



OUR CARBON REDUCTION ACTION PLAN 2021



Introduction

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The impact we have on our climate and the world we choose to leave for future generations has become the defining issue of our age.

The expectation from Government Ministers, High Street consumers and school children alike will be for organisations to significantly reduce their impact on the environment, reducing their carbon footprint and creating less waste.

Introduction

Our new, more ambitious low carbon action plan focuses on reducing the impact every aspect of our organisation has on the environment, committing us to becoming a carbon neutral landlord by 2050. Our actions will focus on the homes we rent, the homes we build and the way we work.

We'll redouble our efforts to deliver our services and build new homes in the most sustainable way. At the same time, we will support and educate our customers on the use of new green technologies as they are retrofitted to our existing homes to make them more energy efficient and reduce their impact on the environment. As a result, all of our properties will be EPC D or above by 2025 and C or above by the turn of the decade.

We are also investing in the tools and technology our colleagues need to work smarter, limiting the miles they

travel to do their jobs, undertake training and share information. This investment will lead the way for our back-office functions to be paperless by 2024.

This will be coupled with future investment in an all-electric fleet of vehicles to lessen the impact of our day-to-day journeys to improve and repair our customers' homes.

Finally, this year we will build on the success of our customer app to increase our digital communication with customers, providing them with more ways to communicate with us and greatly reducing our paper, post and printer usage.

We'll approach this, as we do every other challenge we face as an organisation, with our customers at the front of our mind and by setting goals we know will have a meaningful impact, that we can deliver on time and that represent good value for money.

Introduction

While we have worked for many years to reduce our energy consumption, become more sustainable and limit our impact on the environment, it is clear that we need a new more ambitious plan to meet the scale of the challenge we all now face.

The government's announcements on changes to building standards and expectations on the de-carbonisation of homes alone will have a profound impact on the future of our organisation and the work we do.

Our first step has been to benchmark our carbon footprint. To ensure this work was as robust as possible, we looked not only at the carbon emissions of our direct assets but also at our supply chain and supporting activities.

As a result of this work, we believe we emit circa 133,000 tonnes of CO² emissions per annum.

