

**SWT Community Scrutiny
Committee**

**Wednesday, 26th October, 2022,
6.15 pm**

**Somerset West
and Taunton**

**The John Meikle Room - The Deane
House**

Members: Libby Lisgo (Chair), Dave Mansell (Vice-Chair, in the Chair), Simon Coles, Tom Deakin, Roger Habgood, Steve Griffiths, Dawn Johnson, Richard Lees, Mark Lithgow, Janet Lloyd, Andy Milne, Martin Peters, Andy Pritchard, Ray Tully and Vivienne Stock-Williams

Agenda

1. Apologies

To receive any apologies for absence.

2. Minutes of the previous meeting of the Community Scrutiny Committee

To approve the minutes of the previous meeting of the Community Scrutiny Committee held on

(Pages 5 - 14)

3. Declarations of Interest

To receive and note any declarations of disclosable pecuniary or prejudicial or personal interests in respect of any matters included on the agenda for consideration at this meeting.

(The personal interests of Councillors and Clerks of Somerset County Council, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.)

4. Public Participation

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak

before Councillors debate the issue.

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| <p>5. Community Scrutiny Request/Recommendation Trackers</p> <p>To update the Community Scrutiny Committee on the progress of resolutions and recommendations from previous meetings of the Committee.</p> | <p>(Pages 15 - 24)</p> |
| <p>6. Community Scrutiny Forward Plan</p> <p>To receive items and review the Forward Plan.</p> | <p>(Pages 25 - 26)</p> |
| <p>7. Executive and Full Council Forward Plans</p> <p>To review the Forward Plans of the Executive and Full Council.</p> | <p>(Pages 27 - 30)</p> |
| <p>8. Low Carbon Retrofit Strategy and Action Plan</p> <p>This matter is the responsibility of Executive Councillor Francesca Smith, Portfolio Holder for Housing.</p> <p>Report Author: Chris Brown, Assistant Director for Housing Development and Regeneration.</p> | <p>(Pages 31 - 94)</p> |
| <p>9. Executive Portfolio Holder for Communities - Cllr Chris Booth</p> <p>To include an update on the Cost of Living Motion.</p> | <p>(Pages 95 - 102)</p> |



ANDREW PRITCHARD
CHIEF EXECUTIVE

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If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group. These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room. Full Council, Executive, and Committee agendas, reports and minutes are available on our website: www.somersetwestandtaunton.gov.uk

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SWT Community Scrutiny Committee - 31 August 2022

Present: Councillor Libby Lisgo (Chair)

Councillors Dave Mansell, Simon Coles, Tom Deakin, Roger Habgood, Ed Firmin, Steve Griffiths, Richard Lees, Janet Lloyd, Andy Pritchard, Ray Tully and Vivienne Stock-Williams

Officers: Sam Murrell, Marcus Prouse (Clerks), Paul Fitzgerald, Kerry Prisco, Simon Lewis, Chris Hall, Jonathan Stevens, Scott Weetch, Sally Parry, Richard Brown, Stuart Noyce and Vicky Lowman.

Also Present: Councillors Federica Smith Roberts, Hugh Davies and Loretta Whetlor, John Hassall and Brenda Weston (Via Zoom)

(The meeting commenced at 6.15 pm)

31. **Apologies**

Apologies were received on behalf of Cllr Dawn Johnson (subs by Cllr Ed Firmin), Cllr Mark Lithgow, Cllr Andy Milne and Cllr Martin Peters.

Apologies were also received from Executive PFH for Economic Development, Planning and Transportation – Cllr Mike Rigby who was subs by Cllr Federica Smith-Roberts.

32. **Minutes of the previous meeting of the Community Scrutiny Committee**

The Minutes were approved as a true record subject to the following requests:-

Everyone Active

1) For statistics in appendices, it was requested that 6-monthly or annual figures be provided in future reports, as these may be more useful in showing trends over time.

2) The Energy Plan and work on a Net Zero strategy were welcomed. It was suggested there could be a business case for more solar panels at the centres with involvement of both Everyone Active and SWT. Officers agreed to look into this. – It was requested that this is added to the Written Answer Tracker

3) It was recorded that a request had been made for Everyone Active to maintain the environs and neighbouring areas of their leisure facilities, most especially the hedges and fenced areas around the Golf Course.

Prop: Cllr Coles / Sec: Cllr Deakin Approved.

33. **Declarations of Interest**

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr T Deakin	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr R Lees	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr L Lisgo	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted
Cllr D Mansell	All Items	SCC	Personal	Spoke and Voted
Cllr R Tully	All Items	West Monkton	Personal	Spoke and Voted

Cllr Steve Griffiths also declared a non-pecuniary interest in Item 10 as a volunteer on the West Somerset Railway.

34. **Public Participation**

There were no statements or public questions brought before the Committee.

35. **Community Scrutiny Request/Recommendation Trackers**

The additional item from Cllr Mansell to be added to the Written Answer Tracker as follows:-

The Energy Plan and work on Net Zero Strategy were welcomed. It was suggested that there could be a business case for more solar panels at the centres with involvement from both Everyone Active and SWT. Officers agreed to investigate this. Can updates please be provided and recorded on the Written Answer Tracker.

The Committee noted and approved the tracker. *(Unanimous)*

36. **Community Scrutiny Forward Plan**

Disappointment was expressed by Cllr Lisgo and Cllr Habgood about the lack of attendance from Cllr Rigby, especially as there were three items on the agenda which fell under his portfolio. The point was made that it was difficult to ask questions of a substitute who may not have awareness of the topic being

discussed. It also put pressure on future agendas and forward planning, if an alternative date was needed.

Due to annual leave commitments: Chris Brown the report author for the HRA Low Carbon Retrofit Strategy and Action Plan has requested that this item is deferred to the 26 October 2022, Community Scrutiny Meeting. The delay would not interrupt the democratic pathway as it is due to be taken to the 16 November Executive Meeting, and then onto Full Council on the 6 December.

The Chair put forward the recommendation that the Community Governance Review Report was brought to Scrutiny on the 28 September to debate the issue before the Special Full Council on 29 September. Whilst members of the committee were supportive there was concern about the lack of sufficient time to prepare an adequate response to the report in 24 hours. It was agreed unanimously to follow up this request.

Prop: Deakin / Sec: Coles. Unanimous.

37. **Executive and Full Council Forward Plans**

The Committee noted both of the Forward Plans.

38. **CCTV Review and Upgrade**

Executive Cllr Chris Booth introduced the item as Portfolio Holder for Community.

This is an information report to update on capital investment to replace 11 CCTV cameras in the 'spine' of Taunton's CCTV network from junction of Staplegrove Road with North Street, through Bridge Street, Fore Street and East Street. There is an earmarked reserve of £60K set aside for work on the CCTV project, which would involve an upgrade from analogue to digital cameras, and improve the data produced.

Scott Weetch presented the report to the Committee which outlined four possible options for the future of CCTV in the Taunton Town Centre, including a "do nothing" approach. There were a variety of delivery mechanisms for CCTV across the district, which made it difficult to adopt a one size fits all assessment. Partners included Sedgemoor District Council who had a service level agreement with the former TDBC, and Avon and Somerset Police. In Minehead and Watchet, the CCTV was monitored solely by volunteers and the numbers have been depleted due to Covid and other factors. This has reduced resilience in the systems.

Comments from the Committee included: -

- Dismay and frustration at the length of time the strategy has taken to be delivered. It was apparent that the service level agreements with partners such as Sedgemoor District Council (SDC) had not been upheld and this was detrimental to the life and resources of the existing CCTV systems in

Taunton. Residents and the night-time economy had been let-down by the failures in the system, and some such as the street pastors did not feel safe going about their duties knowing the cameras may not be working.

- Fear of crime is rising not reducing, and lack of CCTV and safeguarding reinforces those fears.
- There have been failings in the systems in Taunton, but due to changes in the administrations between Sedgemoor DC and SWT, these have been challenging to unpick. The previous management regime at Sedgemoor agreed to maintain and upgrade the CCTV as needed, via a Service Level Agreement, but this was not upheld. Unfortunately, this was not made apparent until just before Covid, so was difficult to challenge. Therefore, SWT had to re-assess the entire CCTV network, which meant going back to basics and checking all hardware, software, and data. It was very quickly realised that the Taunton cameras had not been maintained to a suitable standard. Unfortunately, due to the challenges presented by Covid, there had been insufficient monitoring to note this problem earlier.
- Avon and Somerset Police used to run a volunteer scheme out of the Minehead Police Station which monitored the CCTV coverage on a rota basis throughout West Somerset (Minehead and Watchet). Due to Covid and other factors, there is now only 1 volunteer left working with the system.
- It was asked if anyone had contacted the Avon and Somerset Police Crime Commissioner, regarding attracting some extra funding to support these initiatives.
- Cllr Lloyd asked if Wellington Town Council still contributed to the maintenance of the CCTV equipment. If this has stopped, when did this happen? Referred to the [Written Answer Tracker](#) for a response.
- Cllr Pritchard asked how many successful prosecutions have resulted from the use of CCTV cameras? This information will need to be obtained from Sedgemoor District Council. Referred to the [Written Answer Tracker](#) for a response. *The point was also raised that at present SWT feels that the level of reporting is not sufficient to provide a response, but it is hoped this can be improved and made publicly available on the council's website.*
- The Committee was reminded that the use of CCTV was not just to reduce crime, but also to look for missing persons and safeguard the vulnerable.
- Welfare and Suicide prevention – some cameras were focussed in areas to alert the emergency services of potential suicide risks. One such, was the multi-storey car park. Another location was the O-Bridge viaduct but unfortunately there was a lack of street furniture and electrical supply to facilitate the siting of a camera. These risks are regularly assessed and monitored. *SWT is currently still waiting on Sedgemoor to provide information on moveable/portable cameras to see if this would be a feasible option for areas such as the O Bridge.*
- Privacy Impact Assessments – This checks how often the cameras are used and monitored and what they are looking at. Legally, the cameras are only focussed on public realm/spaces and there are strict laws on privacy and usage. (Can't look into windows or homes). The data is held

securely and must be relevant. The system is not yet capable of artificial imaging or facial recognition software. The camera imaging is basic analogue only.

- It was asked what systems of CCTV are currently used in the other Somerset districts: *South Somerset's system is managed by Sedgemoor District Council, whilst Mendip operates an independent stand-alone system.*
- Why only £60K allocated? *The budget of £60k has been earmarked from the current reserve and there is no further identified funding.*
- Some of the money will be used to improve compliance of the CCTV system in Taunton. Amongst other things this will upgrade the existing signage which will be out of date very soon, and continuous reviews are needed to ensure SWT satisfies the Information Commissioner requirements at regular intervals. (Data protection). Compliance relates to the need for a camera to be sited where it is, as well as ongoing monitoring to ensure that the information captured is relevant and stored appropriately.
- The current cameras have a shelf life of 5-6 years and were installed nearly 20 years ago. They are long past their user dates. As Sedgemoor have now upgraded to digital receivers, and the SWT cameras are operating on analogue, there is a disconnect between transferring the images/ the systems communicating with each other.
- Cllr Whetlor expressed disappointment in the level of CCTV service in Watchet. Agreed to have an off-line conversation with officers outside the meeting.

Final Points

The Chair recognised that there had been considerable frustration and challenge around the delay in bringing the report forward to Committee. From the comments made the Committee appeared supportive of the report and the work being undertaken. The current report only dealt with the Taunton Town Centre however, and this was an item that would need to be progressed through the new unitary council in the future and rolled out to all our communities.

The Committee unanimously voted to approve the report.

7.10pm Scott Weetch and Sally Parry left the meeting.

39. Parking Strategy Actions Review

In the absence of Executive Councillor Mike Rigby, Portfolio Holder for Economic Development, Planning & Transportation, Cllr Federica Smith-Roberts introduced the report via zoom. The report highlighted the work that has been done to amalgamate the two districts of Taunton Deane and West Somerset and would be ongoing as it progressed into the new unitary and the wider Somerset area became part of the strategy.

Stuart Noyce and Richard Brown presented the report to the Committee.

During the debate the following points were made: -

- Cllr Mansell noted that the former West Somerset DC had carried out a stock condition survey of their car parks. Is this happening in the Taunton Deane area? Can this be shared with Members once finalised? *As part of the unitary transfer of assets, all car parks are being surveyed (including the Multi-Storey) and will form part of a portfolio of costings for the next 25yrs. It also takes into account the anticipated costs to maintain in the future, from the complex infrastructure of the multi-storey to the simple car park white lining maintenance programme. Some of the assets had been improved over the last few years by introducing EV charging points and the upgrading of car parking machinery. This new information will need to be captured. An assessment is also being undertaken to examine the income generated by each car park and balance that with the maintenance programme. Once the assessment is completed it may be possible to bring that back to Committee and share with members.*
- LGR Process - When are the fees and charges likely to be reviewed, as there isn't consistency across the district? *The current fees and charges for the SWT district were set for this year by Full Council. All fees, charges and licences are being reviewed across the whole county in line with unitary processes. It is likely to form part of the budget process for the new council. This work is being undertaken now to ensure alignment once the new Council is operational.*
- Cllr Habgood expressed anger that there did not appear to be a comprehensive strategy for the management of car parks or car parking income, and there was a lack of transparency. He saw this as a failure in the administration. The Leader responded by highlighting the challenges of bringing the two councils together: combatting COVID-19 and the changing behaviour of users of the car parks. There were also other areas of the PFH report going to Full Council on 6 September that clearly highlighted the level of progress that was being made to the car parks and the maintenance programme district wide.
- Cllr Lisgo recognised that merging the two councils into SWT had caused difficulties, but asked what learning had been achieved through this process which could make the passage smoother as we move towards the unitary council? *It will be a good opportunity to look at car parking in its entirety across the councils including on-street car parking and park and ride. Most of the transfer of systems had been harmonious as there was a move towards regularisation of data and inspections. Learning included ensuring that there was one system of management across the whole district and rulings were applied in a consistent manner. The staff that had transferred into the service had good knowledge and skills and eased the process into one way of working.*
- *The main problem areas were centred around the fees and charges and decision/policy making covering the whole district. It was difficult to find an approach that was equitable for all at the same time. There had also been issues with the adoption of electronic permits, as some users did not have*

the wi-fi coverage to enable them to use it. Main area of learning was to consult with users and listen to feedback.

- *There is already a good relationship and a lot of partnership working taking place between all the Council's in Somerset. It is envisioned that this will be strengthened and progressed as the work is aligned into the new council workstreams.*
- There has been a change in user behaviour of the car parks, partly due to the pandemic, but also as people try to reduce their carbon footprint and rely less on cars. SWT is way ahead of other authorities in implementing EV charging points in their car parks.
- Income has not yet returned to the pre-pandemic levels, as reflected in the change of user behaviour, but it has recovered substantially in the last 12 months. The town centres are busier but there is still a reluctance for people to return.
- Cllr Whetlor praised the staff for their hard work especially in relation to Watchet. She stated that the PFH should consult with ward members about local issues so that this knowledge can be shared. One such example is that disabled parking bays in the Watchet car parks are empty due to being chargeable, so disabled badge holders park on street and display their badge to avoid paying. This means the bays are empty and can't be used, and there is a shortage of general need car parking.
- Cllr Lisgo summed up by saying that there were lots of frustrations around the car parking reports and she could not see it getting better anytime soon due to the amount of work involved. Merging this into one strategy for the whole of Somerset was going to present a huge challenge right across the county, which is not helped by a lack of member involvement, transparency, and dialogue. She expressed the wish that the PFH involves ward members in the discussions and draws upon the experience of Councillors and Officers when addressing these issues to incorporate previous lessons that have been learnt!

The Committee voted to note the report. (8/12 in favour)

Cllr Habgood and Cllr Stock Williams – against

Cllr Lisgo and Cllr Tully abstained.

7.31pm Cllr Booth, Stuart Noyce, Vicky Lowman and Richard Brown left the meeting.

40. **Executive Portfolio Holder for Economic Development, Planning & Transportation - Councillor Mike Rigby**

3.2 of the Scrutiny Terms of Reference state that the Scrutiny Committee may review and scrutinise and ask questions of the Leader, lead Councillors, the Executive in relation to their portfolios. Cllr Rigby had tendered his apologies and in his absence Cllr Federica Smith-Roberts was prepared to substitute for him.

- Cllr Janet Lloyd asked for the outcome of the Stantec report on the health of the town centres, following the expenditure of the Emergency High Street Fund. Cllr Deakin did find a copy of the report online which can be accessed [here](#). Referred to the [Written Answer Tracker](#) for a response.

- Cllr Mansell stated that he would like to see the rural centres such as Bishop Lydeard and Wiveliscombe covered by the Health Check survey too.
- Cllr Mansell welcomed the Active Travel initiatives that were being explored especially the Wellington to Taunton cycle link. He was aware that land availability was likely to be an issue, so this was something for the new council to pursue.
- Cllr Pritchard asked if rising costs and inflation are having an impact on existing workplans and placing projects at risk especially regarding pedestrianisation and more sustainable transport? *There are specific budget allocations set aside for various projects but if SWT decided to deliver on them all, we would be over budget by approximately £1million. More work is being done to establish priorities and need and look at what is affordable and best deliverable but there are very real challenges around rising costs and budget deficits.*
- The Committee was supportive of Active Travel and recognised that more sustainable methods of transport are required, especially in Taunton where 80% of car journeys are under 5 miles. It was also important to work with partners and stakeholders such as the Taunton Area Cycling Campaign (TACC) and maintain good relationships.
- It was recognised that there is a lot to do, and more resource and money is needed.
- Cllr Whetlor asked that the Stantec Town Centre Health Check report was circulated to the relevant parish clerks, and there was better clarity in their reporting methods and emails.

41. **Access to Information - Exclusion of Press and Public**

The committee voted to move into confidential session for part of Item 12 (if necessary) and for the entirety of Item 13.

42. **2022/23 Housing Revenue Account Financial Monitoring as at Quarter 1 (30 June 2022)**

This matter is the responsibility of Executive Councillor Fran Smith, Portfolio Holder for Housing. In her absence the report was introduced by Cllr Federica Smith Roberts via zoom.

Kerry Prisco as the report author read out a briefing statement on behalf of Cllr Fran Smith as follows: -

“Members will recall that setting a budget for 2022/23 was extremely challenging. The Housing Sector is experiencing the most challenging period in a generation as multiple risks, from both a regulatory and economic perspective, crystallise and competing demands place pressure on the service. However, a balanced budget was presented and approved, albeit with a strategy relying on one-off financial measures.

The projected outturn financial position for the year is an **overspend of £745k** based on estimates made as of 30 June 2022. This is mainly due to a potential pay award pressure exceeding that budgeted, the rising cost to bring void properties back up to a lettable standard due to the condition of properties returned and inflated cost of materials, as well pressures on staffing costs.

There are still further risks and uncertainties well documented within the report, with some that will materialise over the next few months and place further pressure on the reported outturn position e.g., pay award, insurance premiums and depreciation.

Whilst the current level of General Reserves at £3.213m does provide the ability to cover the current predicted overspend, if required, **the projected overspend will reduce to General Reserves £2.468m**, which does not provide sufficient resilience to mitigate the risk of any further significant overspend or additional pressures.

The Housing Management Team will take steps to reduce, and halt spend especially for discretionary activities, to help mitigate the current position, and to try to maintain a more secure reserves position”.

- Cllrs Habgood/Lisgo asked if this was the worst-case scenario and what steps were being taken to protect services going forward? *There are steps being taken to protect core services, whether via cuts, stopping discretionary works or finding alternative methods of delivery. It is likely that central government will implement rent freezes going forward to mitigate the cost-of-living crisis. Work is currently taking place to protect the HRA Business plan but that relates to next year. The report details the current position at the end of Qtr1, and managers are currently looking at their budgets to determine if they have any slack that can be trimmed, or where savings can be identified. Procurement is also being investigated to see if there is better buying power on the supply of materials.*
- The HRA is very much a reflection of the wider world and the current challenges being faced by many residents in the district. Unfortunately, it is going to be a very difficult time for everyone.
- Capital Projects - SWT is currently looking at the projected risks/costs and is working to mitigate against this. Some of the capital projects are protected due to fixed rates combating against inflationary increases, but SWT is working with its contractors to protect our interests.
- The SWT Revenue budget is more volatile and is difficult to mitigate due to inflation, pay increases, rising utility bills and the escalating cost of building materials.
- The housing team currently have extra staff employed, over and above the management structure, but they were put in place during the pandemic to deal with complex casework and are demand led. Current areas of scrutiny to reduce costs are possibly increasing service charges and reducing staff capacity. The housing directorate is mindful however of the

impact this could have on tenants and support services, at a time when all other costs are increasing. It is being carefully monitored.

- It was requested that any potential savings are identified and reported to the Committee for the Qtr2 update at the end of November.

The committee noted the report. (Unanimous)

8.14pm Simon Lewis and Kerry Prisco left the meeting.

43. **Confidential Item - Asset Management Lease**

The Committee moved into confidential session at 8.14pm.

The Committee noted the report at 8:40pm and the meeting was closed.

