



# Environmental Strategy 2023-2028

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## 1. Strategy Statement

We are a values driven organisation committed to providing excellent homes, that are energy efficient and affordable for our tenants. We are committed to providing sustainable homes and places; enabling greener lifestyle choices, putting tenants and affordability at the heart of our decision making. We recognise the significant contribution great quality, attractive, affordable homes make to the socio-economic success of the families that live within them. In considering a long-term plan for sustainability we recognise we must put the welfare of the tenants at the centre of our strategic approach.

Our core commitment throughout this strategy is to positively impact the lives of our tenants whilst seeking to reduce our footprint on the environment. Fuel poverty interventions will be coupled with actions that reduce our CO<sub>2</sub> emissions, and therefore our impact on climate change. The core commitment is also intrinsically linked to our Asset Management, Development and Cost of Living Strategies.

Our green credentials straddle our social landlord and head office operations and to understand how we are performing in terms of environmental standards we commissioned an external assessment. SHIFT is a sustainability standard for the housing sector. It allows us to demonstrate our environmental credentials to our tenants, our funders, our partners and the regulator. In 2021 we were awarded the Silver Standard from the SHIFT Assessment process. SHIFT has given us a planning tool that aided in the production of this strategy.

## 2. Scope of Strategy

The Environmental Strategy takes its direction from the Corporate Plan and the three aims listed below. In line with our values, we are committed to tackling inequity and fuel poverty across all the communities of Cardiff in which we have homes.

### **A Caring Landlord & An Exceptional Builder of Affordable Homes**

Being a caring social landlord in an environmental and fuel poverty context starts with building and maintaining affordable, thermally comfortable homes well, but does not stop there. Explicitly the Corporate Strategy commits to our tenants that:

- We will meet and maintain energy efficiency standards set out in Welsh Quality Housing Standard 2023 set by Welsh Government, where possible.
- We will deliver our new homes to EPC rating A
- We will seek external funding to take forward community led neighbourhood enhancement/ green projects
- Through stock condition surveys, we will measure the existing energy efficiency of tenants' homes and come up with a plan to make them as energy efficient as possible
- We will develop Decarbonisation/ Green Strategy for the organisation that addresses fuel poverty and affordability as a key outcome

***And..... we will do this with the tenant's voice clearly heard as part of the planning, delivery and the monitoring arrangements..***

Getting decarbonisation and utility cost reduction right, has clear value for money benefits which potentially allows CCHA to pass onto our tenants through:

- our ability to limit rent increases
- our ability to reduce service charges, through lower communal and direct utility costs
- Our ability to provide purpose build energy efficient homes with lower running costs
- Creating green spaces and biodiverse areas where grass cutting and maintenance is less frequent

### **Community Anchor Organisation and Community Champion**

Understanding how providing affordable homes adds to creating a sense of place; contributes to local identity; supports the well-being of communities; creates green environments where families and individuals can thrive and flourish; provides an investment plan that can support local Small and Medium Enterprises, creating jobs, training and skills opportunities.

### **Strategic Links**

The Environmental Strategy is not a standalone document and should be read in conjunction with other strategies, namely:

- The Development Strategy 'Better Homes'
- The Asset Management Strategy
- The Tenant Engagement Strategy
- Cost of Living Strategy
- Environmental Policy Statement of Intent

As with all our strategies these are fundamentally underpinned by our values of:

- Trust
- Respect
- Care
- Honesty
- Bravery

and Genuineness with our commitment as an organisation to always do the right thing.

## 3. Introduction

In mapping our strategic approach, it is fundamental to understand the context in which we operate. CCHA does not work in an organisational bubble and is subject to a wide range of political, economic, environmental, social, legislative and technological influences.

### External Context

#### 1. Better Homes, Better Wales, Better World – Decarbonising Homes in Wales

In July 2019, Welsh Ministers were presented with a Decarbonisation of Homes report by a Wales Advisory Group. The Group recommended seven areas for Ministers to take forward. Below is an extract of the key recommendations that impact on their strategic approach:

- Welsh Government should publicly commit to doing a 30-year residential decarbonisation programme.
- No later than 2025 all new homes in Wales must be built to be low carbon, energy and water efficient and climate resilient.
- All homes built with public sector funding should meet these standards no later than 2021.
- By 2050, the housing stock must be retrofitted to be “Standard Assessment Procedure” (SAP) 92, to achieve an EPC Band A rating, but recognising not all homes will be able to achieve this.
- Welsh Government should urgently commence a 10-year programme to prioritise the retro fit of certain homes.
  - The Welsh Government should set a target of EPC Band A for homes in social ownership and homes in fuel poverty.
  - The Welsh Government should incentivise early adopters to retro fit homes to a target EPC Band A.
- The Welsh Government to fund the creation of and publicly promote ‘A Home Logbook’ for every home to guide energy efficient provision and investment.
- Ensure the new quality regime is appropriate and accessible to SME’s in Wales as well as larger firms and all have access to the skills and training, they need for the 30-year retro fit programme.
- Encourage and support businesses in Wales that will to deliver projects that will result in the best community benefits.
- Encourage and support Social Landlords to extend their residential upgrade activity beyond their own portfolios to help deliver improvement to homes, owned by occupiers and by private sector landlords.

