

Environmental, Social & Governance Report

2022



LANGSTANE

HOUSING ASSOCIATION LTD

YOUR HOME MATTERS

Introduction

Welcome to The Langstane Group's first Environmental, Social and Governance (ESG) report for 2021-2022.

Langstane is a community-based housing association serving many of the more socially excluded communities of Aberdeen, Aberdeenshire and Moray. Set up to house and support mainly single people, we continue to provide homes to some of the most vulnerable members of our society.

We have three subsidiary companies, one of which delivers mid-market rental homes. Collectively Langstane Housing Association and its subsidiary companies are informally referred to as the Langstane Group.

We work closely with external organisations to ensure our tenants and their families receive the secure housing and support they need to allow them to live independently and to actively participate in their communities.

As a business we have a very clear social purpose. That social purpose is strong and we recognise our impact can be significant. Committed to the provision of genuinely affordable, quality homes and services that make a positive contribution to people's lives, we ensure our ethical standards are never compromised.

Our Sustainability Strategy ensures sustainability is at the heart of decision-making throughout the Langstane Group. We strike a balance between setting out a high-level framework for the delivery of sustainability, and delivering a detailed plan which addresses specific targets.

The key objectives of this strategy are to:

- Improve the energy efficiency of our homes;
- Reduce fuel poverty amongst our tenant population;
- Reduce carbon emissions arising from our activities;
- Improve business efficiency and reduce waste; and
- Purchase responsibly



These objectives support our Business Plan Vision, to 'be the best we can be', through the promotion of practices that realise savings for the organisation (through initiatives such as reducing waste) and our tenants (through initiatives such as providing more energy efficient homes).

We are fully aware of how important it is for our stakeholders to understand our ESG performance. Our ESG Statement is the first step towards pulling all relevant activities together.

Our efforts in each of these vitally important areas are not new, but our approach to monitoring, assessing, and reporting on them is.

How we embed ESG into our everyday activities

An Environmental, Social and Governance (ESG) framework is used to map our global impacts and, if appropriate, how we work to address these. The framework sets out the collective criteria that establishes how we assess our impact and how we are actively addressing any negative impact we may have, now and in the future. ESG considers the sustainable and ethical practices adopted across all areas of our operations.

ESG has three central themes. These are:



E

Environmental captures climate change, energy efficiency, carbon footprint, greenhouse gas emission, deforestation, biodiversity and other environmentally sensitive issues.



S

Social covers employment standards, wages and benefits, diversity, human rights, community relationships, privacy and data protection, health and safety, supply change and other social justice issues.



G

Governance captures the governance of 'E' and 'S' and includes corporate governance considerations.

To structure reporting, Langstane has adopted the Sustainability Reporting Standard (SRS). This Standard utilises set criteria which is divided into twelve ESG themes.

These themes are aligned with the UN Sustainable Development Goals (SDGs). Each theme is covered in this report, with a statement of Langstane's current focus.



Climate scientists agree that we are in a climate crisis caused primarily by human activity.

Langstane has the potential to contribute positively to the climate solution through:

- Reducing the carbon footprint of our homes;
- Utilising the land we own to improve biodiversity;
- Improving recycling opportunities at our offices and homes;
- Reducing energy consumption and waste; and
- Purchasing responsibly.

Success in these areas will have positive impacts on our tenants through:

- Reducing fuel poverty and improving comfort levels in homes; and
- Improving the quality of outdoor space, having a positive effect on wellbeing.

There are three Environmental themes in the Sustainability Reporting Standard (SRS) as follows:

| Theme | Description |
|---------------------|---|
| Climate Change | Prevents and mitigates the risk of climate change |
| Ecology | Promotes ecological sustainability |
| Resource Management | Sustainable management of natural resources |



Theme: Climate change

This theme is made up of two core and four enhanced criteria:

| | |
|----------|---|
| Core | Distribution of EPC ratings of existing homes (those completed before the last financial year) |
| Core | Distribution of EPC ratings for new homes (those completed in the new financial year) (not applicable to Langstane) |
| Enhanced | Scope 1,2 and 3 greenhouse gas emissions |
| Enhanced | Energy efficiency actions undertaken in the last 12 months |
| Enhanced | Mitigation of the following climate risks – flood risk and risk of homes overheating |
| Enhanced | Information provided to residents about correct ventilation, heating recycling etc |

The Energy Performance Certificate (EPC) ratings of our existing homes

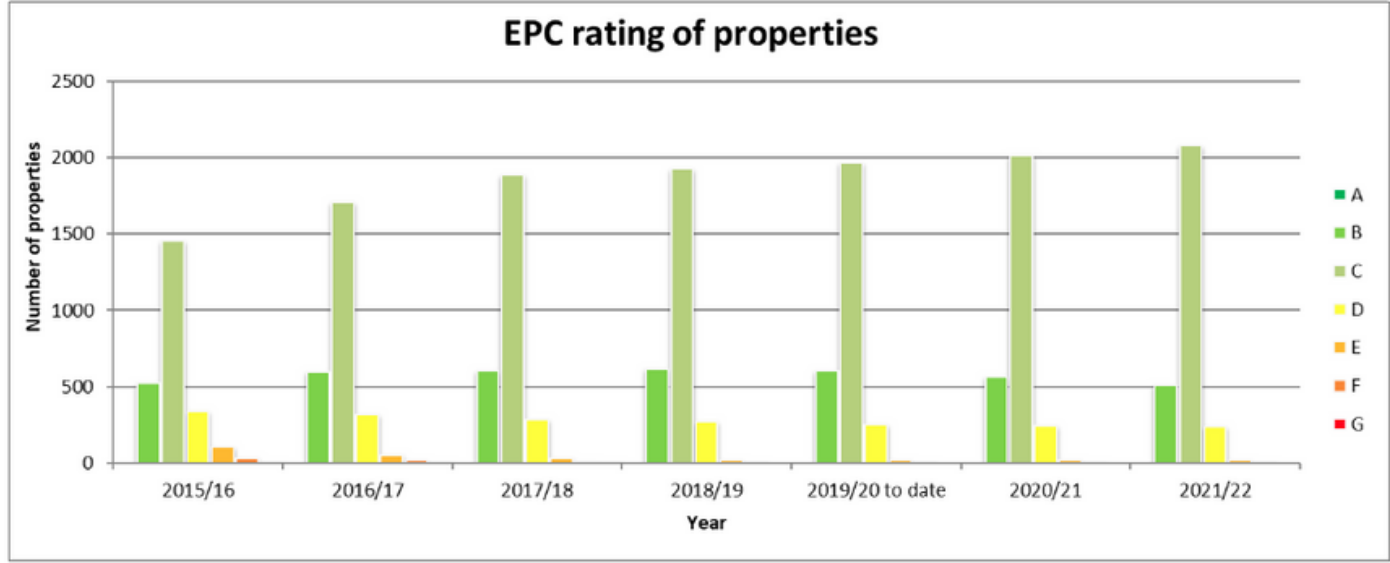
Langstane is committed to providing safe, warm, and comfortable homes that are affordable to heat and, although on average our homes perform well, there is still a lot of work to do. There will be two main drivers for us over the coming years:

- Decarbonisation and net zero – all homes to have zero emission heating by 2045; and
- Energy Efficiency Standard for Social Housing (ESSH) and EPCs – targets are currently under review, but the Scottish Government’s ‘Heat in Buildings Strategy’ sets a target for all homes to meet EPC ‘C’ by 2033 with an aspirational target of EPC ‘B’ by 2040.

The table charts Langstane’s progress based on EPC performance from 2015-16 to 2021-22. Good progress has been made, primarily through the installation of cavity wall and loft insulations and through switching properties from electric storage to gas heating. The majority of Langstane’s homes (2,418 / 84%) have gas central heating and a further 52 properties are served by communal heating systems.

