspirations.

Six in ten customers told Circle Housing that they would struggle to cope with less money, they do not have any savings and may have to borrow in the future. Four in ten make their money stretch, but have little left, while nearly a third say that thinking about their finances keeps them awake at night.

Our financial inclusion (FI) services help residents to manage their finances, deal with their debt and put money back in their pockets.

Our interventions highlight an increasing number of customers in precarious financial circumstances who are struggling with increased costs of living, juggling bills, choosing between eating and heating or using food banks. Less secure employment, redundancy or periods of ill health are all contributing factors, in addition to welfare and benefits' reform.

In 2015/16, our FI programme:

Delivered a total of	Gave
6,150	4,781
FI support services to customers	customers face-to-face advice on money, benefits or debt
Supported over	Generated
1,000	£14.8m
customers by phone or online tools	of social value



Housing Benefit to You

Universal Credit (UC) is a new type of benefit designed to support people on a low income or out of work. It is a single monthly payment that replaces six existing benefits, including Housing Benefit. In one of the biggest changes, customers receive the credit directly into their bank account and then pay rent to their landlord.

At the beginning of July 2015, Circle Housing Wherry and Roddons took part in a trial with the Department for Work and Pensions (DWP) and Broadland District Council to understand how direct payments to customers can work in practice and to assess the impact on our organisation and customers.

Around 350 customers took part in the Housing Benefit to You (HB2U) scheme. The findings underline how important it is to individually assess

each tenant on their suitability to receive direct payments. Of the customers we assessed, one fifth (21%) weren't suitable in the short term and 3% in the long term.

Rent receipts from customers on HB2U were 4.1% lower than similar tenants not on direct payments. The value of arrears also increased – up from £162.66 to £344.40 per household – with three quarters of the value accrued in the first three HB2U payment periods.

We found that the most effective way to protect rental income is to conduct a 90-minute face-to-face meeting ahead of a transition to UC. This highlights the considerable resources that will be needed. Circle Housing remains committed to sharing insights and best practice and we will continue to work with the Government, our peers, partners and customers to achieve a successful rollout.



Circle Housing Money

Circle Housing Money is our national partnership with Leeds City Credit Union. It provides access for Circle Housing customers and employees to a range of affordable financial services, including savings, loans and alternative banking products.

Since launching in November 2014 it has:

Attracted

1,016

new members

Provided

£100,000

of affordable lending

Reduced the cost of lending by almost

£60,000

compared to higher cost credit lenders

Helped people save

£188,000

as rainy day savings



Living in East Anglia is lovely, but public transport leaves a lot to be desired. Buses can run late, which isn't much use if you start work at 6am. Owning my own bike will mean I can look further afield for work and early starts will be fine.



Saving towards a goal

Lesley Knowles, a Circle Housing Roddons customer in Wisbech, joined Circle Housing Money in 2015 and is putting aside £20 every month towards a new motorbike.

Digital inclusion

As more services and the best money-saving opportunities are increasingly online only, enhancing our customers' online digital skills is an important aspect of supporting them to become financially resilient.

Next year we will be rolling out further digital inclusion (DI) services to our core social value activities. Working with partners, our new DI approach will offer customers support to access computers and the internet.

We will focus on connecting customers to services and social networks to help them make savings, access information, develop essential work skills, find employment and enjoy social connectivity. We will look to improve IT skills so that our customers and colleagues can make the most of their smartphones, tablets and computers.



Helping our customers to be financially resilient is also supported by providing energy-efficient homes and advice on energy saving.

In previous CR reports, we have included measures of the energy efficiency of our stock according to the Standard Assessment Procedure (SAP), where zero is the least efficient and 100 is the most efficient. Our target for all properties was SAP 70, which equated to an energy efficiency rating of C. This target is currently being reviewed alongside the comprehensive stock condition survey that is taking place across Circle Housing's stock.

Once the stock condition survey is completed in September 2016, we will have a far more accurate picture of our SAP scores as well as a clearer understanding of the energy efficiency improvements that will be needed to increase our SAP performance.

In 2015/16, our energy and green (E&G) programme:

Completed a total of	Upgraded
4,800	2,500
E&G interventions	homes with heating replacements and insulation measures
Carried out	Delivered
1,144	£7.8m
Energy Advisor visits and 1,000 Energy Champion activities	of wider social return on investment
£169	
Helped customers save an average of £169 on their energy bills	

Energy and financial savings

Circle Housing continuously works towards improving the energy efficiency of our homes and buildings through the installation of loft and wall insulation and delivering upgrades to windows and heating systems. We also look for opportunities to secure funding where we can channel investment into our properties and reduce our customers' energy bills.

In 2015/16, we managed to secure £143,000 of external funding, which included ECO funding for cavity wall insulation in London and Mercian stock; EU funding for the pan-European TRIME project to help social housing customers reduce their energy use; plus smaller pockets of funding for energy advice training in the Eastern Region and for our strategic SAP modelling work.