Welsh Government were asked to undertake detailed modelling of the costs associated with the above targets and provide guidance and support to Social Landlords to enable them to meet these targets. Welsh Government were asked to find a financial solution for traditional RSL's who do not receive Welsh Government dowry funding resources like other LSVT's.

## 2. Welsh Government

As a result of the "Better Homes, Better Wales Report", in March 2021 the Senedd Cymru approved a net zero target Carbon emissions target for 2050. Welsh Government updated the Environmental Act of 2016 to include interim targets of a 63% reduction in Carbon emissions by 2030 and 89% reduction by 2040. Welsh Government have made an ambitious commitment for new and existing social and local authority housing stock in Wales to be Net Zero by 2030.

The current Welsh Housing Quality Standard contained home energy efficiency targets of SAP 65 for all homes, subject to acceptable fails. Welsh Government have published a consultation document 'WHQS 2023' that has a series of decarbonisation targets to support an aim of reducing fossil fuel usage, in order to meet the net zero target.

Part 3 and 8 of the WHQS 2023 set out step by step approaches to meet the proposed decarbonisation and green home targets. It is important to understand that these standards are still under consultation and robust feedback has been provided by RSL's and LA's in response to proposed standards.

Welsh Government have been supporting RSL's to make early progress against the decarbonisation targets through the Optimised Retrofit Programme (ORP). In September 2022, Welsh Government published plans for an ORP 3.0, that will support RSL's over a three year period to meet fabric first targets. ORP 3.0 ensures that **all** RSL's have access to this funding to make progress against the decarbonisation targets. ORP 3.0 will require an element of matched funding but RSL's have provided feedback to Welsh Government that there is very little headroom in business plans to support this. There is a clear message from the sector that any matched funding will need to be put towards bringing capital components forward to support retrofit measures and not to carry out the retrofit measures itself.

In addition to these targets, Welsh Governments Design Quality Requirements new build standard prevents the installation of fossil fuelled boilers from October 2021. It is now also a legal requirement that new homes built by the Welsh Social Housing sector with Welsh Government Grant Support should be built to EPC A or Net Zero standard.

### 3. Well-being of Future Generations Act (2015)

The Well-being of Future Generations Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as fuel poverty, health inequalities and climate change.

The Act is unique to Wales attracting interest from countries across the world as it offers a huge opportunity to make a long-lasting, positive change to current and future generations. Clearly this should be the prism through which some of our Environmental decisions are made.

Goal	Description of the goal
A prosperous Wales.	An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
A resilient Wales.	A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).
A healthier Wales.	A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A more equal Wales.	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio-economic background and circumstances).
A Wales of cohesive communities.	Attractive, viable, safe and well-connected communities.
A Wales of vibrant culture and thriving Welsh language.	A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.
A globally responsible Wales.	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.



## 4. Cost of Living Crisis

The 'Cost of Living Crisis' hit the UK in 2021 and continues to fundamentally reduce the living standards of families and individuals across the UK. Low earners and those claiming benefits are some of the hardest hit by the crisis. Families are dealing with the fallout of high inflation levels and low wage growth. A weak economy, national political turbulence and the war in Ukraine has resulted in food, energy and interest costs increase exponentially.

The fall in real disposable income for households is pushing many homes into fuel poverty. Across the country families are making choices between eating or heating their homes.

In February, Ofgem announced the price of electricity and gas (combined) would increase from 1 April 2022 by 54% to £1,971. In August they announced this would further rise to £3,549 (80%) from October 2022.

Central government introduced the Energy Price Guarantee (EPG), as a support package for homeowners and tenants to limit the price households pay per unit of gas and electricity. As part of this package £400 will be deducted from all energy bills, paid in 6 instalments from October 2022 to March 2023. In addition to this, there is the commitment to limit typical household costs for utilities to around £2500 until April 2023, capping the price per unit of gas and electricity.

Whilst this was initially intended for 2 years, the chancellor has since announced that the EPG will only last for 6 months, creating much uncertainty for support of the future costs of energy.

The Welsh Government has also launched a fuel support scheme and cost of living scheme providing one off payments to support towards paying energy bills for low income households. Winter fuel payments and cold weather payments are available for pensioners and low income households throughout the winter periods.

It is important that we do all we can to support our tenants with energy saving information and provide guidance on all support packages available to individual households. It is also important that our Environmental Strategy supports commitments made within the Cost of Living strategy to support our tenants to help them overcome barriers to sustain their tenancies, to reduce inequality, inequity, and increase resilience.