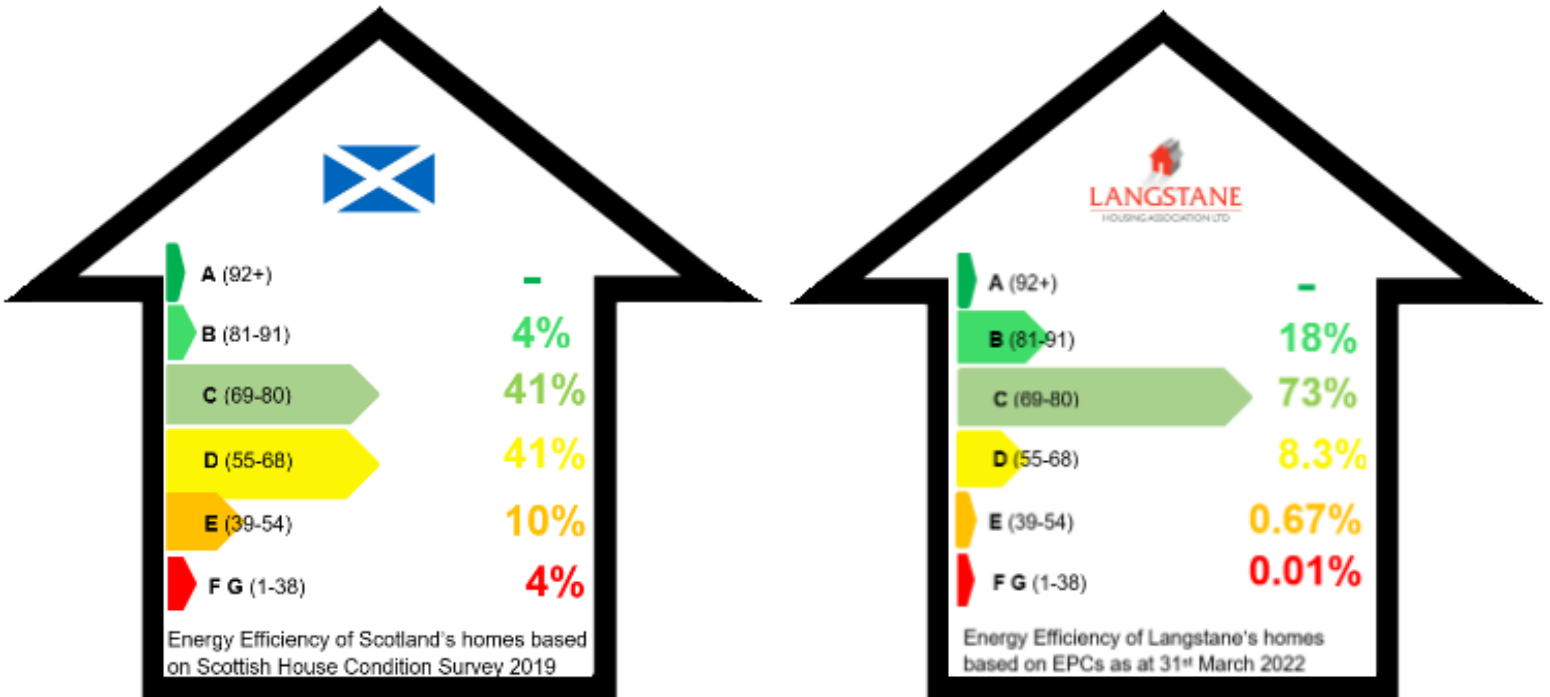


E - Environmental Themes



Langstane’s homes perform better than the Scottish average (as can be seen on the comparison graphic below) but there is still much to be done to achieve improved EPC standards and meet the challenge of decarbonisation / net zero.

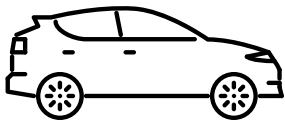
By December 2024 we will set out a timeline to achieve Net Zero. This will concentrate on improving the insulation levels of our homes and decarbonising the heating systems.



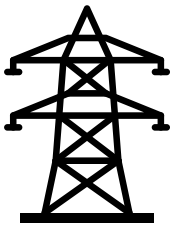
While we await the updated EESSH2 guidance, Langstane is committed to ensuring that, from 1st April 2023 all homes we let have an EPC band D or above (currently 17 properties fall below this level).



Scope 1, 2 and 3 emissions



Scope 1 - Direct Emissions - fossil fuels for offices, fuelling for company fleet, communal heat networks



Scope 2 - Direct Emissions - purchased electricity for heating and lighting offices



Scope 3 - Indirect Emissions - gas and electricity used by tenants, employee commuting, emissions from purchased goods/materials

We do not currently hold Scope 1, 2 or 3 emissions data. By December 2024 Langstane will understand its Scope 1 and 2 emissions and by December 2025 Langstane will understand its Scope 3 emissions. We will develop clear plans for reducing our emissions.

Energy efficiency actions in the last 12 months

The past twelve months have been concentrated on understanding our current position in terms of energy efficiency, improving the data we hold and starting to develop a plan.

Changeworks:

We employed the services of Changeworks to analyse our current property data, report on our energy efficiency position in relation to our housing stock and give an indication of what would be required to meet EESSH2 targets (this work was carried out prior to an early review of EESSH2 being announced).

In the coming year we will use the Changeworks report as a base to identify the property archetypes in our stock, be clear about the work that each archetype requires to achieve Net Zero and identify the timeline and funding required to have all properties Net Zero by 2045.

Stock condition survey EPC:

An external stock condition sample survey was carried out by JMP with the primary aim of updating our property condition information and assessing compliance with Scottish Housing Quality Standard (SHQS), but EPCs for surveyed properties were also updated to ensure our EPC data was as relevant as possible.



Electric pool car

The Association leased its first electric pool car in 2022. Based at the Aberdeen office it is available to all employees for work related journeys. A charging point had already been installed at the Aberdeen office in 2019. By 2025 the Association aims to pilot the use of an electric van in its repair's vehicle fleet.



Eco Group

The Association's Eco Group met for the first time in June 2022. It has the remit of taking forward environmental initiatives to achieve the Association's Sustainability Strategy.

The first successfully completed task was to improve recycling rates in Langstane's offices.

In the next 12 months the group will organise an environmental audit of Langstane's offices, set targets for reducing office running costs (including electricity, paper, postage, and mileage) and hold awareness raising days.





Hybrid Working

Although Covid lockdowns had some negative impacts, they encouraged the Association to accelerate hybrid working practices and reduced business emissions by reducing or eliminating the need to commute to work and travel between sites.

Retaining some of the positive side-effects of Covid, hybrid working is now available for most employees.

As part of the work under the Emissions criteria, we will work to quantify the environmental benefits this brings to Langstane.

Mitigating climate risks

Flood risk

The Association currently has one scheme which has been at repeated risk of flooding and has flood prevention equipment. The flood risk at this scheme has now been reduced by a scheme of flood prevention works undertaken by Aberdeenshire Council and Moray Council.

Recent storms have seen a small number of other schemes suffer from localised flooding caused by blocked public drains which has highlighted the need for regular maintenance of drainage systems, albeit many of these are out with Langstane's control.

By March 2024, the Association will carry out an assessment of all schemes against SEPA (Scottish Environment Protection Agency) flood risk maps to identify any schemes which may be at risk of flooding in the future and create action plans for these schemes.





Providing information to residents on ventilation, recycling, heating, etc.

Our scheme-based environmental initiatives will only be successful if we consult with tenants on the work we are planning and give guidance to tenants on getting the best from the features in their home. We currently provide a range of information to tenants as part of their allocation pack including:

- Guidance on condensation which is also available on our website alongside a 'Ventilate Right' video created by Glasgow School of Art; and
- Heating instructions.

