



The Langstane Group

Sustainability Strategy 2020 - 2025

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1. Introduction

In May 2019 the UK Parliament declared a Climate Emergency and this was backed up in November 2019 by 11,000 scientists from 153 countries who united to declare a global climate emergency, warning that 'untold human suffering' was inevitable without huge shifts in the way we live.

This climate emergency has arisen from a reliance on fossil fuels, increasing pollution and carbon emissions, loss of ecosystems and rapid population growth. The Langstane Group cannot respond to all of these challenges, but is committed to making changes that will minimise the impact of our business on the environment and contribute to a more sustainable future.

This Strategy is aimed at ensuring sustainability is at the heart of decision-making throughout the Langstane Group, comprising Langstane Housing Association and its subsidiaries Langstane Properties, Langstane Development and Langstane Maintenance. It aims to strike a balance between setting out a high level framework for the delivery of sustainability and delivering a detailed plan which will address specific targets.

The key objectives of this strategy are to:

- Improve the energy efficiency of our homes
- Reduce fuel poverty amongst our tenant population
- Reduce carbon emissions arising from our activities
- Improve business efficiency and reduce waste
- Purchase responsibly

These Strategy objectives will support the organisation's Business Plan vision to 'be the best we can be' through the promotion of practices that will realise savings for the organisation (through reducing waste) and for our tenants (through more energy efficient homes).

2. What does sustainability mean to Langstane?

There are many definitions of sustainability – a few of the best known are quoted below:

1. able to continue over a period of time
2. causing little or no damage to the environment and therefore able to continue for a long time.

—Cambridge English Dictionary

“It meets the needs of the present without compromising the ability of future generations to meet their own needs.”

—United Nation’s Bruntland Commission

“... when resources are consumed faster than they are produced or renewed, the resource is depleted and eventually used up. In a sustainable world, society's demand on nature is in balance with nature's capacity to meet that demand.”

—Global Footprint Network

“Sustainable means using methods, systems and materials that won't deplete resources or harm natural cycles.”

—Marc Rosenbaum, Notable Sustainable Architect

For Langstane, **“sustainability is about ensuring that the decisions and actions we take today are underpinned by a consideration of how those decisions and actions will impact on the world in the future”**.

Sustainability must become a holistic part of our day to day business.

For instance, when we upgrade a kitchen in one of our homes, we should be asking not just how much it will cost, but:



Incorporating environmental considerations into decision-making will require a change of approach for Langstane and our staff. Decision making at present often focusses on economic or social factors but it will be impossible to become a more sustainable business without giving environmental factors equal importance. It is accepted that occasionally this may add cost but it should also realise savings for the Association in reduced waste, reduced utility and transport costs and more efficient processes.

3. Legal and political context

Carbon emissions

The Climate Change (Scotland) Act 2009, subsequently amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 sets a challenging target to reduce Scotland's carbon emissions to net zero by 2045 with interim targets for reductions of at least 56%¹ by 2020, 75% by 2030 and 90% by 2040.

Figure 1 below shows the source of greenhouse gas emissions in Scotland based on 2017 figures.

