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IN THE
WHITE HEAT
OF
SCIENTIFIC
REVOLUTION

Environmental, Social & Governance Report 2022/23



The Good Economy Quality Assurance Statement

Overview

The Good Economy (TGE), an impact advisory firm, has been appointed by Octavia Housing (Octavia) to provide an independent review of the quality of reporting against the Sustainability Reporting Standard for Social Housing (SRS). TGE operates as the technical secretariate for Sustainability for Housing (SfH), the company who oversee the development and promotion of the SRS. This quality assurance statement outlines TGE's approach and opinion on Octavia's SRS submission and is the second quality assurance TGE has conducted for Octavia.

Octavia Housing

Octavia is a not-for-profit organisation and a Registered Provider of Social Housing. For the last 150 years, Octavia has built and managed affordable homes across west and central London. Octavia owns and manages over 5,000 properties, alongside providing care and support services for residents and communities.

TGE's methodology

TGE conducted a criteria-level review of Octavia's SRS disclosure, assessing whether each criteria submission had been correctly interpreted and the recommended metrics used. TGE provided feedback and recommendations accordingly. Additional information such as policy documentation and access to original data sets were requested for certain criteria to check the method and calculation.

Fidelity to the SRS criteria

Octavia responded to all 48 criteria required of the SRS, all which TGE found to be sufficient and appropriate.

Transparency

Octavia provided access to the data sets and methodology underpinning their criteria submissions. Where applicable, Octavia acknowledged gaps in their policies or data and provided explanations for these limitations. As the second quality assurance service provided to Octavia, TGE notes an improvement in data tracking and collection since Octavia's last SRS report.

Quality & reliability of data

Overall, TGE is confident with Octavia's responses to the SRS.

TGE's methodology

This Quality Assurance statement (the QA Statement) and the underlying review of Octavia Housing's Sustainability Reporting Standard for Social Housing submission (the Submission) has been made by TGE in good faith to Octavia Housing in accordance with TGE's standard terms and conditions. TGE does not accept any liability, and makes no representations, warranties, or guarantees, to any third parties for any statements made in this QA Statement and/or in respect of the Submission.

THE
GOOD
ECONOMY



UN Sustainable Development Goals



The 17 Sustainable Development Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals.

Making a positive contribution to the communities in which we operate is embedded in our Corporate Strategy, Better Lives for All 2021-24. This is further evidenced through our community work including welfare assistance, training, employment, outreach and befriending, youth activities, mental wellness and resilience and volunteering opportunities. This work, coupled with building and maintaining good quality homes across tenures, built to modern specifications that support sustainability and the journey to net zero, aligns to several UN Sustainable Development Goals (SDGs).

The structure of this report is aligned to the specific themes outlined in The Sustainability Reporting Standard (SRS) for Social Housing. Within each theme we have reported against individual criteria. The table below provides details of the themes and the specific SDGs to which they relate.

Key Goals

- Goal 1:** “End poverty in all its forms everywhere.”
- Goal 6:** “Clean water and sanitation.”
- Goal 7:** “Ensure access to affordable, reliable, sustainable and modern energy for all.”
- Goal 11:** “Make cities and human settlements inclusive, safe, resilient and sustainable.”
- Goal 12:** “Responsible production and consumption.”
- Goal 13:** “Take urgent action to combat climate change and its impact.”
- Goal 15:** “Life on land.”

| ESG | Theme | Description | UN SDG |
|--------------|-----------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| Social | Affordability and security | Extent to which homes are genuinely affordable | 1.No poverty, 10. Reduced Inequalities, 11. Sustainable Cities and Communities |
| | Building safety and quality | Meeting legal responsibilities to protect residents and keep buildings safe | 3. Good health & wellbeing, 11. Sustainable Cities and Communities |
| | Resident voice | Listening to and empowering residents | 11. Sustainable Cities and Communities |
| | Resident support | Initiatives to support individual residents | 10. Reduced Inequalities, 11. Sustainable Cities & Communities |
| Enviromental | Climate change | Impact on climate change and risk mitigants | 7. Affordable and Clean Energy, 11. Sustainable Cities & Communities, 13. Climate Action |
| | Ecology | Protection of the local environment and ecology | 15. Life on land |
| | Resource management | Waste and water management and sustainably sourced materials | 6. Clean water and sanitation, 11. Sustainable Cities & Communities, 12. Responsible Consumption |
| Governance | Structure and governance | Structure and approach to governance | 16. Peace, Justice & Strong Institutions |
| | Board and trustees | Suitability and performance of the board and trustees | 16. Peace, Justice & Strong Institutions |
| | Staff wellbeing | Staff support and wellbeing | 3 Good health & wellbeing, 8. Decent Work & Economic Growth |
| | Supply chain | Social value and environmental impact of procuring goods and services | 8. Decent Work and Economic Growth, 12. Responsible Consumption, 13. Climate Action |

A young girl with dark, curly hair is shown in profile, looking towards the right. She is wearing a light blue shirt and holding a yellow pencil in her right hand. In the background, other students are blurred, suggesting a classroom setting. A solid orange horizontal band is overlaid across the middle of the image, containing the word "SOCIAL" in white capital letters.

SOCIAL

SOCIAL

C1. For properties that are subject to the rent regulation regime, report against one or more Affordability Metric?

LL estimate the market rental on our General Needs portfolio to be £86m per annum against the rents actually charged in the financial year of £26m. The difference of £60m represents the social value that the local community and government receive from Octavia's properties.

In 2022/23, JLL estimated the market rental at £90m, against rents actually charged of £25m. This means that in 2022/23, social value is down by £5m.

It is central to Octavia's work that our housing remains genuinely affordable to those on the lowest incomes. We set our rents at levels that enable this to be achieved. During the year, average rents charged on social housing properties increased from £XX per week to £XX per week. During the year, we also added another 3 new homes for Affordable Rent to our portfolio.

Our average rents continue to be below the Government formula for social rents.

Under the Affordable Rent regime, rents can be charged at up to 80% of market rates but, given that we operate in some of the most expensive areas of the capital, we ensure that rented

property remains affordable to those in low paid employment.

There are two methods for comparing rates Octavia's rental costs against PRS (private rented sector) prices and Octavia's rental costs against LHA (Local Housing Allowance). Housing associations can use either method, below is how Octavia compares:

