



Clarion Housing Group
Making a Difference
Report

2024/25

Our annual report of environmental, social
and governance (ESG) performance and impact



1900-2025
CLARION HOUSING GROUP



WHO WE ARE AND WHAT WE DO

Clarion Housing Group is the UK's biggest housing association, a major homebuilder, and a leading investor in people and places.

We are a business for social purpose. Our heritage stretches back to 1900, when our founder, William Sutton, left his £1.5 million fortune to provide social housing.

We now provide homes for 360,000 people across the country and this year marks our 125th anniversary.

Sustainability is at the heart of all that we do, and our homes are part of a wider package of services that we offer.

Every year, we help thousands of people into work or training, support residents struggling to make ends meet, and run community programmes that help neighbourhoods to thrive.

These are just some of the ways in which we work to change lives for the better.

Firm financial foundations and strong relationships with our partners help us to deliver for our residents and their communities.

We strive to go above and beyond in making a difference in all that we do, with a 4,000-strong team that is committed to our continuing mission of providing homes for those who need them most.

We are building a better tomorrow. Today.

Clarion founder, William Richard Sutton

WE ARE CLARION HOUSING GROUP

2024/25 Highlights



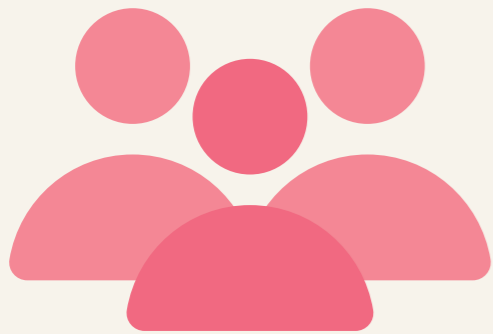
125,000+
homes across the country



1,727
new homes built with 83% for affordable tenures



£232m
operating surplus



360,000
residents



£1.087bn
turnover



£417m
invested in our existing homes through planned and reactive maintenance



£130.3m
delivered in social value* of which £128.3m was as a result of the work of our charitable foundation, Clarion Futures

*Social value is calculated using the HACT (Housing Associations' Charitable Trust) Social Value Bank.

MAKING A DIFFERENCE - OUR 2050 HORIZON

We are investing resources and making preparations today to ensure that our homes and communities are sustainable and fit for the future.

Our commitment to becoming a net zero organisation by 2050 is backed by a major investment programme to help us achieve this goal.

A comprehensive long-term plan has been developed to guide us on our journey in the years to come.

We have a clear direction of travel and are taking a strategic, collaborative approach, focusing on delivering environmental and social impacts as we progress towards a net zero future.

In early 2025, we introduced a Sustainability e-Learning module designed to raise awareness of our Group Sustainability Strategy and our progress against our targets. As of March 2025, more than 2,500 colleagues had completed the hour-long module.



Recovering Nature



Energy and Carbon

We need to move towards renewable energy as fast as possible and in doing so reduce our carbon emissions to net zero



Resources and Materials

We need to use less and reuse more within a circular economy



Biodiversity and Nature

We need to implement biodiversity strategies to enhance and protect our natural environment



Restoring Social Equality



Social Value

We need to eliminate fuel poverty and deliver positive social impact through everything we do



Wellbeing and Placemaking

We need to build and manage places that improve the physical and mental health of our residents



Climate Resilience

We need to ensure our developments and communities are protected from the future risks of climate change



Rethinking Business



Disclosure and Sustainable Finance

We need to openly compare ourselves to other businesses and ensure we lead the way in transparent and honest communication of achievements and challenges



Equity, Diversity and Inclusion

We need to celebrate the richness of our diversity and reflect the communities we serve



Ethics and Procurement

We need to uphold the highest standards across every aspect of the business



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We report against the Sustainability Reporting Standard for Social Housing (SRS), which covers 46 environmental, social, and governance (ESG) criteria. The SRS is used by more than 130 housing providers and major investors. Our SRS Data Book, which aligns with the latest version of the standard, can be found on page 86.

Foreword from Clare Miller, Group Chief Executive

On 20 May 1900, Victorian entrepreneur William Sutton died and left his fortune to build some of the first social housing in London - a man with a vision for a way to transform lives.

Today, around 360,000 people across the country call a Clarion home their own, and while much has changed over the past 125 years, one thing hasn't. Our social purpose, our north star, our commitment to making a difference and providing a home for those who need them most.

As we mark our 125th anniversary, we've been reflecting on our history, but also looking to the future and considering how we can better support our communities and collaborate with the government to build much-needed new homes.

To help inform this work, we've established what we're calling our Foresight Group made up of thought leaders across all sorts of sectors. Their task has been to assess the challenges and opportunities facing housing associations and social housing residents, bringing their unique perspectives to the table. A report detailing their findings and recommendations will be published in the autumn, informing our ways of working going forward.

As we look to the future, we cannot do so without recognising a challenge that is perhaps the greatest we've faced in our 125-year history - climate change. That's why I'm proud that in May, after 18 months of baselining, stakeholder engagement and collaboration, we became the first housing association in the UK to publish our Climate Transition Plan, setting ambitious targets alongside tangible actions to reduce our environmental impact.

Progress against our plan is measured by reductions in carbon emissions, but the main objective is to enable healthier, warmer and cheaper homes for our residents, ensuring that they're not left behind in the transition to net zero. We'll be providing progress updates in our Making a Difference report each year, continuing to share challenges and learnings as part of our commitment to transparency and sharing best practice.

Partnerships are a huge part of our pathway to net zero, and one that's grown in the last year is our partnership with Octopus Energy. Building on our work to create the first 'Zero Bills' homes in the UK available through affordable rent and shared ownership, this year we went further, teaming up to retrofit ten of our existing homes in Kent with cutting-edge technology to make them eligible for Octopus' innovative 'Zero Bills' tariff. This means that the residents will pay no energy bills for at least five years - quite an achievement for homes built in the 1950s.

Looking at the bigger picture, as we strive to build homes to the highest sustainability standards, we're also making sure we integrate them into vibrant communities. Communities strengthened and supported by our charitable foundation, Clarion Futures, which helps people into work and training, improves digital skills and financial resilience, and transforms life chances.

In the last financial year, we've reached a major milestone, delivering £1bn in social value since 2016. This is in no small part due to the work of Clarion Futures which delivers one of the largest social investment programmes in the UK.

In the last decade, through Clarion Futures almost 70,000 people have been supported into jobs and training. This year, we've ramped up our work to support people into green jobs, providing opportunities for our residents, whilst helping to tackle the skills shortages which threaten to curtail our retrofit ambitions and delivery.

Behind the numbers are lives changed for the better, including Reinaldo whose story is featured in this report. He's a great example of the power of Clarion Futures, securing his dream role as a Retrofit and Domestic Energy Assessor thanks to a programme of tailored support which helped him tackle the barriers that stood in his way.



Clare Miller, Group Chief Executive

As well as supporting individuals, through Clarion Futures we also provide funding to our network of grassroots partners working in communities nationwide to support our residents. Community gardens and art classes, wellbeing spaces and digital skills workshops, and parkour and skateboarding lessons are just a few examples of projects that we've supported, providing opportunities for people of all ages and backgrounds to learn new skills, improve the places they call home and meet new people from all walks of life.

Looking ahead, we're under no illusion about the complexity of the environment we operate in. While we've made important strides, significant challenges remain - from economic uncertainty and rising regulatory demands to growing pressure on resources.

Our mission now is to remain focused and proactive. We'll continue working in partnership across the sector and with government to ensure that ambition is matched by action, and that we stay on course to deliver against our long-term goals.

There's no quick fix - but we're in it for the long haul, and are determined to lead with transparency, share what we learn, and show what genuine environmental and economic sustainability looks like in practice.

I'm proud to be a custodian of this storied organisation, and I hope that with our careful stewardship we'll be able to ensure Clarion can continue making a difference for another 125 years and beyond.

Clare Miller,
Group Chief Executive






RECOVERING NATURE

Climate change is all too real. Record-breaking temperatures and the flooding and droughts arising from extreme weather are taking their toll on a world already pushed to the limits of what it can sustain. We are doing all we can to create a healthier, nature positive and low carbon society for our residents, our communities, and the wider environment in which we live.

We are committed to ensuring a sustainable future for generations to come, which is why things like reducing our emissions and leaving places in better states than we find them are non-negotiable.

It's about making the best possible use of resources, boosting biodiversity, and developing communities that enhance and nurture local landscapes.

Our Environmental focus areas and strategic, long-term targets:

-  **Energy and Carbon** - net zero carbon (Scopes 1, 2 and 3)
-  **Resources and Materials** - reduce resource use intensity in line with a circular economy
-  **Biodiversity and Nature** - enable the recovery of nature



43%

Average Biodiversity Net Gain (BNG) across our developments given planning approval during the year

Clarion colleague at Oxford Gardens, Maidstone



ENERGY AND CARBON

Long-term target: Net zero carbon
[Scopes 1, 2 and 3].

The danger posed by climate change is clear, and demands action today in mitigating against, and preparing for, future challenges. We are focused on driving down our emissions and reducing energy consumption on our journey towards becoming a net zero carbon organisation by 2050.

This is not an arbitrary target, but one that is critical for the future of our residents and the planet we all share. That is why we are investing hundreds of millions of pounds in transforming our existing homes to become more energy efficient, shrinking the carbon footprint of our new developments, and transitioning our fleet from diesel to electric.

Progress in 2024/25

Our emissions

We are now in our fourth year of reporting our complete carbon footprint inventory. This year we reviewed and refined our calculation methodology which has resulted in a slight change to our base year emissions due to improvements in data quality for that period. This is to allow for a representative comparison year-on-year.

In total, our emissions have reduced by 19% (~85,500 tCO₂e) between our base year and 2024/25. Our Scope 3 emissions continue to represent most of our footprint - the largest contributors being from the goods and services we buy, mainly relating to the embodied carbon associated with constructing our new homes (Category 1 emissions), and from resident energy use within our existing homes (Category 13 emissions).

The embodied emissions from the construction of our new homes and other purchased goods and services (Scope 3, Category 1) have reduced by 41% from base year. The operational emissions from the homes for shared ownership and private sale (Scope 3, Category 11) have reduced by 62%. This is mostly due to a significant reduction in development output compared to prior years. However, this reduced embodied carbon figure also represents two major regeneration schemes completed by Latimer in the past year, Cocoa Works and the Sutton Estate, which resulted in significant embodied carbon savings by retaining the superstructure of property already on site.

We have seen a 3% (~7,500 tCO₂e) reduction in emissions from our existing homes (Scope 3, Category 13) since base year. This is due to ongoing grid decarbonisation, a reflection of energy efficiency measures and retrofit works on existing homes. An increase in data quality is also giving a more accurate picture of our homes' energy use.

Solar panels on energy efficient homes in Peasecroft

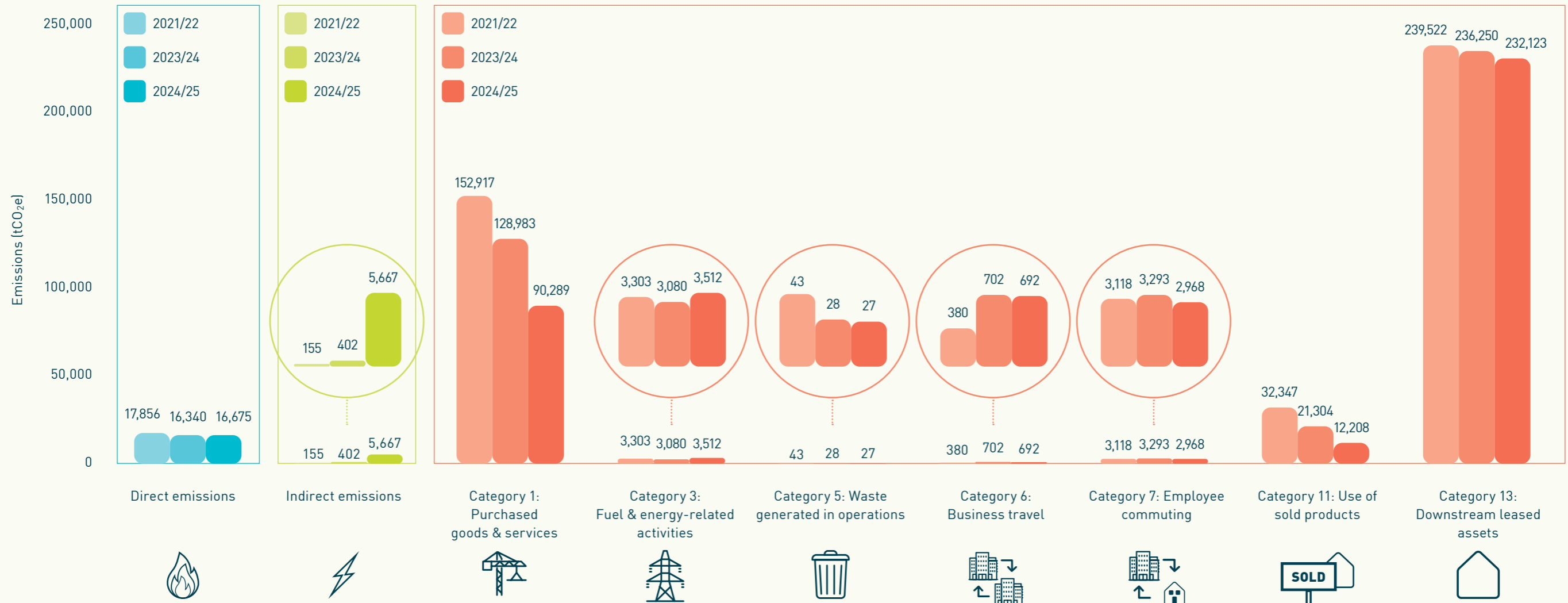
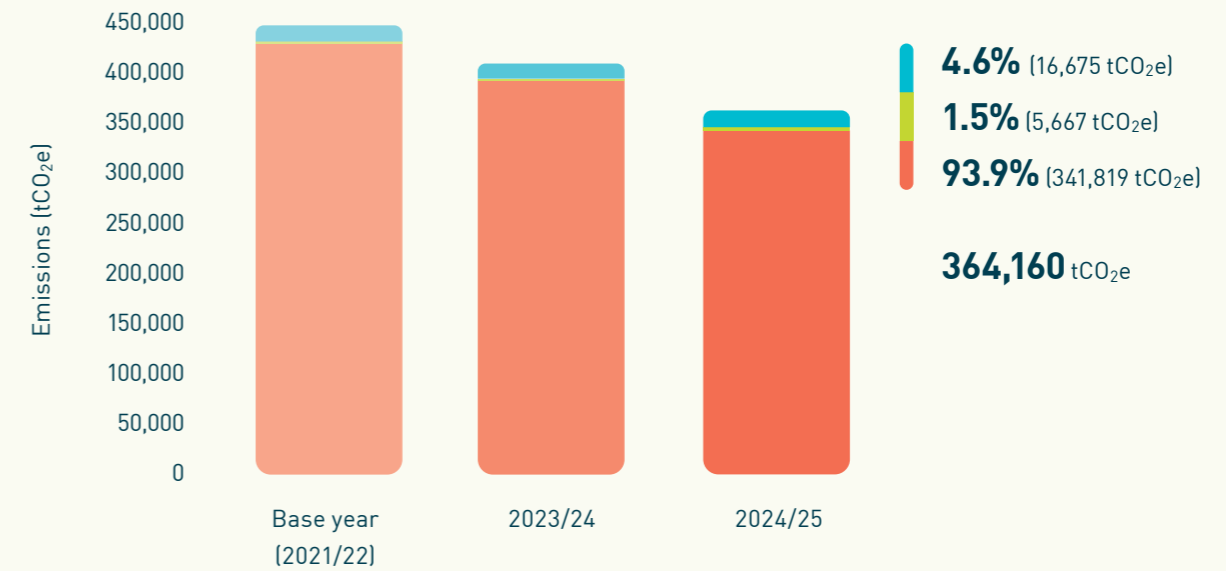


Breakdown of our emissions

Figure 1: Our emissions

- Scope 1** Direct emissions from burning fuel for energy at our workplaces, communal heating in our residential blocks, and in our vehicle fleet
- Scope 2** Indirect emissions from purchased electricity at our workplaces, in the communal areas of our residential blocks, and for our electric vehicles
- Scope 3** Indirect emissions from throughout our value chain. There are 15 Scope 3 categories in total, though we only report emissions for categories which are relevant to Clarion, for example, the emissions associated with building new homes (within Category 1), and energy used within our existing homes (Category 13)

Total emissions





Our Scope 1 and 2 emissions are the smallest part of our carbon footprint, but they show an overall increase this year. We've seen a decrease in emissions from our fleet, company cars and workspaces while we have an increase in emissions from our heat networks, natural gas usage and the impact of no longer purchasing Renewable Energy Guarantees of Origin (REGOs) certificates for our electricity. A detailed breakdown of these emissions can be found in [our annual report](#) on pages 20 - 21.

Continual improvement

The progress we are making towards becoming a net zero organisation is underpinned by a long-term plan of action. In May 2025 we became the first housing association in the UK to produce and publish a [Climate Transition Plan](#). This is a detailed, evidence-led document that sets out how we will make a just, fair and inclusive transition to net zero by 2050 - with healthier, warmer and cheaper low carbon homes for our residents.