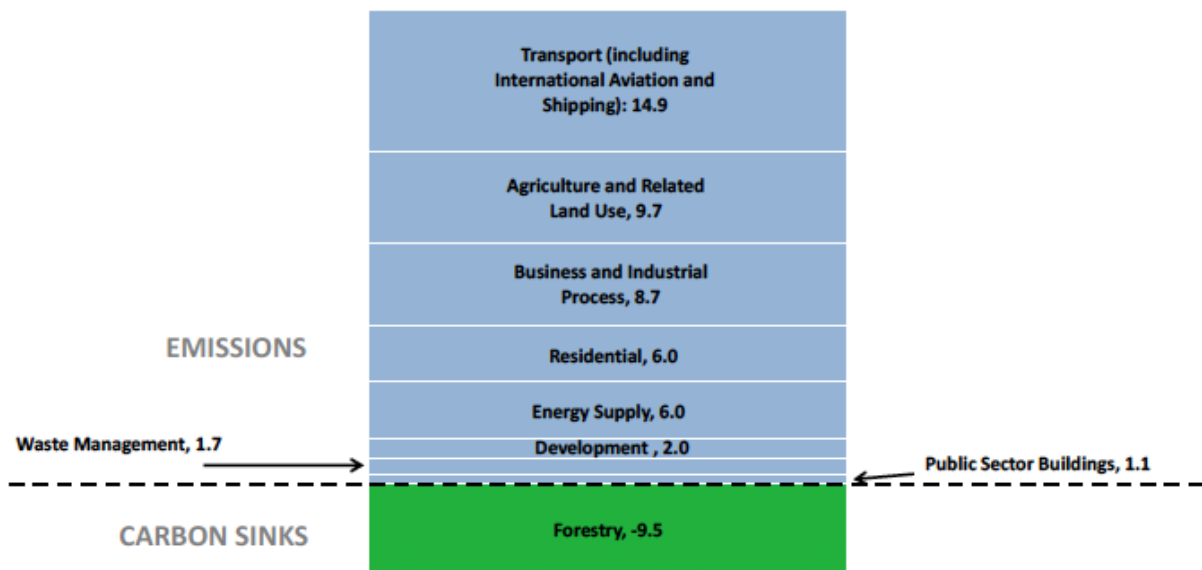


Figure 1 - Source of Scottish greenhouse gas emissions 2017²

Carbon emission reduction will rely on:

- Reduction of aviation and shipping emissions
- Reduction of emissions from business and industry
- Reduction of emissions from transport – cars, trains, lorries
- Reduction of emissions from homes
- Reduction of waste and better use of resources
- Increased woodland to offset carbon

Langstane's activities span items issues a – f and this makes us well placed to contribute positively to reducing carbon emissions. However, at the moment we don't have definitive information on the carbon emissions generated by our various business activities. The first action under this Strategy will be to assess the carbon footprint of our offices, vehicles and the homes we own and manage, and set targets for reducing carbon emissions over the 5 years of this plan.

¹ Reduction against 1990 carbon emission levels

² Figure taken from Scottish Government publication "Scottish Greenhouse Gas Emissions 2017"

Energy Efficiency Standard for Social Housing (EESH)

EESH was developed in response to the Climate Change targets and sets energy efficiency targets that all social housing should meet by 31st December 2020. LHA may not be 100% compliant with this target, primarily due to difficulties funding effective solutions for granite tenement properties. However, we expect to be around 94% compliant with the remainder of our properties (around 170) having temporary exemptions. The focus will be on meeting EESH 2, the exact requirements of which have still to be formally confirmed but are expected to be:

- From 31st December 2025, no relets of social housing with an EPC rating lower than Band D (subject to temporary exemptions) allowed
- By 31st December 2032 all social housing meets, or can be treated as meeting, an EPC rating of Band B or is as energy efficient as practically possible within the limits of cost, technology and necessary consents
- By 2040 poor energy efficiency has been removed as the driver for fuel poverty and all social housing is as carbon neutral as reasonably practical

Figure 2 below shows the Association's journey towards EESH compliance and there has been significant improvement over the past five years, with the percentage of compliant properties rising from 76% in 2015/16 to 93% at 1st January 2020.

