

Sustainability Strategy

Classification: Strategic

Status: Approved

Policy Leads:	Director of Property Assets/Sustainability Co-ordinator
Date Approved:	May 2024
Next Review Date:	May 2027
Review Period:	3 years unless required earlier due to changes in the law, regulation, best practice or requirement of the Association

REFERENCE PAGE

Document Title:	Sustainability Strategy
Aim:	The aim of this strategy is to achieve the key sustainability commitments in our 5-year strategy and to coordinate decarbonisation initiatives across our corporate functions.
Objective:	This strategy will provide a high-level overview of the key strategic objectives. We will publish a roadmap to net zero emissions during 2024.
Scope of Policy:	All Group Operations
Nominated Officer:	Director of Property Assets & Sustainability Co-ordinator
Approval Source:	Board
Legal & Regulatory References:	N/A
Procedural References:	N/A
Consultation Completed:	N/A
Risk Implications:	1- Existing policy, minimal change
Equalities Assessment:	Full/Partial or None
Accessibility:	Accessible electronically/online and in print. All documents can be translated and made available in audio, braille and large print versions upon request.

ACRONYMS & DEFINITIONS

BE:ST	Built Environment: Smarter Transformation
CCG	Construction & Manufacturing Group
CLES	Centre for Local Economic Strategy
COP	Conference of the Parties
DAP	Departmental Action Plan
ECO4	Energy Company Obligation (grant)
EESSH	Energy Efficiency Standard for Social Housing
EHD	Edinburgh Home Demonstration
ESG	Environmental Social Governance
GHG	Greenhouse Gas
HACT	Housing Associations' Charitable Trust
IRT	Software company
RSL	Registered Social Landlord
SBC	Scottish Borders Council
SERO	Hardware company
SHIFT	Environmental Accreditation Company
SHNZHF	Social Housing Net Zero Heat Fund
SIP	Strategic Implementation Plan
SOSE	South of Scotland Enterprise
SRS	Sustainability Reporting Standards
SWG	Sustainability Working Group

Biodiversity	The variety of flora and fauna in a particular area
Carbon offsetting	The compensation for carbon emissions released into the atmosphere with activities that will absorb carbon from the atmosphere (e.g. tree planting)
Decarbonisation	Eliminating carbon from an activity, operation, or product
Greenhouse gases (GHGs)	Gases known to absorb and emit solar radiation (sunlight). The most well-known is carbon dioxide but there are seven in total with different levels of efficiency in absorbing heat
Net Zero Carbon (NZC)	A term widely referred to the balance between the amount of carbon emissions released and the amount removed from earth's atmosphere. Net zero carbon is achieved when the amount we add is no more than the amount absorbed or removed

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Context Setting

Scotland's declaration of a climate emergency in 2019 set the stage for the city of Glasgow to host the Conference of the Parties (COP26) in 2021.

The nation's housing stock is responsible for a significant proportion of our greenhouse gas (GHG) emissions (ca. 20%). The Scottish Government remains a strong advocate for the Social Housing sector to lead on its ambitious Net Zero targets. Registered Social Landlords (RSLs) are considered, rightly, to be anchor institutions capable of effecting change.

Since our previous Sustainability policy paper in 2016, the world around us has changed significantly. This can be seen through legislation, the renewed focus on corporate social responsibility, the mainstreaming of climate science and the increasing interest in sustainability exhibited by financial institutions.

Our commitment to sustainability is at the heart of what we do as an organisation. This strategy seeks to embed sustainability practices into our business and operational decisions to ensure we achieve quality, affordable, and environmentally low-impact homes for generations to come.

Defining Sustainability

Sustainability is both academic and theoretical. However, the practical application of sustainability is increasingly required by organisations today.

The Brundtland Commission (1987) defined - "*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*"

Sustainability and Sustainable Development must ensure intergenerational prosperity and wellbeing while also reducing the carbon emissions associated with our business operations.

