



A Just Green Transition

How the housing sector can deliver sustainable communities alongside sustainable homes

In collaboration with:



PlaceShapers
Together we help communities thrive



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Summary

When we started the research for this white paper at the beginning of 2022, the sector was fully engaged with the decarbonisation challenge it faced. Indeed, we were overwhelmed by requests to take part in the roundtables that would inform much of the content of this report.

Now, ten months later, the sector is facing an array of challenges, including the impact of the cost of living crisis on residents, the rising costs of retrofit materials and the likelihood of a below inflation rent increase. One potential consequence is that some retrofit programmes will be temporarily shelved.

And yet the climate crisis has not gone away.

There is still an urgent need for the sector to prioritise the decarbonisation of its stock. And simultaneously, the need for this process to result in a just green transition is more relevant than ever.

To deliver this, we have identified six principles housing associations should incorporate into their sustainability strategy, so that the investment made into making homes sustainable results in sustainable communities:

- 1 Embed the principles of a just green transition into your plans and the subsequent approaches you take on the journey to net zero.
- 2 Co-produce your retrofit and green energy solutions with tenants and residents – they must be active partners and cannot be treated as guinea pigs.
- 3 Measure your impact: model, monitor and report on how the investment you make in your homes has resulted in an investment into your communities, including improvements to the lives of those who live in your homes and wider communities.
- 4 Turn the challenges you face in the lack of retrofit skills into an opportunity, accelerating and expanding green skills across your communities by investing in new skills and jobs.

- 5 Decarbonisation is only one part of the problem we have to address. Your sustainability strategy should not just be about decarbonisation. You also need to focus on responding to the impact of climate change and build this into your strategy.

- 6 Look for opportunities to collaborate across the social housing sector and across your communities. We don't have all the answers but we can achieve more together than alone. This white paper includes examples of best practice that are already happening across the UK (these are highlighted throughout the report).

Across the sector, there are some inspirational examples of housing associations actively engaging with their residents, creating green jobs or working in partnership with other organisations.

We need to build on these examples, sharing best practice, ideas and evidence so that collectively, as a sector, we can be at the forefront of realising a just green transition.

This green transition needs to be a just transition, where we open up opportunities for people and communities who experience the worst inequalities and are most impacted by climate change.

If we get this right, we can avoid the mistakes of the past and deliver a green transition that is not only just, but enhances the wellbeing of both people and planet.

For our benefit.

And for those of future generations who will live in our homes and communities.

1. Introduction

Social housing providers have a significant role to play in the decarbonisation of society. The built environment accounts for 40% of carbon emissions. Of this, half is estimated to be emitted by social housing. Consequently, social housing organisations are having to invest in retrofit to meet net-zero targets by 2050.

The scale of this challenge is daunting. Estimates project the overall cost to be over £100bn,¹ with government grants likely to only cover a small percentage of this. Understandably, much of the strategic focus of the sector has been on how to retrofit at scale. Where will the investment come from? What skills will we need to deliver retrofit? And how can tech help us in achieving these objectives?

There is, however, another issue that is the focus of this paper.

How can we ensure that the investment the sector makes into making its homes sustainable results in sustainable communities?

As we decarbonise our homes with unprecedented levels of investment, the sector has an opportunity to build a more sustainable society, starting with our residents and the local communities in which we operate.

The social housing sector is well versed in responding to, and alleviating, social issues. From developing aids and adaptations services to delivering community-based services that alleviate poverty and promote individual wellbeing, the social purpose of the sector is intrinsic to its DNA.

Decarbonisation and social purpose should not be delivered in isolation. Our investment in a low-carbon future can also be an investment in better outcomes for residents. This is where the idea of a just green transition comes into play.

HACT's charitable purpose is simple: we exist in order to drive value for residents and communities. As the charity of the social housing sector, we have been well aware of the challenge facing social housing organisations around decarbonisation. Over the last twelve months, we have prioritised elements of our existing work that would enable housing organisations to deliver on these commitments.

In June 2022, we launched our new UK Social Value Bank, following 18 months of collaboration involving over 45 organisations from across the housing sector. The new UK Social Value Bank includes twelve environmental outcome values that can be used to measure the wellbeing impact of, for example, improving the EPC rating of a home.

In the same month, we also launched version 3.5 of the UK Housing Data Standards, that includes environmental data models and process maps, so social housing organisations can collect and collate standardised data to demonstrate their decarbonisation activities.

In September 2022, we launched our Retrofit Credits pilot in partnership with Arctica Partners. This carbon credit scheme will unlock investment in social housing by verifying the emission reductions and social value of retrofit projects.

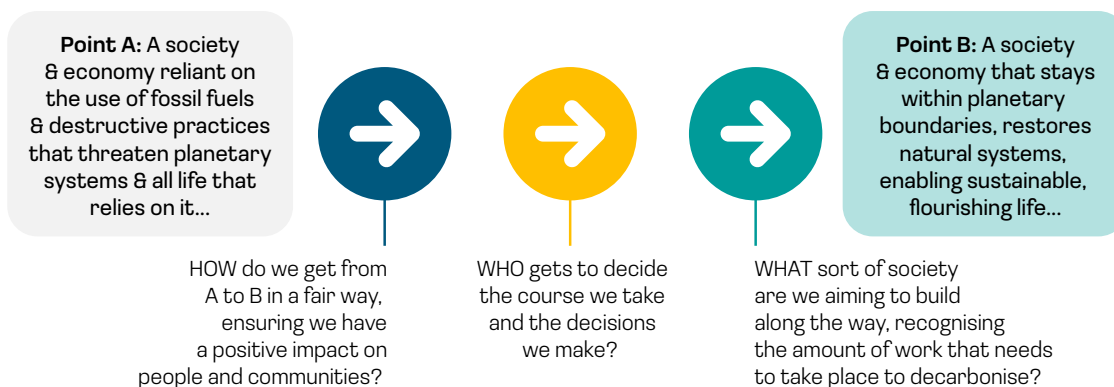
All of this work will deliver impact for people, communities and the housing sector. However, in collaboration with colleagues across the sector, we felt there was a need for a wider conversation about the opportunities and risks presented by the decarbonisation agenda and social justice. To facilitate these wider conversations, we partnered with PlaceShapers, Tpas, Build East and Fusion21, hosting two roundtables with residents and representatives of individual housing associations, sector organisations, as well as specialist environmental and regeneration bodies.