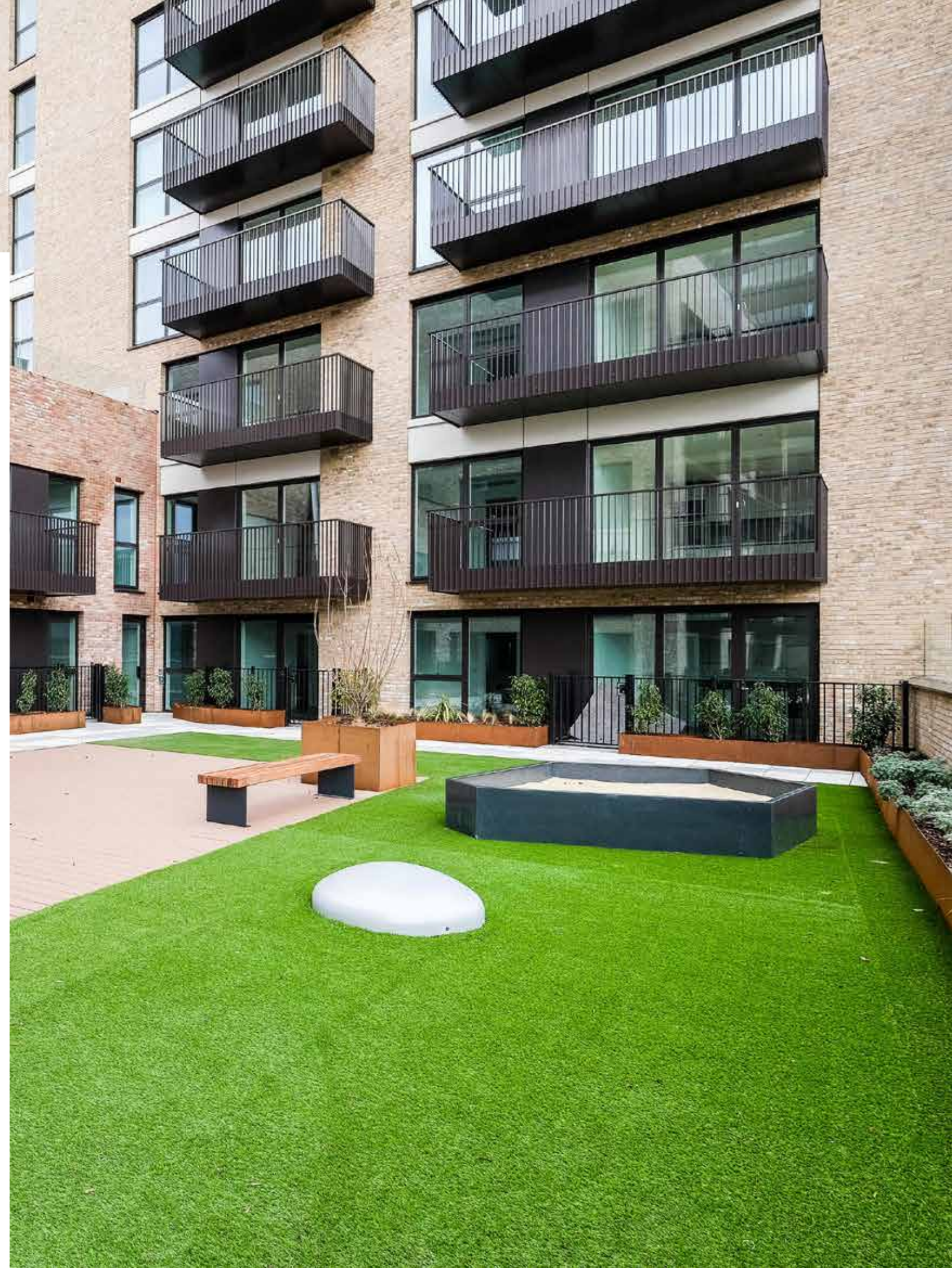
Octavia's average Affordable Rent represents less than 60.30% of market rent levels.

Octavia's average rents are lower than the average for 39% PRS (private rented sector) adopting housing providers in 2022/23 which was c:80% of average rents

Octavia's average rents are lower than the average for 55% LHA (Local Housing Allowance) adopting housing providers in 2022/23 which was c:90%.

This has contributed to a reduction on rent arrears to just XX% for 2022/23, our lowest level for more than two decades, and a fall of XX% comparative to 2021/22.

| Property Type | Average Passing Rent | Average LHA | Average Market Rent* | % of LHA | % of Market Rent* |
|-----------------|----------------------|-------------|----------------------|----------|-------------------|
| Social Rent | £145.47 | £354.64 | £471.06 | 41.00% | 30.90% |
| Affordable Rent | £214.64 | £356.00 | £548.90 | 60.30% | 39.10% |
| Supported | £101.97 | £161.12 | £219.77 | 63.30% | 46.40% |





C2. Share, and number, of existing homes (homes completed before the start of the previous financial year) allocated to: General needs (social rent), intermediate rent, Affordable rent, Supported Housing, Housing for older people, Low-cost home ownership, Care homes, Private Rental Sector?

Operating in some of the most expensive parts of the capital, Octavia seeks to provide good quality, affordable homes that enable London's diverse communities to live and thrive, creating better lives for all.

We manage 4975 homes for social housing, supporting a broad range of housing needs.

Our leadership of The Connected Partnership, a strategic development partnership with the Greater London Authority (GLA), Origin Housing and Shepherds Bush Housing Group is on course to deliver 2,039 new homes developed and under construction by 2023. This exceeds our target of 1,408 new homes developed and under construction by 2023.

Our shared ownership properties provide the opportunity for people on lower incomes to buy an affordable home. The average household income for shared ownership buyers in 2022/23 was £53,079 p.a. The average sales value of the homes sold was £389,736. There were several voluntary disposals during the year (five properties sold and six lease extensions), and 19 existing shared ownership homeowners took the opportunity to buy a greater share of their home through staircasing.

Through our partnership with Barratt Homes and the GLA, we are delivering a new extra care social housing scheme, providing 60 high quality homes for older people. This development began in 2020 and is due to be completed in 2023.

June 2022 also saw the completion and handover of Two Bridges, a specialist supported housing scheme based in Hounslow, providing 11 self-contained homes to adults with learning disabilities, autism, and diverse needs, enabling independent living with on-site support services provided.

| Type Of Unit | % of Stock | Number |
|--------------------------|------------|--------|
| General Needs | | 3280 |
| Intermediate Rent | | 170 |
| Affordable Rent | | 457 |
| Supported Housing | | 310 |
| Housing for Older People | | 137 |
| Low-cost Home Ownership | | 496 |
| Care Home | | ? |
| Private Rented Sector | | 125 |
| Other units | | ? |

C3. Share, and number, of new homes, allocated to: General needs (social rent), intermediate rent, Affordable rent, Supported Housing, Housing for older people, Low-cost home ownership, Care homes, Private Rental Sector?

Octavia manages 5,378 homes for social housing, supporting a broad range of housing needs.

In 2022/23, we built 75 new homes.

Schemes completed in 2022/23:

- William Morris Way/Fulham Riverside,
- Hammersmith & Fulham - 14 Affordable Rent
- Two Bridges, Hounslow - eight Shared Ownership and 11 Care & Support
- Watkins House, Harrow - 20 Shared Ownership
- Chippenham Gardens, Brent - 22 Social Rent

We sold 19 shared ownership homes in 2022/23 across the boroughs of Brent (two), Hounslow (eight), Harrow (six) and Ealing (three).

June 2022 saw the completion and handover of Two Bridges, a specialist supported housing scheme based in Hounslow, providing 11 self-contained homes to adults with learning disabilities, autism, and diverse needs, enabling independent living with on-site support services provided.

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We are delivering a new extra care social housing scheme through our partnership with Barratt Homes and the GLA, providing 60 high quality homes for older people. This development began in 2020 and is due to be completed in 2023.

| Type Of Unit | Number | % of Stock |
|--------------------|--------|------------|
| Affordable Rent | 36 | 48.0% |
| Supported Housing | 11 | 14.67% |
| Low-cost Ownership | 28 | 37.33% |



C4. How is the housing provider trying to reduce the effect of fuel poverty on its residents?

Our Resilience Team provides information and signposting for residents to ensure that they are on the best tariff possible to help to reduce their energy bills. The team also provides wider support services such as budgeting advice and benefits assistance to ensure residents are best able to manage their finances.

We provide energy information on our website and through Residents Newsletter which goes to all properties (5000 circulation).