Purpose of Strategy

The purpose of our strategy is to ensure sustainability sits front and centre of Eildon's operational and corporate decision-making.

Our strategy will provide a high-level overview of the key strategic objectives. We will publish a roadmap to net zero emissions during 2024, serving as an action plan to decarbonise our assets and operations

The Vision

As a key housing and care organisation operating in the Scottish Borders, to implement measures that effectively and sustainably limit the carbon emissions that we are responsible for, both in our investments and our operations.

Delivering the Vision

Our primary business activity is the provision and management of affordable housing, care and support services.

This Sustainability Strategy will permeate all our business activities. We will apply an interdepartmental approach to ensure we meet our key strategic objectives, as articulated in our 5 Year Strategy.

Further, we will continue to evaluate how issues of sustainability affect our governance structures and financial standards.

Finally, we will continue to ensure that our customers are part of our decarbonisation journey. We will issue sustainability-focused surveys to gauge our customers' expectations and understanding of net zero issues.

Key legislative and Policy Milestones

Below, Table 1 provides a key list of Scottish legislation and policy documents, though it is not exhaustive. We recognise that the Scottish Government's regulations are dynamic and rapidly changing, therefore, we acknowledge the need for adaptability in our approach. The key themes that emerge from the policy landscape are fuel poverty, decarbonised heat, and a just transition. These themes align with our broader sustainability commitment, allowing us to overcome challenges within our assets and operations.

Table 1. Key Legislative and Policy Milestones

Policy	Year	Information
Fuel Poverty (Targets, Definitions, and Strategy) (Scotland) Act 2019	2019	Introduces a new statutory target that aims to reduce fuel poverty by 2040, with a goal of limiting fuel-poor households to no more than 5%, and extreme fuel poverty to no more than 1%. This legislative measure aligns with the need to enhance home thermal efficiency, which is a critical factor in mitigating fuel poverty.
The Climate Change (Emissions Reduction Targets) (Scotland) Bill (2019)	2019	Net zero emissions by 2045 relative to 1990 baseline levels. This includes 75% reduction by 2030 and a 90% reduction by 2040.
Housing to 2040	2021	A long-term aspirational vision for Scotland's housing. The strategy sets out to accelerate the Energy Efficiency Standards for Social Housing (EESH 2), incorporated by social housing providers.
Heat in Buildings Strategy (HiBS)	2021	Sets out a vision for the future heat provision of buildings in Scotland. HiBS has led to new regulations, ensuring fossil fuel heating is no longer installed in new build homes as of spring 2024.
Social Housing Net Zero Standard (SHNZS)	2023	Aimed at replacing EESH 2 with targets aligned to national net zero targets. The SHNZS will be rolled out in 2025, providing ambitious space and water heating goals for housing stock.
Local Heat and Energy Efficiency Strategy (LHEES)	2024	The Scottish Borders Council LHEES delivery plan aligns with our sustainability strategy. The LHEES strategy shares common goals like ensuring affordable warmth for all, promoting the electrification of heat, investigating heat networks, and facilitating a just transition.

