



Environmental, Social & Governance Report 2026



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2025/26 at a glance

From Tom Paul, Chief Financial Officer

Embedding ESG

Sustainability Reporting Standard
Criteria

Alignment with UN Sustainable
Development Goals (SDGs)

ENVIRONMENT

77%

Homes at
EPC C and
above

2024/25: 75%

798

Retrofit project completed

2024/25: 690

94%

New homes at EPC B and above

2024/25: 84%

SOCIAL

3,373

Households helped with
money and guidance

2024/25: 4,951

864

New social housing
homes completed

2024/25: 793

67%

Resident satisfaction

2024/25: 63%

41%

Average rents
vs market levels

2024/25: 41%

99.9%

Homes met the Decent Homes Standard

2024/25: 99.6%

GOVERNANCE

4

Roles
on our
board
reserved
for residents2024/25:
4

4.7%

Median gender pay gap

2024/25: 7.3%

10.00:1

CEO: worker median pay ratio

2024/25: 6.07:1

1.4%

Median ethnicity
pay gap

2024/25: -0.3%

From **Tom Paul, Chief Financial Officer**

I'm pleased to present Southern Housing's 2025/26 Environmental Social and Governance (ESG) Report, prepared in line with Version 2.1 of the Sustainability Reporting Standard (SRS) for Social Housing¹. As a charity we exist to help people in housing need, and so ESG has been central to how we've operated for 125 years. This report shows how sustainability is embedded across our homes, services, communities and governance.

Our priority is to make sure residents live in homes that are not only affordable, but also safe, warm and efficient. Our social purpose extends beyond providing homes. During the year, we helped residents secure £9 million in additional income, benefits and financial support, including payments made directly into rent accounts to help sustain tenancies. We also continue to provide homes at genuinely affordable rents, with our average rent around 41% of the private market rate, saving residents around £10,000 each year compared with renting privately.

We know that a well-maintained, energy-efficient home supports health, comfort and financial resilience, particularly at a time when energy costs continue to put pressure on households. That is why we continue to invest in our homes through retrofit, planned maintenance and improvement works, with a clear focus on fabric-first measures, better data and long-term performance. This approach helps us reduce carbon emissions, support compliance with future standards and improve day-to-day living for residents.

This has been a significant year for energy policy in social housing. The government's introduction of Minimum Energy Efficiency Standards (MEES) for the social rented sector², implemented as part of the revised Decent Homes Standard³, represents the most significant regulatory change to energy performance in our sector to date. While the detail and implementation timetable are still developing, we support the ambition to improve the energy efficiency of homes across the sector, and we're committed to meeting the standards in a way that is practical, evidence-led and affordable.

We've already re-modelled our EPC improvement trajectory to reflect proposed policy changes, and this is aligned with our long-term financial planning. We've also worked closely with the G15 and the National Housing Federation to engage the Ministry of Housing, Communities & Local Government and the Department for Energy Security & Net Zero on practical proposals to help the sector deliver what's needed.

We're proud of the progress we've made, but we know there is more to do. We'll keep working with residents, colleagues, contractors and partners to deliver homes and services that meet our standards and reflect our values.



Tom Paul
Chief Financial Officer

¹ [Sustainability ForHousing.org.uk](https://www.sustainabilityforhousing.org.uk)

² [Improving the energy efficiency of socially rented homes in England \(GOV.uk\)](https://www.gov.uk/government/policies/improving-the-energy-efficiency-of-socially-rented-homes-in-england)

³ [A decent home: definition and guidance response \(GOV.uk\)](https://www.gov.uk/government/policies/a-decent-home-definition-and-guidance-response)



Embedding ESG in everything we do

Sustainability is not a standalone programme. It influences how we invest in homes, support residents, manage risk, procure services and make strategic decisions. The SRS provides the framework through which we measure and report that progress.

This framework enables us to report transparently and consistently across 44 ESG criteria, categorised into Environmental, Social, and Governance themes.

The below sets out key organisational information in line with the SRS v2.1, against which this report is prepared.



Further information

A glossary explaining key ESG, sustainability and housing-sector terms used throughout this report can be found at the end of the document alongside links to the Southern Housing resources referenced throughout.

Housing provider	Southern Housing
Registered with the national regulator of social housing	Yes, registered with the Regulator of Social Housing (registration no. 5171)
Not-for-profit	Yes
Code of Governance	National Housing Federation Code of Governance 2020
Geography	London and the South East (mainly)
Date of SRS disclosure	31 March 2026
Reporting period (month/year – month/year)	April 2025 – March 2026



Sustainability Reporting Standard and our Strategic Objectives

In March 2026, we launched our new Strategic Plan, setting out our refreshed strategic direction and priorities for the years ahead. We have three strategic objectives: reliable repairs, professional services, efficient business. The table below emphasises how integral sustainability is to delivering this strategy, by mapping the SRS criteria against our three strategic objectives and showing how ESG is embedded across our organisation.

ESG Area	Theme Name	Description	Our Objectives
Environmental	Climate	Prevents and mitigates the risk of climate change	 RELIABLE REPAIRS
	Nature	Promotes ecological sustainability	 RELIABLE REPAIRS
	Resource Management	Sustainable management of natural resources and responsible procurement	 RELIABLE REPAIRS  EFFICIENT SERVICES
Social	Affordability	Provides affordable and secure housing	 PROFESSIONAL SERVICES  EFFICIENT SERVICES
	Building Safety and Quality	Resident safety and building quality are well managed	 RELIABLE REPAIRS  EFFICIENT SERVICES
	Residents and Community	Listens to and supports residents and local communities	 PROFESSIONAL SERVICES
Governance	Structure and Board	High-quality organisational leadership, accountability and oversight	 PROFESSIONAL SERVICES  EFFICIENT SERVICES
	Colleagues	Supports colleagues	 PROFESSIONAL SERVICES

Alignment with United Nations Sustainable Development Goals (SDGs)⁴

Throughout the report, you will find icons indicating how our initiatives and targets contribute to specific SDGs, highlighting our broader contribution to global sustainability efforts.

We directly align to each of the 7 SDGs identified for the sector within the SRS, with Sustainable Cities and Communities (SDG 11) resonating most strongly.



⁴[The 17 Goals - Sustainable Development \(UN.org.uk\)](https://un.org.uk/)



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Climate

Nature

Resource Management



Climate

C1 Distribution of EPC ratings of existing homes (those completed before the last financial year).

EPC	73% Band C		74% Band C		75% Band C		77% Band C ⁵	
	2022/23		2023/24		2024/25		2025/26	
	Count	%	Count	%	Count	%	Count	%
A	56	0	55	0	98	0	163	0 ↑
B	7,753	13	6,767	11	7,404	12	7,035	12 →
C	36,853	60	38,017	63	38,290	63	39,052	65 ↑
D	15,048	25	14,670	24	14,102	23	13,033	22 ↓
E	1,080	2	1,026	2	928	2	802	1 ↓
F	167	0	197	0	190	0	143	0 ↓
G	18	0	23	0	22	0	13	0 ↓
Total	60,975	100%	60,755	100%	61,034	100%	60,241	100%

We've met our target, with 77% of our homes achieving EPC Band C or better at the end of March 2026. We modelled datasets for homes assessed during 2025/26 in line with the new EPC methodology (RdSAP10) implemented on 15 June 2025. Overall performance has improved due to:

- Retrofitting around 800 homes to at least EPC Band C
- Delivering 342 sustainable new rented homes to our portfolio
- Disposing of 102 poor energy performing homes deemed unaffordable to retain and invest in
- Improving the quality and completeness of our data on over 6,000 homes.

We have a clear plan to meet next year's target of 79% by:

- Improving the quality of our energy data via site surveys and validating our energy data against other data in our systems and against open-source data
- Improving the energy efficiency of around 1,000 homes of our homes through our retrofit programmes

- Building around 300 new energy efficient social rented homes
- Consider for disposal poor energy performing homes that are unaffordable to retain and invest.

Changes to Government Policy including MEES and proposed Home Energy Measures (HEM)⁶ to replace EPC methodology present a risk to meeting this target. We're awaiting full government guidance on these changes and will review their impact. In the meantime, we've re-modelled our EPC C trajectory to 2030 and 2039 and aligned this with our financial plan.