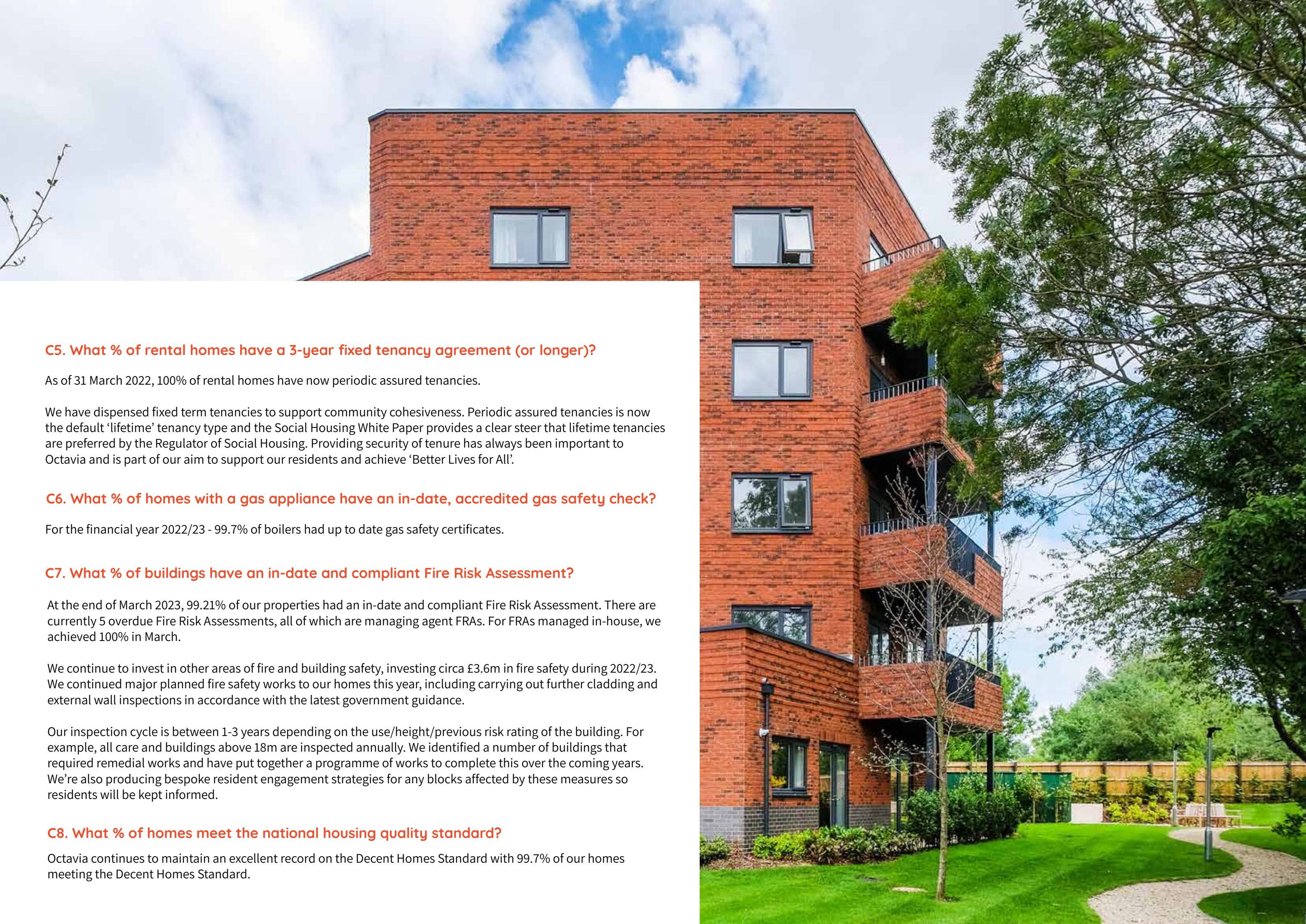
Over the period from 1st April 2022 to 31st March 2023, we replaced 165 boilers with much more efficient boilers, reducing fuel use and bills, and installed a warm roof to one of our properties. We completed a cyclical programme to 68 units which

included overhauling or replacing windows where necessary. We are also in the process of improving the thermal performance of 122 homes, supported by SHDF Wave 2.1 grant. This work includes installing cavity wall insulation, new windows, and upgrading existing heating systems.

We're also proud of our Green Doctors who provide free Energy Advice Consultations to residents, provided through our partnership with a charity called Groundwork. The Green Doctors help households stay warm, stay well, save money on their household bills and reduce carbon. The aim is to support the people who most need our support, and their staff are as good with people as they are with technical know-how.

The Green Doctors focus is on the following:

- Identifying causes of heat loss in the home
- Helping identify and tackle damp or mould problems
- Offering useful tips for saving energy and water whilst ensuring homes stay safe and comfortable
- Installing small energy and water efficiency measures, such as draft excluders
- Supporting residents to switch energy providers to save money
- Supporting residents to access other support, such as emergency heating, government subsidies or grants, advice on energy or water debt.



C5. What % of rental homes have a 3-year fixed tenancy agreement (or longer)?

As of 31 March 2022, 100% of rental homes have now periodic assured tenancies.

We have dispensed fixed term tenancies to support community cohesiveness. Periodic assured tenancies is now the default 'lifetime' tenancy type and the Social Housing White Paper provides a clear steer that lifetime tenancies are preferred by the Regulator of Social Housing. Providing security of tenure has always been important to Octavia and is part of our aim to support our residents and achieve 'Better Lives for All'.

C6. What % of homes with a gas appliance have an in-date, accredited gas safety check?

For the financial year 2022/23 - 99.7% of boilers had up to date gas safety certificates.

C7. What % of buildings have an in-date and compliant Fire Risk Assessment?

At the end of March 2023, 99.21% of our properties had an in-date and compliant Fire Risk Assessment. There are currently 5 overdue Fire Risk Assessments, all of which are managing agent FRAs. For FRAs managed in-house, we achieved 100% in March.

We continue to invest in other areas of fire and building safety, investing circa £3.6m in fire safety during 2022/23. We continued major planned fire safety works to our homes this year, including carrying out further cladding and external wall inspections in accordance with the latest government guidance.

Our inspection cycle is between 1-3 years depending on the use/height/previous risk rating of the building. For example, all care and buildings above 18m are inspected annually. We identified a number of buildings that required remedial works and have put together a programme of works to complete this over the coming years. We're also producing bespoke resident engagement strategies for any blocks affected by these measures so residents will be kept informed.

C8. What % of homes meet the national housing quality standard?

Octavia continues to maintain an excellent record on the Decent Homes Standard with 99.7% of our homes meeting the Decent Homes Standard.



Resident Voice

C9. What arrangements are in place to enable the residents to hold management to account for provision of services?

Driving resident influence to help design and deliver better services, homes and outcomes has become central to the resident engagement approach at Octavia.

We completed our 'Reengineering Resident Engagement' project during the first quarter of 2022/23, working with a wide range of residents (including those who have not previously engaged in these processes), and staff to co-design our new Resident Influence Strategy, which was approved by the Board in June 2022. This is designed to ensure that resident voices are heard at all levels of the organisation, and embedded in decisions we take on the design and delivery of homes and services.

The new Resident Influence Strategy focuses on:

- Improving engagement with residents by offering more options to make it easier for residents to get involved and work in partnership to improve our services
- Strengthening our communication and insight by being transparent about our performance and making better use of our data to understand the customer experience, so we can make improvements without always having to ask
- Ensuring a 'resident first' culture across Octavia by embedding an ethos of continuous improvement as standard

It's important to us that we continue to nurture a strong two-way dialogue with our residents, listen to the things that matter to them and make sure we are taking action to improve. Since launching the Resident Influence Strategy, our strategic resident group, Your Voice, has been refreshed to form a resident-only and resident-chaired panel. Our new panel consists of 13 members across all of our tenure types.

The panel has been consulted on our approach to damp and mould and contributed to the development of our new policy. Panel members also collaborated on reinforcing our new Values and Behaviour Framework by sharing their expectations of excellent customer service, and we have been engaging and involving residents as we develop new and revise existing customer-facing policies and procedures.

The Resident voice is heard strategically and locally through our menu of involvement options designed to ensure that residents can influence their services in a variety of ways that suit them.

These activities include:

The Resident Panel regularly scrutinising Octavia performance data, sharing their ideas for improving VFM, monitoring Octavia's approach to dealing with Damp and Mould, being consulted on changes to the Pest Control policy, and monitoring the development of the Octavia EDI Strategy

A range of focus groups during 2022-23 which included receiving feedback on:

- Resident experiences of the complaints process leading to a redesign of our approach,
- Developing our EDI Strategy with residents highlighting English language support, and physical access considerations when considering fire safety within Octavia buildings,
- Developing a new Shared Areas policy with Driving resident influence to help design and deliver better services, homes and outcomes has become central to the resident engagement approach at Octavia

We held 21 local influence meetings during 2022/23 to address a wide range of issues from safety and security to the cost of living.

These influence activities help to strengthen the connections between Octavia and residents, the services they receive, and to build stronger communities.

