



Report to:	The West Yorkshire Combined Authority
Date:	14 March 2024
Subject:	Better Homes Hub
Director:	Liz Hunter, Director of Policing, Environment and Place
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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

1. Purpose of this report

- 1.1. To provide the Committee with an update on the Better Homes Hub programme and seek support for the development of a business case for a retrofit one stop shop.

2. Information

Introduction

- 2.1. West Yorkshire declared a climate emergency in 2019 and has a target to be net zero carbon by 2038. Housing is responsible for 3.4 million tonnes (around 30%) of carbon dioxide each year in West Yorkshire, the majority of which come from using fossil fuels to heat homes¹.
- 2.2. To achieve our net zero targets, we need to retrofit 680,000 homes to a good level of thermal efficiency². As well as improving the thermal efficiency of buildings, installing low carbon heating and solar PV (solar panels) will be critical.

¹ UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021 - Department for Energy Security and Net Zero

² [West Yorkshire Carbon Emission Reduction Pathways report](#)

- 2.3. The Better Homes Hub (BHH) programme is directly drawn from one of the actions within the [Climate and Environment Plan](#). The BHH is the Combined Authority's regional programme to scale-up domestic retrofit.
- 2.4. As outlined by the UK Green Building Council's Retrofit Playbook³, the barriers to retrofit are complex and interdependent. Therefore, to overcome the barriers and make significant progress requires a holistic approach to address all of the key barriers concurrently.
- 2.5. The BHH is a complex long-term programme that encompasses all the Combined Authority's activity on domestic retrofit, with a vision that 'Everyone in West Yorkshire can live in a warm, comfortable, and low carbon home'.
- 2.6. The BHH has three overarching objectives which are to:
- Objective 1: Build consensus within West Yorkshire on priorities for retrofit and energy efficiency of homes.
 - Objective 2: Deliver retrofit projects in West Yorkshire that build momentum, strengthen the supply chains, and create new delivery models.
 - Objective 3: Establish the BHH as a trusted entity for all residents to access advice and information on retrofit and energy efficiency of homes in West Yorkshire.

One Stop Shop (OSS)

- 2.7. The purpose of the One Stop Shop is to provide a 'single front door' for trusted information, advice and support to all residents and landlords in the region to stimulate demand in domestic retrofit. This includes signposting residents and landlords to other services where relevant.
- 2.8. One stop shops can take many different forms and refer to different business models, as outlined in this report by Energy Cities: [How to set up a One-Stop-Shop for integrated home energy renovation](#).
- 2.9. The West Yorkshire domestic retrofit one stop shop must support the vision of the Better Homes Hub that 'Everyone in West Yorkshire can live in a warm, comfortable and low carbon home'. Therefore, it must not focus only on the able to invest market. It is expected that the one stop shop will be 'inclusive by design', in that inclusivity is considered from the outset of options development, rather than adaptations being made later for accessibility. It is also expected that the one stop shop will provide information, signposting and guidance for the domestic retrofit supply chain audience.

³ [The Retrofit Playbook](#) (2021)

- 2.10. A consortium led by Energy Saving Trust has been appointed as client-side support for the BHH programme. They will provide expert advice and a robust evidence-base to drive our decision making for the programme, having had experience managing energy saving retrofit schemes on behalf of the Scottish Government through [Home Energy Scotland](#).
- 2.11. One of the key projects for the client-side support consultant is to complete an options assessment, establish a preferred way forward and produce a fully costed implementation plan for a regional one stop shop information and advice service, linked to objective 3. This work builds on existing best practice and learnings from other schemes in the UK and Europe including the [Sustainable Energy Authority of Ireland](#), [the French MaPrimeRénov scheme](#) and [Home Energy Scotland](#).

Name	About	Model	Impact
Sustainable Energy Authority of Ireland	Ireland launched a major home retrofit programme in March 2023.	All-inclusive	1400 applications, 680 deep home retrofits completed. 98% include a heat pump.
MaPrimeRénov	French national one stop shop offering joined up support for owner-occupiers including online tools, assessments, retrofit management support and list of accredited installers.	All-inclusive	In 2022, 670,000 renovations including 156,000 heat pumps and 66,000 whole-house retrofits (69% in lowest income group). 90,000 jobs.
Home Energy Scotland	Advice services including specialist and in-home support, access to funding (0% interest loan and grants), digital assessment and installer finder tools.	Facilitation / coordination	In 2020/21, total attributed lifetime savings of 71,300 tCO2 and lifetime financial benefits of £30.6 million.

- 2.12. Energy Saving Trust presented four different options for the OSS to the last Climate and Environment Committee, these are:
- **Facilitation** which informs, advises, and motivates households but otherwise take a hands off approach - largely just signposting to other services.