We've collaborated with the G15 (the group of London's largest housing associations) and the National Housing Federation and lobbied MHCLG and DESNZ with proposed changes to enable the sector to deliver the improvements required to our homes.

⁵Based on SAP10 where EPCs are calculated or EPCs were lodged after 15 June 2025 (for existing homes) or after 15 June 2022 (for new build homes). This equates to two thirds of homes (40,142 homes).

⁶[Home Energy Model \(HEM\) methodology for assessing existing dwellings and producing new Energy Performance Certificates metrics \(GOV.UK\)](#)

C2 Distribution of EPC ratings of new homes (those completed in the last financial year).

EPC	2023/24		2024/25		2025/26	
	Count	%	Count	%	Count	%
A	-	0%	10	1%	4	0%
B	768	99%	669	83%	877	94%
C	8	1%	128	16%	56	6%
Total	776		807		937	

In 2025/26 94% of new build homes were at least EPC band B. A small number of properties received high Band C ratings, primarily due to the use of electric heating systems. Under current EPC methodology, homes with electric heating are often rated lower than those using gas, as SAP scores are based on energy costs, which are typically higher for electricity.

However, this will not mean higher heating costs for residents, as all new build homes benefit from high levels of insulation and modern electric heating systems are generally more efficient. In addition, it's unlikely these new homes will require retrofit works in the future to decarbonise them.

C3 Does the housing provider have a net zero target and strategy? If so, what is it and when does the housing provider intend to be Net Zero by?

Yes, our Environmental Sustainability Strategy outlines our objective to reach net zero by 2050, encompassing every aspect of our business. The targets are aligned with science-based objectives across carbon, water, waste, transport, materials, overheating, flooding, and biodiversity. We continue to progress across all areas towards our net zero ambitions, covering decarbonising:

- Our existing homes, including heat networks
- Our new build homes
- Our offices and operations
- Our supply chain

Delivery is underpinned by our retrofit and heat network decarbonisation roadmaps, alongside our biodiversity pathway, providing a clear and coordinated route to implementation.

C4 What retrofit activities has the housing provider undertaken in the last 12 months in relation to its housing stock? How do these activities align with, and contribute towards, performance against the housing provider's Net Zero strategy and target?

Progress towards our Net Zero targets and strategy

Over the last 12 months, we've made measurable progress towards our targets of all applicable homes achieving EPC C by 2030 and net zero carbon by 2050.

At 31 March 2026, 77% of our homes achieved EPC Band A to C, up from 75% the previous year. This improvement reflects the completion of retrofit works to around 800 homes, the addition of 342 energy-efficient new rented homes, the disposal of 102 poor-performing properties, and improvements

to the quality and completeness of our energy data.

We've also strengthened the foundations needed to deliver our long-term decarbonisation programme. During the year we:

- Secured £14.6 million of Warm Homes: Social Housing Fund Wave 3 grant funding to support future retrofit delivery through to 2028

- Completed a portfolio-wide archotyping exercise to identify the most appropriate decarbonisation pathway for different property types
- Continued implementation of our Heat Network Decarbonisation Roadmap, including replacement of three communal boiler plant rooms and ongoing maintenance to optimise and stabilise existing heat networks

These activities provide a clear delivery pathway towards our targets and ensure our investment plans remain aligned with our long-term net zero ambition.

Retrofit works completed in the last 12 months

Over the past 12 months, we've improved the energy efficiency of nearly 7,000 homes through our general investment programme, including the installation of modern, energy-efficient heating systems, and the replacement of windows, doors, and roofs.

In addition, we completed comprehensive retrofit projects on 798 homes to help them achieve at least an EPC C rating; creating warmer, more sustainable homes for residents.



Independent recognition of our environmental performance

In 2026, we achieved SHIFT Gold accreditation for the seventh consecutive year. SHIFT (Sustainable Homes Index for Tomorrow)⁷ is the housing sector's sustainability benchmarking and accreditation scheme, assessing organisations across a wide range of environmental and sustainability indicators including energy and carbon, climate resilience, waste, water, biodiversity, procurement and resident engagement.

⁷ [SHIFT is an accreditation for Social Housing, covering our homes, operations, strategy, offices and supply chain \(SHIFT.co.uk\)](https://www.shift.co.uk/)



The award recognises the progress we've made in embedding sustainability across our organisation and provides independent assurance that our approach aligns with sector best practice. Maintaining Gold accreditation reflects the continued delivery of our Environmental Sustainability Strategy and supports our long-term ambition to achieve net zero carbon by 2050.

CASE STUDY

Isle of Wight Retrofit Project

We've upgraded the energy efficiency of more than 100 homes including solar panels, air source heat pumps, loft insulation, ventilation fans, new boilers and new windows, all funded by the SHDF Wave 2.1 Government Scheme.

Feedback on the delivery of the programme has been consistently positive, with residents highlighting clear communication, flexibility and a professional approach from contractors throughout.

Residents across the programme have experienced real improvements, particularly in how their homes perform during colder and wetter months. Homes which were previously difficult to heat, draughty or prone to damp are now retaining heat more effectively, creating a more stable and comfortable indoor environment.

Residents have fed back how the upgrades have made "an enormous difference to their lives", with residents already seeing their energy bills reduce by a third. For many, it's not just reducing bills, it has made managing energy use easier and more predictable.

In addition to increased warmth, improvements such as insulation, ventilation and upgraded heating systems have helped address issues including condensation and damp, contributing to healthier living conditions. Some residents also noted wider benefits, including improved wellbeing and reduced reliance on constant heating to stay warm.

By comparing the energy efficiency of a sample of 48 homes before and after retrofit works, we've:

- ✓ Increased SAP scores on average by 12.5 points
- ✓ Saved over 15 tonnes in carbon
- ✓ Reduced estimated fuels bills by over £780 per home.



C5 Scope 1, Scope 2 and Scope 3 Greenhouse Gas emissions per home

Each year we calculate our carbon footprint across all three emissions scopes and report it through a Streamlined Energy and Carbon Reporting (SECR) compliance process independently verified by SHIFT.

The table below summarises our total greenhouse gas emissions by Scope 1, Scope 2 and Scope 3 categories over the last three years. Scope 1 covers direct emissions from fuel we burn, Scope 2 covers electricity we purchase, and Scope 3 covers all other indirect emissions, including emissions associated with residents' energy use in our homes.

Our reporting methodology and data quality continues to improve. Compared to 2023/24, our Scope 3 reporting is now significantly more comprehensive for both 2024/25 and 2025/26, incorporating additional emissions sources and improved asset data.



External Assurance

Our reported carbon emissions data has undergone a third-party verification check by SHIFT, an independent sustainability assessment and accreditation body for the housing sector. This process ensures that our carbon reporting is robust, accurate, and fully compliant with Streamlined Energy and Carbon Reporting (SECR) guidelines.

⁸ Where Southern Housing buys the gas; primarily heat networks and some communal heating

⁹ Where Southern Housing buys the electricity; primarily communal electricity for lighting, lifts etc

¹⁰ Assumes Electric Fleet vehicles are not charged at offices

¹¹ Carbon emissions are based on the calculated SAP score adjusted using 2024 carbon conversion factors. NB: only includes rented homes owned by Southern Housing, excluding those already included in scope 1 or 2. If gas heating is reported under scope 1, then 70% of emissions are excluded, as emissions from domestic electricity will come under scope 3. If electric heating reported under scope 2, then 100% of emissions are excluded

	2023/24 tCO ₂ e	2024/25 tCO ₂ e	2025/26 tCO ₂ e	Change tCO ₂ e
SCOPE 1 COMBUSTION OF FUELS	12,453	13,173	13,743	570
↑ Gas heating in homes ⁸	11,266	11,702	12,061	359
↑ Gas heating in offices	116	138	165	27
↑ Combustion of fuel for company vehicles	1,071	1,333	1,421	88
↑ Fluorinated greenhouse gases	N/A	N/A	96	96
SCOPE 2 ELECTRICITY WE PURCHASE	6,135	5,597	5,161	-436
↓ Purchased electricity for our homes ⁹	5,743	5,222	4,872	-350
↓ Purchased electricity for our offices	390	373	288	-85
↓ Purchased electricity for charging EV Fleet ¹⁰	2	2	1	-1
SCOPE 3 ALL OTHER INDIRECT EMISSIONS	119,263	247,448	247,432	-16
↓ Downstream leased assets (our homes) ¹¹	118,235	116,829	98,863	-17,966
↑ Other indirect emissions (see breakdown below)	1,028	130,619	148,569	17,950
↓ Total scope 1, 2 & 3 emissions	137,851	266,218	266,336	118
↓ Total scope 1, 2 & 3 emissions per home managed	2.27	4.36	4.42	0.06
→ Number of homes (with asset investment liability)	60,757	61,034	60,241	-793

The table below breaks down our other Scope 3 emissions into the material categories we now report against under the Greenhouse Gas Protocol. These emissions arise from activities we do not directly control but which occur as a result of our operations. This is the first full year in which we've expanded Scope 3 reporting in this way to improve coverage, transparency and comparability over time.