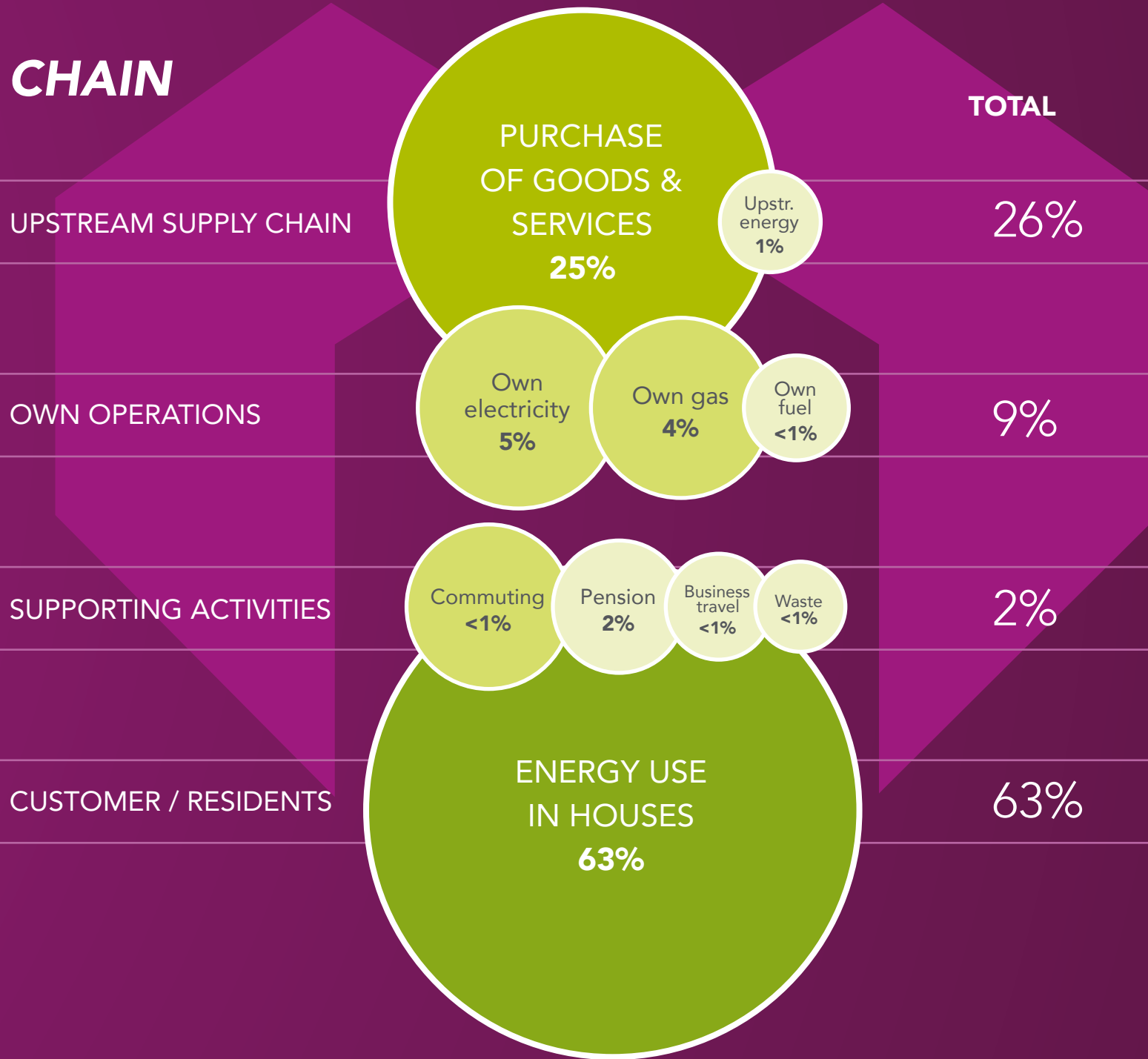
Breaking down our **carbon footprint**

Our carbon footprint is clearly broken down into two main sections; the energy used by our 33,000 homes which makes up the majority of our carbon footprint and the way we work, including the services we deliver and the products we procure.

Our plan will focus on reducing the carbon created by these two elements as well as ensuring that our new build homes are as sustainable as possible too.



VALUE CHAIN



The homes **we rent**



Our aim is to make the most of our homes low carbon potential, in turn making our customers' lives easier, cheaper and warmer. Our aim is to address our worst performing properties to ensure we meet a minimum EPC rating of D by 2025.

We will also draw up our plans to move all of our homes to EPC C by 2030 by developing a costed programme of works in the next few years.

We also want to improve our understanding and measurement of customers' energy usage so that we can provide tools and information to help them make informed low carbon choices.



