



Improving opportunities

Annual Review 2023



"Our strategic partnership with emh is tremendously valuable in the drive to create a truly inclusive workforce in the region's business community."

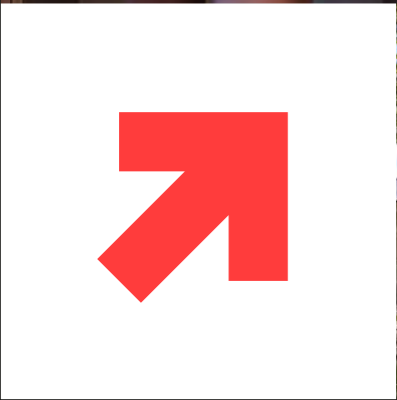
Lucy Robinson, Director of Resources,
East Midlands Chamber



This review covers progress during the year 2022/23 on our mission to provide housing and care that improve opportunities for people. The current environment of high inflation, slow economic growth and global instability makes our work and partnerships more necessary and urgent than ever.

We continue to be driven by our core values of Integrity, Diversity, Openness, Accountability, Clarity and Excellence to support communities in the East Midlands and influence national policy.

The evidence and stories presented here show how we combine strong leadership, solid finances, accurate data and skilled people to achieve these aims.



Here for times like these

The world is being buffeted by all kinds of challenges – from climate change and the war in Ukraine, to the cost-of-living pressures that are acutely affecting many of our customers. These circumstances are a reminder of why we and organisations like us exist – to provide help, hope and opportunities for people and communities that need them most.



This review shows how we're responding to testing times, by staying focused on our core purpose, building new homes, tackling homelessness, providing high-quality personal care and support and delivering the sort of modern, value-for-money services and placeshaping that customers have the right to expect.

It also highlights the crucial role of partnerships, with local authorities, Homes England, contractors and other public and voluntary services, and the importance of being a values-driven employer that looks after its people and celebrates diversity.



The past year has seen a significant shift in Government policy back towards emphasising the rights and interests of customers. We welcome this and its expression through the Social Housing (Regulation) Act and Better Social Housing Review. High-profile tragedies and media exposure of some inexcusable safety failings by others within the social housing sector have also put our work right in the public spotlight.



Our answer is to renew our pledge to do the basics brilliantly – making it our business and being held to account for the key functions that make most difference to people’s lives. Through the ‘BIG Project’ we’ve fundamentally redesigned and streamlined our approach to looking after homes, based on a multi-skilled and mobile in-house maintenance team. And we’ve overhauled the way our customer services centre works, so that it prioritises the things that add most value.

To help the care and support business bounce back from the difficulties created by the coronavirus pandemic, we drew on our reserves to run it at a deficit in 2022/23. This has given us the space to rebuild our permanent staff team, renegotiate contract terms and assess the viability of some schemes. We’re confident that, together, these measures put the service back on the road to being sustainable for the long term.

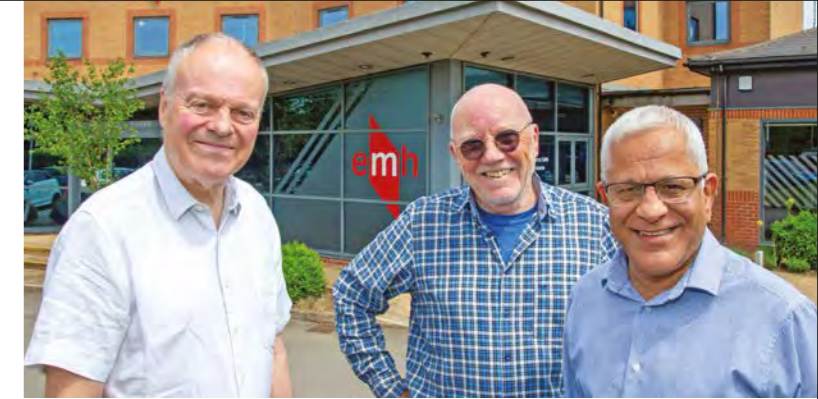


Meanwhile, we’ve applied our financial strength to continue building a wide variety of much-needed homes for rent and shared ownership, in cities, towns and villages across the East Midlands. And with resources from the Social Housing Decarbonisation Fund we’ve made good progress towards ensuring that existing homes are more energy efficient and ready for a net zero future.

