



<b>Report to:</b>	Climate and Environment Advisory Committee 11 <sup>th</sup> April 2024
<b>Lead Cabinet Member:</b>	Cllr John Batchelor – Lead Cabinet Member for Housing
<b>Lead Officer:</b>	Peter Campbell – Head of Housing

---

## **Social Housing Stock Decarbonisation update March 2024**

### **Executive Summary**

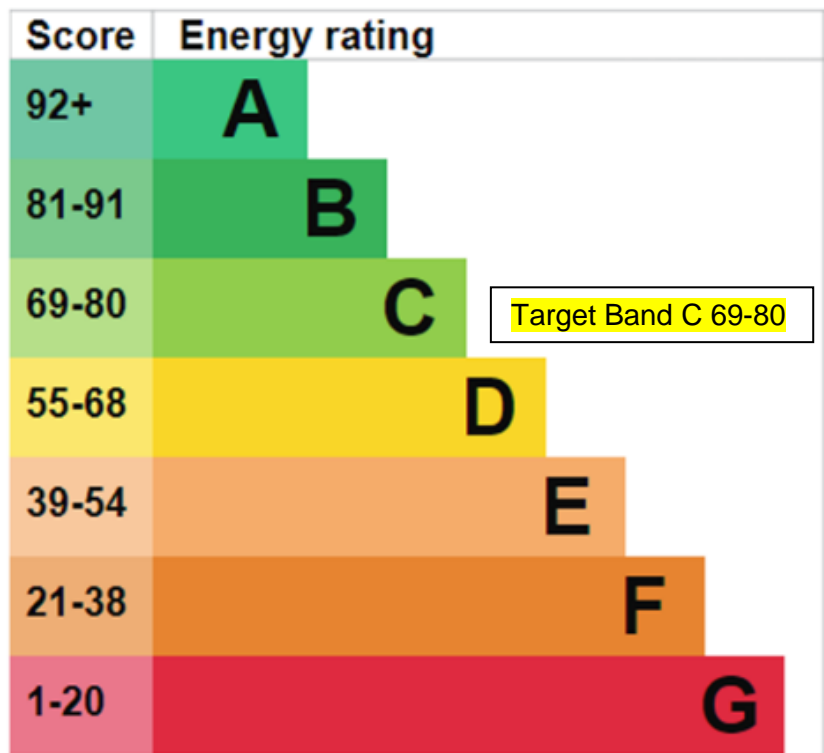
1. We have a duty target to bring all of our Social Housing rented accommodation above EPC (Energy Performance Certificate) C rating by 2028, this has been revised from the previous target of 2025 and 2027 for new and existing lets respectively. The Government stated target is 2030 for all rented accommodation.
2. Our intension is to achieve this with a combination of planned works, retrofit activities and Grant funding works.
3. We currently have a grant co funded project of SHDF (social Housing Decarbonisation Fund) in progress, this due to run until March 2025 and achieve a minimum of EPC Band C on approximately. 250 properties.
4. The remaining properties below Band C will be planned in for completion by the end of March 2028 where possible.
5. There will be some properties that are either impractical or impossible to raise to this level due the type of property, some may have various planning constraints that will prevent this and others are just uneconomical to carry out the work on, these will be assessed on a case-by-case basis on an appropriate solution.
6. The aim is to provide an efficient housing stock which is safe and warm and as economical as possible to heat for our residents.

### **Current**

1. SCDC has been very proactive for many years and has been in front of the curve in taking steps to improve the efficiencies of the housing stock. During the last 10 years there has been a lot carried out from external wall insulation, installation of solar panels and early adopters of heat pumps as an alternative heating source.
2. In the last five years we have also reviewed and changed the specification of many products used, the main benefit to efficiency has been the move to Triple Glazing on all our window replacements which provides up to 50% more heat insulation for a minimal cost increase.