This white paper draws on these conversations, along with interviews with stakeholders and additional desk-based research. Its intention is to provoke wider debate across the sector, to encourage social housing organisations to adopt six principles so they can deliver a just green transition.

¹ Inside Housing, Cost of retrofit, <https://www.insidehousing.co.uk/news/news/cost-of-retrofitting-all-social-homes-in-the-uk-to-zero-carbon-to-top-100bn-exclusive-research-reveals-68674>

2. What is a just green transition?

A just green transition means getting from A to B



There are many ways to define a just green transition, all centred around the same principles of social justice. These are some of the intrinsic elements.

A just green transition means tackling climate change and environmental degradation in a way that brings people together around the shared aim of a better, more sustainable future.

Planning that includes just transition measures will prevent fear, opposition and inter-community and generational conflict. People need to see a future that allows them to understand that, notwithstanding the threats, there is both security and opportunity.
[Just Transition Centre](#)

It means preparing for and mitigating those threats to ensure the brunt of climate change doesn't continue to fall on disadvantaged groups.

Fairness in adaptation is strongly linked to the concept of a just transition. Just transition is currently a concept more commonly used in relation to reducing greenhouse gas emissions in a fair way. However, these considerations of sharing the effort to tackle climate change across society are equally applicable to efforts to adapt to the climate conditions expected in the future.
[Climate Change Committee](#)

It means a green economy that works for everyone, not just the wealthiest.

A 'just transition' means moving to a more sustainable economy in a way that's fair to everyone – including people working in polluting industries. [Greenpeace](#)

A green economy that provides opportunities for reliable, meaningful work in new and emerging green industries.

A Just Transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities, and leaving no one behind.
[International Labour Organisation](#)

It means homes and places that make low carbon living affordable, accessible and the basis for happier, healthier lives.

Working towards resilience and equity by providing fundamental public services for everyone, while channelling investment into public services such as clean water, food, sanitation, affordable and safe housing, public transit, cycling, electric vehicles and low emission zones.
[C40 cities](#)

2. What is a just green transition? continued

A history of economic transition

In developing our understanding of a just green transition, we can learn from the successes and failures of past economic transitions. The closure of mines across south Wales, Yorkshire, the Midlands and the North East during the 1980s came against a backdrop of strikes, clashes with police and significant societal changes.² The rapid de-industrialisation of these communities is an example of how a poorly managed transition can have long-term consequences, for multiple generations.

*The real legacy of the pit closure programme in Wales is not so much the greener valleys (an accidental by-product) but the decades long combination of unemployment, under-employment, ill health, increased crime and drug use and lack of hope. Many parts of the valleys have still to recover from this.*³

In its report examining historical cases of transition, the European Bank for Reconstruction and Development identified six responses to manage the negative impacts of transitions.⁴

- Supporting workers (both directly and indirectly impacted) through new jobs, reskilling, mental health support and access to financial resources
- Economic diversification strategies tailored to the specificities of the affected community
- Environmental legacies are important and need to be addressed
- Inclusive processes involving relevant actors and ensuring adequate institutional capacity are key for a successful transition

- Locally owned and led approaches delivered with national authorities appear to work best
- Better outcomes are achieved when industries in decline, trade unions, educational institutions and other private sector actors are mobilised at an early stage

The EBRD report highlights the key role played by the town council of Outokumpu, a former mining town in Finland, “in identifying opportunities for economic diversification, created a public company to provide premises for new industries, coordinated a marketing campaign and secured state resources through existing funding channels linked to regional policy”.⁵

In the UK, organisations such as the Coalfields Regeneration Trust have been working in former industrial areas since 1999, playing a similar role in advocating, funding, researching and facilitating collaboration. The continued need for this organisation reflects just how damaging poorly managed transitions can be.

Our transition to a low-carbon economy will require an even greater level of transformation. It will take place at a time when our need to decarbonise will be matched by our need to mitigate the ongoing actual impacts of climate change including increasingly extreme weather events. All aspects of our lives will be impacted in all communities across the UK.

2 For a full list of all 137 pit closures since 1984, see http://news.bbc.co.uk/2/hi/uk_news/3500979.stm

3 <https://wiserd.ac.uk/blog/the-pit-closures-of-the-1980s-part-of-mrs-thatchers-green-eco-strategy/>

4 EBRD, Insights from Historical Cases of Transitions, <https://www.ebrd.com/documents/policy/insights-from-historical-cases-of-transition.pdf>

5 *ibid*, p10

3. A just green transition for social housing

The social housing sector has a choice in how it approaches the just green transition. Its path forward will be defined both by its own commitments and principles, and by the backdrop of policies, regulation and other factors.

