

Carbon Reduction Strategy

2022-24

Greener, warmer homes that cost
our customers less



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Executive Summary

The purpose of the Local Space Zero Carbon Strategy is to provide strategic focus for the next five years, ensuring opportunities through our programmes of work, supplier chain, resident engagement and Local Authority Partners are maximised to improve the energy efficiency of our stock and promote decarbonisation. This strategy promotes our core visions and values and is focused to deliver sustainable communities and exceed customer and client expectations.

Introduction

Local Space is an innovative and unique organisation that is committed to improving people's lives through its partnerships with local London Borough's. The core business is to meet the acute needs, through the provision of settled accommodation, for people who become homeless. Adopting this business model has allowed Local Space to challenge social inequalities and improve the quality of life for the people within the local community.

As an organisation, Local Space is committed to improving the energy efficiency of its housing stock and ensuring investments made to the internal and external fabric of the homes will have a direct cost benefit on our customer's fuel costs.

Adopting a structured and ambitious approach to tackling carbon reduction within our stock, we believe we can deliver value for money, support the growth of our portfolio and make a positive difference to our customers quality of life. Furthermore, our approach will help the nation in our efforts to reduce carbon and improve the lives and well-being priorities for our future generation.

The purpose of this section is to provide strategic direction to attain a reduced carbon output for both our existing and inherited stock and more importantly, ensure our decisions align to the national target of securing net zero carbon by 2050.

Operating Environment

It has been reported that globally 36 billion tonnes of CO2 are produced every year and this is predicted to increase by nearly 50% by 2050 if urgent action isn't taken.

The UK housing stock represents an estimated 20% of total UK Carbon emissions and has been identified by the UK Government as a priority that needs to be addressed. The Climate Change Act 2008 (2050 Target Amendment) Order 2019 was published in an effort to ensure we achieve "net zero" greenhouse gases by 2050.

In October 2017 the government released "The Clean Growth Strategy - Leading the way to a low carbon future" which set the target for all properties to be at least SAP Band C by 2030. This initiative was reinforced in November 2020 with the publication of "The Social Housing White Paper" which advocates a review of the decent homes standard in 2021; it is anticipated this updated document will focus on decarbonisation and the overall improvement of energy efficiency within the social housing sector.

Objectives & outputs

Through our Local Space Zero Carbon approach our objectives will be:

- Reduce the energy requirement of domestic stock assets
- Improve the Thermal Efficiency of resident homes where we are able to
- Bring all properties to a minimum EPC Band C in advance of 2030 deadline
- Achieve an annual 0.5 point annual increase in RdSAP for the first 5 years
- 5% Reduction in Carbon Dioxide Emission on an annual basis OR Reduce carbon output by 2000 tonnes in the first 5 years
- Increase levels of disposable Income for our residents
- Increase access, awareness and share energy advice and knowledge with our residents
- Ensure our supply chain adopt our ethos and ambitions to offset carbon
- Achieve zero carbon output by 2050
- Explore innovative opportunities to offset carbon
- Seek out new and emerging carbon reduction technologies
- Maximise grant funding opportunities
- Maximise the return on investment for works delivered
- Capitalise on Local Authority and Supplier Partnerships and maximise opportunities
- Reduce carbon footprint produced by Local Space office and workforce infrastructure

Our ESG (Environmental, Social, and Corporate Governance) targets are 3 core elements that we use to measure our performance with regard to the impact our investment has on the energy efficiency of our stock. Our efforts to reduce the carbon outputs will positively contribute to the wider environment and global climate change for future generations. It is our ambition to ensure our investments have a positive impact on the standard of living in our community and the people who reside in our homes; mitigating fuel poverty, improving health, reducing social exclusion and improving the overall quality of life. Equally, implementing a programme of energy efficient retrofit works will enhance the opportunity to create employment opportunities for the local area.