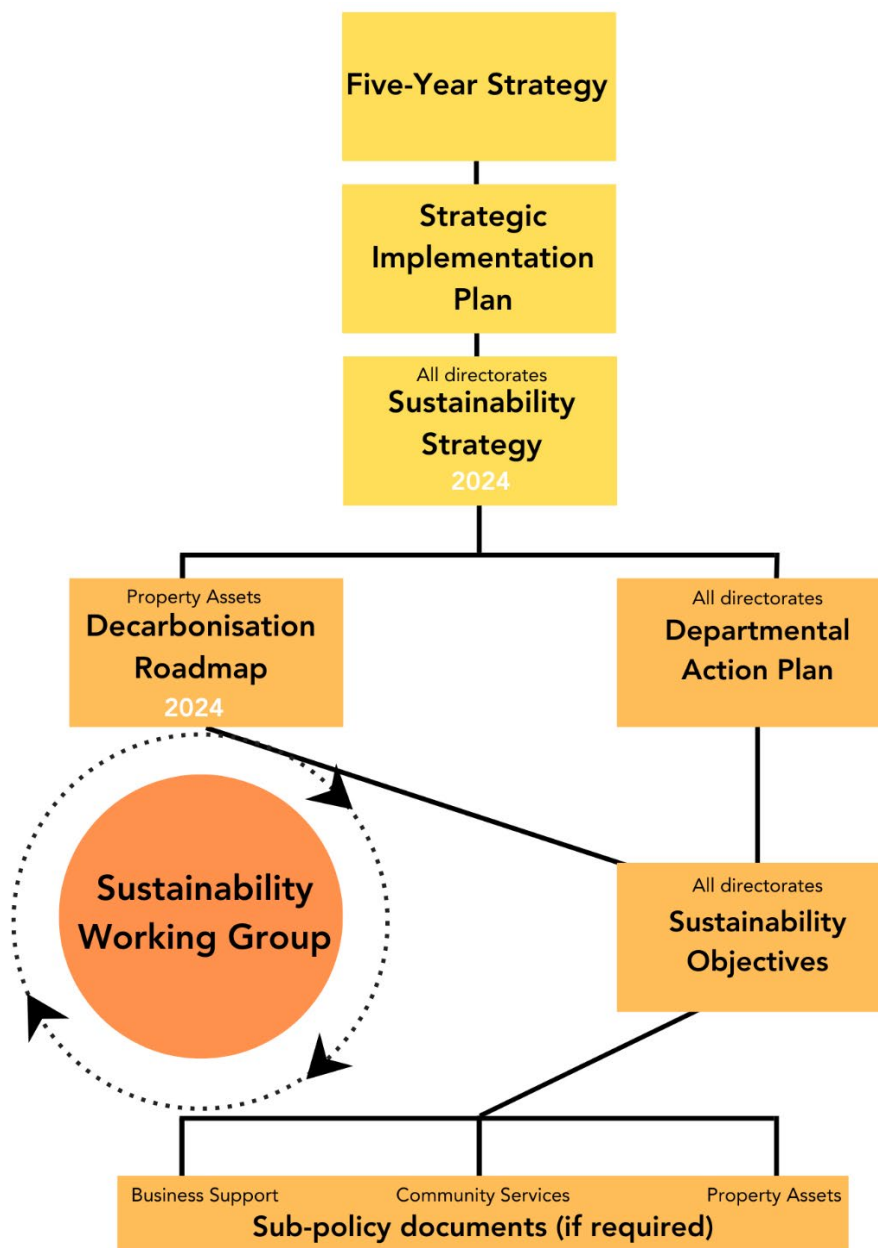
Sustainability Objectives

Our Sustainability Objectives outline the actionable steps we must take as an organisation to reduce the environmental impact of our assets and operations.

The aim of the Sustainability Objectives is to provide ambitious, high-level actions.

Below, Figure 1 provides a flow diagram of Eildon's Sustainability Strategy. The Decarbonisation Roadmap follows the Sustainability Strategy, delivering an action plan to reduce our asset and operational greenhouse gas emissions. Meanwhile, the Sustainability Working Group (SWG) will continue to feed in actions, coordinate efforts, and assess outcomes against the key sustainability objectives outlined in this strategy document.

Figure1. Sustainability Policy Landscape



Our Assets

Our Assets allow us to demonstrate our commitment to long-lasting, sustainable homes. While we start from a favourable position with relatively well-performing housing stock, we acknowledge the need for careful planning and significant investment to achieve our decarbonisation goals. Below, the Sustainability Objectives emphasise the key areas where we can reduce our assets' environmental impact.

Sustainability Objective 1: Conduct Sustainability Assessments

We cannot manage what we cannot measure.