	2023/24 tCO ₂ e	2024/25 tCO ₂ e	2025/26 tCO ₂ e	Change tCO ₂ e
SCOPE 3				
ALL OTHER DIRECT EMISSIONS				
Cat 1: Purchased Goods & Services	N/A	69,435	69,614	179
Cat 2: Capital Goods	N/A	40,272	53,248	12,976
Cat 3: Fuel & Energy Related Activities	531	4,359	4,053	-306
Cat 5: Waste Generated in Operations	N/A	12	11	-1
Cat 6: Business Travel	497	462	479	17
Cat 8: Upstream Leased Assets	N/A	N/A	28	28
Cat 11: Use of Sold Products	N/A	15,459	20,525	5,066
Cat 12: End of Life Treatment of Sold Products	N/A	156	207	51
Cat 15: Investments	N/A	464	404	-60
Total all other Scope emissions	1,028	130,619	148,569	17,950

The increase in Category 2 (Capital Goods) and Category 11 (Use of Sold Products) emissions reflects our increased development activity during the year rather than a decline in performance. We completed 937 new homes in 2025/26, up from 807 in 2024/25, with a greater proportion being flats (745 flats compared with 525 in the previous year). While flats are typically smaller than houses, they generally require steel-framed construction, which has a higher embodied carbon footprint than the timber-frame construction more commonly used for new-build houses. As a result, both the embodied carbon associated with construction (Category 2) and the projected operational emissions of homes sold (Category 11) increased in line with our expanded development delivery.

The largest source of emissions continues to be energy used within our residents' homes. This accounted for 37% of total reported emissions in 2025/26 (2024/25: 43%). Year on year, carbon emissions from our residents' homes decreased by over 17,000 tonnes of CO₂e.

This reduction was primarily driven by:

- **Capital investment and retrofit**
 Works improved the energy efficiency of our homes reducing estimated carbon emissions
- **Reduced consumption**
 Communal gas use fell by 1.7 million kWh vs 2024/25, driven by removing assets already reported under Scope 1 and 2, eliminating non-owned meters, correcting high usage through more accurate readings, and improving meter data following a data-cleansing exercise
- **Data quality improvements**
 Enhanced energy data accuracy through new EPCs, site surveys, and validation against internal and external sources, improved the reliability of emissions estimated via EPC modelling software
- **Updated conversion factors**
 Lower electricity emission factors, driven by increased grid renewables, reduced carbon emissions despite a slight rise in electricity consumption vs 2024/25
- **SAP10 implementation**
 Updated methodology using current carbon conversion factors (vs SAP9's 2012 conversion factors), ensured downstream leased asset emissions reflect latest SAP standards.

C6 Has the housing provider mapped and assessed the increased flood risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?

Yes, we've assessed our risk of flooding using the Environment Agency National Flood Risk Assessment data to provide a single picture of current and future flood risk from rivers, the sea and surface water for England. We estimate:

- Currently 4% of our homes (3,379) are assessed as at risk of flooding from rivers and seas, with only 1% at high risk
- Following climate change, this could double to 8% of our homes at risk (6,444 homes) and 2% at high risk.

- Currently 8% of our homes (6,676) are assessed to be in areas of medium or high risk from surface flooding, with 2% (1,322 homes) estimated to be at high risk
- With climate change, this could change to 12% of our homes in areas of medium or high risk of surface water flooding, and 8% of our homes becoming high risk.

In line with our Environmental Sustainability Strategy, we aim to build all new homes in low flood risk areas. We carry out risk assessments at the planning stage to assess flood risk and identify any mitigating measures required.

C7 Has the housing provider mapped and assessed the increased water stress risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?

We've not yet assessed water stress risks to our homes, however, an assessment of the direct and indirect risks to our operations and residents is currently underway.

Criterion C13 provides more details on our strategy to manage and reduce water consumption, including:

- Designing new homes and upgrading existing homes with water efficient fixtures
- Strengthening how we monitor and manage water use across our portfolio, with improved consumption data

enabling us to identify higher use sites, target interventions more effectively and respond proactively to potential issues such as leaks or inefficiencies

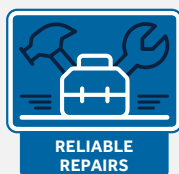
- Supporting residents to reduce water use through advice, communications and targeted engagement.

In addition, our Biodiversity Action Plan prioritises planting of climate resilient species. We ensure any community biodiversity projects have a rainwater capture system where suitable to reduce freshwater withdrawal and avoid unnecessary service charges incurred by residents.

C8 Has the housing provider mapped and assessed the increased overheating risks to its homes caused by climate change in the last 2 years? How is the housing provider mitigating these risks?

Using SHIFT's methodology, we've identified 8% of our homes are at high risk of overheating. We've put in extra monitoring where this risk is higher, such as homes connected to heat networks, homes that have recently undergone retrofit works, or where residents report excessive heat. Further assessments are planned for flats within our heat network portfolio to better understand and implement appropriate mitigation measures.

To reduce the risk of overheating, all our new homes comply with Approved Document O of the Building Regulations. We validate these to ensure the assumptions align with the fabric parameters and new build designs consider adaptation measures such as shutters, insulation and biodiversity.



Nature

C9 Does the housing provider have a strategy to enhance green space and promote biodiversity on or near homes?

Yes, in 2024 we published our Biodiversity Pathway, co-created with our residents, external stakeholders, and colleagues to capture our priorities into an action plan. The supporting Action Plan includes targets to:

- ✓ Create and enhance habitats for 30 key flora and fauna every year to 2030 ('30 by 30' target)
- ✓ Restore and reconnect degraded and fragmented ecosystems
- ✓ Conserve biodiversity through bespoke management plans
- ✓ Deploy nature-based solutions to support climate change mitigation and adaptation
- ✓ Increase access to and benefits from nature for health and wellbeing
- ✓ Increase awareness and engagement with our residents, colleagues and supply chain.

We're well positioned to lead positive change by actively shaping how our land is used and managed to support biodiversity. We capitalise on this opportunity by creating and enhancing green spaces that benefit nature while also supporting the wellbeing of our residents and colleagues.

Currently 12% of the land we own is classified as "natural" by Ordnance Survey. In addition, we've mapped over 18,000 trees, collecting information on tree species, age, structure and condition. To maintain these numbers, where a tree has been felled due to poor condition, we'll support nature recovery by planting a replacement where suitable.

In our second year, we exceeded our '30 by 30' target by enhancing 65 sites, 46 directly from our Estate Services teams and 19 sites supported by social value agreements and external funding. We've developed a multi-departmental process to support resident requests to guide our work on the ground.



We're shortlisted

Our Biodiversity Pathway and Swift Brick Project are both shortlisted for a Net-Zero Carbon Award, in the category of Biodiversity and Nature.

We've also updated our Employer's Requirements to:

- Ensure landscape plans include all costs associated with the 30-year maintenance, in line with Biodiversity Net Gain requirements
- Incorporate swift bricks and hedgehog highways into the designs of new developments where feasible.