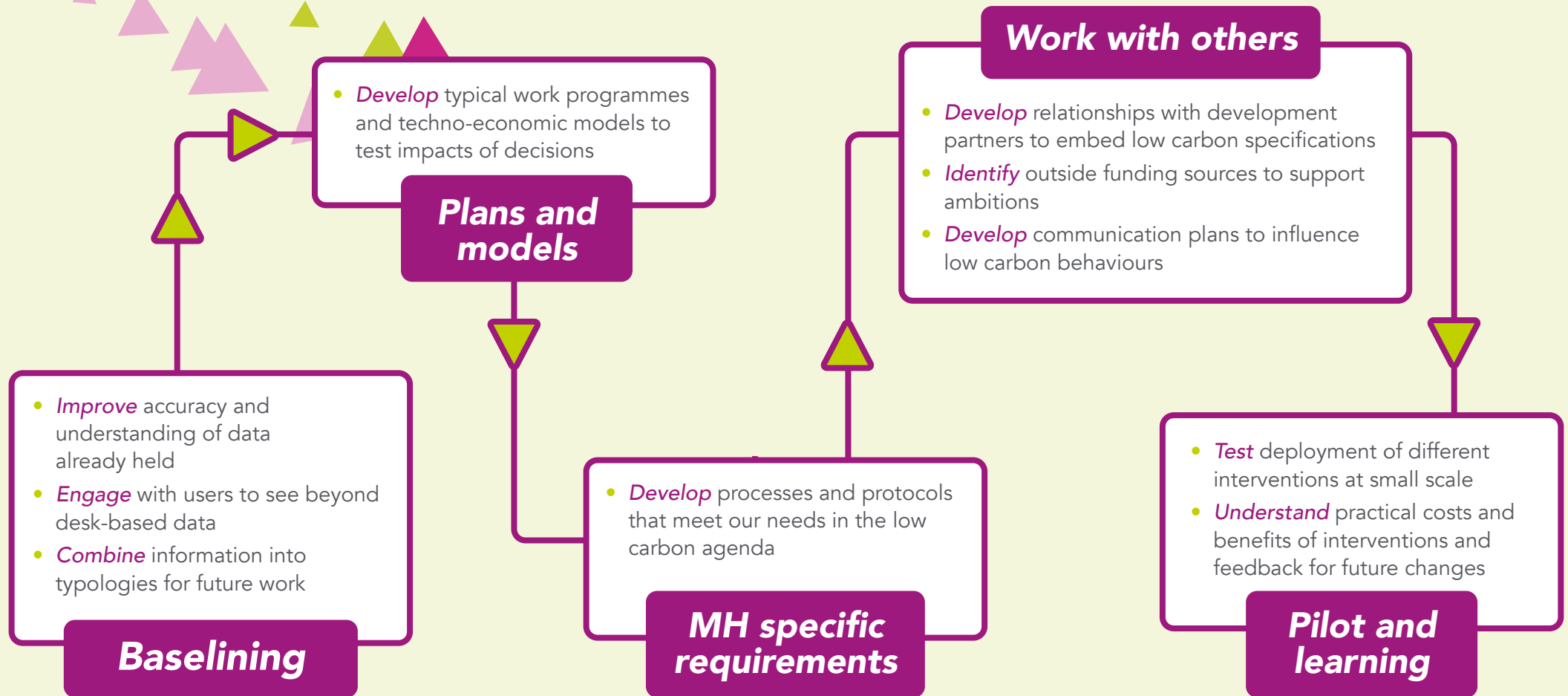
The homes we build

Our Housing Delivery Strategy seeks to build 4,000 new homes by 2025, and we want to ensure that all of these homes meet future building regulation 2021 standard. We want to minimise the need to retrofit new homes in the future, so we will keep development specifications aligned to emerging low carbon requirements.

The way we work

As we move to a smarter way of working, we want to realise the low carbon benefits that come from more remote working. We want to reduce commuting miles by 20% by 2025 and reduce the energy used in our offices by 20% by 2030. We will also develop a new set of 'green benefits' for colleagues and implement a green recognition programme to incentivise low carbon choices.

Our approach for the *next five years*



Case study

The homes we rent

In 2020/21 we continued our investment in upgrading our homes. Over the last twelve months we have installed:

- **1,400** new A rated energy efficient boilers
- **8** new A rated energy efficient communal plant boilers for large schemes
- **237** homes upgraded with high heat retention energy efficient storage heaters
- **832** well insulated doors
- **175** high standard doubled glazed windows
- **109** new roofs with good thermal performance



Over the next twelve months we'll be undertaking detailed data analysis around our lowest performing homes and piloting new low carbon technologies. We will then move to roll out improvements at scale and pace, making a significant contribution to reducing carbon emissions.

As well as this, we want to make it as easy as possible for our customers to carefully manage their energy bills and reduce costs as far as possible, tackling fuel poverty. Through our partnership with SSE, we're ensuring that all our homes are fitted with a smart meter before they're re-let.

Case study

The homes we build

We're proud to be working in partnership with Birmingham City University and developers, Tricas, on a new development on Grosvenor Road, Handsworth that will be the first to achieve Government's Future Homes Standard, and an 80% reduction in carbon emissions.

Grosvenor Road is a brownfield site and in the heart of the local community, so not only will the 12 new homes be built to future standards where residents will enjoy warm, comfortable homes with reduced running costs, the scheme will also help us to understand how the homes perform so that we can be prepared for the changes when they are implemented. Our aim is to use traditional building methods, as far as possible, to demonstrate the practicability and scalability of decarbonisation.

Our 12 pioneering, low carbon, family homes are due for completion by Easter 2022, three years ahead of Government's target.