## 4. Cost of decarbonising CCHA Homes

In July 2022, Community Housing Cymru (CHC) issued a briefing paper titled the “Indicative costs of Financial Effects of Decarbonisation of our homes” with the findings based on a questionnaire returned by CHC Members in early 2022.

The paper explained that the notional cost to bring all RSL owned homes in Wales to EPC A by 2033 was estimated at £2.1b, with RSL’s having a shortfall in their business plans of £1.9b to meet this target. These estimated costs are based on each home costing £20k to take to the highest EPC level possible, EPC A. These costs do not include bringing capital components such as windows, doors, boiler and roofing replacement forward in their replacement cycles so the actual costs of meeting this target is significantly higher for the sector and CCHA. The £20k is a widely accepted figure across the housing sector as a simple way of calculating decarbonisation of homes costs, without analysing individual SAP data.

In order to meet these targets and continue to deliver on existing investment in homes, most RSL’s will breach loan covenants, and this would be a serious regulatory concern for the sector. It is clear that RSL’s alone cannot afford to meet the targets imposed by Welsh and Central Government and continue to provide all other services and homes improvements to tenants.

CCHA owns or manages 3103 homes. The table below provides a breakdown by housing type and includes Low Cost Home Ownership properties, leased properties and open market homes. It excludes all CCHA’s non residential properties.

Domestic Homes	No. of homes
Bungalow	37
Flat	1521
House	1545
<b>Grand Total</b>	<b>3103</b>

Table A

The next images demonstrates the age of these homes, with 24% of CCHA’ homes being built pre 1919, making decarbonisation of all of CCHA’ stock a difficult challenge. For some homes, improvement measures are impossible to achieve without damaging the heritage of a home/street or breaching minimum space standards for rooms required within the current WHQS and proposed WHQS 2023.

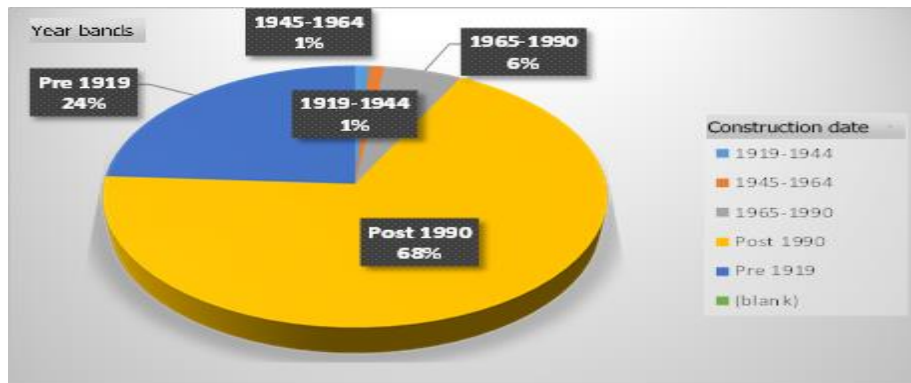


Image A

The below tables are a comparison of Welsh housing archetypes identified in the 2021 Welsh Government issued paper exploring the potential of the Welsh housing stock to meet 2050 decarbonisation targets and CCHA archetypes.

	HOUSE End terrace	HOUSE Mid terrace	HOUSE Semi-	HOUSE Detached	FLAT (Purpose bit)
pre 1919	type 1, 3%	type 2, 9%	type 3, 4%	type 4, 7%	
1919- 1944			type 5, 5%		
1945- 1964			type 6, 10%		
1965 - 1990	type 7, 4%	type 8, 6%	type 9, 10%	type 10, 9%	type 11, 4%
Post 1990			type 12, 5%	type 13, 7%	type 14, 1%
<b>Total</b>	<b>7%</b>	<b>15%</b>	<b>34%</b>	<b>23%</b>	<b>5%</b>

Table B – Welsh Government Paper

Dwelling types	House End Terrace	House Mid Terrace	House Semi	House Detached	Flat Purpose built
Pre 1919	2.1%	15.9%	0.04%		
1919-1944	0.4%	0.6%	0.2%		
1945-1964	0.1%	0.2%	0.8%		
1965-1990	0.5%	0.9%	0.8%		3.7%
Post 1990	8.7%	15.3%	7.9%	0.3%	41.6%
<b>Total</b>	<b>11.7%</b>	<b>32.9%</b>	<b>9.7%</b>	<b>0.3%</b>	<b>45.4%</b>

Table C - CCHA Dwelling types

We can see that there is a considerable difference between purpose built flats and Pre 1919 mid terraced properties in Wales compared to CCHA’s housing portfolio. Having so many purpose built flats and pre 1919 homes compared to the average archetype model, further demonstrates how difficult it is to reach the Net Zero Standard. In order to estimate the costs of decarbonising CCHA’s homes utilising SAP ratings, it is prudent to understand the current SAP ratings of our homes. The table and image below identifies our current SAP ratings:-