It outlines how we plan to retrofit more than 42,000 homes with energy-saving measures, such as improved insulation and double-glazed windows. We also aim to replace more than 70,000 boilers with fossil fuel-free technologies, such as air source heat pumps, and have opportunities to install renewable technologies like solar power systems across up to 80,000 homes.

Ed Lockhart, Chief Executive of the Future Homes Hub, said:

“Clarion’s Climate Transition Plan sets a clear pathway for decarbonisation of social housing, demonstrating not only the transition strategy but also the tangible steps to decarbonise both their existing housing portfolio and new homes and communities.”



More than **one in 20**
of our vans are now fully electric or
hybrid vehicles



Ground source heat pump at the Sutton Estate, Chelsea



Operational carbon

Our existing homes account for over half of our carbon footprint. Retrofitting them to improve energy efficiency is good for our residents, who will benefit from more comfortable, healthier homes. It is also good for our planet - by reducing fossil fuel consumption.

Our retrofit programme continued to expand during the year, with the addition of North London and East Hertfordshire to the areas where we are improving the energy efficiency of our homes. Other areas include Fenland, Kent, South London, Surrey and West Sussex.

We also secured £22m in funding from the government’s Warm Homes: Social Housing Fund Wave 3. This is being used to upgrade more than 2,300 homes with features such as energy-efficient heating systems, insulation, and solar panels to reduce carbon emissions and cut energy bills. Work funded by Wave 3 will be completed over the next three years.

We spent more than £22m on improving the energy efficiency of our homes in 2024/25. More efficient boilers, air source heat pumps and different forms of insulation were among the thousands of features installed. The numbers of components reported here relate to works on individual homes throughout

the year, and do not include works to homes that are part of multi-year projects. This energy-saving investment is estimated to have reduced carbon emissions by more than 3,000 tonnes. It also amounted to a total estimated saving on energy bills of almost £1m for our residents (Figure 2).

Most of our existing homes (95,271 homes equating to approximately 76%) have an Energy Performance Certificate (EPC) of C or better (Figure 3) and we are making year-on-year progress in working to bring all our homes up to this standard. Ongoing data cleansing has improved data accuracy, revealing a slight increase in the proportion of EPC E-rated properties.

A high level of energy efficiency is standard in the new homes we are building every year. The vast majority (69.8%) of homes built in 2024/25 have an EPC rating of B or better and none are rated below a C for energy efficiency (Figure 4).

The homes with EPC C ratings are all from two projects converting existing buildings. Cocoa Works converted an old chocolate factory into flats, while Sutton Dwellings converted inadequate small flats into larger flats fit for modern living. The nature of retaining Victorian era structures limited the ability to increase energy performance to EPC B standards while keeping the aesthetic of the original building.

Figure 2: Energy efficiency measures and investment* for 2024/25 *Excluding spend on enabling works

Measure	Number of installations	Carbon savings (kgs)	Estimated bill savings for residents	Investment
New boiler	2,168	2,168,000	£635,224	£8,582,534
Air Source Heat Pump (ASHP)	126	327,600	£57,330	£1,833,350
HHR storage heaters	33	23,100	£16,500	£192,853
External wall insulation	27	24,300	£8,640	£899,665
Cavity wall insulation	154	100,100	£36,960	£985,160
Loft insulation	355	213,000	£81,650	£1,197,931
Solar PV	23	23,000	£11,730	£151,665
Windows	1,034	289,520	£62,040	£6,239,767
Doors	970	58,200	£12,610	£2,098,258
TOTAL	4,890	3,226,820	£922,684	£22,181,182

Figure 3: EPC ratings for existing homes

	EPC A	EPC B	EPC C	EPC D	EPC E or below
2022/23	0.2%	7.4%	65.2%	25.6%	1.6%
2023/24	0.2%	8.4%	66.0%	24%	1.4%
2024/25	0.2%	9.6%	66.5%	22.2%	1.5%

Figure 4: EPC ratings for new homes over the last year including S106

Year	EPC A	EPC B	EPC C	Average SAP Rating
2022/23	1.5%	97.6%	0.9%	84.6
2023/24	2.4%	93.9%	3.7%	84.2
2024/25	1.2%	68.6%	30.1%	81.2

Upfront and embodied carbon

Our development arm, Latimer, is a major homebuilder with 20,000 new homes in the pipeline. During the year we partnered with architect Pollard Thomas Edwards to create an upfront embodied carbon toolkit.

This work established the upfront embodied carbon (A1-A5) for standard construction methods based on our typical homes. It is 502 kgCO₂e/m² for houses (low-rise homes) and 868 kgCO₂e/m² for apartments in buildings taller than 11m (high-rise homes).

These values have informed our 2030 upfront embodied carbon minimum standards of 350 kgCO₂e/m² for houses and 700 kgCO₂e/m² for apartments.

The combined upfront embodied carbon value for all homes we built in 2024/25 was 656 kgCO₂e/m², with the total whole life carbon value (A-C) 1,062 kgCO₂e/m². These values are broadly similar to the previous year when they were 589 kgCO₂e/m² and 981 kgCO₂e/m² respectively.

Carbon literate colleagues

In addition to the Introduction to Sustainability e-Learning module, this year we developed a bespoke Carbon Literacy course which was accredited by the Carbon Literacy Project in January 2025. We aim to gain Carbon Literate Organisation accreditation within 12 months and in our first two months of delivery we ran four training sessions, and 60 colleagues were certified as Carbon Literate.

As part of their Carbon Literacy training, colleagues are required to make individual and group pledges to reduce emissions within their control. We have seen a wide range of pledges from removing gas from workplaces and replacing their petrol company car for electric, to using mini whiteboards in training sessions and removing individually wrapped items from workplace kitchens to reduce waste.

Priorities for 2025/26

- We will develop an approach to place-based retrofit to improve the energy efficiency of large numbers of homes in key local authority areas.
- A decarbonisation strategy to help us achieve a net zero van fleet will be developed.
- The coming year will also see us begin to measure and report as-built whole life carbon data. This will see us follow the example set by the Royal Institution of Chartered Surveyors, Royal Institute of British Architects, Low Energy Transformation Initiative, and the Future Homes Hub.
- Another priority will be developing a pilot project to help demonstrate ways in which we can achieve our 2030 embodied carbon targets for our new homes.



Improving efficiency in our vehicle fleet

Transport is a significant source of our Scope 1 and 2 emissions, and another area where we are actively working to reduce our carbon footprint. We have a fleet of approximately 900 vans that enable our in-house Clarion Response operatives to travel to residents' homes to undertake essential repairs and maintenance work.

Electric and hybrid vehicles have been part of our fleet for several years now, since we started transitioning away from fossil fuels in 2022, and we continued to add electric vehicles to our fleet during the year. More than one in 20 of our vans are now fully electric or hybrid vehicles.

Data on driving patterns is helping us to become more efficient, and during the year we rolled out a telematics system across our fleet which provides real-time data to drivers to help them conserve fuel.

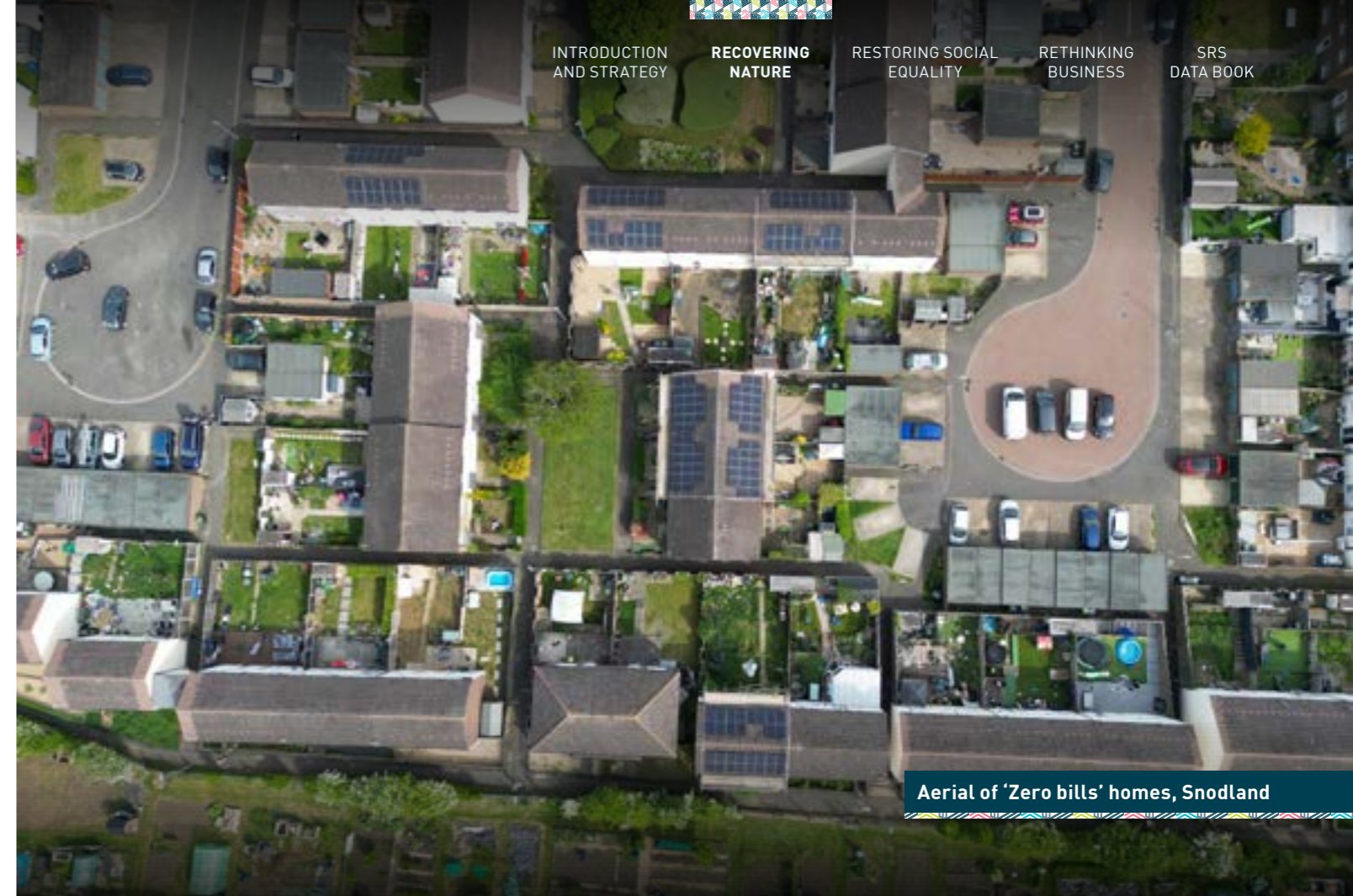
As well as electrifying our fleet, we are building the infrastructure to ensure that our repairs teams can charge their vans. To date, we have installed home chargers for around 20 of our operatives. We are also increasing the number of charging points we have at our workplaces and other locations.

In addition, we are exploring ways of reducing our usage of vans, with alternatives such as public transport, cycling or e-bikes among other options, as well as taking the shortest routes possible to minimise miles travelled and energy consumed.

In the past year we have conducted trials of e-bikes and e-cargo bikes and in the longer term we aim to reduce our van fleet by 100 vehicles by 2030.

We are also changing our fleet of around 70 company cars with 77% now either fully electric or hybrid vehicles.

The work we are doing to reduce the emissions from our vans and cars is just one of the ways in which we are minimising our environmental impact in our efforts to become a net zero organisation in the coming years.



Eliminating energy bills for residents

Fuel poverty is a major challenge for many of our residents who struggle to afford to heat their homes. Ensuring that our residents are not left behind in the drive towards net zero is a key priority, which is why we are pioneering changes that will make a real - and positive - difference to their lives.

Our partnership with Octopus Energy is one example of this - where we are working to create sustainable homes free of the financial burden of energy bills.

During the year, we celebrated a milestone with the launch of a project that upgraded the first ever social rent homes to the 'Zero Bills' standard. The pilot project in Snodland, Kent, involved retrofitting 10 terraced houses with state-of-the-art low carbon technology, including air source heat pumps and solar power systems.

It was delivered in partnership with retrofit specialists Energiesprong UK, and part-funded by the Department for Energy Security and Net Zero.

The upgrade of these homes for social rent, which were built in the 1950s, has made them eligible for Octopus' innovative 'Zero Bills' tariff*. This guarantees that residents will not have to pay a penny in energy bills for at least five years.

Another milestone reached during the year was the completion of 25 homes at Hollymead Square in Newport, Essex - the first 'Zero Bills' homes in the UK available for affordable rent and shared ownership. They are part of the UK's biggest 'Zero Bills' development to date, where we have been working with The Hill Group.

Our work to improve energy efficiency standards is not only benefiting our residents in homes that are easier to keep warm in the winter and cool in the summer, but also the wider environment - with less energy used and fewer emissions as a result.

*Please note that Octopus Energy's 'Zero Bills' tariff does not include EV charging.



RESOURCES AND MATERIALS

Long-term target: Reduce resource use intensity in line with a circular economy.

Making the best possible use of our resources is part of our wider efforts - and those of our supply chain partners - towards greater efficiency and getting the best value from every penny we spend.

This means using as little water and energy as possible, using sustainable products, and recycling and reusing materials as much as we can. Simply throwing things away is a last resort, and we are committed to ensuring that none of our waste ends up in landfill.

Appreciating the intrinsic value of materials is core to our commitment to a circular economy where we reuse more, waste less, and operate as sustainably as possible.

Progress in 2024/25

Getting rid of waste

Ongoing work with our contractors to stop waste from our construction sites ending up in landfill sites continued to achieve results. We succeeded in diverting almost all (97.8%) construction waste from landfill during the year, and aim to reach 100% by 2030.

We track the performance of our contractors with the BRE SmartWaste sustainability and environmental monitoring reporting tool that we use to collect and analyse data from our construction sites.

In addition to the progress we are making in eliminating waste sent to landfill sites, we are working to reduce the amount of construction waste aiming to cut this by 25% by 2030. We are also encouraging our partners who are building Section 106 affordable homes for us to achieve this target.

Generating high quality data is an integral part of our work. During the year, we worked with AECOM to review our approach to waste management and calculate the waste produced by our work to maintain, repair, manage and replace our existing homes. The review also assessed best practices for dealing with things such as the reuse of furniture and tackling challenges such as fly tipping, as well as exploring ways of improving waste management for our residents. The findings from this work will inform the development of an action plan to reduce waste across our homes.

Works being carried out on homes at Tyler Court, Birmingham



Saving water

Water is a finite and precious resource that cannot be taken for granted. An increasing number of droughts - leading to water shortages - will be among the impacts of climate change, and we are designing our new homes to be as water efficient as possible.

Our targets for water efficiency go above and beyond the recommended maximum water consumption of 110 litres per person per day, as set out in the optional standard in Part G of the Building Regulations.

We achieved a rate of 100.9 litres per person per day in our new homes that were completed during the year, through features such as low-flow showerheads, taps, and toilets. This is a significant reduction from the rate of 107.7 litres per person per day in 2023/24.

However, we intend to go further in our efforts to reduce water usage - having set a target to reduce consumption to no more than 90 litres per person per day by 2030.

In addition, we are also working to reduce the amount of water used on our construction sites, setting targets for our contractors to reduce site water consumption year-on-year in a bid to halve the amount used by 2030.

Sustainable materials

Another way in which we are making a difference is by using sustainable and responsibly-sourced materials to build our new homes. One example of this is the wood that we use in construction. We insist that all timber used in the building of our homes is certified by the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC).

To ensure that this is being done, we use the BRE SmartWaste auditing tool to monitor material sourcing across our construction sites. This revealed that 99.8% of timber used during the year came from responsibly managed forests meeting strict environmental, social, and economic standards.

Our use of bio-based materials such as timber, which are lower-carbon alternatives to traditional construction materials like steel and concrete, is part of a wider effort to reduce the embodied carbon in the materials we use for construction.

Priorities for 2025/26

- Over the coming year, we intend to start the construction of a project that will act as a low water pilot for our new homes.
- We also plan to develop an approach to improve water efficiency in our existing homes.
- Another area of focus will be to increase our efforts to reduce waste in specific areas of our operations.



Piles of timber for repurposing

Finding hidden value

Repurposing materials that would otherwise be thrown away presents a big opportunity to reduce waste - particularly when ageing estates are to be replaced with new homes. During the year, we teamed up with Maconda Solutions, a circular economy consultancy, to address this issue.

This resulted in an audit of thousands of homes at the end of their life, which are set to be demolished in future regeneration programmes, enabling us to find ways of reusing building materials that would otherwise end up as waste.

The pilot stocktake of the reuse potential of materials in existing buildings estimated that up to 2.31% of total building value could be retained by following a circular model. This relatively small number could have the potential to equate to a significant financial and social value generated over the course of the regeneration of the High Path estate in Merton, London. We are exploring ways to realise this value and have taken the approach to undertake these pre-demolition audits across our other development and regeneration projects.



Clarion resident filling a glass of water in their home

Reducing water demand at St George's Court

As part of our ambition to reduce environmental impact while addressing the urgent need for affordable housing, we are trialling innovative water-saving technologies at St George's Court, a redevelopment scheme in the historic village of Wrotham, in the Tonbridge and Malling district of Kent.