In total, 1,314 residents (representing around 25% of households) were involved with resident influence activities, holding our services to account and providing valuable feedback in 2022/23.



C10. How does the housing provider measure Resident Satisfaction and how has Resident Satisfaction changed over the last three years?

We measure resident satisfaction through a number of transactional and perception surveys. Our last STAR was undertaken in July 2023 and was of our General Needs tenants only.

For the 2023 survey, a market research company was commissioned to carry out the STAR Survey on Octavia's behalf. The sample size was 523, and the methodology used was primarily telephone interviews, with a small handful completed online.

We have seen a decrease in satisfaction levels since our previous STAR undertaken in March 2020. Overall Satisfaction has dropped from 82% in 2020 to 61% in 2023.

Work has already begun in collaboration with residents to develop and implement an improvement plan. This review involves deep dives into key service areas, including repairs and our complaints process.

Additionally, we will be launching our new Residents Charter, co-designed with residents, that sets new service standards and aims to strengthen our relationship.

C11. In the last 12 months, how many complaints have been upheld by the Ombudsman & How have these complaints (or others) resulted in change of practice within the housing provider?

In the last 12 months no complaints have been upheld by the Ombudsman against Octavia.

Two cases were adjudicated by the Ombudsman, with no determinations of maladministration.

It was recommended in one of these cases that the landlord remind all salient staff of the need to update residents of any delays in the complaint response and to agree a new timescale where appropriate.

Training was delivered during the period regarding the Housing Ombudsman complaint handling code and the associated changes made to our policy and procedure to comply with this code. This was delivered to all managers.

We use Ombudsman case review findings to review our policies and practices. The Ombudsman made a general recommendation that vulnerability and support needs information should be kept up to date. Based on this feedback, we reviewed how we deal with our vulnerable residents, ensuring that the information on our website signposts and supports them in the way that they need.

Significant changes to our complaints procedure We now operate a centralised complaints function with a new complaints policy and procedure and an updated webpage for reporting complaints, which offers guidance and makes it easier for residents to raise a complaint.

In 2022/23, the average time for a Stage 1 response was 8.8 working days and within target. This is in the top quartile under Housemark benchmarking. In one decision that was reviewed, the Ombudsman complimented Octavia on its responsiveness and case management approach.

We received 224 complaints in 2022/23, compared to 163 in the previous year. The number of complaints received has increased over the last three years by an average of 46%. This increase is due to changes to our complaints procedure, including making the process for residents to raise a complaint online much more accessible. There have also been changes within the Housing Ombudsman Complaints Code and an increased level of promotion of residents' right to raise a complaint to landlords from the government and the Ombudsman.

83% of complaints this year were resolved by service managers without escalation to Senior Managers (no later than Stage 1), compared to 89% the previous year.

49% of complaints were upheld in 2022-23 which is a decrease compared to previous years (-7% 2021-22) 41% of complaints were not upheld (0% from the previous year) with 10% part upheld (+7% from the previous year).

This change in outcome is because of improved responses and investigations at Stage 1 and Stage 2 senior manager reviews.

A woman with dark hair in a ponytail, wearing a pink t-shirt and a blue lanyard, is smiling and talking to an older man. The man is wearing a brown flat cap and a dark blue scarf. They are in a room with wooden cabinets. A poster with six circular icons is on the wall behind them.

Resident Support

C.12 What support services does the housing provider offer to its residents? How successful are these services in improving outcomes?

Octavia's unique community offer puts communities first, empowering thousands of people to live well and connect.

We tackle inequalities by creating opportunities and connections through employment and training advice, outreach and befriending, activities for young and older residents, volunteering and building financial resilience to help through the ongoing financial crisis and beyond.

Our community projects connect people across all age groups to create sustainable, diverse communities and better lives. Through our communities strategy, we have supported a record 4,545 people in 2022/23, surpassing our aim of engaging 4,200 people by 2024.

However, our work is about far more than the numbers: it's about supporting sustainable, long-term impact within our community. We build capacity within individuals, supporting

them to feel more confident and less lonely, improving their wellbeing and financial resilience, and empowering them to achieve the outcomes they want.

Increasing skills and employment opportunities

We are registered as a Gold Standard organisation as part of Kensington and Chelsea borough's 'Pathways to Work Charter'.

Throughout 2022/23, we supported 136 people with training and employment opportunities. Of those that received employability advice, 35 people were successfully recruited into better paid work or new employment.

A total of 17 young people who attended our youth provision were supported into further education or employment this year, into organisations including: House Productions, London Screen Academy & Screen skills.

Supporting better financial management

Financial hardship continues to affect our residents on low incomes.

Our Better Lives programme has supported 215 people with money advice, such as on debt management and welfare payments.

In 2022/23 we supported 160 tenants (an increase of 54 from last year) with Household Grants totalling £46,929, for people living on lower incomes, kindly funded by Friends of Octavia. Additionally, 305 people have received emergency food or energy support.

Our Financial Resilience team worked in collaboration with the Royal Borough of Kensington and Chelsea Housing & Employment Team to devise a three-day Money Wise workshop, with the council, to help residents of the borough learn more about managing their finances. The short course covers topics such as saving techniques, spotting a bargain and understanding energy usage. Attendees could earn up to £30 in shopping vouchers and were provided with a daily hot lunch.

During our pilot course, 20 tenants who attended strongly agreed that the course was eye opening for them and will change how they manage their money. The course was so successful that the Royal Borough of Kensington and Chelsea will be continuing our partnership with multiple course dates throughout 2023/24.

Improving physical health

Octavia has supported 81 people have in their own homes this year. In partnership with specialists and professional experts, our Youth team delivered a popular and inclusive programme. 341 young people regularly attended our weekday and school holiday events, attending a total of 2,609 times across 800+ hours of youth work activities, all free to attend, with most of our sessions including a free healthy hot meal.

Improving mental health

839 older people have benefited from outreach services, befriending and activities to reduce isolation and loneliness this year. 134 Befrienders gave an hour every single week to befriend lonely older people, empowering them to re-engage with society and become more independent.



Placemaking

C13. Provide examples or case studies of where the housing provider has been engaged in placemaking or placeshaping activities.

The Octavia Better Lives Community Fund (BLCF) provides grants to fund work with children and young people living in Westminster and/or the Royal Borough of Kensington and Chelsea (RBKC). The fund is administered by the Octavia Foundation, on behalf of Octavia. We aim to award grants to a wide range of organisations and projects with a mixture of smaller and larger grants. Octavia’s Better Lives Community Fund has continued to support local communities by providing small grants to local charities in 2022/23.

This year, 12 local charities have benefited from a total of £99,999.20 grant funding. These grants have helped 1,556 younger people attend events, activities and skills building sessions within their local communities.

During the year our Care and Communities teams received a Royal Borough of Kensington and Chelsea Mayor’s Award for their outstanding response with keeping vulnerable people safe during Covid.

Better Lives Community Fund

Peter Rabbit Playground

One of the projects supported through our Better Lives Community Fund this year was the creation of an interactive Peter Rabbit themed playground at the St Clements and St James primary school, in partnership with Grow2Know CIC and Penguin Random House. This project received £9,000 part-funding from the fund. Over300 children accessed the garden last year, where they were involved in learning about how to grow their own food. This will increase by 25 additional children annually in perpetuity, as they enter the school.

BLCF adventure play hub

We have continued to deliver a youth hub for young people aged 10 years and over, with a programme of activities aimed at supporting the health and well-being of young people. The hub is staffed by experienced Play & Youth Workers and provides a safe space for young people who are at risk of poor outcomes. In 202/23, the hub supported 134 disadvantaged children.

Hornimans Adventure Playground

Hornimans Youth Hub is available for young people aged 10-16, hosting a range of activities including arts and crafts, cooking. We supported 62 disadvantaged children by providing Saturday play sessions, which included healthy food and snacks and a variety of enriching play activities such as art, cooking, sports, games, adventure play, music, and cultural and seasonal celebrations.