(The Meeting ended at 8.41 pm)

SOMERSET WEST AND TAUNTON COUNCIL
COMMUNITY SCRUTINY COMMITTEE RECOMMENDATION TRACKER 2022/23

Date of Cttee	Scrutiny Recommendation	Decision Maker /Directorate Responsible	Final Decision/ Response to recommendation/	Date of response	Implemented?	Officer Comments/Update
31/08/2022 Page 15	The Chair put forward the recommendation that the Community Governance Review (CGR) Report was brought to Scrutiny on the 28 September to debate the issue before the Special Full Council on 29 September. It was agreed unanimously to follow up this request.	Cllr Sarah Wakefield (PFH CGR) Internal Operations	<p>The Council resolved to set up the Member Working Group to work on the Community Governance Review and then to report back to Full Council. Section 1.2 of the Member Working Group protocol (within the Constitution) sets out that the Working Group does not have decision-making powers and can only make recommendations to:</p> <ul style="list-style-type: none"> • The body from which it was formed (parent body) – in this case Full Council 	20/09/2022	No	A member briefing took place on September 20, to give Cllrs an opportunity to ask questions on the CGR report. A recording of this briefing is available.

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 16</p>			<ul style="list-style-type: none"> • Such other body as the parent body decides; or • An officer <p>Nothing has been taken to Full Council to request that the Community Scrutiny Committee consider the report of the Working Group before it goes to Full Council on 29 September.</p>			
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Total Recommendations for 22/23: 1

Agreed: 0

Agreed in Part: 0

Not Agreed: 1

TBD:

SOMERSET WEST AND TAUNTON COUNCIL

COMMUNITY SCRUTINY COMMITTEE WRITTEN ANSWERS TRACKER 2022/23

Date of Cttee	Scrutiny Cttee Request for information	Decision Maker /Directorate Responsible	Response to request for information	Date of response	Scrutiny Officer Comments/Update
29/06/2022	Query raised about the grant money from the Taunton Youth Community Centre (TYCC) legacy fund which was earmarked to be spent on the youth of Taunton. How was this money distributed to worthy causes and who decided who benefitted?	Cllr Chris Booth / Housing Directorate	<p><u>Local groups awarded funding for youth support work</u> (somerwestandtaunton.gov.uk).</p> <p>Comments from Christine Gale forwarded to the Committee.</p> <p>Somerset Community Foundation as administrator of the fund recommended both YMCA and Conquest as main recipients because they both operate within two miles from the Taunton Town Centre, with a focus on youth work.</p>	30/06/22	Scott Weetch / Christine Gale provided an update on the process for distributing this fund. (Legacy money had been held for 20 years).
29/06/2022	<p>How has the underspend in relation to staff salaries come about?</p> <p>Assets Staff (para 6.14)</p>	Cllr Fran Smith / Housing Directorate	Assets - The underspend in relation to several staff vacancies during the year across the capital investment and asset management teams is due to staff leaving and periods of the posts being vacant during the recruitment process. This has been exacerbated during the year with difficulty in recruitment to	05/07/22	Simon Lewis / Chris Brown

	Develop and Regen (para 6.11)		<p>sufficiently experienced technical staff.</p> <p>Development and Regeneration - The underspend was due to two main reasons – a) staff turnover has and often does lead to budget savings as there are often periods of vacancy during the recruitment period. There has been a turnover of staff especially at project officer level over the past 12 months. b) one post has been held back from recruitment until the service is clear on delivery priorities. The post is a senior post earmarked for new build however the emerging low carbon retrofit strategy means this post may be retitled to support this area of work. During 2021/2022 the funding associated with this post was used to offset additional costs in the capital programme team.</p>		
29/06/2022	Why was there a lack of investment in air source heat pumps and insulation in Appendix A?	Cllr Fran Smith / Housing Directorate	The emerging low carbon retrofit strategy and delivery plan is seeking to align the capital decent homes programme and retrofit strategies to deliver works at pace, efficiently and within the resources the council has. The emerging strategy will be explored at a member briefing 1 st September and the strategy will be refined as it progresses to full Council in December 2022. This is three	05/07/22	Simon Lewis / Chris Brown

			<p>months earlier than previously proposed. The emerging strategy does prioritise fabric improvements over renewable heating systems in the early years as these measures can reduce more CO2 than changes to heating systems and reduce heat demand leading to more affordable warmth. It is important to note that grants are essential to ensure the council can move forward at pace on its retrofit and zero carbon ambitions and most grants for social landlords' support fabric first approaches rather than gas replacement. The service is discussing one grant scheme which could install some ASHP and solar PV and reduce the council's capital requirement which in turn could be used to speed up fabric measures or the replacement of gas and solid fuel systems to ASHP and Solar PV on well insulated council homes. In advance of the whole member briefing the housing service intend to discuss the emerging retrofit strategy with Cllr Mansell as the recent chair of the Community Scrutiny Committee working group on retrofit, Dixie Darch as portfolio holder for Climate Change and Cllr</p>		
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			Fran Smith as portfolio holder for housing in August.		
31/08/2022	<p>The Energy Plan and work on Net Zero Strategy were welcomed. It was suggested that there could be a business case for more solar panels at the centres with involvement from both Everyone Active and SWT. Officers agreed to investigate this. Can updates please be provided and recorded here.</p> <p>Requested on 31/08/22 by Cllr Mansell.</p>	<p>Cllr Dixie Darch / Cllr Perry and Cllr Rigby External Operations Directorate</p>	<p>There are currently solar panels at the tennis centre and pool at Blackbrook, and on the roof of Taunton pool. SLM are entitled to use all the electricity generated, and SWT are entitled to sell any surplus.</p> <p>Solar panels are being considered as part of the wider project to decarbonise Wellington Sports Centre. There is a bid going to the next round of the Public Sector Decarbonisation Scheme and includes provision for panels on the roof.</p> <p>Currently, officer time is being prioritised on the Wellington scheme, and installation of solar panels on the Council's Westpark depot in Wellington. A decarbonisation survey on this building identified a 110% energy</p>	20/09/22	Jonathan Stevens / Chris Hall

			<p>return, and funding is in place to progress this during 22/23.</p> <p>Whilst officers appreciate that this is a logical suggestion, priority currently needs to be given to the Wellington Sports Centre project, which would return a greater carbon saving, and the Westpark depot solar scheme, as this would be a big step forward to decarbonisation of that building.</p>		
31/08/2022	<p>Feedback on the Town Centre Health Checks – very little information has been fed back to the participating parishes and towns on the findings of the High Street health checks from Stantec. Members are having difficulty finding this information on the Council’s website.</p> <p>Query raised by Cllr Janet Lloyd 31/08/2022. Supported by Cllr Whetlor.</p> <p>Can the Stantec Reports please be sent to the clerks of the relevant parishes for information.</p>	Cllr Mike Rigby – Economic Regeneration /	<p>With agreement from the Chair of Community Scrutiny Committee, a member briefing will take place on Thursday 13 October to provide an update on the Town Centre Health Check Report. Details have been circulated in the meeting diary.</p> <p>This will enable members to receive the information and ask any questions as they arise, rather than waiting for a written response.</p> <p>A link to the report can be found below for reference. SWT Town Centre Health Report May 2022 somersetwestandtaunton.gov.uk</p>	01/09/22	<p>Chris Hall / Alison Blom Cooper.</p> <p>To be delivered by Laura Higgins, Principal Planning Policy Officer.</p>

31/08/2022	<p>CCTV Upgrade Do Wellington Town Council still contribute to the maintenance and upkeep of the CCTV? If so – how much? If it has stopped, when did this happen?</p> <p>Query raised by Cllr Janet Lloyd 31/08/2022</p>	<p>Cllr Chris Booth, Community / Housing Directorate James Barrah</p>	<p>Neither Wellington Town Council or Somerset West and Taunton have any record of a payment having been made/received within the last 3 years. Neither can trace any evidence that such payments took place, so we are unable to establish when they stopped or how much it was.</p>	20/09/22	<p>Scott Weetch / Sally Parry</p>
31/08/2022	<p>CCTV Upgrade How many successful prosecutions have taken place in Taunton due to CCTV?</p> <p>Query raised by Cllr Andy Pritchard 31/08/2022</p>	<p>Cllr Chris Booth, Community / Housing Directorate James Barrah</p>	<p>It is not possible to accurately attribute the number of successful prosecutions due to CCTV cameras as there are usually several pieces of evidence which will be involved in a prosecution. Equally, we do not have access to the information to support which arrests have led to a prosecution. What we can advise is that in the last 9 months CCTV has been involved in 39 arrests (some of which may still be going through</p>	20/09/22	<p>Scott Weetch / Sally Parry</p>

			the Court system). These figures do not include arrests that have taken place later, as that will of course happen sometimes days or weeks after the event and such information is not fed back to the CCTV Control Centre.		
31/08/2022	<p>Housing Qtr1 Report Where potential savings have been identified in the HRA budget, can these please be made apparent in the report. Committee would like to see this referenced in the Qtr2 update.</p> <p>Requested by Cllr Habgood 31/08/2022</p>	Cllr Fran Smith, Housing / Housing Directorate James Barrah			<p><i>To be reported in the HRA Qtr2 (30 November meeting).</i></p> <p>Kerry Prisco</p>

	COMMUNITY SCRUTINY		
Meeting	Draft Agenda Items	Lead PFH/ Lead Officer	Exec Report?
26 October 2022	Cost of Living Motion Update (prov)	S. Weetch / PFH Community, Chris Booth	Yes
SRD = 14 Oct	Executive PFH Session - Communities	Cllr Chris Booth	
Exec RD - 4 November	HRA Low Carbon Retrofit Strategy and Action Plan	Chris Brown / James Barraah / PFH Housing Fran Smith	Yes
Informal Exec RD - 4 Oct			
SMT RD - 21 Sept			
30 November 2022	HRA Financial Performance 2022/23 Q2	Kerry Prisco	Yes
SRD = 18 Nov	Executive PFH Session - Housing	Cllr Fran Smith	
Exec RD - 9 Dec			
Informal Exec RD - 8 Nov			
SMT RD - 26 Oct			
25 January 2023	CNCR Update	Jonathan Stevens	
SRD = 13 Jan	Executive PFH Session - Climate Change	Cllr Dixie Darch	
Exec RD - 3 Feb			
Informal Exec RD - 3 Jan			
SMT RD - 14 Dec			
22 February 2023	HRA Financial Performance 2022/23 Q3	Kerry Prisco	Yes
SRD = 10 Feb	(SLM) Everyone Active Bi-Annual Report	Steve Hughes / PFH Cllr Derek Perry	No
Exec RD - 3 March	Chair's Annual Report	Cllr Libby Lisgo	
Informal Exec RD - 1 Feb			
SMT RD - 18 Jan			

EXECUTIVE

Executive Meeting	Draft Agenda Items	Lead Officer
16 November 2022	Firepool Design Guidance and Masterplan	Graeme Thompson
venue =	Low Carbon Retrofit Strategy and Action Plan	Chris Brown
Exec RD = 4 November	Governance for Taunton Garden Town	Jenny Clifford
Informal Exec RD = 4 October	New Regulatory Services Enforcement Policy 2022-2023	Jo Toogood
SMT RD = 21 September		
21 December 2022	GF Financial Performance 2022/23 Q2	Kerry Prisco
venue =	HRA Financial Performance 2022/23 Q2	Kerry Prisco
Exec RD = 9 December	Corporate Performance Report Q2	Malcolm Riches
Informal Exec RD = 8 November	Connecting our Garden Communities	Graeme Thompson
SMT RD = 26 October		
18 January 2023		
venue =		
Exec RD = 6 January		
Informal Exec RD = 6 December		
SMT RD = 23 November		
15 February 2023		
venue =		
Exec RD = 3 February		
Informal Exec RD = 3 January		
SMT RD = 14 December		
15 March 2023	GF Financial Performance 2022/23 Q3	Kerry Prisco
venue =	HRA Financial Performance 2022/23 Q3	Kerry Prisco
Exec RD = 3 March	Corporate Performance Report Q3	Malcolm Riches
Informal Exec RD = 1 February	Firepool Design Guidance and Masterplan	Graeme Thompson
SMT RD = 18 January		
Items to be Confirmed	RIPA Policy	Amy Tregellas

FULL COUNCIL

Meeting	Report Deadline	Draft Agenda Items	Lead Officer
25 October 2022	13 October 2022	West Monkton and Cheddon Fitzpaine Neighbourhood Plan	Ann Rhodes
Special Meeting		NO MORE ITEMS	
06 December 2022	24 November 2022	PFH Reports	
		Review of the Commercial Property Investment Activity and Performance Report	Joe Wharton
		Appointment of Returning Officer for Taunton Parish Council Elections	Marcus Prouse/Kevin Williams
		Low Carbon Retrofit Strategy and Action Plan	Chris Brown
		Treasury Management 2021/22 Annual Report and Q1 2022/23	John Dyson
07 February 2023	26 January 2023	PFH Reports	
		Delegation of Returning Officer for Potential Parish Election 2023	
		Connecting our Garden Communities	Graeme Thompson
28 March 2023	16 March 2023	PFH Reports	
		Scrutiny Annual Reports x 2	
		Audit and Governance Annual Report	
		Firepool Design Guidance and Masterplan	Graeme Thompson
ITEMS TO BE CONFIRMED			

Report Number: SWT 136/22

Somerset West and Taunton Council

Report to Community Scrutiny – 26th October 2022

Low Carbon Retrofit Strategy and Delivery Plan

This matter is the responsibility of Executive Councillor Francesca Smith, Portfolio Holder for Housing

Report Author: Chris Brown, Assistant Director Development & Regeneration

1 Executive Summary / Purpose of the Report

- 1.1 Somerset West and Taunton Council (SWT) declared a climate change emergency in 2019 committing the local authority to achieving carbon neutrality ahead of the Government's 2050 requirement.
- 1.2 As a social landlord the Council must comply with a requirement for its c5700 homes to achieve EPC C or better by 2030 and zero carbon by 2050.
- 1.3 The strategy sets out the baseline position of the Council's housing stock and sets ambitious targets which will progressively help SWT achieve zero carbon for its homes.
- 1.4 The Strategy identifies a significant number of risks which need to be navigated over the next two decades to achieve milestones and ultimately zero carbon.
- 1.5 A comprehensive delivery plan accompanies the strategy which outlines key principles to deliver the strategy. The delivery plan also confirms the funding available 2022-2029 to make the first significant steps towards achieving 2030, 2040 and 2050 targets.
- 1.6 The strategy places significant emphases on placing tenants at the heart of zero carbon and creating pathways to zero carbon for homes.
- 1.7 Officers have considered the finding of the Community Scrutiny's Retrofit Working Group and this strategy has many synergies with the view proposed by members.

2 Recommendations

That Community Scrutiny considers the following report recommendations:-

Full Council approve the Low Carbon Retrofit Strategy and Delivery Plan

The Portfolio Holder for Housing and the Director of Homes and Communities to progress the steps identified in the delivery plan and to promote the approach with Somerset County Council colleagues

3 Risk Assessment

3.1 Below are the main risks relating to the proposal:

Risk	Score out of 25 based on probability x impact	Mitigation
Unaffordable costs placed on HRA business plan.	12 (4 x 3)	There are 8 risks in the risk assessment which are under this theme. The risk assessment and delivery plan offer mitigations to minimise additional unaffordable costs placed on the HRA business plan including alignment of decent homes and retrofit programmes and maximising grant opportunities
Failure to collect appropriate data.	8 (4 x 2)	There are 2 risks in the risk assessment which are under this theme. The risk assessment and delivery plan offer mitigations to ensure decisions are based on good quality data including greater use of the PAS 2035 quality assurance approach, open housing software and pathways to zero carbon based on archetype studies.
Failure to engage tenants	15 (5 x 3)	There are 3 risks in the risk assessment which are under this theme. The risk assessment and delivery plan offer mitigations to ensure tenants are at the heart of zero carbon. The approach will include more personalised approaches to engage tenants before, during and after capital works and improved procedures when delivering capital programmes directly or through sub-contractors. The mitigations also propose greater engagement with leaseholder.
Procurement and capital delivery	8 (2x4)	The economy is very challenging, and this has seen significant inflation including building cost inflation. The council has also experienced the increasing risk averse nature of contractors and a more selective approach when tendering. SWT need to generate certainty for contractors and continuity of work. The strategy and delivery plan identifies some opportunities to mitigate the procurement challenges.
Failure to achieve targets	12 (3x4)	There are 3 risks in the risk assessment which are under this theme. The risk assessment and delivery plan offers mitigations to maximise the opportunity to achieve targets. The target most at risk is the services ability to reduce heat demand to 50kWh/m2/yr for all homes. Failure to achieve this ambitious level of heat demand will place more pressure on customers fuel costs as homes move from fossil fuel (gas) to electric heat. The main mitigations are additional yet uncosted fabric measures and / or additional onsite renewable heat and power. The strategy also highlights the need to conduct option appraisals on the worst performing stock t risk of missing the target.
External Risk Factors	10 (2x5)	There are 2 risks in the risk assessment which are under this theme. The risk assessment and delivery plan offer mitigations which provide the council with greater control in relation to achieving target. These include placing more emphases on low heat demand rather than SAP/ EPCs as a measure to achieve zero carbon.

4 Background and full details of the report

- 4.1 SWT In 2019 SWT declared a climate change emergency. Since 2019 SWT has been working with other Somerset Councils on a Climate Resilience plan (CDCM plan) and the Somerset Climate Change Emergency Strategy to help the County and District combat climate change and reduce carbon (CO₂) emissions. Housing has a critical role in helping the council respond to the climate change emergency. To tackle the climate crisis, the UK government has legislated that the UK will reach net zero carbon emissions by 2050, meaning the UK will be putting no more carbon into the air than it is taking out. Homes account for about 14% of the UKs CO₂.
- 4.2 The Council's housing stock is a small percentage of the District's stock however it generates a significant amount of CO₂. SWT homes account for 9,144tCo₂ pa which is an average of 1.7tCO₂ per annum per property. SWT homes accounts for approximately one third of the CO₂ generated from SWT assets or activity. This amount of CO₂ excludes tenants goods and appliances which are difficult to measure and influence.
- 4.3 The UK and the world is experiencing unprecedented fuel price inflation and uncertainty. The District will see thousands of households experiencing fuel poverty for the first time during 2022 and a dramatic cost of living crisis is emerging. In the short term this strategy encourages energy saving advice and sign-posting tenants to further information sources to help manage energy costs. While these activities are useful they are unlikely to make a significant impact on the rapidly rising energy costs to customers. The council can make a huge impact as landlord in the medium and long term through an investment strategy which reduces the heat demand required by the Council's homes through fabric measures. This approach could see by 2040 over c70% less fuel required to heat council homes.
- 4.4 The five main goals of the strategy and delivery plan are;
- a. Tenants at the heart of zero carbon
 - b. All SWT homes to achieve EPC C by 2030 (c1850 homes) or have an alternative investment option identified. Our current estimation is c300 homes could miss the target.
 - c. Aim to reduce heat demand on average from 170kWh/m²/yr. to 50kWh/m²/yr. by 2040 through a 'fabric first' approach. This is a very ambitious target, and many homes may require additional investment which will increase the cost of zero carbon significantly above the £135m or require more disinvestment options.
 - d. Replace fossil fuel in SWT homes with electric based heat and power by 2050 at a pace to ensure affordable energy for tenants and in line with available funds. This does not prevent replacing fossil fuel with electric heat and power immediately where their heat demand is sufficiently low, and funding is available.
 - e. The investment remains affordable within the constraints of the Housing Revenue Account's annual, medium term and thirty-year financial plans.
- 4.5 The strategy will progress a fabric first approach prioritising insulation and the reduction of heat demand over fuel switch from gas to electricity. Fuel switch away from gas will gain greater momentum once homes achieve a good level of insulation.
- 4.6 The costs of achieving zero carbon are estimated at c£135m over 28 years. This is based on today's prices. The strategy and delivery plan recognise that zero carbon is

only affordable to the landlord under its current business plan if it adopts new approaches, including;

- a. Align Decent Homes Standard capital improvements with retrofit investment
- b. Maximise grant and subsidy
- c. Place tenants at the heart of zero carbon
- d. Ensure good data influences decisions
- e. Embrace a no regrets approach (this includes correct specification of works for each individual property, improving ventilation and avoiding cold bridging and damp, progressive investment steps, selective demolition, and disposal where targets cannot be achieved)

5 Links to Corporate Strategy

- 5.1 In 2019, the Council declared a climate emergency and committed to working towards achieving carbon neutrality and climate resilience by 2030.
- 5.2 Maximising affordable housing remains a Corporate objective. Retaining and improving existing stock supports this objective.

6 Finance / Resource Implications

- 6.1 Finance Officers have not undertaken any due diligence on the financial content of this report. The high-level estimated cost analysis of this strategy, which has been undertaken by the service, excludes any additional investment should customers require decanting, pre works and early replacement of components outside the decent homes lifetime lifecycles.
- 6.2 The delivery plan proposes a number of schemes over the next 10 years, and these are currently contained within the proposed HRAs 10-Year Capital Programme and 30-Year Business Plan assumptions from 2022/23. The delivery plan has highlighted a number of grant opportunities 2023-2026 which are as yet unconfirmed and therefore at risk of not being achieved.
- 6.3 This is a significantly ambitious delivery plan within the current economic climate where there will be a real affordability challenge that could be aggravated if there is a divergence between rent increases and the cost inflation, as well as the cost of financing the capital programme placing further pressure on the business plan.
- 6.4 The delivery of this strategy will be highly dependent on external grant funding to make this affordable to deliver. Additional resource will be required to manage the administration and compliance of the terms and conditions of the grant(s).
- 6.5 The delivery of the strategy will need to be managed within the annual budget setting process, including the Medium-Term Financial Plan and 30-Year Business Plan, to ensure the overall affordability of the schemes being proposed each year. This may require the annual review of the delivery plan to be flexed to meet key financial performance indicators e.g., interest rate cover. The risk here would be that EPC C is not met by 2030 which means that those properties will not be lettable and will lose the business rental income.