### 3. Current position.

Measures installed so far	Number of properties
Air Source Heat Pump	295
Double or triple glazing	4971
External Wall insulation	524
Wall insulation, Cavity	3628
Adequate Loft Insulation	4187
HHRSH Modern Storage Heaters	1837



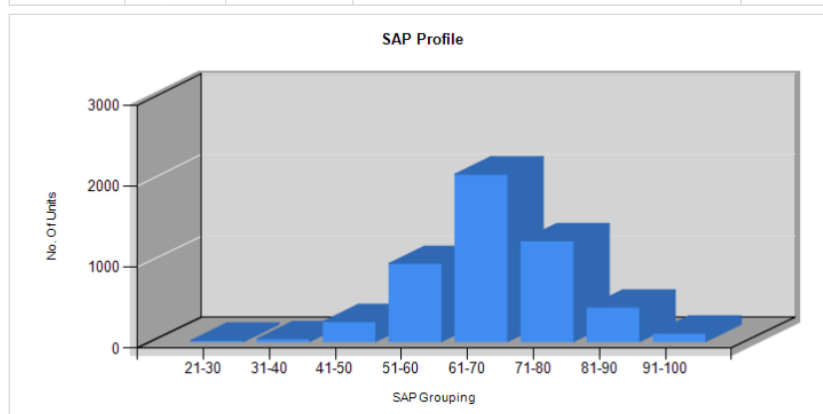
- I have added Post Stock condition surveys below as a true reflection of the data we held within the system, Historically the data on the housing stock was formed from historic and cloned data, however the recent stock condition survey has allowed a more accurate picture to developed, this is shown on the chart below.
- Note that some properties are not shown, these are new build that have been recently acquired most with a B rating or above.

The data shows that 2,374 properties (43% of stock) are rated at below Band C. However, the majority of these are within 2 points of a band C which can be very

easily updated with standard measures in place such as replacing light bulbs with LED lighting.

### Position Post Stock Condition Survey

SAP Group	No of Properties	UPRN	Address	SAP
21-30	4			
31-40	34			
41-50	247			
51-60	963			
61-70	2,063			
71-80	1,241			
81-90	423			
91-100	102			
<b>Totals</b>	<b>5,077</b>		<b>Average SAP</b>	<b>67.78</b>



### Planned Works

1. **SHDF Works** – this will include various measures, insulation, loft, cavity or internal/external wall, Windows and door replacements, Lighting upgrades to LED, Solar PV install and some Heat Pump installations. This work will affect 250 properties. These works are at the Retrofit Design stage, we are currently finalising designs and purchasing materials in preparation for starting on site in early April for installations.

The conditions of the funding were set strictly to include certain types of property that were below Band C and would benefit from a fabric first approach to increase the rating as well as possible with greatest value for money, they had indicated certain measures that were acceptable under the funding and others that were not. All properties had to be subject to a PAS2025 assessment process to be eligible for funding, this has meant that more than the 250 properties receiving measures have been surveyed and assessed but found unsuitable under the terms of the funding agreement. This is a lengthy and expensive process which has formed the majority of the initial period of the project.

**Appendix 2** shows the most recent monthly monitoring report for the project in great detail, with costings, funding use and forecasts through to the end of the project, this is submitted to DENZ on a monthly basis. As the project progresses through the installation phases, the benefit data will start to accumulate and be reportable.

## 2. Standard Planned works for 2024

- Window Replacements – approx., 200 properties
- Cavity Wall insulation replacements – 100 properties
- Heating Replacements with Heat Pumps – 150 properties
- Solar PV, self-installed trials – 10 properties (viability trial)
- Potential upgrades to Communal rooms – 40 various Measures

## 3. Elm Court Complex Solar Panel installation

There is a proposal in progress to install Solar PV on the Sheltered complex at Elm Court in Over, we have recently upgraded the heating system at the property to increase efficiency and this has shown large savings on the gas usage and co emissions for the property.




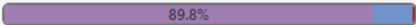





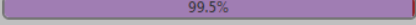
The Solar PV install has proved complex to design to obtain the greatest benefit from the system in terms of value for money and benefit to the residents. At this point we are awaiting a final revised quote following a number of revisions. The intension is to install this during 2024/25 which will increase the efficiency of the 20 flats within the complex.

## Details

1. The Data used for the representation here are from a combination of sources, the pre survey data is a combination of actual EPC data, cloned property survey data and updates form elements updated through works carried out, The majority of EPC's on our properties were carried out in 2012 and are now expiring, we have started a programme of renewing these and we will also carry out post works EPC's on any works that may affect the outcome, this data will in future be fed directly into the Asset Management system.

