



OUR 2023 -2026 SUSTAINABILITY STRATEGY



FOREWORD

Citizen is one of the UK’s leading housing associations. We provide homes that are a foundation for life – a promise we make to all our customers.

It’s incredibly important to us that our customers and colleagues can thrive in their homes, communities and place of work, both now and in the future.

This is why it’s essential we focus on reducing the impact our activities have on the environment and have created this Sustainability Strategy full of actions that will make positive changes for the benefit of our customers, colleagues and communities.

Our environmental sustainability journey started some time ago, since 2012 we have installed external wall insulation in over a third of our homes. We have also taken the next step in our journey by securing Social Housing Decarbonisation Funding to part finance improving the energy efficiency of a further 2,000 of our homes.

Our ambition is to be at the forefront of the environmental agenda, and we will achieve this by working with stakeholders and partner organisations to minimise the risks from climate change.

Reducing our environmental impact to a sustainable level will be challenging but it’s a challenge we are determined to overcome. Relying on our core values as a business, we will create a cleaner environment to provide long term health and wellbeing benefits for customers, communities, and colleagues.

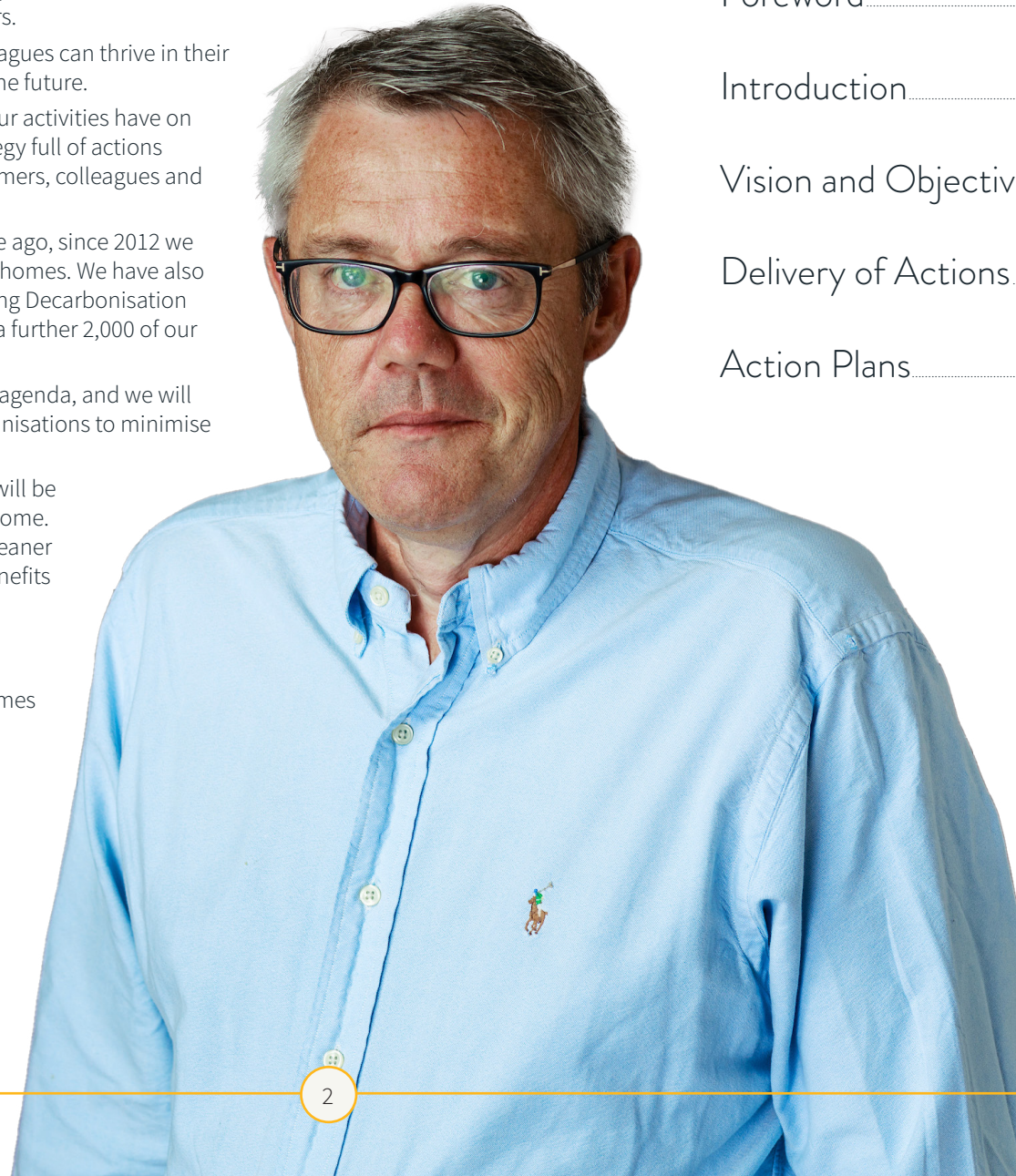
We are committed to our purpose, and this means we are also committed to helping create better places to live. Our customers will have warm, comfortable, and affordable homes and their communities will be places they can thrive.