- 6.6 Members are not being asked to commit resources to the strategy and delivery plan through this report but to consider investment within the annual HRA budget request.

Unitary Council Financial Implications and S24 Direction Implications

- 6.7 This report does not require SWT to obtain consent of Somerset County Council's (SCC) executive in relation to the strategy. A number of the investment lines identified in the delivery plan have already received support through the council budget setting in or before February 2022. S24 consent would be required should any new contracts in excess of £1,000,000 be required prior to a unitary council in April 2023.

- 6.8 In terms of ongoing implications, the strategy and delivery plan will continue across the years and onwards under the new unitary authority. Continued management and oversight of the strategy and delivery plan will therefore continue far beyond vesting day. The Council's housing stock and all of the ongoing assets, liabilities, costs and income, and rights and obligations will transfer to the unitary on 1 April. The new council will be required to maintain a Housing Revenue Account for this service, as SWT does currently.

7 Legal Implications

- 7.1 No legal issues to report.

8 Climate and Sustainability Implications

- 8.1 In 2019, the Council declared a climate emergency and committed to working towards achieving carbon neutrality and climate resilience by 2030.
- 8.2 This strategy and delivery plan will provide the guidance for officers to delivery carbon reduction measures and ultimately zero carbon.

9 Equality and Diversity Implications

- 9.1 The strategy and delivery approach will support customers experiencing or at risk of experiencing fuel poverty in the medium and long term by a fabric first approach aims at reducing heat demand (fuel usage) by c70%. The strategy also suggests additional measures such as onsite renewable heat and power where properties do not reduce heat demand sufficiently to allow fuel switch to take place without financial burden. The strategy proposes a review of processes when delivering capital programmes to better support tenants and especially vulnerable tenants.

10 Social Value Implications

- 10.1 The capital programme will introduce practical measures to capture social value during investment in decent homes and low carbon retrofit programmes.

11 Health and Wellbeing Implications

- 11.1 The right home environment is the foundation from which we can build healthy and fulfilling lives. Housing affects our wellbeing, risk of disease and demands on health and care services. We need warm, safe and secure homes to help us to lead healthy,

independent lives and to recover from illness. The strategy and targets proposed will improve the quality of homes and the health quality of our customers. Affordable warmth and good ventilation are two benefits which the strategy emphasises.

12 Asset Management Implications

12.1 The HRAs portfolio will improve through the adoption of the strategy and delivery plan. There are positive benefits such as greater investment in homes and pursuing a 'no regrets' approach as well as negative impacts for example some properties will require extra investment which may not be value for money. The strategy and delivery plan recognise that some properties may have costs which cannot be justified, and demolition or sale required. It is assumed these instances will be limited and only after full option appraisals are conducted.

13 Consultation Implications (if any)

13.1 Consultation has taken place and is ongoing with tenants especially through the low carbon retrofit working group. There has been support from the tenants working group who have emphasises the need to ensure better and more personalised communication with tenants before during and after capital works.

13.2 Tenants have also emphasised the need for consistency in delivering works to customer's homes weather directly delivered by SWT staff or subcontractors. The strategy and delivery plan contain a number of recommendations which will be progressed by the service.

14 Scrutiny/Executive Comments / Recommendation(s) (if any)

14.1 Comments of the Community Scrutiny Committee will be placed in this section following their Committee discussions

Democratic Path:

- Executive – 16th November 2022
- Full Council – 6th December 2022

Reporting Frequency: Once Only

List of Appendices

Appendix 1	Delivery Plan
Appendix 2	Architype Studies (To Follow)
Appendix 3	Risk Assessment
Appendix 4	Equality Impact Assessment (To Follow)

Contact Officers

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Somerset West and Taunton
Low Carbon Retrofit Strategy & Delivery Plan 2022-2028
October 2022

Executive Summary

1. Introduction
 - a) What is low carbon retrofit
 - b) National Strategy
2. SWT housing stock baseline
 - a) Architype studies
 - b) Party Portfolio scenarios
 - c) Data collection and PAS 2035
3. Retrofit targets
 - a) Achieving 2030 target – EPC C
 - b) Achieving 2040 target – 50 kWh/m²/yr.
 - c) Achieving 2050 target – Zero Carbon
4. Customers are the heart of zero carbon retrofit
5. Fuel Poverty and Health
 - a) Fuel Poverty Gap
 - b) Targets
 - c) Fuel poverty Recommendations
6. Ensuring affordability to the HRA business plan
 - a) Alignment of decent homes programme and retrofit
 - b) Maximise subsidy and grant
 - c) Ensure good quality data influences decisions
 - d) Tenants at the heart of zero carbon
 - e) A no regrets approach to zero carbon
7. Conclusion

Appendix 1 - Delivery Plan

Appendix 2 – Architype studies

Appendix 3 – Risk Assessment

Appendix 4 – Equality Impact Assessment

Executive Summary

In 2019 SWT declared a climate change emergency. Since 2019 SWT has been working with other Somerset Councils on a Climate Resilience plan (CDCM plan) and the Somerset Climate Change Emergency Strategy to help the County and District combat climate change and reduce carbon (CO₂) emissions. Housing has a critical role in helping the council respond to the climate change emergency. To tackle the climate crisis, the UK government has legislated that the UK will reach net zero carbon emissions by 2050, meaning the UK will be putting no more carbon into the air than it is taking out. Homes account for about 14% of the UKs CO₂.

Although most homes in the District are private dwellings there is a significant proportion of social housing of which c5700 are owned and managed by the Council. SWT homes account for 9,144tCo₂ pa which is an average of 1.7tCo₂ per annum per property. SWT homes accounts for approximately one third of the CO₂ generated from SWT assets or activity.

This strategy will form an appendix of the Housing Revenue Account's Asset Management Strategy. A revision of the main body of the Asset Management Strategy and will be considered by Members in 2023. SWTs Low Carbon Retrofit Strategy 2022-2028 sets out the principles and practical steps to allow SWT homes achieve EPC C by 2030 and zero carbon by 2050. The strategy is supported by a delivery plan which identifies some of the short and medium term opportunities that will provide early momentum to achieve the estimated £135m investment required to achieve zero carbon.

The social housing environment is ever changing with the need to respond to national and local factors. This strategy recognises outside factors, such as new legislation and new technology, will bring opportunity and challenge to the delivery of zero carbon. The strategy and delivery plan will help guide decisions to help the Council steer an efficient path to zero carbon. The available technologies and grants in relation to low carbon retrofit will vary dramatically over the next twenty years meaning the Council must have a strategy, data and capacity able to respond.

The UK and the world is experiencing unprecedented fuel price inflation and uncertainty. The District will see thousands of households experiencing fuel poverty for the first time during 2022 and a dramatic cost of living crisis is emerging. In the short term this strategy encourages energy saving advice and sign-posting tenants to further information sources to help manage energy costs. While these activities are useful they are unlikely to make a significant impact on the rapidly rising energy costs to customers. The council can make a huge impact as landlord in the medium and long term through an investment strategy which reduces the heat demand required by the Council's homes through fabric measures. This could see by 2040 c70%-80% less fuel required to heat homes.

To reflect the changing environment the strategy will be reviewed every five years as the council progresses towards zero carbon and the delivery plan will be reviewed annually to feed into the housing revenue accounts annual budget setting cycle.

The five main goals of the strategy and delivery plan are;

1. Tenants at the heart of zero carbon

2. All SWT homes to achieve EPC C by 2030 (c1850 homes) or have an alternative investment option identified. Our current estimation is c300 homes could miss the target.
3. Aim to reduce heat demand from 170kWh/m²/yr. to 50kWh/m²/yr. by 2040 through a 'fabric first' approach. This is a very ambitious target and many homes may require additional investment which will increase the cost of zero carbon significantly above the £135m or require more disinvestment options.
4. Replace fossil fuel in SWT homes with electric based heat and power by 2050 at a pace to ensure affordable energy for tenants and in line with available funds. This does not prevent replacing fossil fuel with electric heat and power immediately where their heat demand is sufficiently low and funding is available.
5. The investment remains affordable within the constraints of the Housing Revenue Account's annual, medium term and thirty year financial plans.

The costs of achieving zero carbon is estimated at c£135m over 28 years. This is based on today's prices. The strategy and delivery plan recognise that zero carbon is not affordable to the landlord under its current business plan and therefore it needs to;

- Align Decent Homes standard improvements with retrofit programmes
- Maximise grant and subsidy
- Place tenants at the heart of zero carbon
- Ensure good data influences decisions
- Embrace a no regrets approach (correct specification of works for each individual property, improving ventilation and avoiding cold bridging and damp, progressive investment steps, selective demolition and disposal where targets cannot be achieved)

The housing service is transforming the decent homes capital programme to fully integrate a zero carbon 'no regrets' approach. Once achieved, this will permit the current business plan capital programme to contribute significantly towards zero carbon in both the specification of products it delivers and the timing of the replacement components. In addition, the service will build on the Council's success of bidding for grant and substantially increase its investment plans with available grants and steer away from investment where the investment contradicts the pathway to zero carbon identified for that archetype or individual property.

The Council has invested in the new 'Open' databases, which includes Open Housing and Open Assets, and retrofit software (Parity Portfolio). It has also employed specialist retrofit advisors and PAS2035 coordinators. Through good data and surveying the Council has been able to create archetype studies by property form. SWT has identified 12 pathways to zero carbon which cover 96% of the Council's properties. SWT is able to carry out modelling of different pathways to zero carbon for sub archetypes as investment opportunities emerge. Through archetype studies and pathways to zero carbon SWT understand the specification and types of components required to achieve a c70%-80% heat demand reduction and the timing of fuel switch away from fossil fuel. As a result the service is able to better align the council's decent homes investment and retrofit investment.

The council has been working with specialist retrofit consultants to guide our delivery plan and invest significantly in specialist PAS 2035 co-ordination and individual property PAS2035 assessments and design. In addition, most contractors will be required to be TrustMark registered which provides a significant level of confidence in their skills, design, the recording of data and warranties for of products.

As a result of this approach SWT and tenants confidence will increase and the council will have evidence of success in delivering measures to reduce CO2 and fuel use. Monitoring success pre and post works is essential. New SMART heating controls and energy monitoring technology will be introduced into more homes to help tenants manage their heat and power consumption better. The service is also seeking to install monitoring technology which will help the tenants and council if there are problems with the property such as high humidity, excessive fuel costs and will identify properties behaving better or worse than the average.

Our approach will maximise grant opportunities by identifying the pathways to zero carbon which provides the service with the transparency to identify properties which qualify for grant and which would benefit from the grant.

SWT has developed this strategy with tenants. In particular the council has worked with tenants through the Low Carbon Retrofit Working Group. However, the strategy is also influenced by the Strategic Tenants Group, the Damp and Mould Working Group and the NTWP Works and Low Carbon Working Group. Engagement and communication with tenants is critical if SWT is to achieve zero carbon. Communication prior and during work programmes must be of a high standard and personalised to localities and customers need. The Tenant Engagement Plan and Vulnerable Persons Policy has been developed to assist SWT staff, tenants and contractors with the aim of preparing tenants with the information and support they need to participate in works. The policies are aimed at increasing access at the first time of asking to ensure the council and its contractors carry out surveys and works. In addition, customers will need to understand any new technology which is in their home, especially boiler controls and performance data. To this end the service will need to enhance the knowledge of all front line staff to offer timely and accurate advice. It is also considered beneficial to introduce tenant feedback processes and remote monitoring to help identify any problems, for example, under performance against the anticipated improvement from investment.

1 Introduction

What is low carbon retrofit

Responding to climate change requires the need to reduce energy consumption and improve the resilience of the built environment. Buildings account for 30%-40% of the energy consumed and 20%-36% of energy related greenhouse gas emissions across the European Union, United Kingdom and US. Increases in flooding and extreme weather triggered by climate change pose heightened risks to assets like buildings and property. Governments, landowners, property managers and investors alike are recognising these challenges and looking for solutions to safeguard buildings and users, shore up their investments and respond to policy imperatives. One area where they have found common ground is the huge and urgent need for upgrades to improve the energy efficiency, affordability, comfort and resilience of housing and building stock. Retrofit is simply the process of making changes to existing buildings so that energy consumption and emissions are reduced.

SWT in developing its approach to new build zero carbon affordable homes and zero carbon affordable housing retrofit builds on some of the knowledge and experience. SWT has considered good practice and the advice of leading organisations such as the London Energy Transformation Initiative (LETI) and the Good Homes Alliance. This strategy has interpreted LETI's retrofit 2021 guidance to meet the challenges of SWT's stock and has gone further by calculating the estimated financial cost of achieving zero carbon. The strategy does welcome LETI's good practice guidance and endorses the LETI definition as presented in its Climate Emergency Retrofit Guide;

'Retrofit isn't just about reducing carbon emissions. A best practice retrofit should reduce fuel bills and also improve health and wellbeing. Retrofit at scale would also generate significant employment opportunities and stimulate the economy'.

A massive transformation is needed to meet the demand for energy efficient homes and buildings and to keep climate change within the bounds of the Paris Accords. The scale of the retrofit challenge is significant with roughly 15,000 houses across Europe needing to have retrofit works carried out every day for the next 30 years to achieve the target.

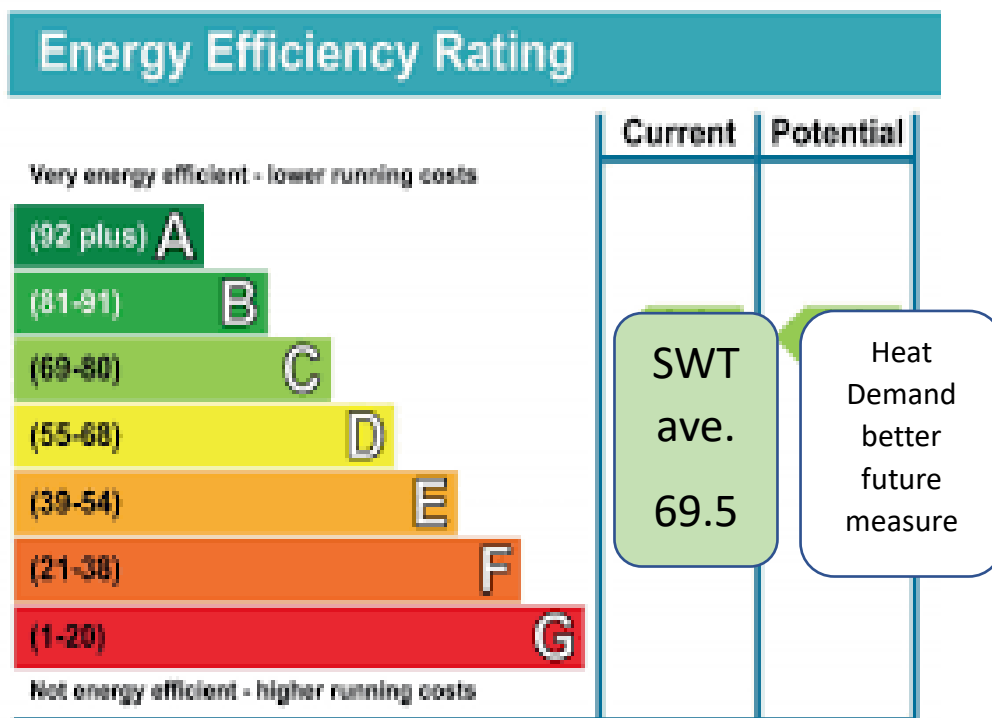
SWT has set down a strategic ambition to achieve zero carbon ahead of 2050 and is making investment decisions to progress carbon reduction in all aspects of its work and influence. In the UK 80% of the homes which exist today will be in use in 2050. Officers forecast that c80% of SWT's affordable homes will be Council affordable homes in 2050 with c20% of the stock new build homes built to a zero carbon standard. The Council will lose c20% of homes through the Right to Buy, selective disposal and selective demolition. Retrofitting SWT homes by 2050 is a challenge proportionate to the national challenge and requires transformation in how we invest and provide our services.

National Targets

There are two main low carbon retrofit targets which the council must achieve or risk being unable to let the properties.

The UK Government passed the Climate Change Act 2019 which committed the UK to a legally binding target of net zero by 2050. In addition, social landlords are required to achieve EPC C or better (B, A) as measured through the Standards Assessment Procedure (SAP) for all households in their homes suffering from fuel poverty by 2030. The revised definition of fuel poverty is someone living in a property rated D, E, F or G and therefore the council in practice have to bring their homes up to EPC C by 2030. Image 1 shows the efficiency rating bands and the Standard Assessment Procedure (SAP) points for each band. Band A is considered Excellent (high SAP points) and Band G is considered very poor (low SAP points) in terms of energy efficiency. Although EPC Bands allow properties energy efficiency to be compared very easily this strategy proposes heat demand and fuel source as the critical measures as we seek to achieve zero carbon.

Image 1 – Energy Efficiency Rating System and SWTs average SAP rating



To achieve zero carbon by 2050 we will need to remove the use of fossil fuels from homes and switch to fossil free renewable sources of energy primarily electric. However, without reducing the heat demand of our homes through improved insulation, often referred to as a fabric first approach, or without a significant reduction in the cost of electricity a fuel switch strategy would be unaffordable for many tenants. Government recognise that a fabric first approach has the opportunity to reduce heat demand in homes to allow the switch for many homes to affordable electric heat and power.

The strategy has considered the SWT Community Scrutiny Committees Task and Finish Group's report on Council Housing Zero Carbon Retrofit 2022. The report

included a wide range of recommendations including a fabric first, whole house approach to retrofit, learning from local and national best practice, removal of fossil fuels and building customer awareness. This strategy embraces and reinforces many of the sentiments of the Task and Finish Group.

The London Energy Transformation Initiative (LETI) is a leading zero carbon collective which produces excellent guidance which officers have used in the development of zero carbon new build and retrofit standards. The LETI principles are:

- Reduce energy consumption
- Prioritise occupant's health
- Have a whole house retrofit plan
- Measure performance
- Think Big

This strategy follows the principles but not the absolute letter of the London Energy Transformation Initiative (LETI) guidance or retrofit blueprint (image 2). SWT will apply these principles to our archetypes and property forms (houses, bungalows and apartments).

Image 2 – LETI's retrofit blueprint (this image is to illustrate the complexity and connected considerations which a best practice approach to retrofit requires, a readable version can be found online)

A blueprint for retrofitting the UK's homes to meet the climate challenge

A policymaker's summary of the LETI Climate Emergency Retrofit Guide

LETI's six principles for good retrofit

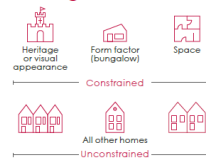
Follow these principles to maximise the multiple benefits of retrofit and minimise the risks. For example: reducing energy consumption is key to reducing carbon emissions, tackling fuel poverty and improving national energy security.

- 1: Reduce energy consumption
- 2: Prioritise occupant and building health
- 3: Have a whole building Retrofit Plan
- 4: Measure the performance
- 5: Think big!
- 6: Consider impact on embodied carbon

LETI's recommended energy performance targets

The current industry measurement of energy performance is an EPC. However a good EPC score does not necessarily indicate a building with high levels of energy efficiency.

LETI has defined what good retrofit looks like through best practice and exemplar energy targets for constrained and unconstrained buildings.



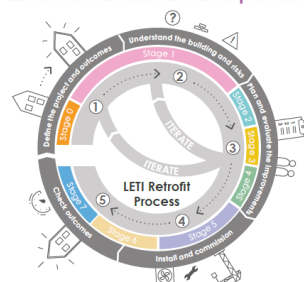
LETI's whole house Retrofit Plan

LETI recommends a whole house approach to retrofit rather than retrofitting individual elements in isolation. A whole house Retrofit Plan should:

- Set out the key building information, constraints, risks and opportunities.
- Define the key works proposed along with related strategies and details.
- Define the sequence of work.
- Be appropriate in its level of detail and intervention for the building size, context, use, owner and occupants, scope of work and heritage value.
- Include a plan for monitoring and reporting energy consumption.
- Keep your retrofit plan with the building for future occupants.

This is similar to PAS 2035's risk-based paths; avoiding abortive work and minimising risk.

LETI's recommended retrofit process



	LETI best practice retrofit	LETI exemplar retrofit
Fossil fuel free	Fossil fuel free home	Fossil fuel free home
Energy Use Intensity	50 kWh/m ² /yr +10 kWh/m ² /yr Additional allowance for constrained retrofit	40 kWh/m ² /yr
Space heating demand	50 kWh/m ² /yr +10 kWh/m ² /yr Additional allowance for constrained retrofit	25 kWh/m ² /yr
Hot water demand	20 kWh/m ² /yr +5 kWh/m ² /yr Additional allowance for homes <75m ²	20 kWh/m ² /yr +5 kWh/m ² /yr Additional allowance for homes <75m ²
Renewable energy	40% of total energy covered by renewables Maximise renewables where conditions are suitable	40% of total energy covered by renewables Maximise renewables where conditions are suitable

New build vs retrofit

It is generally preferable to retrofit than demolish and build new, because of the much greater embodied carbon in new build than in retrofit.