The group’s governance has been reinforced by new board members bringing a broader array of skills and knowledge. And the Residents Influence Committee now puts customers right at the centre of emh’s thinking and strategy. Through an independent stakeholder survey, we’ve got an honest and up-to-date picture of how our partners see us and the things they want us to do more or better.

In the wake of the Second World War, faced with situations even more demanding than those that exist now, our founders embodied the vision and spirit needed to improve local people’s lives and opportunities. We intend to continue doing the same.

David Russell, Chair and Chan Kataria OBE, emh Chief Executive



“The Better Social Housing Review has highlighted how our sector needs to up its game. I’m determined that emh is right at the front of this improvement and change.”

Chan Kataria OBE, emh Chief Executive

Awards and recognition

- ▶ #33 Top 50 Biggest Builders 2023, Inside Housing
- ▶ Winners of Regional Housing Association or Landlord of the Year, Energy Efficiency Awards 2022 and 2023
- ▶ Highly Commended for Best Urban Development Team, Inside Housing Development Awards 2023
- ▶ Achievement of ISO45001 for Corporate Services and Grounds Maintenance Team (Sharpes)
- ▶ Cerys Moore, winner of Rising Star of the Year, East Midlands Finance Awards 2023
- ▶ Finance Team, shortlisted for Team of the Year, East Midlands Finance Awards 2023
- ▶ Emily Jacob, Finalist for Apprentice of the Year, Generation Next Awards 2022
- ▶ Muhammad Delair, finalist for Apprentice of the Year, East Midlands Chamber Business Awards 2023



"Housing seems to be full of risks and challenges right now, but actually these are opportunities – chances for us to invest in people's homes and lives."

Ian Davies, Director of Property Services

- ▶ Winners of National Housing Association or Landlord of the Year, Energy Efficiency Awards 2023



Compliance and standards

We comply with all of the Regulator of Social Housing's economic and consumer standards, and the National Housing Federation's Code of Governance.

Over 97% of our homes meet the current Decent Homes Standard, this has been ascertained from an ongoing in depth stock condition survey programme. Large scale investment will ensure these homes meet the standard over the coming year and where applicable we have up-to-date assessments and certificates for fire, Legionella, asbestos and lift safety.

Ten of our 11 registered care schemes are rated as 'good' by the Care Quality Commission (CQC), with one 'requiring improvement'.

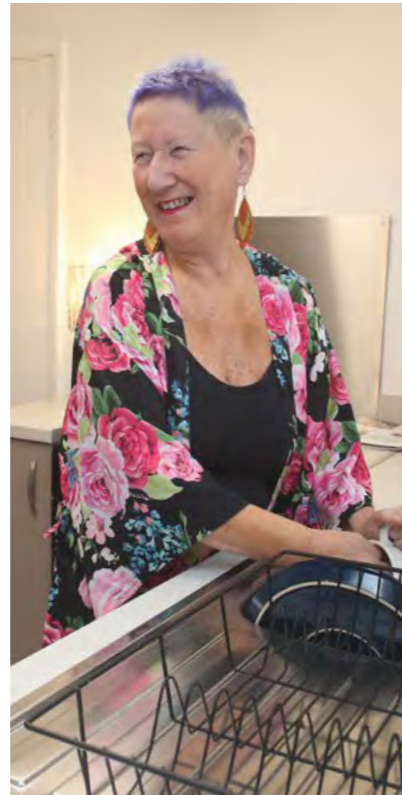
Through the independent company HouseMark, we track and compare key elements of our annual costs and performance against a peer group of similar housing providers.