We are working on an improved 'sustainability welcome pack' for new tenants. This will include a wider range of information in a more user-friendly format and will be available from October 2023.



Home About Us Services Useful Information Getting Involved Help and Support Contact Us

Pay Rent
Repairs
Apply for a Home
Complaints
Documents

Repairs

- Report a Repair
- Repair Responsibilities
- Right to repair scheme
- Rechargeable Repairs
- Medical Adaptations
- Planned Maintenance
- Making Changes to Your Own Home
- Dealing with Damp and Condensation
- Keeping your Home Safe
- Dealing with Pest Control
- Insuring your home

Dealing with Damp and Condensation

Tenants often contact us asking for an appointment with a Property Inspector to check whether their home has a problem with damp.

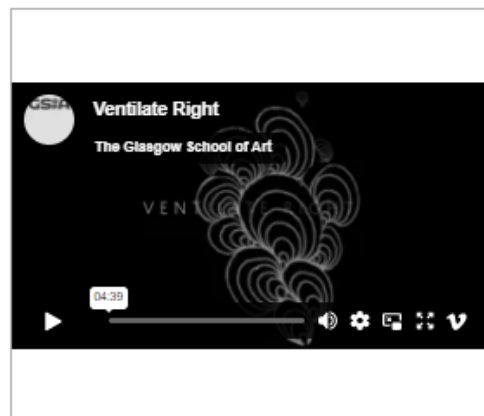
In almost all cases, issues with mould in a property are caused by condensation.

Condensation can be found in any home and is caused by warm, moist air making contact with cold surfaces, such as windows and walls. Houseplants and flowers, steam from the kitchen and bathroom and even by moisture given off by people (which can be up to a litre in one night alone) all increase the amount of warm, moist air in your home.

It is impossible to prevent all condensation, but you can avoid problems with damp and mould by airing rooms several times a day e.g. morning, afternoon and evening for about twenty minutes. If you turn off the heating during these periods you won't waste any energy and with regular airing you can watch any condensation problems disappear.

For more information, please see our Condensation Advice Leaflet in the downloads menu or follow [this link to the Energy Saving Trust's website](#) for detailed advice.

| File Description | File | Size |
|-----------------------------|------|------|
| Condensation Advice Leaflet | | 2MB |



Ventilate Right from The Glasgow School of Art on Vimeo.



Theme: Ecology

This theme is made up of two enhanced criteria:

Enhanced

Increasing and promoting biodiversity on or near homes.

Enhanced

Strategy for actively managing and reducing pollutants and methods of targeting and measuring performance.

Increasing and promoting biodiversity on or near homes

Although Langstane carries out projects on an ad-hoc basis, there is currently no formal plan for improving biodiversity within our housing schemes. We will develop a biodiversity action plan. This will identify opportunities to improve the biodiversity in our schemes. In addition, we will review our gardening services to ensure consideration of biodiversity underpins our decision-making. Our plan will firstly focus on simple actions such as installing bird and bat boxes, planting native meadowland areas, minimising the use of pesticides and weedkillers, and reviewing the frequency of grass and hedge trimming where appropriate.

Case study: Staff community action day

Unfortunately put on hold during the pandemic, Langstane holds a community action day every second year. Employees take part in projects to improve our communities. Projects range from holding coffee mornings to litter picking to improving landscaping at schemes. Several small biodiversity projects were carried out:

- At Fraser Court in Aberdeen staff worked to plant bulbs and install bird boxes to improve the quality of the outdoor space and attract birds and wildlife;
- At our head office in Aberdeen staff planted bulbs in communal gardens shared with one of our developments;
- In Peterhead, Aberdeenshire a scheme carpark was cleared of weeds and overgrown plants without the use of chemicals; and
- In Banff and Stonehaven, Aberdeenshire, overgrown communal gardens were brought back into use, again without the use of chemicals.

Our strategy to actively manage and reduce all pollutants

We will develop a strategy to ensure we actively manage the pollutants generated by our activities, particularly with regards to our construction activities.

We will audit our key waste streams and identify quick wins to improve performance, alongside developing a longer-term improvement plan. We aim to have the strategy in place by December 2025.

In the meantime, any waste handled by the Association is managed through registered waste management contractors and, wherever possible, it is recycled.



Theme: Resource Management

This theme is made up of three enhanced criteria:

| | |
|----------|--|
| Enhanced | Strategy to use or increase the use of responsibly sourced construction materials and targeting and measuring performance. |
| Enhanced | Strategy for waste management incorporating construction materials and targeting and measuring performance. |
| Enhanced | Strategy for good water management and targeting and measuring performance |

Langstane has a new build specification document which sets out requirements for material sourcing, waste and water management. However, there is currently no equivalent document covering the maintenance of our homes.

We will review our approach to resource management by developing a clear set of employer requirements for maintenance. Our focus will be on improving resource management within our DLO (Direct Labour Operatives) as a first step. It will be more straightforward to set targets and measure performance for our own in-house repairs team. We will then expand this to our external contractors.



S - Social Themes

| | |
|-----------------------------|--|
| Affordability and Security | Provides affordable and secure housing |
| Building Safety and Quality | Resident safety and building quality are well managed |
| Resident Support | Supports residents, and the local community |
| Placemaking | Supports residents and the wider local community through placemaking |

Langstane has a strong social purpose. Serving some of the most vulnerable members of our communities, we provide homes and services to a substantial number of people who have faced, and continue to face, severe hardship. This has historically involved providing homes and services, pro rata, to more homeless households than our peers locally and nationally.

As a social landlord, our focus is on:

- ensuring we deliver the range and level of services required by our tenants and other customers;
- using our purchasing power to maximise community benefit wherever possible; and
- using our influence to support those who require our assistance, knowledge, and experience.



Theme: Affordability and Security

The Association provides social housing over three local authority areas in the North East of Scotland - Aberdeen, Aberdeenshire, and Moray. In addition, we have shared ownership homes and homes we lease out at a mid-market rent through our subsidiary Langstane Property Limited. We also provide a small number of lead tenancies in two locations (Fraserburgh, and Peterhead – both in Aberdeenshire) and provide affordable commercial lets to support agencies who assist our tenants.



Security of tenure is offered in both our social housing and mid-market homes. Where this is not offered, and where Langstane owns the property, support is provided to help our tenants sustain their tenancy.

The Association also works in partnership with a number of third sector organisations including Inspire, SAMH, Penumbra, SACRO, and the local authorities to provide much needed supported accommodation.

The following is a breakdown of housing allocations for the last reporting year which is included in our Annual Return to the Scottish Government.

| Source of Let | No |
|--|------------|
| The number of lets to existing tenants | 22 |
| The number of lets to housing list applicants | 138 |
| The number of lets from other sources | 8 |
| The number of applicants who have been assessed as statutorily homeless by the local authority as: | |
| • Section 5 referrals | 45 |
| • Nominations from other local authorities | 88 |
| • Other | 4 |
| The number of other nominations from local authorities | 76 |
| Total number of lets excluding exchanges | 381 |



S - Social Themes

Rent affordability

We measure the affordability of our rents every year. We aim, using average rent information and the benchmark of a living wage, to ensure tenants do not pay more than 30% of their net income on housing costs.

Our Board of Management ensures that, when considering any increase, a balance is struck between the level of services provided, the cost of the services and affordability.

