



**POWERING
Positive
Change**

Energy and Sustainable Development Strategy 2019–2022



Energy and environmental management aligns with our core values as we aim to **deliver energy and cost savings for our customers.**



Foreword

Oaklee Housing have sought to be leaders in the social housing sector in Ireland, with Energy and Environmental Management an area of investment to deliver benefits for our customers. Our mission is ‘to build a strong business with a social purpose and be a leading provider of quality customer focused housing and support services’.

Energy and environmental management aligns with our core values as we aim to deliver energy and cost savings for our customers to meet their needs in the most appropriate way. We also proactively manage communal energy costs, demonstrating how we are trustworthy, and the continued investment in an energy management team shows that we are dynamic and keen to explore future opportunities.

Our previous Group Energy and Sustainable Development Strategy delivered significant benefits for our customers and our business, which includes supporting the development of some of the most sustainable homes in the country, advising on improvements to our existing homes, procuring our landlord energy effectively in order to secure low energy prices, reducing the amount of energy we use in order to reduce our energy costs, promoting energy efficiency to our staff and customers, and working alongside partner organisations. It is intended that this Strategy will build upon that success, whilst setting new challenging targets and recognising future potential opportunities.

Sharon Cosgrove,
Chief Executive Officer

Executive Summary

Our previous Group Energy and Sustainable Development Strategy outlined our three steps of reducing the amount of energy we use, purchasing our energy effectively and reducing our impact on the environment. Some of our achievements are shown in **Figure 1** below based on the 2017/18 financial year.

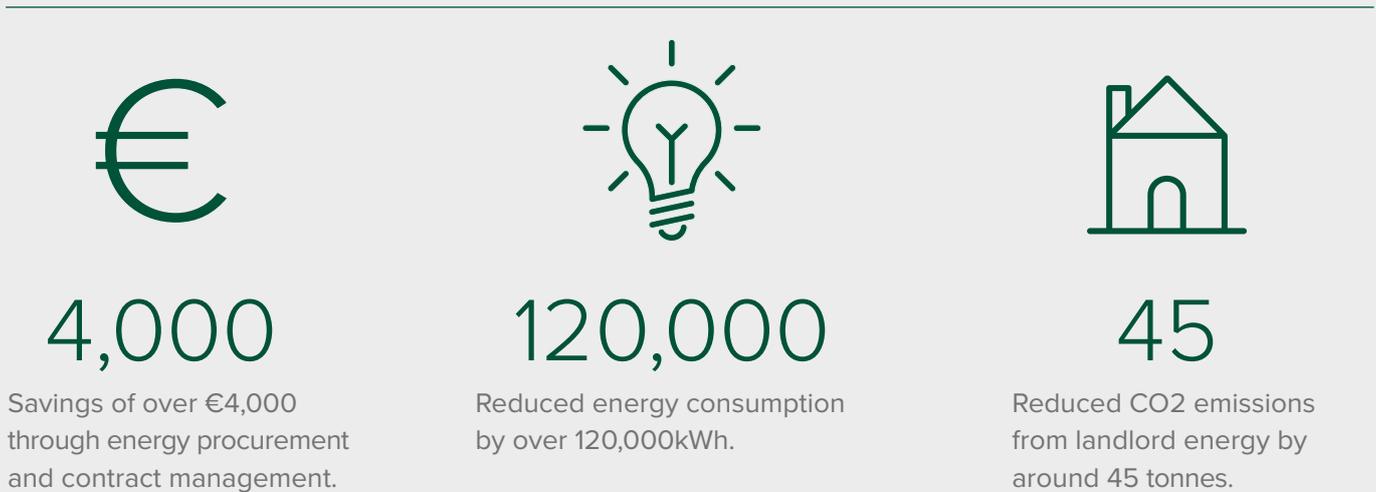


Figure 1

Our sector currently faces numerous economic, political, social and environmental challenges and this Strategy allows us to build upon our previous success in the area of energy and environmental management. This strategy reflects our commitment to engrain sustainability further within Oaklee by 2022 and our continued ambition to lead the sector in this area, with targets in place to demonstrate continual improvement and our desire to embrace innovation. Whilst our strategy sets a clear direction and commitment for the future, it is also intended to facilitate flexibility in order to allow us to adapt to future changes and take advantage of possible opportunities.

