

Green Strategy

2022 - 2025

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Executive summary

Our Objectives

ForHousing is a force for good and this three year strategy supports ForHousing's purpose to "Improve Lives" and its mission "To provide quality homes and places, making more things possible for more people".

We are much more than a housing provider. Giving back is at the heart of what we do, and we strive to be a positive influence on people's lives, delivering real change. Living by our principles, we deliver better work, focusing on the individual we are serving and being the best landlord we can be.

Our Corporate Plan sets priorities for 2 key themes that will improve lives; Homes and Communities. As part of the Homes theme we aim to reduce our environmental impact and as part of the Communities theme we also aim to support affordable warmth for tenants.

We believe that through an ambitious and focused approach to addressing the national carbon reduction agenda and working closely with tenants, staff and stakeholders, we can ensure value for money, support the delivery of our Homes and Wellbeing priorities and overall maximise opportunities to Improve Lives.

The purpose of ForHousing's Green Strategy is to set out the strategic direction over the next 3 years for carbon reduction and mitigating the effects of climate change in relation to existing and new housing stock, open spaces and operational activities that aligns to the national target of bringing all housing stock up to minimum SAP Band C by 2030 and achieving net zero greenhouse gases by 2050.

Whilst COP 26 has given new impetus to the climate change challenge, with renewed commitments and timescales from nations to reduce emissions, we are already beginning to see the impacts of climate change in the areas where we operate, and will likely do so for some years to come. It is therefore imperative that ForHousing begins considering climate resilience by assessing how climate change will create new, or alter current, climate-related risks, and taking steps to better cope with these risks.

Context

Background

Between May 2019 and January 2020, the local authorities in the 3 main geographical areas in which ForHousing operate all declared climate change emergencies and by doing so have now acknowledge that they need to act on the causes and impacts of climate change.

ForHousing has previously undertaken significant investment work to its homes, which, to date, has resulted in CO2 savings in the region of 150,000 tonnes in running and heating homes, which equates to an average cost saving of £180/year per household. This means that ForHousing stock now has an average SAP rating of 75 against a sector average of 66 placing us firmly within the top quartile performance bracket.

Whilst this demonstrates that although the environmental sustainability and the running cost of our homes has always been at the forefront of our investment decision making, it does mean we are now entering the more difficult phase of our decarbonisation journey and as such the cost of future gains in energy savings becomes exponentially more expensive to achieve.

UK housing stock accounts for almost 20% of total UK Carbon emissions and is a key priority for the UK government. ForHousing owns in excess of 18,200 residential properties primarily located in Salford, Oldham, and Knowsley. Given the median UK emissions associated with energy use in the home is estimated to be 2.7 tonnes of CO2 per year, the annual carbon footprint for ForHousing homes is in the region of 47,000 tonnes of CO2 of which heating and lighting contributes anywhere between 22,000 to 30,000 tonnes of CO2.

Whilst ForHousing has made significant gains in reducing carbon output associated with heating homes, the ForHousing Board have also recently agreed a target of achieving SAP Band C by 2030 for all existing homes and to stop installing gas to new build properties with immediate effect. We are also piloting extensive decarbonisation schemes on existing homes through NetZero Collective in order to inform our approach going forward.

ForHousing operational activities such as running offices, staff travel and building and maintaining homes and communities is our next largest carbon footprint. For illustration, just the carbon associated with maintenance related transport is estimated to be in the region 450 tonnes per year.

Intrinsically linked to climate change is the ongoing significant loss of bio diversity and this is an area ForHousing is able to positively impact. In addition to the 50 Hectares of garden space within our housing stock where we will be able to influence change, we are also directly responsible for the upkeep of 25,446m2 of green space throughout the estates where we operate.

Engagement has taken place with ForHousing Board, Development Committee, tenants and staff to inform and develop this strategy all of whom will continue to inform our strategic approach and the delivery of outcomes.

Priorities and outcomes

How we will make a difference

Our drivers for Green Initiatives are engrained within our corporate purpose and vision of *Improving Lives* and *making more things possible for more people* but also the wider need and obligation to slow the effects of climate change and protect the environment for future generations.

5, 10, 15, 30 year ESG targets (Environmental, Social, and Corporate Governance) will be the three central factors in measuring the sustainability and societal impact of carbon reduction investment activity.

Priorities

We will prioritise our activities and plans against six key themes to enable activity and actions to be focused as set out below.