Children who have communication or cognitive difficulties are supported and encouraged to attend and participate at their own pace in activities that encourage communicating, playing with others and developing relationships. We measured impact through staff observations, feedback from parents, numbers of children attending and their personal circumstances.



ENVIRONMENTAL

ENVIRONMENTAL

C.14 Distribution of EPC ratings of existing homes (those completed before the last financial year)?

Octavia is committed to providing our residents with homes which are efficient, comfortable and affordable.

We have a roughly 50/50 split of homes with Lodged EPCs, and homes with calculated EPCs. We use a third party, Parity Projects, to provide calculated EPC ratings. Parity provides data analysis, calculated EPCs and energy advice to many landlords and Councils.

This year Octavia saw an increase to the number of our homes with energy efficiency of EPC C or above, equal to 9.98% of our housing stock, comparative to 2021/22 reporting.

19.70% of our properties are currently identified as having an EPC rating of D, and just 1.55% of our homes are identified as falling below an EPC D.

To date, we have not collected data on shared ownership and leaseholder properties and that data is not included here. Our target for inclusion of the data on shared ownership and leaseholder properties is 2024.

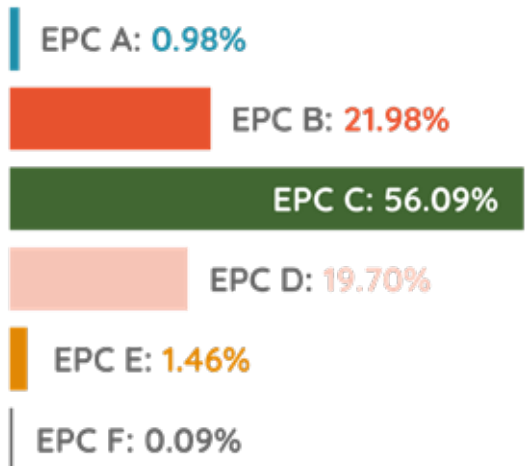
We continue to review the most effective solutions for raising performance levels on those properties with EPC ratings below C. In some cases, considerable investment may be required in order to achieve an EPC rating of C (SAP 69).

In these cases, an analysis will be undertaken to ensure that higher cost measures are planned in line with the principles of PAS 2035 and a whole house approach to retro-fit, which will help ensure that higher value investments contribute further to our net zero carbon objectives.

Properties falling into this category will generally be improved within years six to nine when additional net zero carbon funding provisions have been allowed for within the Financial Plan.

The ongoing improvements to our EPC ratings are influenced by our repairs/ maintenance work, energy efficiency work, and new build homes.

EPC ratings of homes 2022/23



C.15 Distribution of EPC ratings of new homes (those completed before the last financial year)?

Octavia acquires most of its new builds through Section 106 schemes. A working group has been established to move forward the development of a strategy for net zero carbon new builds by 2030.

Funding provisions have been made within our Financial Plan in order to allow improvements to be made to all homes which currently fall below an EPC rating of C, by 2030. Our strategy for achieving this will be to introduce energy efficiency measures (EEMs).

We will target lowest performing homes first in order to ensure that these are improved as early as possible.

| New Homes: EPC Ratio | |
|----------------------|------|
| EPC A: | 0% |
| EPC B: | 100% |
| EPC C: | 0% |



C16. Scope 1, Scope 2 and Scope 3 greenhouse gas emissions?

Octavia reports on carbon emissions through annual SHIFT and SECR reporting. Emissions are calculated by consultants from SHIFT during their audit process.

Scope 1 covers direct emissions from owned or controlled sources. This includes gas bought for offices, landlord's gas supply to communal areas, regulated emissions from homes, and business mileage. Emissions are predominately from housing stock emissions that have been estimated using SAP and heating system data.

Scope 2 emissions include electricity bought for offices, and landlord's electricity supply to communal areas. This also includes transmission and distribution losses.

Scope 3 are Octavia's indirect supply chain emissions, emissions from leased assets and outsourced activities. This includes fuel for our contracted maintenance fleet. Estimated figures for the embodied carbon in building 100 new homes per year is included. This also

includes emissions from resident energy use from our housing (estimated using EPC data and heating system data).

Emissions for the 2022/23 financial year saw a 11.38% reduction comparative to the SHIFT figures for the comparative period in 2021/22.

We have set targets in our Asset Management Strategy (2021 - 2025), which includes retrofitting across our housing stock, targeting investment towards EPC ratings below C, and undertaking additional energy performance modelling, which will continue to contribute to carbon emissions reductions.

| Emissions* | 2021/22 | 2022/23 |
|------------|---------|---------|
| Scope 1: | 1,432 | 942 |
| Scope 2: | 601 | 455 |
| Scope 3: | 10,908 | 10,071 |
| Total: | 12,941 | 11,468 |

*Table in tonnes of CO2e.

*Data provided by SHIFT Environment

C17. What energy efficiency actions has the housing provider undertaken in the last 12 months?

This year we provided energy advice on our website, in residents newsletters, and free energy-saving Green Doctor consultations to residents to help reduce the energy they use, keep warm and reduce waste.

We were only able to complete a reduced planned maintenance programme during the year, completing 68 properties under our cyclical works programme. In addition to these works, we also replaced 165 boilers and carried out kitchen and bathroom replacements to 65 properties.

We have been allocated a grant under SHDF Wave 2.1, which will improve the energy efficiency of 122 of our homes, much of the initial administration was undertaken in 22-23, the surveys have started and installations will be completed 24-25.

We provided free energy-saving Green Doctor consultations to 143 residents to help reduce the energy they use, keep warm and reduce waste.





C.18 How is the housing provider mitigating the following climate risks: Increased flood risk, Increased risk of homes overheating?

Climate change is a risk to our communities and our business, and we are taking a strategic approach to mitigation in order to improve our resilience to these risks. This process includes collecting data to help us understand our risks more clearly.

Flood risk data was assessed by sustainability consultants, SHIFT, in April 2021 at individual properties across the whole stock using GIS analysis and Environment Agency flood risk maps.

Homes estimated at risk of flooding:

- No risk of Flooding 70.76%
- Low risk of flooding 10.03%
- Medium Risk of Flooding 8.34%
- High risk of flooding 10.87%

SHIFTs Flood Risk report indicated around 10% of our homes are at risk of surface water flooding, and a similar number are at risk of fluvial flooding.

Having reviewed the addresses highlighted by SHIFT, we are pleased to report that most of these addresses are upper floor flats, and therefore not actually at risk of flooding.

This means instead of roughly 1 in 10 homes at risk of each of these two types of flooding, we only have 1 in 50 at risk of these two types of flooding. A Flood Risk Strategy is currently being drafted.

Homes estimated at risk of overheating:

- Low risk of overheating 14.3%
- Medium risk of overheating 69%
- High risk of overheating 16.8%

Overheating is another climate risk. New Build homes have to consider overheating risk and cooling hierarchy, starting with minimising internal heat generation through energy efficient design, as part of the London Plan requirements. Octavia assesses overheating risk in new homes during the design stage and high risk factors are mitigated at this stage.

We are currently reviewing the percentage of Octavia's housing stock identified as at risk of overheating by SHIFT - with the expectation of a reduction in homes at risk, similar to the flood risk project.

C.19 Does the housing provider give residents information about correct ventilation, heating, recycling etc. Please describe how this is done?

Our Green Doctors give Energy Advice Consultations through our partnership with a charity called Groundwork, to help households stay warm and save money on their household bills. Our Financial Inclusion Team provides information and signposting for residents to ensure that they are on the best tariff possible to help to reduce their energy bills.

As one of the oldest housing providers in the UK, we are aware that our older housing stock has specific issues around ventilation, and our front-line teams are fully briefed on the need for correct ventilation, to prevent condensation and mould forming. A surveyor will always visit a flat if this is reported and provide bespoke advice as a remedy. We also advise residents about this when they sign a tenancy for an older property.

When new residents join the Octavia family, we ensure that they are fully briefed on energy use, eco-settings for white goods, water use, heating and lighting controls. In new-build properties we demonstrate this either in person, on video or both. We also have a specialist 'aftercare' team for this work, who are available as residents settle into their new homes.