Our yearly Environmental Social and Governance (ESG) report includes our response to the Task Force on Climate-related Financial Disclosures (TCFD).



"Having attended the first meeting and discussed the plans I'm very excited that things will actually happen. The enthusiasm of staff and residents is evident, and I'm really looking forward to the future."

David Adams – Service Quality Evaluation Group member and emh customer



Homes, customers and communities

Christine Ashton, Executive Director – Housing

Safe, healthy and sustainable homes and communities are the foundations for opportunities and happy, fulfilled lives. The other key ingredients we can provide are positive customer experiences and genuine influence on our decisions and the services we provide. These are all parts of our commitment to do the basics brilliantly.



During 2022/23, independent surveyors inspected 8,100 homes to give us the up-to-date, detailed information we need to guide our investment to the right properties and priorities. And we're on target to survey a further 6,000 homes in the current business year.



To respond to the Housing Ombudsman Service Spotlight reports on damp and mould, and noise complaints we set up a dedicated rapid response team to investigate all reports of damp and mould within 14 days. This team reports direct to the head of health and safety and a fortnightly strategic group led by the Chief Executive. It also proactively contacts customers whose homes might be at risk of damp or condensation. To support households affected by noise, we've introduced the free Noise App to record, report and monitor any problems.

"Anti-social behaviour is high on the political agenda, especially with the new consumer standards. To act on the Housing Ombudsman's report Noise Complaints – Time to be Heard, we ran good practice sessions with other organisations from across the country to share experiences and start work on a new neighbourhood management strategy."

Sarah Gee – Anti-social behaviour Manager

'The BIG Project' has seen customers and colleagues working together to pinpoint how the repairs and maintenance service can improve – for example, by enabling follow-up work to be ordered on the spot by our in-house team, so avoiding the need for a separate contact.

New systems in the customer services centre also bring all repairs and servicing information together in one place, linked to the enhanced myhomeonline self-service portal.

Input from customers has been boosted by the new Residents Influence Committee (RIC), which forms part of the group's governance structure, and the Service Quality Evaluation Group (SQEG). Together with the established Scrutiny Panel, these structures make sure we listen to and act on the voices and views of customers.



We've redefined the role of our housing officers to be a more visible and accessible local presence, tasked with concentrating resources and coordinating with other agencies in neighbourhoods that need most support. Alongside this, the Money Matters team provides expert individual help with budgeting, benefits and work opportunities. Despite the financial pressures on most households, rent arrears remained stable and low last year, which demonstrates that this support is working.

"Local estate days bring us together with customers and representatives from the police, fire service and local authority. This presence in the community gives us the opportunity to be visible, keep in touch with customers, and understand what's most important to them."

Alison Kreamer – Director for Community and Customer Service

The decarbonisation project to make homes more energy efficient and cheaper to live in is well underway with £1.9 million of external wall insulation and other improvements completed for 93 homes in Blaby. A second wave will see us upgrade 320 more homes over the next two years, on the way to all properties having an Energy Performance Certificate (EPC) rating of at least C by 2030.

Housing is highly personal and sometimes complex, so things can and do go wrong. When this happens, we want customers to feel that we listen, understand and act quickly to put things right and restore trust. We've invested in specialist training for our Complaints Resolution Team and for colleagues across the business in how they communicate – to always be resolute, respectful and reliable.



Long term, sustainable social care

Ruth Jennings, Executive Director – Care and Support



“We need to make care a more attractive career choice.”

Executive team member

Across the country, care and support businesses face persistent challenges with viability and staffing. In many areas, there’s a growing shortfall between new standards and increasing levels of need, and the money available to meet them. While several smaller providers in our region have had to close and hand back schemes, we’ve been able to maintain all our services and continue to plan for the long term.