- **Coordination** which is one step up in that it would support households in coordinating with installers. It would not be responsible for the quality of work delivered but may set some quality standards for the supply chain referrals.
 - Thirdly, an **All-inclusive model**, which is more involved again in that it provides a fully guided process to households from information and advice through to being responsible for the quality of work delivered.
 - The final option considered is the **ESCO**, which would provide guarantees on energy savings of work delivered.
- 2.13. Energy Saving Trust are considering associated risks, likely impact and cost of each of these options, incorporating views from local authority partners and presented at the Climate and Environment Committee.
- 2.14. The Climate and Environment Committee discussed the benefits of the models, including the all-inclusive model which is flexible depending on how much support the household requires (for example providing only advice and signposting where that is all that is needed).
- 2.15. In order to minimise risk to the Combined Authority and to accelerate delivery timescales, Energy Saving Trust have recommended that the Combined Authority procures external suppliers to deliver the advice provision and the delivery function.
- 2.16. Next steps are for the Combined Authority to develop the full business case for the OSS, looking at all options, which will be submitted in Autumn 2024. In order to maintain pace, procurement activity and working with the market will also commence.
- 2.17. Due to the level of complexity and the need to develop the retrofit and renewables supply chain, the recommendation is to phase delivery of the OSS over a five-year period beginning at the end of 2024.

Other projects within the Better Homes Hub programme

Local Energy Advice Demonstrator

- 2.18. The BHH team were successful in securing a total of £836,833 in funding from the Local Energy Advice Demonstrators competition from the Department for Energy Security and Net Zero. This project will test approaches of delivering in-person energy advice to two hard to reach communities - the elderly and those who do not speak English as their first language.
- 2.19. Groundwork Yorkshire has been secured as the delivery partner for the project. Delivery began in February 2024 and the project will run until the end of March 2025.
- 2.20. Learnings from the project will be used to inform the development of the one stop shop and ensure that all West Yorkshire residents can access and benefit from the available information and advice.

Low-interest Retrofit Loan

- 2.21. The cost of completing the work and access to finance are two of the main barriers to homeowners making sustainable improvements to their homes. To address this financial barrier, the Combined Authority is looking to establish a £1.5 million low-interest loan to help owner-occupiers and private landlords to fund the retrofit of their home.
- 2.22. An FCA regulated lending supplier will be procured to support the Combined Authority with management and administration of the loan facility. Loans will be available from £5,000 - £25,000 at an interest rate of 3.26% and a 10-year loan term. Using Combined Authority funding to establish the loan pot enables an interest rate that is significantly below market rate. Despite this, there is an acceptance that the loan will not be affordable and accessible by everyone and further development work is planned to establish other innovative funding models.
- 2.23. The procurement of an FCA regulated lending supplier will be completed by March and the project will be launched in May 2024.

Social Housing Decarbonisation Fund (SHDF)

- 2.24. Work continues on delivery of the SHDF projects which are retrofitting social rented homes in partnership with our housing associations who have to provide match funding of between 30% and 50% to secure the grant from the Department for Energy Security and Net Zero.
- 2.25. Wave 1 is in the closure stage with final lodgements and closure report being submitted. The final outcome is 917 homes retrofitted with an overall investment of £9.77 million. The consortium is currently in the top three for England in terms of number of homes completed.
- 2.26. Wave 2.1 has a target of over 2,300 homes to retrofit with a total investment of £30 million. Installation works have started on 440 properties with 172 completed.
- 2.27. SHDF Booster, which uses the Combined Authority's Gainshare funding alongside match funding from the housing associations, aims to retrofit over 1,780 properties with a total investment of £7.24 million. To date, 824 properties have been completed.
- 2.28. Looking ahead, we expect the bid window for SHDF wave 3 to open in the summer and are working hard to ensure we are mobilised and in a position to lead another consortium bid on behalf of interested housing associations.

Area-based schemes

- 2.29. The Combined Authority is working with District Partners to develop a number of area-based schemes. These will pilot retrofit measures across an area/street to test the level of interventions that can be made to properties, understand the impact these measures

will have on residents' living conditions and their energy/fuel bills, in addition to how to achieve efficiencies in delivery.

- 2.30. Each area-based scheme will focus on a different element of innovation to ensure that across the region we are able to maximise learning on how to scale-up delivery of area-based retrofit schemes.
- 2.31. The business case for the Calderdale scheme was approved at Combined Authority on 7 December 2023 and will begin delivery in March 2024. The business case for the Leeds scheme is being considered at Combined Authority on 14 March (included in a separate project approvals paper). Work continues on the development of the remaining schemes (Wakefield, Bradford and Kirklees) and these are expected to be launched in 2025.