Property Types	SAP Rating bands					Grand Total
	B	C	D	E	F	
Pre 1919	7	209	457	68	5	746
1919-1944		11	19	2		32
1945-1964		18	13			31
1965-1990	12	134	25			171
Post 1990	503	1477	140	3		2123
<b>Grand Total</b>	<b>522</b>	<b>1849</b>	<b>654</b>	<b>73</b>	<b>5</b>	<b>3103</b>

Table D

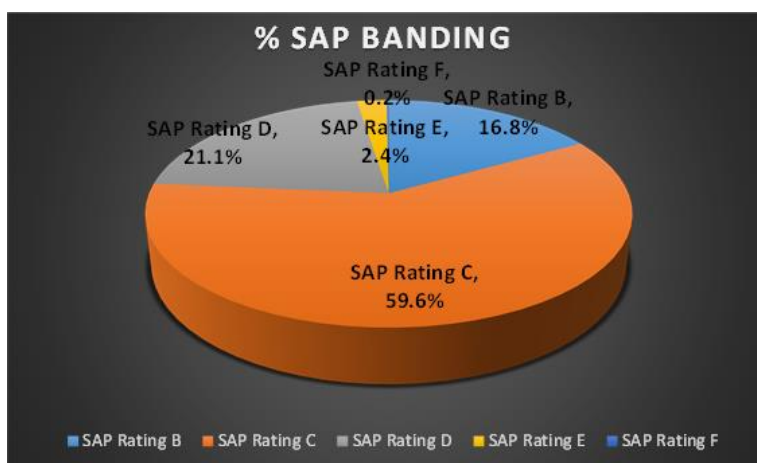


Image C

CCHA currently have no properties that are SAP rating A. 24% of the stock is SAP rating D and below. This means that 76% of CCHAs homes are rated at SAP C or higher. Based on undertaking a “fabric first approach”, where possible to retrofit of these homes, the next table shows indicative costs of improving our homes with the lowest SAP ratings (F, E & D) to SAP Rating C.

EPC Rating of CCHA Homes	No. of Homes	No of Homes to be improved to EPC rating C	Estimated Cost of improvement to EPC rating C
B	522		
C	1849		
D	654	654	£11,772,000
E	73	73	£1,460,000
F	5	5	£100,000
<b>Grand Total</b>	<b>3103</b>	<b>732</b>	<b>£13,332,000</b>

Table E

All our homes are technically capable of achieving SAP Rating C at an estimated cost of £13.5m. However, approximately 25% of our homes have constraints around retrofit, mostly related to character and historic features – such as the pre 1919 archetypes and homes with on street facades.

A commitment within this Strategy for existing homes is that we will use Welsh Government Support to improve homes from EPC F & EPC E to EPC C. Without financial support from Welsh Government we cannot afford in our business plans to meet Welsh Governments fabric first targets. We estimate the cost to bring 1849 homes from SAP C to SAP Rating B, with renewable technologies and electric heating systems to be £33m, so a significant investment is needed by Welsh Government to support this improvement.

No of homes that could be improved from EPC rating C to B	Additional Estimated Cost of Improvement from EPC rating C to rating B
1849	£33,282,000

Table F

There a small amount of homes that can realistically be retrofitted to SAP rating A. This is currently estimated at approximately 5–10% of our homes. We estimate these costs to be a further £3m.

Category	Estimated costs
To EPC rating C	£13,332,000
To EPC rating B	£33,282,000
To EPC rating A	£3,100,000
<b>Totals</b>	<b>£49,714,000</b>

Table G

These decarbonisation costs are additional costs to our current business plans and do not include any WHQS component replacements that need to be brought forward to support this work. Approximately £50m of Welsh Government funding is required to realistically achieve the below targets, through programmes such as Optimised Retrofit Programme.

SAP Rating	% potential achievement
A	10%
B	66%
C	24%

Table H

## 5. Our tenants, our homes, our people, our business and our further commitments

### Our Tenants:

Many of our tenants are not aware of all the support they are entitled to from the UK, Welsh and local governments. This means that there are families struggling financially that are missing out on vital assistance that could make a difference and we have seen evidence of this through our money solution teams engagement with our tenants. This financial hardship is more closely analysed in the Cost of Living Strategy.

As the economic situation is drastically declining the impact on society is worsening. With the recent significant rises in inflation we know that we face a challenging winter and next few years ahead. This puts a sharp focus on the sheer scale of some of our tenants situation and whilst cost of living crisis support measures have been put in place by the government, this will only take us so far, with the detrimental impact to households having a significant impact on financial wellbeing.

