

# GREATER BRIGHTON ECONOMIC BOARD

## Agenda Item 14

**Subject:** Greater Brighton Retrofit Task Force – Emerging Conclusions & Recommendations

**Date of meeting:** 18<sup>th</sup> October 2022

**Report of:** Chair, Greater Brighton Officer Programme Board

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**LA(s) affected:** All

### For general release

#### 1. Purpose of the report and policy context

1.1 Further to the previous reports for the July 2012 and July 2022 meetings, this report is providing the Greater Brighton Economic Board (“the Board”) with a further update and making recommendations to enable City Region housing to reach zero-carbon by 2030.

#### 2. Recommendations

2.1 That the Board notes the research has proven the original concept that Council budgets taken together with Government and Supply Chain collaboration is the optimal way to deliver a medium to long term plan for zero carbon council homes, and that there is a tradeoff between carbon, capital spend, and cost to occupier.

2.2 That the Board given the context of the cost-of-living crisis agrees that a programme to target fuel costs at the same time as developing the supply chain forms the early part of a programme roll out.

2.3 To Board agrees to further develop the zero-carbon business case with a view to submit a joint proposal to Government/BEIS to trial an approach in the Sussex area.

2.4 That the Board agrees with the aim to submit a joint bid for grants to trial the collaborative working of the Board. This will lay the foundation and provide the potential for rapid future expansion. The bid will be an aggregated pipeline with individual authority control.

2.5 That the Board agrees to explore the best procurement option for delivering the zero-carbon works, and notes that Clear Futures (a joint venture between Lewes and Eastbourne Councils, AECOM and Robertson Construction) could be one such option to consider.

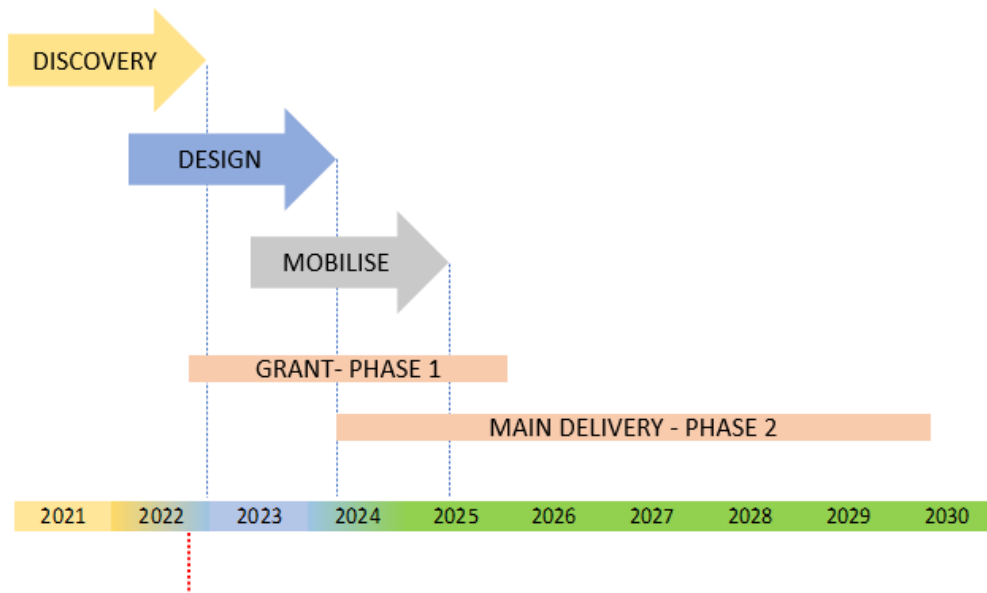
### **3. Context and background information**

