



Environmental Sustainability Strategy

October 2021

- 1. Executive Summary4**
- 2. Introduction.....4**
- 3. Strategic Links.....5**
- 4. Where are we now?7**
- 5. Where do we want to be?.....10**
- 6. How will we get there?12**

1. Executive Summary

The Torus Environmental Sustainability Strategy sits at the heart of our 2021 Corporate Plan and recognises that all sections of society must act in the fight against climate change, and that the housing sector has an integral role in the UK’s goal of achieving net-zero carbon emissions by 2050. At local and regional levels, we are committed to playing our part in delivering the more ambitious environmental goals of the Liverpool City Region and Warrington Council of achieving net zero by 2040 and 2030 respectively.

In developing our strategy we have ensured that our commitments take due account of the emerging legislative and regulatory framework regarding environmental sustainability and carbon reduction. However, our ambitions go beyond simply meeting our legal obligations – as the largest Social Housing Landlord in the North West, we wish to initiate, collaborate, influence and inspire action on climate change, locally within our heartlands, regionally and nationally.

2. Introduction

In this, our first Environmental Sustainability Strategy since coming together as a new Group in 2019, we set out our long term ambition to be a net zero carbon organisation by 2040 and outline our plans for the first stage of our longer environmental sustainability journey. The first step in this journey has been to gain an understanding of our own carbon footprint and to establish how we impact on climate change and the environment. In recognising the breadth of our activity, we have shaped our strategy around the following 5 strands:

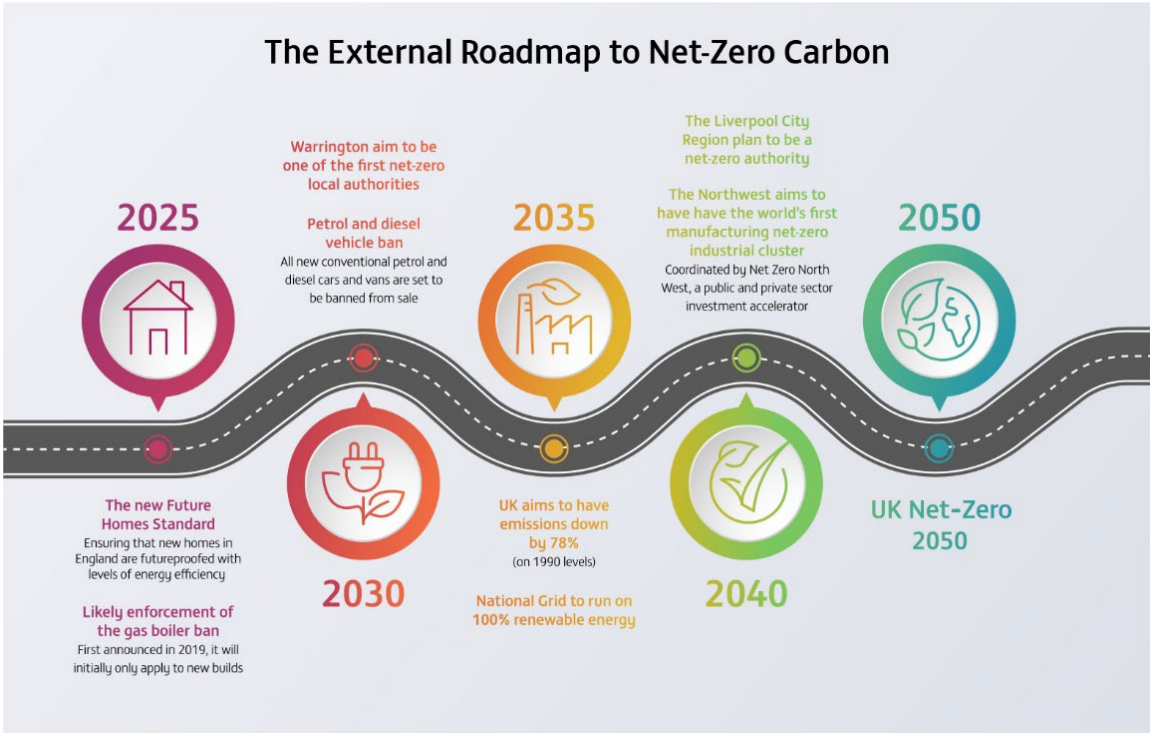


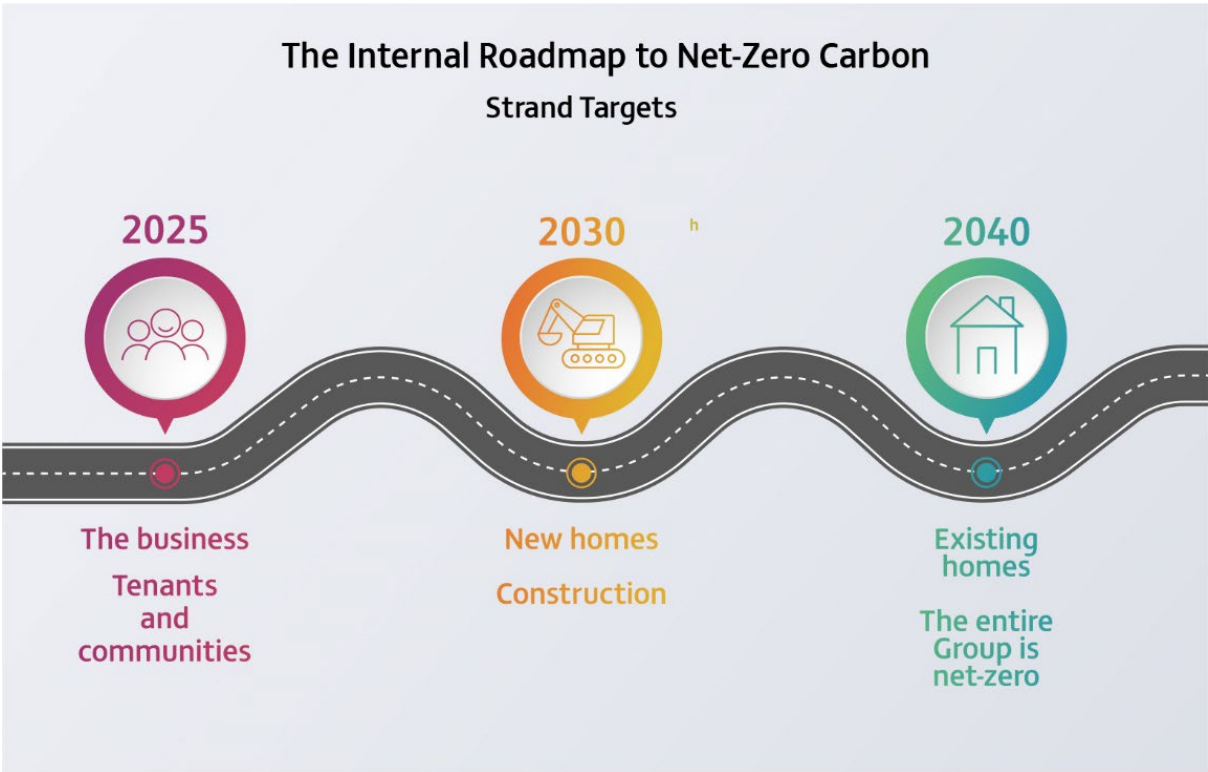
The strategy sets out our current impact and activity in each of these areas, our long-term ambitions and our short-term goals and targets. We recognise that these goals are ambitious and challenging, but also recognise that the global challenges of climate change require a bold response and the short term costs will, in the long term, be far outweighed by the benefits of protecting the environment and building stronger, more resilient communities for future generations.

We also recognise that political, economic, social and technological developments in this area will impact dramatically on the approach to environmental sustainability and will therefore continue to review our strategy and supporting delivery plans on a regular basis to ensure that changes in any of these factors are reflected in our approach.