What will the sector commit to? At a minimum, meeting net-zero targets. However, many social housing providers are already looking beyond this, at the opportunities to leverage wider benefits for both their own residents, and the wider communities they operate in.

What tools are at our disposal? Social housing providers are already involved in local communities and committed to the decarbonisation agenda. Many already have a defined social purpose. As locally-based asset-owning organisations, social housing providers are well placed to play a critical strategic role in facilitating a just green transition in the communities in which they operate:

- Through community investment activities, supporting residents to retrain into green jobs and empowering local green community organisations.
- Through co-production, resident engagement and feedback, building trust with residents, so they can make informed decisions about their homes and work together to engage in and deliver the transition.
- As asset managers responsible for decarbonising millions of homes across the UK.
- Through procurement, by using their spending power to support green growth and create long lasting social value.
- As placemakers, building low-carbon, flourishing communities.
- As employers offering jobs and training in a growing green economy.

- As advocates for systemic change that can improve the lives of residents, for example, in advocating for fair energy prices that eliminates fuel poverty.
- As anchor institutions working in partnership with communities and other anchor institutions to protect and deliver long-term investment locally.

Challenges for the sector

There are five key challenges the sector faces in delivering a just green transition which are explored in more detail in the following chapters.

- 1. Thinking in systems: how can the sector deliver the systemic change needed to achieve a just green transition?*
- 2. Expanding the scope: who should benefit from the just green transition?*
- 3. Leading the way, together: what does it mean to lead in the just green transition?*
- 4. Building resilience: what does it mean to be resilient in the face of a changing climate?*
- 5. Better homes and places: what is our positive vision for the future?*

4. Expanding the scope

Who should benefit from the just green transition?

Climate change doesn't recognise the boundaries between neighbourhoods, local authorities or countries. Neither does it see the distinctions we create between different types of tenure. Similarly, a just green transition means we can't draw protective lines around certain parts of communities. Climate change and economic transition will impact everyone, particularly those disempowered groups and those on lower incomes, regardless of tenure or geography.

Community investment in social housing already tends to define beneficiaries more broadly, working with both residents in social housing, but also the wider community where support is needed. When it comes to responding to climate change, that same holistic approach is vital, otherwise we risk withdrawing behind walls as the effects of climate change continue to impact everyday lives.

One example is the work being done in the East of England, through Build East. As well as looking at the opportunity for joint procurement and collectively securing the necessary supply chain and skills to deliver retrofit, it has extended its collaboration to include other anchor institutions, councils, LEPs, local suppliers and education providers.

"We are conscious in the East of England that there is plenty of infrastructure investment occurring, with a risk that everyone competes for finite resource. There is a skills deficit in the East of England, and by working together across sectors we will be able to identify and address skills gaps."

Jo Barrett, Director of Policy and Projects, Flagship Group and Build East lead

Build East has recognised the danger of the green transition becoming a struggle over limited resources, as different social housing providers, and other local stakeholders look to deliver on their individual net-zero targets.

By working together to address skills gaps and proactively investing in the green workforce of the future, Build East is strengthening the development of the entire region's green supply chain, which can then deliver retrofit across all types of tenure benefiting all residents.

Another reason to operate across communities is to mitigate against new stigma. If all the investment and benefits associated with green homes, jobs and growth are limited to certain people and places, it can create tension and a justifiable sense of unfairness.

Whilst it is not possible to roll out retrofit and decarbonisation simultaneously, social housing organisations will need to consider the implications of delivery plans on community cohesion. Clear and transparent messaging about future plans will help mitigate against negative perceptions of local social housing residents.

The sector's response

A just green transition means fighting for a better future for entire communities. It doesn't mean protecting some people at the expense of others.

Theme	Opportunity
Collaboration	<p>Convene and participate in cross community climate action, such as climate panels like the South Wales Valleys Climate and Fairness Panel, that bring together communities to identify common challenges and ambitions</p> <p>Coordinate decarbonisation strategy with other stakeholders, including local government, LEPs, further education colleges and chambers of college.</p>
Retrofit delivery	<p>Social housing organisations upskilling to undertake their own retrofit can deliver decarbonisation across tenures.</p> <p>Look to strengthen regional and national retrofit supply chains, in collaboration with other stakeholders, such as the work of Build East is doing to ensure the right training is available.</p> <p>Work in partnership at local levels to identify skills needs and be prepared to invest in local SMEs to enable local green economy to flourish.</p>

5. Thinking in systems

How can the sector deliver the systemic change needed to achieve a just green transition?

Expanding the scope of who and what matters is also about thinking in systems. Whether that be local economies, ecosystems, supply chains or the downstream effects of decisions made today, systemic thinking means taking responsibility for more than what lies on your doorstep. Short cuts today are likely to mean increased costs tomorrow.

Outside the box

System thinking recognises that actions can have displaced impacts (both positive and negative) on a local and global scale and into the future. To be able to accommodate for, and leverage these systems, you first have to understand them.

Every housing provider sits within different local, regional and national systems, interacting with local authorities, devolved and national government, as well as distinct local communities and economies. A good understanding of these systems is essential.

“We sat down with fellow leaseholders, to talk about what we thought the issues around climate change were and what was action was needed.”

There is a need to map the issues we face locally, map out what housing providers can do, and collaborate with other organisations and groups. Most local authorities have a climate change strategy, and they are all different. Housing associations operate across multiple local authorities and need to be able to work across multiple areas.”