Energy Supply

- Reduce the energy demand for homes and operational activities
- Transition to cleaner greener energy

Transport and Travel

- Facilitate and promote the use of green modes of transport for tenants, staff and the supply chain
- Minimise the need to travel amongst staff, stakeholders and the supply chain including digital transformation in service delivery
- Use of local labour and supply chains

Homes and Workplaces

- Move towards minimum EPC Band C by 2030 for all homes
- Achieve an annual 0.25 point increase in SAP
- All new homes to be zero carbon
- Strive to achieve net zero carbon output by 2050
- Maximise external grant funding opportunities for retrofitting works
- Achieve mandatory retrofit standards and criteria
- Agile working and new technology for staff
- Review future work specifications to build in climate change resilience
- Consideration of climate change within wider policy setting i.e. development on flood plains

Production and Consumption of Resources

- Explore new and emerging carbon reduction technologies
- Reduce overall annual carbon output by 6,200 tonnes in the first 5 years
- Reduce waste and maximise reuse and recycling

Natural Environment

- Use green space to positively impact bio diversity
- Promote understanding and support for bio diversity with tenants and stakeholders
- Incorporate green space within new developments

Support customers to reduce climate change impacts

- Apply customer centric design principles and practices
- Undertake training and support to empower tenants and staff to make environmentally informed decisions
- Creation of Carbon Community engagement groups

Outcomes

In line with our strategic design principles, we want to ensure that the delivery of carbon reduction activities have a wider social value for communities through addressing fuel poverty, reducing social exclusion, improving health, supporting educational attainment and improving life chances.

Additionally, there will be economic value creation opportunities particularly through employment opportunities, and we want to ensure that we maximise these opportunities for

local people, including working in partnership with key delivery partners. Economic value creation will also be achieved through more effective use of resources, attaining operational efficiencies and reducing waste.

Through the creation of the Carbon Community and wider involvement mechanisms, we will ensure that what is delivered is fully inclusive, customer focussed, allows for the co design and delivery of services under this strategy and fully represents the communities that ForHousing serves.

Agility will be key in delivering the outcomes of this strategy by ensuring we can respond and adapt as required particularly with the ongoing advancements in green technology, changes to government policy, the availability of grant funding and the changing demographic and needs of tenants.

The outcomes that the above priorities will aim to achieve over the 3 year life of the strategy and which will be measured and reported include:

- Reduction in homes carbon output
- Reduction in operational carbon output
- Relative reduction in tenant energy costs
- Reduction in non-Band C properties (circa 1700) to Band C
- Enabling successfully sustained tenancies through addressing fuel poverty and supporting wellbeing
- Increasing local employment and use of local supply chain
- Regulatory compliance with current and future energy related targets and requirements
- Improvements in biodiversity
- Maximisation of return on investment
- Greener supply chain
- Increased tenant engagement
- PAS2035 compliant decarbonisation related investment

Activities

The carbon footprint of ForHousing's existing housing stock will be reduced through the delivery of intelligence based decarbonisation programmes generated through the Asset Management "Intelligent Energy" module which will allow us to achieve the optimum Carbon Tonne reductions across the stock for each pound of investment. The anticipated cost of achieving Band C for all homes by 2030 is £28m and to achieve net zero by 2050 is £195m.

Operational activities such as the running of offices, waste and recycling, staff travel and supply chain carbon footprint will be captured and baselined so that there can be targeted reductions moving forward.

We will also provide guidance, training and support to tenants and staff to make informed decisions at home and at work that enables the reduction of carbon usage and making associated cost savings.

Alongside the delivery of stock asset interventions, opportunities will be explored to maximise the use of ForHousing's extensive green space. Projects that invest in nature-rich

greenspace, green infrastructure and natural solutions to the impacts of climate change will be developed to achieve this.

Through consultation with the ForHousing Board and the Development Committee the new build specification is being refreshed to ensure the introduction of zero carbon new build homes. This is anticipated to increase build costs per property by up to £15,000 although a proportion is expected to be funded through Homes England, resulting in a residual additional cost to the development programme of 8%.

Skills and Financial Capacity

The creation of a dedicated Director of Sustainability and associated upskilled team, at an annual cost of £240,000 will support the delivery of the strategy. In addition to the planned companywide carbon literacy training, key members of the Sustainability Team will also be trained to deliver the PAS2035 retrofit coordinator function, which will be a mandatory requirement when accessing any government grant funding programmes.