Expected Outputs:

- manage our data streams (i.e., the data streams outlined below: energy, waste, water etc.)
- conduct environmental audits of our assets' energy, water, waste, carbon, and wider social impacts
- develop a greenhouse gas (GHG) calculator to benchmark our progress
- identify sustainability risks and opportunities
- accredit our environmental impact with third-party organisations (e.g., SHIFT, SRS etc.)
- establish SMART targets that we can track progress and communicate our strategic objectives to our stakeholders
- develop a net present value modelling tool within our property assets management strategy to enable us to understand the short, medium and long term impacts of our net zero investments
- integrate IoT sensors into our assets, allowing our homes to 'talk to us'
- model the costs of retrofitting our homes
- utilising our Decarbonisation Roadmap to continuously monitor and evaluate the progress of carbon emission reductions

Sustainability Objective 2: Existing Homes

The vast majority of our carbon emissions are located within our existing housing stock. We will actively seek to reduce the energy demand required to heat our homes in a cost-effective manner.

Expected Outputs:

- utilise independent energy advice to ensure affordable warmth for our tenants
- apply a 'fabric first' approach to our existing housing stock (e.g., 'no regrets,' 'worst first' approaches)
- ensure that our homes are climate resilient
- drive down unnecessary waste by promoting furniture reuse schemes, enabling customers to find affordable furniture and appliances
- ensure that our homes meet the highest standard of energy efficiency that can be afforded (i.e., achieve the highest EPC band)
- reduce the energy demand required to heat homes (i.e., kWh/m²/year)
- evaluate different retrofit methodologies and conduct quantitative analysis on their performances
- design our communities for social interaction, connectivity and accessibility (i.e., pedestrian-friendly infrastructure, safe cycle lanes, and public transportation options)

Sustainability Objective 3: New Builds

Our new build homes present an opportunity to provide high-quality and thermally efficient homes for our customers. We must explore innovative ways to drive down the energy demand for new build homes while supporting sustainable communities.

Expected Outputs:

- ensure that our development design and specification strategy speaks to our sustainability strategy
- deliver on the 2024 legislation for no fossil fuel heating in new builds and assess alternative low-carbon solutions
- review Passivhaus equivalent standards in line with new regulation (i.e., Energy Standards Review)
- assess the embodied carbon associated with construction
- encourage a high degree of precision in terms of speed of construction, thermal performance, and optimal use of materials
- evaluate district heating systems for new build developments alongside SBC's LHEES strategy
- enable 'smart' solutions (i.e., smart thermostats, cloud management tools etc.)
- explore off-site fabrication (e.g., CCG, BE:ST, EHD) methodologies (e.g., modular, panelised)
- seek to understand and anticipate the needs of future customers by incorporating principles from Universal Design

Sustainability Objective 4: Our Customers

We will implement our sustainability strategy in a manner that embraces a 'just-transition,' minimising any negative impact for our customers as we decarbonise our operations.

Expected Outputs:

- ensure our customer voice strategy speaks to our sustainability strategy
- conduct customer consultations to understand the key sustainability issues for our tenants
- develop a targeted and strategic response to fuel poverty advice, services, and funding
- continue to work with independent agencies which provide financial help and fuel advice
- help our customers increase their recycling through tailored communication strategies
- be proactive in communicating new technologies for our tenants (i.e., heat pumps, low-carbon heat systems, solar PV, EV charge points, & retrofit).
- deliver energy and water saving advice through our digital communication channels
- host community events to promote innovative environmental awareness and stewardship campaigns

Sustainability Objective 5: Place-Making & Greenspaces

We will apply a 'place-making' approach to enable accessible, connected, inclusive, and environmentally low-impact communities.

Expected Outputs:

- work with local partners to continue to promote greenspace management (e.g., community allotments & orchards, wildflower meadows etc.)
- review our maintenance policies and contracts (i.e., incorporating sustainable landscaping solutions to support local biodiversity and ecological resilience)
- encourage waste reduction and recycling among our customers by providing internal and external recycling bins
- conduct ecological and customer consultations when developing new build projects
- actively increase biodiversity while removing CO² from the atmosphere

Sustainability Objective 6: Supply Chains & Procurement

Our sustainability strategy will be underpinned by sustainable supply chains and procurement decisions, bringing our suppliers on the journey to net zero.