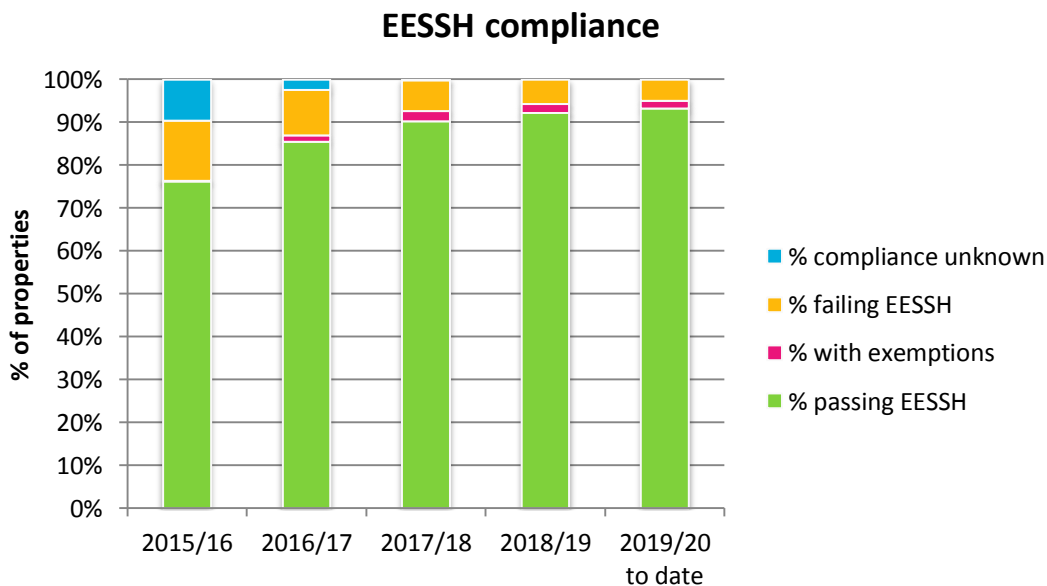


Figure 2 - EESH Compliance

Figure 3 overleaf shows the EPC ratings of Langstane homes from 1st April 2015 to 1st January 2020. There has been a marked improvement in the energy performance of our homes and although we may not be 100% compliant with EESH at 31st December we are confident of meeting the target for all properties to have an EPC rating of D or higher by 2025. 85% (22) of properties with a rating below D have temporary exemptions for social reasons (tenants would not allow work to go ahead) and will be improved at the next void stage, 8% (2)

have had work carried out and are awaiting new EPCs, 4% (1) have an error on the EPC which is being corrected and 4% (1) has heating upgrade work programmed for 2021/22.

More challenging will be the target of upgrading properties to an EPC rating of B by 2032. The majority of Langstane’s homes (2209) have an EPC rating of C or D. Of these, 445 (23%) are only 1 – 3 points away from a B rating. The majority of C and D rated properties have had heating upgrades, loft insulation top-ups and some have had underfloor insulation installed. To increase these to a B will require substantial investment focussing on external or internal wall insulation and/or underfloor insulation and renewables such as solar water heating and solar PV. At present, for those properties that are only 1 – 3 points away from a B rating, the cost of such works is not justified by the anticipated savings passed on in running costs to tenants unless grant funding can be identified.

EPC rating of Langstane homes

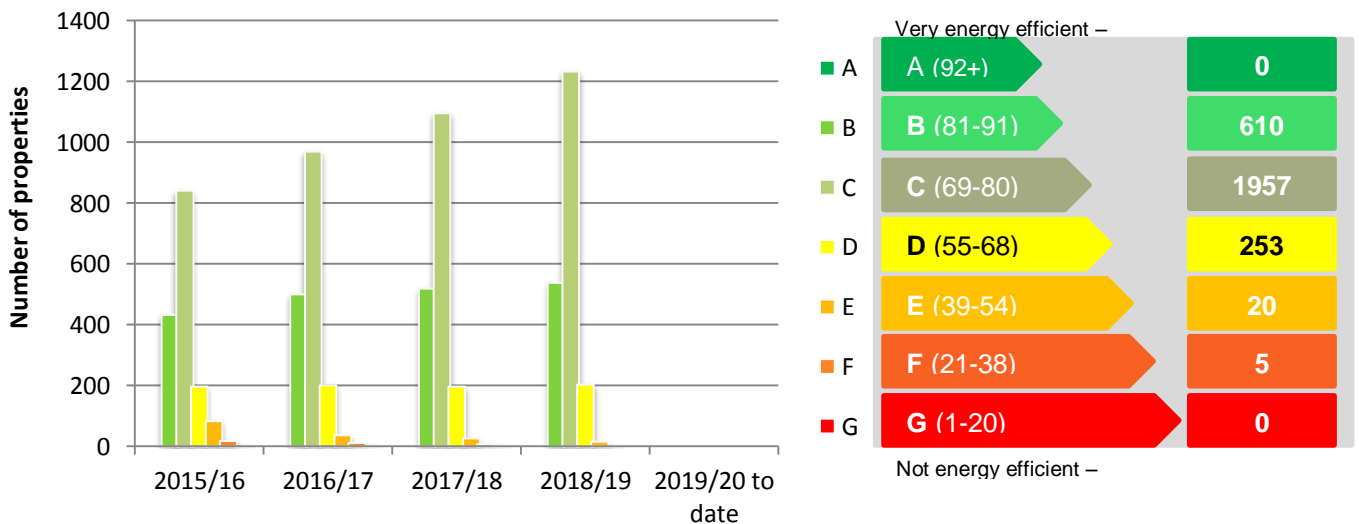


Figure 3 - EPC ratings of Langstane homes

The Association will therefore focus attention over the period of this strategy on the worst performing properties where the investment will have the greatest benefit. There are 278 properties currently classed as a D rating or lower. Of these:

- 47 have temporary exemptions for social reasons and the majority require heating upgrades which will be carried out at the next void stage.
- 103 are electrically heated properties which currently pass EESSH but will not meet EESSH 2032 targets.
- 74 of these electrically heated properties are programmed for heating upgrades or fuel switches to convert to gas or air source heat pump heating over the next ten years.
- 39 of these electrically heated properties are super-insulated, air-tight properties with reduced heating requirements which perform poorly on EPCs.
- 125 properties have gas central heating and currently fail EESSH.
- 84 of these properties are solid wall constructions such as granite tenement flats
- 62 of these 125 properties are ground floor flats which would benefit from under-floor insulation

- All of the failing properties would benefit from internal or external wall insulation where it is physically possible.

In year one of this strategy a clear plan will be developed to show how we will work towards meeting EESSH 2032, based on a 'worst first' approach. We will seek to identify potential grant funding to assist with the investment required to improve our homes.

Fuel poverty

Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019

This Act sets out a new definition for fuel poverty:

A household is in fuel poverty if—

(a) the fuel costs necessary for the home in which members of the household live to meet the conditions set out in subsection (2) are more than 10% of the household's adjusted net income, and

(b) after deducting such fuel costs, benefits received for a care need or disability (if any) and the household's childcare costs (if any), the household's remaining adjusted net income is insufficient to maintain an acceptable standard of living for members of the household

A household will be deemed to be in extreme fuel poverty if fuel costs are more than 20% of the adjusted net income.

The Act also sets clear targets for reducing fuel poverty:

- By 2040 no more than 5% of households will be in fuel poverty and no more than 1% in extreme fuel poverty
- Interim targets are set for 2030; 15% households in fuel poverty and 5% extreme fuel poverty, and 2035; 10% households in fuel poverty with 3% in extreme fuel poverty

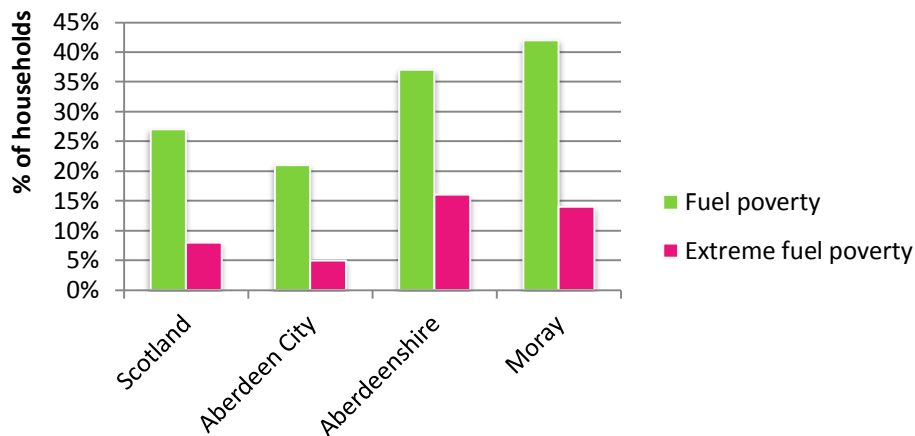
In 2017, 24.9% (613,000) of households were thought to be in fuel poverty in Scotland³ with 7% (174,000) of households living in extreme fuel poverty.

Fuel poverty is driven by a number of factors:

- Type of heating
- Heating costs
- Water heating costs
- Lighting, cooking and other running costs
- Low incomes
- Inefficient construction of homes

³ Based on figures published in Scottish Government's Scottish House Condition Survey 2017

Fuel poverty in Scotland (based on 2016 Scottish House Condition Survey)



The majority of households in fuel poverty in the three Local Authority areas that the Association operates in are older households and there is a higher level of fuel poverty in social housing than in private rented or owner occupied property. Just over half of households in fuel poverty have electric heating.