This redevelopment will deliver 38 high-quality, sustainable homes, all for affordable rent or shared ownership. The scheme will provide a mix of apartments and two- and three-bedroom houses, helping to address local housing need in a way that supports both community and climate goals.

Alongside this, we are piloting a water efficiency trial to help us meet the long-term targets set out in our [Latimer sustainable development roadmap 2025 - 30](#). In 26 of the homes, we are aiming for water usage levels of less than 90 litres per person per day (lpppd), in contrast to the base specification of 105 lpppd used in the remaining homes. The findings from this trial will help inform a future-proofed specification for water-efficient homes that can be adopted across our portfolio.

As with our previous work at Peasecroft in Hertfordshire, where we explored how residents interact with low-carbon technologies, this trial is focused on understanding the impact of different water-saving measures on household habits and resident satisfaction.

The interventions being tested include low-flow fixtures and fittings, air-powered showers, and flow controllers installed on the incoming water supply. By evaluating both technical outcomes and resident feedback, we aim to identify which approaches deliver the greatest water savings whilst aligning with everyday use.

This project represents a meaningful step toward creating homes that are not only affordable but also environmentally sustainable and responsive to the needs of the people who live in them.



BIODIVERSITY AND NATURE

Long-term target: Enable the recovery of nature.

Our homes are part of a much bigger picture - the landscape we share with the natural world. It is a world under mounting pressure, with the survival of many species in jeopardy due to disappearing habitats, pollution and climate change.

As a business for social purpose with a sharp focus on sustainability, we are committed to boosting biodiversity and protecting the environment through nature-friendly neighbourhoods and green spaces. This is based on a philosophy of leaving places in a better state than when we found them.

We work hand-in-hand with our residents and partners to nurture the landscapes in which we operate, through everything from planting trees and hedgerows to developing community gardens. It is part of our wider work to develop sustainable neighbourhoods where people and nature thrive.

Progress in 2024/25

Safeguarding species

Healthy environments are good for species and habitats, and good for our residents who benefit from living in places with access to green space. Our approach to protecting nature and improving local environments was set out in our Nature Recovery Strategy published last year. This is a detailed plan of action to improve biodiversity and green spaces across not only future developments but also our existing housing, to provide health and wellbeing benefits for our residents and promote climate resilience. It amounts to a blueprint for biodiversity and community wellbeing.

We are committed to ensuring that new developments (excluding Section 106 homes) result in biodiversity net gains (BNG) of 20% and have habitats for local species that are under threat. They are also expected to provide a series of environmental benefits. These include things such as ecological connectivity, improvements to air quality, noise reduction, high quality green space, climate mitigation, and flood resilience.

Our strategy sets out measures such as considering ecology at an early stage in the planning process, with our developments required to have Habitat Management and Monitoring Plans.

Our efforts to enhance the natural environment are paying off, with an average BNG of 43% across our developments that were given planning approval during the year.

We are also making a positive difference to local environments where we already have homes through our commitment to increase biodiversity by 10% in several of our existing communities each year.

Examples of actions being taken at our existing homes and neighbourhoods include creating wildflower meadows, wildlife-friendly planted beds

Latimer colleague volunteering at Stepney City Farm



and installing features such as bug hotels and bat and bird boxes.

Not only is this good for nature, it is also good for our residents and communities who benefit from living in places with high quality green spaces.

Designing and managing our sites

Detailed guidance on enhancing biodiversity is in place for our existing homes and neighbourhoods, in the context of improving community wellbeing and strengthening climate resilience through our Design and Implementation Guide (DIG).

The guidance provides our colleagues and contractors with a package of options to improve local landscapes, along with data on factors such as cost, benefits, implementation and maintenance. The options range from planting wildflower meadows, hedgerows, trees and drought-resistant plants to installing wildlife ponds, hedgehog homes and highways, and creating community gardens and orchards.

During the year, we started a significant update to our Landscape Design Brief for our new developments to include nature recovery guidance. This document is provided to landscape architects working on new developments, which will form part of the briefing that we provide to the landscape architects we work with. This includes guidance towards achieving biodiversity net gain as well as guidance for the Future Homes Hub's 'Homes for Nature' commitment to which we are signed up.

In addition, we continued to review our arrangements with the companies who take care of the green spaces around our existing homes, ensuring they are in step with our approach to promoting nature recovery.

The day-to-day environmental management of our construction sites is led by our contractor partners. To ensure that environmental risks such as spills, emissions, and waste are properly managed on site, we require all contractors to operate under a certified Environmental Management System, aligned with the standards of ISO 14001 or the Eco-Management and Audit Scheme (EMAS). To uphold these standards during construction, contractors must conduct regular planned inspections and unannounced spot checks.

Priorities for 2025/26

- The coming year will see us scale up our nature recovery programme across our existing communities.
- We will also deliver a best practice grounds maintenance specification for our colleagues and contractors to provide specific directions on taking care of green spaces.
- In addition, we will update our detailed Landscape Design Brief to guide the work of our designers and project managers in nature recovery.



WildE3 team and volunteers with Deputy Mayor of London for Environment and Energy Mete Coban MBE, Cllr Nathalie Bienfait, Clare Miller and local residents



Going green in the city

Busy urban settings may not be the most obvious places to nurture nature, but we are working hard to create sustainable green spaces in city environments. A flagship project took place during the year to rejuvenate green spaces across our estates in Tower Hamlets, London.

Our WildE3 project, co-funded by the Mayor of London's Rewild London Fund, saw more than 35 hectares of green space in our estates in Tower Hamlets given a new lease of life.

It aimed to increase the connection of local people to nature, as well as awareness of biodiversity and improved wellbeing.

The transformation included turning grassed areas into wildflower meadows, planting new hedges, creating allotments and a community orchard, and installing dozens of bird, bat and insect homes.

The success of the project was showcased at an event in Tower Hamlets in November 2024 attended by Mete Coban MBE, Deputy Mayor of London for Environment and Energy, among others.

He described the project as a

“brilliant example of the power of rewilding in urban settings.”

Mr Coban added:

“Nature should be for everyone, so it's been great to see how residents have been involved in improving biodiversity and making their local area more resilient to the impacts of climate change.”

The project went on to win the Biodiversity and Nature Award at the Unlock Net Zero Awards in 2025.



-  Nature Recovery sites in Clarion communities 2024/25
-  Planned Nature Recovery sites in Clarion communities 2025/26
-  New developments going beyond 10% BNG with planning approval granted in 2024/25



WildE3, Tower Hamlets



Royal Road, Southwark



Oxford Gardens, Maidstone



Ollerton Green Gardening Club co-founders Adam and Luciana



Seed funding for gardening club

What was once a disused green space in Bow, London, has been transformed into a community garden that brings people together and enables them to get involved with nature.

The Ollerton Green Gardening Club was set up by local residents during the year and backed by a grant from Clarion Futures. It has created garden beds and is growing vegetables, with a growing number of residents getting involved.

This initiative is part of the WildE3 project in Tower Hamlets, and in February 2025 it was awarded a Community Impact Award by the G15, the group of London's largest not-for-profit housing associations.

Matt Parsonage, Head of Communities at Clarion Futures, commented:

“It’s a fantastic project that makes such a difference for local people by providing a space to get involved with nature, creating a sense of belonging for the community.”

Luciana Britton Newell and Adam Latham, two of the founders of the Ollerton Green Gardening Club, said:

“To have support for the gardening club in its early stages has been so important. We are still at the beginning of the project, and we feel confident with the investment and support that it will appeal to more people each year as the garden and community grow. It’s so exciting.”



Colleagues from Housing and Clarion Futures at a planting event in Maidstone

Teaming up to transform surroundings

People working together are a powerful force for change, and residents living in Oxford Gardens, Maidstone, have been working with teams from across Clarion and purpose-led landscape consultancy, The Green Partnership, to improve the green space at their estate.

This work began with an event held in summer 2024 where residents discussed the changes they would like to see. It led to a series of community planting days in late 2024, in which residents and local schoolchildren worked alongside Clarion staff who volunteered their time to transform the landscape of the estate.

This team effort resulted in the planting of thousands of daffodil, snowdrop, and crocus bulbs, hundreds of hedging plants to create a hedgerow, and seeding an area of grass to create a 220m² wildflower meadow. In addition, some 145 wildlife friendly plants, such as daisies, thistles and ferns were planted along with a crab apple tree. Several wildlife homes were also created, including a log pile and bat and bird boxes.

Sam Jones, Director of The Green Partnership, said:

“Being part of the Oxford Gardens nature recovery project from start to finish was incredibly rewarding. We had the privilege of working closely with Clarion throughout the process, from identifying nature recovery opportunities and shaping the design, to helping implement the final interventions on the ground. One of the most memorable moments for me was leading an engagement session with pupils from the local school, some of whom live on the estate.”

“We explored the green spaces together, talked about the changes Clarion has made to support nature, and highlighted how even small actions can make a real difference for wildlife. It was inspiring to see how switched-on the children already were - they could identify signs of nature like wildflowers, worms, and pollinators, and they were full of ideas and enthusiasm. We talked about birds, bats, trees, hedgerows, butterflies, and ‘creepy crawlies’, and had honest conversations about the role people can play in helping nature thrive.”

“It was a powerful reminder that engaging local communities, especially young people, is just as vital as the physical interventions we make. That sense of shared ownership and curiosity is what helps create long-term stewardship and pride in the places people call home.”



Residents attending a yoga class at St Hugh's Community Centre

RESTORING SOCIAL EQUALITY

Our homes are part of a bigger social and environmental picture, and our charitable foundation, Clarion Futures, is a major investor in people and places that generates significant social value - more than £128 million in 2024/25 alone.

Our social purpose stretches back to 1900, when our founder, Victorian philanthropist William Sutton, left his £1.5 million fortune to provide social housing. We now look after more than 360,000 residents and providing homes for those who need them most is as important as ever.

We go beyond just putting a roof over people's heads, providing a package of services for our residents and their communities in what amounts to one of the UK's largest social investment programmes.

Our Social focus areas and strategic, long-term targets:



Social Value - eliminate fuel poverty and generate over £3bn in social value



Wellbeing and Placemaking - create healthy places that improve resident wellbeing



Climate Resilience - all communities resilient to future physical climate risks



Supported **5,423**
households with one-to-one money
guidance and energy advice



Daniel, Clarion resident, attending Clarion's film school in Penge

SOCIAL VALUE

Long-term target: Eliminate fuel poverty and generate over £3bn in social value.

People are at the heart of our mission to provide homes for those who need them most, and have been for 125 years. Over that time, we have grown to become the UK's largest social housing provider. Yet putting a roof over the heads of 360,000 people is only part of a much bigger picture of support we provide for people and places through our charitable foundation, Clarion Futures.

As we strive to eliminate fuel poverty, the work we are doing to make our homes more energy efficient is not only the right thing to do for the environment, but is also the right thing to do for our residents.

Our actions to make a positive difference for people and their communities generate huge social value. The 'Social Value Bank', which we developed with the Housing Associations' Charitable Trust (HACT) and others, quantifies the impact of this work, which amounts to tens of millions of pounds in social value each year.

Progress in 2024/25

Generating social value for people and neighbourhoods

During the year, Clarion Futures continued to make a positive difference to the lives of our residents and their communities.

This included helping more than 1,500 people into jobs or apprenticeships. Many of our residents survive from one paycheque or benefits payment to the next and do not have the luxury of a financial buffer. During the year, we helped more than 5,400 households with advice and support on making ends meet.

We also invested more than £1m in funding for organisations supporting our residents and communities with everything from tackling fuel and food poverty to finding work and improving wellbeing.

In addition, almost 8,000 residents were helped to learn and develop digital skills.

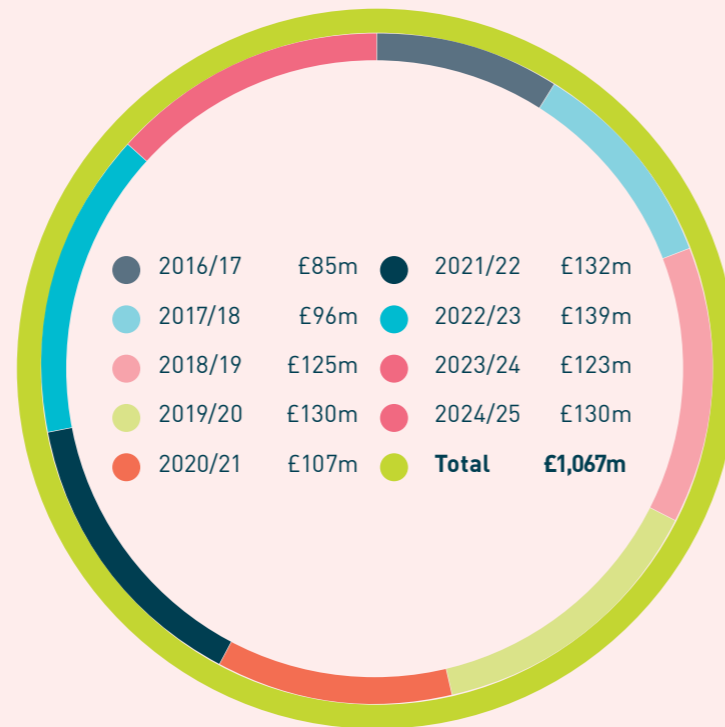
During the past year, the £16.2m invested in supporting residents and communities generated a return of £128.3m in economic, social and environmental benefits that amount to social value. When combined with the social value generated across the rest of the organisation, this brings the total to £130.3m for the year (Figure 5). This means that across Clarion Housing Group we have generated more than £1bn in social value during the past decade.

The impact we make is complemented by the contribution of our supply chain partners such as Equans, United Living and Wates, who commit to delivering social value as part of their agreement to work with us. This results in even greater benefits for our residents and communities, through things like employment and training opportunities, renovating community centres and landscaping green spaces.



In 2024/25, working with our supply chain partners and residents, we improved some 21,515m² of community land and buildings - a 230% increase on the previous year.

Figure 5: Total social value created since 2016 year-on-year



In 2024/25, Clarion Futures:



Supported **1,505** people into work, including placing **151** people into apprenticeships



Supported **5,423** households with one-to-one money guidance and energy advice



Awarded **3,039** grants or vouchers for food and energy to households experiencing severe hardship



Worked with partners to help **7,831** people improve their digital skills



Supported residents to deliver more than **£2.1m** worth of volunteering time



Improved **21,515m²** of community land and buildings



Awarded **£1,144,739** in grants to organisations supporting Clarion residents and communities

Alleviating fuel poverty

The cost of energy continues to be a major issue for our residents, many of whom are already struggling to cope with the cost of living. We are looking at long-term solutions to complement the help we already provide to households finding it difficult to heat their homes and stay warm.

One such solution is a ‘responsive retrofit’ scheme we started piloting in late 2023. It is focused on combining advice on saving on energy bills with the installation of simple energy efficiency measures, such as radiator reflectors, to make an immediate impact in helping households cut their energy bills. This can bridge the gap before major retrofit works, such as fixing external insulation onto buildings, can be carried out.

The impact of this approach was evaluated by the National Energy Action fuel poverty charity, funded by the Fusion21 Foundation, which published its findings during the year. Its report revealed that households that said they could now keep their home warm when it was cold increased from one in 20 (5%) before support to one in five (21%) post-intervention.

Other impacts included: “improvements in household budgets, damp and mould reduction, and enhanced self-reported health and wellbeing associated with reduced anxiety and financial stress.”

It stated that the project “was found to be valuable and impactful, and appeared to lessen the impact of the cost of living and energy crises.”

The success of the pilot means we now plan to roll it out across the country.

Pathways into work

We take a number of approaches in our work to help residents into jobs or training. During the year, we launched pop-up film schools in Leeds and Penge, south east London, to mark our 125th anniversary. These were run by not-for-profit film production company, Iconic Steps, and provided training and advice for local residents interested in careers in the

film industry. Camera work, sound recording and editing techniques were among the areas covered.

Daniel, who attended the film school in London, said:

“I’ve always wanted to be in film and TV, but I’ve been blessed with muscular dystrophy - MD for short - which means my muscles are deteriorating and I’m in a wheelchair, which has made things more difficult for me. I wanted to be an actor, so I did a three-year course in performance drama at Southampton University, but as time went on, I realised I couldn’t do the roles where I’m running down the road and stuff like that, and I won’t lie, it really knocked me. When I got this condition, I forgot I was Daniel. Coming from Southampton to London, there was nowhere for me to shine. Eventually, I gave up on my dream and that really hurt.

But I kept the faith, and one day I got an email about a film and production course that Clarion Futures was putting on, and I was like ‘is this for real?’. Before you know it, I was doing the course, learning about editing, the sound recording, the cameras, the lights. It was surreal. Such an eye opener for me. I’ve learned about the world behind the camera and my aspirations and dreams have changed so much, from wanting to be in front of the camera to happily being behind it. Doing this course has really given me a second chance at life.”

With renewed confidence and ambition, Daniel recently gained experience as a camera trainee on a shoot for Amazon, working with production company, The Sweetshop.

He added:

“I didn’t think I could be on this journey. I didn’t think it was possible. I’m so grateful for the opportunity and now I’m doing it, I’m living it!”



