Sustainability & Decarbonisation Strategy

Magenta Living is committed to achieving a sustainable future.

Executive Summary

Magenta Living is committed to achieving a sustainable future. Our strategy is built on the following strategic principles:

1. **Energy Efficiency & Carbon Reduction**: Implementing a fabric-first approach to retrofit existing homes, improving insulation, and integrating renewable energy technologies.
2. **Climate Resilience**: Enhancing the resilience of our homes and communities to the impacts of climate change, such as flooding and overheating.
3. **Sustainable Resource Management**: Promoting a circular economy by managing resources responsibly, embedding sustainability initiatives within our contracts and procurement process, reducing waste, and conserving water.
4. **Community Engagement and Social Value**: Involving customers in sustainability initiatives and ensuring our actions contribute to social well-being.
5. **Governance and Collaboration**: Establishing robust governance structures and collaborating with stakeholders to achieve our sustainability goals.

Introduction

Magenta Living is committed to creating homes full of love, communities full of life, and a world full of possibilities. Our sustainability strategy is designed to minimise our environmental footprint, promote energy efficiency, and ensure the well-being of our customers and communities.

The UK government has declared a climate emergency, recognising the urgent need to reduce greenhouse gas emissions and transition to a sustainable, low-carbon economy. In 2019, the UK became the first major economy to legislate for net-zero greenhouse gas emissions by 2050.

We believe that sustainability is the holistic link underpinning the connection of environmental, social, and economic well-being. Achieving true sustainability involves considering the long-term effects of our actions in everything we do. By adopting sustainable practices, we not only safeguard our customers, mitigate climate change, and preserve biodiversity but also promote social equity, health, and wellbeing while fostering economic resilience and innovation.

Our Sustainability & Climate Strategy sets out our long-term vision to achieve net zero by 2050 as well as our more detailed plans over the next three years, aligned with science-based targets across carbon, water, waste, transport, materials, overheating, flooding, and biodiversity. It covers all areas of our business with specific ambitious plans to reduce our environmental impact for our customers, our staff, and our planet.
This aligns with our Strategic Vision & Plan – "The Road to 2030 – Be More Magenta", which was recently approved by our Board. It has been developed with the Asset Management Strategy to ensure all objectives support one another; it also aligns with Magenta Living's other key strategies, guaranteeing a golden thread running between them.

Climate change impacts, such as overheating, flooding, and water scarcity, will become increasingly common. Therefore, it is essential that we plan to achieve climate resilience in our buildings and open spaces. Improving our rate of carbon reduction through future-proofing our homes and addressing rising energy costs brings additional benefits, such as making us more attractive to funders and new customers and having better preparations for the escalating impacts of climate change.

Global Picture

Climate change refers to changes in weather patterns that threaten our environment and the way we live our lives now and in the future. It is also known as global warming because a rise in global temperatures ranging from two to five degrees Celsius is predicted.

This will cause global changes in weather patterns, sea levels and the frequency and intensity of extreme weather events. Rainfall and floods that were initially expected only once every 100 hundred years have hit towns and cities two, three and more times over the last decade, and we have seen historical temperature records broken for 15 of the last 16 years.

By 2050, 70% of the world's population is anticipated to live in urban areas, and this shift will increasingly occur in cities. Those cities that prosper over the coming decades will be those that develop and champion new models of low-carbon and climate-resilient growth.

Local Context

Wirral is a coastal Borough in the Northwest of England, lying on the peninsula between the Mersey and Dee estuaries; it is surrounded by water on three sides. It is strategically located between the economic centres of Liverpool and Chester and is home to around 320,000 people and over 8,000 businesses.

Many of the Borough's estimated 65,000 difficult-to-insulate solid-walled properties are found in the east, where fuel poverty has historically been and remains a problem. Wirral has seen considerable progress with home energy efficiency improvements since the Home Energy Conservation Act 1995, with landlords utilising grant funding to invest in homes. However, the momentum needs to be maintained to achieve ambitious climate targets.

The latest data indicates that social housing is currently the most energy-efficient tenure in the borough, rated 'C' on average, while owner-occupied and privately rented accommodation are rated 'D' on average.

Many of our customers are already struggling to manage financially. Rising food and energy prices have had a severe impact, and as prices continue to increase, our customers have to choose more regularly between heating their homes, feeding their families, and paying their rent. The introduction of our Climate Change Strategic Framework will provide greater awareness and significant benefits to our customers.