3. Strategic Links

Our Environmental Sustainability Strategy is aligned to several key external milestones which have been set by the UK Government, Local Authority partners, the Regulator of Social Housing and Funders. The graphics below set out the high level external and internal roadmaps and key delivery dates associated with the strategy:





The Strategy also supports the delivery of eight goals under the four areas of strategic focus within the Torus Group Corporate Plan 2021-2026 as set out below:

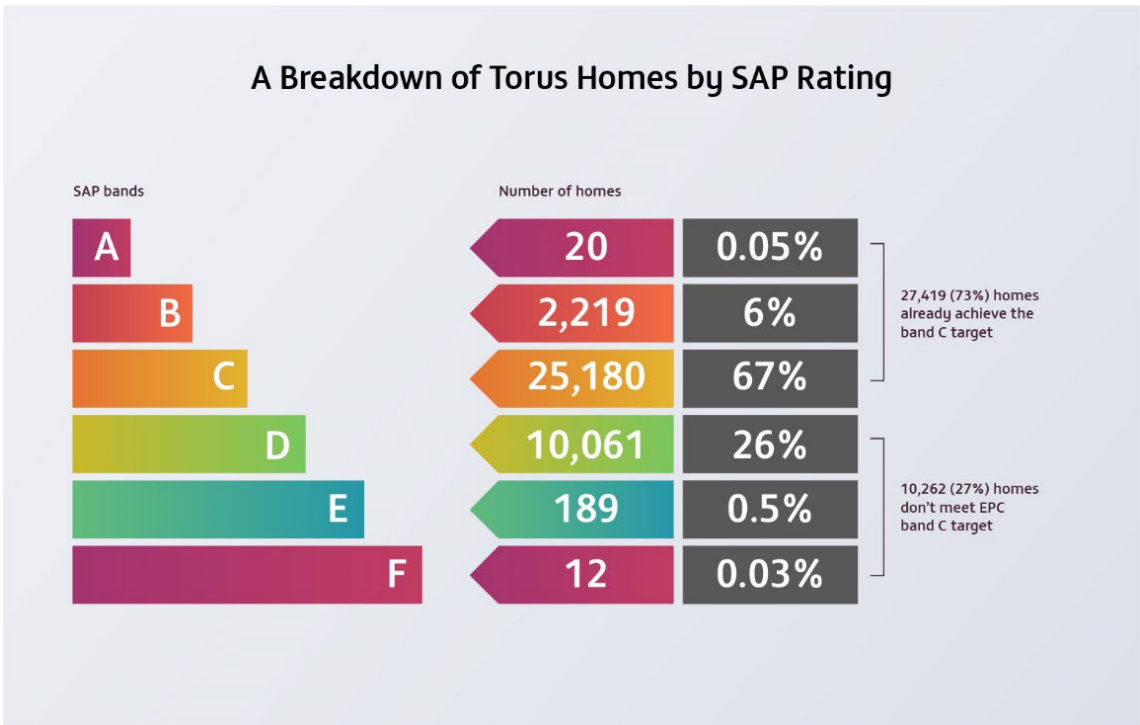
INVESTMENT	<p>We will:</p> <ul style="list-style-type: none"> - Tackle the green agenda to create healthy, sustainable places - Embrace innovation and technology to drive efficiency and enhance services
RESILIENCE	<p>We will:</p> <ul style="list-style-type: none"> - Practice good business across the Group and its supply chains - Provide a firm platform for growth to withstand challenges
INTELLIGENCE	<p>We will:</p> <ul style="list-style-type: none"> - Drive effective organisational performance, strength and influence - Provide tailored solutions based on an understanding of need and aspiration
INFLUENCE	<p>We will:</p> <ul style="list-style-type: none"> - Be seen as a dynamic growth and regeneration business that delivers - Be a catalyst of change to transform places

4. Where are we now?

Over the past 6 months, we have been working with SHIFT (Sustainable Homes In Future Times), a leading environmental consultancy with specialist expertise in the housing sector, to establish a baseline for our carbon emissions and to benchmark our activities across the 5 strands of our strategy against other organisations both within and outside the sector. This baseline has been used to identify a range of stretching long term targets and to begin to frame the activity to be undertaken across the business over the 5 years of our Corporate Plan and beyond to deliver improvements in our performance as an environmentally conscious organisation. The current position is summarised below:

Existing Homes

The table below shows the current EPC levels of our existing stock of which approximately 73% is already at or above EPC level C, the target for rented homes by 2025.