This is particularly helpful for understanding heat networks that are a feature of our new-build properties.

Our housing model maintains a residential caretaking service, across all tenures of estate. This allows our estate recycling to be delivered successfully and reduce any instances of recycling being rejected by the local authority. We display recycling information on communal notice boards and caretakers are on hand to offer advice on request as to what is suitable for recycling.

Finally, we are lucky to have a chain of 14 charity retail shops in our organisation, based in the neighbourhoods where our residents live. As well as being hubs for the community, residents are able to take clothing in as donations, to prevent them going to landfill, and also buy clothing for themselves – offering significant savings and reducing the carbon footprint associated with the clothing industry. All surplus from these shops are reinvested in the community too.

Our Financial Inclusion Team provides information and signposting for residents to ensure that they are on the best tariff possible to help to reduce their energy bills.



Ecology

C20. How is the housing provider increasing Green Space and promoting Biodiversity on or near homes?

Octavia’s new Environmental Sustainability Strategy (2022-2024) sets a target for 6% of land to be protected for biodiversity by 2025. Currently 3% of land is protected for biodiversity.

Octavia has collected biodiversity data as part of our SHIFT environmental assessment. SHIFT’s biodiversity calculator uses data collected from Octavia’s grounds maintenance team to calculate the tonnes of biomass above ground across our stock. This will be reported annually and increases in the sizes and biodiversity of green spaces will be captured.

The most recent assessment estimated that Octavia has 2.18 tonnes of biomass per hectare.

Since Octavia is a metropolitan housing provider with a high proportion of flats, it is not practical to expect high levels of biomass per hectare. Octavia is however implementing plans to improve biodiversity. These measures include tree planting in multiple locations, incorporating wildlife enhancing features into new builds (swift boxes and sparrow terraces) planting schemes that encourage wildlife and creating log piles.

C21. Does the housing provider have a strategy to actively manage and reduce all pollutants? If so, how does the housing provider target and measure performance?

We are aware that our older housing stock has specific issues around ventilation. Our front-line teams are fully briefed on the need for correct ventilation, to prevent condensation and mould forming. A surveyor will always visit a flat if this is reported and provide bespoke advice as a remedy. We also advise residents about this when they sign a tenancy for an older property.

Our grounds maintenance teams minimise the use of harsh chemicals and pesticides.

We have a robust asbestos policy and procedure which includes management surveys for all blocks which were built pre-2000. Where asbestos is identified, reinspection surveys are undertaken to monitor and manage. All intrusive works are subject to R&D surveys. Asbestos removals are always undertaken by a licensed contractor and with full four stage clearance certification.

To improve our resilience to these risks, we are taking a strategic approach to climate change adaptation



Resource Management

C22. Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building works? If so, how does the housing provider target and measure performance?

Octavia engaged with their two main suppliers, Mears and VHL. Based on the responses from both, and adjustments made by SHIFT regarding evidence of responsible sourcing and verification of materials, the proportion of responsibly sourced materials is estimated at 65.4%.

Octavia's procurement strategy outlines that 'we specify materials that minimise the impact on the environment: recycled paper; responsibly sourced timber; no single use plastic, etc. and positively endorse (through our tendering processes) suppliers who demonstrate a responsible approach to minimise waste to landfill in their processes.'

For new homes, Octavia's new Environmental Sustainability Strategy (2022-2024) set a target to start collecting data on responsible resource use by 2023. This is now in place. Now a baseline is established, we will set reduction targets, supported by a strategy.

We do not currently have a strategy in place but are planning to develop one.

C23. Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?

Our strategy centres on the acquisition of data through SHIFT assessments and supply chain surveys. Data is collected annually from our top contractors (based on revenue spent) to assess their waste data and look at ways of working with them to reduce wastage.

Our 2022/23 supply chain survey concluded that 92% of refurbishment waste was diverted from landfill through recycling or incineration. We also receive waste reports from our new build contractors which show a 99% recycling rate.

On average, 84% of materials for maintenance activities are responsibly sourced. Our largest maintenance contractor's material use is ~52% responsibly sourced.

C24. Does the housing provider have a strategy for good water management? If so, how does the housing provider target and measure performance?

We report on our water consumption footprint annually through the SHIFT methodology.

Our Environmental Sustainability Strategy (2022 - 2025) sets a 5% reduction target by 2025, reducing further from the 147.3 litres per person per day baseline in 2020, to 130 litres per person per day by 2030.

SHIFT's water efficiency calculator used data held on water efficient fixtures within our homes to estimate water consumption across our stock as 142.51 litres per person per day. This is a marginal increase in usage when compared to last year.

Water usage in our offices and depots was also estimated during the SHIFT audit. Offices: 915m³ total usage. There is no strategy in relation to good water management at corporate premises as this constitutes a negligible part (less than 1%) of Octavia's water consumption footprint. However, usage in offices has increased from 738m³, reported last year.

On average, 84% of materials for maintenance activities are responsibly sourced



GOVERNANCE



Governance

C25. Is the housing provider registered with a regulator of social housing?

Octavia is registered with the Regulator of Social Housing L4422

C.26 What is the most recent viability and governance regulatory grading?

The impact of rising costs and tight budgets contributed to the Regulator for Social Housing placing Octavia's regulatory grading under review and downgrading Octavia's governance grade from G1 to G3 and its financial viability grade from V2 to V3.

We accept the Regulator of Social Housing's judgement that we need to improve our financial control through better management of operating costs and delivering efficiency savings, in an environment that remains constrained by available resources and significantly increased uncertainty from the current macroeconomic environment and its cumulative impact over the last 36 months.

The Board has already made a number of changes to the way it exercises oversight of the organisation and is developing detailed plans in order to address the specific weaknesses identified by the Regulator. The Board's strategy and planning are built around a commitment to ensuring that Octavia provides housing and services that both our current and future tenants and communities deserve.



C.27 Which Code of Governance does the housing provider follow, if any?

National Housing Federation's Code of Governance 2020, adopted from April 2021

C.28 Is the housing provider NotFor-Profit? If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control?

Octavia is a not-for-profit organisation governed by a Board which currently comprises ten non-executives, plus the Chief Executive Officer. Each non-executive Board member holds one fully paid share. Octavia fully complies with the National Housing Federation Code of Governance 2020.

C29. Explain how the housing provider's board manages organisational risks

Our Group Risk Management Framework includes an annual board-approved risk appetite statement and a quarterly review of the risk register, including any significant issues for the board to consider, issues in the operating environment and consideration of risks that are escalated by the Executive Team, Audit and Risk Committee or other Board Committees.

The Group board reviews the Group Risk Management Framework annually, most recently in September 2022. The objective of the approach set out in this framework is to assist in the achievement of Corporate objectives.

The Executive Team reviews the full risk register and the operating environment. Committees review Corporate risks and escalate to the Board. The Audit and Risk Committee reviews Corporate risks quarterly and the Full risk register annually. It escalates significant risks to the board and test controls and assurance.

The Board has responsibility for the overall review of Corporate risks and ensuring that the actions in place achieve sufficient mitigation.



Board and trustees

C30. Has the housing provider been subject to any adverse regulatory findings in the last 12 months that resulted in enforcement or other equivalent action?

The Regulator for Social Housing placed Octavia’s regulatory grading under review and downgraded Octavia’s governance grade from G1 to G3 and its financial viability grade from V2 to V3. Octavia received the Regulatory Judgement on 06 September 2023.

The Board has already made a number of changes to the way it exercises oversight of the organisation and is developing detailed plans in order to address the specific weaknesses identified by the Regulator. The Board’s strategy and planning are built around a commitment to ensuring that Octavia provides housing and services that both our current and future tenants and communities deserve.

Octavia has received no adverse regulatory findings or judgements in relation to data protection breaches, bribery, money laundering, HSE breaches in the last 12 months.

C31. What are the demographics of the board? And how does this compare to the demographics of the housing providers residents, and the area that they operate in?