There’s no ducking the market conditions that meant we incurred a £1.3 million deficit on care and support in 2022/23. But the increased fees we’ve negotiated with commissioning local authorities, savings we’ve achieved on overheads and changes we’ve made to colleagues’ terms and conditions bring us to a turning point. We’re determined to reduce our deficit in the current year and return the service to a trading surplus by 2024/25.



Working with the recognised trades unions, we're now able to offer pay that's two per cent above the National Minimum Wage. This has seen an influx of almost 50 new colleagues joining our team, especially younger people. We also currently have 16 apprentices working in care and support, and a strong learning and qualifications partnership with Chesterfield College. These improvements help to make careers in care and support more attractive so that we can compete with other local employers for the best candidates.

Engaging one-to-one with service users and their families has given us a sharper understanding of the skills and experience that customers value most. This engagement will help us design future services, including new supported living schemes based on clusters of up to 12 flats, with flexible, on-site support.



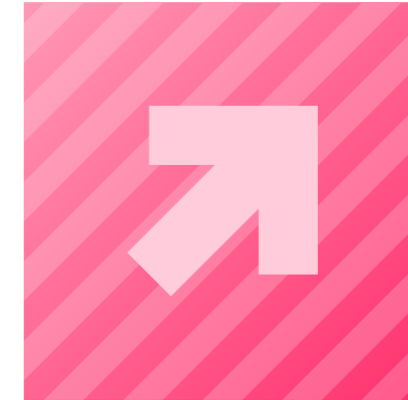
Springfields, our newest extra care scheme at Ashby-de-la-Zouch in Leicestershire is now fully occupied, with a waiting list for vacancies. It has quickly become an active part of the community, and the lessons we've learned will inform our next two mixed-tenure, extra care developments.

Reinspections by the Care Quality Commission have rated all existing registered care homes as 'good', and we have one service that inherited the original supported living rating of 'requiring improvement'. The four supported living services are all waiting to be registered. To complement this, we carry out our own quality monitoring with feedback from customers and colleagues, and we've begun a review of all property assets with ARK Consultants. This will identify any schemes that will not be fit for purpose in the future, or which could be better used to meet alternative needs.



To focus personal support where it can work best, we now only provide this where we have emh properties or 24-hour staffing and will no longer offer outreach or floating support packages.

On the national scene, we've played an active part in the National Care Forum's work to campaign and prepare for the Government's planned Fair Charging reforms.



"When someone moves into Oak Court, I match them up with a tenant who already lives here, to be a friendly face, introduce them to neighbours and offer support. The feedback on the buddy scheme has been fantastic – new friendships and connections have definitely been formed. We also have cultural events like Bollywood and Salsa dancing, which enable people to experience something new."

Samantha Bennett – Wellbeing Coordinator





Growing to meet the region's needs

Chris Jones, Executive Director – Development

"Land-led opportunities like The Villiers at Whetstone in Blaby give us the opportunity to create great places and homes for people to live and thrive. Here we've built 77 new affordable homes to bring a derelict factory site back into use and improve the local landscape."

"It's the product of great partnership working with the local authority and our contractor, Lovell. I'm proud to contribute to projects like this, which make such a big difference to people's life-chances and futures."

Purnima Wilkinson, Director – New Business



We've kept up our programme of land acquisition and partnerships to continue building the right homes in the right places. Despite increasing mortgage rates, sales of shared ownership homes have remained buoyant, to provide over £13 million of vital income to subsidise rental developments. The 490 homes completed last year included 22 properties on behalf of Ashfield District Council – helping the local authority to restart council homebuilding.



Our blended approach to growth as a Homes England Strategic Partner gives us greater certainty and control over what we're able to build, when and where. In 2022/23 we maximised and used all the Affordable Housing Programme funds available to deliver new homes across 15 local authority areas.



We also completed our first modular construction scheme at Beeston. Following the exit of some high-profile providers from this emerging market, we'll keep an eye on how things develop before we commit to any further projects using off-site manufacturing.