- 3.1 The Board agreed in July 2021 to establish a Retrofit Taskforce to meet the challenge of making all City Region Council homes zero-carbon by 2030. This work was coordinated by Lewes District Council. The Taskforce was set up in September 2021, and it included specialists from the University of Brighton and external organisations such as AECOM, Robertson Construction, Gleeds, Value Optimised Retrofit (VOR), Elementa, Parity and IOPT devices.
- 3.2 The Taskforce didn't just look at how it could carry out a deep retrofit of all Greater Brighton Council homes; it was assessing what the optimum pathways could be to meet a range of key policy drivers such as the ability to actually install measures by 2030, not exceeding the available capital in HRA business accounts and mirroring what might be achievable in the private sector. A full list of these policy drivers is listed in Appendix 1.
- 3.3 The main work of the task force was concluded in June 2022, with the subsequent months spent peer reviewing the findings. It has also taken on board the recent inflationary cost issues and economic challenges.
- 3.4 Key conclusions of the Taskforce work are that:
- a. It proves the original concept that Council budgets with Government and Supply Chain collaboration is the optimal way to deliver a medium to long term plan for zero-carbon council homes.
  - b. Costs of deep retrofit have steadily risen over the last 12 months, leaving a funding gap to what is available in the HRA 30-year plan.
  - c. Even if budgets were not an issue, the supply chain will struggle to deliver a full deep retrofit for all City Region homes by 2030. This could improve if we gave certainty with a 5–10-year programme of works, but not guaranteed.
  - d. The longer-term programme gives certainty to skills colleges and apprenticeship places
  - e. A light inspection process with simple fabric targets could deliver the same outcome, be more efficient and save money i.e. just aim for windows with a U value of 1.1 as there is no need for additional energy assessments to confirm this.
  - f. Improving windows, doors, roofs and cavity walls to the best standard (e.g. triple glazing windows with U value 1.1) will still deliver carbon savings and could be more deliverable within the existing HRA budgets.
  - g. Energy tariffs and tenant behaviour can have just as much impact on energy bills.
  - h. Switching away from gas has the biggest carbon impact. Embedded carbon has a relatively small impact.
  - i. Solar PV is a no regret solution as it will in effect lower household energy tariffs, deliver immediate carbon and energy savings, and can be used for power or heat. It is also a mature and cost-effective technology, and has a supply chain that has the best chance of scaling up.
  - j. If green heat can be delivered directly at a low enough price (and this still might not be achievable) then deep retrofits would not be required - even

though deep retrofit is an admirable thing to do. Further work is still required on this.

- k. Interest in hydrogen at a regional and global scale has intensified over the last 18 months. It is still too early to say how much and indeed if hydrogen can assist in heating, but it could be seen as less challenging than deep-retrofitting all 424,000 homes (social and private) in the Greater Brighton region (Census 2021 data).
- l. Overheating (as a result of a warming climate) will be just as important as energy efficiency in the 2030s, so if deep retrofit is not pursued on all properties, the budgets could be spent on climate change adaptation measures instead.

3.5 Although the initial research work of the taskforce has been completed, we are now moving into design phase to support the delivery of zero carbon homes by 2030, summarised by the figure below. This will be updated with other work that is ongoing i.e. the viability of green heat networks.



#### 4. Analysis and consideration of alternative options

4.1 This approach has formed part of the retrofit task force remit, analysing the original concept against the alternative pathways.

#### 5. Community engagement and consultation

5.1 This has not been carried out as this is an emerging policy.

#### 6. Conclusion

6.1 Delivering zero-carbon homes is a complex and challenging problem, made more difficult with the need to deliver them by 2030. This has focused efforts on what is actually going to be achievable in the time we have left and has led to discounting some solutions (for now) which might have worked if there were more time and greater funding i.e. Deep retrofit all properties from year 1.

- 6.2 The proposed recommendations will allow collaborative action to continue and enable the Government to adopt a long term and managed programme of works.
- 6.3 To support this, Lewes District Council with its joint venture partners AECOM and Robertson are working on developing the supply chain to reduce costs, increase capacity, and improve delivery times. This will significantly improve the business case of delivering zero-carbon homes.
- 6.4 Lewes District Council will report back to the Board in April 2023 and in the interim will also provide the Board with a summary report of the Taskforce work.