Nicky, resident

At a local level, this means using data to understand the different needs of different communities. The nature of the green transition will differ from region to region. For example, the New Economics Foundation estimate that in Yorkshire and the Humber, 360,000 people work in high carbon industries (15% of all jobs). The need for retraining is predicted to be higher (13.5%) in areas of high deprivation compared to the national average (10.5%).⁶ Some of these industries will need adapting to reduce their carbon impact, whilst others may be phased out entirely.⁷

Breaking down silos

By definition, systemic change doesn't take place within silos. A just green transition is about recognising the interconnection between environmental and social systems, and aims. For example, it recognises that socio-economic status has an impact on carbon emissions, or the likelihood you live in an area with high air pollution. It recognises that even with the most efficient home, reducing carbon emissions is dependent on behavioural change. And behavioural change is dependent on clear communication, but also mental health and financial wellbeing.

If it is impossible to untangle the social from the environmental. It makes no sense for these two functions to be entirely separated within social housing. The decarbonisation agenda within many housing associations is being led by asset managers. This is understandable. Yet the delivery of decarbonisation and a just green transition touches on every part of the business. Only through breaking down internal silos and having a collective vision and strategy will a just green transition be delivered.

We've heard how community investment teams across the country are being embedded into the delivery of retrofit. Organisations like Poplar HARCA have identified residents to become energy champions, capable of working with fellow tenants to achieve energy and carbon savings through everyday adaptations.

Residents who act as ambassadors for retrofits or eco homes can build trust in a scheme by discussing the money they have saved, the effectiveness of the technology and the comfort of their new home.”

James Bryson, Residents Voices in the UK's Net-zero Carbon Journey

This also applies at the organisational level. Every social housing provider is facing the same challenge – decarbonising homes and communities. With plenty to learn, we risk replicating numerous small scale pilots and trials, as each provider tries to chart a path forward alone.

⁶ Place based climate action network (PCAN)

⁷ New Economics Foundation, Preparing for a just transition in Yorkshire and the Humber <https://neweconomics.org/2021/06/preparing-for-a-just-transition-in-yorkshire-and-the-humber>

5. Thinking in systems continued

That's why it's positive to see the number of regional and national level consortia and partnerships emerging, between providers with a common goal, and desire to operate at the scale needed to drive systemic change. The scale of this collaboration varies.

In Hertfordshire, three social landlords, settle, B3 and Watford Community Housing are collaborating on the retrofit and sustainability challenge through the Greener Herts Partnership.⁸ With a dedicated joint sustainability lead, the partnership recognises the shared nature of the net-zero challenge, and opportunity to leverage combined spending and influence in the region.

The Greener Futures Partnership consists of Abri, Anchor, Home Group, the Hyde Group and Sanctuary, which "share the core objective of creating sustainable tenancies, homes and communities." The Future Homes Consortium is a UK wide group consisting of twelve organisations with a combined stock of over 783,000 homes, which means the consortium can coordinate activities and share learning from retrofit at scale.

Impactful procurement

Understanding where social housing providers fit into these systems helps to manage risks, but also where to leverage benefits. Housing providers have a role to play as anchor institutions, able to invest in local, green economic growth.

"The big question is how can we steer investment back into local economies to create social value. Smaller and new businesses can play a vital role in the transition. By catalysing their growth we bring the benefits of green growth back into communities to support them to thrive."

Eleanor Radcliffe, CLES

We've seen how social value has become increasingly important in procurement over recent years, reflected both in common practice and changes to regulation. It's an example of how social housing providers are already looking to the change they can leverage through the supply chains they operate within, seeking more than just value for money.

⁸ <https://greenerfuturespartnership.co.uk>

A just green transition is reflected in procurement through clear and robust environmental requirements to both minimise harm (e.g. waste management) and deliver net benefits (supporting biodiversity and tree planting). The same applies on the social side, such as through the creation of green apprenticeships or provision of green space. The same principles behind a social housing provider's own commitment to a just green transition can be reflected in the tendering and delivery of contracts.

"As construction clients it's important we understand, and value these social outcomes for residents- such as the mitigation of fuel poverty. We need to embed these factors into the core of decision making."

Tom Jarman, Low Carbon Academy

Purpose-driven procurement

Investing over £100 billion in decarbonising social homes will need a more intentional approach to locking in this investment into people and communities for the long-term. We can use our focus on people, homes and communities to deliver thriving places. Delivering on social and economic renewal should be a core part of how we deliver a just transition.

Procurement can also leverage additional benefits by supporting purpose-driven suppliers. In 2021 HACT worked alongside Renasi, Supply Change and the Community Impact Partnership, comprising four major housing associations, to analyse spend and contract data, finding that there were significant opportunities for purpose driven suppliers to directly deliver smaller contracts and form consortia and act as subcontractors for larger contracts.

In recent years there has been a growth of alternative business models, structured to prioritise more than just profit. From B-Corps to cooperatives and social enterprises, these suppliers can further cycle investment towards positive environmental and social outcomes. Social enterprises and SMEs are well placed to deliver social value and larger organisations can work with through their supply chains to understand local need and build the relationships necessary to drive impact where it is needed most.

5. Thinking in systems continued

The sector's response

Understanding where social housing providers fit into local and global systems, both in terms of negative and positive impact. Being able to leverage these systems to deliver just outcomes for communities of today and tomorrow

Theme	Opportunity
Procurement	<p>Mapping supply chains and building procurement robust approaches that make social and environment outcomes a requirement, and a priority of contracts. The work of the Community Impact Partnership is one example of comprehensive and critical supply chain mapping,</p> <p>Procurement frameworks targeting just green transition outcomes, such as Fusion21's Decarbonisation Framework, which looks to leverage significant benefits for communities in the form of sustainable green jobs and growth in local economies.</p>
Performance, standards and impact measurement	<p>Moving beyond simple performance and impact measures</p> <p>Using a wider set of social value metrics that reflect primary and secondary impact.</p> <p>Creating comprehensive standards which service as commitments to residents, such as Sovereign's homes and places standard</p>
Internal skills, expertise, and collaboration	<p>Employing sustainability experts to work in the sector.</p> <p>Bringing together resident, asset and strategic focussed parts of the organisation early, to plan, deliver and manage decarbonisation.</p>

6. Leading the way, together

What does it mean to lead in the just green transition?