Our Energy and Sustainable Development Strategy is clearly aligned to our Corporate Plan, with targets categorised under our four key Business Areas of Financial and Business Growth, Internal Business Processes, Innovation and Learning, and Customer Excellence. This Strategy also links to other areas of our business and aligns with other strategies, including the Asset Management Strategy and the rolling Business Plan 2018-2021.

Introduction

Oaklee Housing was established in 2000 and is one of Ireland’s fastest growing Approved Housing Bodies. Now, with over 1,000 units, Oaklee is run by a voluntary Board of Management. Oaklee is registered with the Department of Housing, Planning and Local Government and has charitable status.

Our core business is developing and acquiring high quality social and affordable homes and to play our part in meeting the targets in Rebuilding Ireland. We pride ourselves in managing homes in a sustainable way, with high quality services and helping create settled and safe communities.

Oaklee Housing provides general needs homes for families and individuals and supported housing, with the help of our partners and the ongoing assistance of Choice Housing Ireland Ltd. Energy and environmental management services and support are provided through our arrangement with Choice Housing Ireland Ltd.

Our Mission is ‘to build a strong business with a social purpose and be a leading provider of quality customer focused housing and support services’. We do this by meeting housing need, ensuring that our customers receive high quality responsive services that meet their needs and expectations, and by collaborating with our statutory and voluntary partners to grow our business.



Figure 2

Our core values, as shown above in **Figure 2**, underpin all of the work we do, with our approach and objectives aligned to these values. By way of example, we demonstrate that we are trustworthy by taking our landlord energy costs seriously and setting targets to reduce consumption and procuring these costs appropriately to deliver savings. We are customer focused in that we have information for our customers on our website

and have recently created an energy booklet for our tenants and stakeholders. Oaklee are also dynamic in this area as we are continuing to look for new opportunities and have worked with partner organisations such as the Sustainable Energy Authority of Ireland (SEAI), recently becoming a ‘Sustainable Energy Communities’ (SEC) Network member.



Governance and Oversight

Support in relation to Energy and Environmental Management is provided from Choice Housing Ireland Ltd through a Service Level Agreement (SLA). This SLA will be reviewed periodically to ensure the service and level of support meets the needs of our business and our customers.

Figure 3 shows the current structure of the Energy Management Team within Choice Housing Ireland Ltd, with the Energy and Sustainable Development Strategy managed by the Energy Manager under the responsibility of the Group Director of Development and Assets.

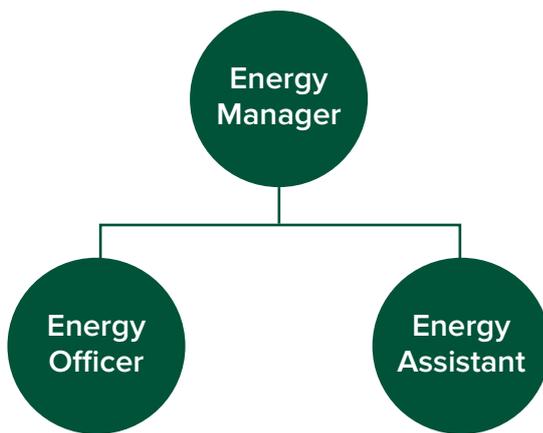


Figure 3

A separate Energy and Sustainable Development Strategy has been developed for Choice Housing Ireland Ltd and associated Group Companies, with a common approach adopted.

Oaklee currently have over 1,000 homes across Ireland and we have annual communal or landlord energy costs in the region of €80,000, and an environmental impact of over 150 tonnes of CO₂ in relation to our energy consumption. A summary of energy consumption, cost and CO₂ emissions from energy for 2017/18 will be provided during the first year of this strategy and will act as a base year upon which savings will be targeted. We estimate that energy costs for our tenants are likely to exceed €1m¹, with potential CO₂ emissions exceeding 5,000 tonnes². This highlights the importance of not only managing our own energy consumption and costs effectively (with savings passed on to our customers), but also of striving to positively influence our customers in relation to their direct energy costs and their environmental impact. We do this by encouraging our tenants to reduce energy consumption, consider switching suppliers or reviewing current arrangements, and by checking benefits entitlements, all of which will help to alleviate the issue of energy poverty.