In Wirral there is a degree of certainty that in winter, we can expect more rainfall, warmer temperatures and more severe storm events. In summer, we can expect warmer average temperatures and more frequent heatwaves, coupled with less rainfall overall but more torrential and damaging rainfall events. These weather changes could have the following impacts:

- Under the scenario of increased rainfall, more properties will be at risk of flooding, affecting vulnerable people, families, and customers who cannot afford contents insurance and the demand for emergency services.
- An increased number of people may find it challenging to obtain adequate insurance coverage, leading to communities under stress and significant impacts on mental health.
- Land and properties may be subjected to root damage or clay shrinkage.
- Drainage infrastructure will be stretched, and flood defences will be tested.
- Warmer, wetter winters may result in threats to public health from increased pests and vermin, food poisoning and algal blooms.
- With the creation of urban heat islands, more people will be at risk of heat stress and respiratory illness, increasing the demands of an already stretched health service.

Therefore, it is crucial that Magenta Living understands the risks associated with changing weather patterns by undertaking the appropriate risk assessments, such as flood and overheating, which will enable us to apply a strategic approach to preventing future problems.

Strategic Principles

1. Energy Efficiency & Carbon Reduction

- **Retrofit Programme** Upgrade all homes to EPC C by 2030 through insulation, efficient heating systems, and renewable energy installations such as solar panels, as appropriate.

- **Net Zero Pathway** Develop a detailed decarbonisation plan to achieve Net Zero by 2050, including transitioning to low-carbon heating solutions, integrating renewable energy sources and investing in low-emission technologies.
- **Monitoring and Reporting** Implement a robust system for tracking energy performance and carbon emissions, ensuring transparency and accountability.

2. Climate Resilience

- **Risk Assessments** Conduct flood and overheating risk assessments for all properties and develop mitigation strategies.
- **Adaptation Measures** Implement measures, such as green roofs, permeable surfaces, and enhanced ventilation, to improve climate resilience.
- **Stakeholder Engagement** Educate Customers, Colleagues, Contractors and other key stakeholders on climate risks and involve them in resilience planning.

3. Sustainable Resource Management

- **Waste Reduction** Promote recycling and composting and aim to divert 95% of waste from landfill by 2030.
- **Water Conservation** Implement water-saving and monitoring measures in homes and offices, aiming for a reduction in water consumption per capita.
- **Sustainable Procurement** Increase the number of products and services that are sustainably sourced each year, until we reach our target by 2030.

4. Community Engagement and Social Value

- **Resident Involvement** Establish customer sustainability champions and involve them in decision-making processes.
- **Social Initiatives** Utilise internal resources and the social value commitments within our contracts to deliver community projects that enhance green spaces, promote biodiversity, and improve customers' well-being.
- **Education and Training** Provide sustainability training for colleagues and customers to build capacity and awareness.

5. Governance and Collaboration

- **Governance Framework** Establish a sustainability governance framework with a clear function, roles and responsibilities.
- **Partnerships** Collaborate with local authorities, housing associations, and other stakeholders to share best practices and leverage funding opportunities.
- **Continuous Improvement** Regularly review and update the Sustainability and Climate strategy to reflect new technologies, regulations, and feedback from stakeholders.

Decarbonisation Plan - Journey to Net Zero

The Decarbonisation Plan will expand on the strategic principles, detailing specific actions, timelines, and targets to achieve our sustainability goals. Key components include:

DECARBONISATION PLAN

THE WHAT:

This section of the decarbonisation plan outlines the specific targets that we must reach in alignment with the strategic principles we have created. These targets are essential for ensuring that we meet both our statutory obligations and the business goals we have set for ourselves.

By clearly identifying these objectives, we aim to create a robust framework that guides our actions and measures our progress. Each target will be linked to defined metrics and timelines, allowing for a transparent evaluation of our advancements in sustainability and compliance with regulatory standards.

ENERGY EFFICIENCY & CARBON REDUCTION

RETROFIT PROGRAMME

Upgrade all homes to EPC C by 2030 through insulation, efficient heating systems, and renewable energy installations such as solar panels.

NET ZERO PATHWAY

Develop a detailed decarbonisation plan to achieve Net Zero by 2050, including the transition to low-carbon heating solutions and the integration of renewable energy sources.

MONITORING AND REPORTING

Upgrade all homes to EPC C by 2030 through insulation, efficient heating systems, and renewable energy installations such as solar panels.

NEW BUILDS

All new build properties from 2025 will achieve SAP 86, be aligned to Standard Magenta Specifications and be Net Zero ready.

CLIMATE RESILIANCE

RISK ASSESSMENTS

Conduct flood and overheating risk assessments for all properties and develop mitigation strategies.

ADAPTATION MEASURES

Implement measures such as green roofs, permeable surfaces, and enhanced ventilation to improve climate resilience.

CUSTOMER ENGAGEMENT

Educate customers on climate risks and involve them in resilience planning.

RESOURCE MANAGEMENT

WASTE REDUCTION

Promote recycling, composting, and aim to divert 95% of waste from landfill by 2030.