For retrofits that include a new build element, or any new builds, we recommend you look at LETI's [Climate Emergency Design Guide](#) and the [Embodied Carbon Primer](#).

For new buildings, there is consensus that a huge shift is needed in policy to produce net zero carbon compliant buildings - please see LETI's response to the Future Homes and the [Future Buildings Standard](#).

It is hoped that this strategy and delivery plan is further evidence of the council leading by example. Social housing providers have emerged as innovators of low carbon transitions in the UK residential sector. Research published in the *Energy and Buildings Journal (Vol 177)* suggested social housing providers tend to have a

significant amount of influence over large housing stocks, have opportunities to access funding to retrofit on a large scale, can make explicit connections between reduced carbon emissions and improved quality of life for low-income residents, and foster a close relationship with the place and communities they serve. In effect, social housing providers are not only facilitators but also realise low carbon transitions through various strategies.

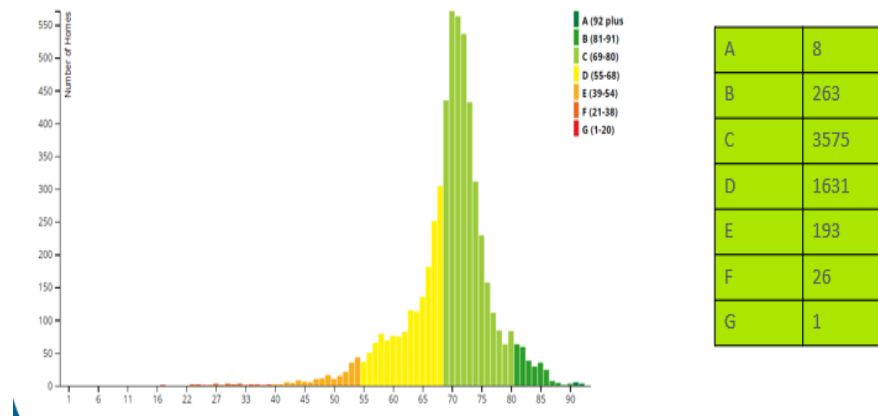
2. SWT housing stock baseline

The Council's c5,700 homes are estimated to account for nearly one third of the Council's own carbon footprint. In 2018/19 12,000 tCO₂e was the estimated volume of carbon released from SWT homes and in 2021/2022 we are now calculating this at 9,860tCO₂ using Parity Portfolio software. Our modelling predicts that an investment of £135m will achieve zero carbon by 2050 with a significant number of archetypes and properties unable to meet our ambition of zero carbon using a heat demand of 50kWh/m²/yr. . However, some of these properties will achieve zero carbon with additional measures and interventions or with ongoing higher than desired fuel usage.

SWT's retrofit investment must be based on robust data and analysis. The housing service has invested in Parity Portfolio and Open Housing and Open Assets software as well as developing pathways to zero carbon through archetype studies. although our data is constantly improving there is sufficient confidence in the data to allow investment priorities and principles to be created. Our data sets are allowing the Council to create pathways to zero carbon for 12 different property archetypes covering 95% of the stock. Our data has significantly improved over the past 12 months and will continue to improve through surveys, use of software and new staff capacity to analyse data. The service is also changing to better capture the data following decent homes and retrofit capital investment programmes.

SWTs baseline has been created through our own resources and by the use of specialists, Parity Portfolio software and our own stock condition and EPC records. Our 'Parity Portfolio' modelling which uses EPC's, capital investment data, such as boiler replacements and other indicators, is able to provide many insights into our stock profile and retrofit requirements. Chart 1 shows that although 1851 SWT homes do not meet the 2030 target the average SAP rating across the stock as a whole does achieve EPC C (69.5). Of those homes not achieving EPC C 86% are in EPC Band D and a small number of low cost interventions such as quality windows low energy lighting, improved loft insulation or gas boiler upgrade will bring the majority of these homes up to the standard will move these homes to band C. It should be noted that pre works assessments will identify the accuracy of the data we hold and this may lead to retrofit solutions being reconsidered. Please note that EPC's and SAP are not a measurement fit for purpose to identify carbon reduction.

Chart 1 – Profile of SWT properties 2022 in relation to EPC bands



Although EPC's and SAP measurements are not appropriate for measuring carbon reduction the data does suggest that 3845 properties are EPC A, B or C. We can therefore assume that 66% of council homes already meet the 2030 target and governments fuel poverty measure.

The average cost of bringing SWT homes up to EPC C is £3.2k which is a moderate business plan investment. SWT do have some outliers such as Woolaway and Cornish non-traditional properties, pre 1930 homes and solid wall properties. The Council will need to consider if these homes offer value for money on a cluster or individual basis and if a retention or disposal strategy should be pursued. In addition, some stock will become tiered and not merit investment but offer opportunities for demolition to create sites for new build council homes or disposal.

Chart 2 shows SWT stock profile by age. SWT has recognised the need to make disinvestment decisions such as demolition and disposal where an overriding case is presented. SWT have recently experienced the need to disinvest in woolaway and Wordsworth Drive Flats as the properties have been recognised as uneconomic to bring to a decent homes and zero carbon standard. Although the HRA investment pre 2030 to achieve EPC C is significant the greater challenge is to bring homes up to the 2050 zero carbon standard. On average homes will cost c£24k. This cost does not include any complementary work such as support for customers, decanting, refixing of components disturbed during work or early replacement of components before their anticipated failure date.

Chart 2 – Stock profile by age

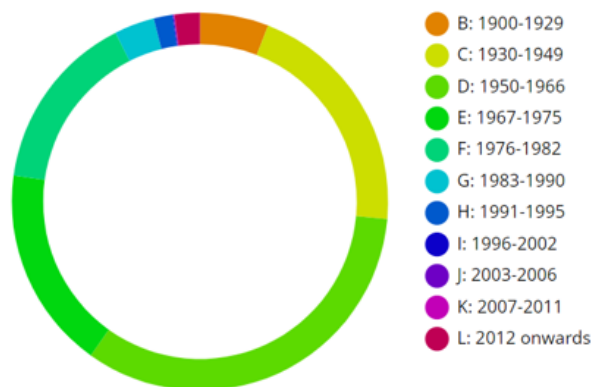


Table 1 below provides a summary of some of the baseline stock data which is helpful when considering low carbon retrofit and investment options. The baseline data suggests each home on average produces 1.7 tons of CO2 annually which is 9,685 tons of carbon annually from all SWT homes. A key baseline measure important in the strategy is heat demand. Officers using archetype studies based on a limited number of property survey's have estimated the average heat demand of 170 kWh/m2/yr. This measure excludes household domestic energy appliances, equipment or vehicles as the landlord can only influence but not control these items. It should be noted that as more homes are surveyed pre works the baseline will

change. Reducing heat demand along with switching fuel to electricity will be key indicators when measuring success of the strategy.

Table 1 – SWT Baseline Stock Data

	2022 Baseline
SWT Properties (excludes leaseholders)	5697 (100%)
Houses	2848 (50%)
Apartments	1994 (35%)
Bungalows	855 (15%)
Leaseholder	450 (100%)
Properties above EPC C (C, B, A) (excludes leaseholders)	3846 (65.78%)
Properties EPC D or below (D, E, F) (excludes leaseholders)	1851 (33.2%)
Average SAP	69.5 (EPC C)
Architypes	14
% of stock covered by Architype studies	80%
% of stock covered by PAS surveys	0.004%
Average CO2 per units	1.7 tCO2 pa
Total CO2	9,685 tCO2
Average Heat demand per property	170 kWhH/m2/yr

**note data will change as more property surveys are conducted pre works*

Architype Studies

SWT is creating c12 high level architype pathways to zero carbon (table 2) which also consider a properties form (bungalow, house, apartment). This strategy places significant emphasis on the architype studies to establish our base line, targets and pathways to zero carbon. As more individual property studies are conducted baselines, targets and pathways will be refined. The importance of zero carbon pathway modelling is critical to understand the investment decisions including the sequence of investment based on a fabric first approach. These high level studies cover 96% of SWT homes and will ultimately be transparent to allow tenants, staff and Members to understand how SWT plan to achieve zero carbon and reduce fuel usage for each home/architype. Table 3 shows the 14 SWT property architypes and tables 2, 3 and 4 are examples of how these architype template help officers understand the measures to achieve zero carbon. These studies show the importance of considering each architype on its merit and these high level studies are followed by whole house and block surveys often using the PAS 2035 assessment process.

Table 2 – Property Architype Studies

SWT Architype Studies 2022				
Architype	% of SMT Stock	Heat demand Baseline (kWh/m2/yr)	Ambitious 2040 Heat demand (kWh/M2/yr)	% improvement
1 Conventional House	77.40%	193	49.75	388%
2 Conventional Apartment		187	25	748%
3 Conventional Bungalow		188	41.25	456%
4 Woolaway House semi	3.80%	170	37	459%
5 Woolaway House Terrace		170	37	459%
6 Cornish House	6.30%	TBC	TBC	TBC
7 Cornish Apartment		TBC	TBC	TBC
8 Cornish bungalow		TBC	TBC	TBC
9 Easiform House	7.10%	TBC	TBC	TBC
10 Easiform Apartment		TBC	TBC	TBC
11 Easiform maisonette		TBC	TBC	TBC
12 BISF House Semi	1.30%	TBC	TBC	TBC
13 Others	4.10%	No Architype studies planned		

Table 3 - Profile of SWT stock by architype

Architype	SWT Units
Conventional	4417
Easiform	407
Cornish PRC	359
Woolaway*	218
Airy	24
BISF	77
HSG REV AC	1
Relocat	10
Special PP	3
Rema PRC	43
Stanard WIC	8
Tru-steel	24
Concrete	63
Timber	52
	5706

** Some woolaways are currently under demolition*

The Council’s most common property architype is a brick build conventional house. The circles on table 4 shows the baseline and optimum investment to ensure the home is affordable to the tenant and zero carbon once the grid is decarbonised. This architype has the potential to reduce its heat demand by 388% (193 kWh/m2/yr. to 49.75 kWh/m2/yr.). This property could achieve a heat demand of 25 kWh/m2/yr. however this would require greater disruption to the household and significantly higher costs.

Table 4 – Architype 1 – Pathway to Zero Carbon – conventional brick built semi-detached house

VOR Architype Pathway – Conventional Semi (Cavity Wall) target = 49.75kWhm2pa (no floor intervention)

Prop Avt	Baseline	Fabric <90 kWh/m²	EPC-B	EPC-A
EPC Information		EW/DOORS & WINDOWS/AF50/MEV	...plus PV	...plus FLOOR/ASHP/MVHR/AF50
Existing EPC	E-48			
Full SAP EPC Rating	E-48	C-73	B-89	A-95
Final Heat Demand (kWh/m²/year)	193	49.75	49.75	25
Floor U-Value	0.73	0.73	0.73	0.18
Wall U-Value (Sys Build)	2.4	0.2	0.2	0.2
Roof U-Value	2.4	0.13	0.13	0.13
Door U-Value	2.85	1.2	1.2	1.2
Window U-Value	2.7	1.2	1.2	1.2
Air Tightness	9.78	5	5	3
Solar PV KWP			3	3
ASHP				YES
Ventilation Type	IEV	MEV	MEV	MVHR
Thermal Efficiency				90%

(a larger version of this table is available at appendix 2)

Table 5 again shows a common property architype which is a brick build conventional apartment often 2 or 3 storeys. The circles on table 5 shows the baseline and optimum investment to ensure the home is affordable to the tenant and zero carbon once the grid is decarbonised. This architype has the potential to reduce its heat demand by 748% (187 kWh/m2/yr. to 25 kWh/m2/yr.). This architype does not achieve a minimum heat demand of 50 kWh/m2/yr. without external wall insulation and triple glazing.

Table 5 – Architype 2 – Pathway to Zero Carbon – conventional brick built low rise apartment

VOR Architype Pathway – Conventional top floor Flat (Cavity Wall) target = 25kWhm2pa (no floor intervention)

Prop Rd	Baseline	Fabric <90 kWh/m²	EPC-B	EPC-A
EPC Information		CW/FLAT ROOF/MEV	...plus Solar	...plus EW/W&D/MVHR
Existing EPC	D-64			
Full SAP EPC Rating	D-56	C-73	B-89	A-95
Final Heat Demand (kWh/m²/year)	187	60	60	25
Floor U-Value	N/A	N/A	N/A	N/A
Wall U-Value	1.55	0.55	0.55	0.18
Roof U-Value	2.03	0.19	0.19	0.19
Door U-Value	2.9	2.9	2.9	1
Window U-Value	2.8	2.8	2.8	1
Air Tightness	4.17	4.17	4.17	3
Solar PV KWP			2.5	2.5
ASHP				
Ventilation Type	IEV	MEV	MEV	MVHR
Thermal Efficiency				90%

(a larger version of this table is available at appendix 2)

Table 6 is again a common property architype which is a brick build conventional bungalow. The circles on table 6 shows the baseline and optimum investment to ensure the home is affordable to the tenant and zero carbon once the grid is decarbonised. This architype has the potential to reduce its heat demand by 456%

(188 kWh/m²/yr. to 41.25 kWh/m²/yr.). This archetype requires an insulated floor to achieve a maximum heat of 50 kWh/m²/yr. If a property has a concrete foundation insulated floors can be expensive and intrusive. This example allows asset managers to consider if bungalows and ground floor apartments merit having their floors insulated when a property becomes void and/or when it requires a new kitchen and bathroom to limit the extra disruption to tenants and limit what would be expensive additional costs. Please note that insulating concrete floors create additional costs such as replacing/realigning existing fixtures including skirting, stairs, kitchen, bathroom, ramps and steps. These additional costs as well as rent loss and decant costs are not included in the £135m investment to achieve zero carbon.

Table 6 – Architype 2 – Pathway to Zero Carbon – conventional brick built Bungalow

VOR Architype Pathway – Conventional Bungalow
(Cavity Wall) target = 42.25wKhm2pa with floors improved during void works

	Baseline	Fabric <90 kWh/m ²	EPC-B	EPC-A
EPC Information		EW/DOORS & WINDOWS/AP50/MEV	...plus PV	...plus FLOOR/MVHR
Existing EPC	E-45			
Full SAP EPC Rating	E-45	C-73	B-91	A-94
Final Heat Demand (kWh/m ² /year)	188	83.25	83.25	41.25
Floor U-Value	0.77	0.72	0.72	0.18
Wall U-Value	1.55	0.18	0.18	0.18
Roof U-Value	0.27	0.13	0.13	0.13
Door U-Value	3.05/4.5*	1.2	1.2	1.2
Window U-Value	2.8	1.2	1.2	1.2
Air Tightness	6.57	3	3	3
Solar PV KWP			2.5	2.5
ASHP	YES**	YES**	YES**	YES**
Ventilation Type	IEV	MEV	MEV	MVHR
Thermal Efficiency				90%

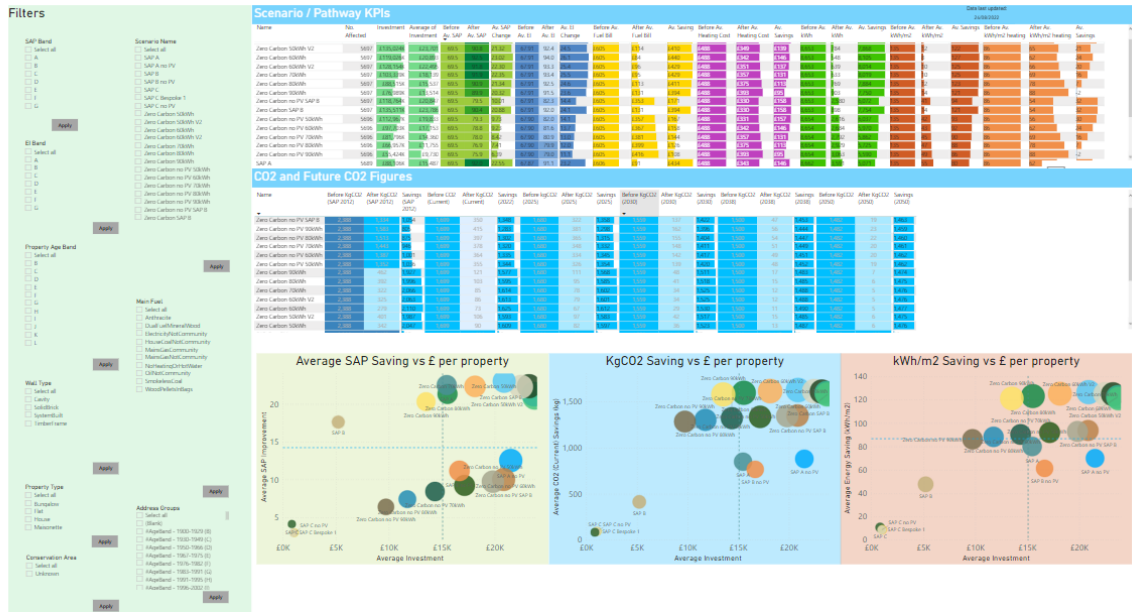
(a larger version of this table is available at appendix 2)

Parity Portfolio Software

Parity Portfolio software helps landlords model options to improve the energy and carbon performance of the existing housing stock. The software includes the latest RdSAP method, with additional and enhanced analysis using georeferenced data. The parity software uses SWTs stock condition data and other relevant data sources to produce property profiles made up of all c5700 SWT homes. The collation and cleansing of data will usually involve some cloning and highlight conflicting or missing data. As the data analysis is done automatically and at individual property level, when new data is updated for example following surveys or capital works the baseline and scenarios update automatically.

The data is available for SWT to run an unlimited number of scenarios (image 3) to help the Council consider a broad range of approaches to achieve zero carbon. The software has numerous property component options which its intelligence can match to the scenario. The service has restricted the choices available when running scenarios to avoid too many component combinations which would be too bespoke to deliver and maintain and /or lead to greater tenant disruption and cost. A fabric first approach excluding internal wall insulation (IWI) and limited floor insulation followed by fuel switch was the preferred scenario which has provided our investment cost estimates.

Image 3 – Parity Software scenario comparison capacity



Data collection and PAS2035 Surveys

The council has a new asset database called Open Assets which sits within the new Open data base for the housing service. The data base is populated with our stock condition data which supports the decent homes programme. The retrofit programme and decent homes programme are now coming together as the single capital programme with the aim of timely investment to ensure all SWT homes are achieving the decent homes standard and also achieving the low carbon and zero carbon standards.

Landlords conduct EPC surveys as part of the lettings process to ensure incoming tenants are aware of the energy efficiency rating of homes. Landlords also carry out stock condition surveys to understand the investment needs of their homes to keep them to the decent home’s standard. Increasing both Government and landlords have been concerned about the problems which have arisen as bi-products of inappropriate Decent Homes retrofit works, specifications, design or components. Issues such as damp and mould or cold bridging are examples of these failings. To support a ‘no regrets’ approach the government require local authorities to follow the PAS 2035 process and appoint TrustMark accredited contractors if they wish to receive government grant. PAS 2035 is a new, comprehensive domestic retrofit standard which will protect landlords and tenants and ensure works are identified and specified correctly. Certified organisations who have the TrustMark accreditation deliver the installations, record and lodge information correctly and issue the appropriate warranties and guarantees.

SWT will follow the PAS2035 requirements and use PAS coordinators and PAS qualified assessors and designers as it develops its programmes of capital works where it is likely the property will qualify for government grant.

SWT low carbon retrofit Targets

Good customer engagement and communication, a fabric first approach and proactive pursuit of subsidy will be embraced to maximise the delivery of;

- a) the greatest CO2 reduction in the shortest time,
- b) a sustainable reduction in average fuel consumption
- c) affordability of retrofit works to the HRA business plan.

Table 7 shows some key baseline data, and the low carbon retrofit targets for 2030, 2040 and 2050. The targets show that the Council can become compliant with the 2030 target at relative low costs and moderate costs (c£3.2m per units). It will incur significantly more cost to reduce heat demand to c50 kWh/m2/yr. (c13k per unit).

The period 2040-2050 will focus on removing fossil fuels (c9k per unit) and resolving challenges to properties unable to achieve the target. There are a large number of properties which will fail to achieve a heat demand below 50kWh/m2/yr. which will require either additional fabric measures or additional on site renewable energy solutions to ensure the fuel costs are sustainable for the tenant.

Table 7 – SWT 2022 baseline and targets 2030, 2040 and 2050.