On the ground we're:

- Completing biodiversity surveys to help us complete our natural asset audit
- Upskilling our ground maintenance teams in biodiversity and basic tree surveying
- Enhancing habitats e.g. installing nest bricks and boxes, insect habitats and hedgehog highways
- Promoting circular waste systems by adding shredded green material back to shrub beds
- Identifying sites for stepping stones for local wildlife and to cultivate climate resistant shrub
- Exploring habitat land banking and biodiversity uplift projects.

CASE STUDY

A grey to green transformation at Magdala House

At Magdala House in Sussex, a previously hard landscaped area was improved through a targeted grey to green project, showing how modest interventions can still deliver tangible biodiversity and wellbeing benefits.

Working with colleagues and contractors (Amber) as part of a Giving Something Back volunteering day, hard surfaces were softened with new planting with supporting sustainability features including a water butt, compost bin and a greenhouse. These changes have increased opportunities for wildlife, and additional seating has also created a more welcoming outdoor space for residents to enjoy the greener area.

The project also highlights the value of social value delivery through our supply chain, ensuring contractors contribute positively to neighbourhood improvements alongside core works.

Magdala House reflects our Biodiversity Pathway ambition to deploy practical, site specific nature based solutions that enhance biodiversity while supporting climate resilience and resident wellbeing.



External Assurance

Our progress on biodiversity has been independently verified by SHIFT

C10 Does the housing provider have a strategy to identify, manage and reduce pollutants that could cause material harm?

Yes, in 2025 we developed our Chemical Reduction Plan, aimed at reducing our environmental impact from the products we use across our offices and operations. We've worked with our main office cleaning contractor to identify chemicals that cause harm to the terrestrial and marine environment. We've reduced the most harmful chemicals by installing chemical-free CleanZero systems in three offices, piloted new refillable products made from natural ingredients with our in-house cleaning teams and combining products to reduce number of chemicals, plastic use and control stock levels to avoid waste.

Out in our neighbourhoods, our Estates Services Team have been reducing the use of chemical weed control (herbicides) by routing shredded green material back to shrub beds and reviewing cleaning products.

We continue to work with our supply chain to prioritise the use of environmentally friendly materials and minimise the use of hazardous materials (including plastics and chemicals). We monitor our suppliers and gather good practice via an annual sustainability audit.

Plastic Reduction Plan

Throughout April 2026, our Earth Month Campaign 'Plastics Vs Planet' focused on the health and environmental impacts of plastic, especially unnecessary single-use plastic use.

Following our Office Audits, we were able to identify where we could make changes including:

- Switching to refillable consumables
- Reducing single-use plastic cleaning bottles
- No plastic bottles in vending machines
- Reducing refuse bags by removing surplus bins.





Resource Management

C11 Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building and repairs works?

Yes, our Environmental Sustainability Strategy outlines our plans to increase the use of responsibly sourced materials, including:

- Requiring our suppliers to minimise the use of scarce materials, use resources efficiently, and prioritise responsibly sourced and renewable materials in our Sustainable Procurement Principles
- Carrying out annual sustainability audits with biggest supply chain partners and demonstrate improvements. Currently 67% of materials used by contractors are responsibly sourced
- Leading by example – we've increased responsibly sourced office goods to 75% in 2025/26 (2024/25: 51%).

C12 Does the housing provider have a strategy for waste management incorporating building materials?

Yes, our Sustainable Procurement Principles set clear expectations for reducing waste across our operations, including requirements to prioritise reuse, reconditioning and responsible material use throughout the lifecycle of our homes.

For building new homes, contractors are required to produce and maintain Site Waste Management Plans, setting out how materials are handled, removed and processed. These plans are regularly reviewed and compared against actual waste data, enabling us to identify variances and improve performance over time.

In London, we comply with the London Plan Policy SI 7, reducing waste and supporting

a circular economy. We also review waste management as part of the sustainability audits with maintenance and construction contractors. By engaging with conscious construction partners, we aim to divert as much waste as possible from the landfill during the building process.

Our in-house maintenance team measured that 96% of waste was diverted from landfill. As part of the integration work following merger our maintenance teams are exploring better ways to manage maintenance waste, to not only optimise our operations but also potentially reduce costs. Our external maintenance contractors measured 98% of waste was diverted from landfill.

C13 Does the housing provider have a strategy for water management?

Yes, our Environmental Sustainability Strategy outlines our plans to reduce water usage. In 2025/26, we made great progress in increasing water efficiency across our homes and offices.

In our offices, improved data collection has enabled more accurate reporting of water consumption, with usage now measured at 15.12 cubic metres per employee per year. This reflects a significant improvement in how we understand and manage water use across our operational buildings and provides a clear baseline for further reduction.

In 2025, we consolidated almost 200 commercial meters into a single contract improving oversight of water use. Billing validation, leak detection, and meter upgrades have enhanced data accuracy, enabling us to identify high-consumption sites and target intervention resulting in savings of around £45,000. These savings will be passed on to residents through reduced service charges, while audits and smart metering continue to improve efficiency and speed up issue resolution.

To improve water efficiency in our existing homes, we upgraded over 3,000 kitchens in 2025/26. We estimate water use across our existing homes has reduced to 140 litres per person per day (from 144 litres per person per day), and these improvements are helping to deliver consistent reductions across our portfolio.

For new homes, we continue to require developments to meet water efficiency standards of no more than 125 litres per person per day, or 110 litres where higher requirements apply. This ensures that water efficiency is considered from the outset and supports reduced demand on local infrastructure over the long term.

We also support residents to reduce water use through advice and engagement, including promoting water meters, sharing water saving guidance and working with regional water companies to encourage the use of water efficiency devices.

C14 How is sustainability considered when procuring goods and services? What measures are in place to monitor the sustainability of the housing provider's supply chain when procuring goods and services?

Our Sustainable Procurement Principles ensure the products, services and works we buy are as sustainable as possible.

At the scoping stage, we use a Procurement Project Plan (PPP) to identify key stakeholders and set clear, proportionate environmental requirements. These include standard impact and reporting measures, which are embedded into tender documents and contracts.

Our standard impact and mitigations measures are:

- Supplier environmental policy and net zero plan
- Environmental accreditations e.g. ISO14001
- EURO 6 vehicle compliance
- Waste duty of care compliance
- Environmental standards for products used
- Carbon impacts of products supplied.

Our standard supplier environmental reporting requirements are:

- Annual carbon emissions apportioned to the project
- Fleet vehicle mileage by fuel type
- Annual energy usage of main offices
- Details of responsibly sourced products
- Waste volumes and disposal methods.

To monitor compliance, our key suppliers complete annual sustainability audits covering emissions, materials, waste, and climate resilience. Larger suppliers typically report more consistently, but we offer support, including guidance and templates, to help all suppliers complete their audits.

We're expanding supplier engagement each year and escalating non-compliance where needed. For contracts with embedded sustainability KPIs, failure to complete audits may result in termination. Audit results feed into our SHIFT submission and reporting on Scope 3 emissions.



02

ENVIRONMENTAL

03

SOCIAL

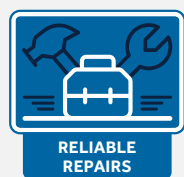
04

GOVERNANCE

Affordability

Building Safety and Quality

Residents and Community



Affordability

C15 For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:
1) Rent compared to median private rental sector (PRS) rent across the relevant Local Authority
2) Rent compared to the relevant Local Housing Allowance (LHA)

41%	£590m	55%
Average rent compared to market rent levels (2024/25: 41%)	Approximate market rent discount per annum, equivalent to £10,000 per home per year	Average rent compared to LHA levels (2024/25: 54%)

C16 Share, and number, of existing homes (owned and/or managed) completed before the last financial year allocated to all tenures.