The board has a good gender balance (from a cohort of 10 at the end of March 2023) of 4 female and 6 male (40% female). At the end of March 2023 there were 3 BAME Board members (30%). The board has resolved to work towards a balance of ethnicities that reflects the diverse communities served by Octavia. There are no places on the board allocated for any constituency group.

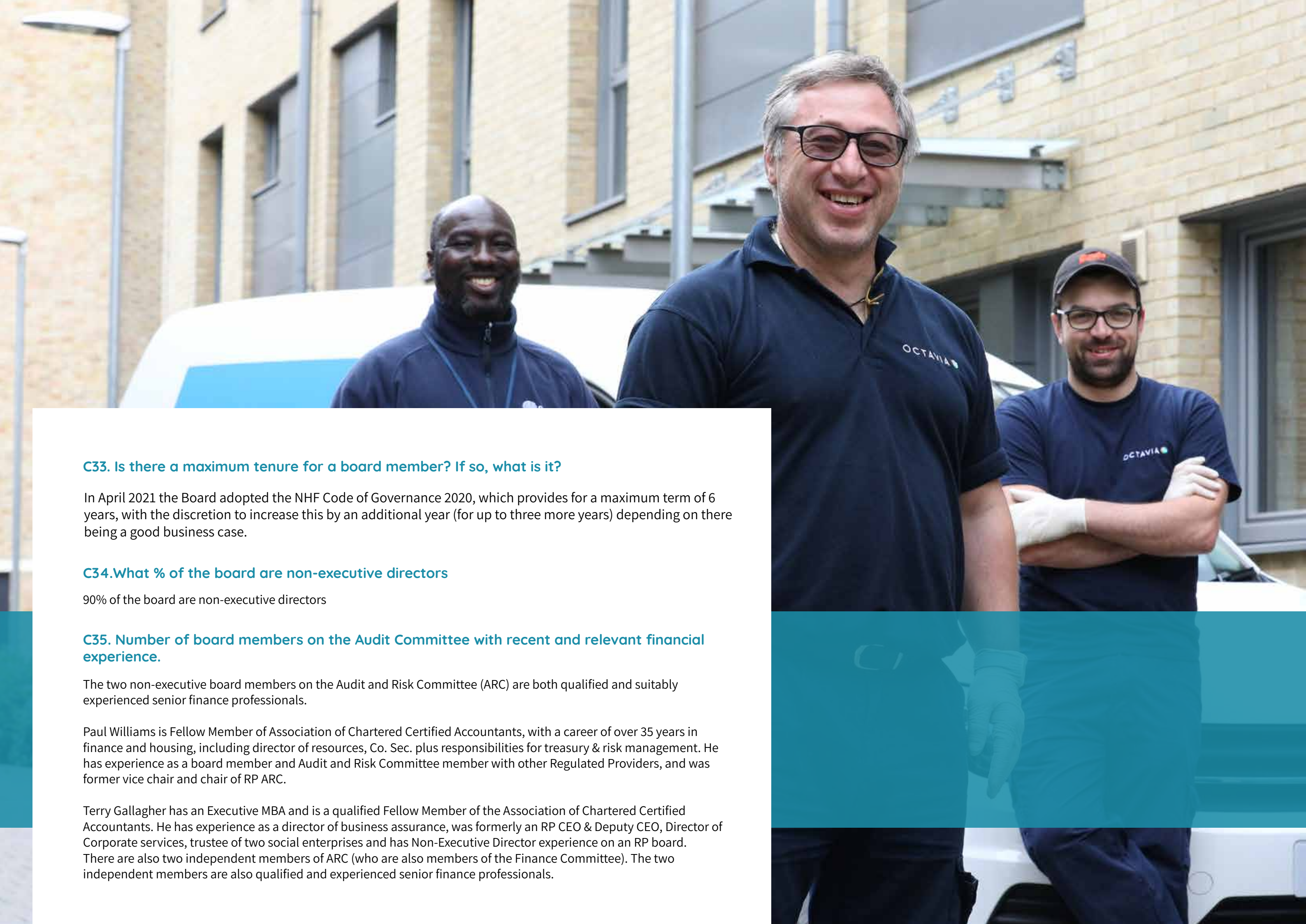
The average tenure of the Board is 3 years and 10 months as at 31st March 2023.

The average age of board members is 64.

C32. What % of the board & management team have turned over in the last two years?

In the financial year 2022/23 two board members departed Octavia and One new member joined, as a result board turnover for the period was 27%. During the 2022/23 financial year Octavia chose to reduced the board cohort size from 11 to 9

Whilst in 2022/23 two of the 5 members of the ExecutiveTeam joined in the same period resulting in Executive team turnover between April 2022 and March 2023 of 40%.



C33. Is there a maximum tenure for a board member? If so, what is it?

In April 2021 the Board adopted the NHF Code of Governance 2020, which provides for a maximum term of 6 years, with the discretion to increase this by an additional year (for up to three more years) depending on there being a good business case.

C34. What % of the board are non-executive directors

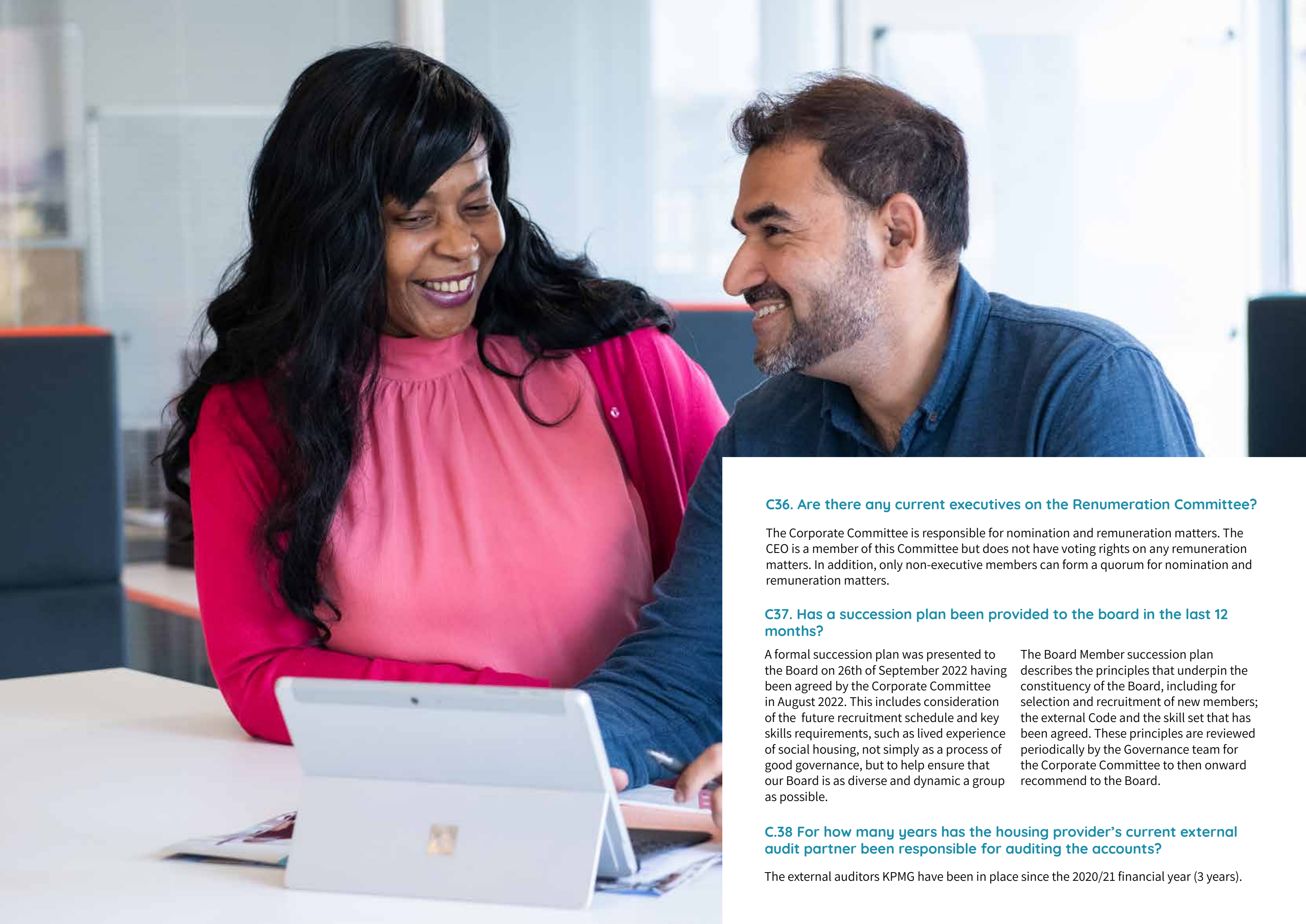
90% of the board are non-executive directors

C35. Number of board members on the Audit Committee with recent and relevant financial experience.