	2022 Baseline	2030 Target EPC C	2040 target Fabric first 50 kWh/m2/yr	2050 Target Zero Carbon
SWT Properties (excludes leaseholders)	5697 (100%)	5500 (100%)*	5200 (100%)*	5000 (100%)*
Houses	2848 (50%)			2250 (45%)*
Apartments	1994 (35%)			1895 (37%)*
Bungalows	855 (15%)			855 (18%)*
Leaseholder	450 (100%)			727 (100%)*
Properties above EPC C (C, B, A) (excludes leaseholders)	3846 (65.78%)	5397 (95%)	5200 (100%)	5000 (100%)
Properties EPC D or below (D, E, F) (excludes leaseholders)	1851 (33.2%)	c300 (c5%)	0 (0%)	0 (0%)
Average SAP	69.5 (EPC C)	TBC	TBC	91.9 (EPC B)**
Architypes	14	14	14	14
% of stock covered by Architype studies	96%	96%	100%	100%
% of stock covered by PAS surveys (or other retrofit assessment)	0.004%	20%	75%	100%
Average CO2 per units	1.7 tCO2 pa	TBC	0.63 tCO2	0 tCO2 pa
Total CO2	9,685 tCO2	TBC	3,587 tCO2	0 tCO2
Average Heat demand per property	170 kWh/m2/yr	95 kWh/m2/yr	50 kWh/m2/yr	50 kWh/m2/yr
Total investment for stock to achieve target***	0	£6,000,000	£66,000,000	£135,000,000
Average investment per property to achieve EPC C	0	£3,270	£12,638	£23,697
* assumption 'best guess' based the potential variance due to Right to Buy Sales plus disposals and demolitions plus new build homes				
*** Do include associated costs such as decanting, environmental works, replacement of components in advance of their renewal date, surveys, etc				

A key concern for many Members and observers is the pace which fossil fuel is being replaced by on site or grid renewable heat and power. Chart 3 provides a picture of the relative progress of key measures which supports a fabric first approach within a restricted budget. The position taken by the strategy is based primarily on the following assumptions:

- The Housing Revenue Account will have insufficient funds to deliver all required measures for Zero Carbon through a one off whole house approach. The housing service will need to revisit many properties over the next 28 years to achieve the standard.

- A fabric first approach will reduce the heat and power required for a property regardless of fuel source. When a properties heat demand is reduced through insulation measures the amount of fossil fuel used to heat and power the property reduces. If a 50 kWh/m2/yr. target is achieved the housing stock will reduce fuel usage by 70%+. In theory this means fuel regardless of type will reduce by 70%. This would be a significant achievement and avoid higher electricity costs for many customers.
- A fabric first approach means that when fossil fuel is replaced in SWT homes the specification for the new electric heating system will be based on the lower heat demand required to keep the property warm. This will means boilers will be more efficient and smaller. If heating system require less electricity then any demands on the grid or PV will be less.
- Some SWT properties will receive a whole house approach with multiple measures which will include renewable heat and power between 2022. An estimate is that c1100 properties could benefit from early replacement of fossil fuel.
- Significant progress has been made by the grid in decarbonising over the past ten years and this will continue. The heat demand target of <50 kWh/m2/yr. is set as it is thought for a household with average income electric heating from the grid will be affordable. For some low income / vulnerable customers SWT would like to go further through on site renewable heat and power providing greater cost efficiency. The strategy recognises that the largest contribution to reducing CO2 and fuel usage in the short term within the assumed financial resources is an ambitious target.
- The government are emphasising the fabric first approach through the various grant and obligations they control. This means that in the short term SWT can deliver more fabric measures as more subsidy is available for fabric than renewable heat and power measures.

Image 4 - Why Fabric First -

Benefits of a fabric first approach?



Achieving 2030 Targets

SWT will strive to achieve EPC C for all SWT homes by 2030. This will require 1891 homes to receive investment in low carbon measures primarily through three work packages and some will need to be considered as part of an asset management option appraisal. As new grant opportunities are introduced more new investment packages will be introduced. The three work packages are:

1. Multiple measures usually moving properties two EPC bands through multiple fabric measures including improved wall, loft, window, door insulation, improved air tightness and ventilation and where funding permits renewable heat and power – Examples of this would be plans being progressed for some non-traditional properties including some Woolaways, Cornish, Easiform and apartment blocks. The service has a significant funding pledge from an energy provider to deliver comprehensive improvements to public and private dwellings with c£6m estimated for SWT homes between 2022 and 2026. This initiative will use a neighbourhood based social housing led approach to delivering energy company obligation. Properties in this category should require few future measures following works to achieve zero carbon.
2. Windows replacement scheme with a minimum insulation value of U1.2 supported by a wraparound energy package where the property will receive complementary draught proofing, loft insulation, low energy lighting, improved boiler controls and property monitoring technology. The service hopes to improve 1100 homes from EPC D to EPC C between 2022 and 2026 using this approach and is commencing on a priority list of 617 homes.
3. Continuation of our boiler replacement scheme with the replacement of inefficient gas, electric or solid fuel with more efficient heating. The majority of replacement systems will be new gas combi boilers but some electric and renewable systems. Properties improved with a new boiler will also be supported by a wraparound energy package where the property will receive complementary draught proofing, loft insulation, low energy lighting, improved boiler controls and property monitoring technology. The service hopes to upgrade c250 homes from EPC D to EPC C between 2022 and 2024. These properties will still require fabric first measures to achieve a heat demand of 50 kWh/m²/yr. and zero carbon.

Achieving 2040 Targets

SWT will strive to achieve 50 kWh/m²/yr. for all SWT homes by 2040. This will require circa 5000 homes to receive significant fabric investment and frequent use of high performing double or triple glazing and doors, greater attention to air tightness and draught proofing measures and increased use of mechanical ventilation. The stock will also see an increase in the use of external wall insulation. The service is investing in software and staff capacity to help analyse retrofit and decent homes data to identify properties able to cost effectively receive multiple fabric first measures through a whole house approach. Between 2028 and 2040 the alignment of decent homes and retrofit will remain in significant focus as multiple measures delivered simultaneously will reduce prelim costs. The nature of the interventions will mean a significant uplift in the average cost of works. It is likely that during this period some additional measures such as floor insulation will be introduced within the void programme in

particular for bungalows and some apartments in order to minimise any decants required as a result of retrofit. The decanting of tenants will significantly increase the complexity of the works programme and incur additional costs and major disruption for tenants. The service is preparing block investment plans which will place the Council's 440 housing blocks within timelines for investment and also allow consultation with leaseholders and tenants on comprehensive block refurbishment packages.

Achieving 2050 Targets

SWT will strive to achieve zero carbon by switching fuel away from fossil fuel once properties heat demand is significantly low to minimise the impact of fuel affordability. Some fuel switching is taking place at the moment as some heating systems need replacing and the tenant should be no financially worse off after fabric works. Solid fuel systems and inefficient electric systems will be replaced by more efficient electric systems such as quantum or Air Source Heat Pumps. However, switching tenants from gas prior to significantly reducing heat demand or a significant change in the cost of electricity compared to gas will have the potential to increase fuel poverty for more tenants and exaggerate the cost of living crisis. It would also be the case that the property would require the specifying of a larger/more powerful boiler than would be required post fabric first insulation works as the system would be specified for heating more colder air. It is worth noting that c650 (11%) Air Source Heat Pumps have been installed in SWT homes although there is significant variation in the heat demand for those properties leading to both good and poor user experiences. All homes which use electric heating and no fossil fuel will automatically be zero carbon as soon as the national grid is decarbonised. Therefore c1700 homes are already compliant albeit with insufficient insulation to make the homes efficient to heat.

In order to achieve zero carbon in the most cost economic way whilst saving the greatest amount of carbon and fuel in the shortest time fuel switching should in the majority of cases take place once a property has achieved its optimum heat demand as close to 50 kWh/m²/yr. possible. In some cases where grants become available and the heat demand is sufficiently low immediate investment in fuel switch would be progressed. For example 37 Woolaway properties are proposed for an all walls out refurbishment improving their heat demand from 170kWh/m²/yr to 39 kWh/m²/yr. This has coincided with a grant guidance being announced which will permit the additional costs of Air Source Heat Pumps to be met.

Asset management plans to manage investment and disinvestment

The service will refine its asset strategy to identify properties at risk of not achieving zero carbon at an affordable fuel cost to the tenant by 2050. Our experience has highlighted that exploring low and zero carbon for some of our stock can identify shortfalls in the value for money investment would provide. Our recent experience at Wordsworth Drive flats turned an investment opportunity into a disinvestment project as the properties were not of sufficient build quality to merit investment to the decent homes and zero carbon standard. It is inevitable that the council will need to consider if some homes should be retained and if not should they be sold or demolished.

Customers that the heart of Zero carbon

Achieving zero carbon, tenancy sustainment and fuel affordability are just three of the reasons for the Council and tenants to work ever closer. The Council must work with tenants to ensure our staff and contractors can carry out surveys, works and maintain properties in an efficient and timely manner. Through this cooperation tenants will benefit from lower energy bills and healthier homes. Tenants guidance and insight about their homes and neighbourhoods is extremely valuable in ensuring the Council is able to deliver information, works and services appropriately. The service experiences a high number of access refusals and by working with tenants the Council will deliver capital schemes faster, more economically and more efficiently.

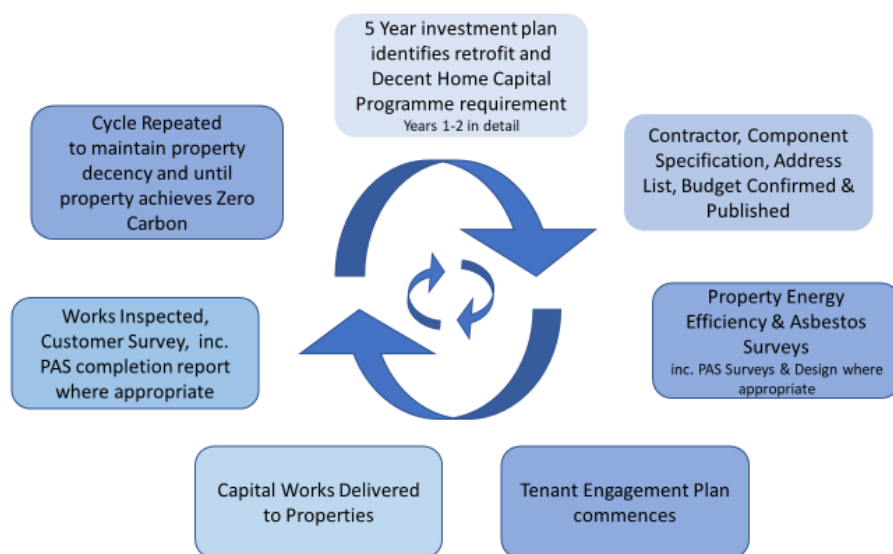
SWT has been working with tenants through the Tenants Strategic Group, Damp and Mould Working Group and through two Low Carbon Working Groups including one looking in detail at the 256 zero carbon new build and retrofit homes in North Taunton and the other District wide working group with tenants representing tenants from all over the district to specifically help guide officers on this retrofit strategy and delivery plan. Customers are shaping the procedures we seek to adopt during the retrofit programmes. Below is a list of the most common themes which tenants have raised through these forums:

- Good communication to promote low carbon and zero carbon retrofit in different formats is essential – face to face, newsletters, websites and social media, local open events or drop in opportunities, show houses, tenant liaison officers, housing officers, call centre
- Good communication and doing what is promised will develop more trust and encourage more tenant interest.
- A standardised approach to tenant consultation, engagement and support before, during and after capital works from the Council and its contractors
- Promotion of the benefits of well insulated, warm, healthy and affordable homes to tenants needs to be prominent
- A more personalised approach during consultation with more opportunities for face to face contact and advice prior and during works, such as tenant liaison officers and open events. Easy to read guides and face to face inductions are important to allow tenants to become familiar with any new technology in their homes
- Better use of technology to inform and support tenants including web based information, smart controls, feedback from remote monitoring to evidence homes are more efficient following works
- Timely publication of capital investment programmes enabling tenants to access to information about their home such as an online carbon or fuel calculator.
- Standard policies to be issued at the tender stage to potential contractors which set out SWTs requirements on matters such as customer engagement, additional support for vulnerable customers before and during works and a social value requirement.
- Ensuring homes are left tidy following works
- Showing what works and the benefits for tenants of retrofit through virtual means and show houses

- Joined up messages from SWT officers, trades and contractor about works, the benefits of retrofit and use of components
- Ensuring staff and contractors are wearing the appropriate identify badges when calling on tenants
- A dedicated person (tenant liaison officer) to call or meet when there are questions
- More jobs completed on first visit or within the same programme of work
- Clarity of start and end dates for works prior to work commencing
- Tenants to act as champions promoting the benefits to other tenants

As a result of these themes a number of new initiatives and practices will be actioned. Chart X is a circular process which will become common in order to deliver capital works and ensure customer information, engagement and feedback is built into the delivery of capital programmes. The process is cyclical as many homes will need visiting several times to deliver retrofit works over the next two decades and properties also move in and out of decent homes standard as components wear out.

Chart 3; Circular Capital Programme Process



These include:

- The production and use of a number of policy statements when procuring contractors or during capital works carried out by SWT or their contractors. These will include; expected standards of tenant engagement to inform a contractor's tenant engagement plan. a statement on the expected standard of additional support for vulnerable customers during work programmes and a standard approach to collecting customer satisfaction data. These policies will reflect the need to target the tenant and not the property.
- Work programmes to be designed and agree earlier to allow the timely promotion of works, ensure a good lead in time for consultation in advance of work, reduce access problems and help align more work programmes and surveys to reduce the number of visits to tenants homes

- Build in funding and time to capital programmes to support vulnerable tenants with preparatory works ahead of installation e.g. cleaning lofts and moving furniture.
- The launch of a show house in early spring 2023 to promote low carbon components to tenants, staff, Members and contractors. The show house will include displays and virtual tours of other SWT zero carbon new build and retrofit projects as well as showing materials and technology commonly used in retrofit.
- Identify additional capacity to ensure SWT can prepare and deliver programmes of work in a timely way.
- Set up a leaseholder forum to ensure leaseholders understand the implications of zero carbon for them and the financial contributions they may have to make.
- The development of standardised written information to be used at specific stages of consultation. Ensure we are able to explain why things are needed, and who will be doing them and when they will take place.
- A mechanism to ensure the landlord and its contractors can have better customer insight when engaging customers during works by making best use of the data available through our open system.
- Training and support for SWT colleagues to ensure joined up messages during customer contact
- Ensure contract specifications are clear and the council works with contractors to ensure technical information is clear, correct, and easy to understand.
- Include tenant representatives in the selection of smart controls and devices prior to contract award.
- Continue with the Tenants Low Carbon Working Group in order to support tenant retrofit champions and guide officers as we deliver works, agree work programmes, appoint contractors, and engage with other customers.

4. Fuel Poverty and Healthy Homes

Healthy Homes

The right home environment is the foundation from which we can build healthy and fulfilling lives. Housing affects our wellbeing, risk of disease and demands on health and care services. We need warm, safe and secure homes to help us to lead healthy, independent lives and to recover from illness

Generally speaking, the health of older people, children, disabled people and people with long term illnesses is at greater risk from poor housing conditions. The home is a social determinant of health and as a result is a key driver of health inequalities. Those living in poverty are more likely to live in poorer housing, precarious housing circumstances or lack accommodation altogether.

Tenure is also a key social determinant of health. Generally speaking, 63% of people are owner occupiers, 17% live in social homes, whilst 20% are in the private rented sector

- Owner occupied homes: a shrinking resource and the most (by number) of unhealthy homes. Many are inaccessible and a significant proportion are under-occupied. Many elderly residents own their homes but are income poor
- Social homes: a shrinking resource but the most healthy and accessible homes. Highest proportion of overcrowding. The range of issues will vary dependent on location and provider
- Private rented sector: The biggest proportion of unhealthy homes: The least affordable and least stable. Occupiers have a younger demographic compared to other

Interventions on housing standards are essential to remove health inequalities

The right home environment can:

- Protect and improve health and wellbeing and prevent physical and mental ill-health;
- Enable people to manage their health and care needs, including long-term conditions, and ensure positive care experiences by integrating services in the home;
- Allow people to remain in their own home for as long as they choose. In doing so it can:
 - Delay and reduce the need for primary care and social care interventions, including admission to long-term care settings;
 - Prevent hospital admissions;
 - Enable timely discharge from hospital and prevent re-admissions to hospital;
 - Enable rapid recovery from periods of ill-health or planned admissions.

Key features of the right home environment (both permanent and temporary)

- It is warm and affordable to heat and has adequate ventilation to support good air quality and thermal comfort in extreme conditions.

- It is free from hazards, safe from harm and promotes a sense of security;
- It enables movement around the home and is accessible, including to visitors;
- There is support from others if needed.
- Tenure that is stable and secure

Fuel Poverty

As noted above, the ability to live in thermal comfort is essential to health, especially for those who are vulnerable by reason of age or disability

The UK and many parts of the world are undergoing significant fuel inflation and both the UK and SWT district have a cost of living crisis which is under-pinned by fuel price inflation and an uncertain economic environment. Many households in the district will experience fuel poverty for the first time this year leading to choices between basic household requirement. A household's fuel poverty status depends on the interaction of three key variables

- Energy efficiency of the home
- Income
- Energy prices

The government have recently (2021) changed the definition of fuel poverty. Fuel Poverty in England is now measured using the Low Income Low Energy Efficiency (LILEE) indicator, which considers a household to be fuel poor if:

- It is living in a property with an energy efficiency rating of band D, E, F or G as determined by the by the most up-to-date Fuel Poverty Energy Efficiency Rating (FPEER) Methodology*
- Its disposable income (income after housing costs (AHC and energy needs) would be below the poverty line (defined as an equivalised disposable income of less than 60% of the national median)

The definition of fuel poverty has become more nuanced over time. Between 2013 and 2021, the definition was based on variables relating to fuel cost and income. This was the Low Income/High Costs definition. This definition took no regard to the energy efficiency of the home. Prior to 2013, the definition was based purely on the proportion of income that was spent on heating.

A critical factor of the new definition is that, should the home have an energy efficiency rating of A to C, then the residents are regarded as not being within fuel poverty, regardless of income. Key partners have adopted the recent Government change in definition. This includes the Centre for Sustainable Energy (CSE) who are important partners within Somerset Independence Plus (SIP), providing advice on warm homes, as well access to grants

Low Income Low Energy Efficiency (LILEE) Indicator

The ONS has recently published a detailed analysis of fuel poverty across England, using the LILEE indicator (Annual Fuel Poverty Statistics in England, 2022 (2020

data)). The LILEE indicator is based on statistics collected in the English Housing Survey (EHS) which is a continuous national survey commissioned by the Department of Levelling Up, Housing and Communities (DLUHC). It collects information about people's housing circumstances and the condition and energy efficiency of housing in England.

Fuel Poverty Gap

Within the recent ONS analysis, it was observed that the average fuel poor household would require a reduction of £223 to their fuel costs to be moved out of fuel poverty, this is the average fuel poverty gap. The average gap in 2020 is 2.3% lower than 2019 (£229) and 34% lower than in 2010 (£339) in real terms. The main reason for the reduction in fuel poor households in 2020 was energy efficiency. 52.1% of low income homes achieved an energy efficiency rating of band C or higher, up from 47.8% in 2019 and just 14.6% in 2010.

Fuel costs for the least efficient properties (band G) are almost three times higher than costs for the most efficient properties (bands A-C) in 2020. It is important to note that, since the publication of the ONS report, the cost of living crisis has impacted many of our poorer households and, undoubtedly, these figures will now be in reverse. This should be considered when reading the following paragraphs.

Targets

The Government has in place a statutory fuel poverty target which is: To ensure that as many fuel poor households as reasonably practicable achieve a minimum energy efficiency rating of band C by 2030 (currently 52.1% nationally and 68.4% of SWTs stock), with interim targets of band E by 2020 (currently 97.2% nationally and SWT 99.5%), and band D by 2025 (currently 90.1% nationally and SWT 96%).

The ONS report contains a detailed analysis of fuel poverty data, illustrating many points including:

- The cumulative number of energy efficiency measures installed has increased significantly between 2013 and 2020
- The average gap and proportion of households in fuel poverty is highest for those living in properties with uninsulated walls
- The average fuel poverty gap is highest for detached properties despite these having the lowest rate of fuel poverty
- Smaller properties are more likely to be occupied by the fuel poor
- Households living in properties built before 1919 have the highest share of fuel poverty
- Households living in the South West had the highest average fuel poverty gap (£287)
- Rural households have a much larger fuel poverty gap
- Fuel poor households are more likely to be off the gas grid and have an average fuel poverty gap three times higher than gas households

- The proportion of households in fuel poverty was highest for private renters at 25% whilst owner occupiers (outright owners) have the highest average gap at £292. The lowest gap (£150) was within the social housing sector
- Single parents have the highest proportion of households in fuel poverty and couples aged over 60 have the highest average gap

More detail about fuel poverty across Somerset (and the districts) can be found on the Somerset Intelligence Network (SINe) website, although the data on here is dated 2016 and relates to the previous definitions of fuel poverty.

* FPEER methodology is based primarily on the Government's Standard Assessment Procedure (SAP) for assessing the energy performance of domestic properties. Building on SAP, the FPEER Methodology also accounts for the impact of policy interventions that directly affect household energy costs. In the same way as SAP, the methodology generates an energy efficiency rating from 0 (lowest) to 100 (highest). This rating is then translated into an energy efficiency 'Band' from G (lowest) to A (highest), in a way that is analogous to a SAP rating being used to generate an overall energy efficiency Band (again from G to A) for Energy Performance Certificates.