We recognise the challenges which exist in the social housing sector at present, but we are also aware of the changes to the energy sector which may have an impact on our customers. This includes the development of 'Nearly Zero-Energy Buildings' in the next few years, the anticipated growth of technologies such as heat pumps and electric vehicles, and future changes to the electricity grid across the Island of Ireland. Our investment in Energy and Environmental Management ensures that we are ideally placed to respond to these challenges, whilst also capitalising on possible future opportunities for the Association and our customers.



¹ Estimate based on average electricity, heating and hot water costs of over €1,000 per a home.

² Estimate based on CO₂ emissions of over 5.7 Tonnes per home in the Republic of Ireland ('Energy in the Residential Sector', SEAI, 2018).

Our Approach

Our approach to Energy and Environmental Management involves '4 Cogs' as shown in **Figure 4**. This highlights the symbiotic links between various areas of energy and environmental management and how initiatives can often have multiple benefits. For example, by reducing the amount of energy we use, we also reduce our impact on the environment and our annual energy costs.

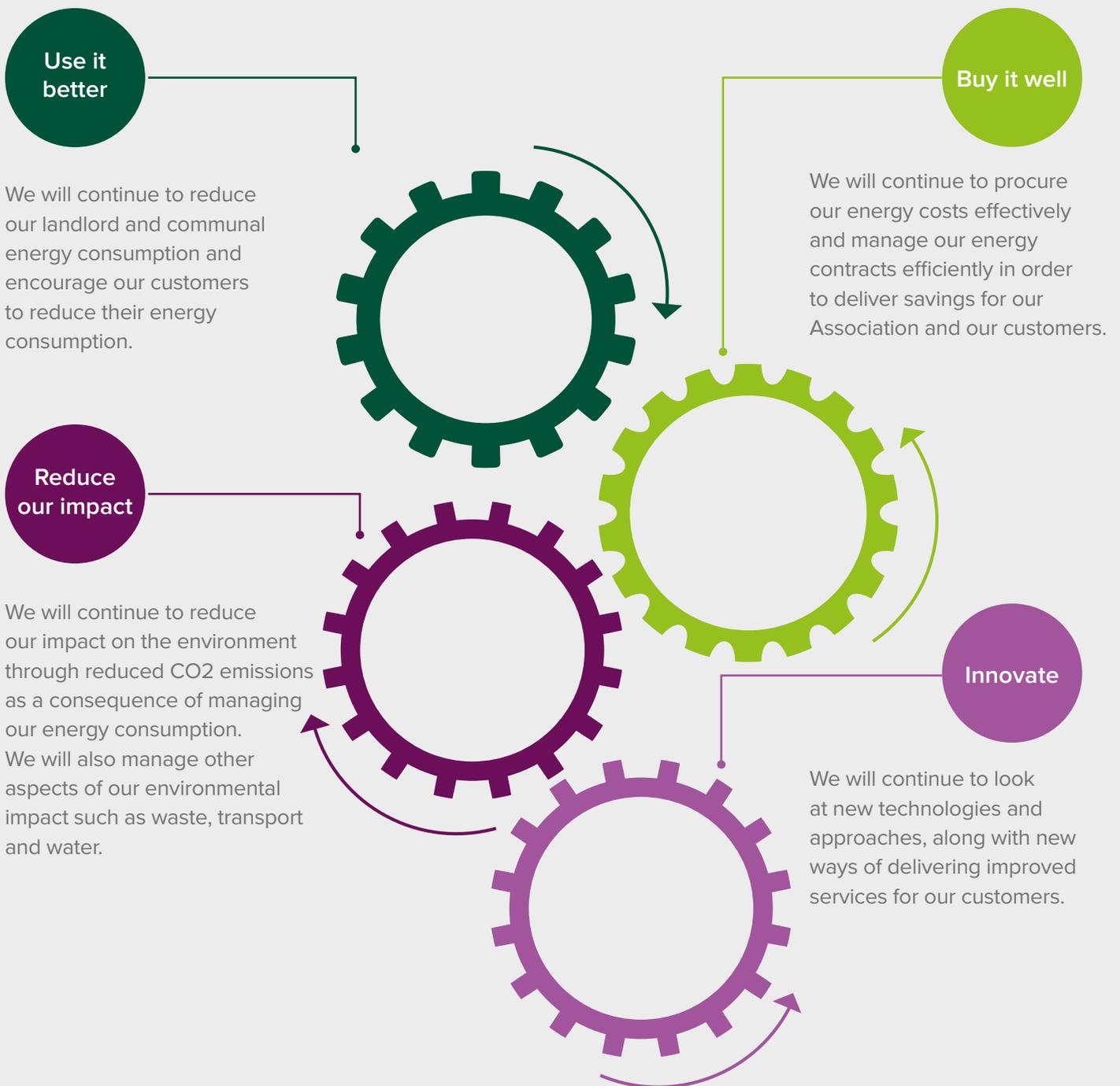


Figure 4



Our
Strategic
Themes

#1 Financial & Business Growth

Strategic Theme:

Energy Management

It is estimated that Oaklee spend in the region of €80,000 each year on energy costs, with most of this recharged on to our customers through service charges. These costs include communal and landlord heating, lighting and power costs, along with electricity and heating costs for some individual properties across our housing schemes. Whilst we recognise that energy costs are unavoidable, we understand from our experience that effective energy management ensures that these costs are minimised and opportunities are sought to deliver savings for our customers. Our energy management team evidences our desire to meet our core values of being trustworthy, customer-centred and dynamic.

As a means of measuring our performance we have set a target of reducing energy consumption by 5% at our housing schemes and offices over the duration of this Strategy, when compared to our base year of 2017/18.



#1 Financial & Business Growth

Strategic Theme:

Energy Procurement & Contract Management

Our energy management team work alongside our other departments and aim to obtain the best possible energy contracts, covering electricity and natural gas. We also regularly review our tariffs to ensure these are appropriate, and our energy management team are responsible for validating energy invoices to ensure accuracy. By managing this process we estimate that overall annual savings in recent years have exceeded €5,000 for our customers. This links to the strategic theme of energy management and our core values of being customer-focused and trustworthy.

By proactively managing our energy costs in this manner we are also demonstrating our overall drive to deliver value for money for our business and our customers.



Energy Procurement in 2017

Our Energy Management Team works closely with other departments each year to procure our energy contracts effectively.

In 2017 we procured our new electricity and natural gas contracts for one year and at that time we estimated a saving of over 6% against market or average energy prices. This equated to a financial saving of over €4,000 at that time, however market prices rose significantly in the subsequent 12 months and so our fixed price contract, along with invoice validation, has meant that savings in excess of €5,000 against market prices will have been delivered.

We will aim to continue to deliver savings of 5% as part of our annual procurement activities, when compared to average market prices. We will also continue to seek additional savings through ongoing contract management.

#2 Internal Business Processes

Strategic Theme:

Environmental Management

Environmental management is crucial to ensure legislative requirements are met, our environmental impact is being managed, appropriate policies and procedures are in place and communicated effectively, and there is a goal of continual improvement.

We will seek to examine opportunities to improve the environment we live in and work with relevant organisations involved with environmental management. As an example, we have worked closely with the Sustainable Energy Authority of Ireland (SEAI) and a number of energy and environmental consultants to examine opportunities to reduce the carbon emissions of our housing stock and look at other areas such as sustainable transport.

We will aim to reduce our energy consumption to deliver CO2 savings and promote environmental management to our customers through our website, tenant booklet and events at our housing schemes. We will also regularly carry out an office 'walkabout', alongside visits to schemes, to identify further areas for improvement.



#2 Internal Business Processes

Strategic Theme: **Asset Management**

Oaklee aim to provide great homes and we recognise that continued investment in our existing housing stock is vitally important. Each year we have planned maintenance programmes which include energy efficiency measures such as insulation upgrades, replacement heating systems and controls, and low energy lighting. We also continue to carry out annual stock condition surveys to inform future areas of investment.

Building Energy Rating (BER) certificates are required when homes are built, rented or sold in Ireland, and so we will ensure legal compliance in this area, whilst also using this information to inform future decision making.

We will also continue to work with organisations such as the Sustainable Energy Authority of Ireland (SEAI) to examine opportunities for further energy efficiency measures, which may include the installation of renewable technologies in the future.



The energy management team will continue to review our planned maintenance and remodelling projects and provide advice. We will also provide Building Energy Ratings (BERs) as required, and use these as a tool to identify future areas for improvement.

#2 Internal Business Processes

Strategic Theme:

Sustainable Development

Oaklee continue to develop energy efficient and sustainable homes and our energy management team has significant experience in this area, having been involved in the development of the first certified social housing passive house scheme on the Island of Ireland. We believe that sustainable homes should offer value for money, be simple to use, and should be affordable to heat and ventilate. When designing our new homes we adopt the 'fabric first' approach and aim to avoid unnecessary use of complex technologies.