If social housing retrofit does act as the vanguard for the decarbonisation of the built environment, there is both opportunity and risk.

The opportunity is that social housing residents aren't the last to receive the benefits associated with a green transition. This would mark a real change, when other green technologies that bring benefits to people's lives are restricted based on cost.

The risk is that residents' homes become testing grounds, as the sector works out the most effective way to deliver decarbonisation. Whilst there has to be room for ambitious and new solutions, it has to be done from a baseline commitment to quality in both the experience of, and end result of, decarbonisation activities.

Maintaining standards, and going beyond

It's not okay for residents to live through endless disruption as we work out the best way to decarbonise homes and communities. Residents deserve the same level of respect and meaningful input as those with the purchasing power to pursue low-carbon living.

"For residents to play a role in the just green transition, we need information. All housing providers should have a clear up to date policy on sustainability and make this transparent and accessible to residents."

James, Resident

Empowerment and meaningful engagement with residents means clear information, along with an understanding of the options available through the green transition. If residents have a clear understanding of what actions a social housing provider is taking today and is planning in the future, residents will be able to make informed decisions about their homes and lives.

For social housing providers, this means pushing forward with retrofit and being ambitious about what the homes and communities of tomorrow look like. It means being led not only by regulation and minimum standards, but by a positive vision of tangibly better lives for residents in green homes and communities.

Listening and adapting

How do we lead, whilst ensuring residents don't just become guinea pigs to the testing of new technologies and methods? We can do this by listening to the experiences of people experiencing the green transition and adapting course if necessary. Whilst there is certainty about the risks if we don't act on climate change, there is also a degree of uncertainty about the course the sector could take to reach net-zero.

The customer experience team at Broadacres is always questioning how decarbonisation plans could affect these commitments.

"We have a dedicated customer experience team who challenge every decision we make on our journey to energy efficiency (SAP C or better by 2030) and carbon neutrality by 2050. They ask what will the impact be? What will customers think? What are the outcomes of the decision we're making for them?"

David Smith, Executive Director of Resource, Broadacres

As well as asking these questions of future decisions, the customer experience team also works to engage with residents before, during and after decarbonisation work takes place. Broadacres' approach is an example of how housing providers are working towards net-zero targets, but not becoming blinded to the need to deliver other outcomes and maintain their core commitments to residents.

For other housing associations, the just green transition presents an opportunity to develop a more ambitious approach to co-production with residents. Can social housing organisations, for example, provide opportunities for residents to develop or identify the solutions their communities need?

Real time learning

New technologies can provide real time insight into the performance of retrofitted homes about energy consumption from an environmental point of view, but also as an indicator of fuel poverty. Installing smart technology into homes and using sensors can highlight where damp and mould is a risk, allowing for proactive action by the housing provider.

6. Leading the way continued

Within the home, data from smart technology enables social housing providers to act when the health and wellbeing of residents are under threat. Social housing providers like Flagship Housing are already using Switchee smart thermostats to flag where properties are being chronically underheated or are at risk of damp and mould.

If acted upon, this data can help determine whether a retrofit is successful in reducing carbon and delivering benefits to residents. Through constant learning, it can also be used to help design the retrofit and homes of tomorrow.

Transparency and accountability

Whilst residents want transparency and clarity they also want honesty and accountability. Recognising that social landlords don't have all the answers is critical and is a valuable route into co-production. Honesty is a key part of how we build trust and design and deliver a just green transition together.

"This transition will impact everybody. But we don't have all the answers yet - and shouldn't pretend this when engaging with residents. We need to engage with openness about the opportunities, by acknowledging that we will be learning along the way. We've heard that the most effective messengers to support the resident journey around retrofit, are other residents who have gone through this."

Rachael Orr, Chief Executive, PlaceShapers

A just green transition means managing this uncertainty by being transparent with residents as plans are created, implemented and adapted. It means holding true and being accountable to a set of fundamental commitments to resident wellbeing.

"I want a step guide from housing associations, a clear vision of what is going to happen, so residents know what is coming. As a resident I would even be willing to be engaged where there is long term payback. For example, with solar panels, I want reassurance that what is being installed is being done properly, and an idea of how and when I will benefit."

Craig, Resident

Craig's comments reflects a willingness of residents to adopt new technologies and adapt their behaviour through retrofit and the green transition, as long as their landlord is being honest and accountable. These elements should sit at the core of the relationship between landlord and residents.

The work of the Northern Housing Consortium's Climate Jury is particularly inspiring here. The initiative saw 30 tenants from across the North of England coming together to discuss how climate change impacts their lives. The resulting report featured a series of 24 recommendations, each of which has been weighted according to the support of the residents involved in the jury. The report also includes a statement signed by all jury members:

"We, the Social Housing Tenants Jury, have brought together different levels of knowledge, experience and different opinions to create a shared understanding and shared solutions in the form of recommendations that we have all worked hard to create and agree upon."