Expected Outputs:

- ensure all contractors have an environmental policy in place to reduce their impact on the environment or agree to adopt Eildon's policy
- encourage contractors to use local suppliers when purchasing goods and services
- guarantee contractors are taking an active role to deliver community benefits
- actively pursue the purchase of sustainable materials across our offices, existing homes and new builds (e.g., office supplies, kitchens, windows, fittings, lighting etc.)
- create a hierarchy of preferred materials or products

Our Operations

Our Operations embody our commitment to sustainability, driving us toward becoming a 'greener' organisation while remaining accessible to our customers. We aim to continue rolling out Carbon Literacy training, deliver ESG reporting, devise a corporate fleet strategy prioritising EVs, and expand our contribution to the EV charging network. Below, the Strategic Objectives reflect the most pertinent factors when considering how we can minimise our environmental impact and decarbonise our business.

Sustainability Objective 7: Business Operations

Our business operations represent a smaller portion of our overall carbon footprint. However, it is a key area of our business that we have full control and influence over.

Expected Outputs:

- support employee active travel
- manage our waste streams following the principles of the waste hierarchy (i.e., reduce, remove, & recycle)
- measure and monitor our office and trade waste
- transition to renewable energy suppliers for our offices and landlord supplies
- ensure our office supplies are environmentally low-impact
- identify and secure grant and loan funding necessary to support our journey to net zero (e.g., ECO4, SHNZHF etc.)
- review EV and hydrogen fleet options
- ensure suitable charging infrastructure at our depot and corporate locations
- develop and monitor our business travel policy
- review office opening times and hybrid working policies
- explore third-party waste management services
- review our IT server rooms and digital services to reduce energy consumption and waste
- actively address our ESG indices
- increase the renewable energy generation onsite

Sustainability Objective 8: Partnerships

Our ability to decarbonise will depend on our ability to create lasting, strategic, and collaborative support from across local, regional, and national partners.

Expected Outputs:

- continue to work with regional partners (i.e., SBC, SOSE, RSLs, and the Borders College etc.)
- increase peer engagements with other housing associations, attending events and conferences across the year
- encourage partners and stakeholders to comply with sustainability practices (i.e., PAS 2035, ISO 14001 etc.)
- enable academic partnerships (e.g., Interface) to influence our key strategic decisions
- develop a consortium with the regional RSLs (e.g., use IRT DREam software to enable a partnership approach, allowing us to augment our pipeline while reducing our cost of works)

Sustainability Objective 9: Carbon Offsetting

Our journey to net zero will require some form of carbon offsetting.

Expected Outputs:

- first strive to reduce then remove the majority of our organisation's carbon emissions before carbon offsetting
- review opportunities for local, strategic carbon offsetting opportunities
- evaluate planting trees for each new home constructed
- explore third-party carbon offset credit schemes (e.g., HACT etc.)

ANNEX A

Our Corporate Values

Table 1. Our Corporate Values

Caring	We care about what we do, the people we work with and the customers we serve
Committed	We work together to provide affordable, high-quality homes, care and support services
Connected	We are part of the communities we serve and believe we can make a real difference
Creative	We are ready to meet the challenges of the future with enthusiasm and new ideas

Table 2 illustrates the close relationship between our corporate values and our sustainability values.

Table 2. Our Sustainability Corporate Values

Caring	We care about our customers and communities and strive to ensure a Just-Transition
Committed	We are committed to ensuring high-quality homes that are affordable to heat
Connected	We know that making our sector sustainable will require a 'joined-up' approach with RSLs and partners
Creative	We realise that innovative solutions, data-driven approaches, and integrated technological changes are required to address the climate crisis