

CYNGOR SIR 8FED GORFFENNAF 2020

Y Pwnc: Cartrefi yn Orsafoedd Pŵer

Y Pwrpas: Ceisio cymeradwyaeth yr Aelodau ar gyfer achos busnes rhanbarthol 'Cartrefi yn Orsafoedd Pŵer' Bargen Ddinesig Bae Abertawe sy'n cael ei arwain gan Gyngor Castell-nedd Port Talbot (a amgaeir yn Atodiad 1 yr adroddiad hwn), ac awdurdodi ei gyflwyno'n ffurfiol i'r Swyddfa Rheoli Portffolio yn unol â Chynllun Gweithredu'r Fargen Ddinesig er mwyn cymeradwyo cyllid y Fargen Ddinesig.

Argymhellion y Bwrdd Gweithredol:

1. Cymeradwyo achos busnes 'Cartrefi yn Orsafoedd Pŵer' fel y nodwyd yn Atodiad 1 yr adroddiad ac yn awdurdodi ei gyflwyno'n ffurfiol i'r Swyddfa Rheoli Portffolio yn unol â Chynllun Gweithredu'r Fargen Ddinesig er mwyn cymeradwyo cyllid y Fargen Ddinesig;
2. Rhoi awdurdod dirprwyedig i'r Pennaeth Adfywio, mewn ymgynghoriad â'r Arweinydd ac Aelodau perthnasol o'r Bwrdd Gweithredol, gymeradwyo unrhyw newidiadau i'r achos busnes yn dilyn cymeradwyaeth yng ngoleuni unrhyw newidiadau y gofynnir amdanynt o bosib gan Gyd-bwyllgor Bargen Ddinesig Bae Abertawe;
3. Awdurdodi'r Pennaeth Adfywio, mewn ymgynghoriad â Chyfarwyddwr y Gwasanaethau Corfforaethol, yr Arweinydd ac Aelodau perthnasol o'r Bwrdd Gweithredol, i ffurfio unrhyw gytundebau grant neu ddogfennau cysylltiedig a allai fod yn angenrheidiol i gael cyllid oddi wrth Lywodraeth y DU/Llywodraeth Cymru neu Gorff Atebol Bargen Ddinesig Bae Abertawe.

Y Rhesymau:

Galluogi Cyngor Castell-nedd Port Talbot i gyflwyno achos busnes Cartrefi yn Orsafoedd Pŵer yn ffurfiol i'r Swyddfa Rheoli Portffolio yn unol â phroses cymeradwyo prosiectau y Fargen Ddinesig.

Angen ymgynghori â'r Pwyllgor Craffu perthnasol NAC OES

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:- Y
Cynghorydd Dole

<p>Y Gyfarwyddiaeth: Prif Weithredwr</p>	<p>Swyddi:</p>	<p>01267 242336 JaJones@sirgar.gov.uk</p>
<p>Enw'r Cyfarwyddwr: Jason Jones</p>	<p>Pennaeth Adfywio</p>	
<p>Awdur yr Adroddiad:</p>	<p>Rheolwr Datblygu Economaidd</p>	<p>01267 224902 HLMorgan@sirgar.gov.uk</p>
<p>Helen Morgan</p>	<p>Rheolwr Cyllid Ewropeaidd a Strategol (Cyngor Castell-nedd</p>	<p>L.Willis@npt.gov.uk</p>
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EXECUTIVE SUMMARY

8th July 2020

SUBJECT: Homes as Power Stations

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The Homes as Power Stations (HAPS) programme is a pioneering programme to facilitate the adoption of energy efficiency in new build and retrofit homes across the region i.e. the HAPS approach.

The aim of the programme is to demonstrate the viability and benefits of energy efficient homes, scaling up from the pilot development at Hafod, Neath to mainstream the concept in the public and private sectors.

The overarching aim of the programme and business plan is to 'prove' the HAPS concept within public sector led developments in terms of both new-build and retrofitting existing properties. This experience and knowledge will be used to inform future public sector developments across the South West Wales region, and indeed across Wales, and, having 'proved the concept' to target its use in private sector developments.

The City Deal funding will fund a programme team that will help to develop the regional supply chain, administer a regional financial incentives fund, and facilitate a comprehensive monitoring and evaluation programme. It will also undertake marketing / dissemination of the HAPS approach.

Background

The Swansea Bay City Deal is a £1.3bn investment in eleven major projects across the Swansea Bay City Region which is made up of Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea.

The City Deal is being funded, subject to the approval of project business cases, by the UK Government, the Welsh Government, the public sector and the private sector.

City Deal projects are based on key themes including economic acceleration, life science and well-being, and energy. Each project will be supported by world class digital infrastructure and a skills and talent initiative that will give local people a pathway to access the jobs that will be created

Homes as Power Stations is one of the projects included in the City Deal Heads of Terms document. It is a regional project, led by Neath Port Talbot and will deliver across all four City Deal local authority areas.

Project description

The Homes as Power Stations (HAPS) programme is a pioneering programme to facilitate the adoption of energy efficiency in new build and retrofit homes across the region i.e. the HAPS approach. The aim of the programme is to demonstrate the viability and benefits of energy efficient homes, scaling up from the pilot development at Hafod, Neath to mainstream the concept in the public and private sectors.

The Business Plan

A business plan for the HAPS programme has been prepared and is enclosed at Appendix 1 for Members' consideration.