We have recently been involved in a research project examining future potential building standards, including 'Nearly Zero-Energy Buildings' (nZEB), and we are partners in a Public - Private Partnership (PPP) to develop around 550 homes to this new standard during the timeframes of this Strategy.

Our new housing developments will be reviewed by our energy management team to examine opportunities such as enhanced standards, reduced costs and improved real life performance (reducing the 'performance gap'). We will also seek to develop at least one new housing scheme to a higher standard, such as nZEB, and monitor performance.



Stormanstown House

In September 2018 Oaklee completed our development at Stormanstown House, Dublin, in partnership with Torca Developments and Blacklough Construction.

This new development has helped to meet housing need in the area by providing 11 Houses and 31 Apartments.

These homes are built to high energy standards, with a focus on building fabric, along with an easy to use efficient heating system. Solar PV systems are also installed on each house and on the apartment block to generate renewable electricity, which will reduce electricity charges.

#2 Internal Business Processes

Strategic Theme:

Statutory Compliance and Best Practice

We will continue to ensure that we have adequate procedures in place to comply with all relevant legislation, which may include, but is not limited to air quality, waste management, water regulations and climate change.

We also aim to be an example of best practice in relation to energy and environmental management, exceeding legislative requirements, seeking opportunities to demonstrate innovation, and promoting our achievements to our customers and stakeholders. As an example, we will ensure that Building Energy Rating (BER) Certificates are provided when homes are built, sold or rented, and will use information from these Certificates and Advisory Reports to help shape future investment in energy efficiency measures.



As part of our new strategy we will ensure that we meet legislative requirements, but also demonstrate best practice. Examples of this will include the way in which we procure energy, manage our energy consumption, work with partner organisations and engage with our customers.



#3 Learning and Innovation

Strategic Theme: Innovation

Oaklee have been involved in a number of research projects with support from external bodies and Universities. We hope to continue to support the sector in this area and look for further opportunities to engage in research which will deliver benefits to our customers and stakeholders in the future.

Alongside traditional energy improvements such as insulation upgrades and heating replacements, we have installed LED lighting, and we are continuing to look for future opportunities in areas such as 'Demand Side Management' (DSM), with the expectation that we may install technologies such as battery storage in the future.



Research

Oaklee have been involved with numerous partner organisations in carrying out research projects.

In 2014 we completed our study into the performance of our Passive House scheme, the first social housing scheme in Ireland to be certified to this standard. This formed part of InnovateUK's Building Performance Evaluation Programme.

More recently our Energy Manager has completed his MSc in Energy Management and Renewable Energy and choose to research future potential energy standards for new social housing developments.

We will carry out an annual review of technologies and financial models to identify future opportunities.

#3 Learning and Innovation

Strategic Theme:

Education & Support for our Staff

We continually seek to raise awareness of energy and environmental matters with our staff, embedding this culture within our organisation. Our energy management team continue to engage with our staff over time by providing support and advice when required, encouraging energy reduction and providing advice on funding options.

Various approaches are used to support our staff, which includes the use of our company intranet, emails, posters, staff training events and presentations. All of our new staff also receive energy training as part of their induction process.

This approach to energy management benefits our staff and our Association directly, but also delivers improved customer service for our tenants who interact with our staff.

One of the mediums for providing support and raising awareness is our company intranet and so we will review this each year to ensure up to date advice and information is available. We will also carry out an annual training initiative for all staff and carry out annual energy walkabouts at our offices, highlighting any areas for potential improvement.