As well as consolidating our partnerships with Lovell, Countryside and Davidsons (all of which started or finished more than a hundred homes in 2022/23) we began working with new companies like Leicester-based Modus Partnership, and let contracts to a total of 21 different contractors. We also secured three village sites to provide 40 new rural homes. It's through this sort of diverse portfolio and close relationships with regional firms that we're able to meet our targets and deliver on our commitments.

Achieving all this demands an ever-increasing range of skills, so we've invested heavily in our team's learning and development in the past year. Strong capabilities in project management, negotiation and safety are key to our success in new business, and we have also created a new graduate training position in the Land team.



The impact of these skills was shown in the planning appeal we won for the development of 70 homes at Castle Gresley in South Derbyshire, and almost £860,000 of viability savings we were able to negotiate for the scheme through the Section 106 agreement.

Despite the challenges of rising costs, labour, materials and planning, 2022 - 23 was a strong year in which we made solid progress towards meeting local demand and reducing homelessness.



"We had a successful year in 2022/23, completing 35 new affordable homes for rent and shared ownership in seven different villages. The feedback from residents, parish councils and other partners is that these developments are welcome because they meet clearly identified, local needs and contribute to life in rural communities. We've also secured funding for decarbonisation programmes to upgrade insulation and heating systems in existing properties, so that people have homes where they can afford to live in comfort. Doing all this involves some challenging decisions, but they're the right things to do."

Richard Mugglestone,
Managing Director – Midlands Rural Housing



People and culture

Joanne Tilley, Executive Director – Corporate Services



“We want to create a thriving workplace where all colleagues feel they belong and are supported to succeed, and where we provide opportunities for them to learn, develop and gain qualifications to enhance their career. Last year we launched the Aspiring Leaders programme, to build a pipeline of new, high-performing leaders.”

Lynne Swinson, Head of Learning and Development

Doing the basics brilliantly and improving opportunities relies upon us having a positive, inclusive culture and helping every colleague to make the most of their skills and motivation. This in turn requires clear, consistent leadership and an unwavering commitment to diversity, equality and equity.

Last year we took a number of steps to boost the quality and effectiveness of leadership across the organisation. These included all executives and directors working as a Strategic Implementation Group, to help other leaders drive forward priorities and projects. The Developing Diverse Leaders programme has challenged traditional attitudes and approaches so that we can avoid unconscious bias and secure conscious inclusion.



Working with specialist advisors Deep Insight we carried out a 360-degree review of how the executive team is perceived and operates. This highlighted the need for more visible leadership, improved communication and stronger management of performance. Deep Insight have also helped us to develop a comprehensive new strategy for equality, diversity and inclusion, building on the success of the Black and Minority Ethnic (BAME) Leaders Group and regular Let's talk About sessions. Recent topics covered in these sessions have included the menopause, race, sexuality and gender identity.



We've continued to embed the Barrett Values as a way to develop and test how colleagues' individual values align with those of the organisation. Feedback from people who've joined emh in the past 18 months has been particularly positive, with new joiners saying that the flexibility we offer as an employer is a key benefit. Our scores for culture continue to improve and we view this as an encouraging sign that our approach is about much more than fine words and is making a real difference to how people do their jobs.

The Residents Influence Committee has brought a new dimension to the way we connect with customers' lived experience and build their views into our strategy, practice and decisions.

By maximising the use of the Apprenticeship Levy, we're now just short of our five-year target of employing 250 apprentices. We've also begun four graduate placements, in which every trainee takes on a project related to homelessness. And following the Government's announcement of mandatory professional qualifications for senior housing managers, we're gearing up to make that happen.

"Equality, diversity and inclusion is everyone's responsibility."

"Be more aware and lead by example."

"Listen, be curious, ask questions and challenge."

Feedback from colleagues taking part in the Developing Diverse Leaders programme



A new Head of Health and Safety role has enabled us to begin accrediting the organisation to ISO 45001, beginning with Corporate Services and Sharpes garden services. Overseen by six new sub-groups of the Health and Safety Committee (including one devoted to residents), we're on track to cover all parts of the business to this standard by 2025.