We estimate total energy bill savings of more than £825,000 for customers who received energy advice, tariff switching support or energy efficiency measures in their home during the year. This means individual customers, on average, will save £169 on their annual energy bill.

While our energy advice and tariff switching support will benefit customers over the short-term, the energy reductions associated with energy efficiency measures – such as new boilers and insulation – will continue for between 10 and 40 years.

Due to Government cuts and a severe weakening of national energy and green policies, there is currently very little external funding available for energy efficiency measures. This will continue to make attracting external funding a challenge during 2016/17.

Energy advice

Our Energy Advice Service is delivered by three full-time in-house energy advisors who provide residents with tailored advice on how to heat their home efficiently and assess whether they are eligible for specific fuel poverty support.

When surveyed, 80% of customers said they had no problems heating their homes in 2015/16, compared to 78% in 2014/15. Whenever a customer says they have an issue, or it becomes apparent to a Neighbourhood or a FI Officer, the Energy Advisor is notified and arranges a follow-up call or visit.

We estimate total energy bill savings of more than

£825,000

for customers who received energy interventions

This individual support is supplemented by our Do1Thing online campaign, which encourages residents to take small actions in the home that will save money and benefit the environment. To date, the actions customers have committed to taking would cut £130,000 off fuel bills.

We also run a Resident Energy Champions programme, through which we have trained 50 residents to champion energy and money saving amongst other residents by passing on top tips.

Corporate performance

Gas consumption across our offices was a third lower (1,386 MWh) than in 2014/15 (2,111 MWh). This was achieved after a full year in our highly energy-efficient new head office, which is BREAAAM outstanding and supplied by the King's Cross Estate's low carbon district heating scheme. It was also due, in part, to the temporary closure of our Corsica Street office during refurbishment.

Electricity consumption increased slightly – from 2,624 MWh to 2,694 MWh – but is still 17% lower than our baseline year of 2013/14 (3,259 MWh).

Recycling of waste from our offices was down from 55% last year to 44% in 2015/16, which is well below our target of 60%. Next year, we aim to improve both our recycling performance and also our data collection processes so that we can report on the proportion of our non-recycled waste that is diverted from landfill and sent for incineration with energy recovery.

In an effort to improve our overall approach to sustainability, Circle Housing will be joining the Sustainable Homes SHIFT (Sustainable Homes Index For Tomorrow) programme for 2016/17. SHIFT is the only environmental programme and benchmarking scheme specifically designed for the social housing sector. During 2016/17, we will carry out a detailed assessment of our environmental footprint, which will look at both our housing stock as well as our operations. Later in 2017, our environmental performance will be benchmarked against our peers in the social housing sector.



We have a talented, diverse and agile workforce that is highly attuned to the needs of our customers and changes in our sector.

Restructuring programme

2015/16 has been defined by our transformation programme to deliver an improved service to our customers. We have completed the first and second phase of this restructure, among both central services and regional teams.

Around 100 colleagues have left the business so far with the support of a severance package. All staff were supported with the offer of training, including CV writing, interview skills and presentation skills; as well as mentoring, including self-awareness, managing change and wellbeing.

We also enlisted the help of author Cherron Inko-Tariah MBE to create a motivational film sharing her experiences of fulfilling her dreams after leaving the security of a career in the Civil Service.

Living Wage Employer

Circle Housing currently employs 2,618 colleagues, including 147 volunteers, and has recently been accredited by the Living Wage Foundation as an employer that voluntarily pays more than the national minimum wage and the new national living wage.

Unlike the national living wage, which requires employers to pay all workers over the age of 25 at least £7.20 per hour, the voluntary living wage:

Has two hourly rates – currently

£8.25

outside London and

£9.40

inside

Is applicable to all employees aged

18+

Is calculated according to the

actual cost

of living.



Our diversity and inclusion (D&I) work has become a core part of our brand identity and has increased our reputation within and beyond our sector.

We have retained, and improved, our ranking on key D&I benchmarks:



Circle Housing Roddons has partnered with Norfolk Constabulary's Hate Crimes Unit to become an official centre for reporting incidents. This is now being expanded to Circle Housing Wherry, enabling customers and staff to seek support without having to go to a police station.

D&I Training

We have worked hard to embed D&I in all aspects of our customer strategy and have refreshed and embedded training into all our learning pathways.

All staff will complete introductions to diversity and inclusion, mental health, sensory impairment, unconscious bias and equality analysis training. Managers will receive additional training on managing mental health and leadership will complete a new inclusive leadership course.

We held our annual Diversity Conference in July 2015 and attracted over 100 attendees. Participants learned from motivational speakers and acting out scenarios. Working in groups, everyone pitched D&I ideas to take back into the business to further awareness and understanding.

Ability and Wellbeing

Our five staff networking groups have continued to be very active. Our Ability and Wellbeing network celebrated the International Day of Persons with Disabilities by inviting TV personality Alex Brooker, from The Last Leg, in for a Big Conversation with colleagues.