Throughout our transition to become an environmentally sustainable business we will work with our customers to make sure their needs are being met and their voices are being heard.

Thanks



Kevin Rodgers,
Chief Executive



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HOMES

We will make sure our homes are safe, comfortable and sustainable for our customers.



We will build homes to meet the needs of our region.



PEOPLE

We will listen to our customers and focus on the things that matter the most.



We will be an employer of choice and invest in our people.



PARTNERSHIPS

We will work with our partners to make a positive difference to our customers and communities.



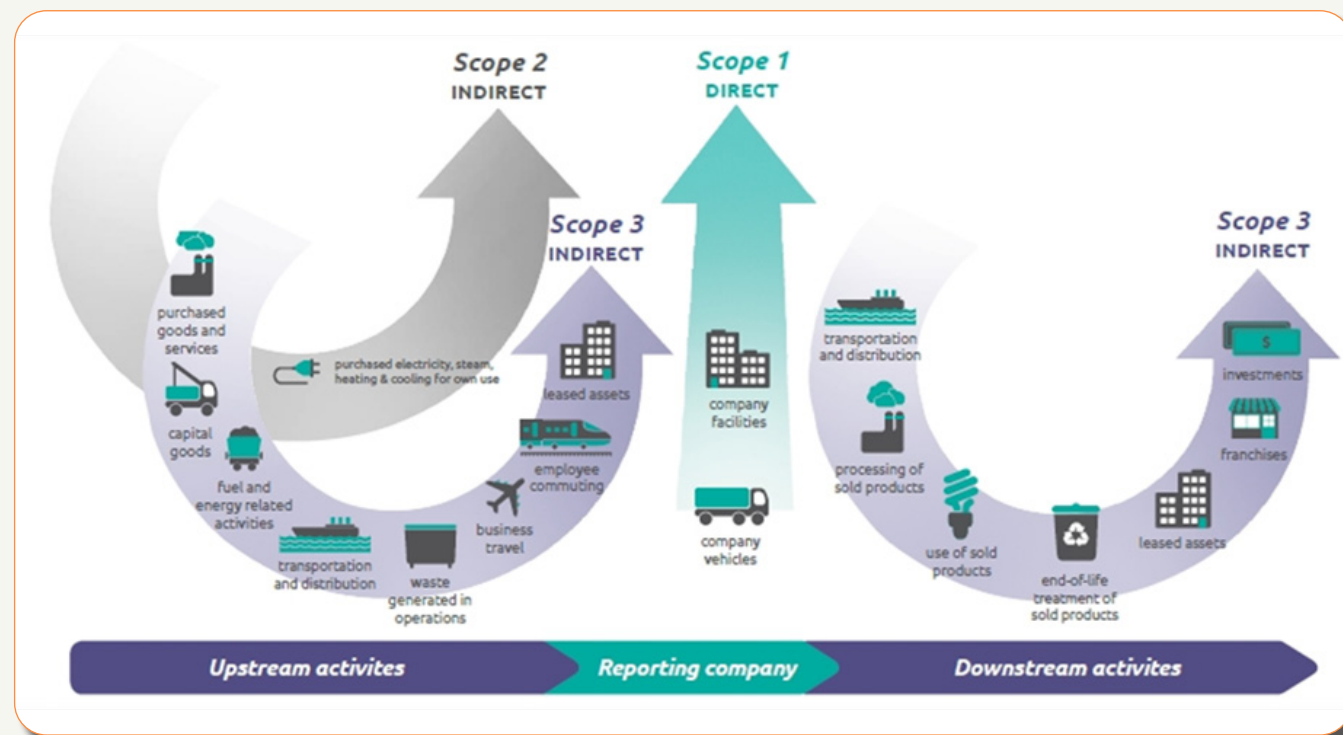


INTRODUCTION

Citizen is a not-for-profit provider of social housing. We currently manage around 30,000 homes across the West Midlands and employ around 1,000 staff. Our activities include building and the purchase of new homes, and the management, improvement, maintenance, and repair of our existing customers' homes.