Our tenants should be enabled to achieve high levels of health and well-being in their homes. We know that the future of our tenant's socio-economic position is a challenge and through the demographic of our communities and their homes, income and affordability of household bills will become a further challenge throughout the period of this strategy. While we cannot influence the energy market, we are able to support our tenants in managing their rents effectively, and by ensuring their homes are maintained to the WHQS. Whole Home Energy Assessments will also ensure we can provide the best possible solutions to improve the energy efficiency of our tenant's homes where it is possible, which in turn will support reducing the cost of living.

In addition to financial support, we will also work side-by-side with our tenants to create more sustainable and resilient communities, with our tenants at the centre of everything we do. Many of our customers already model sustainable behaviours such as buying renewable energy, recycling at home, use of transport and already working with us to set-up micro allotments near their homes.

### **Our strategic tenant commitments - taking steer from the above**

1. Support tenants with rising energy costs by providing advice on government support packages available to reduce household energy bills through our money solutions team
2. Our Homes & Communities team will work with individual tenants to understand how we can further support families in fuel hardship
3. We will provide low cost communal utilities, secured through responsible procurement until January 2025, where our energy portfolio is reviewed
4. We will embed a community liaison officer to support and provide information to our tenants on the benefit of retrofit energy efficiency improvements in their homes (with no decarbonisation jargon)
5. We will ensure that we will incorporate our tenants voice in regards to neighbourhood environmental improvements exploring opportunities such as food growing and created planted areas
6. We will ensure that our tenants voice is heard and that they are able to contribute towards energy efficiency decisions across our business by establishing a “Green Group”

### **Our Future Homes:**

All of our new homes will meet the Welsh Development Quality Requirement standard and be built to EPC A wherever possible, achieving carbon neutrality, thermal comfort and high levels of wellbeing and affordability for our tenants. By building homes to an EPC A standard we can reduce home energy costs to as little as possible.

There will be occasions where Section 106 homes opportunities arise at EPC B, so we will endeavour to ensure that that these homes are capable of reaching EPC A in the future, where possible.

Embodied carbon produced during the design and construction of a development is dramatically lower when MMC are used so wherever possible our development team will consider Modern Methods of Construction to reduce our carbon footprint on site.

From an ecological perspective our estates have a number of green spaces, protected biodiverse areas and also contains homes close to the sea and other water courses. It is our responsibility to ensure that we limit our impact on these eco-friendly places by reducing our carbon footprint and appropriately assessing flood risks.

More and more of our tenants are installing their own electric vehicle charging points. Our development programme can include supporting a charging infrastructure for our tenants future use of electric vehicles. Through appropriate planning and design we will make eco-responsible choices to ensure our communities are resilient to climate change, helping to protect from risks such as flooding and home overheating.



### **Our strategic commitments for new homes - taking steer from the above**

1. We build our new homes to EPC rating A, meeting the DQR and ensure that they are thermally comfortable to live in
2. We will provide electric vehicle charging positions for future connection
3. We will install heating systems that are affordable to run, with no shared heating systems, fossil fuels or other utilities, wherever possible
4. We will comply with planning ecology and sustainable drainage strategy requirements
5. We will explore Modern Methods of Construction (MMC) opportunities to include modular and timber to reduce carbon emission on site and procure locally sourced materials

### **Our Homes & Places:**

We should improve our existing homes wherever possible to reduce their carbon emissions and make them more thermally comfortable and liveable for our tenants. We'll work across our communities to build resilience to environmental risks such as flooding, air quality and overheating within existing homes.

Environmental improvements such as creating more green space and supporting the biodiversity of an area must also be a priority for us. Historically there has been under investment in our communal spaces and cyclical decoration programmes. Providing attractive amenities, shared well presented gardens and planting wildflowers on unused land are some of the measures we can commit to in the strategy.

We will also continue, wherever possible to meet the existing WHQS and proposed WHQS2023 standards using WG funding and headroom within our business plan to meet the standards. In March 2022 we submitted our annual Welsh Housing Quality Standard (WHQS) performance to the Welsh Government. We reported that, overall we were 100% compliant subject to 878 acceptable fails. Of the acceptable fails in CCHA's housing stock, as of March 2022, 319 of these were due to SAP ratings falling below the current minimum requirement of 65 SAP points.

Our stock condition information is based on surveys carried out from October 2020 to October 2022 of which we have completed over 1900 surveys. We will ensure that our SAP and stock condition information is updated this information every 5 years in addition to utilising independent surveyors to externally validate the accuracy of our data. To support our Decarbonisation approach, we must understand what improvements our homes need to meet Welsh Governments targets. We are currently undertaking whole home, PAS 2035 surveys with a view to complete surveys on across all our different archetypes by 2026.