Solar collective purchasing

- 2.32. The Combined Authority is procuring an organisation to deliver a residential solar collective buying scheme in the region; this will accelerate the deployment of solar PV and battery storage systems in West Yorkshire. The scheme intends to reduce the upfront costs of solar PV and battery storage technology for the able-to-pay market, through the development of an innovative delivery model. Interested residents will be able to choose which technologies they wish to invest in – solar, or both solar and battery storage.
- 2.33. The anticipated launch date for this project is summer 2024 with installations completed by March 2025.

West Yorkshire Housing Partnership Solar PV and Battery Storage

- 2.34. The scheme will install solar power generation and battery storage on up to 1500 social rented homes belonging to housing associations in the West Yorkshire Housing Partnership. The project will reduce the carbon impact of social housing and reduce energy costs for residents.
- 2.35. The total scheme costs are £15,447,642, of which £5,447,642 is funded by the Combined Authority's Gainshare Fund. The business case for this scheme was approved at Combined Authority on 7 December 2023 and delivery will begin in Spring 2024.

3. Tackling the Climate Emergency Implications

- 3.1. The programmes and projects within the Better Homes Hub respond to the ambition for West Yorkshire to be net zero carbon by 2038 and the Mayoral pledge to tackle the climate emergency.
- 3.2. The projects outlined in this report contribute to progressing towards our goal of 680,000 homes to be retrofitted in the region, through establishment of a one stop shop, direct delivery of area-based schemes, the direct financial support of the low-interest loan, as

well as the progression of a robust knowledge base, and the priming of a market that is capable of providing for the extensive retrofit that is required.

4. Inclusive Growth Implications

- 4.1. The Combined Authority's definition of inclusive growth is enabling more people and places to contribute to and benefit from economic success.
- 4.2. Retrofitted homes typically result in reduced energy bills; the average band D home could save £680 per year compared to a band C home. This saving goes up to £1,249 for band E and a staggering £1,765 for band F homes, giving considerable economic gain to those in fuel poverty.
- 4.3. Inclusive growth will be supported through improvements to wellbeing whereby the comfort, health and affordability of household budgets improve following uptake of energy efficiency retrofit.

5. Equality and Diversity Implications

- 5.1. The vision for the Better Homes Hub programme is that 'Everyone in West Yorkshire can live in a warm, comfortable and low carbon home.'
- 5.2. The Local Energy Advice Demonstrator project will enable the testing of approaches to deliver in-person advice on domestic energy efficiency retrofit for hard-to-reach and digitally excluded groups. The learning from this project will then be used to inform the development of the West Yorkshire one stop shop and ensure that all West Yorkshire residents can access and benefit from the available information and advice.
- 5.3. It is recommended that the One Stop Shop implements the provision of advice using a multi-channel approach, including in-person engagement, a telephone line, and a digital platform. This approach will reduce the risk of exclusion of underserved communities and digitally excluded groups, whilst increasing access to resources for vulnerable households.
- 5.4. Offering an all-inclusive service removes barriers for vulnerable communities in minimising the number of people or services that the householder needs to engage with directly. This service will also be able to target tailored assistance to the needs of the specific household.
- 5.5. A consumer engagement and marketing strategy will be developed for the One Stop Shop. Energy Saving Trust have recommended that this strategy considers audience profiling to define personas that can then be used to define specific customer journeys, communication channels and referral routes. A multi-channel approach to marketing is recommended.

- 5.6 An interim evaluation of the One Stop Shop will be commissioned. This will seek to capture feedback from households that do not engage with the service, to ensure that evaluation does not disproportionately represent the views of households already served well by the programme while overlooking input from seldom-heard communities that could further improve inclusivity. Feedback from both participating and non-participating households will shape recommendations to enhance accessibility, affordability, and suitability for all West Yorkshire residents.

6. Financial Implications

- 6.1 There are no financial implications directly arising from this report.

7. Legal Implications

- 7.1 There are no legal implications directly arising from this report.
- 7.2 In accordance with the voting arrangements of the Combined Authority, all Combined Authority members may vote on this item with the exception of the Non-Constituent Council Combined Authority Member.

8. Staffing Implications

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

9. External Consultees

- 9.1. The views of Local Authority partners and key stakeholders within the Combined Authority has informed the work being completed by Energy Saving Trust.

10. Recommendations

- 10.1. That the Combined Authority notes the contents of the report.
- 10.2. That the Combined Authority support the development of a business case for the one stop shop.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

No appendices are included with this report.