	31/03/2024	31/03/2025	31/03/2026
SOCIAL HOUSING HOMES			
General needs rent	45,813	45,987	45,997
General needs affordable rent	6,043	6,515	6,694
Supported housing rent	1,447	1,744	1,730
Supported housing affordable rent	27	27	27
Housing for Older People rent	5,827	5,429	5,442
Housing for Older People affordable rent	100	100	95
Key workers	1,204	1,207	1,386
Low cost home ownership	9,330	9,736	9,945
Temporary & intermediate rent	1,809	1,796	1,762
Care homes	124	88	81
Total social housing homes owned and or managed	71,724	72,629	73,159
Total social housing homes owned but not managed	645	598	687
Total social housing homes managed but not owned	1,557	1,984	3,232
NON SOCIAL HOUSING			
Market rent	308	321	338
Student accommodation	1,654	1,299	1,299
Total non social housing homes owned and or managed	1,962	1,620	1,637
Total owned and managed	73,686	74,249	74,796

C17 Share, and number, of new homes (owned and/or managed) that were completed in the last financial year

	2023/24	2024/25	2025/26
TENURE TYPES			
Affordable and social rent	394	385	498
Shared ownership	354	408	366
Market rent	0	0	0
Open market sale	28	14	73
Total	776	807	937

C18 How is the housing provider trying to reduce the effect of high energy costs on its residents?

The cost-of-living crisis and rising energy prices have significantly affected our residents, prompting us to place financial support and tenancy sustainment at the forefront of our service delivery. Since April 2025, our dedicated team has:

- Provided money guidance to 3,373 individuals
- Secured £6.5 million in additional income, benefits, financial support, and £2.5 million directly into rent accounts. Total income generated is £9 million
- Reconfigured our energy procurement contracts to reduce the service charges applied.

Through focused outreach initiatives, we've engaged with households facing elevated financial risk, enabling early intervention before challenges escalate. Additionally, we've shared energy-saving guidance across our digital platforms to help residents lower their fuel expenditure.

We've delivered targeted assistance to residents experiencing high energy costs, with:

- 4,289 residents sought our urgent financial support and assistance with an average of 82 residents per week
- 3,373 residents engaged receiving specialist welfare benefit advice, information and guidance on managing household budgets building financial resilience. Receiving via external grants household items and accessing emergency food and utility support

- 420 households facing acute financial hardship supported with fuel and food vouchers averaging £100 per voucher.

We continue to work closely with our energy broker and through reviewing the billing and energy contracts, identifying £360,000 in incorrect costs across incorrect VAT rates, tariffs, billing errors, liability queries and unusual consumption, resulting in refunds being issued.

We're also consolidating communal meters into a single contract to avoid out of contract rates and secure better value for residents. At the same time, we are upgrading meters to Automated Meter Reading (AMR) for more accurate data and billing, enabling targeted energy efficiency interventions.

Improved meter data now allows energy use to be matched to individual blocks, supporting more accurate and consistent service charges for residents.



Building Safety and Quality

C19 Describe the condition of the housing provider’s portfolio across key safety metrics

Compliance	2024/25	2025/26
Gas Safety Check	99.9%	99.7%
Fire Risk Assessment	100.0%	100.0%
Electrical Test Certificate	98.8%	98.2%
Asbestos Survey	100.0%	99.3%
Water Hygiene Risk Assessment	100.0%	99.8%
Communal Lift Safety Check	99.9%	99.7%

C20 What % of homes meet the national housing quality standard?

As of 31 March 2026, 99.9% (2024/25: 99.6%) of homes met the Decent Homes Standard (DHS). Just 44 of our homes didn’t meet the DHS.

We aim for all our homes to meet DHS, but at any point in time we’ll have a small number

of homes that fail decency due to disrepair claims raised by residents, or Housing Health and Safety Rating System failures identified through home condition surveys. We expect to resolve these in the coming months. We’ve processes in place to monitor and resolve non-compliant cases.

C21 How do you manage and mitigate the risk of emergency hazards, including damp and mould? How do you reduce the likelihood of damp and mould hazards occurring?

Over the past year, we’ve invested significantly in tackling the root causes of damp and mould and completed thousands of preventative repairs. We’re improving our service, although we recognise this will take time. We are:

- Expanding our dedicated damp and mould team to increase inspections and speed up repairs
- Working with ventilation companies to use the latest technology in our homes, including standardised extractor fans with data-logging capability
- Providing extra training for surveyors and frontline colleagues so they can identify and address damp and mould and other emergency hazards
- Improving our digital reporting and processes to deliver faster responses
- Using an Awaab’s Law reporting dashboard to track compliance, with monitoring in place since July 2025
- Reviewing 20% of our homes each year through an annual condition programme to help prioritise urgent cases
- Updating our Damp & Mould Framework to reflect best practice and prioritise urgent health-related issues
- Identifying vulnerabilities within every household and ensuring all colleagues complete required learning
- Working closely with residents and local authorities to ensure people feel heard and supported, and to find practical solutions.



Residents and Community

C22 What are the results of the housing provider's most recent tenant satisfaction survey? How has the housing provider acted on these results?

Tenant Satisfaction Measures (TSMs) for rented homes show a positive improvement overall between 2024/25 and 2025/26, with most measures demonstrating modest gains. Overall satisfaction has increased from 63% to 67%, indicating our actions taken to improve services are beginning to have an impact on residents' perceptions.

Our highest performing measures remain consistent, with 'fairness and respect' increasing from 80% to 82%, and satisfaction we provide a 'safe and secure home' rising from 78% to 80%. We know this is really important to residents, so we're pleased to score highly in this area.

We're also pleased that 80% of our residents agree we keep them well informed. This is great news as we know that feeling informed

helps residents enjoy their homes and have peace of mind. We'll maintain our focus on this area as we continue to improve the customer experience for all our residents.

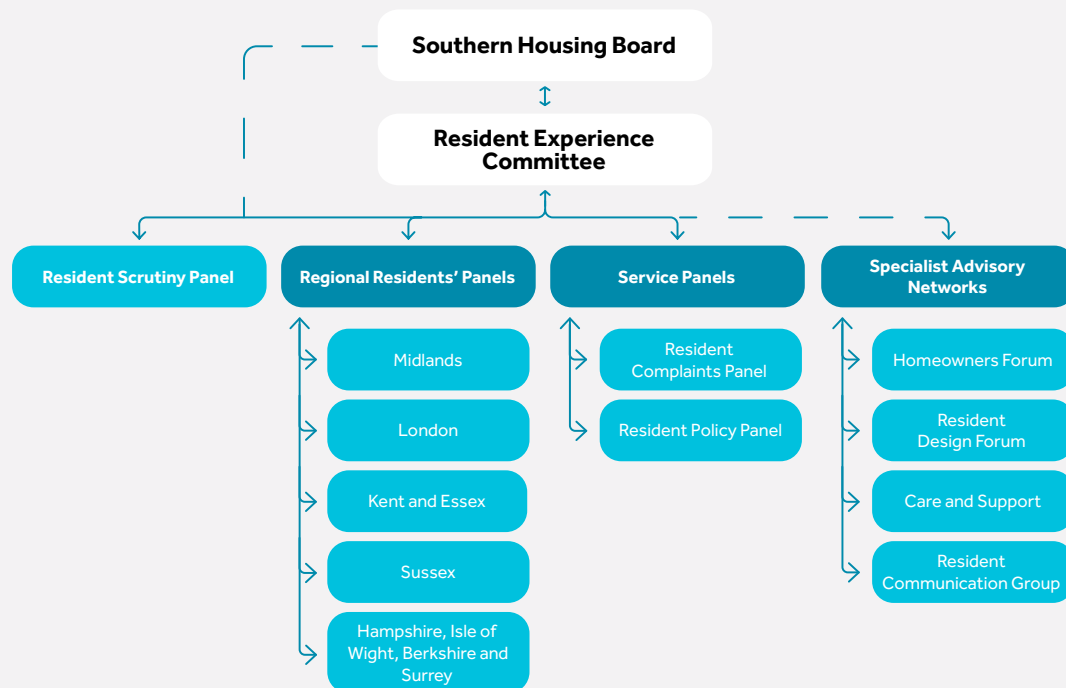
Improving our TSM performance is a central component of our 2026-30 Strategic Plan, which prioritises better repairs, stronger services and greater accountability to residents. The plan emphasises listening to residents, improving communication, and delivering reliable, high-quality services, all of which underpin the progress seen in 2025/26 and will drive further improvements in future.

More information on TSMs, our performance results, and results for homeowners can be found on a dedicated section of our website.