Investment objectives

The investment objectives of the HAPS programme include:

- Future proofing over 10,000 properties in the region to increase affordable warmth and reduce fuel poverty;
- Improving health and wellbeing
- Develop standards and specifications which can be replicated
- Develop a skilled regional supply chain
- Coordinate energy efficiency in housing funding sources

Outputs

It is envisaged in the business plan that the following outputs will be obtained

- Jobs created – 19 construction jobs per £1m invested
- Skills / training opportunities created
- Carbon reduction targets
- Regional supply chain in the renewables sector

Strategic alignment

The Homes as Power Stations programme is aligned to key Welsh and UK Government strategies and policy direction including: Economic Action Plan; A Low Carbon Wales; Well-being of Future Generations Act; National Development Framework; and Industrial Strategy.

The Homes as Power Stations programme is also aligned to a number of other City Deal projects including the Skills and Talent initiative, the Digital Infrastructure Project and the Supporting Innovation & Low Carbon Growth programme of projects, along with the Active Building Centre at Swansea University which is the UK centre of excellence for transforming construction.

Key milestones

The following key milestones are set out in the Business Plan

- Year 1

- To establish a programme team
- Procure an independent organisation to monitor and evaluate the programme
- Integrate existing and related project activity
- Agree targets for new build and retrofit developments

- Years 2 to 3

- Continue facilitating the adoption of the HAPS approach for new build and retrofits
- Proving the HAPS concept by introducing a range of technologies in to new-build and existing residential properties, and monitoring and evaluating their impact on carbon reduction
- Developing private sector engagement by proving the HAPS concept in public sector led residential schemes to minimise risk.

- Years 4 to 5

- Continue facilitating the adoption of the HAPS approach for new build and retrofits
- Proving the HAPS concept by introducing a range of technologies in to new-build and existing residential properties, and monitoring and evaluating their impact on carbon reduction
- Developing private sector engagement by proving the Haps concept in public sector led residential schemes to minimise risk.
- Developing specifications and standards based on lessons learned through monitoring and evaluation to disseminate

Current and proposed regional activity

There are a number of 'HAPS' approach developments in progress and in the pipeline, including:

- Carmarthenshire

A new build 32 unit development in Burry Port using the Pentre Solar energy efficient model of construction. Maximising solar gain with a SAP level of 104 and an air tightness of 0.9m³/hr Passive house levels thermal insulation. The integrated PV panels will generate at least 7,000KwH of energy per year. Battery storage will store up to 150KwH of unused electricity per day. 80% of the space heating requirements of the homes will be supplied from solar energy.

- Neath

The HAPS pathfinder project at Hafod, Neath is complete and tenants are due to move in. The technologies will now be evaluated by monitoring their use throughout the year by a

range of different occupiers. This process will help to deliver cost effective energy efficient residential schemes

- Pembrokeshire

A number of planned council owned new build developments with designs to go beyond Part L of Building Regulations, in terms of energy efficiency with a requirement to achieve an EPC rating of A, including PV solar, over insulation, and battery storage.

- Swansea

Six council – owned bungalows in Craigeffnparc, Swansea have been retrofitted with innovative energy saving equipment to help power the homes and keep them warm.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **Jason Jones, Head of Regeneration**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	NONE	NONE	YES

Policy, Crime & Disorder and Equalities

A first stage impact assessment has been undertaken to assist Neath Port Talbot Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment has indicated that a more in-depth assessment is not required at this stage.

Legal

The Joint Working Agreement between the participants of the Swansea Bay City Deal requires (at clause 12.3) all councils in whose area the project shall take place to approve the submission of the business case to the Joint Committee before it can ultimately be forwarded on to the UK and Welsh Government. Each participant council will be taking a report of this kind to their respective

Finance

The financial profile is detailed below. It should be noted that the costs are evidence-based projections and will be refined during programme delivery. The City Deal 'ask' is £15 million to fund:

- Programme Team
- Regional financial incentives fund
- Regional supply chain development fund
- Marketing / dissemination
- Monitoring and evaluation

A breakdown of payments is set out below:

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Total
City Deal	£2,000,000	£4,000,000	£5,000,000	£3,750,000	£250,000	£15,000,000
Private	£23,075,000	£47,675,000	£73,050,000	£102,600,000	£129,500,000	£375,900,000
Other programmes	£6,425,000	£14,075,000	£22,200,000	£31,400,000	£40,500,000	£114,600,000
Total	£31,500,000	£65,750,000	£100,250,000	£137,750,000	£170,250,000	£505,500,000

Risk Management Issues

There are no risk management issues associated with this report. The Homes as Power Stations business case includes a 'Main Programme Risks' section in Part 3.3 of the Strategic Case.

Physical Assets

The HAPS programme team will assess the region's housing stock in order to determine energy efficient technologies.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Jason Jones, Head of Regeneration

1. Scrutiny Committee

n/a

2. Local Member(s)

n/a

3. Community / Town Council

n/a

4. Relevant Partners

Consultations have taken place with the following Local Authorities:

- Neath Port Talbot
- Swansea
- Pembrokeshire

The Homes as Power Stations Full Business Case is currently going through the political process of each of these local authorities

The Executive Board member has been consulted.

5. Staff Side Representatives and other Organisations

n/a

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
N/A		