We also review our rent levels to ensure they are comparable with other social housing providers in the North East.

| Property Size and location | Number of Lettable Units* | Variable Increase applied April 2022** | Affordability *** of current rents with no increase | Increase April 2023 at 5.5% | % of income spent on rent after 5.5% increase | Increase April 2023 at 6.50% | % of income spent on rent after 6.5% increase | Examples of Household Types |
|----------------------------|---------------------------|--|---|-----------------------------|---|------------------------------|---|-----------------------------|
| Aberdeen | | | | | | | | |
| 1 Apt | 67 | £83.69 | 25.50% | £88.29 | 26.90% | £89.13 | 27.10% | Single Person |
| 2 Apt | 931 | £92.26 | 28.10% | £97.33 | 29.60% | £98.26 | 29.90% | Single Person |
| 3 Apt | 393 | £109.28 | 20.80% | £115.29 | 21.90% | £116.38 | 22.10% | Single parent x 2 children |
| 4 Apt | 36 | £119.64 | 17.30% | £126.22 | 18.30% | £127.42 | 18.50% | Small Family |
| 5 Apt | 9 | £134.75 | 19.50% | £142.16 | 20.60% | £143.51 | 20.80% | Small Family |
| Shire | | | | | | | | |
| 1 Apt | 8 | £73.24 | 22.30% | £77.27 | 23.50% | £78.00 | 23.70% | Single Person |
| 2 Apt | 516 | £84.75 | 25.80% | £89.41 | 27.20% | £90.26 | 27.50% | Single Person |
| 3 Apt | 197 | £96.23 | 18.30% | £101.52 | 19.30% | £102.48 | 19.50% | Single parent x2 children |
| 4 Apt | 125 | £108.77 | 15.80% | £114.75 | 16.60% | £115.84 | 16.80% | Small Family |
| 5 Apt | 14 | £118.70 | 17.20% | £125.23 | 18.10% | £126.42 | 18.30% | Small Family |
| Moray | | | | | | | | |
| 1 Apt | 0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2 Apt | 198 | £82.03 | 25.00% | £86.54 | 26.30% | £87.36 | 26.60% | Single Person |
| 3 Apt | 181 | £93.58 | 17.80% | £98.73 | 18.80% | £99.66 | 19.00% | Single parent x 2 children |
| 4 Apt | 84 | £104.85 | 15.20% | £110.62 | 16.00% | £111.67 | 16.20% | Small Family |
| 5 Apt | 16 | £117.74 | 17.10% | £124.22 | 18.00% | £125.39 | 18.20% | Small Family |
| Totals | 2,775 | | | | | | | |

| | |
|-----------|---|
| * Note 1 | Total number of lettable units = 2,775 The difference between the total number of properties reported in the ARC (2,886) and the lettable units are those properties leased to other organisations |
| ** Note 2 | Variable increases applied from April 2022: - One bedrooms and bedsits in the City - 1.7% - Two bedrooms and one bedrooms in Shire and Moray - 2.3% - Three bedrooms (+) - 4.0% |
| ***Note 3 | Affordability - This means spending 30% or less of income on rent. Calculations based on real living wage at £10.90 per hour |

Combatting fuel poverty

The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 set out a new definition for fuel poverty:

A household is in fuel poverty if:

- the fuel costs necessary for the home in which members of the household live to meet the conditions set out in subsection (2) are more than 10% of the household's adjusted net income, and
- after deducting such fuel costs, benefits received for a care need or disability (if any) and the household's childcare costs (if any), the household's remaining adjusted net income is insufficient to maintain an acceptable standard of living for members of the household.

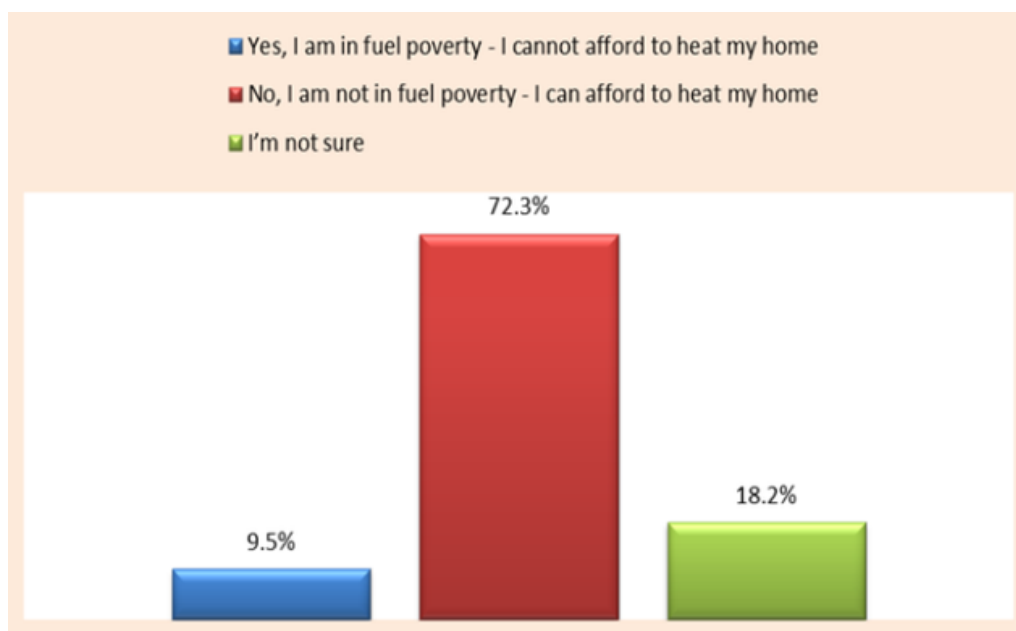


S - Social Themes

Improving heating and insulation in our homes to meet EESSH2 will contribute to reduced fuel costs for tenants and assist with reducing fuel poverty amongst our tenant population. It is difficult for us to estimate accurately how many of our households are currently in fuel poverty as we do not hold tenant income information.

However, in 2021 we completed a tenant profiling survey and included questions on fuel poverty to identify how many households struggle with fuel costs.

From those that responded it was clear that in 2021 most tenants felt they could afford to heat their homes. At this time, tenants in receipt of Universal Credit received additional payments due to the Covid pandemic. In November 2022, if the same questions were asked, a different view would undoubtedly be put forward.



- Yes, I am in fuel poverty - I cannot afford to heat my home – 9.5% (46 out of 483)
- No, I am not in fuel poverty - I can afford to heat my home – 72.3% (349 out of 483)
- I'm not sure – 18.2% (88 out of 483)

In September 2022, we secured a grant of £61,000 from the Scottish Government's Fuel Support Fund. This will be used to assist tenants in fuel poverty by:

- Uncapping gas supplies;
- Clearing debt on capped meters;
- Providing energy advice in partnership with SCARF;
- Providing practical help e.g. draft excluders, low energy lightbulbs; and
- Providing fuel vouchers.



Building Safety and Quality

This theme is made up of three core criteria:

| | |
|------|--|
| Core | What % of homes with a gas appliance have an in-date, accredited gas safety check? |
| Core | What % of buildings have an in-date and compliant Fire Risk Assessment? |
| Core | What % of homes meet the Scottish Housing Quality Standard? |

From a property perspective, one of the Association's main areas of focus over the past three years has been tenant safety and a desire to ensure all our properties are safe and secure and that our approach to tenant safety is robust.

In 2019 we recognised the need to have a dedicated property compliance employee to manage our tenant safety contracts and in 2022 this was strengthened through the creation of our Property Compliance team with responsibility for all our safety contracts including gas safety, electrical safety, fire safety, water hygiene, asbestos management and lift safety.

The last three years have been focussed on ensuring we meet, and wherever possible, exceed safety guidelines and regulations. Going forward our focus will be on consulting with tenants on safety issues and ensuring they have opportunities to influence decision making regarding their safety.

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

The Association currently has 2,418 homes with a gas appliance and 52 homes serviced by communal gas heating. 100% of these have an in-date gas safety record.

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

Currently it is not a legal requirement in Scotland to have fire risk assessments in place for flatted accommodation although it is a legal requirement for Housing in Multiple Occupancy and some properties with a support element.

