

Sustainability strategy 2023/2030

Our sustainability strategy together with our asset management, development and value for money (and quality) strategies, supports the delivery of our corporate plan 2022/2027. At this moment, we know we do not have all the answers for a carbon zero future, particularly as technology, innovation and progress is changing all the time. However, we will commit to learn, research and share knowledge to ensure the best outcome for our customers (residents), our business (and the planet).

Context: 2050 net zero target

The UK government set out its strategy for decarbonising all sectors of the UK economy to meet the net zero target by 2050. Whilst the UK has already reduced emissions by 42% (from 1990 levels), the legal commitment within the Climate Change Act 2008 (as amended in 2019) is to achieve net zero carbon (NZC) by 2050.

Context: definition (UK Green Building Council)

Net zero carbon definition for operational energy: *the carbon emissions associated with a building's operational energy on an annual basis is zero or negative. The building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset.*

Context: housing

Homes in the UK account for around 30% of energy consumption and for 27% of the UK's total CO₂ emissions. We are aware that 80% of the 2050 building stock is already built.

There will be several challenges to delivering energy efficient homes, including performance (or closing the 'performance gap'), skills gap, retrofitting existing homes, building new homes, as well as finance and funding.

Sutton Housing Society seeks not to dispose of any of its stock/assets to achieve the net zero aspirations. Our development and planned improvements will focus upon retaining, enhancing and extending our existing assets.

Context: where does our greenhouse gas come from?

The primary source of greenhouse gas emissions is from the heating and electricity of our homes, together with our office and travel/transport associated with the delivery of our services.

We estimate that our 502 homes and communal spaces produces a (baseline) carbon footprint of 780 tonnes of CO₂ per year. Our average carbon emissions is 1.6 tCO₂, whilst the national average is 2.7 tCO₂ per home.

We must also consider (or not forget) embodied carbon, particularly where homes are developed on brownfield sites, which may involve the demolition of existing structures. Our first modular construction at Norman House is suggested to have a 27th of the embodied carbon of a traditional home meaning 27 of these modular homes generate the same amount of carbon as 1 current traditionally built new home. Over the life of a house, it will save about 62,000kg of CO₂ or the equivalent as living car free for 30 years.

Context: fabric first

This is a simple but effective concept, by reducing heat loss, you will create a home, which is (simply) more affordable to heat. Space heating makes up about 60% of the energy an average home consumes, so even when using renewables to heat your home, without a fabric first approach you are not creating a low energy home. Or, by installing renewable heating sources without prioritising the fabric is the equivalent of *“having a slow puncture and obsessing about how to blow up the tyre, rather than simply fixing the hole”*.

Sutton Housing Society’s ‘roadmap’