The two non-executive board members on the Audit and Risk Committee (ARC) are both qualified and suitably experienced senior finance professionals.

Paul Williams is Fellow Member of Association of Chartered Certified Accountants, with a career of over 35 years in finance and housing, including director of resources, Co. Sec. plus responsibilities for treasury & risk management. He has experience as a board member and Audit and Risk Committee member with other Regulated Providers, and was former vice chair and chair of RP ARC.

Terry Gallagher has an Executive MBA and is a qualified Fellow Member of the Association of Chartered Certified Accountants. He has experience as a director of business assurance, was formerly an RP CEO & Deputy CEO, Director of Corporate services, trustee of two social enterprises and has Non-Executive Director experience on an RP board. There are also two independent members of ARC (who are also members of the Finance Committee). The two independent members are also qualified and experienced senior finance professionals.



C36. Are there any current executives on the Remuneration Committee?

The Corporate Committee is responsible for nomination and remuneration matters. The CEO is a member of this Committee but does not have voting rights on any remuneration matters. In addition, only non-executive members can form a quorum for nomination and remuneration matters.

C37. Has a succession plan been provided to the board in the last 12 months?

A formal succession plan was presented to the Board on 26th of September 2022 having been agreed by the Corporate Committee in August 2022. This includes consideration of the future recruitment schedule and key skills requirements, such as lived experience of social housing, not simply as a process of good governance, but to help ensure that our Board is as diverse and dynamic a group as possible.

The Board Member succession plan describes the principles that underpin the constituency of the Board, including for selection and recruitment of new members; the external Code and the skill set that has been agreed. These principles are reviewed periodically by the Governance team for the Corporate Committee to then onward recommend to the Board.

C.38 For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?

The external auditors KPMG have been in place since the 2020/21 financial year (3 years).

C39. When was the last independently run, board-effectiveness review?

The last Board Effectiveness Review was run on 7 July 2023, facilitated independently by Savills.

The review took the form of a workshop focusing on the recent feedback from the Grading Under Review process, published on 31 March 2023, and on the Board's skills and experience.

The workshop also considered and agreed on a number of improvements to the governance framework to ensure more effective oversight of the Board on key strategic and financial decisions.

C40. Are the roles of the chair of the board and CEO held by two different people?

Yes. The Chair and the CEO are separate roles with clear role descriptions and responsibilities.

C41. How does the housing provider handle conflicts of interest at the board?

The management of conflicts of interest is underpinned by the adopted Code of Governance, which follows best practice.

Conflicts of interest are declared at the beginning of each board and committee meeting and board members are required to provide a formal declaration of interests on an annual basis.

When the Board or committee discusses an item which poses a conflict of interest for any member or employee present, that person is required to declare an interest. If the conflict is clear and substantial, the member is obliged to offer to withdraw and, if invited to remain, must refrain from voting on the matter. Where such a conflict is likely to reoccur on a frequent basis, the Member is obliged to offer to resign.



Staff wellbeing

C42. Does the housing provider pay the Real Living Wage?

Octavia is not an accredited Living Wage Employer, however Octavia does pay all our directly employed staff a minimum of the London Living Wage.

C43. What is the gender pay gap?

The gender pay gap measures the difference in the average hourly earnings of men and women within the organisation. This is different from equal pay, which is the pay difference between men and women who do equal work. Octavia's mean gender pay gap for 2022/23 stands at 17.72% whilst the median gender gap for the same period was 25.83%.



C.44 What is the CEO-worker pay ratio?

This is the third year Octavia has calculated our CEO-worker pay ratio, as of April 2023 and covering the reporting period of 2021/22 the ratio is as follows:

CEO-Worker pay ratio

| | |
|-----------------|-----|
| 25th percentile | 8:1 |
| 50th percentile | 5:1 |
| 75th percentile | 4:1 |

C.45 How does the housing provider support the physical and mental health of their staff?

Octavia is committed to developing and maintaining a working environment that promotes and protects the health and well-being of all colleagues.

Octavia's Mental Health First Aiders (MHFAs) are a group of colleagues who've been trained to spot the signs and symptoms of mental ill health and are keen to end mental health stigma. They understand the importance of non-judgemental listening and are there to help colleagues who need to speak to someone about their mental health or on behalf of a colleague they are concerned about.

We offer a range of wellbeing activities and enhanced benefits, including a free, 24 hour a day confidential Employee Assistance Programme.

This year, we moved to a new supplier that offers a greater range of benefits, such as enhanced wellbeing support, nutrition and exercise advice and tracking.

We provide access to the Simplyhealth Cash plan which provides money back for everyday health expenses and treatments. Our staff also have access to WeCare - a 24/7 online GP and mental health support service, and get fit programme.

Octavia has a wellbeing resource page on its intranet homepage. On the wellbeing resource page there is further information on other tools available to help support colleagues, which includes our Wellbeing statement, wellbeing work plans, information supporting financial, physical, and mental health, and information on contacting our Mental Health First Aiders.

C46. Average number of sick days taken per employee?

9.74 days per employee per annum.



Supply chain

C.48 How is environmental impact considered when procuring goods and services?

At Octavia's the three pillars of sustainability – economic, environmental and social, are considered in our procurement processes. Procurement activities for the sourcing of goods/services/works has an impact on the environment, which must be identified and managed effectively by Octavia, and in turn influence its supply chain practices.

This includes:

- Drafting of project specification/scope of requirements by selecting products and services with the least ongoing environmental impacts. For example, reduction of carbon footprint (use of water, electricity and fuel), specify materials that minimise the impact on the environment: recycled paper; responsibly sourced timber; no single use plastic, waste/disposal management etc
- Embedding as a criterion in the supplier selection process i.e. a high score allocated to criteria which positively endorses bidders who demonstrate a responsible approach to minimise negative environmental impact in their processes.
- Octavia Procurement Strategy/Procurement Policy & Financial Regulations clearly sets out a requirement that ensures sustainable procurement practices remain a vital consideration and element in all sourcing activities undertaken within the organisation.

C47. How is Social Value creation considered when procuring goods and services?

Octavia's Procurement Strategy and Procurement Policy & Financial Regulations clearly sets out a requirement that ensures social value remains a vital consideration and element in all sourcing activities undertaken within the organisation.

Octavia aims to diversify its supply chain by adopting procurement processes to encourage and provide opportunity for local businesses and small and medium size enterprises (SMEs) to bid for business with the organisation, thus adopting the principle of a fair and inclusive competitive process as set out within the Public Contract Regulations 2015 (as amended) [PCR].

As such Social value, in accordance to the Public Services (Social Value) Act 2012, is an underlying element required to achieve the principles set out within the legislation, i.e. PCR, and would be considered within all procurements, taking into account value threshold and risk status.

This is done on a project-by-project basis, as social value output may differ based on type of services/goods/works provisions. This will be considered within individual departments on each sourcing activity to be undertaken and where social value is identified in a project, it can be set out as selection criteria with a percentage weighting allocated to it and submissions will in turn form a contractual obligation which the prospective successful supplier must fulfil.



Octavia's Procurement Strategy & Financial Regulations clearly set out a requirement that social value is a vital consideration in all sourcing

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