The proposed environmental changes within WHQS 2023 can be summarised as follows:-



- Carbon emissions from homes must be minimised – Target EIR 92/EPC A by 2033, where possible
- Measures to improve water efficiency and alleviating water poverty must be installed when replacing fittings and fixed appliances
- Water butts to be installed when appropriate (at change of tenancy)
- External storage for cycles and equipment must be made available
- Biodiversity opportunities should be introduced by landlords who own or manage verges, parks, grounds and open green spaces by changing their management of these areas to make them more wildlife friendly
- Landlords must carry out Whole Home Carbon Assessments and produce Target Energy Pathways plans for their homes, with all reasonable measure implemented – Target of 2026 to complete surveys

**Step 1:** Target a high SAP EPC C (SAP 69) rating through fabric measures (EWI, Windows, Doors, IWI and loft insulation; EIR target to C, SAP 69.  
*Compliance date: 2029*

**Step 2:** Target SAP EPC B through fabric measures. Install energy generation and storage systems where appropriate. Effective implementation will prepare homes for Step 3.  
*Compliance date: 2031*

**Step 3:** Install only appropriate low carbon heat sources from 2026 onwards – no gas boilers. Note: Steps 1 & 2 need to be completed on those homes with a fossil fuel heating system known to require a new heating system from 2026, in order to be able to comply with Step 3.

**Step 4:** Net zero carbon emissions must be achieved for the housing stock as a whole. *Compliance date: 2033*

**Our strategic homes and places commitments – “we will do the best that we can as soon as we can”:**

1. We will carry out Whole Home Carbon Assessments (PAS 2035 surveys) and produce Target Energy Pathways plans for our homes across our range of archetypes by 2026
2. We will meet the WHQS 2023 part 3 and 8 standards where it is financially possible, within our business plan. If we cannot reach Welsh Government fabric first WHQS goals, we still improve our homes to EPC C, where we can through retrofit measures
3. We will utilise future Optimised Retrofit Funding to improve homes from EPC F, EPC E and EPC D to EPC C and we will not use ORP funding for R&D projects
4. We will not dispose of homes that cannot meet WG' challenging WHQS targets - instead we will improve them to EPC C (if we can)
5. We will install environmental sensors in our tenants homes to understand the changes that retrofit measures have had and that living conditions are thermally comfortable for tenants
6. We will map flood risk areas, radon gas hotspots, homes at risk of overheating and put in place actions to reduce their impact
7. Conduct a review of all communal heating systems across our stock. The review will include the future options for replacement for more efficient systems, that are not oversized and are specified correctly

**Our People:**

Our holistic approach towards protecting the environment means that all our staff and leaders must take responsibility within their own operational areas to meet our agenda. We must all collectively understand the actions we can take as a business and as individuals to support our environmental targets.

We will provide facilities and incentives so that our people are well versed in key sustainability issues and feel empowered to make responsibly choices at home and at work. We've continued this conversation by establishing a Green Group of more than twenty colleagues who are committed to create sustainable changes to the business and continuing to appoint decarbonisation roles within CCHA.

### **Our strategic people commitments - taking steer from the above**

1. We will put in place environmental learning opportunities for our people so that they can provide support for our tenants
2. Board members will receive Carbon Literacy “lite” training and we will achieve Carbon Literacy Gold Accreditation across our business
3. We will put in place sustainable travel incentives such as electric pool cars, electric car leasing options, push and electric bike purchase choices and free electric car charging for our people
4. We will appoint strategic suitably trained positions into the business using core and Welsh Government funding to support our environmental targets, such as Head of Decarbonisation, Decarbonisation Officers and Tenant Liaison Officers
5. We will ensure that our people have the ability to discuss and contribute towards energy efficiency decisions across our business by establishing a “Green Group”

### **Our Business Activities:**

We want our commercial business activities to be close to carbon neutral as possible by 2030, supporting national climate change targets. We want our peoples vehicles, our white fleet, our waste that goes to landfill, the electricity and gas we use as a business to reduce to contribute towards this commitment.

As a business we have a fleet of vehicles, commercial offices and supply chain that contribute towards our overall carbon emissions. We must reduce our business’ impact through responsible recycling, appropriate maintenance of existing PV and heating systems, appropriate management of our supply chain, preventing releases of pollutants into water courses and reducing utility and vehicle fuel usage across our operations. We also need to consider the environmental impact of our satellite offices and Hwbs, ensuring that they are also considered for energy efficiency improvements if they are to continue to be used.

### **Our strategic business activity commitments - taking steer from the above**

1. We will gradually electrify our white fleet, putting in place the infrastructure to support its future expansion across our communities
2. We will provide charging facilities at our offices for our people to utilise electricity for grey fleet hybrid and all electric vehicles
3. When our head office heating system reaches its end of life we will investigate alternative electrical solutions
4. We will maintain and improve the 50kW PV system at Tolven Court to reduce electricity consumption in the office space
5. We will mandate use of environmental reporting criteria in new procurement and throughout existing contracts to ensure that we have a low carbon supply chain
6. We will establish corporate waste targets for our recycling and use of locally sourced materials
7. We will roll out smart meters across all communal areas and consider whether communal electricity supplies can be switched to 100% renewable supplier, where financially viable
8. We will explore options to reducing the impact of our IT infrastructure on our carbon footprint
9. We will explore options to reduce the carbon impact of our Satellite Offices and other buildings

## 6. Measuring our performance

We will establish an environmental governance structure that involves people from all levels of CCHA. The Corporate Leadership Team, Operational Management Team and Head of Decarbonisation will oversee the delivery of this strategy.