Fuel Poverty recommendations

It is recommended that SWT adopts the Government definition (EPC C) as a means of measuring those in fuel property. An abbreviated definition for SWT is:

A household is considered to be fuel poor if;

- i). The property has an energy efficiency band rating of D, E, F or G

The council will strive towards achieving EPC C for all SWT rented homes by 2030 in line with the government target. Using this measure SWT can compare itself with national performance and align with key partners for the convenience of funding bids and joint working arrangements. In addition;

- ii). This strategy is recommending that a fabric first ambition of 50kWh/m²/yr by 2040 is recognised as an ambitious target for Council homes in order to allow the council to achieve zero carbon and minimise fuel poverty in the District. Achieving a fabric first target of 50kWh/m²/yr will allow households with an average regional income to afford to run an electric heating without the additional benefit of Air source heat pump or solar photovoltaic panels and battery storage. The fabric first target would reduce average heat demand by circa two thirds. properties which do not achieve this heat demand target should be automatically for additional energy reduction measures such as Air Source Heat Pumps, Photovoltaic Panels and batteries.

Neighbourhood based programme will be encouraged where certain properties or localities are statistically likely to be more vulnerable.

The council cannot impose on customers rules in relation to the purchase and use of appliances and electrical equipment which they use in their homes. However, over time the Council will replace gas with electric only supply and therefore fossil fuel will not be an option for tenant to heat their home or cook. The Council will;

- Help customers understand how they can save energy in the home through providing advice and information
- Promote the work of other agencies who are seeking to improve resident's health and help people as the cost of living crisis affects more households
- Provide an induction on the low carbon energy saving components of a home during lettings process
- Introduce SMART devices in the customers home to allow customers greater awareness of energy use and the ability to manage their heat and in some cases remote monitoring to allow early intervention.
- Create a more aware workforce which can direct tenants to the support they need should they have questions relating to the energy efficiency of their homes or use of the home's components

5. Ensuring affordability to the Housing Revenue Account

The Housing Revenue Account (HRA) of the Council is ring fenced and its income comes from tenants' rents. Most Council rents are set at a 'social rent' which uses a formula which typically sets social rents between 50% and 60% of market rent. SWT for new build homes has recently used 'affordable rent' which is around 80% of market rent. These properties generate more income for the HRA which compensates to a greater degree for the additional costs of building a zero carbon home. The HRA in recent years has been subject to a government imposed rent cap and a cap is also being consulted on by government. Depending on the level at which a rent cap is set the HRA can find that it has to make hard choices and where it priorities spending. In addition, the Right to Buy will mean some homes receiving additional investment will be sold with the sale price unlikely to compensate the council for the additional investment. Local authority and housing association landlords have also adopted higher standards in many areas of their work including compliance and Health and Safety works leading to more costs.

The Council annually sets rent levels within the constraints of the formula. Funding the retrofit strategy will be one of the many considerations for the council when setting rents. Constraints on rents may reduce immediate financial pressures on tenants however this benefit may be offset by a greater proportion of energy inefficient homes for longer.

The cost of achieving zero carbon for the 5797 homes is estimated at £135m which is an average of c£23,700 per property. With little opportunity to create new income the HRA will need to be very efficient in managing its business. Although the general fund is able to provide subsidy to the HRA to deliver the council zero carbon ambition as soon as possible it is assumed this opportunity is remote. The solutions to HRA business plan affordability are to be found in;

- Alignment of decent homes and retrofit programmes
- Maximise subsidy / grants
- Ensure good data influences decisions
- Tenant at the heart of zero carbon
- Selective property disposal or demolition.
- Delivering the retrofit strategy will be one of the considerations for the council when rents are set annually.

Alignment of decent homes and retrofit programmes

The decent homes programmes have c£50m over the next 5 years (c£10m per year) and has investment built in throughout the HRA business plan. Some spending will be required on essential component replacement of items unrelated to retrofit such as kitchens and bathrooms, but the majority of decent homes components can be specified to contribute to the retrofit strategy.

In considering the decent homes, compliance and retrofit programme as one programme asset managers can make decisions which provide dual purpose. There are a number of components such as windows, doors, ventilation, insulation, lighting,

roofing as well as heating systems and controls which could be installed with a specification appropriate for decent homes, compliance and retrofit requirements. In addition, there are a few retrofit works that could be efficiently done when a property is void and between tenancies although these opportunities should be limited due to the diseconomies of scale.

The 30 year business plan assumes significant levels of funding for these items which can be enhanced to achieve a retrofit specification. The alignment of decent homes, compliance and retrofit works would contribute to reducing the additional cost of delivering zero carbon retrofit. In addition, there may be efficiencies by delivering multiple measures to a property using a whole house approach or package of complementary works. Efficiencies could come from streamlining surveys, tenant consultation and liaison, contract management and collecting post works data and satisfaction.

The delivery plan (appendix 1) provides examples of how retrofit is being aligned to decent homes and compliance programmes.

Maximise subsidy and grants

The Council need to be enthusiastic and proactive in pursuing relevant subsidy which is often in the form of government grant or energy company obligation. There are and will continue to be for many years a number of grants each set up to achieve benefits for different tenures (Private Sector, Social Housing) or encourage the delivery of different measures (Insulation, fabric first, fuel switch, tackle solid wall properties, renewable heat and power, etc). Subsidies keep changing and grant rules will keep changing and therefore it is critical that the HRA has an explicit pathway to zero carbon for each property architype and form.

However, grants should not be pursued without a clear purpose in mind which means the Council asset management service using software such as open assets and architype pathways to zero carbon must be able to match opportunities with properties. It is also critical that opportunities can be matched swiftly as funders often provide very limited time windows to submit grant and deliver works. Currently we see many grants aimed at a fabric, worst first approach and this reflects the current UK need to reduce the heat demand of homes. Reducing heat demand will have the dual benefit of saving the most carbon for the least investment for the majority of homes and reduce the amount of electricity on a nation scale required for residential use. It should be noted that fossil fuels are still being used to generate a significant amount of grid electricity so a switch early to electricity may not save initially as much carbon as in future years. It is likely that once heat demand reduces, and the grid decarbonises more grants for fuel switch will be introduced to remove fossil based gas domestic heating with mainly electric powered systems. It is also likely that technology will advance significantly over the next twenty years and new components will be encouraged by making grants available.

The delivery plan (appendix 1) provides examples of how SWT is making use of current grants and aligned to decent homes investment to match fund grant requirements. The council is also progressing energy company obligation funding to

provide the capacity, skills and 100% resources to deliver some of the 'worst first' homes.

Ensure good data influences decisions

In previous sections the strategy has outlined the approach to data collection and analysis. As the council's Open Assets data base becomes more established and more property data is collected and verified the council will be able to be more sophisticated in aligning its investment and disinvestment. Additional resources are being priorities over the next few years to ensure our data is robust, validated, and ready to support grant applications and capital programmes. Although the use of the PAS2035 coordination and assessment will introduce additional surveying costs this approach reduces the likelihood of expensive problems such as damp and mould and failure to achieve the expected energy efficiency improvements (performance gap). The strategy is also encouraging the use of SMART controls on boilers and technology to identify early underperforming properties.

The delivery plan (appendix 1) provides examples of how good data is leading to better use of decent homes capital programme funds and early identification of properties likely to be suitable for subsidises such as Social Housing Decarbonisation Fund 1 & 2 and ECO4.

Tenant at the heart of zero carbon

In previous sections of this strategy it has been emphasised that the tenant must be at the heart of delivering zero carbon. Where the council and customers both see the merits of zero carbon communication and access to deliver programmes of investment will be more efficient and tenants will benefit from reduced fuel consumption sooner.

It is critical that leaseholders are also engaged early and become aware of the opportunities and potential cost of retrofit works. It is likely that external wall insulation will be one of the opportunities to ensure apartments achieve a low heat demand. The service is aware that leaseholders may have a property asset but may also be on a limited income.

The delivery plan (appendix 1) is promoting the introduction of a number of policies aimed at providing customers with the communication and support they require to welcome retrofit and other capital and compliance works.

A no regrets approach to zero carbon

Through the greater use of the PAS 2035 approach to surveying homes and designing out problems the council will pursue a no regrets approach. This approach should benefit the service by avoiding issues such as damp and mould by designing these problems out pre investment. The service will need to take a no regrets approach including considering in more detail the large number of homes which are at risk of not achieving 50 kWh/m²/yr by 2050 or 2050. Selective disposal of some homes will pass the liability of some of the most expensive properties to retrofit to the private sector but

generate a capital receipt which will strengthen the business plan. The council's ambition is to grow its housing stock rather than dispose of properties will remain foremost when considering options for investment and disinvestment. Additional investment is the likely outcome for many homes. However, to invest in retrofit and new build zero carbon homes the selective sale of some homes following a clear appraisal process is part of a comprehensive asset management and investment strategy.

Although homes are built to last for many years and the council invests in capital programs to maintain them properties do eventually deteriorate with age. Some properties reach a point where the benefit of investment is outweighed by the benefit of demolition. SWT must now consider zero carbon retrofit alongside compliance and decency. The council has experience of demolish homes due to investment in the homes failing to achieve value for money and would not provide quality homes in terms of health or quality of accommodation. It is noted that the demolition and replacement by new build homes has a carbon impact as the carbon already captured in the existing building is lost and the carbon used to build a new home is incurred.

It is recognised that when disposing of a property the private sector may not invest in retrofit works however legislation and grant funding may be available to the private sector which the social housing sector cannot access.

Conclusion

The Strategy accompanied by its delivery plan will make a significant contribution towards reducing CO₂ from the district housing stock. Housing has a critical role in helping the council respond to the climate change emergency. SWT are setting through this strategy ambitious targets in relation to the retrofitting of its own homes. The three main targets are:

- 2030 SWT homes to be EPC C
- 2040 SWT to strive for a heat demand of 50 kWh/m²/yr.
- 2050 All homes to be Zero Carbon

Through the creation of zero carbon pathways for all of the Council's homes based on archetype studies and individual property assessments SWT has a blueprint to guide its investment over the next 20 years and inform customers of the changes their home are likely to undergo. In achieving targets the council believe it will reduce CO₂ by 9,144t pa and make fuel switch away from fossil fuel affordable to customers.

As data and technology improve so the strategy and delivery plan will need to adapt. To reflect the changing environment the strategy will be reviewed every five years as the council progresses towards zero carbon and the delivery plan will be reviewed annually to feed into the housing revenue accounts annual budget setting cycle.

The five main goals of the strategy and delivery plan are;

1. Tenants at the heart of zero carbon
2. All SWT homes to achieve EPC C by 2030 or have an alternative investment option identified. Our current estimation is c300 homes could miss the target.
3. Aim to reduce CO₂ and fuel consumption on average from 170kWh/m²/yr. to 50kWh/m²/yr. by 2040 through a 'fabric first' approach.
4. Replace fossil fuel in SWT homes with electric based heat and power by 2050 at a pace to ensure affordable energy for tenants and in line with available funds.
5. The investment remains affordable within the constraints of the Housing Revenue Account's annual, medium term and thirty year financial plans.

The estimated cost of delivering this strategy is £135m over twenty-eight years with half the cost in fabric measures (Insulation) and half the cost in fuel switch and renewable heat and power. The estimated costs does not include pre-works, any cost of decanting tenants, early replacement of components and works required as a result of damage or works to facilitate low carbon works. There are a large number of risks associated with delivery this strategy and its targets. If the Council is unable to mitigate these risks the costs and timescales to achieve targets will grow.

The strategy and delivery plan recognise that zero carbon is not affordable to the landlord under its current business plan and therefore it needs to;

- Align Decent Homes Standard improvements with retrofit programmes

- Maximise appropriate grant and subsidy
- Place tenants at the heart of zero carbon
- Ensure good data influences decisions
- Embrace a no regrets approach

SWT has developed this strategy with tenants. In particular, the Council has worked with tenants through the Low Carbon Retrofit Working Group. However, the strategy is also influenced by the Strategic Tenants Group, the Damp and Mould Working Group and the NTWP Works and Low Carbon Working Group. Engagement and communication with tenants is critical if SWT is to achieve zero carbon. Communication prior and during work programmes must be of a high standard and personalised to localities and customers need.

Low Carbon Retrofit Delivery Plan 2022-2028

October 2022

1. Introduction

- 2 Five key delivery principles
 - a) Alignment of decent homes programme and retrofit
 - b) Maximise subsidy and grant
 - c) Ensure good quality data influences decisions
 - d) Tenants at the heart of zero carbon
 - e) A no regrets approach

- 3 Risks and challenges to delivery Zero Carbon Retrofit

- 4 Achieving targets

5. Measuring progress and KPIs

Annex 1 – HRA Business Plan Investment 2022-2029 Low

Annex 2 - HRA Business Plan Investment 2022-2029 High

1. Introduction

The Council's c5,700 homes are estimated to account for nearly one third of SWTs own carbon footprint. Our modelling predicts that an investment of £135m will achieve zero carbon by 2050 through a fabric first approach (insulation) and then switching fuel from fossil fuel to electric heating systems. The Council has identified £9m-£12m investment through the HRA over the next seven years although if it is successful in partnerships which provide grant the investment over the same period of time is c£31-£57m, see section 2b.

The strategy identified five delivery principles which should be progressed to achieve zero carbon.

- Alignment of decent homes programme and retrofit
- Maximise subsidy and grant
- Ensure good quality data influences decisions
- Tenants at the heart of zero carbon
- A no regrets approach

The critical consideration in the delivery of zero carbon retrofit is the additional financial pressures place on the Housing Revenue Account (HRA). The HRA of the Council is ring fenced and its income comes from tenants' rents. The HRA has limited opportunities to increase its income and there are many pressures on expenditure. The HRA business plan has very limited capacity to manage the scale of investment identified in the strategy whilst keeping within good financial parameters.

Most Council rents are set at a 'social rent' which uses a formula that typically sets social rents between 50% and 60% of market rent. SWT for new build homes has recently set rents at 'affordable rent' levels which is around 80% of market rent. These properties generate more income for the HRA which compensates to a greater degree for the additional costs of building zero carbon homes. The Council cannot switch social rented homes to affordable rented homes to increase income.

The environment social landlords operate within, including the Council, continues to change. Recently there have been requirements to adopt higher standards in areas such as compliance and fire safety and there is new legislation requiring higher service standards and greater tenant engagement. In addition to new pressures investment in replacement components in an aging stock through its capital programme is essential to maintain homes to the decent home's standard. The service losses c35 homes per year through the Right to Buy and although the council will be increasing its investment in zero carbon measures some homes will be sold with the sale price unlikely to compensate the council for the additional investment. Most business plan commitments are essential to be a good landlord and comply with statute and therefore there are few aspects of spending which are optional and could be curtailed. New build homes in general support the long term HRA business plan especially if 'affordable rents' are applied and where demolition is not required.

The cost of achieving zero carbon for the c5700 homes is estimated at £135m by 2050 which is an average of £23,700 per property. With little opportunity to create new income the HRA will need to be very efficient in managing its business. The general fund is legally able to provide financial support to the HRA to deliver the council zero carbon ambition or deliver works at a faster pace. However, it is assumed this

opportunity is remote as the general fund has many calls on its income. The recommended solutions to delivering zero carbon retrofit is to apply the five key delivery principles. Embracing these principles will be challenging and require commitment and capacity.

This delivery plan is not set in stone and will be reviewed annually as more is understood about our homes, grants evolve, new technologies develop, and the council grows in confidence at delivering zero carbon retrofit. There are many challenges and risks, and the strategy is extremely ambitious in its targets in particular the lowering of heat demand to c50kWh/m²/yr. Nonetheless the opportunity to move towards zero carbon at a faster pace than many landlords exist for SWT, and the service is seeking to embrace the change required.

2. The Five Key Delivery Principles

a) Alignment of decent homes and retrofit programmes

Through aligning programmes, the service will deliver low carbon measures through existing business plan funding. In addition, this existing funding acts as match funding for grant applications. The specifications of Decent Homes items such as windows, doors, insulation, roofs, boilers and ventilation would be varied to reflect the low carbon pathway requirement of homes. In addition, a “no regrets” approach would be progressed through the use of PAS 2035 standards and pathways reducing the risk of replacing components before their decent home’s life expectancy has ended. This approach allows existing budgets to be maximised in the pursuit of retrofit as well as decency.

The decent homes capital programmes have c£50m investment identified over the next five years in the HRAs Medium Term Financial Plan (MTFP) and the business plan allocates decent homes funding throughout the 30-year business plan. Some spending will be required on essential component replacement of items unrelated to retrofit such as kitchens and bathroom, but the majority of decent homes components can be specified to contribute to the retrofit strategy. Each year the council approve the HRA capital programme budget. The annual budget round will need to approve the budget and any grant match funding available to the service to deliver on its decent homes, retrofit and new build targets. Delegations of authority to ensure grants can be accessed without lengthy governance requirements will be essential to help submit grant applications. Whilst working to deliver retrofit targets the council must also maintain compliance and stock decency (decent homes standard). To align decent homes and retrofit there is a need to:

- Better define the roles of asset management and capital investment team
- Resource the service in particular the asset management team to ensure data is accurate, surveys to check assumptions and to create specifications, support and capacity for contract procurement
- Recalculation of budget for different decent homes components bringing some items forward and placing some items in later years.
- Create a packaged approach to capital works delivery in place of the single item only approach.

In considering the decent homes capital programme and retrofit programme as one programme asset managers can make decisions which provide a dual purpose. There are a number of components such as windows, doors, ventilation, insulation, lighting, roofing as well as heating systems and controls which could be installed with a specification appropriate for decent homes, compliance and retrofit requirements. In addition, there are a few retrofit works that could be efficiently done when a property is void and between tenancies although these opportunities should be limited due to the diseconomies of scale.

Some components have limited overlap with low carbon retrofit such as kitchens and bathrooms and therefore programmes of replacements can continue generally separate to retrofit investment. It should be noted that as the council's retrofit delivery becomes more advanced even bathrooms and kitchens capital programmes may change to allow greater low carbon benefits for example allowing bungalows with concrete floors to benefit from floor insulation when kitchen and bathrooms are being replaced. However, in the short term the service recognises that the majority of decent homes components such as surveys, roofs, windows, doors, insulation, ventilation and heating systems can be specified differently to provide retrofit as well as decent homes.

Ideally many components would be replaced simultaneously to provide the greatest benefit for the customer and ensure components are designed in a way which are complementary. However, one of the challenges of optimising decent homes and retrofit alignment is the life cycle of components. Components which are replaced before their life cycle due date will cost the HRA business plan more and therefore inflate the investment needs. Table 1 sets out some of the consideration now required to align decent homes and retrofit.

Table 1 – Some considerations when aligning decent homes and low carbon retrofit

Decent Homes components and their potential to contribute to low carbon retrofit		
Component	Decent Homes Life Cycle	Potential contribution
Surveys	N/A	Surveys could capture retrofit benefits as well as stock condition and EPC data. The use of the PAS 2035 approach will be required when requesting government grant/subsidy
Kitchens	20 yrs	The timing of the replacement and plumbing can help ensure external wall insulation is not disturbed or spoilt. Where there are bungalows with concrete floors needing floor insulation the insulation abortive costs will be avoided if delivered simultaneously with kitchen and bathroom replacement.
Bathrooms	30 yrs	
Roofs inc. insulation, rainwater goods, scaffold, pointing	50 year+	External Wall insulation will be an essential requirement for many homes achieving retrofit targets. There may be cost savings by aligning wherever possible roof replacement and external wall insulation as well as windows and doors. However the more components included in a programme the greater the likelihood that components will be replaced before their anticipated life cycle end date. Additional loft insulation up to 400mm will be the standard in pitched roofs and flat roofs will need a higher insulation quality than present. Grant regimes which allow many components to be replaced simultaneously will be enthusiastically explored.
Windows	30 yrs	Increasing the U value of windows from standard building regulations of 1.4 to 1.3, 1.2, 1.1 or 1 will improve efficiency of homes. Many SWT homes have U values of 1.8 due to their age creating an opportunity for improvement. However the replacement of windows where external wall insulation will follow overtime will lead to design challenges and aesthetic problems for example wider frames. Grant regimes which allow many components to be replaced simultaneously will be enthusiastically explored.
External Doors	30 yrs	Increasing the U value of Doors to 1.2 or less will improve efficiency of homes. Many SWT homes have U values of 1.8 due to their age creating an opportunity for improvement. However the replacement of Doors where external wall insulation will follow overtime will lead to design challenges and aesthetic problems for example wider door frames. Grant regimes which allow many components to be replaced simultaneously will be enthusiastically explored.
Insulation	N/A	Significant increased investment in external wall insulation, cavity insulation, replacement cavity insulation, floor and loft insulation will be required to achieve heat demand targets. Grant regimes which allow many components to be replaced simultaneously will be enthusiastically explored.
Ventilation	N/A	pre works surveys and component specification will consider ventilation in significant detail to avoid problems such as damp and mould as homes become better insulated. Some properties will require mechanical ventilation and heat recover and this would be disruptive.
Heating	10-15 yrs	SWT have a well established low energy specification for replacement boilers. This has a significant benefit on a properties EPC rating/ SAP rating. Where a property is well insulated and grants are available fuel switch to Air Source Heat Pumps or quantum heater will be considered. However more homes will see their gas heating renewed as part of cyclical programmes over the next few years and then at their next renewal cycle fuel with will be more likely.