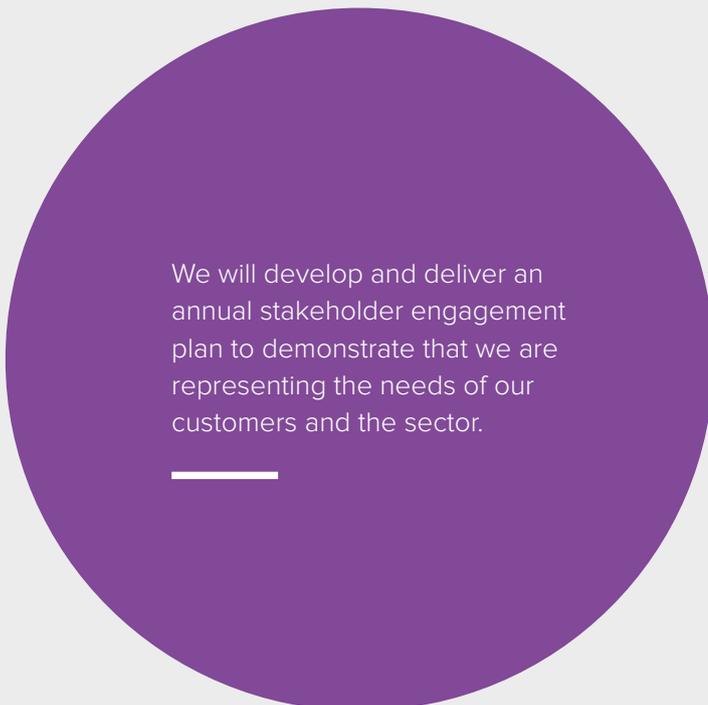




#3 Learning and Innovation

Strategic Theme: Leadership and Engagement

Our energy management team have proactively engaged with organisations to promote our work and to consider future opportunities. A good example of this is our relationship with the Sustainable Energy Authority of Ireland (SEAI). Oaklee recently joined SEAI's 'Sustainable Energy Communities' (SEC) Network and have worked with partner organisations to develop an 'Energy Masterplan' identifying areas for future improvement.



'Sustainable Energy Communities' (SEC) Network

In 2017 Oaklee joined SEAI's SEC network and are one of the first housing associations to have taken this step. In 2018 we have worked with our SEAI mentors and external partners to develop our 'Energy Masterplan' which considers our existing housing stock and opportunities for future investment.

#4 Customer Excellence

Strategic Theme:

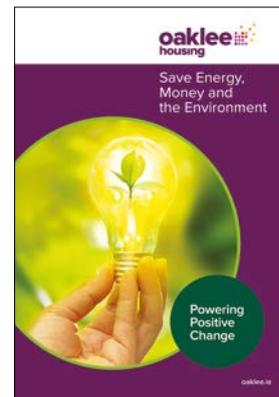
Excellent Customer Service

One of our core values is to be 'customer-focused' and this is reflected in the advice and support we have provided in the past around energy consumption and costs.

Energy poverty is a significant area of concern, with the Government estimating in 2016 that up to 28% of households could be in energy poverty in Ireland³. We aim to alleviate this for our customers as much as possible by providing relevant support and highlighting the need to save energy, switch energy suppliers or seek better arrangements with existing suppliers, and ensure our customers are aware of the many different types of benefits available.

In 2019 we will launch an energy booklet for our customers entitled 'Save energy, money and the environment'. This booklet provides bespoke advice for our customers and will be available to download from our website.

Each year we will review the information available on our website and any relevant literature to ensure appropriate energy and environmental information is available for our customers. We will also hold energy events at our housing schemes to enable us to engage directly with our customers and offer relevant support and advice.