Case study

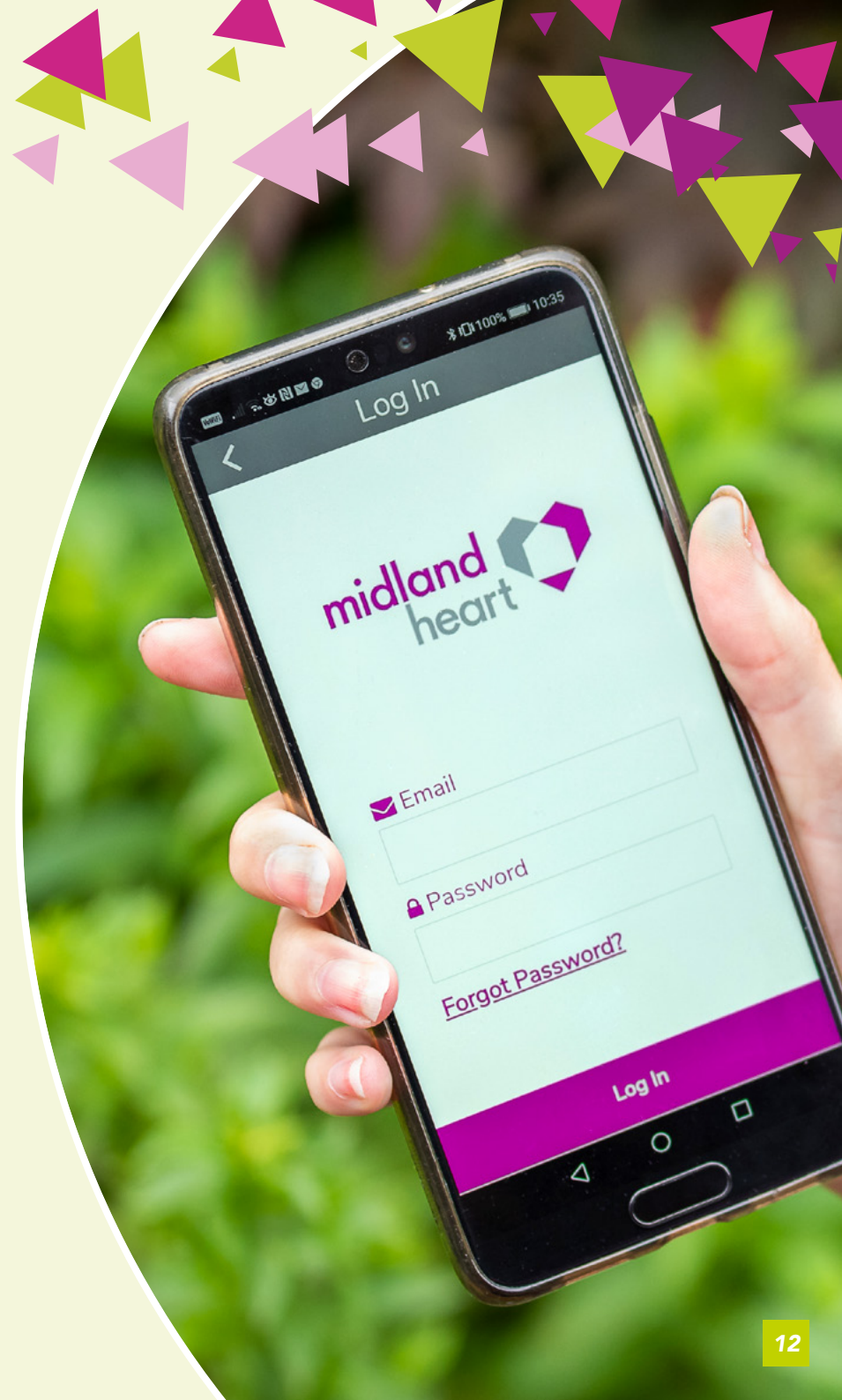
The way we work

We're introducing new smarter ways of working, reducing our office estate and undertaking a major refurbishment of our remaining offices. This will build on the work we have already done to improve energy efficiency and reduce our waste.

We now plan to go even further by installing new, more efficient, heating and lighting systems that will enable us to transition to a truly low carbon operating model.

Our new smarter ways of working will also see us invest in the tools we all need to do our work and deliver a great service from wherever we are, without the need to unnecessarily travel to an office. We can instead focus on delivering a more efficient and effective service to our customers, while reducing our carbon emissions.

We will also invest in new smarter and more energy efficient ways of communicating with our customers, improving our customer and colleague apps and increasing our digital communication with customers.



This year's **actions**

- **Commence** annual programme of works to move all properties to band D or above.
- **Develop** the Strategic Asset Management System (SAMS) framework for how we will decide to invest in property, accounting for cost, impact, planning constraints and government policy.
- **Develop** a costed model and plan to deliver a programme of works to move properties to EPC band C by 2030.
- **Assess** the current component replacement approach and understand where different solutions would be more effective. Understand the costs and benefits and how these fit into volumes and future budgets. This is about providing the best energy efficient solution when we replace a heater or boiler etc. This will form part of ongoing investment planning.

This year's **actions**

- **Deliver** on our low carbon intervention pilots.
- **Develop** typical low carbon requirements for new homes alongside our delivery partners. Review ongoing impacts on maintenance and renewal costs as well as customer outcomes.
- **Align** the actions we take on the homes we rent and those we build to ensure the long-term cost and efficiency implications are part of decision making on new builds. e.g. life cycles, service requirements and costs as well availability of parts and maintenance skills.
- **Develop** a roadmap to bring energy usage down by 20% by 2030 (to be finalised once baselined). Including a plan for renewal of lighting, heating and cooling in existing offices to better match our post-Covid and smart working plans.
- **Develop** and set clear expectations with our suppliers and embed sustainability within our procurement strategy and processes.



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