

the **calico** group

# Environmental Strategy

December 2023



## Executive Summary

**We recognise the need to reduce our environmental impact and we want to improve our customers lives – directly in terms of the energy costs and the environment they live in but also indirectly in the longer term.**

**We need to meet the expectations of our people, customers, commissioners, partners, and regulators – more than just to protect our Group; we need to do it to be a successful business in the future.**

We believe to do this we need to ensure that we:

- Make changes that improve people's lives, working 'with' customers and our people,
- Meet all regulatory and legislative requirements,
- Create a culture of action (not just words) to become more environmentally friendly, so this becomes one of values in the future.

We will do this by:

- Providing leadership focus – a clear leadership framework,
- Working in partnership with other organisations drawing on their expertise,
- Knowing our baseline position and have ambitious but achievable plans and targets in place,
- Engaging our people to create a culture of action in work and out of work.



We know there will be challenges and we will need to draw upon:

- Expertise, and size of the challenge
- Expectations – now and in the future
- Prioritising this alongside other priorities

We understand that our environmental approach needs Capital investment with little financial return and any new technology while reducing carbon footprint could increase energy costs for customers in the short and longer term.

## Our Vision

To achieve a 25% carbon reduction by 2030 and be carbon zero by 2050



### Key elements of our Strategy will be:

- Our customers / communities – Fuel costs
- Our existing Homes – reducing carbon emissions
- Our new Homes
- Other carbon emissions
- Our buildings
- Transport
- Reducing Waste
- Improve our Environment / Ecology
- Our people

### This Environmental Strategy aims to:

- To work collaboratively with our people, customers and communities, to create sustainable change, for existing and future generations.
- To ensure that our businesses are strong, well-governed and environmentally friendly.
- To create a place where people want to work, now and in the future.
- To set an example, influencing people and organisations to bring about positive social change.



Our objectives and area of focus are:

- To understand our base line position
- Meet all regulatory requirements
- Our customers / fuel poverty
- Set targets to reduce carbon emissions
- Engagement – changing mindsets for our people and customers
- Partnership approaches

Outcomes will include:

- Minimise fuel costs for customers
- Improved green spaces and cleaner air leading to healthier environments
- Reduced carbon emissions overall – Homes / Offices / Transport
- Increased awareness of environmental issues and more buy in to take action – in both work and personal life
- Reduce waste and eliminate unnecessary waste
- New homes will be carbon neutral ready



Leadership focus – We propose a framework as follows:

- Group Strategy
- Homes Action Plan
- Group Business Services Action Plan
- Syncora Action Plan
- Ring Stones Action Plan

## Why is the environment important to the Calico Group?

For the Calico Group to be successful in the future, we will need to follow new legislation being introduced up to 2050.

That will mean changing our business to reduce our carbon footprint to ensure we are carbon neutral in the timescales required.

Our services operate across East Lancashire, managing over 5,000 homes and providing serviced to over 10,000 customers each year.

We can create change and make a difference in the communities we serve and, the successful delivery of this strategy will need the Calico Group to work collaboratively with our customers to shape this.



## Where are we now?

Our journey has already begun although we recognise there is much more to do:

- Our new-build homes already meet the Future Homes Standard (2025) and we have taken a 'fabric first' approach to ensure thermal efficiency,
- We have started to improve our existing stock by increasing the energy performance rating or EPC to a "C" in all homes, meeting the requirement by 2035.
- We have completed an impact-mapping exercise to enable Calico to identify the business outcomes and understand the knowledge, skills and resources to design our own Net Zero Impact Map,
- We have developed action plans to roadmap our activities to achieve these outputs and outcomes.

Our outputs include 3 areas:

### Priority 1

- Direct -  
What we can do ourselves

### Priority 2

- Indirect -  
Who we connect with

### Priority 3

- Indirect by others –  
What we buy from others

These elements move towards the same thing, planning for long term change.