The service is also seeking to provide a wraparound package of simple works when delivering window and boiler replacement programmes. This 'Fuel Saving Box' will consist of components and one visit installation service. The visit will check against the 'Fuel Saving Checklist' and install if components are not present. The checklist includes:

- Thermostatic radiator valves (TRVs)
- Boiler SMART controls and potentially remote monitoring
- Loft insulation (400mm)
- Simple draught proof measure

- Low energy light bulbs
- Energy powerdowns
- Mechanical ventilation where passive systems are in place
- The package will also provide the customer with a 100 ways to save energy booklet

A new EPC would be carried out shortly after the visit and the council shall develop a means of customers accessing energy performance data on their home.

b) Maximise subsidy and grants

The Council should be enthusiastic and proactive in pursuing relevant subsidy which is often in the form of government grant or energy company obligation. There are and will continue to be for many years a number of grants each set up to achieve benefits for different tenures (Private Sector, Social Housing) or encourage the delivery of different measures (insulation, fabric first, fuel switch, tackle solid wall properties, renewable heat and power, etc). Subsidies keep changing and grant rules will keep changing and therefore it is critical that the HRA has an explicit pathway to zero carbon for each property archetype and form. The housing service will also need the resources to apply and manage multiple grant programmes. To allow access to grant the service requires sufficient delegated authority to allow grant funding to be progressed as the time window and requirements may not fit current approval timescales and increase the risk of bid failure or delivery failure.

However, grants should not be pursued without a clear purpose in mind which means the Council asset management service using software such as open assets and reference to archetype pathways to zero carbon must be able to match opportunities with properties. Currently we see many grants aimed at a fabric, worst first approach and this reflects the current local and nationwide need to reduce the heat demand of homes. It may also be the case that grants come with conditions and contracts. Sometimes the benefits of the grant funding will be significantly offset by the contract conditions especially where the grant does not align to the council's strategic priorities and stock requirements.

Currently the main subsidies for social housing are:

- Social Housing Decarbonisation Fund Wave 1 & 2 . This grant is aimed at worst first homes moving them to EPC C and a heat demand of 90kWh/m²/yr. Wave 2 is significantly less beneficial than Wave 1 as cost caps have been lowered and match funding requirements increased. Wave 1 provided 2/3 grant contribution and a property cap of £10k-£16k. Wave 2 provides a 50% contribution and cost cap of £5k-£10k. With both waves an additional revenue grant of 15% of the grant share can be claimed for both waves. Obviously, the capital grant is a smaller proportion in Wave 2 and therefore more dwellings are required in the bid if the revenue element is to be significant. The service has struggled to deliver Wave 1 outcomes and it is critical that both resources and procedures need to be considered in order to be successful.

ECO4 – Energy company obligation ECO4 is replacing ECO3. This is a 100% grant and can be used to move properties two EPC bands. This will often require some form of wall insulation plus other fabric and potentially renewable heat measures. The funding is likely to be ideal for solid wall, non traditional and block

properties as well as properties which require cavity wall insulation. The service is finalising a £25m neighbourhood ECO4 scheme with E-ON and their contractors. If successful, this may benefit council stock in excess of c£6m and private rented accommodation by c£19m. The service has identified the first scheme area which contains significant local authority homes and the contractor is ready to carry out surveys on a second potential scheme area if the contract is completed. The Neighbourhood scheme with E-ON is important to the service as it requires limited capacity from the council who will mainly agree measures and quality checks. The funding is comprehensive and the works will take properties closer to zero carbon than SHDF which has a more limited ambitions.

To illustrate the importance of grant tables 2 summaries the number of units and value of the programme with or without grant based on three delivery plan scenarios. The HRA business plan without grant could invest c£9m and benefit 937 homes over seven years. Within seven year £12m HRA funding could deliver a £31m programme and benefit 2001 homes. Should grant cease after 2026 the HRA would need to invest proportionally more to continue along the pathway to zero carbon. In the third scenario £19m of grant would be supported by £37m of HRA investment and benefit 2701 homes.

Table 2 – HRA investment strategy with grant 2022-2029 (Low)

Comparison of programme with and without grant 2022-2029			
	No Units	Programme Value	% funded by grant
Without Grant (HRA funding only)	937	£9,000,000	0.00%
With Grant and £12m HRA contribution	2001	£31,000,000	60.35%
With Grant and £37m HRA Contribution	2701	£57,100,000	33.68%

Tables 3 and 4 provide two scenarios (high grant low HRA funding scenarios) of the potential investment levels 2022-2029 with grant. The illustrations only include grant funding for the first four years as grants post 2025 are unknown although it is highly likely they will be available.

In table 3 (High grant but low HRA investment scenario) we see how c£31m of decent homes, capital programme, energy company obligation and social housing decarbonisation fund Wave 1 & 2 could deliver retrofit improvement to 2001 units 2022-2029 of which 701 units would have received significant whole house retrofit works in one visit. The service has identified c£18.74m of grant funding for the delivery of works up to 2025. Grant programmes by their design tend not to be know many years in advance and therefore more grants are likely in years 2025-2029. The annual capital programme budget approval, MTFP and 30 year business plan are the mechanisms to be used to ensure funding requests are affordable to the HRA.

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Table 3 – HRA investment strategy with grant 2022-2029 (High grant and low HRA investment scenario)

Low Carbon Retrofit Investment scenario 2022-2029 (High grant, low HRA investment)						
		UNITS	SUB TOTAL	GRANT	SWT Cost Total	% of grant
2022	2023	223	£2,269,250	£825,000	£1,444,250	36.4%
2023	2024	517	£8,770,750	£6,520,000	£2,250,750	74.3%
2024	2025	554	£8,799,000	£6,490,000	£2,309,000	73.8%
2025	2026	389	£7,353,000	£4,905,000	£2,448,000	66.7%
2026	2027	109	£1,698,000	£0	£1,698,000	0.0%
2027	2028	109	£1,560,750	£0	£1,560,750	0.0%
2028	2029	100	£600,000	£0	£600,000	0.0%
TOTAL		2001	£31,050,750	£18,740,000	£12,310,750	60.35%
AVE OVER 7 YEARS			£4,435,821	£2,677,143	£1,758,679	

In table 4 (high grant and high HRA investment scenario) we see how c£57m of decent homes, capital programme, energy company obligation and social housing decarbonisation fund Waves 1 & 2 could deliver retrofit improvement to 2701 homes before 2029. The number of homes receiving significant whole house retrofit works in one visit would also be 701 units although 500 more homes would receive at least one new measure. The grant funding would be slightly higher at £19.2m. The table tries to emphasis the importance of grant in delivering the scale of investment required to achieve zero carbon. Although the HRA could continue to align decent homes funding and retrofit it is unable to sustain the pace of change without maximising grant. As in table 3 grant has not been assumed from 2026-2029 although it is likely grant funding will be available for SWT to submit bids.

Table 4 – HRA Investment Strategy with grant 2022-2029 Summary (High grant and high HRA investment scenario)

Low Carbon Retrofit Investment scenario 2022-2029 (High Grant/High HRA investment)						
		UNITS	SUB TOTAL	GRANT	SWT Cost	% of
2022	2023	223	£2,269,250	£825,000	£1,444,250	36.4%
2023	2024	517	£8,770,750	£6,520,000	£2,250,750	74.3%
2024	2025	554	£8,799,000	£6,490,000	£2,309,000	73.8%
2025	2026	489	£11,078,000	£5,405,000	£5,673,000	48.8%
2026	2027	309	£9,148,000	£0	£9,148,000	0.0%
2027	2028	309	£9,010,750	£0	£9,010,750	0.0%
2028	2029	300	£8,050,000	£0	£8,050,000	0.0%
TOTAL		2701	£57,125,750	£19,240,000	£37,885,750	33.68%
AVE OVER 7 YEARS			£8,160,821	£2,748,571	£5,412,250	

c). Ensure good quality data influences decisions

The strategy has outlined the required approach to data collection and analysis. As the Council's Open Assets data base becomes more established and more property data is collected and verified the council will be able to be more sophisticated in aligning its investment and disinvestment. Additional resources are being prioritised over the next few years to ensure our data is robust, validated, and ready to support grant applications and capital programmes. Although the use of the PAS2035 quality assurance process will introduce additional survey and design costs this approach reduces the likelihood of expensive problems such as damp and mould and failure to achieve the expected energy efficiency improvements (performance gap). The strategy is also encouraging the use of SMART controls on boilers and technology to identify underperforming properties early and remotely.

The council's open assets database is populated with our stock condition data which supports the decent homes programme. The retrofit programme and decent homes programme are now coming together as the single capital programme with the aim of timely investment to ensure all SWT homes are achieving the decent homes standard and also achieving the low carbon and zero carbon standards.

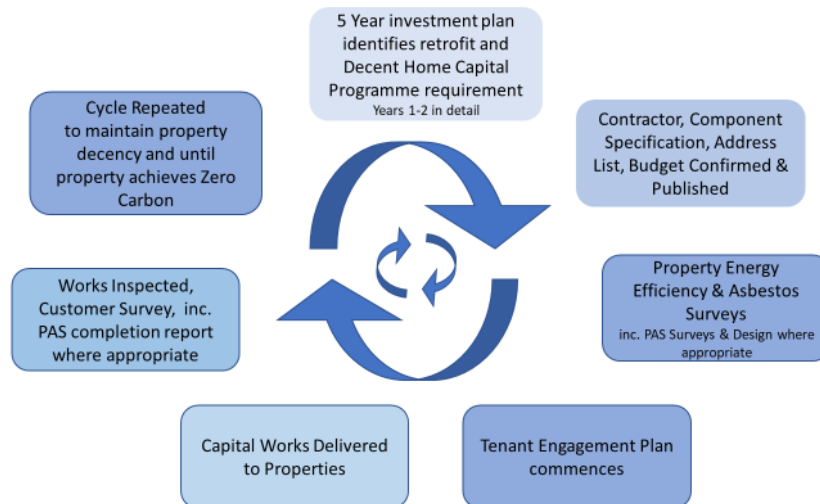
The service has identified a significant budget in its capital programme to carry out appropriate surveys to ensure capital investment can be delivered efficiently and to the appropriate standard.

d) Tenants at the heart of zero carbon

In previous sections of this strategy, it has been emphasised that the tenant must be at the heart of delivering zero carbon. Where the council and customers both see the merits of zero carbon communication and access for deliver teams will be more efficient and tenants will benefit from reduced fuel consumption sooner.

The strategy has emphasised the need to have high levels of customer support and awareness to ensure works can be delivered in homes efficiently. This will require improvements to the current practices including surveying, stock analysis, procurement, communication, engagement, quality of delivery, tenant support including to the most vulnerable, leaseholder engagement and monitoring post works. Diagram 1 presents a picture of perpetual engagement, learning, data refinement, surveying, programme delivery and quality checks. This continuous cycle and joined up approach provide significant efficiency when delivering the landlords ongoing investment.

Diagram 1; Customers are the key to successfully achieving Zero carbon



It is critical that leaseholders are also engaged early and become aware of the opportunities and potential cost of retrofit works. It is likely that external wall insulation will be one of the opportunities to ensure apartments achieve a low heat demand. The service is aware that leaseholders may have a property asset but may also be on a limited income.

SWT will continue to work with Tenants to agree improvement in communication and the delivery process. As a result of tenants suggestions, the following actions will be progressed:

- Personalise tenant engagement when planning, delivering and evaluating works.
- The production and use of a number of policy statements when procuring contractors or during capital works carried out by SWT or their contractors. These will include; expected standards of tenant engagement to inform a contractor’s tenant engagement plan. a statement on the expected standard of additional support for vulnerable customer during work programmes, a standard approach to collecting customer satisfaction data, a social value statement/requirement. These policies will reflect the need to target the tenant and not the property.
- Work programmes to be designed further in advance to allow the timely promotion of works, ensure a good lead in time for consultation in advance of work, reduce access problems and help align more work programmes and surveys to reduce the number of visits to tenant’s homes
- Build in funding and time to capital programmes to support vulnerable tenants with preparatory works ahead of installation e.g. cleaning lofts and moving furniture.
- The launch of a show house in early spring 2023 to promote low carbon components to tenants, staff, Members and contractors. The show house will include displays and virtual tours of other SWT zero carbon new build and retrofit projects as well as showing materials and technology commonly used in retrofit.
- Identify additional capacity to ensure SWT can prepare and deliver programmes of work in a timely way.

- Set up a leaseholder forum to ensure leaseholders understand the implications of zero carbon for them and the financial contributions they may have to make.
- The development of standardised written information to be used at specific stages of consultation. Ensuring the council is able to explain why things are needed, and who will be doing them and when they will take place.
- A mechanism to ensure the landlord and its contractors can have better customer insight when engaging customers during works by making best use of the data available through our open system.
- Training and support for SWT colleagues to ensure joined up messages during customer contact
- Ensure contract specifications are clear and the council works with contractors to ensure technical information is clear, correct, and easy to understand.
- Include tenant representatives in the selection of smart controls and devices prior to contract award.
- Continue with the Tenants Low Carbon Working Group in order to support tenant retrofit champions and guide officers as we deliver works, agree work programmes, appoint contractors, and engage with other customers.

e). A no regrets approach to zero carbon

A no regrets approach is one where the investment of the council does not lead to unexpected and negative consequences such as damp and mould, unsustainable household fuel costs or the early replacement of retrofit measures due to specifications not being joined up with compliance or decent homes or insufficient foresighted enough.

Landlords conduct EPC surveys as part of the lettings process to ensure incoming tenants are able to be informed of the energy efficiency of their home. EPCs are based on SAP and have traditionally be used as the key measure to understand the stocks energy efficiency. SWT will continue to collect EPC data as this is important to bid for grant and remains a requirement when letting homes. However, the council will turn increasingly towards measuring success by measuring a homes heat demand.

Government and landlords have been concerned about the problems which have arisen as bi-products of inappropriate Decent Homes surveys, works, work specifications, design or components. Issues such as damp and mould or cold bridging are examples of these failings. The service will identify a means of evidencing right first time and no regrets.

To support a 'no regrets' approach SWT will use the PAS2035 assessment and design approach in all projects involving grant and extend this where it is felt the works are sufficiently complex to merit the investment. The service will without many exceptions require contractors to have the TrustMark accreditations which sets standards for works delivery, warranties and quality.

Through the use of the PAS 2035 approach when surveying homes and greater consideration in designing the works the service will reduce problems and pursue a no regrets approach. This approach should benefit tenants and the service by avoiding issues such as damp and mould pre investment.

A no regrets approach will also have to consider getting financial investment 'Right First Time'. This will mean greater analysis to join up compliance, decent homes and retrofit programmes and option appraisals to consider disposal of properties which will not provide value for money through investment. Although homes are built to last for many years and the council invests in capital programs to maintain them properties do eventually deteriorate with age. Some properties reach a point where the benefit of investment is outweighed by the benefit of demolition. SWT must now consider zero carbon retrofit alongside compliance and decency. The council has experience of needing to demolish homes as retaining homes would not provide quality homes in terms of health or quality of accommodation. It is noted that the demolition and replacement by new build homes has a carbon impact as the carbon already captured in the existing building is lost and the carbon used to build a new home is incurred. Selective disposal of some homes will pass the liability of some of the most expensive properties to the private sector but generate a capital receipt which will strengthen the business plan and in so doing protect investment in new of existing homes. The council's ambition is to grow its housing stock rather than dispose of properties will remain foremost when considering options for investment and disinvestment. Additional investment is the likely outcome for many homes although the extra funding would need to be identified. It is recognised that when disposing of a property the private sector may not invest in retrofit works however legislation and grant funding may be available to the private sector which the social housing sector cannot access.

3. Risks and the challenges of delivering zero carbon retrofit

The strategy and delivery plan recognises that delivering zero carbon retrofit is very complex. National experience has shown good examples of retrofit but also many challenges. A significant number of risks have been identified and appendix 3 of the Strategy contains a comprehensive list of risks and mitigations. In addition, low carbon retrofit is one of the risks within the directorates risk register. Risks tend to fall into the following main themes:

- Zero carbon retrofit could be unaffordable to the HRA business plan
- Failure to collect appropriate data
- Inability to achieve low heat demand for the majority of homes leading to challenges in relation to fuel poverty when switching fuel
- Failure to engage tenants and leaseholders affectively
- Inability to procure contractors
- Failure of the national grid to be decarbonised
- Lack of appropriate grant opportunities

4. Achieving 2040 Targets

Although the investment pre 2030 is moderate the greater challenge is to bring homes up to the 2050 zero carbon standard.

The average cost of bringing SWT homes up to EPC C is £3.2k which is a moderate business plan investment. According to our data SWT has c1300 homes which are in EPC band D (SAP 55-69) but within 0.5 - 6 SAP points of EPC C (SAP 69.5 - 80). Properties receiving a combination of small measures could benefit from 0.5 - 6 SAP

points. The service aim to use the following two approaches to move many properties to EPC C:

- A large window replacement programme replacing double glazed windows due for replacement pre 2030 with higher quality double glazed windows which have an improved thermal efficiency standard minimum 1.2U value. Some doors will also be replaced to a higher thermal standard and a wraparound package of small measures called the 'Fuel Saving Box' will be installed where possible.
- A structured boiler replacement programme replacing heating systems with more efficient heating system. The service will also investigate new SMART controls to help customers manage their fuel usage and some technology to help the service remote monitor the house to identify properties not conforming to the expected efficiency. The boiler replacement programme will also receive a wraparound package of small measures called the 'Fuel Saving Box'.

On average homes will cost c£24k to bring to the zero carbon standard. This costs does not include any disruption costs or complementary work such as decanting, refixing of components disturbed during work, early replacement of components before their anticipated failure date or inflation. The council do have some outliers which will cost substantially more such as Woolaways, Cornish and some of the other non-traditional properties as well as pre 1930 stock and solid wall properties. These properties will be the hardest and most expensive to fund and accessing schemes such as ECO4 becomes very important to ensuring affordability to the HRA.

SWT will strive to achieve 50 kWh/m²/yr for all SWT homes by 2040. This will require c£66m of investment in Fabric measures. Around c5000 homes will receive c22,000 fabric measures which are assumed to include:

- £31m Improved wall insulation such as External Wall insulation
- £31m Glazing
- £1.6m Roof insulation
- £1.7m Ventilation including mechanical ventilation
- £100k low energy lighting

The stock will see an increase in the use of external wall insulation. The service will need to invest in software and staff capacity to help analyse retrofit and decent homes data to identify and cost programmes delivering multiple fabric first measures and a whole house approach. Between 2028 and 2040 the alignment of decent homes and retrofit will remain in significant focus as multiple measures delivered simultaneously will reduce costs and reduce tenant disruption. It is likely that to achieve the ambitious heat demand targets some additional measures will be introduced during void works such as floor insulation in particular for bungalows. The decanting of tenants will significantly increase the complexity of the works programme and incur significant costs and complications and therefore most measures identified will be carried out whilst tenants remain in their homes.

5. Measuring progress and KPIs

The service has a Programme Board and a Performance Board. The annual capital programme is reported to the programme Board and this structure will continue to monitor the progress of elements of the capital programme which have a low carbon benefit including boiler replacement, window, door, roof and insulation. In addition, any grant funded programme will be reported through the Programme Board.

The Performance Board will receive updates from the asset management team on progress against KPI target. Proposed KPI targets include:

- Average stock SAP and EPC score (initially from parity software but eventually from SWTs own records, annual or biannual KPI)
- Number of units with an EPC score 69 or less (EPC D, E, F, G) (initially from parity software but eventually from SWTs own records, annual or biannual report)
- Number of units moving from EPC D, E, F, G to C, B or A within quarter/year (initially from parity software but eventually from SWTs own records, annual or biannual report)
- Grant awarded and % of grant claimed
- Average stock Heat Demand (this will be an annual report and will be based on archetype studies and post works surveys)
- Number of units with a heat demand 91 or higher, 90-71, 70-50, 50 or less (this will be an annual report and will be based on archetype studies and post works surveys)
- Number of properties with electric heat and power (no fossil fuel)
- Number of homes with PV
- Number of homes with Air/Ground Source Heat Pumps
- Number of homes predicted to fall out of decency for each of the next 5 years under agreed MTFP

Low Carbon Retrofit Strategy and Delivery Plan Risk Assessment

Appendix 3

Risks & Mitigations						
	Risk	Description	Impact	Probability	Risk Score	Mitigation
1	Unaffordable costs placed on HRA business plan.	Failure to align decent homes spending with retrofit budget requirements.	4	2	8	Asset management service tasked with aligning component replacement, additional resources (analysts) being introduced to the team, joined up working of capital delivery team and asset management team, MTFP to reflect investment alignment
2	Unaffordable costs placed on HRA business plan.	Aligning decent homes spending with retrofit budget requirements leads to early component replacement and repeated investment. In efficient use of budgets.	3	4	12	Asset management service tasked with aligning component replacement as best as possible to minimise early replacement, asset management working with capital delivery, void and compliance teams to agree component specification, additional resources (analyst) being introduced to the team, stock condition data will be tracked to understand early component replacement, grant bids will build in component lifetime value loss where possible.
3	Unaffordable costs placed on HRA business plan.	Inability of HRA income (rents) to keep pace with services costs and budget requirements.	4	3	12	The Council sets rent annually, and the housing service will present a case to Member which highlights the financial pressures within the service including market conditions, statutory requirements and inflationary pressures. The retrofit programme will be designed to allow works to come forward or be held back depending on available funding. Reprofiting delivery dates will impact on the expected date to achieve targets.