Another achievement during the year was the successful launch of two pilots under the community-led JobsPlus scheme, coordinated by the Learning and Work Institute and Communities that Work, and funded by the Department for Work and Pensions. The pilots are taking place in Penge and Borehamwood, and offer a comprehensive support package for people seeking work, including a £400 'into work bonus' for those who find employment.

When it comes to supporting people into work, there is no 'one size fits all' approach. Everyone's situation is different, and some people need more help than others in making the transition into work.

Our award-winning Active Inclusion programme sets out to support people with multiple needs to become job-ready. It does this by developing bespoke support packages addressing challenges, such as mental health and wellbeing issues, physical disabilities, and lack of digital literacy and functional skills. The programme was originally part of the successful Love London Working employment scheme, which had helped thousands into work by the time it ended in December 2023. It is now part of the national jobs and training service we offer our residents, and in 2024/25 dozens of our residents benefited from this specialist support.

Good health and wellbeing play a key role in being able to pursue work and training opportunities and during the year we continued to develop new ways of boosting the health and wellbeing of our residents.

These included community gardening groups, as well as free sessions with a qualified drama therapist to help deal with difficult emotions, build confidence and improve overall wellbeing.

Employability is also integrated into the social action programmes that our younger residents participate in, working with different generations to improve their communities. A Generation Futures initiative was launched during the year to offer support and advice on employability issues to young people aged

16-25. This aims to build on the skills developed by younger residents who have taken part in social action programmes, through offering a mix of workshops and one-to-one guidance.

A voice for residents and communities

Being the country's largest housing association, with a long track record of working closely with local and national government, gives us a platform to lobby policymakers on behalf of the people and communities we serve.

Throughout the year, we participated in a number of roundtables with key political stakeholders, sharing insights and learnings on a wide range of topics. This included teaming up with Communities that Work, a national body focused on social housing and employment, to lobby the government for greater investment in employment support and showcase the ways housing associations can help people into work.

Priorities for 2025/26

- We will continue to lobby the government around welfare reform and employment, making the case for positive and supportive change.
- Another area of focus will be to review how we work in local communities as part of our drive to deliver.
- We will also develop a new physical health strategy to improve wellbeing and increase participation among under-represented groups.
- In addition, we will continue to support our residents to cope with the rising costs they are facing.



Reinaldo, who we supported to become a Retrofit and Domestic Energy Assessor

Opening doors into green jobs

The push towards net zero - and the jobs that come with it - is a big opportunity and we are building on our 'Green Skills Employment Pathway' to help our residents tap into this new labour market. We held several events during the year to showcase opportunities such as domestic energy and retrofit assessors, and how they can lead to sustained careers.

We also formed a new partnership with social enterprise, GoodPeople, to support their Net Zero Careers Accelerator Programme to help hundreds of people into jobs in the Net Zero economy.

During the year, we supported almost 450 people into green jobs. Reinaldo, 55, who lives in London, was one of them.

Originally from Brazil, Reinaldo moved to the UK more than 20 years ago and has worked in a range of roles, from driving instructor to supermarket delivery driver. After a decade of unemployment following a serious back injury, today Reinaldo is working as a Retrofit and Domestic Energy Assessor, helping to improve the energy efficiency of homes and make them fit for the future.

It's a career pathway he'd been keen to pursue for some time, but the cost of the training course - around £2,500 - was a barrier.

Thanks to Clarion Futures and Wates, one of our contractors, this cost was covered, and Reinaldo was supported to take his first steps into the industry, initially conducting EPC ratings in a freelance capacity before finding a permanent role.

Reinaldo said:

"After years of treatment for my back injury, following successful surgery I was left thinking 'so what's next?' I'd been out of work for 10 years and worries about my age and gaps in my CV were weighing heavy on my mind. In my time out, I developed a real interest in the environment and decided that I wanted to find a job that aligned with my values and would contribute to tackling the climate crisis.

"That's why when I saw the opportunity to train to become a retrofit assessor thanks to Clarion Futures, I jumped at the chance. The training was intense but the support I've received has been incredible. It's been a massive learning curve getting back into work, but now with my qualifications and experience, I have lots of pathways open to me. Without Clarion Futures, I wouldn't be where I am today. They have played a huge part in my present and my future, and I'd encourage anyone to consider a green career, whether you're just starting out or looking for a change."



Phil Miles, Director of Clarion Futures, and James Dickson, Chair of Trustees at the Rothesay Foundation

Supportive spaces

Productive relationships with our partners are one of the cornerstones of our work, with our partnership with the Rothesay Foundation, the charitable foundation of the UK's largest pensions insurance specialist Rothesay, being a case in point. We have worked together in recent years to support dozens of warm spaces across the country, where people struggling with the soaring cost of energy have been able to go to keep warm.

The success of this programme prompted us to expand it to encompass wellbeing during the year, thanks to a £525,000 donation from the Rothesay Foundation, and additional support from one of our suppliers, Travis Perkins Managed Services.

A national network of wellbeing spaces has been created, where people can not only keep warm but also participate in cooking and exercise classes, arts and crafts sessions, gardening and other activities aimed at strengthening physical and mental wellbeing. They will also receive help in managing their energy bills, and advice on other

issues such as housing, health, and developing digital skills. Those in need will be provided with practical items such as electric blankets, draught excluders and air fryers or slow cookers to help them cut their energy bills.

The wellbeing spaces aim to boost community cohesion by bringing people together.

Helen Ives-Rose, Deputy Chief Executive of Communities 1st, which runs several wellbeing spaces in Hertsmere, Hertfordshire, said:

"For local people, this wellbeing space is so much more than just a place to keep warm - it's a place where they can meet new people and forge new friendships, as well as trying out all sorts of fun activities."

She added:

"Without Clarion Futures and the Rothesay Foundation this simply wouldn't be possible, so we're hugely grateful for their support."



Clarion colleagues and residents celebrate more than £5 million awarded in grants since 2016

Building bridges to better futures

Part of being a business for social purpose means that we are a major investor in people and places.

We celebrated a major milestone during the year, with more than £5 million awarded in grants since 2016 to organisations working to support our residents and communities.

In less than a decade, Clarion Futures has provided much-needed funding to hundreds of local organisations that have delivered almost 1,200 projects across the country.

Free digital training programmes, help in managing money, cookery and art classes, personalised job-hunting packages, and parkour and skateboarding lessons are just some of the projects that have been supported.

Phil Miles, Director of Clarion Futures, said:

"We know that we can make a bigger difference for our residents and communities by working with like-minded partners, and that's where our grants programme comes in."

He added:

"We're delighted to have reached this £5m milestone, which is testament to the commitment of our partners on the ground in Clarion communities nationwide. Over almost a decade, this funding has helped local residents and community groups, both big and small, to make positive changes to the places they call home - something of which I'm immensely proud."

Our grants programme adapts to the changing circumstances of our residents and communities, and when the Covid-19 pandemic struck in 2020 we set up a special fund that awarded more than £725,000 to projects that provided vital support to people during this time.

We have also distributed almost £1.5m to projects helping people through the cost of living crisis, and in 2023 launched a new programme to support grassroots organisations to grow and flourish - creating greater impact for the communities they work in as a result. We are working with Places for People and the Fusion21 Foundation to provide groups with one-to-one business support as well as core funding, and supported more than 40 grassroots organisations with free business advice during the year.

New grant programmes were launched in 2024/25 to support local environmental projects and fund free activities for children and young people during school holidays. Another new programme was a £125,000 fund for community projects to mark our 125th anniversary celebrations in 2025. Residents will be included on the judging panel and help choose the projects to receive funding.



Children playing at Clarion's Roman Road Adventure Playground in Tower Hamlets

WELLBEING AND PLACEMAKING

Long-term target: Create healthy places that improve resident wellbeing.

Our homes are designed to stand the test of time and are part of sustainable communities that complement the local landscape. This is by design, not by accident. For our developments are the result of careful planning with the quality of life of their residents at the heart of our approach to making places where people want to live. We are focused on understanding what residents value in their homes and neighbourhoods and delivering for them accordingly.

Living in well-designed, affordable homes that are energy efficient, in places with clean air and easy access to nature, boosts wellbeing, and our work to create high quality homes and communities is informed by the government's guidance on well-designed places.

We also invest in local projects that promote inclusion, physical and mental health, social connection, and community cohesion.

Progress in 2024/25

Placing a premium on wellbeing

Promoting the wellbeing of our residents is front and centre in our work, which extends far beyond providing homes for people to live in. It encompasses support and services to help residents with everything from developing careers to managing their money and learning new hobbies and interests.

Much of the work we do to enhance the quality of life of those who live in our homes is done by our charitable foundation Clarion Futures, and informed by the research we conduct into the needs of our residents, to ensure we are delivering for them and making a positive difference to their lives.

Every year, we run a detailed survey of 2,000 of our residents to gauge how they are doing and understand the challenges they face. Called The Index, this research provides an insight into the lives of our residents and the 2024/25 survey highlighted the financial hardship experienced by many of them.

Some 58% of residents struggle to make ends meet - either only having enough money for the basics or running out of money before the end of the week or month. This is up on the 53% who were in this situation in 2023/24.

Almost one in five (18%) have gone hungry and more than four out of 10 (43%) have had difficulty paying their gas or electricity bills in 2024/25.

We continued to go to the aid of residents struggling to make ends meet during the year, working with thousands of households to help them manage their money, as well as giving more than 3,000 grants or vouchers for food and energy to help households in severe hardship. We also stepped in to support hundreds of residents struggling to pay their rent, with things such as helping to apply for hardship grants and benefits they may be entitled to, and providing support with wellbeing.



While the financial pressures are clear, the majority of residents feel in control of their lives. In addition, more than eight out of 10 are satisfied with their neighbourhoods, seeing them as places where they belong and where people get along.

There has also been a reversal of a trend of rising loneliness among residents in recent years, with the proportion who never feel lonely rising to 39% - up from 31% the previous year. This rise comes in the wake of various projects we have put in place to tackle isolation. Examples include 'Me in Mind' where we give our residents access to the 24/7 digital mental health support service used by the NHS, and 'Lend an Ear', our befriending service that matches residents with volunteers who make regular phone or video calls to chat.

The number of residents who often or always feel lonely fell to 15% from 16% the previous year. However, this is still an area of concern, being more than double the national average of 7% of people who feel this way.

The latest survey also reveals a continuing rise in the percentage of unemployed residents who are not working due to a disability or long-term illness, which has increased from 10% in 2020/21 to 18% in 2024/25.

Long-term planning underpins our work, and we have been looking at the likely composition of our future residents and the issues they will face 10 years from now. This research, published during the year, suggests that our future residents will need greater support as they will be in poorer health, less well off, older, and lonelier than today's residents. Looking ahead in this way means we can adapt our services to meet the future needs of our residents.

As a forward-looking organisation, we plan for all eventualities. That is why, during the year, we assembled a panel of experts from the housing sector and fields such as finance, health, technology, and architecture to explore the future challenges facing us and our residents. The panel was formed as part of our 125th anniversary celebrations and is looking at how we can best prepare today to face the challenges of tomorrow.

Placemaking

Creating communities where people want to live is at the forefront of our approach to placemaking. Every neighbourhood is different, and each new development we deliver is designed to meet the particular needs of local people.

The importance of sustainability is highlighted by developments deliberately designed to ensure that people can walk rather than drive to get around. Across the schemes we completed during the year, 87% of homes are within a kilometre of essential amenities such as parks, schools, GP surgeries and shops - all of which are accessible via safe pedestrian routes. The location of our completed schemes enabled 90% of homes to be within 400 metres of public transport links, with 100% within an 800-metre radius - a 10-minute walk.

The importance of placemaking is also reflected in our flagship schemes, such as the Cocoa Works in York, where we have converted a former factory into a 279-apartment complex set in landscaped grounds. Another example is our Dyecoats development on Kirkstall Road in Leeds, which will deliver more than 1,400 homes alongside a riverside park and 250 new trees. In Merton, we are replacing an entire estate with new, modern homes, community facilities and green infrastructure shaped around the needs of existing residents.

Building safety and quality

We invest tens of millions of pounds every year to ensure that our homes are safe and secure, with the safety of our residents of paramount importance. Our building safety managers lead a rolling safety programme across all our properties.

In 2024/25 we invested £41.5 million in building safety works across our homes, making safety improvements such as replacing cladding, installing new fire doors and upgrading fire alarm systems.

A proactive approach to risk saw us carry out more than 2,800 fire risk assessments during the year. These led to almost 34,000 measures taken to improve safety, such as fire stopping work, installing emergency lighting and replacing fire doors.

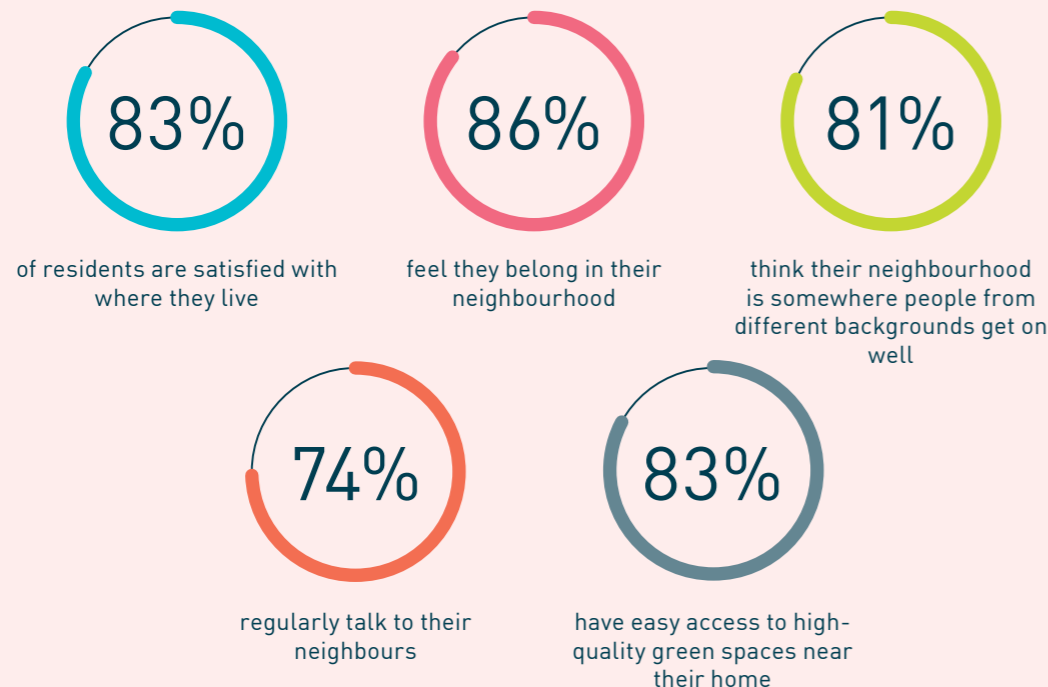
We also continued assessments of the external wall systems of our homes and assessed 2,456 buildings during the year - the vast majority of which did not need any work done. Just 39 buildings needed to have work done on them. To date, we have assessed more than 3,000 buildings and completed remediation works on 96 of them. We are working our way through the remaining 127 buildings that require work to be done.

Making sure we engage with our residents is a central part of our approach to safety, and during the year we provided fire safety information to more than 42,000 households.

During the year the Building Safety Regulator awarded us Building Assessment Certificates for several of our high-rise residential buildings. This was the first time the certificates, which indicate compliance with the Building Safety Act 2022, had been issued to a social housing provider.

Dame Judith Hackitt, one of the UK's top building safety experts, praised our approach to safety during her Sir James Wates Lecture for the Chartered Institute of Building in November 2024. She described Clarion as an "exemplar" organisation showing "leadership" on building safety with "true commitment from the very top."

Key insights from The Index





As well as maintaining high standards of safety, we are also working to deliver more efficient and sustainable outcomes. An example of this was the work we did with PRP Architects during the year to look at a new approach that integrates fire safety remediation with retrofit works and planned repairs. This combined approach aims to reduce costs, minimise disruption to our residents, and deliver environmental benefits.

It is to be piloted at a site in the London Borough of Merton, where we estimate that the new approach could result in savings of more than £1 million, and shorten the construction programme by 20 weeks.

Figure 6: Building Safety and Quality performance

Measure	2022/23	2023/24	2024/25
Gas safety % of homes with a gas appliance have an in-date, accredited gas safety check	99.4%	99.8%	99.9%
Fire risk assessment % of buildings have an in-date and compliant Fire Risk Assessment	96.2%	99.1%	98%
National housing quality standard % of homes meet the national housing quality standard	99.6%	99.0%	99.4%

Priorities for 2025/26

- We will develop an approach to placemaking that incorporates health and wellbeing and nature recovery.
- We will continue to focus on the safety and security of our residents, and develop healthy and sustainable communities.
- In addition, we will continue to work with local communities to enhance our existing neighbourhoods.

Back from the brink

In its heyday, the Rowntree’s factory in York manufactured brands such as KitKat, Aero, Smarties and Milkybar. But by 2006 the factory shut its doors for the last time, and in the years that followed, the iconic building lay empty and neglected.

We spotted its potential and in 2017 were granted planning permission to convert the industrial landmark into the Cocoa Works residential development of 279 apartments, around a third of which are affordable homes.