The Operational Management Team will ensure progress is made against our strategic targets, reporting to the Green Group periodically. Monitoring of the strategy will be supported by our people and tenants within a “Green Group”.

Whilst we recognise that legal requirements define minimum acceptable environmental standards, our goal is to exceed these wherever possible. In October 2020 we set core commitments out within an Environmental Policy and along with Board commitments these principles have been embedded throughout this strategy (Appendix A).

Every two years we will repeat the SHIFT assessment process to monitor and measure our performance against our strategy commitments. The SHIFT assessment produces scope 1, 2 and 3 emissions and information directly linked to ESG and SRS data and this will be regularly provided to our lenders. Our target is to reach the SHIFT Environmental Gold Standard.

Key commitments from within this strategy will feed into an action plan. The environment strategy and associated performance measures will also be used in other reporting and benchmarking as required for peer comparison.

### **Our strategic measurement commitments - taking steer from the above:**

1. Our Green Group will monitor and ensure commitments made in the strategy are achieved
2. Carry out the SHIFT independent assessment every 2 years, measuring performance against peers
3. ESG and/or SRS information will be provided to CCHA’s lenders periodically upon request, utilising SHIFT assessment data Business Activity

## 7. Delivering the Strategy

### **Directly Employed Labour**

We have internally mobilised a proportion of our responsive and major works repairs service – “The M Team”. Most of the staff in the repairs team are local and have a personal stake in ensuring high levels of customer satisfaction and business sustainability.

Consideration will be given in the future to whether the M team should be expanded to include additional trades undertaking planned repair and skilled work such as installation of internal or external wall insulation, installation of environmental sensors installation of PV systems and the replacement of inefficient heating systems for air source heat pumps.

### **External Suppliers**

A significant proportion of decarbonisation retrofit works need to be provided by external suppliers. These include works to leasehold blocks where there is a requirement to tender contracts and works and services that require skills not yet possessed by CCHA. The delivery of works and services that require resources for a limited period, such as new build schemes, are better suited to external suppliers.

External suppliers are required to absorb the demand for works and services that are beyond the capacity of the M Team, until a significant investment is made into the future of the internal teams.

### **Internal Surveying Team**

Through our Property Services restructure and the recruitment of a specific environmental positions, we have mobilised a team to undertake stock condition surveys and whole home PAS 2035 surveys. This information will be populated into our new asset management system ensuring our data is up to date and accurate. The asset management system provides a series of measures, or a “pathway to zero” to be used to determine future energy efficiency measures for all of our homes.

## 8. The Monitoring Role of the Board

A monitoring report will be provided to Board members every 12 months to establish if the strategy needs altering based on internal or external changes and how officers are progressing with the action plan attached.

Quarterly progress reports against commitments will be presented to the Green Group for scrutiny.

## 9. References

Related External Documents	
Reference	
Wellbeing of Future Generations Act (Wales) 2015	<a href="http://www.legislation.gov.uk/anaw/2015/2/contents/enacted">http://www.legislation.gov.uk/anaw/2015/2/contents/enacted</a>
Decarbonisation of Homes report by a Wales Advisory Group	<a href="https://gov.wales/decarbonisation-homes-wales-advisory-group#:~:text=The%20Decarbonisation%20of%20Homes%20in,in%20Welsh%20homes%20by%202050.">https://gov.wales/decarbonisation-homes-wales-advisory-group#:~:text=The%20Decarbonisation%20of%20Homes%20in,in%20Welsh%20homes%20by%202050.</a>
Welsh Housing Quality Standard 2023 (consultation)	<a href="#">Welsh Housing Quality Standard 2023   GOV.WALES</a>
Better Homes, better Wales Report	<a href="#">In depth briefing - Better Homes Better World - July 19 eng.pdf (chcymru.org.uk)</a>
Indicative costs of Financial Effects of Decarbonisation of our homes (CHC) July 2022	<a href="#">Salesforce</a>
Related Internal Documents	
Asset Management Strategy 2020 - 2025	
Development Strategy “New Homes” 2022	
Cost of Living Strategy	
Tenant Engagement Strategy	
Environmental Policy Statement	

## 10. Document control

Document Information	
<b>Business Owner:</b>	Corporate Director of Property & Assets – Jonathan Jones
<b>Version no:</b>	1
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<b>Document History</b>			
<b>Date</b>	<b>Version no.</b>	<b>Author</b>	<b>Description</b>

## 11. APPENDIX A - Environmental Policy Statement

### Environmental Policy – Statement of Intent

#### Cardiff Community Housing Association

In accordance with our duty under the Environmental Protection Act 1990 and fulfilling our legal obligations, I have produced the following statement of intent in respect of CCHA's commitment to environmental protection.