## **7. Financial implications**

- 7.1 The full scope of the cost to the works has yet to be quantified and will form the basis of the zero-carbon business case. Any future proposals will be submitted to the relevant authorities and it is assumed that the founding principles will continue in that retrofit works use existing Housing Revenue Account (HRA) budgets.
- 7.2 The Board will support the proposal for the submission of joint bid for grants to trial the collaborative working of the Board. This will lay the foundation and provide the potential for rapid future expansion. The bid will be an aggregated pipeline with individual authority control.

Name of finance officer consulted: Rob Allen, Principal Accountant  
Date consulted: 07/10/22

## **8. Legal implications**

- 8.1 There are no legal implications arising directly from this report.

Name of lawyer consulted: Wendy McRae-Smith, Senior Lawyer  
Date consulted: 06/10/22

## **9. Equalities implications**

- 9.1 For City Region housing to reach zero-carbon by 2030 the benefits will need to be shared across the City Region. Work around decarbonising homes and help to tackle fuel poverty and address inequalities.

## **10. Sustainability implications**

- 10.1 This is a sustainability report, the purpose of which is to help the City Region to move to net-zero by 2030, so no further action required.

## **11. Other Implications**

- 11.1 There will be procurement implications, but these will be resolved between each local authority and won't affect the Board directly i.e if a joint bid for a

Government grant is considered, each authority will need to be satisfied about procurement and project management before it is submitted.

## **Supporting Documentation**

Appendix 1 – Policy Drivers for Zero Carbon

## 1. Appendices

### Appendix 1 – Policy Drivers for Zero Carbon Taskforce

Policy	Why
1. Speed of Delivery	It recognises the need to act urgently. We need to focus on solutions that can be rolled out quickly by the supply chain otherwise we will miss our 2030 target.
2. Scalable	We need solutions that can be standardised, aggregated and repeated across large numbers of properties. We can't afford multiple bespoke solutions, nor fragmented solutions that split investments to transform whole communities, nor solutions that require long and large periods of training and upskilling.
3. Cost (Capex)	We have no new money and need to work within our current asset management budgets, stretching this with grants etc where available.
4. Repairs & Maintenance (R&M)	Any retrofit measures should not increase ongoing repairs and maintenance costs.
5. Fuel poverty	We can't install solutions that will make fuel poverty worse. We actually need to be asking, how can we make energy bills cheaper, which is maximising renewables. It should be noted that during the life of this study this has now become a major issue for a large proportion of the population – social and private housing residents,
6. Whole life carbon	We don't want to make the problem worse by using materials that have a high carbon content or create a lot of waste. Again, it should be noted that this has risen in significance over the lifetime of the study.
7. Private Housing Adoption	Linked to policy 2, scalability, any investment by the social sector should be able to be mirrored by the private housing sector otherwise it will be an isolated solution for a community-wide problem and risks tax-payers money being used inappropriately.
8. Community Wealth	Making sure we use local companies to give resilience and sustainability to the local economy and help them to gear up here needed.
9. Natural Resource Depletion	We have an ecological emergency as well as a climate emergency, so we should be looking to limit the amount of raw material we excavate. We also want to promote biodiversity.
10. Tenant Disruption & Decent Homes	We would want to avoid measures that cause residents to temporarily lose some of their living space or require internal redecorating as this will add to the cost of any intervention (either from reduced rent we can charge or actual costs). They also need to be nice homes to live in.
11. Thermal Comfort	Residents need to have a quality home where they have the ability to feel warm. This will be linked to fuel poverty.
12. High Density Housing	Some buildings simply may not have the space to accommodate certain solutions e.g. thermal buffers.
13. Climate Resilience	Using solutions and materials that will be ready for extreme climate events, in particular overheating during heatwaves.
14. UK Manufacturer and Supply Chain	This has become increasingly important over the lifetime of the project as over relying on imports will affect cost and delivery timescales.
15. Non-building carbon	How can we promote water saving, better air quality, local food growing and active travel, and reduce the impact of fossil fuel-based transport?