4	Unaffordable costs placed on HRA business plan.	Resourcing asset management and delivery teams. To deliver retrofit some new skills and capacity is required. The main areas are asset management, capital programme delivery and tenant liaison but communication/press and grant administration is also critical.	4	3	12	Current resources are being flexed to provide some additional capacity in the asset management team and capital budgets for surveys established in the MTFP. As grants are pursued consideration will be given to the revenue funding available. Capitalisation of salaries will be considered where staff are transforming the service or improving an asset. Social Housing Decarbonisation Fund provides a 15% revenue contribution. As more grant funds are introduced the service will need to increase resources unless the works displace other decent homes or compliance works. The Council has also agreed an MoU with E-ON introducing significant energy company obligation funding and third party capacity to deliver a large element of the 2022-2025 programme. This partnership will allow learning from a third party and limit the growth of directly employed staff.
5	Unaffordable costs placed on HRA business plan.	Addition maintenance costs as a result of introducing low carbon technology	3	4	12	Component specifications will be agreed between Asset management, capital programme delivery, voids team, compliance team and repairs. Replacement costs will be noted and considered in the 30 year business plan and MTFP.
8	Unaffordable costs placed on HRA business plan.	Failure to attract grant to subsidise works.	3	3	9	The service will constantly need to understand the grant opportunities and create capacity to apply for grant. SWT has been successful in attracting grant as a WECA consortium member and individually via a partnership with E-ON. Resources will be required to administer grant requirements and delegated authority will need to reflect the timescales often demanded by grant providers. The 2022-2026 retrofit programme is forecast to benefit from £12-£28m grant or subsidy. There is no subsidy identified to support the period 2026-2029 as grants are usually launched for shortly before the delivery period.
7	Unaffordable costs placed on HRA business plan.	Increase costs of works due to additional preparation works such as decanting customers, structural works, joinery, plumbing and utility connections/disconnections.	4	3	12	The delivery plan has selected a limited range of components to avoid additional disruption to customers or the property wherever possible. Some components such as internal insulation and floor insulation may require the decanting of customers, changing to carpentry, doorways and the reconfiguration of stairs at significant expense. External insulation has been preferred to internal insulation wherever possible.

8	Unaffordable costs placed on HRA business plan.	Stock Reduction. Some properties will be coming to the end of their life expectancy and/or have significant costs. Options appraisals will be required to understand if investment, demolition or disposal is the best financial option for the Council. The sale or demolition of property places additional cost pressure on the residual stock units/rental income.	2	4	8	The service will use option appraisals on properties anticipated to cost significantly more than the average to meet structural, decent homes and zero carbon requirements.
9	Failure to collect appropriate data.	Failure to collect appropriate data.	4	2	8	The service has invested in open Assets and parity software data bases. The service is seeking to employ additional asset management analysts to ensure better data inputting and accuracy. The service will work hard to ensure improvements to homes are recorded swiftly following capital works. The MTFP has included significant budgets for survey works.
10	Failure to collect appropriate data.	Failure to survey and design solutions appropriately.	4	2	8	The service is introducing PAS 2035 assessments wherever grant funding is being used. The PAS approach includes quality assurance in design and implementation. Surveys will be pre and post works and allow the service to measure changes in property performance in EPC, SAP and Heat demand.
11	Failure to engage tenants	Failure to bring customers on the journey to zero carbon.	5	3	15	The service is developing communication and engagement strategies to raise awareness of the benefits of low carbon retrofit. The service has secured funding to develop a show house Spring 2023 and video clips of low carbon works are being collected. The service will learn from the approach being taken by E-ON as they deliver neighbourhood based ECO4 projects.

12	Failure to engage tenants	Failure to access customers' homes. The council has 1891 homes failing the 2030 target and the majority of these homes require very marginal works to achieve target.	5	3	15	The service is developing communication and engagement strategies to raise awareness of the benefits of low carbon retrofit. The service has secured funding to develop a show house Spring 2023 and video clips of low carbon works are being collected. The service will learn from the approach being taken by E-ON as they deliver neighbourhood based ECO4 projects. New procedures are being introduced to ensure more timely communication and work standards.
13	Failure to engage tenants	Failure to support tenants in a timely way when delivering works.	5	3	15	The service is reviewing and refining its tenant engagement and communication processes to ensure customers have the right communication and support when surveys and works are to take place in their home. The service is introducing policy statements during the contract stage to ensure contractors bidding to work for the council will understand expectations and deliver in a more consistent way.
14	Failure to engage with leasehold and private owners	The council has xx leaseholder who homes are spread throughout the 440 blocks owned by SWT. The leaseholder and council (as freeholder) both have rights however the council will need to agree access and financial contribution towards investment with the leaseholder. Considering the scale of investment to achieve zero carbon this process could be challenging. Some components such as external wall insulation needs to wrap the whole of a block when being applied.	4	4	16	The council will commence its investment on houses and bungalows to allow additional time to prepare block investment strategies and commence consultation with tenants and leaseholders in blocks, the council will investigate the creation of sinking funds allowing more leaseholders to build up funds to support capital investment contributions. The council will consider grants which could benefit leaseholders as well as tenants. The ECO4 partnership is an example of where this may be possible.

15	Blocks	The council has 440 buildings which it classifies as blocks ranging from 4 units to xx units. Block will have extra complications such as flat roofs, common areas, extra access challenge and some properties will be leasehold and permissions and costs have to be agreed with owners.	4	3	12	The service will prepare block investment strategies. It will refine its architype studies to provide greater clarity in relation to the 440 blocks owner by the council. The capital investment plan will create a block investment investment strategy which will feed into the MTFP and annual HRA budget request to Council. The service will work towards developing a leaseholder working group. The service will seek to join up compliance, cyclical maintenance, decent homes and retrofit requirements through a single block investment plan. Grants such as ECO4 will be used to explore efficient delivery approaches.
16	Procurement & capital programme delivery	Failure to procure in line with grant pressures.	4	4	16	The service is developing standard specifications for components and plan capital programmes over five years. These actions should overtime allow the service to procure contractors who are able to deliver works over several years and reduce the frequency of procurement. Over time the service should be able to use the strategy and delivery plan to forecast the range of contractors required to support the delivery plan.
17	Failure to procure & deliver programme	Failure to attract contractors. The environment is very challenging and there are risk that contractors will not commit to tendering or tender with excessive costs.	4	4	16	The strategy and delivery plan allows the council service to provide more certainty to contractors in terms of the type, volume and timing of contracts which the council will be seeking. The transparency of our programme should allow more engagement with the market to encourage companies to bid for contracts.
18	Procurement & capital programme delivery	Shortage of skills and materials . The market has seen the costs of some components and labour increase due to their scarcity. As a result, prices have increased, more of the risk has been placed on the client and some contracts have no or limited bidders.	4	4	16	The strategy and delivery plan allows the council service to provide more certainty to contractors in terms of the type, volume and timing of contracts which the council will be seeking. The transparency of our programme should allow more engagement with the market to encourage companies to bid for contracts.

19	External Risks	The national Grid does not decarbonise by 2050. This would mean the council would not achieve zero carbon or it would need to offset some of its carbon. The strategies aim is to replace all fossil fuel (Gas/solid Fuel/Oil) by 2050 with electric based heating systems. If electricity continues to use fossil fuel in its production the council will not achieve its goal.	5	2	10	This is an external factor and cannot be controlled by the council. The strategy is introducing a fabric first approach and an ideal heat demand of 50kWh/m2/yr. The reduced heat demand will significantly reduce fossil fuel use even if the grid is not fully decarbonised. The use of ASHP and energy efficient quantum heaters will further reduce the amount of energy.
20	External Risks	Introduction of a new SAP calculation methodology. The government is proposing to introduce a new methodology for calculating SAP. This may impact on EPC and other methods of comparing a properties energy efficiency.	4	2	8	The strategy proposes to move away from EPC and SAP as the main forms of energy assessment to Heat Demand. This will allow the council to assess more accurately progress towards zero carbon. EPCs based on SAP calculation may still be important in relation to grant applications however as the details are unknown of the methodology other impacts are hard to assess.
21	Failure to achieve Targets	Failure to achieve EPC C by 2030	5	2	10	The delivery plan outlines over 2600 homes will receive low carbon capital works. This figure includes 1300 homes which are within 6 SAP points of EPC C. These homes should achieve target through window or boiler replacement combined with a package called the Fuel cost care box. The service is about to agree an MoU with E-ON to delivery multiple measures to the worst performing homes. It is envisaged a limited number of homes will struggle to achieve target.

22	Failure to achieve Targets	Failure to achieve a heat demand for homes of 50kWh/m2/yr. by 2040. This is a very real risk as the target is very ambitious. The service has projected the target using archetype studies which clone surveys to predict opportunity. The council ambition is to achieve 50kWh/m2/yr. should permit affordable warmth to tenants regardless of the electric heating system introduced. Homes which do not achieve this ambitious target will require additional fabric or power saving investment.	3	5	15	The strategy is ambitious in its goal of 50kWh/m2/yr. by 2040. Failure to achieve this target will lead to either higher fuel cost than desired when a property switches from fossil fuel to electric fuel and/or it will mean the council may wish to carry additional fabric measures or provide PV to compensate the tenant for some of the higher costs of fuel. The failure to achieve the target impacts primarily on the customer and their fuel costs.
23	Failure to achieve Targets	Failure to achieve zero carbon by 2050. The council has c 4000 homes which use fossil fuel for heat.	4	2	8	The council is able to switch fuel from fossil fuel to electricity through the replacement of gas, solid and oil boilers with ASHP, quantum heaters or other individual or community electric heating systems. The service is able to use its boiler replacement programme to switch fuel sources. Should grant become available for fuel switching then this will offset the additional cost of some electric heating systems such as ASHP.

Motion regarding the Cost of Living

To consider a Motion proposed by Councillor Chris Booth, seconded by Councillor Federica Smith-Roberts

Somerset West and Taunton and its residents are suffering due to a cost of living crisis:

- On 1 April 2022, Ofgem increased the energy price cap by 54% with more to come in October. In the light of the increased energy price cap, the average standard tariff energy bill will increase by £693 per year. The average pre-pay meter energy bill will increase by £708 per year (Ofgem, 2022).
- The escalating cost of fuel is putting huge strain on local people simply trying to go about their everyday lives. As of 16th June, petrol is at an average of 187.01p per litre, while diesel is 193.30p per litre. It is expected they will be more than £2 per litre by the end of the summer and already are in some petrol stations. Filling up a typical family car's 55-litre fuel tank with petrol now costs £102.86 on average, while it costs £106.32 to do so with diesel. This has a particularly acute affect on those in rural areas paying £114 in transport costs a week in the year to March 2020, almost £40 more than those in urban areas.
- On 18 May 2022, inflation was confirmed at 9%.
- The Government has suspended the pensions "triple lock" for 2022/3, meaning that Somerset West and Taunton's pensioners will see a below inflation increase – for some this is their only income. Further, they have removed the relied on £20 Universal Credit uplift.
- More than a quarter of the UK's electricity is from renewables resources which have been largely unaffected by rising energy prices yet our power bills are led by natural gas prices.
- Council also notes figures provided by the Trussell Trust recording show that 6,815 food parcels were distributed to Somerset West and Taunton residents between April 2021 and April 2022 – with 3,068 being distributed to children.

Council believes:

Under this government, people are seeing tax hikes, energy bills soaring and fuel and food prices rising drastically.

The Government has failed to tackle the cost of living crisis sufficiently. Therefore, this council declares a "Cost of Living Emergency"

Council resolves:

- To declare a "Cost of Living Emergency"

- Council instructs the leader of this council to write to the Secretary of State for Work and Pensions to express the Council's demands for VAT to be cut to 17.5% for 12 months, for the re-introduction of the pension triple-lock and for the £20 Universal Credit supplement to be restored.
- Council instructs the leader of this council to write to the Secretary of State for Business, Energy and Industrial Strategy to express Council's view that the Government commit to further fuel duty reductions in rural areas (Somerset is currently not eligible). The leader is to also urge the Government to move faster on cross-party desires to uncouple power prices from gas prices in an effort to cut household bills with prices to increase further in October.
- Endorse a local Cost of Living Emergency Summit to be led by the leader of this council, with stakeholders including Citizens Advice, Food Banks, Local Trades Unions, Somerset Community Foundation, Spark Somerset, MIND, Chambers of Commerce and invite both local MPs to attend this hybrid meeting
- Somerset West and Taunton Council will continue working on a £50,000 support fund for residents suffering from energy and food price increases in conjunction with Citizens Advice to be ready by the end of the summer. This will be funded from an underspend in the previous financial year.

Council – 6th September 2022

Executive Portfolio Holder for Community Report - Cllr Chris Booth

Somerset West Lottery

Latest round launched on 5th September with a closing date for applications on 7th October. The fund will have three firsts this year: this will be the first year that it will be accessed via the SWTC-Firmstep system whereby applicants will apply via an online form; there is a new process and guidance for applications, and it is also the first time it will be managed in-house, giving us control of who we fund, enabling us to properly promote it and with no external fees to pay.

Community Funds

The SWTC Partnership grants process will open for 2023/24 (on 1st September). This involves assessment of previous six months performance, governance and finance-checking, and assessment of 2023/24 partnership grant applications. This will also be the first time in six years that the Partnership grants are managed entirely in-house so again no external fees to pay.

Cost of Living Event - Cost Of Living Crisis event at the Creative innovation Centre in Taunton on 14th September

Date
Wednesday 14th
September

Location
Creative Innovation
Centre, Memorial Hall,
Paul St, Taunton TA1 3PF

Time
10am - 2pm

**Are you worried
About the Cost of
Living Crisis?**
Join us to find out what support is
available

Organisations Attending:

Citizen Advice,	Mr Fixy and the Repair Café,
Christians Against Poverty,	Somerset Independence Plus,
DWP,	Libraries,
Credit Union, SPARK,	The Centre for Sustainable
Navigate,	Energy
Somerset Waste,	and more.

Local Counselling

Christine Gale has also been working with Minehead Eye and Wellington Counselling to bring together interested parties to progress the creation of “Minehead

Community Counselling”. Rhonda Lovell of Wellington Counselling is collating evidence of

need and has established various locations for consultations throughout West Somerset. The service in West Somerset would broadly align to the Wellington model and Spark Somerset have agreed to work with Rhonda to secure funding for the project.

Local Pantries

We now have two strong Local Pantries operating in Somerset West and Taunton area. Rowbarton, which opened in March 2021, and in Minehead, which opened in May this year. Between them they support 68 households who benefit from the weekly fee of £3.50 for foods worth between £15 - £25. As the food is surplus food bought or collected from a variety of sources no one knows what will be available each week nor its value, but fresh fruit and vegetables feature highly, especially at this bountiful time of year. As well as supporting households the Local Pantries are diverting food from going to waste and between them they have distributed the equivalent of 27,000 meals and saved over 4.5 Tonnes of CO2.

The Local Pantry in Wellington, to be known as the Best Before Food Store (BBFS), will open on Tuesday 20 September. Paula Appleby, who is setting it up has invested her time in putting down good foundations and working with wraparound support partners, so it will launch with additional features.

On the horizon are two exciting developments, a potential partnership for East Taunton (not yet suitable for the report as it is very early days and may not come off) – and the shortlisting of Rowbarton Local Pantry in the BBC Radio Somerset Make a Difference Awards. They have been nominated in the environment category and will find out how they have done at the awards ceremony at the County Cricket Ground in September.

Community Employment Hubs

The Employment Hubs are a free employment support service covering Taunton, West Somerset and Wellington.

They can help residents with:

- Guidance on opportunities for learning, training and work
- Confidence building to return to work
- Help with job applications, covering letters, CVs and interview skills
- Funding to access employment and learning opportunities (e.g. transport, PPE and books)
- Referral for further support including IT, Citizens Advice, apprenticeship advice, Citizens Advice and positive mental health
- Links to volunteer work
- Identify any other barriers that stop you from progressing
- Regular one to one support for as long as you need it

The next set of hubs are at:

- Minehead Eye Youth Hub, TA4 5BJ. 1:30pm to 2:30pm (every Thursday weekly)

- Priorswood Community Centre, Taunton, TA2 7JW 10am to 12pm (4th Tuesday of the month)
- Halcon Link Centre, Taunton, TA1 2DD 12:30pm to 2:30pm (4th Thursday of the month)
- @ The hub, Alcombe Minehead (next to fire station) TA24 6DJ 10am to 12pm (2nd and 4th Tuesday of the month)
- Stogursey Hub at the Stogursey Youth Hub TA5 1PR, (next to the Victory Hall) on a Tuesday once a month, please use employment support email below to book an appointment
- Taunton United Reform Church, TA1 3PF 10am to 12pm (1st Tuesday of the month)
- Wellington Baptist Church, TA21 8NS 10am to 12pm (1st Wednesday of the month)
- Williton, Parish Council, TA4 4PY 10am to 12pm (3rd Tuesday of the month)

Somerset Recovery Fund: Opportunity Boost Scheme project

To qualify you must be a resident in Somerset and over 16. Not be entitled to any other financial assistance for job seeking activities via your local Job Centre, and if you are working you should have a pre-covid salary of less than £25,000. This is currently being administered by West Somerset Citizens Advice to benefit West Somerset residents.

Outside Bodies

West Somerset Opportunity Area

The WSOA Board is now finishing up having been extended anyway because of Covid and the inability to use the money during over the lockdowns and discuss legacy work to ensure the progress made in West Somerset since 2017 does not go to waste such as now reaching the national average in early learning goals. With a lot of this now in place, legacy work is also helped by Somerset's inclusion in 12 of the Government's Education Investment Areas will have a key focus on improving standards in English and Maths at Key Stage 2 and 4.

A&S Police and Crime Panel

Improved crime recording processes, within Avon and Somerset Police, have driven the increases in recorded crime for domestic abuse and stalking and harassment. Project Bluestone is going to be critical in ensuring a better response to male violence against women and girls.. By 31st March 2022 there were 57.2 (full time equivalent) officers in the Bluestone teams; against an authorised establishment of 100

Avon and Somerset VRU 2021/22 – working in partnership to tackle serious violence 923 young people at risk of serious violence discussed at multi-agency VRU meetings 851 young people at-risk or involved in violence have received targeted interventions 3469 young people receiving universal intervention through schools programmes 3269 contacts made with young

people through detached outreach 727 professionals have received training on trauma-informed practice, as well as 78 attending further training for managers/supervisors. The PCC has successfully secured VRU funding for the next three years, from 2022/23, at an increased level: £2.04 million; £1.53 million; and £1.51 million.

Unlike most overall crime, recorded hate crime increased during the pandemic. Hate crime has continued to increase at a national level as well as locally. In 2021/22 the number of recorded hate crimes in Avon and Somerset has increased by 26% to over 4,500 crime. The increases in crime are thought to be caused by a combination of more offending, more reporting to the police and better recording practices.

In July 2021 a new Avon and Somerset Police Rural Affairs Delivery Plan was launched. The overarching aim of this is for rural communities to have more trust and confidence in the police and some of the key actions are below. Improve training and internal communications about rural affairs. Improve collection and analysis of rural crime data. Co-ordination of force resources to tackle rural crime. Increased collaboration across the South West forces with a focus on disrupting Organised Crime Groups. Better crime prevention by upskilling the workforce and working with partner organisations and community groups like Farm Watch.

Somerset Health and Wellbeing Board

SEND assessment by her Her Majesty's Chief Inspector:

27% of the Somerset populations is under 25 and that one in six of those young people will have some kind of disability or special educational need. They reported the following:

1. The lack of focus on the experiences of children and young people with SEND and their families when formulating strategies to improve the area
2. The lack of leadership capacity across area services
3. Weak partnership working between services across education, health and care
4. Poor joint commissioning arrangements that limit leaders' ability to meet area needs, improve outcomes, and achieve cost efficiencies
5. The ineffective assessment pathway for autistic spectrum conditions
6. Too many children and young people not accessing education because of the disproportionate use of exclusion and poor inclusive practices across the area
7. Poor assessment and meeting of need caused by inconsistent practice leading to poor outcomes for children and young people with SEND
8. Poor timeliness of the assessment, writing and publication of education, health and care plans
9. The wide variances in the quality of education, health and care plans caused by weaknesses in joint working

Somerset Moves - encouraging more physical education, led by SASP in conjunction with SCC and NHS:

Over a 1/3 of adults (36%) across Somerset do not meet physical activity guidelines

- 45% of people with a disability in Somerset are inactive
- 30% of people with a long term condition are inactive

1 in 3 children leaving primary school overweight or very overweight

Covid exacerbated this but measures are suggested:

- Embedding physical activity across all aspects of school life
- Working with our state funded schools to enable all children and young people to have a great experience, to build their confidence, competence and enjoyment through activity.
- Putting children and young people first. Listening, understanding and working with children and young people and their families when we seek to create or improve activities and opportunities.
- Improving community provision in areas where fewer young people are active Making it easier for children to be active within the neighbourhoods where they live.
- Enhancing support to those receiving free school meals or at risk Assisting more children and their families to have equal opportunities to be active.
- Enriching and expanding holiday activity opportunities Exploring funding models with partners to expand the holiday activity provision across Somerset.
- Targeting teenagers who show the greatest drop off in activity levels Making the activity offer relevant and attractive for teenagers in their schools and communities.
- Working with Early Years education providers Supporting children and their families to have the best possible active start in life