*"When you look at our recommendations, go forward with an open mind, listen to what we have to say and above all — let's take action and act together."*⁹

The Social Housing Tenants' Climate Jury Report

Research and development (R&D)

Leadership is proactive. It does not wait for off-the-shelf technology or depend on the market to develop the right solutions. As a sector with a social purpose, social housing providers can drive transformational research and development targeted at social justice outcomes, defining success beyond just financial return on investment, but also through social return, resident feedback and improved wellbeing.

The case of air source heat pumps is instructive. Their introduction has received a mixed press. While they might deliver energy efficiency improvements, for many residents they have resulted in increased energy bills. Part of this is because of a lack of engagement with residents prior

⁹ The Social Housing Tenants' Climate Jury Report, <https://www.northern-consortium.org.uk/wp-content/uploads/2021/11/Tenants-Climate-Jury-Report.pdf>

6. Leading the way continued

to installation to understand their heating requirements. It might also be because housing associations failed to inform residents about how to make best use of the new technology.

The lesson here is simple: off-the-shelf solutions might appear financially attractive, but residents need to be involved at an early stage to ensure the technology works for them and, if not, how it can be adapted or revised so that the resident embraces the technology and uses it correctly.

The sector is ideally placed to test and learn at scale. If new technology can be used in retrofitting over five million social housing homes, then this technology will then be available to benefit people in all types of housing.

In practice this could mean the sector pooling its resource and expertise to identify critical areas where innovation and new solutions are needed to achieve a just green transition. There is a potential need here for a collective approach to sectoral R&D so that organisations can learn from each other, so that budgets can be invested more effectively in proven technology. We are not a sector based on competition. We need to play to our collaborative history if we are able to accelerate decarbonisation at scale.

Green jobs: setting a positive example

By driving forward R&D, the sector has an opportunity to set the course for decarbonisation across the UK, with social housing acting as the vanguard for wider built environment.

If the social housing sector is the vanguard of decarbonisation, social housing providers have an opportunity to define how this growth takes place, prioritising the creation of secure and well-paid work for local people. The retrofit workforce of tomorrow will be shaped by the commitments the sector makes today.

“Registered Social Landlords (RSLs) are seen by many policymakers as a potential ‘vanguard’ for net zero housing retrofit. With a concentrated ownership of homes, capacity to manage large-scale capital projects, and sense of mission, they are seen as being the most likely catalyst for expanded demand.”

Connected Places Catapult, Delivering Net-Zero Social Housing Retrofit

Retrofit will mean unprecedented investment in housing stock across all tenures, with the potential to create over 100,000 jobs in the next ten years alone. An Ecuity Consulting report for the Local Government Association predicts that the number of full-time workers in England’s low-carbon and renewable energy economy could rise from a baseline of 185,000 in 2018, to 694,000 in 2030 and over 1.18 million in 2050.¹⁰

The social housing sector has a role to play, as an employer, through the jobs supported through the supply chain, and through community investment, supporting residents to transition into new sectors.

“The green transition equates to new pathways to new jobs, skills and opportunities - for people of all ages and circumstances. As a housing sector we will be first in line for works done to our homes and communities, before the private rented and owner occupier sectors. So we are at the front and have the opportunity to drive opportunities where they haven’t been before into our communities.”

Lynsey Sweeney, Communities that Work

This approach is demonstrated by the work of One Manchester and local partners, who received funding from the Government’s Community Renewal Fund, to create 125 part time and flexible jobs in the region’s growing green economy. Roles are available for those with a Manchester postcode, ranging from sustainability and jobs in recycling and waste management, to hospitality roles. The project is committed to good quality, fairly paid work at the real living wage, and includes flexible hours, training provision and travel passes for work.

¹⁰ Local green jobs – accelerating a sustainable economic recovery, https://gemserv.com/wp-content/uploads/2021/06/Local-green-jobs-accelerating-a-sustainable-economic-recovery_final-1.pdf

6. Leading the way continued

The sector's response

Ensuring residents and communities benefit from being at the vanguard of retrofit, whilst developing good practice and standards that focus on delivering social justice outcomes.

Theme	Opportunity
Resident engagement	<p>Transparent and easy to understand retrofit plans, available to residents.</p> <p>Investigate using empty homes as showcases for new technology, so that providers and residents can understand how this works in situ and learn from it together.</p>
Performance and impact measurement	<p>Putting resident wellbeing at the heart of definitions of success</p> <p>Using smart technology to monitor the impact of retrofit</p>
Resident support and community investment	<p>Committing to long term support to residents going through retrofit, to ensure new technologies and systems work for residents.</p> <p>Ensuring community investment teams work closely with asset management across the whole lifecycle of projects, to plan, consult, deliver and evaluate retrofit.</p>
Collaboration	<p>Not waiting for off the shelf R&D solutions. Social housing providers can work together to share best practice around decarbonisation solutions that work for the residents and communities they serve.</p>

7. Building resilience

What does it mean to be resilient in the face of a changing climate?

In planning their approach towards decarbonisation, social housing organisations need to think beyond net zero. A just green transition should encompass other future risks, including extreme weather events. This should result in climate resilient retrofit.

Accommodating for risks

Climate risks such as heatwaves and flooding are also more likely to affect deprived communities. Research commissioned by Oxfam found that the most deprived neighbourhoods in England were 3.5 times more likely to be impacted by flooding over the past quarter century.¹¹

If the green transition is to be just, resilience measures should be designed into homes, communities and services. Homes suited to the climate of today or past decades may not be suitable or resilient to the climate of tomorrow. In the case of heat waves, social housing providers can use data and insights that help to identify residents who may be at higher risk during a heat wave. This includes people over 75 years old, who are socially isolated, have chronic and severe illness, or live in a top floor flat.¹²

The case of heat waves illustrates the need to define strategy and success beyond solely carbon reduction. Making a home highly efficient through insulation reduces carbon emissions, but could exacerbate the danger of heat waves if ventilation and cooling are not considered too.