The Executive Team and our Board are committed to achieving and maintaining the highest possible environmental standards and recognise that CCHA's business activities have an impact on the local, regional and global environment. It is my aim to reduce our activities environmental impact and to ensure that CCHA's services operate in an environmentally responsible way.

The Corporate Director of Property takes the corporate lead on my behalf and is supported by the Health and Safety Manager, Head of Governance and the cross organisational Green Group; who will meet regularly to discuss performance in relation to our commitment and implement and monitor any identified improvements to our environmental standards. However, our holistic approach towards environmental protection means that all our staff and senior leaders must take responsibility within their own operational areas to meet our agenda.

The **main commitment** of our **environmental agenda** is to **reduce** our negative impact on the environment by reducing **CCHA's CO<sub>2</sub> emissions**. This commitment will also directly tackle fuel poverty and consider the direct or indirect impact of any of our carbon reduction impact measures on our tenants. This commitment is also intrinsically linked to our Asset Management and Development Strategy objectives.

To support this agenda, I will ensure that adequate resources and training are provided. We will set annual targets for our environmental performance and make sure that these contribute to any national targets or local priorities.

Whilst I recognise that legal requirements define minimum acceptable standards, our goal is to exceed these where possible and in doing so hope to operate to a ISO 14001 which will include the following commitments:

- a) Implement an environmental management system (EMS) throughout the company;
- b) Meet, the minimum relevant environmental legislative and regulatory requirements. We will also meet any requirements imposed by our customers and other relevant parties such as the Local Authority or the Environment Agency;
- c) Through an impact assessment process such as SHIFT, we will monitor and review all our business activities and operations against the environment. This is in order to identify, understand and evaluate any direct and indirect environmental aspects or effects. We will prioritise any actions to address issues identified;
- d) Support continuous environmental improvement by establishing challenging, achievable and measurable environmental performance targets that will be reviewed and reported on a 6 monthly basis. We will assess our performance annually against our peers and undertake external benchmarking assessments as needed.

- e) Reduce energy and resource consumption by utilising effective and efficient working methods, and processes and practices consistent with best practice;
- f) Implement a waste minimisation and recycling programme in order to achieve objectives and targets for reducing waste;
- g) Minimise the environmental effects of the handling, transportation and subsequent treatment of any waste generated by the business;
- h) Avoid where practicable the use of toxic materials in business operations, services and products;
- i) Prevent, minimise or render harmless releases of pollutants arising from our business operations and services;
- j) Prevent community impacts associated with noise or vibration from our business activities;
- k) Promote modes of transport that minimises our own environmental impact. This will include assessing the impact of our white and grey fleet vehicles (and how they are driven) on the environment, providing and supporting any possible affordable solutions or initiatives;
- l) Maintain effective communication on environmental matters to ensure that our staff are aware of all relevant environmental issues and of their own roles and responsibilities in meeting our agenda;
- m) Include environmental management duties into all our job descriptions for our staff. We will provide training awareness programmes such as carbon literacy training and more detailed training for those with particular responsibilities;
- n) Pursue ambitious green initiatives at our head offices such as installing energy generation systems (PV), low cost heating and lighting and creating green office space reducing our commercial carbon footprint;
- o) Regenerate and improve our housing stock in line with Welsh Government Decarbonisation Targets (tackling fuel poverty) and in line with our Asset Management Strategy Objectives.
- p) Develop any new homes in line with Welsh Government Decarbonisation Targets and in line with our Development Strategy Objectives.
- q) Keep abreast of relevant technical and legislative environmental developments in order to continue operating in accordance with current best practice.
- r) Promote our environmental objectives and to respond positively to any enquiries and suggestions from both inside and outside the business.
- s) Through responsible procurement and the adoption of a robust environmental question set, ensure that our key suppliers, partners and contractors, as far as practicable, provide all their goods and services in line with our environmental agenda.

This statement of intent and any supporting management systems put in place will be subject to regular review, of at least every 12 months. Any revisions will be brought to the attention of all staff and others who may be affected by our business decisions.

Working towards excellence in environmental management requires a collective commitment and effort from our Board, all staff and contractors. Our personal commitment is clear and unambiguous – non-compliance with our agenda is not an option. We all have a duty to protect the environment from any CCHA activities that may be detrimental and I am confident that you will work with me to achieve this standard.

Signed

A handwritten signature in blue ink that reads "Hayley Selway".

**Hayley Selway**  
Chief Executive Officer  
October 2020