Results for rented homes	2024/25	2025/26	Change
Overall Satisfaction	63%	67%	↑
Repairs Service	65%	67%	↑
Repairs time taken	62%	64%	↑
Listens and acts	59%	63%	↑
Keep residents informed	76%	80%	↑
Fair & respect	80%	82%	↑
Safe home	78%	80%	↑
Well maintained home	72%	74%	↑
Communal areas	67%	71%	↑
ASB handling	63%	62%	↓
Complaints handling	33%	35%	↑
Contribution to neighbourhood	73%	76%	↑

C23 What arrangements are in place to enable residents to hold management to account for the provision of services?

We have an extensive resident governance structure that helps to support involved residents with holding management to account for the provision of services.



Our resident governance structure enables residents to be involved from the highest levels of governance for scrutinising services and holding senior management to account. For example, 4 out of 12 places on the board are reserved for residents. Management are accountable to our Resident Experience Committee for the following:

- ✓ Levels of resident satisfaction
- ✓ Complaints handling
- ✓ The repairs service
- ✓ Opportunities for resident scrutiny and involvement
- ✓ Compliance with regulatory requirements for resident involvement and empowerment
- ✓ Resident-facing policies

The Resident Experience Committee and Resident Scrutiny Panel meet with the board and Executive Team annually to build a shared understanding of challenges, opportunities, priorities and where best to focus their attention.



Scrutiny Assured Quality Mark from Tpas

We've achieved the Scrutiny Assured Quality Mark from Tpas, The Tenants Participation Advisory Service, with a pass mark of 94%. We're the first housing association to be recognised for areas of excellence and good practice in our approach to scrutiny function.

The Quality Mark shows we're meeting a clear set of standards in our work with resident engagement and involvement. In their comments, Tpas commended us for our openness and inclusivity with our Resident Scrutiny Panel, 'ensuring that all voices are heard'.

We hosted a Tpas networking event in 2025/26 to share best practice with other housing providers on resident engagement and scrutiny.

C24 Report the percentage of complaints responded to within target timeframes. How have reported complaints resulted in change of practice within the housing provider?

Results for rented homes	Target response timeframe	Responded to within target timeframe		Change
		2024/25	2025/26	
Stage 1 complaints	Within 10 working days of the complaint being acknowledged	90%	98%	8% ↑
Stage 2 complaints	Within 20 working days of the complaint being acknowledged	91%	98%	7% ↑

Feedback from complaints, Housing Ombudsman investigations and resident engagement has directly influenced a number of service improvements during the year. These include:

- **Repairs**
Residents told us communication was poor and repairs often took too long. In response, we brought repairs call handling in-house, introduced automated appointment updates, revised our Repairs Policy with residents and expanded our in-house repairs workforce. Our resident satisfaction with repairs TSM results increased to 67% from 65% the previous year
- **Anti-social behaviour**
Residents reported delays, unclear action plans and poor communication. We've reviewed and strengthened our ASB processes, improved staff training, introduced earlier intervention through neighbourhood management, and achieved 100% compliance in risk assessments. Resident understanding of action plans improved significantly during the year
- **Damp and mould**
Residents raised concerns about slow responses and health impacts. We've introduced a "Report, Act, Protect" approach, increased training, and improved technology for faster assessments and prioritisation of high-risk households. Over 4,500 preventative repairs were carried out, and response times have improved
- **Customer contact**
Residents told us it was difficult to navigate multiple teams and contact routes. As a result, we introduced a single phone number and email address and are redesigning services around a "single front door" approach to resolve more enquiries at the first point of contact.
- **Service charges**
Complaints and resident feedback led to clearer communications, improved estimating processes, simplified rent notification letters, and additional resources within our Service Charge Team to improve response times.
- We're committed to delivering the best possible services to all our residents. We know things don't always go right, but when they don't, we act quickly to put them right and make lasting improvements. You can find out more about this in our Annual Complaints Performance and Service Improvement Report.

C25 In the last 12 months, what additional support have you provided to your residents?

As a housing association, we're about so much more than just bricks and mortar.

In the last 12 months, we've worked hard to make a tangible difference for our residents.



Stronger communities through partnerships

- ✓ 3,380 residents involved in local neighbourhood improvement projects
- ✓ 710 residents accessed affordable food initiatives including local food pantries
- ✓ 318 residents supported with employment & vocational skills
- ✓ 1,358 residents supported with their mental and physical wellbeing.

To support our residents with the cost-of-living crisis and rising energy prices, we've put financial support and tenancy sustainment at the forefront of our service delivery. In the last year, we secured £6.5 million in additional income, benefits, and financial support and paid £2.5 million directly into rent accounts to help sustain tenancies.



FRESH VISIONS
Changing Lives
Transforming Futures

We're committed to helping our community thrive, working in partnership with our charity, Fresh Visions, to make this possible. Fresh Visions supports people to gain confidence, motivation and skills so they can achieve their potential and build brighter futures.

Recently, the Fresh Visions team in Hastings held a celebration event to mark the completion of the latest Build Yourself programme. Funded by Southern Housing through our Fresh Visions charity, the project supports 18–28 year olds who may be facing difficult circumstances or low self-esteem, helping them develop confidence, gain practical skills and take steps towards employment.

The six-week Build Yourself programme brings young people together to work in teams on makeover projects for community buildings. Guided by trained professionals, participants learn painting, decorating and DIY skills and gain a CSCS card (Construction Skills Certification Scheme) to support their move into work. You can find out more on the Fresh Visions website.

C26 In the last 12 months, what interventions has the housing provider made or enabled to foster stronger communities and places, considering both:

- Physical changes to shared spaces or public realm
- Events, activities, and signposting

Helping create places where people are proud to live is important to our organisation. Well-maintained neighbourhoods and clean and safe communal spaces help foster stronger communities, improve our residents' wellbeing and encourage pride in where they live.

Our Estates Services Team plays a key role in achieving this, carrying out more than 37,000 estate inspections during the year to help keep communal areas clean, safe and welcoming. We also completed 2,972 weekly communal cleaning visits and 1,958 fortnightly grounds maintenance visits, ensuring shared spaces, gardens, pathways, bin stores and the exterior of our buildings are maintained consistently.

This year, we brought communal cleaning and grounds maintenance services in house across many of our homes. Replacing underperforming contractors with directly employed colleagues has strengthened accountability, improved service quality and enabled us to respond more quickly to resident feedback.

We also launched our Making a Positive Change initiative, targeting areas with lower resident satisfaction. The initiative began with visits to affected estates, where local teams identified priorities and developed action plans to improve the local environment and residents' experience.

CASE STUDY

Northbourne community clean-up removes nine tonnes of waste

More than 60 residents, volunteers and partners turned out for a community clean-up at Northbourne, with many Southern Housing colleagues on hand showing their support.

This is one of our priority neighbourhoods where we're working with residents to improve the area, helping residents feel safer, and a sense of pride and belonging to their neighbourhood. The event marked World Environment Day 2026 and built on a year of environmental and community projects the partnership has delivered across the estate.

The event was organised by our Places and Community Partnerships Co-ordinator with the Northbourne Action Group.

Children ran their own litter-picking team and dressed a mannequin, nicknamed "Trashalina", in discarded materials to spark conversations about recycling. Families built bug and bee hotels and played "Rot or Not", a game about how long different materials take to decompose.

Volunteers cleared an estimated nine tonnes of waste from the estate and recycled around a tonne of scrap metal. A reuse area let people donate unwanted items rather than throw them away, and a donation point for Guildford Action collected essential items for people experiencing homelessness.



C27 How is social value creation considered when procuring goods and services? What measures are in place to monitor the delivery of this Social Value?

Our Principles of Sustainable Procurement are our commitment to generating social value through the products, services and works we tender and buy.

Through the procurement design phase, we define proportionate and relevant commitments. Through the tender phase, we evaluate and score bidders' responses and commitments. Our internal award panel, Risk Appraisal Group, chaired by our Chief Financial Officer, are informed of

these deliverables in our recommendation to award reports. The commitments are formalised in the final contract documents ahead of award. We then work with suppliers to monitor and facilitate delivery of social value commitments, reporting progress into wider contract performance meetings. Where underperformance is identified we can apply relevant contract mechanisms to address, including reducing the amounts paid to our suppliers.