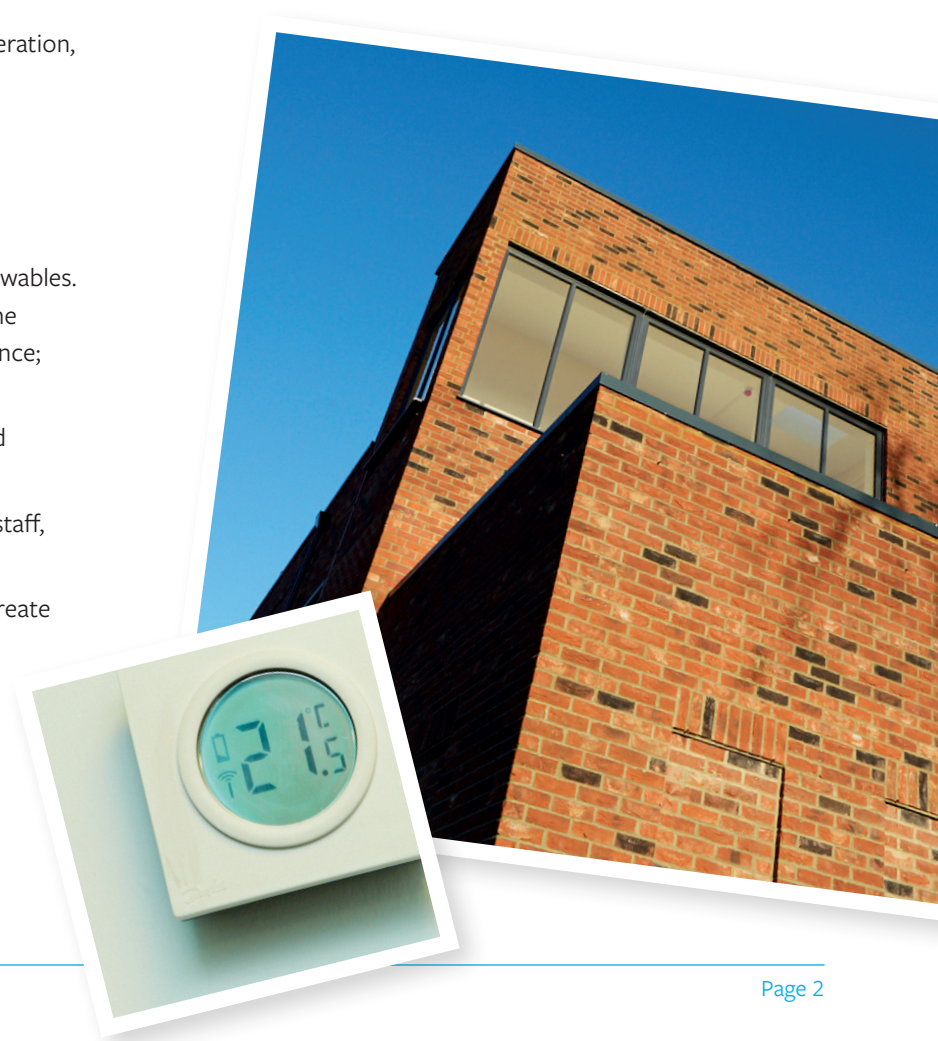
The Board considered that our roadmap could adopt the following:

- 1 Data:** review our data, identify starting point/potential costs/quick wins/cost vs benefit (with external support).
- 2 EPC C:** achieve by 2030 or before as only 10.9% recorded as ‘D’.
- 3 Fabric first:** focus upon fabric enhancements ‘in all that we do’.
- 4 Renewables:** adopt renewable electricity generation, where appropriate, in new/existing homes.
- 5 New build/scheme extensions:**
 - Existing fabric: new build programme to enhance existing fabric at same time.
 - Adopting Passivhaus principles: new homes designed to Passivhaus principles with renewables.
 - Current data/performance: prioritise scheme extensions based on their energy performance; identify where these offset existing works.
- 6 Learning:** ‘follow’ not lead, due to our size and available resources.
- 7 Culture:** promote behavioural change to our staff, supply chain and residents.
- 8 Sustainability strategy:** finalise aspirations, create a timeline and review.

Timeline

There are some key dates the government has set, which we need to follow, however we need to be mindful that meeting a date does not see abortive work undertaken; the key targets and dates are (when compared to 1990 levels):

- cutting emissions by 78% by 2035;
- reduce emissions in 2030 by at least 68%.



Funding

The strategy works on the current assumption that residents should not pay for carbon interventions. We have stress tested the business plan, which confirms on the assumptions made that this is affordable. As most of our homes are flats, we have assumed £4million within the business plan as additional expenditure over and above scheme enhancements.

Delivery of our net zero carbon aspirations will also be influenced by the financial timing, advances in technology, as well as our other considerations such as building safety. Our development aspirations also enable us to improve our assets whilst delivering new homes. Innovation may also have a part to play in the longer-term.