Construction work began in late 2021 and the scheme was completed in 2024. The £80m development includes a newly built William Sutton pavilion set among landscaped green spaces, as well as the Grade II listed Joseph Rowntree Memorial Library, which has been renovated and converted into a community space.

The Cocoa Works won the Best Large Development category at the Residential Real Estate Awards 2024.





Sherwood Close resident, Jerry, cuts the ribbon to officially open the Colin Bryant Centre with Leader of Ealing Council, Cllr Peter Mason, to his right and Deirdre Costigan MP and Cllr Blerina Hashani, Cabinet Member for Thriving Communities, and Matt Parsonage, Head of Communities at Clarion Futures, to his left.

Community-centric placemaking

As well as building brand new developments, we regenerate entire neighbourhoods where ageing estates need to be replaced with new housing. The Sherwood Close regeneration project in Ealing, London, is one example.

We have been working with the London Borough of Ealing over the past decade to replace the Sherwood Close estate, which was built in the 1970s, with high-quality, modern, and sustainable housing.

In October 2024, a new community centre was opened in the heart of the new development, in honour of one of our former residents at Sherwood Close. The Colin Bryant Centre is named after the late Colin Bryant, who helped develop the vision for the redevelopment of the estate. It is run by Nucleus Community Action in partnership with Clarion Futures, and is a one-stop shop for advice and support for local people.

Cllr Peter Mason, Leader of Ealing Council, said:

“The opening of the Colin Bryant Centre marks an incredibly important milestone in the partnership between Ealing Council and Clarion Housing Group at Sherwood Close. We have been working for well over a decade to fulfil our ambition to renew Sherwood Close and build genuinely affordable homes. Once complete, our partnership will have created 214 affordable homes, and a new facility that will be the heart of the community, where neighbours can come together and residents can find friendship, a sense of belonging and support to develop new skills and secure employment.”

Deirdre Costigan, MP for Ealing Southall, commented:

“This amazing redevelopment has repurposed this 1970s development into a modern green neighbourhood that promotes cooperation and community. The centre here will be the heart of the community and provide services and guidance to those living here.”

Clarion colleague experiencing the benefits of spending time with animals



Farm therapy

We support organisations making a difference in communities all over the country. Wisbech Community Farm, in Cambridgeshire, is one of them. It has been supported by Clarion Futures since 2018, and we provided funding to help open a new community hub in March 2025 to expand the farm’s work with local people. We also secured donations from Travis Perkins Managed Services and Equans and in-kind support including donating building materials and volunteering time.

Run by People and Animals UK, the farm helps people to develop skills and improve their wellbeing and has more than 600 visitors each month. Bushcraft skills, animal-assisted learning, and gardening sessions are among the activities it offers.

Katie Bristow, Director of Operations at People and Animals UK, said:

“The opening of this new community hub will make such a difference, future proofing our services for generations to come. We’ll be able to reach more local people and provide support to overcome isolation, create pathways into employment and empower residents to achieve independence, reducing pressures on statutory services.”

During the year, we also gave People and Animals a grant through our fund to support organisations delivering free activities for children and young people aged 11-18 through the summer holidays. This was used to run a ‘Farm Friendships’ project which involved using animals like dogs and horses to help people with various health conditions, including mental health issues like anxiety and depression, as well as children and young people with autism.



CLIMATE RESILIENCE

Long-term target: All communities resilient to future physical climate risks.

We take a positive yet pragmatic approach to facing the threats of climate change, which is rooted in ensuring that we prepare ourselves, our residents, and our homes to face the impacts of a changing climate.

Climate resilience is all about preparing our defences now, ahead of time. That's why we are going beyond simply providing safe, affordable housing and aim to develop homes and communities that will withstand more extreme weather and rising temperatures.

We are working to create homes that are fit for purpose today and for generations to come, designing new developments to be net zero carbon ready, with renewable energy sources such as solar power and air source heat pumps.

Alongside this, a major retrofit programme is underway to ensure our existing homes are easier to keep warm in the winter and cool in the summer.

Progress in 2024/25

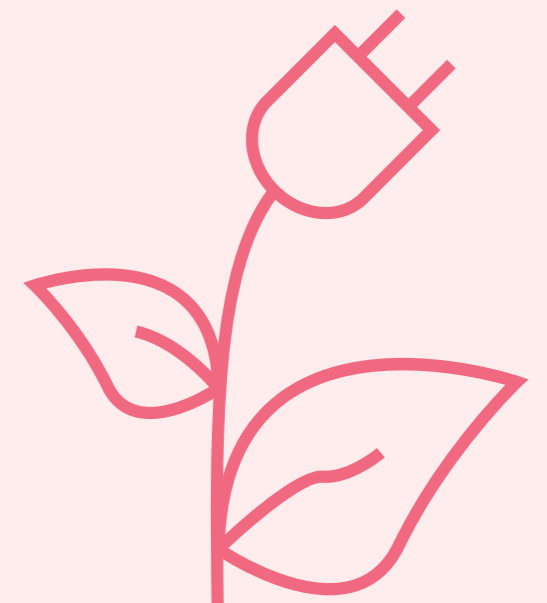
Preparing for the future impacts of climate change

As a long-term business, ensuring we understand and actively manage our exposure to future climate-related risks and opportunities is critical to our success.

Our commitment to align with the core recommendations of the Taskforce for Climate-related Financial Disclosures (TCFD), now subsumed by the International Financial Reporting Standards (IFRS) S2, helps guide our efforts.

This journey began in 2023 with an assessment of our material physical and transition risks to establish three climate scenarios (see Figure 7). These scenarios were used to identify Clarion's climate-related risks and opportunities through a series of workshops with senior leaders.

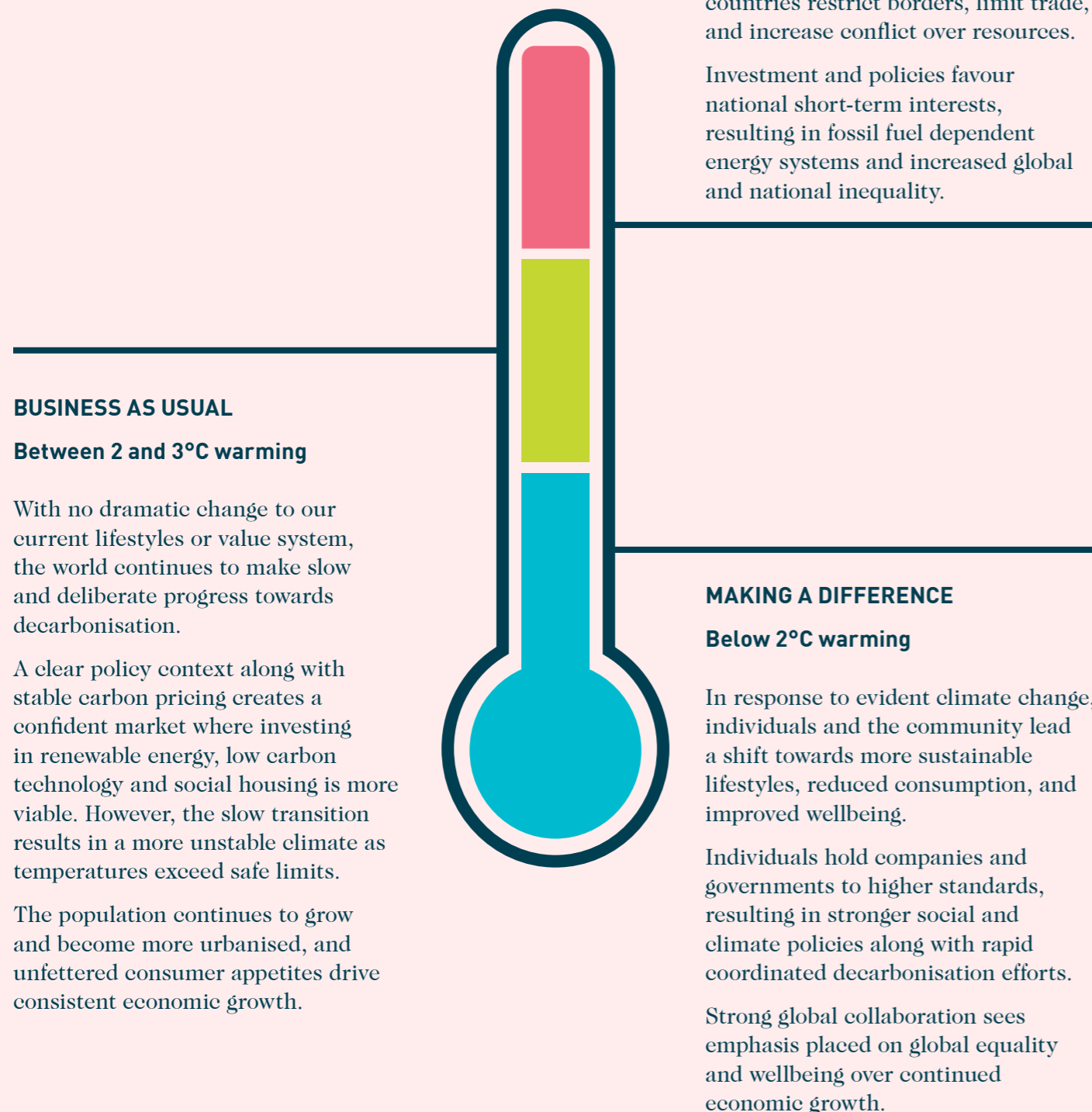
Looking at different climate scenarios has helped us to identify 10 Climate-Related Exposures (CREs) where we are most exposed to climate change impacts and look at the risks and opportunities they present over the short, medium and long-term (Figure 8). This provides us with a framework that we can use to assess and improve our climate resilience.



'Zero bills' homes in Hollymead



Figure 7: Clarion Housing Group climate scenarios



The development of our CREs has included an analysis of when we can start to feel some of their initial impacts and whether that is in the short, medium or long term. We understand that we will have to take actions to ready ourselves as an organisation, and that we will have to prioritise the work we do as part of our wider business and financial planning.

Figure 8: Clarion Climate-Related Exposures (CREs)

CLARION'S CLIMATE-RELATED EXPOSURES	PRINCIPAL ANNUAL REPORT & ACCOUNTS RISK	FUNDAMENTALLY ABOUT OUR ABILITY TO...	INITIAL IMPACT ANTICIPATED
1 Growing climate regulation and volume of risks to be managed		Identify and manage new risks that come from climate-related issues, incl. policy changes and compliance	Medium-term (5 yrs)
2 Increased physical climate change risks		Deal with increased challenges associated with a changing climate such as flooding, heatwave, and sea level rise across our geographically diverse portfolio spanning over 150 local authorities	Short-term (1-2 yrs)
3 Diversifying model and developing innovative funding solutions	✓	Evolve our business model and develop innovative funding solutions to enable us to improve climate-related business resilience	Short-term (1-2 yrs)
4 Increased operating costs		Navigate the impact of growing climate-related risks and customer needs	Short-term (1-2 yrs)
5 Increased expectations for market leadership in sustainability	✓	Enhance our reputation and brand through market leadership in sustainability practices	Short-term (1-2 yrs)
6 Supply chain constraints	✓	Address supply chain challenges including decarbonisation, adaptation, and resource availability	Medium-term (5 yrs)
7 Need for new services that improve community resilience		Help address growing social inequalities and increase community resilience in a changing climate	Short-term (1-2 yrs)
8 Technological and operational innovation needed		Nurture new ideas and trial the implementation of emerging solutions that will help unlock the technological and operational shifts required to respond to the changing climate	Short-term (1-2 yrs)
9 Evolving green skills required	✓	Train and upskill staff and adapt workforce strategies to meet new environmental and operational challenges	Short-term (1-2 yrs)
10 Business model adaptability & agility		Be agile and adaptable in the face of emerging challenges, flexible in decision making and willing to explore diversification of product and service offer (within regulatory requirements) to reduce dependency risks	Medium-term (5 yrs)



In 2024, Business Impact Workshops were held with our directors and their teams to further progress our climate resilience work. The purpose of these workshops was to:

- Assess the impact of the CREs on the business over time under different scenarios;
- Consider future adaptation and mitigation measures; and
- Determine the level of business response required to protect and enhance long-term resilience.

As a result, response plans have been developed for a number of CREs and will be incorporated into our organisational strategies, plans and risk and opportunity registers. Example actions include:

- **Increased physical climate risk**
 - Establish a climate risk assessment tool for new developments
 - Develop a climate adaptation plan for the portfolio, prioritising high risk assets
- **Increased operating costs**
 - Explore new sources of funding to help manage increased costs
- **New services needed to improve community resilience**
 - Assess community resilience requirements and map against existing service provision
- **Technological and operational innovation needed**
 - Embed remote monitoring and smart technology in homes
 - Continue to develop our Green Skills Employment Pathway for the organisation and residents

Risk management

Alongside our continued efforts to enhance our understanding of the potential impact of the changing climate on our business, we have also been improving our incorporation of this thinking into our risk management approach.

During 2024/25, we incorporated bottom-up ESG and climate-related risk management into our corporate risk framework for the first time; adopting an approach and methodology aligned with that used to establish our principal risk register.

The first step in the process was to hold a risk management workshop with the sustainability team to identify and assess priority risks across its ESG Strategy and Climate-Related Exposures (CREs). This included an initial exercise to map the Climate-Related Exposures against our principal risks, surfacing any significant risks that should be captured with the sustainability risk register, e.g. supply chain constraints. This progress was reported to the Audit and Risk Committee in early 2025.

Once approved, the sustainability risk register will be embedded within our risk management processes and reviewed annually to track progress and ensure any new and emerging risks are captured.

By mapping our climate-related risks to our principal risks, this ensures that these considerations are not only reflected in our 'bottom-up' sustainability risk register but also flow through to our 'top-down' principal risk registers.

All these efforts contribute to the continued enhancement of our approach and alignment with the core principles of TCFD and IFRS S2 (see Figure 9).

Figure 9: Progress in aligning our approach to TCFD / IFRS S2 requirements

● In progress ● Complete / Planned Completion

Climate resilience disclosure requirement summary			FY24	FY25	FY26	Progress update
GOVERNANCE	Disclose the organisation's governance around climate-related risks and opportunities	1.1 Describe the board's oversight of climate-related risks and opportunities	●	●	●	See Risk Management section above and Climate Transition Plan governance section
		1.2 Describe the management's role in assessing and managing climate-related risks and opportunities	●	●	●	See Risk Management section above and Climate Transition Plan governance section
STRATEGY	Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	2.1 Describe the climate-related exposures the organisation has identified for over the short, medium, and long term	●	●		See Climate-Related Exposures section above
		2.2 Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	●	●		See Business Impact Workshops section above
		2.3 Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios	●	●		See Climate Transition Plan and Business Impact Workshop outcomes above
		2.4 Describe how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation	●	●		See Climate Transition Plan and Business Impact Workshops section above
RISK MANAGEMENT	Disclose how the organisation identifies, assesses, and manages climate-related risks	3.1 Describe the organisation's processes for identifying and assessing climate-related risks and opportunities	●	●		See all content in this section of the report
		3.2 Describe the process for managing climate-related risks and opportunities	●	●		See Business Impact Workshops section above
		3.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management risk management	●	●		See Risk Management section above
METRICS & TARGETS	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	4.1 Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	●	●		See Climate Transition Plan and Business Impact Workshops section above
		4.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks		●		See Climate Transition Plan
		4.3 Disclose the targets used by the organisation to manage climate-related risks and opportunities	●	●		See Climate Transition Plan and Business Impact Workshops section above