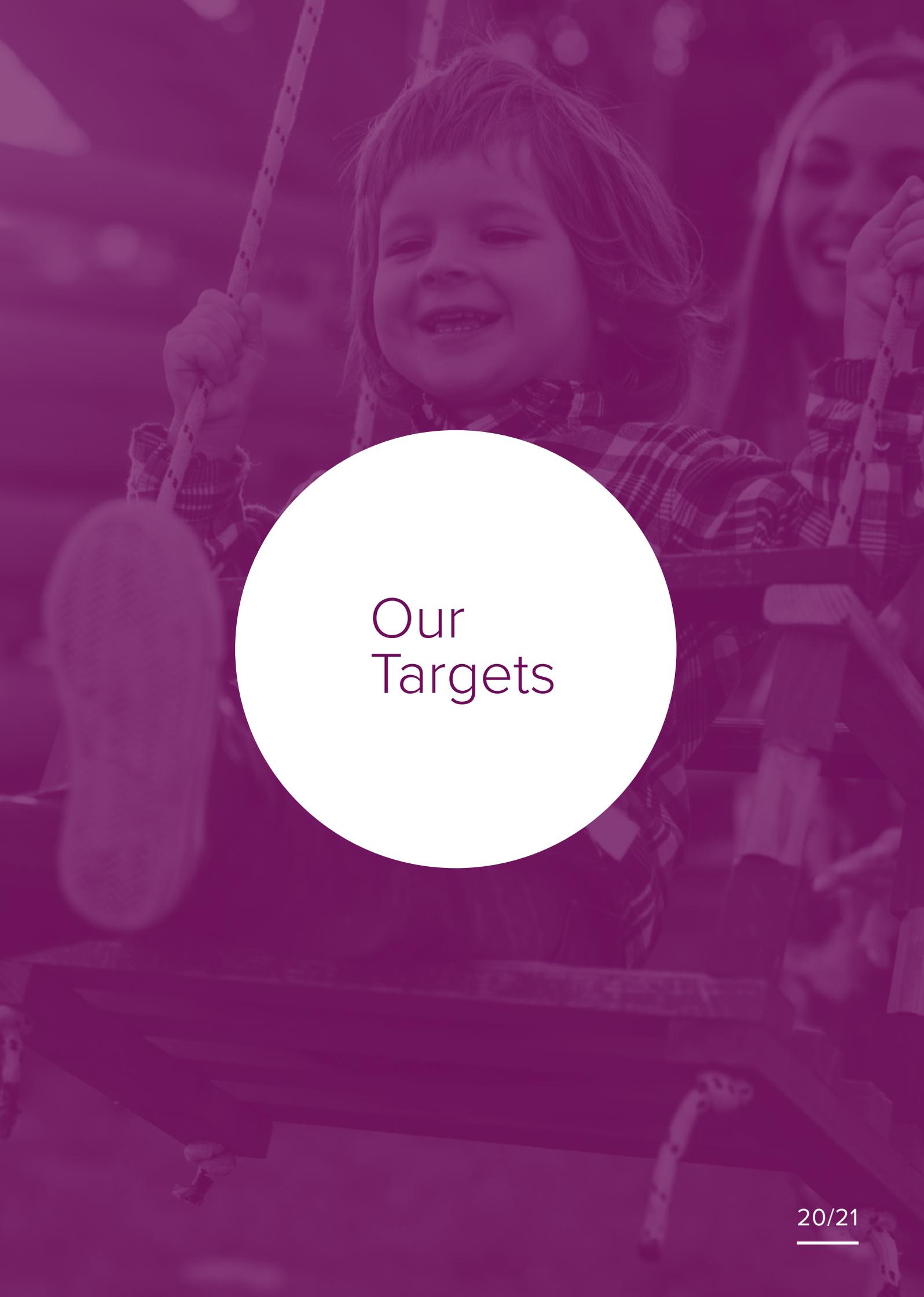


Energy Booklet – “Save energy, money and the environment”

Oaklee have created a bespoke energy booklet for our customers, with advice and support in a number of areas including:

- Why and how to save energy
- Understanding your energy costs
- Climate change and the environment
- Energy Poverty
- Sources of further advice and support

This booklet will be available to download from our website at www.oaklee.ie/energy



Our Targets

Our Targets

We have identified 14 targets which we aim to achieve under this strategy, with these targets highlighted below and aligned with our four key Business Areas.

FINANCIAL AND BUSINESS GROWTH				
TARGET		YEAR 1	YEAR 2	YEAR 3
1	Carry out a review of our energy consumption to identify our Base Year.	✓		
2	Reduce energy consumption at our schemes and offices by 5% compared to our Base Year.	3%	4%	5%
3	Deliver a saving of 5% on energy costs through smart energy procurement. Also manage contracts and validate invoices to ensure additional cost savings are delivered.	✓	✓	✓

INTERNAL BUSINESS PROCESSES

TARGET	YEAR 1	YEAR 2	YEAR 3
4 Review planned maintenance and stock remodelling projects and provide advice in relation to energy and environmental management.	✓	✓	✓
5 Review planned capital investments to ensure the best approach is being taken in relation to energy efficiency, value for money, lifecycle costs and customer satisfaction.	✓	✓	✓
6 Provide Building Energy Ratings (BERs) as required and use our BERs as a tool to identify future areas for improvement.	✓	✓	✓
7 Carry out annual energy walkabouts at our offices and make recommendations for improvements.	✓	✓	✓

LEARNING AND INNOVATION

TARGET	YEAR 1	YEAR 2	YEAR 3
8 Carry out an annual review of technologies and financial models, identifying future opportunities and making recommendations.	✓	✓	✓
9 Review our intranet content to ensure relevant energy and environmental information is available for staff.	✓	✓	✓
10 Deliver an annual training initiative for all staff.	✓	✓	✓
11 Develop and deliver an annual stakeholder engagement plan to demonstrate that we are representing the needs of our customers and the sector.	✓	✓	✓
12 Develop at least one new housing scheme to a higher energy standard, such as nZEB, and monitor performance.	✓	✓	