Intensive stock asset modelling has been undertaken to understand the financial resource required to achieve the required strategy outcomes and plan and deliver this in the most effective way. The financial resources to deliver Band C by 2030 (£28m) and Zero Carbon by 2050 (£195m) are starting to be factored into the Business Plan, with £47m included within the latest approved plan. Planned efficiencies to the Business Plan of £5m within 5 years should provide the additional financial resources to meet the long term decarbonisation requirements for existing homes.

The additional costs of delivering zero carbon homes (8%) have been factored into the future development strategy and programme and associated pipeline numbers and targets have been adjusted to enable new homes to be delivered to this standard.

Delivery

It is anticipated that a range of internal groups such as the Carbon Community will support the delivery and governance of green activities.

Communication

We know that winning hearts and minds is key to building support for environmental programmes and initiatives and enabling behavioural change. A communication plan has been devised that will bring people with us, starting with establishing the narrative through to embedding the changes we wish to see. It follows the stages set out in the table below.

Stage zero	Establishing the narrative and engagement. Understanding current views, explaining the why and purpose to raise awareness and buy in. Engaging various groups including Board and Committees, staff forum, tenants and partners.
Stage one	Embedding the narrative. Helping people to understand how the 'green' agenda relates to them, their role, and their service. Introduction of the strategy and consultation.
Stage two	Launch the strategy. Clarity on how everyone plays their part.

Stage three	Embedding the strategy messages and actions. Linking performance, employee and customer voice channels, reporting and structures.
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Measuring success

There are four main ways in which we will measure success which will determine that outcomes have been delivered:

Key performance indicators

- Operational carbon measurement tool (>5% reduction by year 3)
- Homes SAP rating (>0.25% increase per year)
- Reduction in non-Band C properties (>30% reduction by year 3 with 4%, 11% and 15% reductions across the respective years)
- Number of green spaces used for biodiversity initiatives (>5% used by year 3)
- Percentage of local employees delivering programmes (10% of workforce)
- Increased use of local supply chain (>10% by year 3)
- Amount of external funding accessed (>3% of programme costs)
- Attendance at Carbon Community events/activities (>80%)
- Attainment of green targets by supply chain (100%)
- PAS2035 compliant decarbonisation investment (100%)
- Staff take up on Carbon Literacy training (>95% by year 3)
- Tenant take up on Carbon Literacy training (>60% by year 3)

Information Only

- Production of annual carbon accounts
- Investment cost per carbon tonne saving
- Number of tenancies failing due to fuel poverty

Monitoring delivery

The Green Strategy will be monitored through our governance structure through the following methods.

Outcome KPI's

We will report performance quarterly to the Board through a dashboard containing the outcome related KPI's, to track progress towards meeting the respective targets.

In our outcome statements

Annually we will provide a progress summary and outcome statements to show the outcomes that have been achieved through the Green Strategy. The annual update will also contain case studies and insights, to show how we are making more things possible for more people across the organisation and how we progress green initiatives through our work.

Challenge

We will continue to seek external challenge and evaluation on our approach to green initiatives, good practice and achievements using external accreditation.

Inclusive decision making framework

The strategy has been assessed and finalised utilising the Inclusive Decision Making Framework and also presented for challenge to the EDI Service Excellence Group , with the results highlighted below.

Date of approved equality analysis	27/04/2022
Actions taken forward to mitigate any potential negative impact as a consequence of the completion of the IDM Framework	Merging and mixing the tenant and staff 'Carbon Community' panels to ensure these cover a wide perspective of views and deliver maximum benefit.

Governance

This document presents Forhousing's strategy for the national decarbonisation agenda and as a key corporate priority.

Relevant staff involved in decarbonisation investment across ForHousing have day to day responsibility to deliver this Strategy and compliance will be monitored through day to day management.

Document summary

The purpose of the Green Strategy is to set the strategic direction for the next three years, ensuring maximum impact from stock decarbonisation investment and the operational and biodiversity activities that will be undertaken. This strategy promotes ForHousing's purpose and vision and is focused upon ensuring the ability to deliver safe and sustainable communities, deliver excellent services and exceed tenant expectations.

Search words linked to this document

- Green
- Carbon
- Decarbonisation
- Environmental
- SAP
- Energy
- Biodiversity

- Operational
- Homes

Areas where this document should be accessible

- ForHousing owned
- ForHousing managed
- ForFutures
- ForLiving

Control data and approval history

Strategy owner	Mark Lowe
Lead officer	Andy Crosby
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Legal review and advice	Legal Services Executive	N/A
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