However, Langstane takes a best practice approach to fire safety and in 2020 published the 'Fire Safety in Communal Areas' Policy which called for all communal spaces in flatted blocks to have a fire risk assessment carried out by a suitable qualified assessor and reviewed regularly.

The Association has 321 blocks of flats and 279 (87%) have a current fire risk assessment with the remaining 42 programmed for completion in 2022-23. All high-risk properties (HMOs, properties six storeys and over, or properties with a vulnerable client group) have a risk assessment in place.



S - Social Themes

The Association has carried out several initiatives considering recommendations from the fire risk assessments carried out to date:

- Communication with tenants – fireproof scheme noticeboards are present in every block and used to display relevant information to tenants such as when the stairwell was last inspected. Evacuation notices are displayed in every stairwell and give advice to tenants on how to react in different emergency situations;
- Housekeeping in communal spaces – the Association has implemented a zero-tolerance approach to belongings in stairwells and housekeeping signage is displayed in every stairwell;
- Communal smoke detection – the Association has had several fires in communal spaces over the past five years and, as such, has chosen to install communal detection in every stairwell. This is not linked to individual properties, but it does give an early warning to tenants if there is a fire in a communal space so that they can alert the fire service; and
- Fire doors – another recommendation from past fire risk assessments is the need to identify the fire rating for all fire doors (flat entrance and communal) in a block. This information is not currently held by the Association for all doors, particularly those in pre-1919 blocks and will be collated by March 2024. From this information we will identify any requirements for replacing or upgrading doors and carry out annual inspections of doors to ensure any damage is proactively dealt with.



What % of homes meet the Scottish Housing Quality Standard (SHQS)

The Association has 2,845 properties that fall within the scope of SHQS, and 2,419 properties (85%) met SHQS as at 31 March 2022. A further 14 properties (0.5%) were classed as being in abeyance and 134 (4.7%) were classed as being exempt from the standard.

The reasons for failures are noted below:

- 141 properties did not have a valid Electrical Installation Condition Report (EICR) – this was a new criteria brought in for 31 March 2022;
- 57 properties failed Energy Efficiency Standard for Social Housing (EESH);
- 56 properties did not meet the new smoke detection tolerable standard;
- 22 properties failed the ‘modern facilities’ requirements primarily due to kitchen storage, kitchen condition or bathroom condition; and
- 2 properties failed due to lack of secure door entry.

The Association aims to have 2,626 properties meeting the SHQS by 31 March 2023.



Theme: Resident Voice

Tenant involvement and customer satisfaction

Langstane is committed to involving tenants in our decision making at all levels and have them involved in shaping our services. It is critical to our success that we understand tenants' needs and priorities in order that we direct our resources appropriately and achieve high levels of tenant satisfaction.

We have a range of tenant involvement options that allow people to take part in our decision-making in a way that suits them. Around 18% of the tenant population are involved in at least one of the options.

The table below summarises membership levels that have remained steady over time at around 18-20% of the total tenant population:

| Group name | What's involved? | No. of members '20-'21 | No. of members '21-'22 |
|--------------------------------|---|------------------------|------------------------|
| Register of Interested Tenants | Members are invited to take part in all possible activities in their areas of interest | 257 | 272 |
| Tenant Panel | For those short of time – members are asked to take part in short surveys, or even to answer a single question by email or telephone | 289 | 294 |
| Reader Panel | Members read content of leaflets, newsletters and other publications. We then use our 'Reader Approved' logo once we have taken account of feedback | 197 | 192 |
| Total membership | Note: tenants can be members of as many groups as they wish | 445 | 448 |

There is activity all year round where tenants are asked to feed their preferences, opinions, and experiences into policy and strategy development, service improvement activity, production of the joint annual & charter performance report (our Annual Report), planning Tenant Satisfaction Surveys, designing the new website and more. All consultation activity reports, and consultation summaries are published on our website. These include the outcomes arising from consultation so tenants can see the impact of their involvement.

In addition to tenant involvement, our Customer Service Team actively harvest real-time feedback on their service and publish their targets and results.



S - Social Themes

Every three years, all social landlords are required to conduct a Tenant Satisfaction Survey.

In 2021, Langstane achieved the following results against the indicators that are reported to the Scottish Housing Regulator:

| Indicator | 2019 Result | 2021 Result | Scottish Avg. '22 |
|---|--------------|--------------|-------------------|
| Satisfaction with the overall service provided by your landlord? | 79.21% | 78.61% | 87.74% |
| Satisfaction with how the landlord keeps you informed about their services and decisions? | 81.01% | 90.17% | 91.15% |
| Satisfaction with the opportunities given to participate in your landlord's decision-making processes? | 72.31% | 95.38% | 86.61% |
| Satisfaction with the quality of your home? | 79.82% | 78.32% | 85.44% |
| Thinking about the LAST repair carried out, satisfaction with the repairs service provided by your landlord? | 74.22% | 82.74% | 88.01% |
| Satisfaction with the landlord's management of the neighbourhood you live in? | 73.10% | 82.37% | 85.09% |
| (ii) Taking into account the accommodation and the services your landlord provides, is the rent for this property good value for money? | 65.42% agree | 70.81% agree | 82.51% |



Performance held steady against a few indicators, such as overall satisfaction and satisfaction with the quality of the home. There were marked improvements showing for satisfaction with opportunities to participate in our decision-making processes, how well informed we keep our tenants about our services and decisions, and how we manage neighbourhoods. Our target for these indicators is to see continual improvement, with specific challenging targets set for overall satisfaction with services, and the satisfaction with the repairs service. The drivers behind these specific targets are our vision to 'be the best we can be' and knowing one of our tenants' highest priorities is having a high-quality responsive repair service.

Our complaints process

The social housing sector follows a Model Complaints Handling Procedure. This was developed in 2012 by the Scottish Government and the Scottish Public Services Ombudsman. The result is that in Scotland there is a simple yet robust process in place for complaints handling, and this is beneficial to both tenants in terms of simplifying the process, and to the sector as it allows meaningful benchmarking of performance.



Two fundamental elements of the procedure are:

- 1) having a clear definition of a complaint to allow employees to capture tenant dissatisfaction, and
- 2) the requirement to demonstrate learning outcomes, building in accountability and continual improvement.

Langstane has a robust monitoring and reporting framework in place for service complaints. Our performance indicators, reported to the Scottish Housing Regulator, are better than Scottish average for both stage one and stage two complaints. We annually publish a performance report on our website. The report contains a snapshot of the action points in place to drive improvement against issues raised by tenants. This demonstrates our commitment to transparency and accountability.

In the 2021-22 reporting year, only one complaint was escalated to the Scottish Public Services Ombudsman (SPSO). This complaint was not advanced as it was out with the scope of the SPSO.



Theme: Resident Support

Delivering social value

Social housing generates important economic and social benefits for its residents and communities which is more than just 'bricks and mortar'. There are a range of indicators which can be measured to evidence how the Association delivers social value.

In June 2021, Langstane launched a project to evidence the delivery of social value. The focus was the 'journey from homeless temporary accommodation to a sustainable tenancy'.

Tenant Support

| Indicator | Housing Association Charitable Trust Social Value | No of individuals | Social Value |
|---------------------------------------|---|-------------------|--------------|
| Tenants moving from temporary housing | £8,019 (per household) | 66 | £529,254 |

The Association received funding from the Scottish Government to deliver support to homeless people moving into a Langstane tenancy. The funding provided an additional housing support worker to focus on tenancy sustainment and homelessness prevention. The project produces measurable outcomes in terms of improved wellbeing for tenants and social value.

77 Households have been supported to date with 66 of these households sustaining their tenancies.

We are also harnessing data to predict future outcomes and help us achieve our objectives. We will develop the indicator 'Able to Pay for Housing'. This is achieved through analysing the Association's tenant profile using a data analytics tool and using a risk-based approach. This allows us to put appropriate support in place for people in advance of them falling into difficulties, thus reducing the risk of them becoming homeless. 144 tenants were identified as being at financial risk and have been supported with benefit claims, benefit health checks and advice.