Improving heating and insulation in our homes to meet EESSH2 will contribute to reduced fuel costs for tenants and assist with reducing fuel poverty amongst our tenant population. It is difficult for us to estimate accurately how many of our households are currently in fuel poverty as we do not hold income information for our tenants.

However, in 2020/21 we plan to carry out a tenant profiling survey and will include questions on fuel poverty to identify how many households struggle with their fuel costs.

Procurement

The **Procurement Reform (Scotland) Act 2014** requires all procuring organisations to meet their sustainable procurement duty. Our duty, before buying any goods, works or services, is to consider how our procurement can improve the social, economic and environmental wellbeing of the areas we operate in.

The Association has recently produced a procurement manual for use by all procuring staff, which requires staff to produce a pre-procurement plan for all procurement activities over £50,000 in value. The plan includes a section on sustainable procurement to ensure that all aspects of sustainability are considering when undertaking procurement.

The Association is committed to:

- Adding value to procurement activities by including proportionate community benefit requirements
- Understanding the environmental impact of procurement decisions and identifying opportunities to save energy and resources and reduce waste
- Increasing the use of e-tendering and work towards e-invoicing to reduce our paper use

- Facilitate the involvement of SMEs (small and medium sized enterprises) and local suppliers, third sector organisations and supported business in our procurement activities

Our Procurement Strategy sets out a detailed action plan for ensuring we achieve our sustainable procurement goals.

Waste

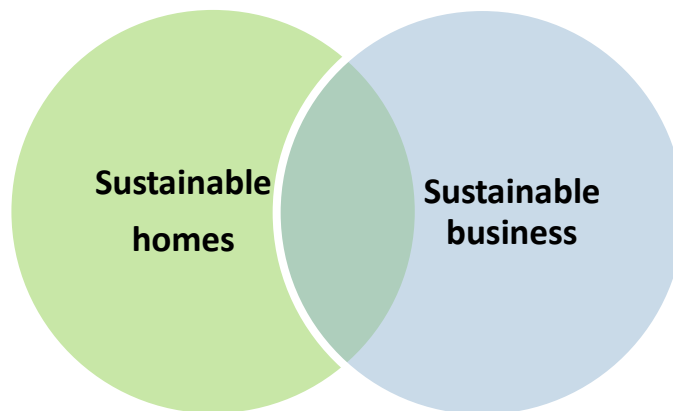
The **Waste (Scotland) Regulations 2012** came into force on 1st January 2014 and place a duty on all businesses, regardless of size, to present plastic, metal, glass, paper and card waste for separate collection.

Whilst Langstane complies with this duty to an extent, spot checks of waste bins show that recyclables are still being placed into general waste bins and a more formal approach to recycling, and raising of staff awareness, is required and this will be a priority in year one of this Strategy.

4. Our sustainability priorities

This strategy ensures that sustainability is at the heart of decision-making throughout the organisation. Without sustained focus on sustainability from all areas of the business it will be difficult to

Our Sustainability Strategy has two core priorities:



Priority 1 - Sustainable homes

The aim: to minimise the impact of our homes on the environment and reduce fuel poverty amongst our tenant population

How we will achieve it:

- **Carbon footprint of homes** – identify the carbon footprint of our homes and set a target for reduction of carbon emissions to be achieved by the end of this Strategy

- **Fuel poverty** – assess fuel poverty levels amongst our tenant population through our planned 2020 Tenant Profiling Survey and reassess at the end of the Strategy period to determine the impact of improving the energy efficiency of our homes
- **Energy Efficiency** – in year one, create a detailed plan for achieving EESSH2 with a focus on improving the worst properties first, and implement the plan
- **Purchasing** - Review the specifications used in repairs and maintenance to minimise their impact on the environment. Ensure that sustainable procurement duties are complied with
- **Construction waste** – encourage reuse and reduction of waste on construction projects through procurement, designing out waste and encouraging reuse and recycling of construction waste
- **Community projects** – Utilise community benefit funds so implement projects that benefit our local communities, with a focus on projects that benefit the environment
- **Reduce staff and contractor travel** to schemes – review processes to ensure that scheduling of repairs visits is as efficient as possible, repairs are carried out right first time to prevent repeat visits and IT is utilised to prevent unnecessary travel (for instance tenants photograph repairs issues rather than an officer visiting to inspect)