We have already completed extensive retrofit programmes including external wall insulation on 4,679 homes, trials of 5 different alternative heating systems in 111 homes, alternative heating installed in 36 homes following the success of the electric water filled radiator (Econorad) trial, innovative underfloor insulation (Q-Bot) trials on 18 homes and installation of Q-Bot on 44 homes following the success of the trial. A further retrofit programme involving 219 dwellings across 5 projects is also underway as is an innovative pilot in partnership with the Manufacturing Technology Centre and LCR with a focus on EWI, windows, doors and roofs and the use of Modern Methods of Construction (MMC) and business process re-engineering to drive innovation and use of new technology in retrofit.

New Homes

Approximately 15% of our new build homes since amalgamation have achieved high EPC B (SAP 86-91) with 80% achieving low EPC B (SAP 81-85) with the remaining 5% achieving EPC C (SAP 69-81). We have built in additional costs for pre and post 2025 development associated with EPC Level B

standard in our current Business Plan and are working in collaboration with a range of partners in the design of a low carbon 2030 home specifically for the affordable sector in the North West. A review of gas free options for new build ahead of 2025 is already underway and we are establishing energy trials on several pipeline schemes to test alternative heating and energy options.

Construction

Whilst we currently have ISO 14001 accreditation in HMS, information on sustainability of our construction and repairs and maintenance activity and supply chain is a weakness currently and has been identified as an area for development over the first year of this strategy. This will include enhanced data capture and reporting across the whole of our construction and repairs and maintenance supply chains and early engagement with contractors and increased reporting requirements on sustainability measures and responsible sourcing in future procurement exercises. We are also beginning to develop our resourcing strategy to ensure that we have the capacity and skills to deliver the scale of construction and retrofit and levels of innovation required to achieve our long term goals.

Tenants & Community

The Housing teams and Torus Foundation are currently engaged in a range of activity associated with environmental sustainability including: energy advice services and promotion of U Switch; Community Garden and garden tidy projects; promotion of sustainable food schemes and local impact days including those associated with improved recycling; public transport schemes and assisting customers in obtaining employment in environmental services and “green jobs”.

Business

As a business our focus in the last 12 months has been on establishing a baseline for our environmental impact and introducing new Ways of Working with increased agility and greater use of technology, procurement of green energy in offices, schemes and communal areas of our estate, and reductions in travel. Whilst energy consumption, water usage and waste generation in our office locations has reduced dramatically over the past 18 months this has been driven primarily by the COVID -19 pandemic, safe systems of work and a recognition that a new working paradigm is required in response. A new Accommodation Strategy is currently in development which will be aligned to the goals of our Environmental Sustainability Strategy. We have, in addition, established improved networks with our local authority partners in Liverpool City Region, St Helens and Warrington to support increased collaboration and joint working in the delivery of a range of environmental initiatives across our heartlands and are involved at a national level in the NHF project on the decarbonisation of housing.

The current annual emission figures and additional environmental measures established by the SHIFT assessment (and other existing recording mechanisms), together with the proposed long term targets for each element are set out in the tables below. The current performance equates to the SHIFT Silver standard on a scale of Bronze, Silver, Gold and Platinum. (It should be noted, however, that whilst the SHIFT scale provides a useful comparative mechanism for assessment of progress, it is not proposed to set targets in respect of achieving the Gold and Platinum standards as it is recognised that SHIFT covers only certain elements of activity and does not yet provide a comprehensive set of measures which would cover all aspects of our business.)