## Options

1. Using our planning tool for approximation of investment and measures required at this stage of data and stock volume has returned the below plans.
2.
  - **Sap b v1 ff** – Bring all properties to Band B employing a Fabric first approach.
  - **Sap max v2** – Bring all properties to the Maximum Sap rating possible based on the property type using all available options.
  - **Sap max v1 FF** - Bring all properties to the Maximum Sap rating possible based on the property type, using a fabric first approach.
  - **Sap c v2** – Bring all properties to a band C using all available methods.

	<b>sap B v1 FF</b>	 	<b>SAP Band b (81)</b> EPC improvements Whole stock <a href="#">Custom settings</a>	 <p>89.8%</p> <p>5246 properties in plan 4713 achieved target</p>	<p>89.8% properties reached SAP Band b (81)  <b>£57.1M</b> estimated capital expenditure  <b>£10,891</b> estimated average cost per property</p>
	<b>sap max v2</b>		<b>SAP Band A (92)</b> EPC improvements Whole stock Default settings	 <p>57.6%</p> <p>5246 properties in plan 3023 achieved target</p>	<p>57.6% properties reached SAP Band A (92)  <b>£39.5M</b> estimated capital expenditure  <b>£7,522</b> estimated average cost per property</p>
	<b>sap max v1 FF</b>		<b>SAP Band A (92)</b> EPC improvements Whole stock <a href="#">Custom settings</a>	 <p>58.2%</p> <p>5246 properties in plan 3053 achieved target</p>	<p>58.2% properties reached SAP Band A (92)  <b>£50.3M</b> estimated capital expenditure  <b>£9,595</b> estimated average cost per property</p>
	<b>sap c v2</b>		<b>SAP Band C (69)</b> EPC improvements Whole stock Default settings	 <p>99.5%</p> <p>5246 properties in plan 5217 achieved target</p>	<p>99.5% properties reached SAP Band C (69)  <b>£2.7M</b> estimated capital expenditure  <b>£513</b> estimated average cost per property</p>

This shows that the short-term measure to bring properties to Band C (by when) is achievable with further investment over the next few years of around £2.7m additional funding. Officers are working with our repairs contractor to secure additional grant funding to cover this cost.

The following years towards net zero at 2050 has a considerably more intensive ambition. However, as technology and materials develop methods and costs will improve as has been shown over recent years and these calculations will change.

3. The Council is hopeful of embarking on a Water Preservation project, partly funded by DENZ, (in full) this will involve retro fitting water saving devices to our properties, we are preparing a pilot project of approximately 20-30 properties of different types to determine the ease of installation and the benefits realise form them, the pilot project should be delivered during April and May 2024. If successful will be rolled out in bulk soon afterwards.

## **Implications**

The target set by central government, although changed since its inception will be a continued aim to achieve the best possible decarbonisation of our housing stock, however there will be an element that cannot be brought to the highest standards and as such will need to be reviewed alongside any guidance that is released on the matter.

These options may involve redevelopment of the properties, using newer more expensive measures or simply accepting that they have been improved as far as possible within sensible financial boundaries. This will be a decision for some years ahead.

As yet the government has set the deadlines but has not indicated what implications there would be for providers that do not (or cannot) meet the 2030 or 2050 targets.

## **Financial**

1. As of writing this report we have not embarked on the next round of Funding SHDF wave 3. The Council was successful with a £4m, 2-year project in place from SHDF wave 2.1. An assessment of this will help future bidding.
2. We are looking at submitting a bid with our partner Mears for the next Wave which is expected late 2024, this will allow us to continue the earlier work, but in a more efficient manner.

The Council has recently received the results of the Stock Condition Survey, and the results are being analysed. This data will produce a costed 5, 10 and 15 year plan for both standard planned preventative maintenance along with the retro fit programme to provide a focused view for funding streams that may be available.

## **Staffing**

1. The amount of retro fit work is additional workload, and there is a need to ensure this is properly resourced. Officers are considering the most appropriate way to do this.
2. Officers also keep under review job descriptions for replacements or new posts. This ensures that sustainability and retro fit elements are emphasised and made more attractive to new staff with these skills.

## **Appendices**

Appendix A: Example Retrofit assessment report (7 High Close RC Report)

Appendix B: SHDF reporting submissions for March 2024

## **Report Author:**

**Eddie Spicer (Service Manager – Housing Assets)**