By adopting and implementing the above it is hoped the following outputs are realized:

- As an organisation we remain regulatory compliant
- Promote sustainable homes and neighbourhoods.
- Mitigate fuel poverty
- Improve the health, well-being and life opportunities for our residents
- Create employment opportunities for the local community
- Enable successful tenancies
- Carbon reduction investment demonstrates value for money

Next 5 Years Focus

It should be recognised Local Space owns over 1,000 flats and most of these are in blocks where we are not the freehold owner. In such cases, a more limited range of energy efficient improvement measures can be implemented as works to the external fabric of the building (including windows) would not be permitted without consent or indeed in many cases will be the freeholder's responsibility.

Notwithstanding the above, as a business we need to ensure any future investment decisions will be aligned to targeting the decarbonisation of our homes and will also form part of any stock appraisal and/or sustainability analysis. Where the opportunity presents itself, we will continue to reduce the carbon emissions from our homes and promote a greener culture with our customers and other stakeholders involved in carbon reduction activities.

Our focus over the next 5 years to support our strategy will be as follows:

- Undertake energy efficient improvement measures to improve the RdSAP rating and reduce fuel poverty.
- Actively engage to raise resident awareness, promote the right behaviour and provide access to energy advice which support this agenda.
- Engage with Customers to promote the benefits of carbon reduction activities and encourage buy-in
- Support residents to secure opportunities to increase household income
- Explore and maximise government funding opportunities such as SHDF

- Capitalise and work in unison with our Local Authority Partners to support our strategy
- Explore and adopt emerging technologies that demonstrate carbon reduction
- Initiate pilot schemes to understand and assess the viability of carbon reduction technologies
- Where applicable, apply a "Fabric First" approach to investment on existing stock.
- Regularly review 30-year business plan and identify liabilities
- Explore the opportunity to phase out all gas heating in all newly acquired properties by 2025.
- Move all properties away from reliance on natural gas by 2050
- Ensure our approved supply chain demonstrate commitment to carbon reduction and hold as a minimum ISO14001 Certification (Environmental Management System)
- Explore opportunities to reduce carbon output via our office and workforce infrastructure.
- Maintain a robust and accurate stock asset data to ensure informed decisions are made with regard to carbon reduction on future investment programmes.
- Explore options to adopt 'intelligent energy' software module to model optimum carbon reduction stock asset investment interventions.

Measuring Success

In order to benchmark success and achievements with regard to our zero-carbon strategy we need a mechanism to monitor and report progress. The following represents the key metrics that will be assessed and measured:

- RdSAP Rating (overall improvement and stock average)
- Carbon Emission Output
- Total funding secured as percentage of decarbonisation investment
- Resident Feedback
- Impact on energy usage to properties where new technologies has been introduced
- Number of new technologies/interventions that have been implemented as pilots
- Cost per carbon tonnes saving
- Percentage of stock without gas
- Number of Local Authority Partner Funding Initiatives

Governance

This document presents Local Spaces strategy to reduce decarbonisation as a key corporate priority. This Strategy was approved by Local Space Board. Nominated staff have day to day responsibility to deliver this Strategy and compliance will be monitored through day-to-day management.

EPC

Energy Performance Certificate

Zero Carbon

When carbon (CO₂ or carbon dioxide) and other heat-trapping emissions are released into the air, they act like a blanket, holding heat in our atmosphere and warming the planet. Net zero means that any carbon emissions created are balanced/cancelled out by taking the same amount out of the atmosphere. We will reach net zero when the amount of carbon emissions we add is no more than the amount taken away.

SAP

The Standard Assessment Procedure (SAP) is the methodology used by the Government to assess and compare the energy and environmental performance of dwellings.

RdSAP

RdSAP stands for Reduced Data Standard Assessment Procedure and is the Government approved method for measuring energy performance for existing dwellings only. Where an EPC is required for a new dwelling under building regulations it must be a SAP EPC.

Decarbonisation

Decarbonisation is the term used for the process of removing or reducing the carbon dioxide (CO₂) output of a country's economy

Fabric First

A 'fabric first' approach to building design involves maximising the performance of the components and materials that make up the building fabric itself, before considering the use of mechanical or electrical building services systems