Measure₁	Calculated annual emissions 2021	Intensity₂
EXISTING HOMES		
CO₂ – individually heated homes, regulated emissions	96,241 tonnes CO ₂	SAP 71.07
CO₂ – communal heating systems – metered data	3,799 tonnes CO ₂	11,582 kWh / home managed
CO₂ – communal areas	1,093 tonnes CO ₂	134.2 kgCO ₂ / home managed
Water – homes	4.5 million m ³	144.8 lpd
Waste generated – homes	19,205 tonnes	0.6% increase in resident recycling above current local authority rates
Adaptation to climate change – homes protected from flooding	34,731 homes	93.69% of homes protected from flooding
Adaptation to climate change – homes protected from overheating	36,439 homes	98.3% of homes protected from overheating
Biodiversity value	8994 tonnes biomass above ground	10.84 tonnes biomass per hectare
NEW HOMES		
EPC (SAP) Level	-	15% EPC B+ (86-91) 80% EPC B (81-85) 5% EPC C (69-80)
MMC	-	8% of New Homes
CONSTRUCTION		
Responsible materials – maintenance & capital works	40.54%	40.54%
CO₂ – maintenance activities (HMS scope 1 for fuels used, scope 3 for supply chain) ³	530 tonnes CO ₂	14.3 kg CO ₂ / per home managed
BUSINESS		
CO₂ – offices (gas, scope 1, electricity, scope 2)	361 tonnes CO ₂	28.03 kg/m ²
CO₂ – business mileage (scope 3)	117.2 tonnes CO ₂	3.16 kg CO ₂ / per home managed
Water – offices	10,117 m ³	15.6m ³ /employee/yr
Waste generated – offices	65 tonnes	72% of waste diverted from landfill

Responsible materials – offices	32.5%	32.5%
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1. in line with best practice environmental reporting, the absolute environmental impact is given here – this gives an overall assessment of impact.
2. again, in line with best practice environmental reporting, the intensity is given. per home managed or per m² of office space. Intensity allows organisations to monitor progress towards long term aims, even if they change in size e.g. gain more homes or office space. Intensity is used for SHIFT scoring and benchmarking.
3. Further work is required to be undertaken with HMS and the extended the supply chain in 2022/23 to obtain more robust data on CO₂ emissions in respect of maintenance and construction activity

Unofficial carbon offsets ¹	Absolute CO₂ saved	Intensity
Tenants & Communities		
Estimated CO ₂ savings from energy efficiency engagement with tenants	466 tonnes CO ₂	12.57 kgCO ₂ / home managed
Estimated CO ₂ savings from sustainable transport interventions	78 tonnes CO ₂	2.09 kgCO ₂ / home managed
Existing Homes		
Estimated yearly carbon sequestration from green spaces ²	171.93 tonnes CO ₂	4.63 kgCO ₂ / home managed

1. These figures are provided for information only and should not be taken as official offset – additional work will be undertaken in 2022/23 to further develop these measures and establish long term targets for these areas
2. Currently there is no defined way to calculate carbon sequestration across all types of green spaces. The [Woodland Carbon Calculator Tool](#) has been used to calculate the tCO₂ / tonnes of biomass for woodland and this has been extrapolated across grass and shrubland.

5. Where do we want to be?

Our Environmental Sustainability Strategy recognises the global challenge presented by Climate Change and is cognisant of the level of ambition demonstrated by the UK Government and our partner Local Authorities within the Torus Heartlands of Liverpool City Region, St Helens and Warrington. In establishing our own targets, we have also considered our obligations and ambitions in respect of building safety, the maintenance of our existing homes, delivery of new homes and the improvement of services to our tenants and customers. The impact of external political, economic, social and technical factors beyond our immediate control have also been considered in establishing our goal of becoming a net zero carbon organisation by 2040.