## The Calico Group Approach.

Priority 1 Direct – what we can do	Priority 2 Indirect – who we connect with	Priority 3 Indirect by others
<ul style="list-style-type: none"> <li>• Improve technology and reduce use of paper</li> <li>• Reduce waste across construction and operating activity</li> <li>• Encourage reduction of customer waste</li> <li>• Provide renewable energy on all our big buildings and promote PV's on our homes</li> <li>• Increase EPC rating to a minimum of C</li> </ul>	<ul style="list-style-type: none"> <li>• Make use of local suppliers, manufacturers and the supply chain</li> <li>• Plan for decarbonisation of fleet</li> <li>• Encourage biodiversity and green spaces</li> <li>• Have a property focus on flooding/overheating/ventilation and Damp Mould and Condensation.</li> <li>• Encourage colleagues to be involved.</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement of supplies/services with same/similar environmental credentials</li> <li>• Recycle furniture and use GIFT</li> <li>• Culture – consider future contribution of customer/ staff and stakeholder</li> <li>• Demand minimum credentials from leased assets</li> </ul>

What capabilities will we need for success

Capabilities		
Priority 1	Priority 2	Priority 3
<ul style="list-style-type: none"> <li>• Building safety management systems</li> <li>• Digital strategy</li> <li>• Procurement of systems and policies</li> <li>• Customer focus groups</li> <li>• Education – carbon literacy</li> <li>• Marketing and PR</li> <li>• Repairs and maintenance policies</li> <li>• One Calico Eco – lights /waste</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable recycling strategy</li> <li>• Travel Planning System</li> <li>• Fleet management policy</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier framework</li> <li>• Contract management arrangements</li> <li>• Outsourcing advice/specialities</li> <li>• Procurement system/policies/strategy</li> </ul>



## What resources and behaviours do we need?

- Environmental/sustainable metrics included in our business plan
- Fleet evaluation and energy procurement plans
- Efficiently schedule and plan our repairs
- Encourage customer/colleagues – engagement plans
- Tackle waste and do more recycling
- Capture our data and train our teams
- Create PV/Solar opportunities
- Baseline knowledge hub for staff, boards, customers
- Link in with stakeholders and partners
- Review our progress annually

## Important concepts include creating:

A long term approach for  
our organisation

Measurable benefits for our  
customers

Business outcomes for our  
people



## What are we talking about?

'Greenhouse gases' are crucial to keeping our planet at a suitable temperature for life. Without the natural greenhouse effect, the heat emitted by the Earth would simply pass outwards from the Earth's surface into space and the Earth would have an average temperature of about -20°C.

Earth's greenhouse gases trap heat in the atmosphere and warm the planet. The main gases responsible for the greenhouse effect include carbon dioxide, methane, nitrous oxide, and water vapor (which are all natural compounds), and fluorinated gases (which are synthetic or man-made).

This process is necessary for life on Earth, but an increase in greenhouse gas concentrations can lead to global warming and climate change.

Carbon dioxide is widely reported as the most important greenhouse gas because it currently accounts for the greatest portion of the warming associated with human activities.

## Glossary

**Greenhouse emissions** - the emission into the earth's atmosphere of any of various gases, especially carbon dioxide, that contribute to the greenhouse effect.

**Global warming** - relate to long-term shifts in temperatures and weather patterns. These shifts may be natural, but since the 1800s, human activities have been the main driver of climate change, primarily due to the burning of fossil fuels (like coal, oil and gas), which produces heat-trapping gases.

**Climate change** - refers to long-term shifts in temperatures and weather patterns. These shifts may be natural, but since the 1800s, human activities have been the main driver of climate change, primarily due to the burning of fossil fuels (like coal, oil and gas), which produces heat-trapping gases.

**Carbon dioxide (CO<sub>2</sub>)** - is a chemical compound consisting of one carbon atom and two oxygen atoms. It is a colourless and odourless gas at room temperature and is present in the Earth's atmosphere at a low concentration.

**Carbon Footprint** - A carbon footprint is the total amount of greenhouse gases (including carbon dioxide and methane) that are generated by our actions.



## Measuring our journey

Adopting the United Nations Sustainability Goals, agreed by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), using these as a reference, the Calico Group will use the 17 SDG's to report on progress of our plans across the group to:

- Social - Make changes that improve people's lives, working 'with' customers and our people,
- Economic - Meet all regulatory and legislative requirements,
- Environmental Sustainability - Create a culture of action (not just words) to become more environmentally friendly, so this becomes one of our values in the future.



## Reporting on outcomes



It is important to capture the most effective data to demonstrate to funders and our customers of the Calico Groups' commitment to our strategy and will compare our progress with peers.

Environment, Social and Governance Reporting (ESG) is SHIFT's unique sustainability audit and accreditation system which provides an accurate way of providing the environmental data to satisfy the 'E' part of ESG reports. SHIFT metrics cover all the ESG environmental requirements and adaptation measures including energy and water efficiency, waste, green spaces, climate change, resident engagement, strategy, and responsible material use.

We will report our statistics on an annual basis and share the outcomes with our customers.