Langstane Housing Support Service

Langstane provides a Housing Support Service. This is registered with the Care Inspectorate and provides high quality housing support to our tenants.

The core objective of the service is to assist Langstane to provide homes not houses, and support our tenants to live independently and be active members of our communities. This is done by:

- Supporting tenants to maintain their tenancies through offering assistance across a range of areas including wellbeing, employability, social or financial issues, and practical skills like budgeting or housekeeping;
- Preventing homelessness by providing timely support before crisis is reached;
- Working closely with outside agencies to prevent homelessness;



S - Social Themes

- Being flexible, and putting the tenant at the heart of the process; and
- Helping tenants enjoy life at home in a place that meets their needs, where they can afford to live, can thrive as individuals, and are a valued neighbour.
- In 2021-2022 237 referrals were received by the service.

In addition, we provide a Welfare Advice Service to support our tenants to maximise their income and manage their finances.

An example of the work the Welfare Adviser provides is noted below. This relates to a three month period in 2022.

114 new tenants were identified as requiring financial assistance. Contact was attempted with all 114 new tenants with 37 households engaging with support. This is broken down as follows:

- 15 required general benefit health checks
- 6 required help to apply for Universal Credit and Council Tax Reductions
- 4 Adult Disability Payments
- 3 Students applying for benefits
- 1 applicant Universal Credit, Council Tax Reduction and Adult Disability Payment
- 2 Low income advice
- 1 Moving from Housing Benefit to Income Support and Universal Credit
- 1 Discretionary Housing Payment.
- 4 were provided with advice but subsequently did not engage

30 existing tenants were identified as needing benefits advice – out of those 17 engaged and were assisted. These are broken down as follows:

- 3 Adult Disability Payments
- 3 Pension Credit Advice and applications
- 1 Low income advice
- 1 Universal Credit Claim
- 1 help with a PIP appeal and assistance with UC
- 3 with PIP claims one of which with a mobility claim
- 1 Crises Grant
- 1 Assistance with housing benefit
- 1 Advice on moving from ESA to UC as their income was reducing
- 2 were provided with advice but subsequently did not engage

In addition 78 tenants were identified as being in arrears or a likelihood they would be. 35 of whom were assisted with benefit health checks, Universal Credit Advice, claims for Council Tax Reductions, Discretionary Housing Payment claims, and sick pay advice.

Theme: Placemaking

This theme has one enhanced criteria

Enhanced

Examples or case studies of where the housing provider has engaged in placemaking or place shaping activities

Langstane will develop an action plan to make best use of under-utilised community spaces such as redundant laundry rooms to ensure that, wherever possible, these spaces can be a benefit to the tenants.



G - Governance Themes

| | |
|--------------------------|--|
| Structure and Governance | Legal structure of the organisation and its approach to Governance |
| Board and Trustees | High quality board of trustees |
| Staff Wellbeing | Supports employees |
| Supply Chain Management | Procures responsibly |

Langstane is a registered Scottish Charity governed by a voluntary Board of Management. We have a strong governance and risk management framework in place that is constantly being refined. We are compliant with the regulatory requirements of the Scottish Housing Regulator, our main regulatory body.

Our focus is on:

- improving the diversity of our people to reflect those we serve;
- adopting a human rights approach to influence our decision making; and
- ensuring our systems of governance foster sustainability, embed the values required to achieve sustainability and help Langstane to achieve the diverse goals across the spectrum of 'E' and 'S'.



Theme: Structure and Governance

Langstane Housing Association derives its powers firstly from legislation supplemented beneath this by its constitution (its Rules).

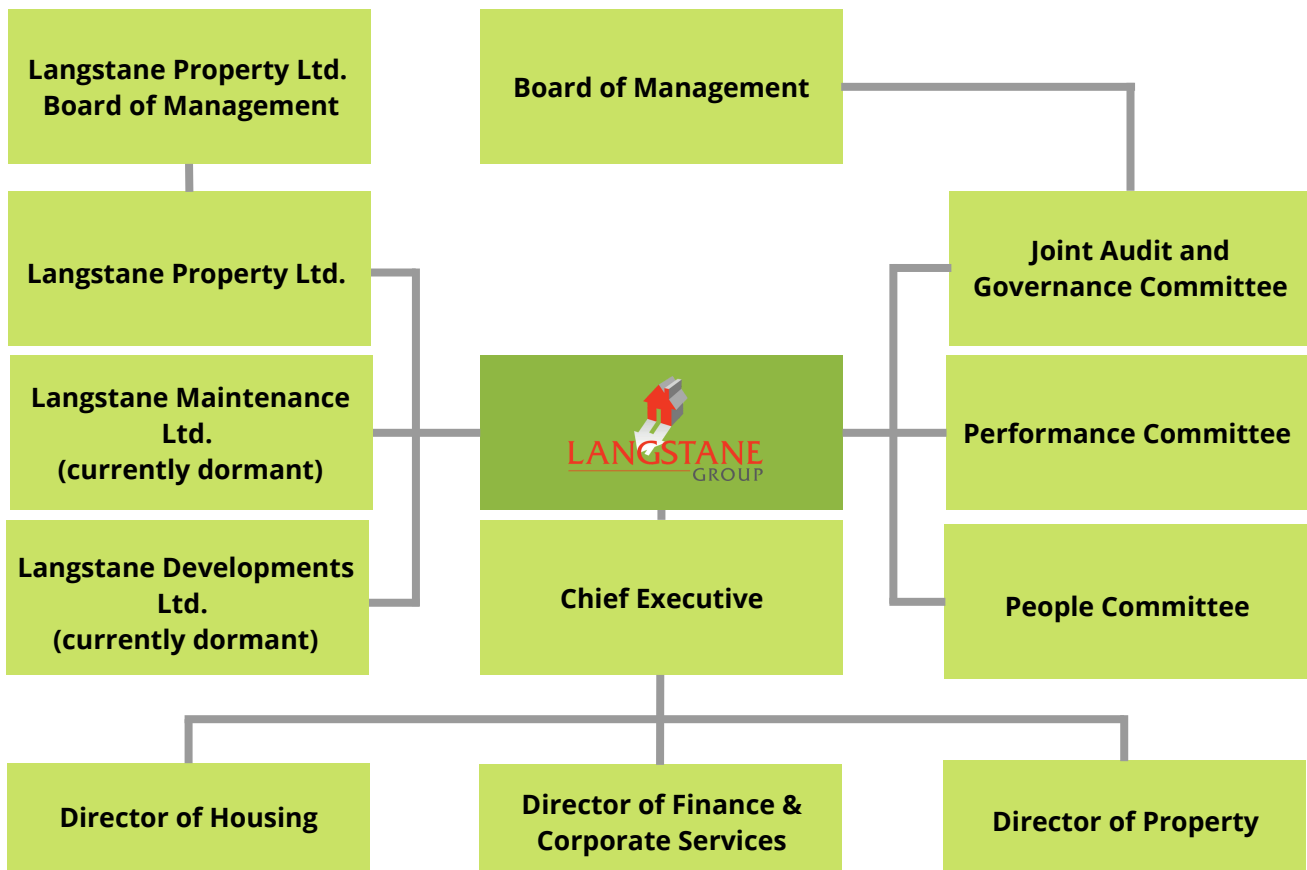
Langstane adopts the Scottish Federation of Housing Association's Model Rules for charitable housing associations. The latest revision was adopted by Langstane's membership at a Special General Meeting on 21 September 2020.

In order to conduct Langstane's business equitably and accountably, a series of corporate documents guide service delivery standards in all areas of activity. These are regularly reviewed to ensure their compliance with legislation, regulatory guidance and best practice. Business systems are set up to maintain that compliance, and guide employees in compliant ways of working.

