

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO CABINET

19 JANUARY 2021

### REPORT OF THE CORPORATE DIRECTOR COMMUNITIES

#### SMART ENERGY PLAN – DOMESTIC ENERGY EFFICIENCY PROJECT

##### 1.0 Purpose of report

1.1 The purpose of this report is to present to, and confirm approval from Cabinet for Bridgend County Borough Council's support for a Welsh Government project to improve the energy efficiency of domestic properties within Bridgend County Borough.

##### 2.0 Connection to corporate well-being objectives / other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015:-**

1. **\*Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **\*Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

##### 3.0 Background

3.1 Welsh Government (WG) has operated 3 phases of its domestic energy efficiency programme since 2009. The detail of these phases, including the level of investment and benefits of the schemes, was previously reported to Cabinet in April 2019.

3.2 The current phase of the programme, Phase 3, will run from 2018 – 2023 and seeks to invest £54m over this period into over 6,000 homes in areas where fuel poverty is prevalent. The funding for the programme will come from ERDF, WG and energy supply company sources through the Energy Company Obligation (ECO).

3.3 The primary focus of the programme is to reduce fuel poverty. A home is considered to be in fuel poverty if they spend more than 10% of their household income on energy and in severe fuel poverty if they spend more than 20% of their total household income on energy. Homes within Bridgend have been identified for inclusion in this phase.

## **4.0 Current situation/proposal**

4.1 Welsh Government are now ready to launch the phase 3 Programme in Bridgend. It will be delivered by Arbed am Byth, which is a joint venture company between Everwarm and the Energy Saving Trust. Arbed am Byth will work with BCBC, building on the existing partnership approach to deliver the Smart Energy Plan, to identify areas of fuel poverty where the programme could have maximum impact. Arbed am Byth, as the Scheme Manager, will manage the programme from the beginning to the end and will identify and develop the schemes through the development of local relationships with stakeholders and supply chains.

4.2 The Scheme Manager will identify the areas to be targeted through the use of data sources such as:

- Welsh Index of Multiple Deprivation (WIMD)
- Energy Performance Certificates (EPC)
- Lower Super Output Area (LSOA) data
- Housing Benefit Data
- Flying Start Areas
- Free School Meals Data
- Housing and Health Action Data

4.3 To date the Scheme Manager has carried out a high level mapping exercise of potential areas within Bridgend County Borough where the Welsh Government Programme could have maximum impact and two areas have been identified (these will require further discussion to agree actual boundaries and areas to be considered). The two initial areas are:

- Ogmere Valley
- Porthcawl (East)

4.4 The process of accessing support once an area location has been decided will require the Scheme Manager to carry out an assessment of each property and design a package of works that could improve the energy efficiency of the home. The measures that could receive funding through the programme include:

- Low Energy Light Bulbs
- Draught Proofing
- Loft Insulation
- Cavity Wall Insulation
- External Wall Insulation
- Thermostatic Radiator Valves
- Central Heating System
- Radiators
- Renewable Technologies (e.g. heat pumps, solar PV)

4.5 The criteria developed by WG for the properties to be included within the scheme require that the homes selected have a current Energy Performance Certificate rating of E, F and G and will be private sector owner-occupier homes. In addition, private

rental properties will be considered but only two properties per landlord per scheme will be allowed and the landlord must be registered on SMART rent Wales.

4.6 The assessment under paragraph 4.4 that the Scheme Manager will carry out for each property considered to join the scheme will require the EPC rating of the property to be identified and the measures selected are able to lift the rating at least one band within the funding caps established by WG for the scheme.

4.7 The funding caps established for the programme by WG have been set at:

- Up to £5,000 for on-gas E rated properties
- Up to £8,000 for on-gas F & G rated properties
- Up to £8,000 for off-gas E rated properties
- Up to £12,000 for off-gas rated F & G properties

4.8 Once the properties for inclusion have been established and the measures agreed a contractor will be brought in to carry out the works. The Scheme Manager will have responsibility for the appointment, management and payment to the contractor.

4.9 Quality control for all the measures installed will be undertaken by the Scheme Manager and a post EPC rating will be established for the property which should demonstrate that the measures installed have improved the energy efficiency of the home.

4.10 Unlike the previous phases of this programme, BCBC will not be required to prepare bids, manage grant payments, procure contractors etc. This will be undertaken by Welsh Government. The role of BCBC will be substantially reduced and instead will be to:

- Agree the area where the programme will be offered.
- Send out initial letters (drafted by Arbed am Byth) with residents names on them inviting them to engage in the programme and attend information events.
- Provide support at community engagement events.

## **5. Effect upon policy framework and procedure rules**

5.1 There are no effects upon BCBC's Policy Framework or Procedure Rules.

## **6.0 Equality Impact Assessment**

6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics and an EIA status of low priority is considered appropriate at this stage. It is considered that there will be no negative impacts from this report.

## **7.0 Well-being of Future Generations (Wales) Act 2015 implications**

7.1 The Well-being of Future Generations (Wales) Act 2015 Assessment Template has been completed and a summary of the implications from the assessment relating to the five ways of working is set out below:

- Long-term: The activities that form part of the scheme have been identified by the partners that will take part and are closely aligned to the delivery of the Bridgend County Smart Energy Plan. This sets out a range of activities to reduce carbon in the County Borough in the long-term and targets long-term reductions in levels of fuel poverty.
- Prevention: On their own none of the partners would be able to achieve the scale of impact that such a programme approach offers. Supporting improvements in properties seeks to prevent many of the issues that arise from poor housing conditions. In addition, seeking to reduce levels of fuel poverty will prevent a worsening of situations experienced by affected households.
- Integration: The scheme will work through a close collaboration between BCBC, Welsh Government and Arbed am Byth.
- Collaboration: The proposals have been developed and will be delivered through BCBC and those partners that will form part of the delivery.
- Involvement: A comprehensive campaign of awareness raising will be undertaken in the proposed communities to ensure information about opportunities for involvement are shared with as wide a range of local residents as possible. This will increase the involvement of residents in the scheme and in the approach used with BCBC, Welsh Government and Arbed am Byth.

## **8. Financial implications**

- 8.1 Previous Welsh Government programmes involved BCBC making grant bids and claims and appointing contractors and managing a programme of works. The Phase 3 programme does not require BCBC to have any financial commitment to the works either in the form of handling grant monies or providing any form of match funding.
- 8.2 There is a time commitment from BCBC to support project engagement activities but this is considered minimal and will be met from existing resources.

## **9. Recommendation(s)**

- 9.1 It is recommended that Cabinet:
- Approve the participation of the Council in, and the development of, an energy project, funded by Welsh Government under Phase 3 of the Domestic Energy Efficiency Programme within Bridgend County Borough.

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**19<sup>th</sup> January 2021**

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**Background documents:**

- 16<sup>th</sup> April 2019 Cabinet Report of the Corporate Director, Communities, Smart Energy Plan – Domestic Energy Efficiency Project