In 2019, the West Midlands Combined Authority declared a Climate Emergency; and the Climate Change Act was amended to commit the UK Government, by law, to reducing greenhouse gas emissions by at least 100% of 1990 levels (net zero) by 2050.

Citizen intends to support the achievement of this target and will strive to support the West Midlands Combined Authority's (WMCA) interim carbon reduction targets and target of being carbon neutral by 2041. This means we will need to drastically reduce our Scope 1, 2, and 3 carbon emissions.



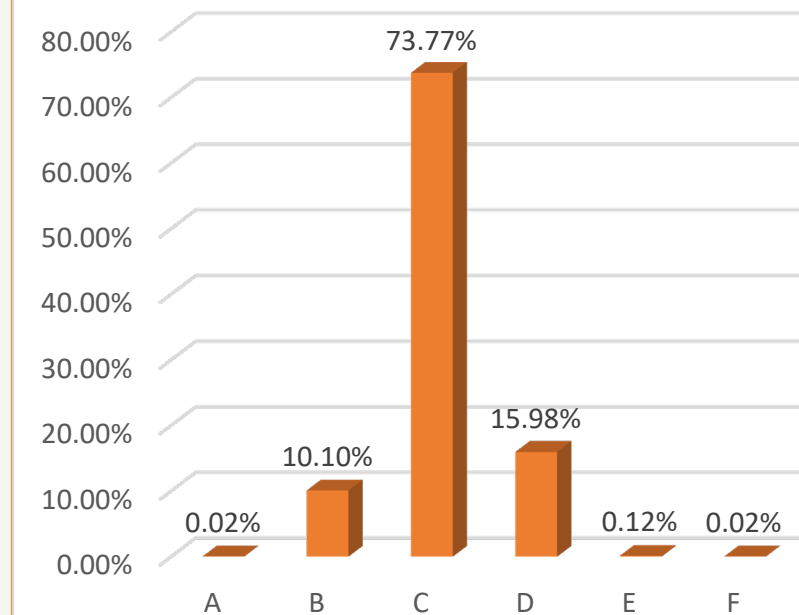
As a social landlord, we have a responsibility to ensure that our residents are living in affordable and comfortable homes. This means we need to support residents who are in or at risk of fuel poverty. We will need to consider how we can help our lower income households heat their homes at a reasonable cost, delivering energy efficiency while also considering sustainable, low-carbon warmth in our transition to net zero.

Homes that are below EPC C are at a greater risk of fuel poverty. Currently 16.1% of homes are below EPC C. We will need to upgrade this stock while considering long-term net-zero for all our housing stock.

Our goal is to deliver an incremental and planned transition to net zero where the homes we provide are environmentally sustainable and fit for the future. Our residents will be living in communities where they have opportunities to thrive, by living in affordable, healthy, comfortable and biodiverse spaces. We will engage our residents, colleagues, investors, suppliers, and partners to support our transition to a net zero housing provider and developer. There is a need to build resilience to climatic changes into our homes, offices and operations. This means we will need to consider the risks of overheating, water stress and flooding.

We are already witnessing the impacts of climate change. It is therefore vital that we act now to protect the future of our customers and business.