03

SOCIAL

04

GOVERNANCE

Structure and Board

Colleagues



Structure and Board

C28 What is the housing provider's most recent regulatory grading/status?

In August 2024 we received a regulatory rating of G1 V2 C2 by the Regulator of Social Housing¹² following a regulatory inspection.

C29 Explain how the housing provider's board manages ESG risks. Are ESG risks incorporated into the housing provider's risk register?

Building on the strategic direction set out in our March 2026 Strategic Plan, ESG risks are fully embedded within our strategic risk register and are actively monitored at Board level. This ensures our risk management approach directly supports our strategic objectives, particularly our commitment to delivering safe, sustainable homes.

A key ESG-related risk is identified as:
"Failure to plan and deliver regulatory sustainability requirements including EPC

C." This is actively monitored through defined key performance indicators.

The board receives regular updates on all strategic risks, including ESG, and sets risk appetite to ensure alignment with our objectives and social purpose. Our operational sustainability risk register feeds directly into the strategic register, supporting joined-up oversight and decision-making.

C30 Has the housing provider been subject to any adverse regulatory findings in the last 12 months (data protection breaches, bribery, money laundering, HSE breaches etc.) - that resulted in enforcement or other equivalent action?

No, we've not been subject to any adverse regulatory findings that have resulted in enforcement or other equivalent action.

C31 How does the housing provider ensure it gets input from a diverse range of people into the governance processes?

We actively seek input from a diverse range of residents in our governance processes through our resident governance structure. This structure reserves 4 out of 12 board places specifically for residents, ensuring their voices are heard at the highest level of decision-making. Resident board members are present on all of the board's committees and help to bring a resident perspective to discussions and decisions. In addition, our

This multi-layered approach ensures diverse resident perspectives are integrated into governance processes, enhancing transparency and accountability. More information on our resident governance structure can be found in criterion C23.

Resident Experience Committee, which is chaired by a resident board member, also includes other residents as committee members.

C32 Does the housing provider have policies that incorporate Equality, Diversity and Inclusion (EDI) into the recruitment and selection of board members and senior management?

We've robust policies which integrate equality, diversity, and inclusion (EDI) into the recruitment and selection processes for board members and senior management. We've an EDI policy in place that ensures all recruitment activities promote diversity and inclusion. Additionally, our board has appointed one of our resident board members to be our EDI lead to oversee and champion these efforts. This role is critical in guaranteeing that our strategic and policy objectives on EDI are met, providing assurance that EDI principles are embedded within our organisational practices.

The EDI lead's responsibilities include challenging and supporting the executive and management teams to ensure EDI is a core consideration in decision-making processes. They also ensure that board discussions and key policy formulations consider EDI perspectives and that performance data is analysed for diversity impacts. Furthermore, the EDI lead maintains oversight of service accessibility, reasonable adjustments, and the positive social impact of community services, acting as an ambassador to enhance our EDI credentials at various levels. Through these measures, we strive to create a diverse, inclusive, and equitable environment for all stakeholders.

C33 What % of the housing provider's Board have turned over in the last two years? What % of the housing provider's Senior Management Team have turned over in the last two years?

In the last two years, 23% of our board, and 28% of our Executive Team have turned over.

C34 Number of board members on the housing provider's Audit Committee with recent and relevant financial experience.

During the year, our Audit and Risk Committee comprised five members, three of which are Board members and two are independent members who don't sit on our Board. Of the three Board members, one has recent and relevant financial experience. One of the independent members also has recent and relevant financial experience.

C35 What % of the housing provider's board are non-executive directors?

93% of our board are non-executive directors as of 31 March 2026. The only executive on the board is our Chief Executive.

C36 For how many years has the housing provider's current external audit firm partner been responsible for auditing the accounts?

An external audit partner was appointed in 2025/26, marking their first year auditing us.

C37 When was the last independently-run, board-effectiveness review?

Independently run board effectiveness reviews are undertaken at least every three years. We conducted an independently run board assessment in December 2025 and will undertake an independently run board effectiveness review again in Autumn 2026.

C38 How does the housing provider handle conflicts of interest at the board?

Board members are required to complete an annual declaration of interests and inform us if there are any changes to their interests during the year, in line with our Code of Conduct. Declarations of interest is a standing item of business at every board meeting. Board members are asked to declare any actual or potential conflicts of interest in any of the items of business on the agenda. The board member will be asked not to contribute/vote on the item of business where there is an actual or potential conflict or be asked to leave the room while the business is discussed.





Colleagues

C39 Does the housing provider pay the Real Living Wage?

Yes, we're committed to paying either the London Living Wage or the Real Living Wage, as appropriate and this is confirmed in our pay policy. There may be some exceptions to this for example some trainee roles, work-placement, intern and/or apprentice roles.

C40 What is the housing provider's median gender pay gap?

As reported in our Gender and Ethnicity Pay Gap Report our median pay gap is 4.7%, a positive reduction from 7.3% the previous year. And even further reduced from 10.1% in 2023/24.

Other key data highlights are:

- ◆ The organisation employs more women (57%) than men (43%)
- ◆ Our mean pay gap is 6.9% which is lower than 2024/25 at 11.2%
- ◆ Our mean ethnicity pay gap is 3.1%, which is a slight reduction compared to 4.3% the previous year
- ◆ Our median ethnicity pay gap is 1.4%, compared to -0.3% the previous year.

To reduce our pay gaps, we're continuing to actively support women and ethnically diverse colleagues into senior roles through targeted advertising, career development, and mentoring programmes. We've implemented inclusive hiring practices, inclusive job descriptions, and diverse interview panels to reduce bias; we're also introducing anonymised recruitment. All hiring managers complete mandatory training that incorporates inclusive practices. We promote flexible, agile, and job-share opportunities to widen access and internal mobility.

C41 What is the housing provider's CEO:median-worker pay ratio?

We calculated the ratio between the CEO and the median pay of workers and using the Department of BEIS Methodology¹³, the pay ratios are as follows:

Financial Year	Median Pay Ratio
2025/26	10.00:1
2024/25	6.07:1
2023/24	8.93:1
2022/23	8.95:1

C42 How is the housing provider ensuring equality, diversity and inclusion (EDI) is promoted across its employees?

We're committed to being a diverse and inclusive organisation, as shown in our EDI Policy, supported by our EDI Commitment and Action Plan, which sets out our aims and targets for creating a culture where everyone can be their best selves, have a voice, and find our organisation a great place to work.

Our established EDI Governance Framework ensures our efforts are authentic, impactful, and well-structured. This framework includes our EDI Steering Group, Inclusion in Action Group, and six EDI Network Groups. These network groups provide safe spaces for colleagues to connect, share experiences, raise awareness, support each other, challenge inequalities, and influence business decisions with innovative solutions that promote equality, diversity and inclusion. We also offer a suite of learning resources on diversity and inclusion, some of which is required learning for our colleagues such as 'Inclusive Southern Housing' and 'Creating value through Diversity and Inclusion.'

Our partnerships and memberships support us on our journey and enable us to promote, gain ongoing knowledge and share best practice. Some of these include Inclusive Employers, HenPicked, Women in Social Housing and Stonewall. We're also a Disability Confident Committed, Level 2 Employer which confirms that we'll offer an interview to any applicant who declares they have a disability (in-line with the Equality Act 2010), providing they meet the minimum criteria of the job profile, and we'll make any reasonable adjustments required. By displaying our partnerships on our adverts and website, along with who we are and what we do, applicants and colleagues should feel welcomed and confident enough to join and work with us without feeling that they will be disadvantaged or discriminated against and their differences will be celebrated.



C43 What activity has the housing provider undertaken over the last 12 months to support the physical and mental health of its colleagues? What impact has this had on colleagues and the wider organisation?

We have a range of tools and information available to support both workplace wellbeing and personal health management such as:



Mental Health First Aiders

We have nationally accredited Mental Health First Aiders available to support colleagues. These First Aiders provide crucial support and signposting for colleagues needing assistance during critical times in their work lives



Wellbeing annual programme

Our Wellbeing Programme runs year-round, offering a holistic array of events, activities, and resources. This programme is part of our Culture Calendar, which highlights all our wellbeing and cultural events for the year



WELLBEING MATTERS

Our Wellbeing Matters Group are our group of over 50 wellbeing champions passionate about promoting wellbeing. They meet regularly to discuss and plan key wellbeing activities for the year, and they co-create, promote, and support our culture where wellbeing is a priority.