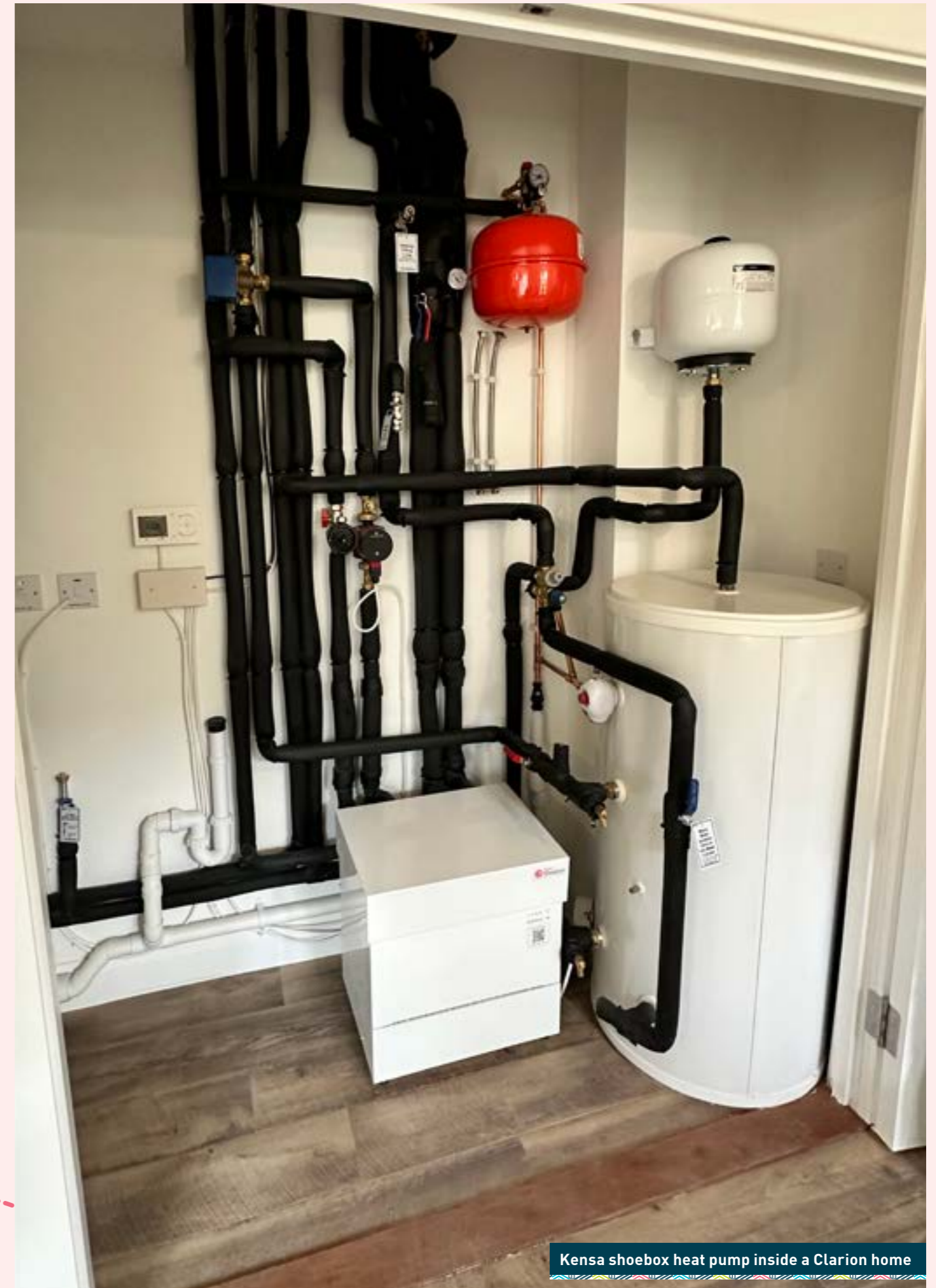


Priorities for 2025/26

- We will continue to disclose details of our work in line with the recommendations of the TCFD and IFRS S2 climate-related disclosure regimes.
- Action plans to address our most pressing Climate-Related Exposures will be integrated into our wider business plans and strategies and our risk and opportunity registers.
- In addition, we will formalise the governance structure and accountability for our ESG Risk Register.
- Another area of focus in the coming year will be a physical climate risk analysis of our existing homes, and developing tools to assess climate risk on new developments.



More than
£22m
spent on improving the
energy efficiency of our
homes in 2024/25



Kensa shoebox heat pump inside a Clarion home



RETHINKING BUSINESS

We are driven by a social purpose, where seeking to do the right thing is business as usual. This means the right thing for our residents and customers, our organisation and people, our investors and partners, and the right thing for our planet.

Strategic planning and financial prudence, along with transparent and collaborative relationships with our residents and partners, underpins our work to provide homes for those who need them most.

We seek to make a positive difference in everything that we do, and strive to reach ever higher standards.

Our Governance focus areas and strategic, long-term targets:



Disclosure and Sustainable Finance - benchmark ourselves as national leaders for performance and disclosure



Equity, Diversity and Inclusion - reflect the diversity of the communities we serve



Ethics and Procurement - maintain a supply chain resilient to modern slavery and ethical risks

Clarion colleagues working together in Clarion's head office



DISCLOSURE AND SUSTAINABLE FINANCE

Long-term target: Benchmark ourselves as national leaders for performance and disclosure.

Our status as the UK's largest housing association provides us with a platform to promote transparency to the sector, and we lead by example by openly reporting on our ESG performance.

We were the UK's first housing provider to establish a Sustainable Housing Finance Framework in 2019, and helped develop the Sustainability Reporting Standard for Social Housing, which assesses performance against key ESG criteria. We also contributed to the latest version of this standard, which is recognised by major banks and investors such as Aviva, Lloyds, NatWest, Barclays, Legal & General, HSBC, Santander, and Scottish Widows.

Our commitment to financial prudence and stability, combined with a proven track record of generating social value while delivering for residents and communities, has established us as a trusted partner to both government and business.

Progress in 2024/25

Benchmarks and awards

The NextGeneration sustainability benchmark rated our development arm, Latimer, as the UK's most sustainable not-for-profit housebuilder for the third year running in 2024/25.

The ranking is based on social, economic and environmental performance. During the year Latimer moved up to second place out of the country's top 25 housebuilders.

We also achieved a Gold Award from NextGeneration for driving sustainability in affordable housebuilding, for the second year running. Latimer was praised for its progress in a number of criteria. It was ranked the best housebuilder for environmental site management, design standards, energy and carbon, circular economy, health and safety, community and customer engagement and socio-economic development.

Our pioneering work as part of the government's Social Housing Decarbonisation Fund to retrofit homes to make them easier to keep warm in the winter and cooler in the summer was also celebrated during the year.

We won the Retrofit Project of the Year - Residential award at Property Week's inaugural ESG Edge Awards in November 2024. This was in recognition of our work in partnership with Tonbridge and Malling Borough Council, Fenland District Council, and others, to improve the energy efficiency of more than 100 homes.



The judges commented:

“It’s a truly impressive scheme that tackled a new way of working and provided better homes for people who need them - delivering really significant resident benefits as well as environmental improvements.”

We also won the Regional Large-Scale Project of the Year at the 2025 Greater London Energy Efficiency Awards, for our work with the Kensa Group to retrofit the Sutton Dwellings in Chelsea, one of the country’s oldest social housing estates. The project, completed during the year, saw major energy efficiency upgrades to 81 homes and a networked ground source heat pump system installed to provide heating for the estate.

David Hunter, Director of Housing at Clarion Housing Group, said:

“Retrofitting historic estates like Sutton Dwellings with cutting-edge, energy-efficient solutions proves that every type of home can be decarbonised. This award is a testament to the power of collaboration and innovation in making social housing more sustainable while helping residents lower their energy costs.”

Sustainable finance

We continued to build on our reputation as a leader in sustainable finance for the sector during the year, issuing the first bond under our new Sustainable Housing Finance Framework.

The new framework was published in 2024 and aligns with the International Capital Markets Association’s principles on green, social and sustainable bonds, and the Loan Markets Association’s green and social loan principles.

Funds raised under the new framework are used for independently verified sustainable projects across a number of social and green categories.

The £250m sustainable bond issue completed in May 2024 brought our total sustainable finance raised to £1.7bn - more than any other registered housing provider. Our ESG credentials and track record in developing sustainable housing and delivering social value makes us a partner of choice for investors seeking more than merely a financial return.

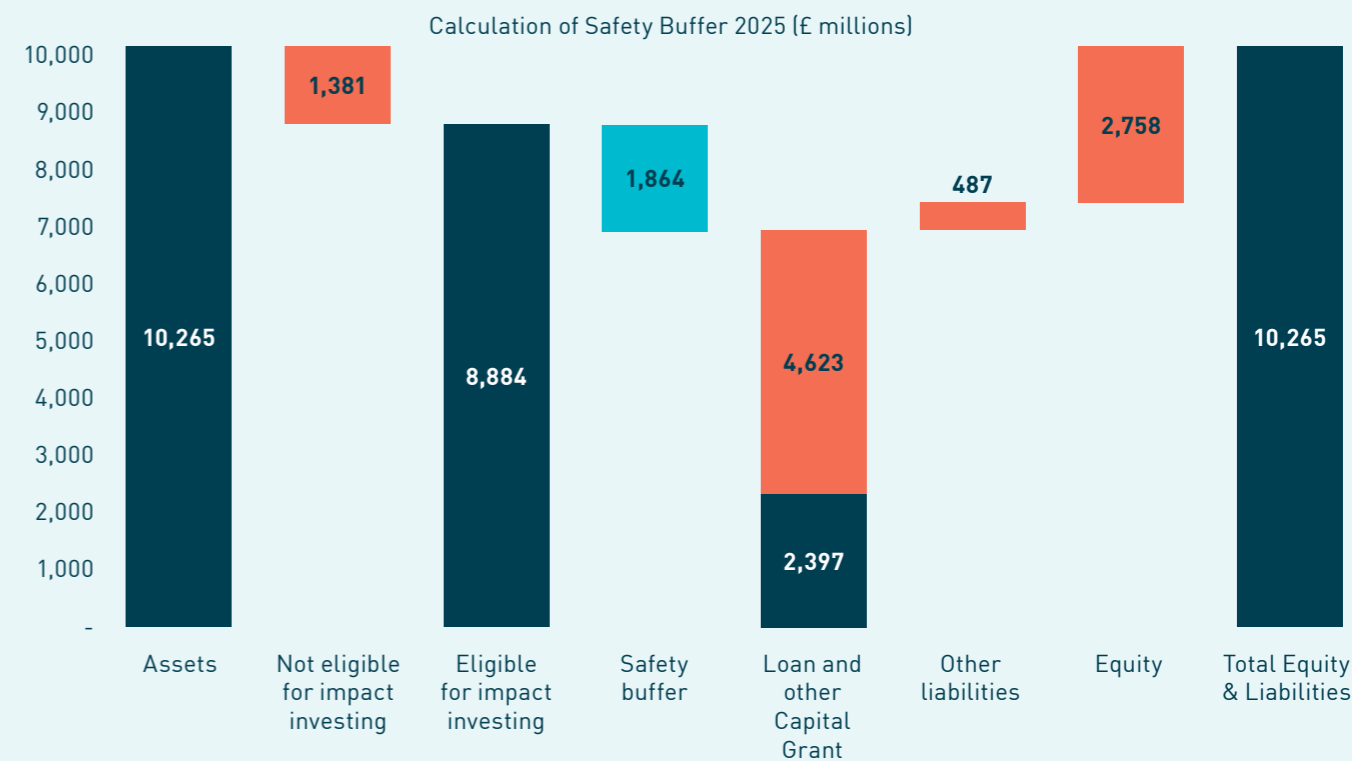
During the year we also agreed KPIs with ABN AMRO Bank, formalising our £150m revolving credit facility with the bank as a sustainable facility. The KPIs agreed support the Group’s sustainability strategy by covering areas such as energy efficiency, biodiversity net gain and social impact value.

While we are no longer raising funds under our 2019 Sustainable Housing Finance Framework, we continue to report on the ‘sustainable safety buffer’ that ensures there are enough sustainable assets eligible for funding under that framework. Some £950m of bonds were issued under the old framework between 2019 and 2024, and the safety buffer stood at £1.9bn as of 31 March 2025 (Figure 10).

We are highly rated by leading credit agencies who consider our ESG performance and exposure as part of their rating assessment.

Standard & Poor’s maintained our A- rating, with a stable outlook, in November 2024 and cited our

Figure 10: Sustainable Safety Buffer



“strong market fundamentals and robust liquidity position.” It commented that it expects us to “contain cost growth while delivering its large planned investments on existing properties” and we will “maintain flexibility” to limit anticipated increases in our debt position.

Moody’s rated us as A3 and maintained its outlook as “stable” in January 2025. It recognised our “tempered risk appetite” supported by a “robust debt strategy, characterised by a diversified debt portfolio, strong access to capital markets, and minimal refinancing risk.”

In November 2024 Fitch Ratings affirmed our A+ rating, and while it revised the outlook from stable to negative, it stated we had maintained “adequate performance despite sector challenges.” Clarion is one of only three registered providers in the country with an A+ rating with Fitch.

The Regulator of Social Housing confirmed our V2 financial viability rating in January 2025. This indicates that we meet the regulator’s viability requirements and are deemed to have the financial capacity to deal with a reasonable range of adverse scenarios.

Risk management and governance

The strength and quality of the way we are run is reflected in the highest possible grade for governance that we have from the Regulator of Social Housing, which was reaffirmed in January 2025. Our G1 grade means that the regulator takes the view that our “governance arrangements are working effectively in practice to identify and manage financial and non-financial risks including those that impact most on tenants and the organisation.” It also means that we can demonstrate that we are delivering against our purpose and strategic objectives.

We strive to demonstrate best practice in the sector and during the year we complied with the National Housing Federation’s Code of Governance 2020 (with the exception of Principle 3.1(4)). This states that the roles of chair of the board and standing committees are not held by an executive.

Our Group Investment Committee is chaired by Mark Hattersley, the Chief Financial Officer. The Board believes that currently his detailed knowledge and experience of the business makes him best-placed to chair the Committee, which has four non-executive members who provide appropriate independent scrutiny.



Our Board's Audit and Risk Committee scrutinises our assurance frameworks, systems and risk management process. Responsibility for managing risk is embedded across the Group, with key parts of the organisation responsible for their respective risk registers.

Our principal risk register, which highlights the Group's most critical risks, includes entries relating to sustainability, ESG, and climate change. Our Board and Group Executive Team regularly review the principal risk register to ensure that appropriate measures are in place to manage and reduce residual risk. Our ESG risk is also reviewed with the Director of Sustainability on an ongoing basis to support continued risk oversight and management across the organisation.

Any conflicts of interests are declared by Board members, who may be required to recuse themselves from any relevant discussions or decisions.

We continued to develop our resilience capabilities during the year, with a focus on implementing recommendations from independent reviews of our work, and learnings from crisis simulation exercises.

Priorities for 2025/26

- In the coming year we will explore innovative finance models and solutions that accelerate our delivery of retrofit without impacting our financial strength.
- We will also continue to collaborate and explore sustainable finance ideas and innovations with our banks and financial partners.
- Another priority will be to produce the first allocation and impact report under our 2024 Sustainable Housing Finance Framework, to demonstrate how the £250m raised by our 2024 sustainable bond issue is being used for sustainable projects.



Clarion colleagues at a Recovering Nature event in Brighton



Residents attending Customer Committee Board Away Day

EQUITY, DIVERSITY AND INCLUSION

Long-term target: Reflect the diversity of the communities we serve.

Equity, diversity and inclusion (ED&I) is part of our DNA. Supporting people to be their best selves, offering meaningful and sustainable careers, and shrinking our gender and ethnicity pay gaps, are just some of the things which are making us an employer of choice. We are a diverse and inclusive organisation that reflects the communities we serve and works with our residents to shape the services we provide to them.

Progress in 2024/25

Resident-led change

Having an open and honest dialogue with our residents is a core part of our approach, and during the year we held a series of public meetings and focus groups and ran targeted surveys to gather residents' views about our retrofit work and climate change.

Our residents sit on committees that scrutinise our work in each of the regions we operate in, and their feedback helps to improve our performance. An example of this was a review of how we have been communicating our sustainability strategy to residents, which was conducted by one of our committees covering London in late 2023. The review made a series of recommendations that we worked to deliver in 2024/25. These included teaming up with residents to create the green spaces they want and need, and getting residents more involved in our climate transition planning. We ran a focus group and a survey to find out more about the priorities and concerns that our residents have when it comes to transitioning to net zero carbon by 2050. This revealed that the vast majority of residents who responded (92%) think we should lead by example in sustainability, while two thirds (64%) understand the term 'retrofit' and what it may mean for their home, and six in 10 (60%) would consider having air source heat pumps.

One of the ways in which we give young people a voice on their future is through our 2050 Youth Advisory Group, which is chaired by a representative from Clarion Futures. This is a panel of 12 residents and Clarion colleagues aged between 16 and 25 years-old. It brings the perspectives of young people to our long-term strategies for our homes and developments and helps to ensure that our communications and engagement work is effective among this age group.



Problem solving

Any complaint is one complaint too many, and we are committed to preventing problems from reaching that stage where we can. We aim to resolve any complaints we get as quickly as possible and during the year reduced the average time to resolve complaints - taking 18.9 days compared to 24.5 days the previous year. We also address any issues raised by the Housing Ombudsman so that lessons are not only learned, but acted upon. On those occasions when things may not go according to plan, we take responsibility and hold ourselves fully accountable. The vast majority of the 360,000 people we provide homes for are happy with the services we provide - with more than eight out of 10 residents satisfied with the work we do for them.

During the year we also worked with residents to get their input on ways to improve our complaints handling processes, as well as analysing data on complaints and the actions taken once they have been dealt with. Our research highlighted an increasing number of complaints being escalated, which appears to be linked to a rise in complaints being unresolved or prematurely closed during periods of peak activity. On a more positive note, we saw a reduction in the number of complaints being escalated because follow-up actions had not been carried out. This indicates progress in our efforts to ensure such actions are followed up consistently.

We are also focusing on those areas where we receive the most complaints. During the year our repairs arm, Clarion Response, which comes into contact with residents more often than any other part of our organisation, set a target of reducing complaints by 25% by the end of 2025/26.

Another way in which we are dealing with this

issue is to improve our understanding of residents' experiences. We have been conducting surveys with residents who have made complaints, to get an insight into the most common areas of dissatisfaction and help us to adapt our approach accordingly.