Our strategy: delivering our 'roadmap'

- 1 Data:** we have undertaken an exercise to establish our carbon emissions starting point; there is more work to do and we will keep this under continual review – we have added EPC data performance to our performance measures.
- 2 EPC:** we have EPCs for 99.7% of our homes, the remaining two are currently being progress, which will provide us with 100% data. Based upon our current records, we have 90% of our homes with an EPC of C and above, the remaining EPCs are being undertake and we will prepare an interim plan to reach 'C' by 2030 (and probably before). Our overall SAP rating is 75.
- 3 Fabric first:** this approach has been adopted when building our new build homes, where we are designing, wherever appropriate, to Passivhaus principles. Within our responsive/planned works we are also adopting the same principles working with our supply chain to 'fill the gaps'. Each new development, where we are extending existing schemes, has a thermal imaging survey undertaken to enable us to identify the areas of 'heat loss'.

- 4 Renewables:** within our new build works, we have adopted the installation of ASHP (air source heat pumps), solar thermals, PVs as well as energy efficient low energy lighting.
- 5 New build:** adopting the elements described and continuing to work on brownfield sites.
- 6 Learning:** we have a wealth of knowledge on low-cost interventions and behavioural change, however, to meet the net zero carbon agenda, we must ensure we learn from the 'leaders' in this agenda – as a small we need to recognise the time resource required to 'learn'.
- 7 Culture:** probably one of the most aspects of all, without a cultural change, we will continue to do the same. Whilst the code of governance requires us to adopt this agenda; our board clearly support and champion net zero carbon.
- 8 Strategy:** deliver and evolve our sustainability strategy, with at least annual updates to the Board.



Resident feedback

Since September 2022, our monthly survey to residents includes three questions relating to sustainability. These were added so we could gauge the level of understanding and interest from residents with this agenda. The questions asked are:

- 1 The UK has committed to being net zero carbon by 2050: Do you understand the ‘jargon’ used when talking about sustainability eg net zero carbon, fabric first, greenhouse gases, etc?
- 2 Would you support installing new renewable heating technologies, which would be greener, but may cost more to run initially?
- 3 Which is of the greatest priority to you? Climate change or lower energy cost?

The initial results are interesting. They show that:

- there is a high understanding of the jargon used about sustainability;
- most residents responding to the survey to date do support installing new renewable heating technologies, even though they may cost more to run initially;
- despite the cost of living crisis, two thirds of survey respondents say that climate change is a greater priority to them than lower energy costs.

We will use the feedback from residents when considering our key priorities within our strategy.



Offices and employees

Energy efficient behaviour will include:

- adding ‘sustainability’ as regular agenda items for whole team meetings;
- committing to all staff training to enable them to offer basic advice to residents during visits and/or appointments, whilst increasing their own knowledge and understanding (key objective 2023/2024);
- adopting a paper-lite approach in our offices;
- continuing with home/hybrid working;
- supporting external virtual meetings, wherever possible;
- recycling.

Supply chain

We are committed to:

- using local contractors, consultants and suppliers, wherever possible (as this is more sustainable and employees reinvest within the local community);
- maintaining our London living wage accreditation.



Schemes

We will encourage:

- Use energy brokers to ensure we are paying the ‘right’ tariff;
- Installing and promoting use of water butts to all schemes (most are already installed);
- Installing and promoting vegetable planters (as above);
- Make wildlife welcome and avoid disturbing natural habitat when building/extending new homes;
- Retain and existing natural site features on all new developments, wherever possible;
- employ ‘experts’ to assist with our long-term landscaping decisions.

Key objectives 2023/2030

- 1 Where possible, bring all EPC D homes to an EPC C by March 2024.
- 2 Hold a sustainability workshop for all staff including a ‘hands on’ exercise.
- 3 Deliver the included sustainability measures as part of the Ronald House development.
- 4 Continue to develop and implement our green empty home standard.
- 5 Develop the new scheme at Thomas House to reduce embodied carbon.
- 6 Focus on new developments on brownfield sites.
- 7 Consider long term options for Clarendon Road and present to the Board.