Climate resilient retrofit

Retrofit is not just about maximising energy efficiency. It's also an opportunity to retrofit homes that were not built to withstand the range of possible climates and extreme weather events, that current scientific modelling predicts.

“Recent events have demonstrated that the effects of climate change already pose a great risk to our customers and our homes”

Adam Masters, Stonewater

Following floods over the 2019/20 winter, Stonewater installed flood doors, self-closing flood-proof air bricks, and drainage and pump in some of the properties most effected.¹³ Stonewater has also begun to model climate risks across their broader portfolio, and the use of flood alert software to identify possible properties that will be impacted as soon as possible, enabling more proactive action.

Back in 2016, Hammersmith & Fulham Council and charity federation Groundwork London collaborated on an European Commission funded project to retrofit three estates in flood risk zones.¹⁴ Measures installed include rain gardens, green roofs, and permeable gravel lawns. At the same time efforts were made to ensure these landscaping measures maintained or improved accessibility across sites for those with limited mobility and improving biodiversity through sensitive landscaping.

The delivery of climate resilient retrofit adds another component to the already complicated and costly challenge. However, failing to plan for and mitigate against these risks only serves to push the problem down the line, when the climate is more unpredictable. It also increases the likelihood that subsequent action is needed at a later date.

More awareness, data and modelling, as well as good practice sharing is needed to bring these considerations to the forefront of retrofit as it begins to ramp up in pace. There will be opportunities to mitigate for climate risks whilst delivering co-benefits, such as through tree planting and biodiversity landscaping, that also creates accessible green space for residents. These have shown to have a positive impact on health and wellbeing.

Every intervention into the built environment and surrounding hard and soft landscaping should be made with these considerations in mind.

11 https://oxfamapps.org/media/press_release/2014-03-eng-lands-most-deprived-areas/

12 <https://www.gov.uk/government/publications/heatwave-plan-for-england/supporting-vulnerable-people-before-and-during-a-heat-wave-for-health-and-social-care-professionals>

13 <https://www.insidehousing.co.uk/insight/insight/how-to-protect-tenants-and-buildings-from-climate-change-76880>

14 <https://www.london.gov.uk/what-we-do/environment/climate-change/surface-water/climate-proofing-social-housing-landscapes#>

7. Building resilience continued

Community investment during extreme weather events

Even with careful design and retrofit in place, further support will be needed for residents and communities in the face of extreme weather events.

During the recent summer 2022 heat waves, Sovereign and Clarion contacted residents in vulnerable categories, including the over 65s, checking in on them and offering further assistance. This mirrors the Covid-19 pandemic welfare calls. It is likely that further climate breakdown will require more routine implementation of these type of welfare calls, highlighting the need for accurate and up to date resident data and contact information, to ensure segmentation is accurate.

The sector's response

Preparing homes and communities for the climate of the future and developing the capacity to respond to extreme weather events like heat waves and flooding.

Theme	Opportunity
Retrofit and new build	Considering possible future climates and extreme weather events in planning retrofit and new builds. Building on emerging good practice in climate resilient design and placemaking, by sharing learning. Develop and share datasets to easily identify those most at risk from extreme weather events.
Community investment	Developing new responses and partnerships able to respond in extreme weather events such as flooding or heat waves.

8. Better homes and places

What is our positive vision for the future?

Those who seek to slow the progress of a green transition suggest it is all about limitation, that it will sacrifice quality of life for the sake of the environment. Instead, a just green transition recognises the opportunity to build a better future, with benefits equitably distributed. It also recognises that the sustainability of a happy, healthy, and flourishing society is entirely dependent on the preservation of the environment.

A negative approach to the green transition is unlikely to be supported by residents and communities, especially when they face other everyday struggles.

“Residents have got to be able to touch, see, and be able to articulate clearly that their life is better as a result of this green transition. It’s important that the recognition of the impact on people’s individual lives is given enough priority when set against the big programmes and targets we are aiming for.”

Jenny Osbourne, TPAS

Better homes

A successful just green transition will be evident in a home that is comfortable, that supports good health and improves wellbeing. It will be a home that is easy to keep warm in winter and cool in summer if it gets too hot. A home that is well ventilated and isn’t at risk of damp and mould.

It also means a home that is affordable to run, whether because they require lower use of power to maintain heat at healthy levels and / or low-carbon heating sources that are simple and cost effective to run.

One minimal commitment that housing associations could make is that, as a result of retrofit, the energy bills of every resident won’t increase. This is particularly important in the current context of escalating fuels bills. Imagine, though, if social housing organisations went further and committed that, as a result of retrofit, the energy bills of every resident would actually decrease.

“In Scotland the first key principle is that tenants aren’t worse off as a result of what we do.”

Aaron Hill, Director of Policy and Membership, SFHA

Better places

A just green transition also means changes to the communities where we work and our residents and people live. Greener streets, greener public spaces, as well as greener amenities and modes of transport. Social housing organisations can play a key placemaking role in this vision, shaping and influencing wider local communities.

For a resident, the impact of a just green transition might appear in the form of improved access to green spaces that support biodiversity. For those living in congested areas, it might be through the reduction in air pollution. In 2019, around 30,000 deaths per year were attributed to long-term exposure to air pollution. A study by the University of Bristol has linked exposure to air pollution with an increased use of mental health services.