We are using the Tenant Satisfaction Measures (TSMs), see SRS Data Book criteria C20 on page 101, as a strategic tool to drive service improvement, embedding the results within our Consumer Regulation Improvement Plan and aligning them with internal KPIs. Introduced by the Regulator of Social Housing, TSMs provide a standardised way to assess how well social housing landlords meet residents' needs. They focus on key areas such as repairs, building safety, complaint handling, resident engagement and neighbourhood management. This helps residents hold landlords accountable and supports improvement across the housing sector. Unlike our Customer Satisfaction surveys, which are largely transactional and tied to specific interactions, the TSMs measure overall perceptions of satisfaction across a broad range of resident experiences with Clarion. As the surveys continue and the dataset matures, we will enhance our ability to report by both locality and demographic group. Monitoring long-term trends will allow us to assess the sustainability of any improvements. Our Boards and Customer Committee will continue to receive regular updates and play an active role in shaping operational priorities based on TSM insights.

Figure 11: Resident and repairs satisfaction

Measure	Target	Performance		
		2022/23	2023/24	2024/25
Resident Satisfaction	83.5%	81.9%	83%	84.7%
Repairs Satisfaction	85%	89.5%	89.9%	90.4%

Please note figures reported in last year's report were based on quarterly performance. This year's figures reflect full-year performance and are therefore not directly comparable.

Figure 12: Complaints

	2022/23	2023/24	2024/25
Total complaints	7,510	5,750	6,898
Average time for resolving	23.5 days	24.5 days	18.9 days
Complaints upheld by the Ombudsman	65 (0.9% of complaints)	219 (3.8% of complaints)	317 (4.6% of complaints)

Figure 13: Maladministration

	2022/23	2023/24	2024/25
Housing Ombudsman Maladministration Rate	53%	66%	60%

In the first year since the new statutory Housing Ombudsman Code was introduced (April 2024), Clarion has reduced its maladministration rate by 6%.

The national maladministration rate for landlords of similar size and type (2024/25) was 68%, and for all landlords 71%.



First
housing association in the UK to publish a Climate Transition Plan





Boards and Committees

We have a Group Board and three Subsidiary Boards that oversee Clarion Housing Association, our development arm Latimer, and charitable foundation Clarion Futures. Our Board Committees have oversight of specific areas such as audit and risk, remuneration, treasury, and investment.

During the year David Avery stepped down as our Group Chair and was replaced by Jock Lennox, a former partner at Ernst & Young who is Chairman of Johnson Service Group PLC and a Non-Executive Director and Chair of the Audit Committee for Barratt Developments PLC.

We also appointed Heike Munro, a chartered accountant and former investment banker, to our Group Board and she replaced Tom Smyth as the Chair of our Treasury Committee.

Residents are also represented within our governance structure, with our Customer Committee chaired by Richard Towes, who has been a Clarion resident for more than a decade. Six other residents sit on the Committee, which has been set up to review our performance on the services we provide and reports to our Housing Association Board. Richard Towes and three residents also sit on the Housing Association Board.

Almost half (47%) of our Board and Committee members are women, and around one in four (23%) are from Black, Asian and Minority Ethnic (B.A.M.E) backgrounds, which compares favourably to the one in five of our residents from B.A.M.E backgrounds.

Figure 14: Clarion Boards and Committees

Measure	
% of the Board that are Non-Executive Directors	83%
% of Board that are women	47% (all Boards and Committees)
% of Board that are Black, Asian and Minority Ethnic (B.A.M.E.)	23% (all Boards and Committees)
% of Board that have a disability	7% (all Boards and Committees)
% of Board that are LGBTQIA+	7% (all Boards and Committees)
Average age of Board members	55 years (all Boards and Committees)
Current executive members on Remuneration, Nominations and People Committee	None
Succession plan has been provided to the Board in the last 12 months	Yes
Average length of Board members' service	Four years

Figure 15: Clarion Group Executive Team

Measure	
% of Group Executive Team that are women	62%
% of Group Executive Team that are Black, Asian and Minority Ethnic (B.A.M.E)	12.5%
% of Group Executive Team that have a disability	25%

An inclusive culture promoting wellbeing

We celebrate difference and are a diverse workplace where people are free to be their best selves in an inclusive culture which values and promotes wellbeing.

We are accredited with the Inclusive Employers Standard and are signed up to the Disability Confident Employer scheme and the Mindful Employer Charter - which is a commitment to support the mental wellbeing of our people.

Our people are all trained in ED&I, with managers given training to prevent unconscious bias in our recruitment process.

The importance we place on equity, diversity and inclusion is reflected in the work we do to promote mental health, physical wellbeing and a sense of belonging among our 4,000 strong team.

This ranges from several staff support networks to flexible working policies, trained mental health first aiders, a free 24/7 counselling service, and resources and advice to promote physical, mental, financial and social wellbeing.

Figure 16: Gender pay gap (in line with government's gender pay gap reporting standards)

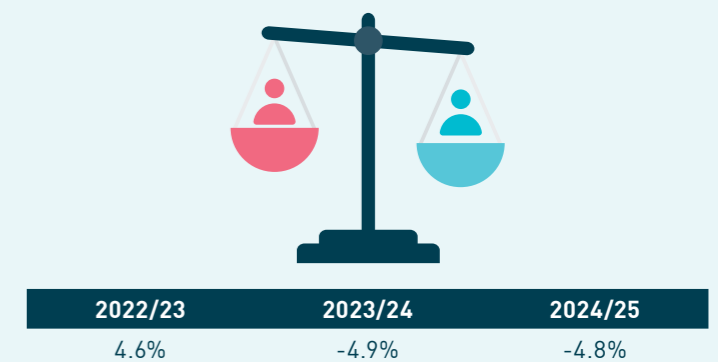


Figure 17: Ethnicity pay gap

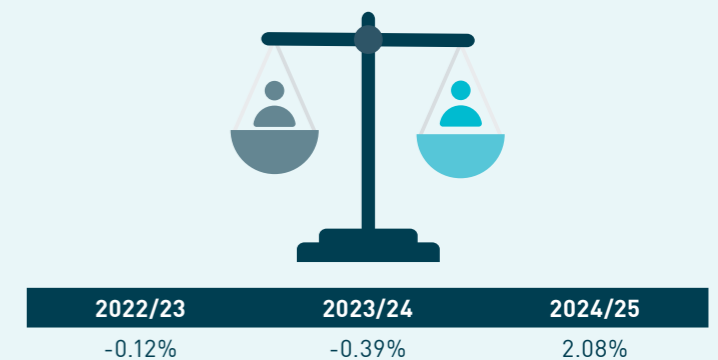
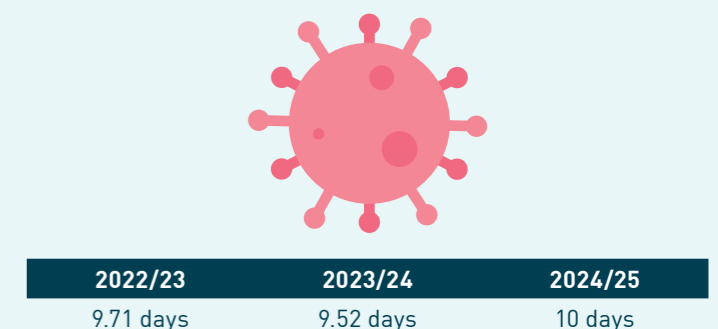


Figure 18: Sick days (average number of days lost to staff illness)





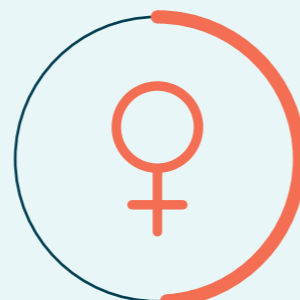
23.4% of our employees are from Black, Asian and Minority Ethnic (B.A.M.E) backgrounds



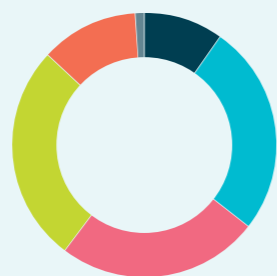
8% of our workforce have declared a disability



2.9% of those who disclosed their sexual orientation identified as LGBTQIA+



Women make up **48%** of our workforce, and **62%** of the Group Executive Team



The average age of our workforce, not including our Group Executive Team, is **45**

● 20-29: 10% ● 30-39: 25% ● 40-49: 24%
● 50-59: 27% ● 60-69: 13% ● 70+: 1%

Creating lasting careers

Our people are our prime asset in our mission to provide homes for those who need them most, and we invest in their development. A comprehensive training and development package helps our colleagues progress in their careers.

This ranges from apprenticeship programmes and graduate training schemes to personalised support in gaining new skills and qualifications. MBA courses, as well as management and professional apprenticeships run by Imperial College Business School and workplace training provider Corndel, are among the education and training that our people benefit from.

More than 90 of our colleagues were sent on apprenticeship programmes in 2024/25 - a year in which over 100 colleagues completed apprenticeships.

Some 370 new colleagues took part in our Clarion & You culture programme, which explains our values and ethos, during the year.

In addition, more than 540 of our managers completed our Managing for Success training programme, which included a new module on leading teams through change.

We also covered the costs of more than 20 colleagues studying for professional qualifications in fields such as finance and accountancy.

Open access

We are signed up to the Department for Work and Pensions' Disability Confident Scheme, as part of our wider commitment to equity, diversity and inclusion. This aims to ensure that disabled candidates are treated fairly and consistently throughout our recruitment process. It also means making a commitment to interview disabled candidates who meet the essential criteria for the role.

However, offering interviews to all candidates who apply through the scheme is not practical where there are jobs that attract huge numbers of applicants. To address this in a fair and transparent way, we have introduced a scoring system for the applications of candidates, with a minimum score that needs to be reached in order to be interviewed.

Disabled candidates who are within one point of the cut off score are invited for an interview.

The details of how we make decisions around the Disability Confident Scheme are on our careers website in a transparent approach to manage the expectations of disabled candidates. Our approach has been cited as best practice by the Business Disability Forum.

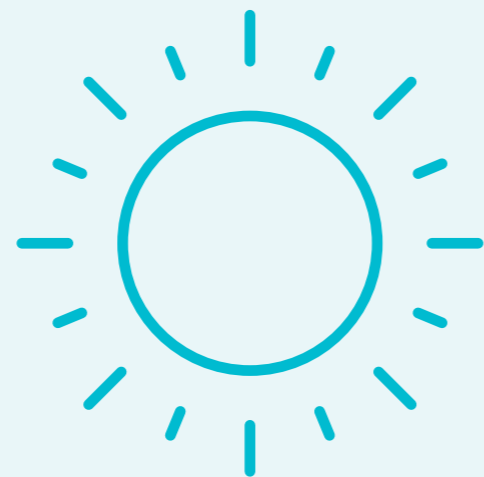


Priorities for 2025/26

- We will strengthen inclusive leadership and accountability by enhancing our mandatory ED&I training for senior colleagues and reporting our ED&I goals, progress, and challenges.
- Another area of focus will be on improving the diversity of our workforce and promoting greater equity. We will introduce targets to increase representation of under-represented groups, particularly in senior roles, while also addressing pay disparities.
- As part of our commitment to being a workplace with a safe and inclusive culture, we will refine our reporting mechanisms, maintain a zero-tolerance approach to discrimination and microaggressions, and embed support for mental health, neurodiversity and accessibility throughout our organisation.



Supported **1,505**
people into work, including placing
151 people into apprenticeships



Colin, Clarion Response operative

Unlocking potential through apprenticeships: Colin's story

At Clarion, our belief is that everyone should have the opportunity to thrive at work, regardless of their starting point. Colin's journey is a powerful example of how inclusive learning pathways can unlock both personal and professional growth.

Colin, now a Multi-Trade Operative, began his journey as a caretaker before undertaking a Level 2 Property Maintenance Operative Apprenticeship. Through this opportunity, he progressed into a new role within the organisation, building technical expertise, gaining confidence, and reaching important personal milestones.

When he started the apprenticeship, Colin disclosed that he is severely dyslexic and had not completed any formal English work since leaving school. Writing tasks presented a significant challenge, and he was also required to complete his Functional Skills in English qualification as

part of the programme. With strong determination and additional tailored support from Access Training, Colin worked hard to develop his abilities and successfully achieved both the apprenticeship and his English qualification.

Reflecting on the experience, Colin said:

"This course has been instrumental in supporting me to make my move to my new role with Clarion. I have learnt many new skills that I can use day-to-day to make a difference to the local community. I have also gained a recognised qualification in English, which will make everyday living a little easier. I want to say thank you to my manager for believing in my abilities and for giving me the chance to complete this course while continuing my everyday job."

Colin's story demonstrates the value of inclusive development programmes that provide the right support for individuals to succeed and fulfil their potential.



ETHICS AND PROCUREMENT

Long-term target: Maintain a supply chain resilient to modern slavery and ethical risks.

We are a business with a social purpose, taking an ethical approach in all areas of our work. Our supply chain, made up of thousands of companies, supports our values and our ethical positions on issues such as modern slavery.

A stringent set of policies, procedures and contractual obligations guide our work and that of our partners. Ethical considerations are part and parcel of our working relationships and central to our ethos of seeking to do the right thing in all that we do.

Our supply chain helps us to make a difference for people and places, with generating social value and making a positive environmental impact among our criteria used in awarding major contracts.

Progress in 2024/25

Leading the way

In preparation for the launch of the new Procurement Act in February 2025, Clarion was selected to be the Cabinet Office’s single point of contact for the housing sector, working with government to ensure the effective rollout of the new legislation.

Our work focused on the Cabinet Office’s learning and development package, designed to aid the sector’s preparation for the new legislation. John Wallace, our Director of Procurement, was tasked with identifying senior procurement practitioners in each organisation across the housing sector and encouraging their engagement with training sessions and resources.

In addition, we led the creation of regional “communities of practice” to share understanding and support implementation. This has resulted in the formation of the National Procurement Housing Association, a representative body of housing procurement colleagues. The association serves as the voice of procurement, offering community and collaborative opportunities, as well as the delivery of competency and career support for colleagues working in the profession.

Clarion colleagues working together at a Clarion office



Adding value

We take a twin-track approach to promoting social value across our supply chain. The first is through our procurement process itself, with 10% of the evaluation score for bidding companies being based on their social value commitments. These commitments are evaluated by a panel of our colleagues to ensure they align with our priorities and will make a real difference. The second part of our approach is the implementation of our Social Value Policy, which is supported by a toolkit that helps guide our work with our suppliers in delivering for our residents and their communities.

Our efforts to leverage the power of our supply chain generated £7.35m in social value in 2024/25 - an 11% rise on the previous year. This achievement was the result of the close working relationships between our suppliers, procurement teams and colleagues working for Clarion Futures, who were united in striving to secure social value from the work of our contractors and other supply chain partners.

During the year, we also signed new agreements with supply chain partners that will see them contribute at least £12.9m in social value over the lifetime of the contracts.

We strive to become ever more efficient in our work and during the year launched a new procurement system, Atamis, which replaced several systems with a single one stop shop for buying goods and services.

Supply chain governance

We insist that all prospective partners provide assurances across a range of areas, such as waste management, carbon emissions, modern slavery, and safeguarding.

Ensuring our supply chain reflects our values and commitment to sustainability is an ongoing process. During the year, we assessed the ESG performance of almost 200 of our largest suppliers - around a third of those supply chain partners with whom we spend more than £200,000 a year. This evaluation was done using the Achilles platform, a supply chain risk, procurement, and ESG management system, which helps us conduct due diligence of our supply chain partners. The platform, which draws on detailed data across areas such as health and safety, modern slavery, and ethical procurement, is also used to help evaluate companies bidding for work with us.

We also monitor the financial health of our suppliers using Dun & Bradstreet to mitigate the risk of supply chain partners going out of business.

Modern slavery

We have a zero-tolerance stance on modern slavery and work with our partners to raise awareness of this issue and the need to be alert to any signs of it. This includes working together to identify and deal with risks, alongside providing anonymous whistleblowing mechanisms for individuals to raise any concerns they may have.

This is part of mitigating against the risk of modern slavery being present in any part of our operations.

No incidents or breaches of the Modern Slavery Act 2015 were reported among our suppliers or contractors in 2024/25. During the year we continued to maintain visibility of the issue across our organisation, training several hundred of our colleagues in how to spot and respond to any signs of slavery and human trafficking.



Creating social value through procurement

Delivering social value is part of getting true value for money from our spending with our supply chain partners. Generating social value is business as usual for us and part of our wider approach to sustainability that is embedded throughout our organisation.

We work closely with our contractors and suppliers to find ways we can go above and beyond in our drive to make a difference to the lives of our residents and their neighbourhoods.

This also involves matching what our supply chain partners can deliver with the particular needs of communities.

Social value is all about changing lives for the better. Helping people into work is one example of this, and during the year we worked with our supply chain to create 225 jobs and apprenticeships.

Our partners, including Equans, United Living, and Wates, invested more than £1.2m to improve our communities and support local projects. In addition, one of our major suppliers, Travis Perkins Managed Services, donated £250,000 to help residents struggling to cope with the rising cost of living.

Shelley Hathaway-Batt, Head of Strategic Partnerships and Projects at Clarion Futures, said:

“Social value generated through our supply chain enables Clarion Futures to do more, broadening our reach and deepening the impact we can have in communities.”

“We are immensely grateful to our supply chain partners whose generous contributions - both financial and in-kind - enable us to support a broad mix of local and national programmes.”