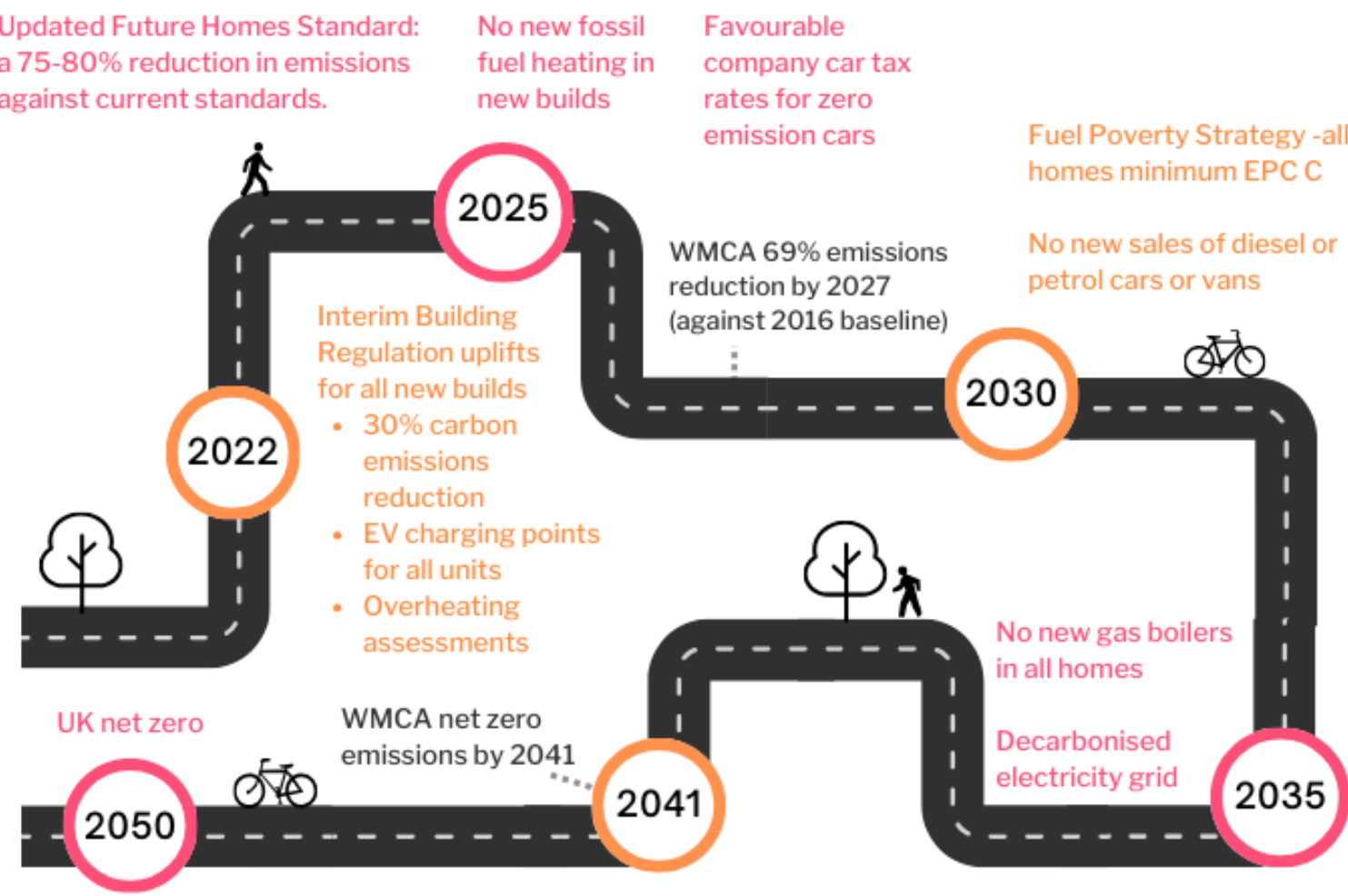
Ratio of Citizen homes in each EPC banding



Citizen's environmental strategy sets out our high-level environmental objectives and defines our key priorities for the next three years. Delivering against our action plan will enable us to demonstrate meaningful environmental improvements that will provide benefits to our customers and staff.

NET ZERO TIMELINE

This timeline outlines key dates which will influence our journey to net zero



VISION AND OBJECTIVES

Our vision at Citizen is focused on protecting our customers against the consequences of a changing climate and to provide safe, healthy communities where our customers can thrive.