WATER CONSERVATION

Implement water-saving measures in homes and offices, aiming for a reduction in water consumption per capita.

SUSTAINABLE PROCUREMENT

Ensure that 70% of products and services are sustainably sourced by 2030.

COMMUNITY & SOCIAL VALUE

CUSTOMER INVOLVEMENT

Establish resident sustainability champions and involve them in decision-making processes.

SOCIAL INITIATIVES

Develop community projects that enhance green spaces, promote biodiversity, and improve customers' well-being.

EDUCATION & TRAINING

Provide sustainability training for colleagues and customers to build capacity and awareness.

POLICY & PROCESS

Developing policies and underlying processes to support customers and stakeholders in working towards our decarbonisation agenda.

GOVERNANCE & COLLABORATION

GOVERNANCE FRAMEWORK

Establish a sustainability governance framework with clear roles and responsibilities.

PARTNERSHIPS

Collaborate with local authorities, housing associations, and other stakeholders to share best practises and leverage funding opportunities.

CONTINUOUS IMPROVEMENT

Regularly review and update the sustainability strategy to reflect new technologies, regulations, and feedback from stakeholders.

REPORTING

Committing to a minimum of an annually published Environmental, Social and Governance (ESG) report and gaining feedback on our progress from an annual SHIFT (Sustainable Homes Index For Tomorrow) data submission.

DECARBONISATION PLAN

THE HOW:

This section of the decarbonisation plan elaborates on how we will achieve our specific targets, ensuring alignment with the strategic principles we have carefully developed.

We outline the actions, measurable initiatives, and key projects we must undertake to meet these objectives. We will harness our full range of capabilities and expertise, while also embracing best practices from various fields. Additionally, we will prioritise collaboration with stakeholders, partners, and communities to enhance our efforts and drive progress toward a sustainable future.

ENERGY EFFICIENCY & CARBON REDUCTION

INSULATION UPGRADES
Prioritise loft, wall, and floor insulation to reduce energy demand; whilst utilising a Gateway process to ensure plans are efficient & deliverable.

HEATING SYSTEMS
Enhance Heat Networks and replace domestic gas boilers with low-carbon alternatives such as heat pumps and high-efficiency electric heating.

RENEWABLE ENERGY
Install solar panels and battery storage systems where feasible.

COMMUNITY ENERGY SYSTEMS
Install Community Energy Systems where feasible.

VEHICLE USE
Transition to electric and hybrid vehicles for the fleet and promote the use of public transport, cycling and walking.

COMMUNITY & SOCIAL VALUE

GREEN SPACES
Create and maintain community gardens, parks, and biodiversity projects.

CUSTOMER PROGRAMS
Offer workshops and training sessions on energy efficiency, waste reduction, and sustainable living.

CARBON LITERACY PROJECT
Working with customers & colleagues to provide awareness of the carbon costs and impacts of everyday activities and the ability and motivation to reduce emissions on an individual, community and organisational basis.

SUPPORTIVE POLICIES
Embedding policies and processes in relation to the self-installation of decarbonisation measures, e.g. EV charging points within existing stock.

CLIMATE RESILIANCE

FLOOD MITIGATION
Implement sustainable urban drainage systems (SUDS) and other flood prevention measures.

FLOOD MAPPING
Develop a regular flood plain and sea level map to understand the potential impact of changes to water courses and sea levels.

OVERHEATING PREVENTION
Enhance shading, ventilation, and cooling systems in homes.

RESOURCE MANAGEMENT

WATER MANAGEMENT
Develop a comprehensive waste management strategy, including recycling programs and waste reduction targets.

WATER EFFICIENCY
Install water-saving devices and promote water conservation practises among customers.

GREEN ENERGY
Ensure our energy portfolio for offices and communal areas is certified 'Green'.

GOVERNANCE & COLLABORATION

STAKEHOLDER ENGAGEMENT
Regularly engage with customers, staff, and partners to gather feedback and improve the strategy.

FUNDING AND RESOURCES
Identify and secure funding opportunities to support sustainability initiatives.

MONITORING AND REPORTING
Utilising our data to continuously review and improve our decarbonisation progress through external feedback.

Governance

The Chief Property and Investment Officer will monitor this strategy in alignment with the Asset Management Action Plan and the Sustainability and Decarbonisation Action Plan.

The Head of Sustainability and Decarbonisation will ensure key actions and performance measures are achieved in alignment with the Asset Management Action Plan and the Sustainability and Decarbonisation Action Plan.

The strategy will be reviewed annually, or earlier if deemed necessary through a change in policy, legislation or regulation.

The Asset & Development Committeee approved the strategy on 30th April 2025.