Homes and places standard

Some housing providers are embedding commitments to healthy homes and places into the way they plan and invest in new and existing homes. Sovereign has created their own homes and places standards, built in collaboration with residents and design agencies. It consists of both socially and environmentally orientated categories including customers, homes, places and sustainable future.

“We are a housebuilder, but we are also a landlord with a lasting stake in the communities we build. We understand our responsibility to future generations, who will inherit the built environment we are investing in today. Our Standard is explicit about the need to build in a way that is sustainable and to build homes that can be sustainably maintained.”

Mark Washer, Chief Executive Officer, Sovereign.

One of the commitments is that Sovereign will encourage long-term health and wellbeing. This means, amongst other things, “homes filled with light and space, plenty of green spaces and views of green places, encouraging an active lifestyle with streets and paths designed to encourage walking and cycling.”

8. Better homes and places continued

Under each commitment, are a set of criteria and standards against which a score is created, resulting in an overall score, and rating. It is being used to assess existing and new homes using a consistent standard, supporting Sovereign to make strategic decisions about investing or replacing homes.

Transparent standards, built on ethical commitments and research and evidence, give residents a clear idea of what to expect, as social housing providers plan and deliver retrofit, making unprecedented investment in homes and places across the country.

Low carbon living

Social housing residents are particularly reliant on public and active transport. Only 46% of social housing households have a car, compared with 65% of private renters and 89% of owner occupiers. A just green transition means it should be easy and affordable to get from A to B by active, low-carbon and public transport. For social housing organisations involved in placemaking, development and regeneration, these are important considerations.

Architecture and Design Scotland identify eight principles for organisations to consider when building or managing what they call a “carbon conscious place”. These include designing a “place of small distances, creating complete and self-sufficient neighbourhoods with everyday/night services and facilities within a short walking or cycling distance”. The purpose of these principles is to make low-carbon living as easy, beneficial and enjoyable as possible.

Redefining success

A positive vision for greener homes and places means expanding our definition of success. The reduction of carbon alone is not a sufficient marker of successful retrofit or a new development.

“We need to think differently about how we track our progress, combining both customer satisfaction and social value measures with environmental metrics.”

Mary Gibbons, CEO, Moat

Good quality, comprehensive data is critical for making effective decisions in the just green transition. This means data on homes and energy consumption that makes it possible to plan retrofit effectively and know if works have been successful in reducing carbon emissions. It also means social value measures and other indicators that allow social housing providers to model, monitor and measure social justice outcomes when investing in sustainable homes, as well as leveraged to realise investment through ESG linked loans.

The influx of ESG funding into the sector is a positive development in beginning to elevate social and environmental concerns into financial decision making. However, broader concerns about greenwashing and value engineering in order to secure ESG linked loans still exist.

ESG experts have identified how the social housing sector has a more mature and nuanced social value approach to other emerging ESG investors and markets. This reflects established good practice, the use of primary wellbeing measures, and the incorporation of social value into all aspects of delivery, not just evaluation.

Continuing to push forward a more robust and outcomes focused approach to ESG, as being pioneered through the Sustainability Reporting Standard, will ensure that tangible just green transition outcomes become integral to the flow of investment into the sector.

8. Better homes and places continued

The sector's response

Developing a clear vision of a better future for residents and communities.

Theme	Opportunity
Place making	Collaboration with local planning authorities and other key stakeholders to design new and regenerate existing communities around affordable, accessible low carbon living.
Community investment	<p>Achieving greener, better homes and places requires more than just the right design, planning or landscaping. It requires embedded support for residents and communities to sustain change and ensure benefits are equally spread.</p> <p>Community Investment teams are well placed to deliver this type of support.</p>
ESG	<p>The sector continues to build its strong ESG credentials, demonstrated through robust social value and environmental measures.</p> <p>Use of comprehensive ESG frameworks, such as the Sustainability Reporting Standard (SRS)</p>
Collaboration	<p>Organisations should publicly commit to a just green transition, so that as a sector we are demonstrating how we will deliver on our net zero promises.</p> <p>Agree a sectoral approach towards the delivery of a just green transition that includes sharing learning, working together and collective lobbying.</p>

A note on our sponsors

Fusion21 and the Fusion21 Foundation

Fusion21 is a national social enterprise specialising in efficient and impactful public sector procurement and social value services.

Proud to help its members to procure with purpose and meet social impact targets, Fusion21's team of experts support members to deliver social value they can see in every project.

The organisation also gives back through the Fusion21 Foundation, a registered charity working to build brighter futures for the communities that Fusion21 operate in. Since its inception in 2015, the Foundation has given over £1.2 million in grants and has committed £2 million in social investment.

To date Fusion21 has saved its members more than £308 million through the procurement process, created over 8,300 employment outcomes and generated more than £124 million in social impact.

Tpas

Tpas are England's leading tenant engagement experts.

A not-for-profit organisation, they have been representing their members across England since 1988.

Tpas promotes, supports and champions tenant involvement and empowerment in social housing across England. Membership is made up of local tenants and landlord organisations, covering over 3 million homes.

Tpas also has a growing commercial membership of contractors, sub-contractors and affiliates.

PlaceShapers

PlaceShapers is the national network of place-based housing organisations. They are a collective of collaborators, change-makers and policy-shapers. They are a voice for our members and a voice for our communities because many voices can make a bigger difference than one.

Together, PlaceShapers go beyond housing.

BuildEast

BuildEast is a partnership of 15 housing associations who provide homes that are fit for the future in the East of England. Together they meet the needs and ambitions of the people and communities in our region. Together they combine our individual strengths to make a bigger difference.



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