The table below uses the current 2021 baseline emission figures for Torus to establish a set of long-term targets which, collectively, and supported by a detailed delivery plan to be established by October 2022, we believe will enable us to achieve our ambition of becoming a net zero carbon organisation by 2040.

Measure₁	Calculated annual emissions	Intensity₂	Long term intensity target (by 2040 unless otherwise stated)
EXISTING HOMES			
CO₂ – individually heated homes, regulated emissions	96,241 tonnes CO ₂	SAP 71.07	SAP 85
CO₂ – communal heating systems – metered data	3,799 tonnes CO ₂	11,582 kWh / home managed	3,500 kWh yr / home managed
CO₂ – communal areas	1,093 tonnes CO ₂	134.2 kgCO ₂ / home managed	0 kgCO ₂ / home managed
Water – homes	4.5 million m ³	144.8 lpd	130 lpd by 2030
Waste generated – homes	19,205 tonnes	0.6% increase in resident recycling above current local authority rates	45% increase in recycling above current local authority rates
Adaptation to climate change – homes protected from flooding	34,731 homes	93.69% of homes protected from flooding	100% protected from flooding
Adaptation to climate change – homes protected from overheating	36,439 homes	98.3% of homes protected from overheating	100% protected from overheating
Biodiversity value	8994 tonnes biomass above ground	10.84 tonnes biomass per hectare	12.3 tonnes biomass per hectare
NEW HOMES			
EPC (SAP) Level	-	15% B+ (86-91) 80% B- (81-85) 5% C (69-80)	100% A (91+) by 2030
MMC	-	8%	25% by 2025 tbc% by 2030
CONSTRUCTION			
Responsible materials – maintenance & capital works	40.54%	40.54%	100% responsibly sourced
CO₂ – maintenance activities (HMS scope 1 for fuels used, scope 3 for supply chain) ³	530 tonnes CO ₂	14.3 kg CO ₂ / per home managed	0 kgCO ₂ / home managed
BUSINESS			
CO₂ – offices (gas, scope 1, electricity, scope 2)	361 tonnes CO ₂	28.03 kg/m ²	0 kgCO ₂ / home managed
CO₂ – business mileage (scope 3)	117.2 tonnes CO ₂	3.16 kg CO ₂ / per home managed	0 kgCO ₂ / home managed

Water – offices	10,117 m ³	15.6m ³ /employee/yr	3m ³ /employee/yr by 2030
Waste generated – offices	65 tonnes	72% of waste diverted from landfill	100% diverted from landfill
Responsible materials - offices	32.5%	32.5%	100% responsibly sourced

Unofficial carbon offsets ¹	Absolute CO₂ saved	Intensity	Long term Intensity targets
TENANTS AND COMMUNITIES			
Estimated CO ₂ savings from energy efficiency engagement with tenants	466 tonnes CO ₂	12.57 kgCO ₂ / home managed	Offsetting targets to be established in 2022/23
Estimated CO ₂ savings from sustainable transport interventions	78 tonnes CO ₂	2.09 kgCO ₂ / home managed	
EXISTING HOMES			
Estimated yearly carbon sequestration from green spaces ²	171.93 tonnes CO ₂	4.63 kgCO ₂ / home managed	Offsetting targets to be established in 2022/23

6. How will we get there?

The scale and complexity of the challenges presented by climate change are recognised by the timescales of 2050 set by the UK Government for achieving net zero carbon and the more ambitious 2040 set by the Liverpool City Region and 2030 by Warrington Council. The costs, resource implications and levels of technological innovation required are also key determinants of the route we will take to achieve our own ambition of becoming a net zero carbon organisation by 2040. The following table set out the initial steps to be taken under each of the strands of our Environmental Sustainability Strategy in year 1 of the strategy to achieve that goal. A more detailed road map with explicit target dates for delivery of each element of the Strategy over the period of the current Corporate Plan (2021-26) will be developed by October 2022 and will be reviewed and updated thereafter on an annual basis with an annual progress report being submitted to Torus (Group) Board.