Employee assistance programmes

A free confidential service is available to all colleagues, offering a 24-hour helpline and up to six face-to-face counselling sessions if needed. The programme provides support and guidance on lifestyle, health, medical, financial, and legal issues through specialist teams of counsellors, lawyers, and medical professionals

Additional benefits

We offer various benefits that support other wellbeing dimensions for colleagues such as flexible working, gym discounts, financial support, health treatment cash plans, multi-faith rooms, cycle-to-work schemes and more.

C44 What activity has the housing provider undertaken over the last 12 months to support the professional development of its colleagues? What impact has this had on colleagues and the wider organisation?

Over the last 12 months, we've continued to invest in professional development. We support colleagues through professional qualifications, apprenticeships, continuous professional development (CPD), professional memberships and specialist technical training. Professional teams are supported with one professional membership where relevant to their role, alongside access to sector-specific training, legal updates and professional briefings.

We've continued to use apprenticeships both to develop existing colleagues and to create career pathways into the organisation. We've also expanded preparations for the new Competence and Conduct Standard for social housing¹⁴ by developing qualification routes at Levels 4 and 5 for colleagues working in housing roles.



¹⁴ [Competence and Conduct Standard for social housing: government response \(GOV.uk\)](https://www.gov.uk/government/consultations/competence-and-conduct-standard-for-social-housing)

Glossary of Terms

Term	Definition
Awaab's Law	Legislation requiring social landlords to investigate and fix reported health hazards, such as damp and mould, within fixed timescales.
BEIS methodology	The reporting methodology (originating with the former Department for Business, Energy & Industrial Strategy) used to calculate the CEO-to-median-worker pay ratio. The department has since been replaced, but the methodology remains in use.
BNG	Biodiversity Net Gain. A requirement for new developments to leave biodiversity in a measurably better state than before, including securing habitat maintenance for at least 30 years.
CO₂e (carbon dioxide equivalent)	A standard unit that expresses the warming effect of all greenhouse gases as an equivalent amount of carbon dioxide, allowing them to be reported together.
Decent Homes Standard	The government's minimum quality standard for social housing, covering disrepair, modern facilities and thermal comfort. The revised standard now incorporates minimum energy efficiency requirements.
DESNZ	Department for Energy Security & Net Zero. The government department responsible for energy and decarbonisation policy.
ECO4	The fourth phase of the Energy Company Obligation, a scheme requiring larger energy suppliers to fund energy efficiency measures in lower-income and social homes.
Embodied carbon	The emissions generated across a building material's life including extraction, manufacture, transport and installation, as distinct from emissions from using the home.
EPC	Energy Performance Certificate. A rating of a home's energy efficiency from A (most efficient) to G. Our target is for all homes to reach at least Band C by 2030.
ESG	Environmental, Social and Governance. The framework used to assess and report an organisation's sustainability and ethical performance.
Fabric first	A retrofit approach that prioritises improving a building's insulation, windows, doors, and roof before installing low-carbon heating or renewables.
G1 / V2 / C2	The Regulator of Social Housing's gradings for governance (G), financial viability (V) and consumer standards (C). G1 is the highest governance grade; V2 confirms financial viability with some risk exposure to manage; C2 indicates some weaknesses in delivering consumer standards outcomes, with improvement needed.

GBIS	Great British Insulation Scheme. A government-backed scheme funding insulation measures to improve home energy efficiency.
G15	The group of London's largest housing associations, which collectively engages government on housing and sector policy.
Greenhouse Gas Protocol	The internationally recognised standard for measuring and reporting emissions, including the 15 categories of Scope 3 emissions.
Heat network	A shared system that distributes heat from a central source to multiple homes, rather than each home generating its own.
HEM	Home Energy Model. The government's new methodology for assessing dwelling energy performance and producing EPCs, replacing the SAP/RdSAP approach.
HHSRS	Housing Health and Safety Rating System. The framework used to assess hazards to health and safety in residential properties.
LHA	Local Housing Allowance. The rate used to calculate housing benefit and the housing element of Universal Credit for private renters, set by area. Used in this report as a benchmark for the affordability of our rents.
MEES	Minimum Energy Efficiency Standards. Energy efficiency requirements being introduced for the social rented sector as part of the revised Decent Homes Standard.
MHCLG	Ministry of Housing, Communities & Local Government.
National Housing Federation	The representative body for housing associations in England.
Net zero	A state in which greenhouse gas emissions are reduced as far as possible, with any residual emissions balanced by removals. Our target is net zero carbon by 2050.
RdSAP 10	Reduced data Standard Assessment Procedure (version 10). The updated EPC methodology for existing homes, introduced in June 2025.
Real Living Wage	A voluntary hourly pay rate, set independently and based on the cost of living, above the statutory minimum wage.
Retrofit	Upgrading an existing home's energy efficiency through measures such as insulation, improved heating and renewables.
RSH	Regulator of Social Housing. The independent regulator of social housing providers in England, responsible for setting standards and grading providers on governance, viability and consumer standards.
SAP / SAP10	Standard Assessment Procedure. The government's methodology for assessing the energy performance of homes. SAP10 uses updated carbon conversion factors.
Scope 1, 2 and 3 emissions	The GHG Protocol's emissions categories: Scope 1 (direct emissions we control), Scope 2 (purchased energy) and Scope 3 (all other indirect emissions across our value chain, including our homes).

SDGs	The United Nations' 17 Sustainable Development Goals. We align with the seven identified as most relevant to the sector.
SECR	Streamlined Energy and Carbon Reporting. The UK framework requiring disclosure of energy use and carbon emissions.
SHDF	Social Housing Decarbonisation Fund. Government grant funding for energy efficiency works, now succeeded by the Warm Homes: Social Housing Fund.
SHIFT	Sustainable Homes Index for Tomorrow. An independent sustainability assessment and accreditation scheme for the housing sector, benchmarking organisations across environmental indicators including energy, carbon, water, waste and biodiversity. SHIFT also provides third-party verification of our carbon emissions data.
Sustainability Reporting Standard	The voluntary ESG reporting standard for UK social housing, developed by Sustainability for Housing. This report follows version 2.1, reporting against 44 ESG criteria.
TPAS	Tenant Participation Advisory Service. An independent national body promoting tenant engagement and empowerment, which accredits landlords' resident involvement and scrutiny arrangements.
TSMs	Tenant Satisfaction Measures. A standardised set of measures defined by the Regulator of Social Housing, combining resident perception survey results and management information, which all registered providers must collect and publish annually.
Warm Homes: Social Housing Fund	The current government grant programme funding energy efficiency improvements in social housing (successor to the SHDF).

Southern Housing Resources

A list of documents and online resources referenced in this report.

Resource	Link
Annual Complaints Performance and Service Improvement Report	www.southernhousing.org.uk/leaflets-and-publications/annual-complaints-performance-and-service-improvement-report
Biodiversity Pathway	www.southernhousing.org.uk/leaflets-and-publications/biodiversity-pathway-to-2030
Environmental Sustainability Strategy	www.southernhousing.org.uk/leaflets-and-publications/environmental-sustainability-strategy-23-26
Fresh Visions	www.freshvisions.org.uk
Gender and Ethnicity Pay Gap Report	www.southernhousing.org.uk/leaflets-and-publications/gender-and-ethnicity-pay-gap-report
Retrofit Programme	www.southernhousing.org.uk/about-us/sustainability/our-retrofit-programme
SHIFT Gold Certification	www.southernhousing.org.uk/latest-news/2026/weve-achieved-shift-gold
Strategic Plan	www.southernhousing.org.uk/leaflets-and-publications/strategic-plan
Sustainable Procurement Principles	www.southernhousing.org.uk/leaflets-and-publications/sustainable-procurement-principles
Tenant Satisfaction Measures Results	www.southernhousing.org.uk/about-us/our-performance/tenant-satisfaction-measures-tsm