CUSTOMER EXCELLENCE

TARGET	YEAR 1	YEAR 2	YEAR 3
13 Review our website content and literature to ensure relevant energy and environmental information is available for our customers.	✓	✓	✓
14 Hold at least one energy event at a scheme.	✓	✓	✓

How we will deliver our Strategy

Monitoring of Performance

We will create an annual working plan which will be used to identify when our targets will be met within each year. Regular reviews will be carried out, with reports to be provided to the Senior Management Team, and our Board as appropriate. This Strategy has been formulated to align with our rolling Business Plan, and will be reviewed annually to ensure it continues to be aligned in this manner. Whilst specific targets have been set, this Strategy also acts as a framework and we will seek to examine other potential opportunities to deliver benefits for Oaklee and our customers.

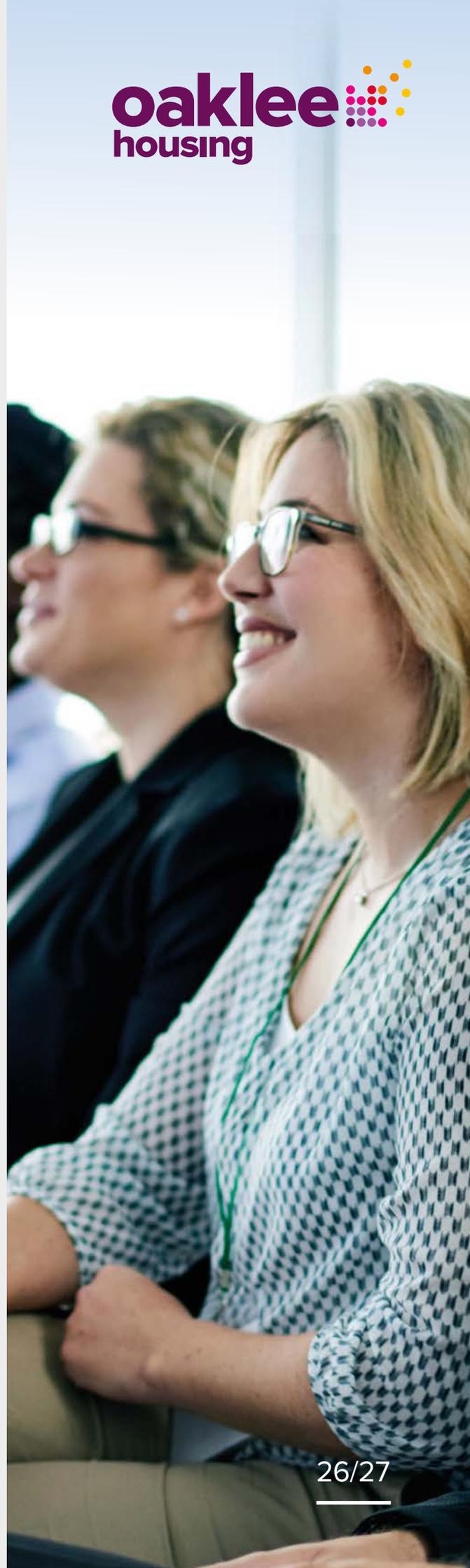
Resources

Under the Service Level Agreement with Choice Housing Ireland Ltd the Group Director of Development and Assets is responsible for the delivery of this strategy. The Energy Manager is responsible for implementing this strategy along with support from the energy management team and other staff throughout the organisation. Choice maintain a commitment to ensure that adequate resources are in place within the energy management team, and across the organisation, to achieve the targets outlined in this strategy, and to ensure that staff are adequately resourced and trained.



Funding

The targets and initiatives of the Energy and Sustainable Development Strategy will be funded in the main through the Association's reserves and rents. Where appropriate, we will seek grant funding and all opportunities to obtain external funding will be explored and recommendations proposed to management. In particular, options for investment where there is a financial payback will be explored along with alternative financial models.



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choice
services

+Maple
May™

choice

Energy and Environmental Management is a group function within Choice Housing Ireland Ltd and so extends to associated companies, including Choice Services, Maple and May, and Oaklee Housing in the Republic of Ireland through an SLA.