In support of World Autism Awareness Week, we partnered with the National Autistic Society and Mencap to produce a leaflet with facts, information and video links for staff.

The network is currently working on plans to create a team of mental health 'first aiders' across the business who colleagues can talk to and find out where best to go for more help.

BAME (Black, Asian and Minority Ethnic)

Following the relocation of our contact centre from London to Kent, the pool of local talent to recruit from is less diverse than in the capital. We are trying to address this by advertising vacancies on various diversity websites and partnering with specialists in BAME recruitment.

We're continuing with different internal programmes aimed at improving BAME representation at senior management level. This includes our Talent Cafés, formal programme of mentoring and High Potentials Programme.

In support of Black History Month, our BAME Group organised a Big Conversation with Shaun Wallace off the TV show The Chase and Rodney Hinds, sports editor of The Voice, to talk about their careers and journeys.

Carers' Network

Our new Carers' Network held a moving Big Conversation with children's TV presenter Richard McCourt from the successful duo, Dick and Dom. He spoke candidly about caring for his mother, who had dementia and died aged 64.

His personal experiences of making sacrifices and trying to balance caring responsibilities with his television appearances resonated strongly with staff in a similar situation. It also underlined how valuable Circle Housing's agile working policy is to people who want to spend time with a loved one.

Gender Network

Some employees want support from more than one network. With this in mind, we celebrated International Women's Day by co-hosting a conference with fellow g15 housing associations, Notting Hill Housing and Metropolitan.

More than 100 attendees enjoyed the conversations between diverse panellists who championed gender, BAME and LGBT parity and beyond in the workplace.

We have continued our work with the Girls' Network Mentoring scheme and, as part of the Next Tech Girls programme, we are going to be taking on five girls for a week of work experience in our digital team.

LGBT Network

We had another successful year of participating in PRIDE events in London and Norwich, with a Circle Housing branded bus and positive results. We took a partnership approach, jointly holding events with House Proud, an LGBT network group formed of six housing associations.

In Norwich, residents joined staff in organising the event and taking part in the march. In London, the aim was to engage more people on social media. The week following the event, Circle Housing's Facebook reach totalled 30,298 people with a 12,100% uplift in new Likes.

Performance data

Customers

General needs KPIs	2012/13 year end position	2013/14 year end position	2014/15 year end position	2015/16 year end position
Customers satisfied with services provided by landlord – general needs	83.1%	N/A	77%	71%
Emergency and urgent repairs completed with-in time band	N/A	75.8%	57.3%	95.5%
Tenants satisfied with the way landlord dealt with their last repair	91.8%	88.8%	86%	87%

Employees

Overall employee data	2012/13 year end position	2013/14 year end position	2014/15 year end position	2015/16 year end position
Number of employees	2,460	2,300	3,000	2,600

Diversity and inclusion employee data	2012/13 year end position	2013/14 year end position	2014/15 year end position	2015/16 year end position
Stonewall Workplace Equality Index ranking	244th	138th	32nd	22nd
Number of staff attending the Diversity & Inclusion conference	50	150	94	103
Percentage of staff being comfortable about reporting personal data	74%	84%	82%	86%

Social return on investment

	2012/13 year end position	2013/14 year end position	2014/15 year end position	2015/16 year end position
Total cost for sustainable communities incurred (approximate staff and programmes)	£3 million	£3 million	£3.3 million	£3.3 million
Value obtained in kind through projects	£501,943	£416,152	£948,347	£179,518
Value obtained in external funding through projects	£804,638	£233,046	£573,403	£395,174
Value based on currently valuable interventions	£30,507,335	£34,093,893	£32,104,803	34,511,596
Total SROI for sustainable communities	£31,813,916	£34,743,091	£33,626,553	£35,086,288
SROI Circle Housing Invested: Returned Social Value	£1:£11	£1:£12	£1:£10*	£1:£10*

*It is important to note that this is not indicative of a reduced performance compared to 2013/14, where we reported an SROI of £12 for every £1 invested. This is a reflection of our new performance management framework and auditing process, which is more efficient and accurate than before. It now ensures that we are only valuing actual impact, rather than interventions with assumed impact.

Energy and green

	2013/14 year end position	2014/15 year end position	2015/16 year end position
% of properties that are above SAP 70	55%	55%	N/A*
Average energy bill savings for customers in receipt of upgrades, advice or support	£197	£181	£169
% of customers who do not have problems heating their homes	Baseline year	78%	80%
Total external funding levered in each year	£305k	£228k	£143k
% of waste that is recycled from Circle Housing’s offices	Baseline year	55%	44%
Circle Housing’s electricity and gas consumption in offices	Gas: 2218 MWH Electricity: 3259 MWH	Gas: 2111 MWH Electricity: 2624 MWH	Gas: 1386 MWH Electricity: 2694 MWH

*We are currently carrying out a stock condition survey, which, once complete in September 2016 will give us an accurate measurement of our SAP scores.

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