Our vision is to have:

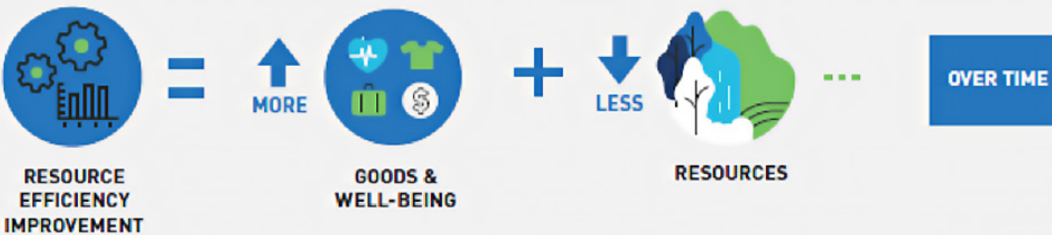
- Homes that are warm and comfortable to live in, affordable to run, and are protected from overheating, flooding and water shortages.
- Communities that have access to nature, green space and increasing biodiversity to enhance the well being of residents.
- A highly trained, motivated, and skilled workforce that will accelerate our transition to net zero.

Citizen intends to be ambitious at delivering our environmental goals. We will be proactive and embed sustainability into all decisions we make as a business.

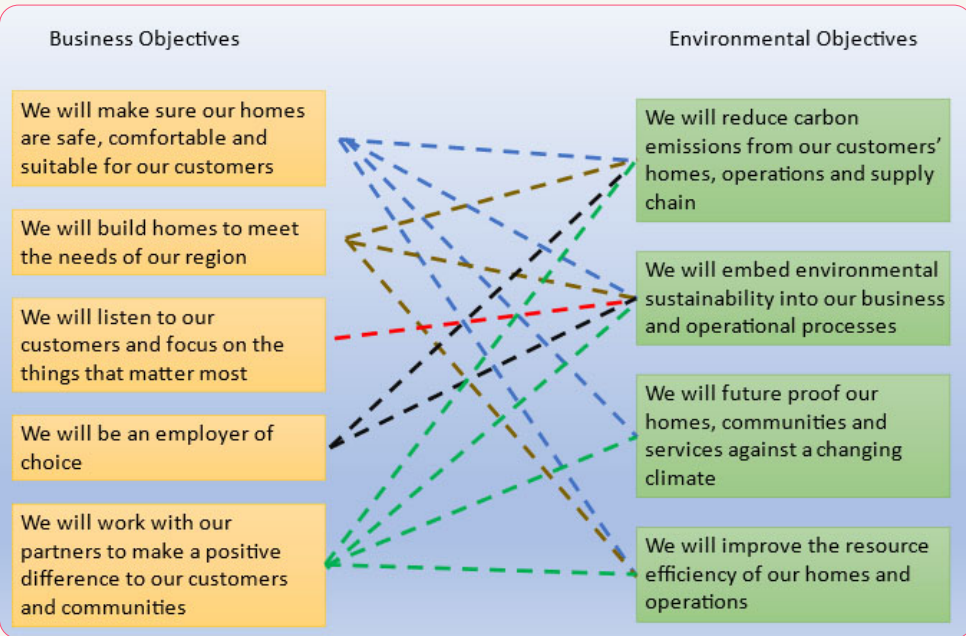
We have set four high-level environmental objectives which will help us realize our vision, these are:

1. Reduce carbon emissions from our customers' homes, our operations and wider supply chain
2. Embed environmental sustainability into our business and operational processes
3. Future-proof our homes, communities and services against a changing climate
4. Improve the resource efficiency of our homes and operations

RESOURCE EFFICIENCY:



Our environmental objectives will support the achievement of Citizen's business objectives. The links between our business objectives and environmental objectives are demonstrated below.





DELIVERY OF ACTIONS

To deliver the Strategy we have identified a number of key priorities for the next three years. These priorities aim to mobilise Citizen as a business, enabling us to build the foundations to effectively manage our journey to net zero and becoming a leading environmentally sustainable social housing provider.

Our key priorities are to:

- Establish an environmental performance baseline against which we can measure our progress.
- Raising the performance of our least energy efficient homes.
- Improve the accuracy and transparency of our environmental data to enable more informed decision making.
- Engaging with and keeping our customers informed about the changes involved in transitioning to a zero-carbon future and adapting to a changing climate.
- Upskilling and empowering staff so they can contribute to delivering environmental improvements.
- Integrating environmental management into our operational and business processes
- Collaborating with others to share knowledge and expertise to drive environmental sustainability in the sector.