## Net Zero Roadmap

Year	Net Zero Actions for Homes	Group Environmental Actions
2023	<ul style="list-style-type: none"> <li>• Ensure 30-year financial plans take into account deep retrofit costs</li> <li>• Collect EPC data under C and conduct retrofit measures</li> <li>• Review communal heating systems for efficiency</li> <li>• Explore SAP 95/A on new build</li> <li>• Consider EPC A without gas boilers</li> <li>• Investigate alternative construction materials with lower embodied carbon</li> <li>• Homes – Approach agreed and plan in place</li> </ul>	<ul style="list-style-type: none"> <li>• Begin to purchase green electricity and gas</li> <li>• Develop retrofit strategies for office buildings</li> <li>• Explore whether office-based server infrastructure could be reduced in favour of cloud based storage</li> <li>• Increase awareness of the environmental strategy and consider an energy strategy.</li> <li>• Baseline position – for all companies (SHIFT analysis)</li> <li>• Targets set across the Group, including waste disposal</li> <li>• All strategies to have environmental section – with Procurement / VFM</li> </ul>
2024	<ul style="list-style-type: none"> <li>• Devise deep retrofit plans for existing homes, focus on fabric first, low carbon heating, then renewables</li> <li>• Check suitability of PV on existing homes</li> <li>• Carry out stepping stone trials on new technologies</li> <li>• Begin resident engagement activities to explain the need for improvements</li> <li>• Initiate a study to establish the cost savings of having better environmental properties</li> </ul>	<ul style="list-style-type: none"> <li>• Embrace the need for green spaces within new developments, use of SUDS within spaces</li> <li>• Pilot use of electric cars and vans</li> <li>• Install EV charging points for staff and fleet</li> <li>• Ensure milage favours sustainable transport methods</li> <li>• Develop sustainable transport strategy</li> <li>• Consider an office carbon audit or carbon management plan</li> </ul>
2025	<ul style="list-style-type: none"> <li>• Consider plans to integrate energy efficient improvements like PV's on roof replacements and top up loft insulation</li> <li>• Future Homes Standards – no more gas in new homes from this date</li> </ul>	<ul style="list-style-type: none"> <li>• Link in with partners – 6 “C”s Calico, Council, Club, College, Commerce, Community</li> <li>• Resident Engagement Environmental Plan Education / Training – engagement</li> </ul>



Year	Net Zero Actions for Homes	Group Environmental Actions
2026	<ul style="list-style-type: none"> <li>• Incorporate learning from pilot builds and post monitoring studies into new build specifications</li> <li>• Evaluate which eco builds provide the highest energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt electric alternatives to diesel and petrol powered maintenance</li> <li>• Consider flood protection and prevention of overheating</li> </ul>
2027	<ul style="list-style-type: none"> <li>• Create a plan for every home to achieve EPC B by 2050</li> <li>• Investigate off setting CO<sup>2</sup></li> <li>• Ensure all new build homes and retrofits will not overheat and are resilient to flooding</li> </ul>	<ul style="list-style-type: none"> <li>• Retrofit all offices to increase energy efficiency and replace out dated heating systems, install PV where possible</li> </ul>
2028	<ul style="list-style-type: none"> <li>• Review results of trials on gas boiler replacement and use to inform future use</li> <li>• Review trials of MMC,OSM</li> </ul>	<ul style="list-style-type: none"> <li>• Review the impacts of climate change on resident wellbeing and audit climate resilience plans</li> </ul>
2029	<ul style="list-style-type: none"> <li>• Review battery storage technologies and its benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure 50% of homes are at low risk of overheating or flooding</li> </ul>
2030	<ul style="list-style-type: none"> <li>• Build in 5 year review process of new build specification to keep in line with climate change, legislation and the wider market</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure 50% of vehicle fleet is electric</li> </ul>
2035	<ul style="list-style-type: none"> <li>• Phase out all gas boilers</li> <li>• Ensure PV and battery storage are installed on all viable roofs</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure 100% of homes are at low risk of flooding and overheating</li> </ul>
2040	<ul style="list-style-type: none"> <li>• Achieve an average of EPC B by 2050 on all dwellings</li> </ul>	
2045	<ul style="list-style-type: none"> <li>• Understand financial and wellbeing benefits of a housing stock that has low CO<sup>2</sup> emissions</li> </ul>	
2050	<ul style="list-style-type: none"> <li>• Achieve SAP 85 on all buildings</li> </ul>	