Langstane has three subsidiaries – Langstane Property Ltd; Langstane Developments Ltd; and Langstane Maintenance Ltd. The latter two companies are dormant. Each of these subsidiaries has its own governing body structure.

The overarching role of the Board of Management is to provide leadership and direct the Group's work by determining its strategic direction and policies.

Our governance structure





There is a strong tradition of voluntarism in the Scottish housing association sector. Very few associations make payment to their governing body members. Langstane like virtually all other associations rely on voluntary input from its Board members. Neither our Chief Executive, nor any employee can be a Board member.

Governing with integrity and transparency

The governance framework

The Association maintains a Governance Manual that clearly sets out its governance framework. It ensures transparency of decision-making at all levels and provides a clear understanding of all constituent parts. There is a considerable volume of business activities required to support the governance framework. The 2021 organisational restructure created a dedicated resource in the form of a Governance and Corporate Team to enable effective delivery of these requirements.

The governing body

All governing body members and employees sign up to the Scottish Federation of Housing Association's model Code of Conduct.

It is critical where there is potential conflict of interest this is properly managed. Every year, each governing body member, and employee of the Association, completes a Declaration of Interest. At meetings, attendees are required to declare any interests at the outset and withdraw from the meeting for that item, or where their interest is of a minor nature, refrain from participating in any deliberation or decision-making in relation to that matter.

To further ensure transparency, there are clear policies for expenses and for Entitlements, Payments and Benefits for both employees and governing body members.

Annual assurance

Each year, housing association governing body members must satisfy themselves the Association meets all Regulatory Standards and Requirements. In August 2022, Langstane submitted its most recent Annual Assurance Statement, reporting full compliance with:

- all regulatory requirements set out in Chapter 3 of the Regulatory Framework;
- all relevant standards and outcomes in the Scottish Social Housing Charter;
- all relevant legislative duties associated with, in particular, housing and homelessness services, equality and human rights, and tenant and resident safety; and
- standards 1 – 7 of the Scottish Housing Regulator's Governance and Financial Management Standards.

Considerable evidence is provided first to the Audit & Governance Committee, and then the Board of Management to allow them to provide this assurance to the Scottish Housing Regulator.



Our regulatory status

As at 31 March 2022, the regulatory status of Langstane Housing Association is that we are Compliant. This means we are assessed by the Scottish Housing Regulator as meeting all regulatory requirements, including the Standards of Governance and Financial Management.

External Audit

An external audit takes place on an annual basis. Our external auditor will never be a member of a registered social landlord's staff and must always be external to the organisation. They cannot also provide financial services to a registered social landlord. This preserves their independence, and ensures they are not conflicted or compromised in providing truly independent opinions.

Once the annual external audit is complete, the governing body receives a 'Year End Report'. This report adds credibility to the assertions made by our senior staff about our financial condition and financial performance. External audit enhances corporate governance and plays an important role in ensuring reliability and relevance of business information.

The Office of the Scottish Charities Regulator (OSCR) issued guidance in April 2017, which further explains the requirements placed on external auditors. Our current external auditors are RSM UK Ltd, based in Edinburgh. They have been employed by the Association since 2019-2020.

Internal audit

The areas the internal auditor covers, and how regularly, is instructed by our governing body, specifically via our Audit & Governance Committee. The internal auditor's work gives independent assurance to the governing body the organisation is being managed and is operating as efficiently and effectively as possible. It ensures related risks are being managed or mitigated.

In relation to Regulatory Standards, the value of internal audit is that it can assure registered social landlords they are doing things correctly and in compliance with these Standards. It can be an essential independent check on all aspects of the business, revealing areas requiring improvement and those performing well.

Our current internal auditors are TIAA Ltd, based in Edinburgh. They were appointed in April 2022. Audit topics are determined by conducting an audit needs assessment and agreeing areas for scrutiny with governing body members and the Leadership Team. The 2022-2023 internal audit plan covers:

- Payroll
- Annual Return on the Charter (ARC) Validation
- Creditor Payments
- Anti-Social Behaviour
- Business Continuity Management
- Voids Management



All final audit reports are presented to Audit & Governance Committee by the senior auditor. This allows governing body members direct access to an independent expert to discuss audit outcomes and recommendations.

Risk management

Risk Management is an integral part of the Langstane Groups' strategic planning and decision-making processes. New projects are risk assessed at viability stage to inform decision making and ensure successful delivery.

The risks assessed in producing the Langstane Group's Business Plan, are linked to a comprehensive and systematic review of risks which are then recorded in our Strategic Risk Register. This risk register is subject to regular monitoring and review by leadership team and by our Audit and Governance Committee. Our Board retain an overview.

In 2020, Langstane conducted a comprehensive review of risk management practices. This was endorsed by our internal auditor, who audited the improvements and changes in July 2020.

They found the risk management policy clearly defined the structure, roles and responsibilities for risk management – including the Board, Audit and Governance Committee and management employees, and the processes for identifying and evaluating significant strategic and operational risks.

The review noted the following areas of good practice:

- The Risk Management Policy outlined general principles and the components of the risk management approach;
- Risk Register and Action Notes. The risk reporting arrangements outlined in the Risk Management Policy and guidance had been implemented; and
- Mitigating controls. The process for assessing risks is clearly defined by the Association. A review of mitigating controls found that action was being taken to reduce the impact and likelihood of risk.

In relation to the integration of risk management, the report noted the following: "*The risk management process appeared to be well integrated and proportionate within the Association, with employees feeding into risk management review at regular intervals.*"



Data Accuracy

Given that much of the credibility and reputation of Langstane rests on the submission of accurate information to the Regulator, Langstane has made use of specialist, independent auditors to check the Charter Return. This process involves the close checking of methodology for the workings for all of the indicators and data information incorporated in the Return.

There is a considerable emphasis on automating such systems as far as possible, drawing on management information generated from software packages. This in turn has proved to be an influence on developing the automation and digitisation of data on Langstane's service outcomes

During 2022 the Association tendered for an integrated Housing and Finance Software System with a view to implementation during 2023-24. One of the intended outcomes is to further develop the integrity and accuracy of data used to support decision-making. In addition, a 2021 restructure created a new resource of an Applications and Data Analyst within the ICT Team. This post was created to allow future development of more robust data analytics to feed into the business at all levels using functionality such as team-specific performance dashboards, but also having an emphasis on starting to make use of predictive data analytics to inform strategic decision-making.



Theme: Board and Trustees

Board skills and development

Langstane must provide training opportunities to Board members to address skills gaps and appraise them on new issues such as a change in the law or guidance that impacts on Langstane's business. That is why Langstane has dedicated employees to service the Board and ensure Langstane is meeting its governance and compliance responsibilities across the business

We have a Board Recruitment and Succession Planning Policy. It aims to ensure there is always a skilled and diverse governing body in place that can fulfil the Langstane Group's governance and financial management requirements. This ensures compliance with the Scottish Housing Regulator's Regulatory Standards.

An analysis of the skills set required by the governing body is carried out against a range of criteria. In addition, there is an annual review that considers the overall profile of the governing body; and how individual members work together and complement each other's skills and knowledge. From this the training and development requirements of individual and collective governing body members is updated.

Clarity is gained on the skills and capacity of individual members to advance to an office-bearing role or become a Committee Convenor. For example, we have several members of our Audit and Governance Committee having extensive backgrounds in financial and risk management. We also ensure there are no potential conflicts of interest present in our People and Culture Committee that considers remuneration.

This Board review exercise is documented, and a report presented to the Governing Body leaving time for advertising for, or approaching, potential governing body members to fill skills gaps at the Annual General Meeting. This report also details any succession planning required over and above that already in place, considering the three-year and nine-year rules that dictate how long members can serve. Where skills gaps are evident, suggestions as to how these gaps are filled e.g. further recruitment through the filling of a general vacancy or use of co-optees, and / or increased training is made available.