Priority 2 - Sustainable business

The aim: to ensure the business is as efficient as possible, waste is minimised and that environmental impact is at the heart of our decision making

How will we achieve it:

- **Green Champion** – identify a Green Champion to drive the delivery of this Strategy
- **Environmental audit / carbon footprint** - carry out an environmental audit of the business and identify ways of reducing the footprint of the business
- **Utilities & water use** – reduce energy use by developing clear overnight, weekend and holiday ‘shut-down’ procedures for the offices.
- **Office EPC rating** – the King Street office EPC is currently 93.71, F (poor). Identify options for improving the EPC rating and instruct an EPC for the Elgin office
- **Single use plastic** – reduce the use of single use items in the office with a view to eliminating, as far as practicable, all single use plastic by the end of this Strategy period

- **Paper** – reduce printing and paper use and move towards a paper-free office by the end of this Strategy period
- **Waste and recycling** – improve recycling rates for paper, cardboard, glass, plastic and aluminium within the offices and identify potential recycling routes for other office waste items such as batteries, toner cartridges, obsolete IT equipment etc
- **Purchasing** – review the purchasing approach to office equipment / stationery etc. to ensure that sustainability is being considered
- **Transport** – carry out a review of vehicle usage to determine the viability of moving to electric / hybrid vehicles for pool cars and trades vans and encourage the use of cycling, walking and public transport amongst staff where appropriate

5. Action Plan

The activities outlined in Section 4 have been collated into an Action Plan at Appendix 1 which sets out the key actions to be completed in Year One of this Strategy.

This Action Plan will be reviewed and updated annually to ensure that the Strategy is delivered

Appendix 1 – Sustainability Action Plan – Year 1

Priority	Action	Owner	Timescale	Progress
Sustainable Homes	Identify carbon footprint of LHA homes and set target for reduction	DoAM	01/05/2021	
	Carry out survey of tenants to identify levels of fuel poverty amongst LHA households	DoAM / DoH	01/05/2021	
	EESSH2 delivery plan to be agreed	DoAM	01/11/2020	
	Review maintenance specifications and identify areas for reducing impact of maintenance activities on the environment	DoAM	01/09/2020	
	Review specifications and procurement clauses to ensure waste generation on building sites is reduced, and wherever possible waste is reused or recycled	DoAM	01/09/2020	
	Ensure community benefits are being extracted from procurement with a focus on building up a community benefit fund	DoAM / DoFCS	01/08/2020	
	Identify opportunity for a community benefit project with a focus on sustainability	DoAM / DoH	31/03/2021	
	Carry out process reviews to identify ways of reducing unnecessary staff and contractor travel	DoAM / DoH	01/05/2021	
	Identify a Green Champion	DoAM	01/09/2020	

Langstone Housing Association Ltd is a registered Scottish Charity No. SC 011754, a registered Property Factor No. PF 000666 and a registered Letting Agent No. LARN2001005



Priority	Action	Owner	Timescale	Progress
Sustainable Business	Carry out Environmental Audit of offices	DoAM	01/09/2020	
	Develop clear shut down procedures for offices	DoAM	01/06/2020	
	Review office EPCs to identify opportunities to improve office energy efficiency	DoAM	01/08/2020	
	Identify single-use plastics within offices and aim to reduce reliance by 20% in Year 1	DoFCS	01/05/2021	
	Aim to reduce paper use by 20% in Year 1 of Strategy	DoFCS	01/05/2021	
	Develop implementation plan for moving to paper-free office by end of Strategy period	DoFCS	01/11/2020	
	Quantify current recycling rates within offices and aim to improve by 20% by end of Year 1	DoFCS	01/05/2021	
	Review specification of office equipment / stationery and ensure future purchasing considers sustainability	DoFCS	01/11/2020	
	Carry out options appraisal for moving to electric / hybrid vehicles	DoFCS	01/10/2020	

DoAM – Director of Asset Management

DoFCS – Director of Finance & Corporate Services

DoH – Director of Housing & Social Justice

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