Priorities for 2025/26

- We will continue to use our new procurement system, Atamis, to drive greater transparency and activity with our supply chain to deliver social value.
- We also plan to launch a campaign to raise awareness across our organisation of social value and its importance.
- In addition, we intend to develop a strategy to maximise the social value we can generate through our procurement activity and direct it to where it will have the most impact.

SRS Data Book

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)	
Climate Change	T1	C1	Core	Distribution of EPC ratings of existing homes (those completed before the last financial year).	% of Homes rated A	0.2%		See Energy and Carbon section of this report for additional context - ongoing data cleansing has improved data accuracy, revealing a slight increase in the proportion of EPC E rated properties.
					% of Homes rated B	9.6%		
					% of Homes rated C	66.5%		
					% of Homes rated D	22.2%		
					% of Homes rated E or worse	1.5%		
					% of Homes without an EPC rating	0.0%		
	Enhanced	Average SAP rating of existing homes (those completed before the last financial year).	Avg. SAP rating	72.4 (modelled)				
			Energy use intensity of existing homes	Avg. kWh/m ² /yr	132 (modelled)			
	C2	Core	Distribution of EPC ratings of new homes (those completed in the last financial year).	% of Homes rated A	1.2%		See Energy and Carbon section of this report for additional context behind the EPC C increase.	
				% of Homes rated B	68.6%			
				% of Homes rated C	30.1%			
				% of Homes rated D	0.0%			
				% of Homes rated E or worse	0.0%			
				% of Homes without an EPC rating	0.0%			
	Enhanced	Average SAP rating of new homes (those completed in the last financial year).	Avg. SAP rating	81.2				
			Energy use intensity of new homes	Avg. kWh/m ² /yr	Data not currently available			
	C3	Core	Does the housing provider have a Net Zero target and strategy?	Yes/No	Yes			
				If so, what is it and when does the housing provider intend to be Net Zero by?	Qualitative response, date	Net Zero Carbon (Scopes 1, 2 and 3) by 2050		
		Enhanced	Is the housing provider's Net Zero commitment in line with the Science Based Target (SBT) initiative?	Yes/No	Yes - we do not have a verified SBTi target, but our Net Zero by 2050 target is aligned to the SBTi definition of net zero based on the SBTi Corporate Net Zero Standard			
				Does the housing provider have a costed transition plan?	Yes/No	Yes		

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Climate Change	T1	C4	Core	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?	Qualitative response	See 'Energy and Carbon' section of this report	
			Enhanced	Number of homes that have been retrofitted in the last financial year	# homes	1,474 homes received one or more retrofit interventions (total interventions shown in Figure 2, excluding gas boilers). Within this, 508 homes were considered to have substantial retrofits (received insulation, low carbon heating, solar PV, or a combination of the three).	
				Homes that have been retrofitted in the last financial year as a percentage of the total homes the housing provider is aiming to retrofit	%	Clarion is aiming to retrofit ~91,000 homes via installing fossil fuel free heating systems, and/or fabric upgrades, by 2050. Of this total, 1.6% of homes in the past year have received retrofit interventions that fulfil, or part-fulfil these requirements.	
	C5	Core	Scope 1, Scope 2 and Scope 3 Greenhouse Gas emissions Scope 1, Scope 2 and Scope 3 Greenhouse Gas emissions per home If unable to report emissions data, please state when the housing provider is expected to be able to do so.	Scope 1 (kgCO ₂ e)	16,675,000		
				Scope 2 (kgCO ₂ e)	5,667,000		
				Scope 3 (kgCO ₂ e)	341,819,000		
				Total emissions (kgCO ₂ e)	364,160,000		
				Total emissions (kgCO ₂ e/home)	2,916		
	Enhanced	Does the housing provider qualify for SECR reporting?	Yes/No	Yes			
		SECR Intensity Ratio for Total Emissions (Scope 1-3)	kgCO ₂ /m ² (SfH have informed Clarion that kgCO ₂ e/£m turnover is also an acceptable unit to disclose)	21,570 kgCO ₂ e/£m turnover			
	C6	Core	How has the housing provider mapped and assessed the climate risks to its homes and supply chain, such as increased flood, drought and overheating risks? How is the housing provider mitigating these risks?	Qualitative response	See 'Climate Resilience' section of this report		

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Ecology	T2	C7	Core	Does the housing provider have a strategy to enhance green space and promote biodiversity on or near homes? If yes, please describe with reference to targets in this area. If no, are you planning on producing one in the next 12 months?	Qualitative response	Yes - see 'Biodiversity and Nature' section of this report	
			Enhanced	Biodiversity Net Gain (BNG) of new homes (those completed in the last financial year).	%	BNG as-built data is not yet available. During the 2024/25 reporting period, projects that secured planning permission achieved an average BNG of 43.13%. See 'Biodiversity and Nature' section of the report for more information.	
			What is the housing provider's Biodiversity Net Gain target for new and existing homes? Does this exceed minimum requirements?	New homes	Yes - 20% average BNG targeted		
				Existing homes	Yes - 10% measurable BNG on up to 5 sites per year		
		C8	Core	Does the housing provider have a strategy to identify, manage and reduce pollutants that could cause material harm? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy If planning to develop one, when does the housing provider expect it to be established? [Date]	Yes	
				Qualitative	See 'Biodiversity and Nature' section of this report for information regarding new-build developments. The Clarion website contains information on existing stock, including asbestos and LCDM policy.		

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Resource Management	T3	C9	Core	Does the housing provider have a strategy to use or increase the use of responsibly sourced materials for all building and repairs works? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy If planning to develop one, when does the housing provider expect it to be established? [Date]	Yes	
			Enhanced	% of materials from responsible sources	% materials	99.8% timber from certified responsible sources (for development)	
		C10	Core	Does the housing provider have a strategy for waste management incorporating building materials? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy If planning to develop one, when does the housing provider expect it to be established? [Date]	Yes	
	Enhanced		% of materials that are recycled and/or diverted from landfill.	% materials	97.8% (for development)		
	C11	Core	Does the housing provider have a strategy for water management? If so, how does the housing provider target and measure performance?	1. Yes 2. No, but planning to develop a strategy 3. No, no plans to develop a strategy If planning to develop one, when does the housing provider expect it to be established? [Date]	Strategy in place for new developments (see 'Resources and Materials' section of this report). Improvement of water efficiency for existing homes in Clarion 2050 asset strategy. Water metering and efficiency measures in development for corporate operations.		
		Qualitative		See 'Resources and Materials' section of this report for information on new developments. For our existing homes, we use average litres of water per day calculations based on regional figures to calculate a baseline for our properties. We utilise water savings from water efficiency technologies as a benchmark to calculate improvements, as we do not have direct access to customers' water meters or bills.			

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Affordability and Security	C12	Core: Report against one metric	For properties that are subject to the rent regulation regime, report against one or more Affordability Metric:	% of PRS rent			
		Enhanced: Report against both metrics	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)	% of LHA rent	57.4%		
	C13	Core	Share, and number, of existing homes (owned and/or managed) completed before the last 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 rented sector - Other	Number of general needs units	73,094	% of general needs units	59.4%
				Number of intermediate rent units	1,397	% of intermediate rent units	1.1%
				Number of affordable rent units	14,524	% of affordable rent units	11.8%
				Number of supported housing units	867	% of supported housing units	0.7%
				Number of housing for older people units	6,149	% of housing for older people units	5.0%
				Number of low-cost home ownership units	10,939	% of low-cost home ownership units	8.9%
				Number of care home units	12	% of care home units	0.0%
				Number of private rented sector units	785	% of private rented sector units	0.6%
Number of other units	15,387	% of other units	12.5%				

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Affordability and Security	T4	C14	Core Share, and number, of new homes (owned and/or managed) that were completed in the last 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 rented sector - Other	Number of general needs units	210	% of general needs units	12.2%
				Number of intermediate rent units	0	% of intermediate rent units	0.0%
				Number of affordable rent units	634	% of affordable rent units	36.7%
				Number of supported housing units	0	% of supported housing units	0.0%
				Number of housing for older people units	0	% of housing for older people units	0.0%
				Number of low-cost home ownership units	597	% of low-cost home ownership units	34.6%
				Number of care home units	0	% of care home units	0.0%
				Number of private rented sector units	286	% of private rented sector units	16.6%
				Number of other units	0	% of other units	0.0%
				Enhanced	Number of homes disposed of in the last 12 months, by tenure type	Number of disposals	936 total (383 general needs, 18 intermediate rent, 105 affordable rent, 102 supported housing, 21 housing for older people, 255 low-cost home ownership, 21 private rented sector, 31 other). Disposals account for 0.8% of Clarion stock.
	Number of homes acquired in the last 12 months, by tenure type	Number of acquisitions	355 S106 homes acquired				
	C15	Core	How is the housing provider trying to reduce the effect of high energy costs on its residents?	Qualitative response	See 'Social Value' section of this report		
	C16	Core	How does the housing provider provide security of tenure for residents?	Qualitative response	See 'Wellbeing and Placemaking' section of this report		

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Building Safety and Quality	T5	Core	Describe the condition of the housing provider's portfolio, with reference to:	% of homes for which all required gas safety checks have been carried out	99.9%		
			% of homes for which all required gas safety checks have been carried out.	% of homes for which all required fire risk assessments have been carried out	98%		
			% of homes for which all required fire risk assessments have been carried out.	% of homes for which all required electrical safety checks have been carried out	97.3%		
			% of homes for which all required electrical safety checks have been carried out.				
		Enhanced	% of homes for which all required asbestos management surveys or re-inspections have been carried out.	%	98.3%		
			% of homes for which all required legionella risk assessments have been carried out.	%	99.8%		
			% of homes for which all required communal passenger lift safety checks have been carried out.	%	100%		
	C18	Core	What % of homes meet the national housing quality standard?	% of homes	99.4%		
			Of those which fail, what is the housing provider doing to address these failings?	Qualitative response	We are actively engaging with residents to appoint/ undertake works to bring these homes up to Decent Homes Standard		
		Enhanced	What is the target date for bringing homes that do not meet the standard into compliance?	Date			

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
	T5	C19	Core	How do you manage and mitigate the risk of damp and mould for your residents?	Qualitative response		
			Enhanced	How many cases of damp and mould were reported in the period that required action?	Number of cases	14,923	
				What % of the housing providers portfolio do these homes account for?	% of portfolio	15.2% of applicable owned units	
Resident Voice	T6	C20	Core	What are the results of the housing provider's most recent tenant satisfaction survey?	% of residents satisfied	England's TSM TP01 - tenants: 63.5%, shared owners: 40.4%	
				How has the housing provider acted on these results?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report	
			C21	Core	What arrangements are in place to enable residents to hold management to account for the provision of services?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Resident Voice	T6	C22	Core	In the last 12 months, in how many complaints has the national Ombudsman determined that maladministration took place?	Number	317	
				How have these complaints (or others) resulted in change of practice within the housing provider?	Qualitative response	<p>In response to the severe maladministration findings in the first half of FY 2024/25, we have produced learning reports and developed a more systematic approach to embedding lessons across the organisation. This is set out in our regular complaints overview report to the Board, which includes detailed case studies and outlines our evolving framework for continuous improvement.</p> <p>In parallel, we have collaborated with the Customer Committee to commission several resident-led Service Improvement Groups. These focus on key areas of concern identified through complaints, Housing Ombudsman findings, and our own resident involvement (RI) scrutiny work.</p>	
Resident Support	T7	C23	Core	<p>What are the key support services that the housing provider offers to its residents?</p> <p>How successful are these services in improving outcomes?</p>	Qualitative response	See 'Social Value' section of this report	
Placemaking	T8	C24	Core	<p>Describe the housing provider's community investment activities, and how the housing provider is contributing to positive neighbourhood outcomes for the communities in which its homes are located.</p> <p>Provide examples or case studies of where the housing provider has been engaged in placemaking or placeshaping activities.</p>	Qualitative response	See 'Social Value' section of this report	
			Enhanced	Social Value calculations (including monetisations) of placemaking activities	£	While no existing impact measures are currently in place, the team is now working to address this. We will be using the HACT Social Value Insight tool to input data for the 2025/26 financial year, with a view to calculating the social impact of placemaking activities. Once this data has been submitted, HACT will carry out an independent audit as part of the benchmarking process.	

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Structural and Governance	T9	C25	Core	Is the housing provider registered with the national regulator of social housing?	Yes/No	Yes	
		C26	Core	What is the housing provider's most recent regulatory grading/status?	Varies by Nation	G1/V2	
		C27	Core	Which Code of Governance does the housing provider follow, if any?	Name of code	NHF Code of Governance 2020	
		C28	Core	Is the housing provider a Not-For-Profit?	Yes/No	Yes	
				If not, who is the largest shareholder, what is their % of economic ownership and what % of voting rights do they control?	Name % %		
		C29	Core	Explain how the housing provider's board manages ESG risks. Are ESG risks incorporated into the housing provider's risk register?	Qualitative response	See 'Climate Resilience' section of this report	
			Enhanced	Is the housing provider required to report against TCFD? If yes, is the housing provider doing so?	Qualitative	Not required, though report voluntarily. See 'Climate Resilience' section of the report	
		C30	Core	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?	Yes/No	No	
Enhanced	If yes, describe.						

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Board and Trustees	T10	C31	Core	How does the housing provider ensure it gets input from a diverse range of people, into the governance processes?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report	
				What % of the board are women?	47% (all Boards and Committees)		
				What % of the board are B.A.M.E.?	23% (all Boards and Committees)		
				Does the housing provider consider resident voice at the board and senior management level?	What % of the board are residents?	33% of the Board of Clarion Housing Association (our landlord body)	
				What % of the board have a disability?	7% (all Boards and Committees)		
				Average age of the board	55 years (all Boards and Committees)		
				Does the housing provider have policies that incorporate Equality, Diversity and Inclusion (EDI) into the recruitment and selection of board members and senior management?	Average tenure of the board	4 years	
	C32	Core	What % of the housing provider's board have turned over in the last two years?	%	17%		
			What % of the housing provider's Senior Management Team have turned over in the last two years?	%	22.2%		
	C33	Core	Number of board members on the housing provider's Audit Committee with recent and relevant financial experience.	Number	3 out of 4 members have recent and relevant financial experience (Jeremy Newman, Sharon Critchlow and Heike Munro).		
Description of experience				See https://www.clarionhg.com/about-us/who-we-are/group-board-and-committees			
C34	Core	What % of the housing provider's board are non-executive directors?	%	83%			
C35	Core	Has a succession plan been provided to the housing provider's board in the last 12 months?	Yes/No	Yes			
C36	Core	For how many years has the housing provider's current external audit partner been responsible for auditing the accounts?	Number of whole years	6			
C37	Core	When was the last independently-run, board-effectiveness review?	Date [month and year]	May 2025			
C38	Core	How does the housing provider handle conflicts of interest at the board?	Qualitative response	See 'Disclosure and Sustainable Finance' section of this report			

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Staff Wellbeing	T11	C39	Core	Does the housing provider pay the Real Living Wage?	Yes/No	No, Clarion is not an accredited Living Wage employer, however, we pay our employees at least the voluntary London or National Living Wage.	
		C40	Core	What is the housing provider's median gender pay gap?	% gap	-4.8%	
		C41	Core	What is the housing provider's CEO:median-worker pay ratio?	Ratio	12.49:1	
		C42	Core	How is the housing provider ensuring equality, diversity and inclusion (EDI) is promoted across its staff?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report	
		C43	Core	How does the housing provider support the physical and mental health of its staff?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report	
		C44	Core	How does the housing provider support the professional development of its staff?	Qualitative response	See 'Equity, Diversity and Inclusion' section of this report	
			Enhanced	What % of employees have received qualification that are relevant for their professional development, within the last year? - Split result by demographic.	% employees	2.9% (126) of employees completed apprenticeships 73 Females, 53 Males B.A.M.E x 16 White x 89 Not stated/prefer not to say ethnicity x 21 Disabled declared x 12 No disability declared x 111 Not stated/ prefer not to say disability x 3	

Theme	Criteria	Criteria requirement	Criteria	Measurement Unit	Response	Additional Measurement Unit (if applicable)	Additional Response (if applicable)
Supply Chain	C45	Core	How is social value creation considered when procuring goods and services?	Qualitative response	See 'Ethics and Procurement' section of this report		
			What measures are in place to monitor the delivery of this social value?				
		Enhanced	What is the relative weighting of social value considerations in procurement policies?	Weighting	10%		
			How much social value has been delivered from the housing provider's supply chain in the last 12 months?	£	£7.35m		
	T12	Core	How is sustainability considered when procuring goods and services?	Qualitative response	See 'Ethics and Procurement' section of this report		
			What measures are in place to monitor the sustainability of your supply chain when procuring goods and services?				
	C46	Enhanced	What is the relative weighting of environmental impact considerations in procurement policies?	Weighting	Clarion has a dedicated Sustainable Procurement Policy, interlinked with the standalone 'Sustainability' and 'Procurement' policies which are applied to all procurement contracts. There is no standard weighting for environmental impact as there is for social value, but this is added by the procurement and sustainability teams as appropriate depending on the tender in question		
			How does the housing provider monitor supply chain risks, and what initiatives has the housing provider taken to drive higher sustainability performance across its supply chain?	Qualitative response	See 'Ethics and Procurement' section of this report		

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