For each objective we have identified numerous actions that contribute to achieving each objective's desired outcome. The identified actions are listed in the last section of this strategy. The list of actions will evolve, over the three-year period of this strategy's life cycle, to reflect changing environmental policy, legislation, and developments in best environmental practices.

Roles, responsibilities, monitoring, reporting, finance and governance

Sustainability is one of our core business objectives. To ensure that we progress at a pace that reflects the urgency of this agenda we will appoint a sustainability lead at board level. We will also establish a high-level Sustainability Board to champion and steer our Net Zero and sustainability journey.

This environmental strategy is sponsored by our Chief Operating Officer. Delivering the strategy and ensuring we meet our environmental objectives is the responsibility of our directors.

Our Heads of Service will own the delivery of environmental improvement actions linked to our objectives.

The environmental action plan defines the lead business department, the KPI or expected delivery output and timescale for delivery.

Progress against the action plan and KPIs will be monitored using our performance management system. We will monitor our progress and review this regularly to ensure we are on track to meet our objectives.

An annual ESG report and progress report will provide transparency and demonstrate how we are progressing year on year.

We will need to consider the resources and costs associated with delivering this strategy to ensure appropriate resources are identified and made available.

The financial implications of our environmental obligations will need to be reviewed regularly and included in our budgets and financial plans. This will enable the Executive Leadership Team and Board to make strategic decisions regarding competing priorities whilst maintaining the financial health of the organization.

Our Senior Leadership Team, Executive Leadership Team and Board will be involved in reviewing our environmental performance. We will ensure that our performance is visible to staff so that they understand their contribution to delivering the strategy and how we are performing as a business.





ACTION PLAN

Objective 1

Reduce carbon emissions from our customers’ homes, operations and supply chain.

Business area	Action	Lead	Indicator/Output	Starting year	Completion year
Existing homes	Develop a plan to achieve net zero that will be included within the Asset Management Strategy for our homes.	Strategic Asset Management	Approved strategy	Year 1	Year 1
Existing homes	Review the information provided to residents regarding managing their energy costs and produce an impact assessment via money advice team	Strategic Asset Management	Number of residents engaged	Year 1	Year 1
Existing homes	Retrofit demonstrators to test emerging low carbon technology solutions.	Strategic Asset Management	Number of demonstrator projects	Year 2	Year 3
Existing homes	Following the SMART meter pilot implement SMART meter roll out for communal supplies	Strategic Asset Management	% Meters that are SMART	Year 1	Year 2
Existing homes	Develop improvement plans to all EPC Band D, E and F properties	Strategic Asset Management	% Properties below band C	Year 1	Year 1
Existing homes	Appraisals for alternative heating solutions for high rise blocks	Strategic Asset Management	Appraisal	Year 1	Year 2
Existing homes	Appraisals for alternative heating solutions for low rise blocks	Strategic Asset Management	Appraisal	Year 3	Year 3
Existing homes	Implement Post-Occupancy Evaluation of existing homes after retrofit measures.	Strategic Asset Management	Post-Occupancy rating	Year 1	Year 1
Organisational	Measure and understand the energy consumption of each of our offices and produce a road map for improvement	Facilities management	KWh per office	Year 1	Year 2
New build homes	Work with construction partners to understand and quantify embodied carbon within new developments.	Regeneration Team	Pilot study of embodied carbon within Spon End development	Year 3	Year 3
New build homes	Increase number of A-rated homes we build/purchase. Minimum SAP rating of 92	Development	Average SAP rating of new build. Ratio of EPC ratings for new build.	Year 2	Year 2
Organisational	Produce our baseline carbon footprint for the organisation, devise a carbon reduction plan and targets based on the science-based targets initiative methodology and make annual submission.	Strategic Asset Management	Annual report and action plan	Year 1	Year 1
Organisational	Validate energy data within Promaster	Strategic Asset Management	All data is validated	Year 1	Year 1
Organisational	Work with our procurement team to develop methodology for reporting of carbon emissions from our suppliers	Procurement	% of supply base reporting	Year 2	Year 3
Organisational	Develop business case for moving away from Diesel and Petrol fleet vehicles	Maintenance Operations	Approved business case	Year 3	Year 3

ACTION PLAN

Objective 2

Embed environmental sustainability into our business and operational processes.