“The key thing I ask whenever a health and safety issue is raised is ‘how will it improve residents’ lives and opportunities?’. That’s the test for everything we do.”

Adam Aucutt, Head of Health & Safety



Building resilience

Geoff Clarke, Executive Director – Finance

All of the plans, projects and services described in this review depend upon us having healthy finances, strong infrastructure, reliable data and the ability to cope with whatever economic, political or societal storms might lie ahead. Last year’s acute market conditions meant that, like many registered housing providers, we were regraded to ‘V2’ by the regulator. But we remain assured about the stability and resilience of our business.



To counter the sharp rise in borrowing rates, we’ve renegotiated a significant part of our loan portfolio and drawn down a further £100m from our existing bond facility and an additional £270m through re-financing arrangements. While this incurred some breakage costs, it’s enabled us to secure money at lower, long-term fixed rates and increase the amount of interest-cover headroom. These changes demonstrate funders’ confidence in emh, and give us the certainty needed to deliver on all our housebuilding and decarbonisation plans. We have retained our A+ rating for credit and liquidity.

At a time of rapidly increasing costs, balancing the day-to-day budget requires us to be more efficient than ever, concentrating hard on every aspect of expenditure and value for money. We've reviewed all of our contracts and supplies to make sure that they're giving us what we need, and retendered or rationalised deals wherever possible. The Director of Finance works directly with each team to implement a value for money action plan.

An internal audit review of our risk plans produced a clear set of green lights, with no recommendations for improvement, and we've begun the journey to accredit the entire organisation to ISO 45001 for health and safety. This shows how understanding and management of risk has become firmly embedded in every part of the group, supported by continuing work to increase the extent and quality of information we hold and how we use it.

Customer-facing parts of the business face particular challenges in the current environment – in care because of recruitment difficulties and the nationwide, structural gap between needs and resources, and for housing in uncertainty about future years' rent settlements. With renewed input from customers and our other stakeholders, we're doing all we can to be prepared.

We've updated our 30-year business plan to cater for the costs of making all emh homes fit for low-carbon living, and to assess the options for any properties that can't be viable or meet our standards. In *Better housing and care* we've reported on our wider impact and progress towards environmental and social sustainability.



Here are highlights of our performance and growth in the year ending 31 March 2023.


	2022/23	2021/22
Homes		
Total properties owned and managed*	21,795	21,411
New homes built and acquired:		
Social rent	12	58
Affordable rent	315	192
Rent to Buy	0	0
Shared ownership	163	93
Total	490	343
Homes sold through Right to Buy/Acquire	12 RTB /14 RTA Total 26	10/10
Average marketing period for new sales	2 weeks	2 weeks
Financial		
Turnover	£130 million	£121.7 million
Operating surplus (and operating margin)	£31.4 million (20.2%)	£31.8 million (26%)
Net surplus	6.4 million	£11 million
Value of net assets	£242.5 million	£235 million
Service		
Overall satisfaction with homes and services	87%	90%
Number of complaints received	981	1,937
Current rent arrears as a percentage of total rent collectable	3.25%	3.29%
Number of evictions	8	3
Responsive repairs completed within target times	92.4%	85%
Customers registered for myhomeonline	72%	65%
Number of residents helped to claim extra benefits (and value of additional income)	1,500 (£2.3 million)	1,100 (£2.4 million)
People and diversity		
Number of employees (full-time equivalents)	1,139	1,147 (986)
Board representation by gender (target 50% female)	43% (female)	42.9% (female)
Leadership representation by gender (target 50% female)	57.1% (female)	62.3% (female)
Total workforce representation by ethnicity (target >11% from ethnic minorities)	10%	10.7%
Properties		
Percentage of homes with GasSafe certification	99.8%	100%
Value of investment in existing homes	£14.5 million	£13 million
Average time to relet vacant homes	18.9 days	33 days

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