Theme: Staff Wellbeing

Health and safety group

In order to assist in the management of health and safety responsibilities, Langstane operates a Health and Safety Group which draws on representation from across the business, both from the Board and at all levels of employee. It meets regularly to discuss and agree on health and safety actions. When appropriate, sub-groups are formed and tasked to progress specific projects.

The purpose of the group is to not only monitor health and safety across the organisation, but to act as a means of consulting with employees on issues that affect health and safety. Employees are encouraged to bring any health and safety matter to the Group's attention. Any issues arising from meetings that affect employees are posted in team briefings circulated to all employees. Team briefings are produced on a weekly basis. Papers for all the Health and Safety Group meetings are available to all employees and its minutes are presented to the Board.

Salary provision



Langstane is an accredited Real Living Wage employer. This commitment means everyone working at the Association receives an hourly rate which is set independently and updated annually. The Living Wage is calculated according to the real costs of living.

Employers choose to commit to this voluntary basis, recognising the value of their workers and making sure that a hard day's work receives a fair day's pay. Right now, is when standing by these values matters the most.

We firmly believe that employers who do right by workers and families are the ones that will help lead us through and out of this current crisis.

In relation to the gender pay gap, the current calculation for the Association shows that the median pay is the same for male and female employees. The ratio of Chief Executive pay against other workers is 2.92.

Langstane Housing Association's gender equality in statistics:

- 100% of our Leadership Team
- 70% of our Management Team
- 50% of our ICT Team
- 59% of our entire workforce



Leadership Team

Langstane Housing Association



A structure that delivers

Last year our key update was the organisational restructure. It created a strategic People and Culture Manager role. The aim is to develop a creative, caring and ambitious culture. Work is ongoing across all aspects of people management. Our People and Culture Strategy sets out the objectives at a high level. A variety of aspirations are held by our people about their working lives and what they expect from Langstane. We are developing a flexible yet consistent approach to our people and culture. At present we are focused on:

- providing flexible, mutually beneficial working arrangements;
- investing in our people to ensure continuous improvement, our health and safety culture remains strong and our people's professional and personal development is evident;
- our people being reflective of our diverse customer group; and
- working with likeminded organisations that have strong inclusive values that support and can assist us to deliver our environmental and social ambitions.

Building on health, safety, and wellbeing

We have an Employee Assistance Program (EAP) available for all our employees including an App and confidential employee counselling service. We consider a wide variety of individual needs. Our approach to our duty of care in relation to the health and safety of our employees is being modernised by ensuring all our people have the capability and confidence to focus on safe behaviours and challenge any unsafe approaches by colleagues or third parties.

Our current average number of sick days taken per employee during 2022-23 is 1.05 days, well below our target indicator of 5 days.

Theme: Supply Chain Management

This theme has two enhanced criteria:

| | |
|----------|--|
| Enhanced | How is social value creation considered when procuring goods and services? |
| Enhanced | How is environmental impact considered when procuring goods and services? |

Our Procurement Policy considers ESG impacts and currently this is implemented based on value. Higher value (over £50k) procurements are required to have a Pre-Procurement Plan developed which considers a variety of issues including the environmental and social impact of the procurement and potential for innovation in these areas. Every higher value procurement includes questions on environmental management approaches and fair working practices.



The future for ESG at Langstane

It is important there are objectives set down to chart progress with respect to the three reporting areas. The plan shown here has been developed and covers the next three years. Future ESG reports will include a focus on progress made over time.

What we are clear about at Langstane is that we maintain a strong commitment to making progress in the area of Environmental, Social and Governance reporting in order to make a positive, measurable impact across in our business, and out in the communities we serve.

ESG: Our three-year plan

| Theme | Criteria description | Action | Due date | Responsible / lead |
|-----------------|---|--|---|--|
| Building Safety | Fire risk assessments | Need to collate information on fire doors and implement inspections | Mar '24 – collate information Inspection Apr '24 onwards | Team Leader: Property Compliance |
| Building Safety | SHQS | Increase number of compliant properties to 2626 from 2419 | 31st March 2023 | Property Manager |
| Placemaking | Approach to placemaking / place-shaping | Action plan highlighting potential spaces that can be utilised to provide benefits to schemes | December 2024 – develop action plan with timescales | Director of Property |
| Climate Change | EPCs | Set out timeline to Net Zero (based on property archetypes) (ties in to action described in Criteria 17) | December 2024 | Director of Property |
| Climate Change | EPCs | All properties to be relet must achieve EPC Band D or higher . 16 properties will require heating upgrades before re-letting. | Immediate | Voids team / Team Leader: Major Works |
| Climate Change | Scope 1, 2 and 3 emissions | Quantify Scope 1 and 2 emissions and develop targets for reducing We need to identify a reliable way of holding this information and quantifying the effect of work we do | December 2024 | Director of Property / External consultant for office audit |
| Climate Change | Emissions | Quantify Scope 3 emissions from homes and develop targets for reducing We need to identify a reliable way of holding this information and quantifying the effect of work we do | December 2025 | Director of Property / External consultant for office audit |

| Theme | Criteria description | Action | Due date | Responsible / lead |
|----------------|---|--|--|--|
| Climate Change | Emissions | Quantify Scope 3 emissions from homes and develop targets for reducing We need to identify a reliable way of holding this information and quantifying the effect of work we do | December 2025 | Director of Property (based on EPCs) |
| Climate Change | Energy efficiency actions | Timeline to Net Zero | See above | See above |
| Climate Change | Energy efficiency actions | Pilot electric van in DLO | December 2025 | DLO Supervisor |
| Climate Change | Energy efficiency actions | Quantify the environmental benefits of hybrid working – tie in with Scope 3 emissions work | December 2025 | Director of Property |
| Climate Change | Mitigating climate risks to properties | Flood risk – collate information on all properties with flood risk | March 2024 | Director of Property |
| Climate Change | Information to tenants | Collate information into a welcome pack centred around sustainability. | October 2023 | Director of Property |
| Climate Change | Reducing the environmental impact of the Association's office buildings | Engage a consultant to complete an environmental audit of the Association's offices | During 2023-2024 budget year | Director of Property / External consultant |
| Ecology | Biodiversity | Biodiversity action plan – identify schemes with potential to increase biodiversity | March 2023 | Director of Property / Director of Housing |
| Ecology | Biodiversity | Review gardening contract – regularity of maintenance and use of pesticides / weedkiller | At next tender – June '24 or each year after if extensions applied (up to 2years – max June '26) | Housing Manager |

| Theme | Criteria description | Action | Due date | Responsible / lead |
|------------------------|---|---|--|----------------------------------|
| Ecology | Biodiversity | Review gardening contract – regularity of maintenance and use of pesticides / weedkiller | At next tender – June '24 or each year after if extensions applied (up to 2years – max June '26) | Housing Manager |
| Ecology | Manage & reduce pollutants | Strategy to manage pollutants – audit waste streams, identify quick wins and create action plan for reduction | December 2025 | Director of Property |
| Resource Management | Responsible purchasing, construction waste and water management | Employers' requirements for maintenance | March 2025 | Director of Property |
| Resource Management | Responsible purchasing, construction waste and water management | Set targets for DLO initially and measure | March 2025 onwards | DLO Supervisor |
| Structure & Governance | Legal structure of the organisation and its approach to Governance | Implement integrated housing and finance software system | Implementation to start during 2023-2024 | ICT and Service Delivery Manager |
| Placemaking | Examples or case studies of where the housing provider has engaged in placemaking or place shaping activities | Develop an action plan for making better use of empty spaces such as unused laundry rooms to the benefit of the local community | August 2024 | Director of Housing |