Business area	Action	Lead	Indicator/Output	Starting year	Completion year
Organisational	Establish environmental sustainability governance framework	Board	Board member sustainability lead & Sustainability Board.	Year 1	Year 1
Organisational	Baseline our environmental management performance and produce improvement plan.	Strategic Asset Management	Benchmark	Year 1	Year 1
Organisational	Prepare an annual ESG report and make it publicly available	Strategic Asset Management	ESG report	Year 1	Year 1
Organisational	Promote awareness to all staff on environmental KPIs and carbon literacy and develop environmental expertise.	Learning and Development	Number of staff trained	Year 1	Year 2
Organisational	Revise our procurement process to include sustainable requirements into new contracts.	Procurement	Revised policy and procedures	Year 2	Year 2
Organisational	Embed environmental sustainability into our business management and improvement processes. Including policies and design standards.	Performance management	Number of policies and design standards reviewed.	Year 1	Year 2
Organisational	3rd Party verification of environmental performance/ESG report	Strategic Asset Management	Independent verification	Year 2	Year 2
Organisational	Develop environmental communications strategy for residents and staff.	Comms	Number of communications.	Year 1	Year 1
Organisational	Prepare drainage and pollution prevention plans for our depots.	Facilities management	Drainage & pollution prevention plan	Year 1	Year 1
Organisational	Pro actively seek funding opportunities to support environmental improvement initiatives.	Strategic Asset Management	£s funding obtained	Year 1	Year 1
Organisational	Review letting, void and estates standards with view to enhancing environmental benefits for residents.	Strategic Asset Management	Revised lettings, void and estates standards	Year 2	Year 2

ACTION PLAN

Objective 3

Future-proof our homes, communities and services against the consequences of a changing climate.



Business area	Action	Lead	Indicator/Output	Starting year	Completion year
Existing homes	Overheating: overheating risk assessment. Develop an 'adaptation or resilience standard' for homes, particularly for homes identified as high risk to overheating. Record this environmental information for UPRNs in asset database.	Strategic Asset Management	% of homes with overheating rating	Year 3	Year 3
Existing homes	Flooding assessment: Re-assess flood risk of our existing properties and incorporate into GIS system. Develop an 'adaptation or resilience standard' for homes, particularly for homes identified as high risk for surface water and river flooding. Record this environmental information for UPRNs in asset database	Asset Management	Adaptation standard	Year 2	Year 3
Existing homes	Identify ecological areas on our estates and new developments. Make improvements to enhance biodiversity and green space for our new and existing communities	Regeneration	Increase in biodiversity and green space	Year 1	Year 2
Existing homes	Pilot EV charging infrastructure for customers and develop our strategy for assessment and installation of charging facilities.	Strategic Asset	Customers with access to EV charger	Year 1	Year 1
New build	Placemaking: integrate National Design Guide principles, environmental performance and resident satisfaction survey (wellbeing aspect)	Development / Regeneration	Placemaking guide	Year 3	Year 3
New build	Flooding risk assessment and management plan for new build	Development	100% low risk	Year 1	Year 1



ACTION PLAN

Objective 4

Improve the resource efficiency of our homes and operations.



Business area	Action	Lead	Indicator/Output	Starting year	Completion year
Existing homes	Provide information to new customers on recycling / waste disposal in their area.	Lettings	Updated lettings information pack	Year 2	Year 2
Existing homes	Incorporate environmental considerations into Kitchen and Bathrooms specifications	Strategic Asset Management	Updated kitchens and bathrooms specification	Year 2	Year 2
Existing homes	Partner with local authorities to enhance waste management facilities in high density areas to promote recycling and minimise fly tipping.	Strategic Asset Management	Tonnes of waste recycled. Reduced incidents of fly tipping	Year 2	Year 3
New build	Engage with developers and construction partners to minimise waste arisings from new build	Development	Tonnes of waste avoided	Year 1	Year 2
Organisational	Develop a waste management strategy.	Development / Regeneration	Strategy document	Year 2	Year 2
Organisational	Responsibly sourced materials policy	Procurement	Policy document	Year 2	Year 2
Organisational	Set up monitoring of water use of offices	Facilities management	Monthly monitoring of water use	Year 1	Year 2
Organisational	Develop a strategy for good water management for existing and new homes	Strategic Asset Management	Strategy document	Year 3	Year 3

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