

Scheme Summary

Name of Scheme:	Warm Homes Fund
PMO Scheme Code:	BHY-WHF-001
Lead Organisation:	West Yorkshire Combined Authority
Senior Responsible Officer:	Elizabeth Courtney
Lead Promoter Contact:	Vicky Dumbrell, Programme Manager, Better Homes
Case Officer:	Daisy Johnson
Applicable Funding Stream(s) – Grant or Loan:	National Grid Warm Homes Fund
Growth Fund Priority Area (if applicable):	N/A
Approvals to Date:	Leadership Team approval of Request for Decision to apply for funding dated 21/07/2017.
Forecasted Full Approval Date (Decision Point 5):	w/c 22 nd December 2017
Forecasted Completion Date (Decision Point 6):	February 2019
Total Scheme Cost (£):	£2.910m
WYCA Funding (£):	£1,620m (funding awarded from National Grid Warm Homes Fund)
Total other public sector investment (£):	£0.825m (District Match Funding)
Total other private sector investment (£):	£0.465m (£80,640 Private Landlords + £20,400 EON + £363,600 Northern Gas Networks)
Is this a standalone Project?	Yes
Is this a Programme?	No

Is this Project part of an agreed Programme?

Yes. It is part of the Better Homes Yorkshire programme

Current Assurance Process Activity:



Scheme Description:

Context:

The Leeds City Region Warm Homes Programme and Projects will deliver central heating systems (gas fired), and gas connections where appropriate, to fuel poor households across the Leeds City Region. The Leeds City Region is home to around 3m people and has around 140,000 fuel poor households, which represents an average fuel poverty rate of 10.8%, compared to 10.4% nationally. Fuel poor households often live in cold and damp housing, are vulnerable to poor health and possible exclusion from services such as education and the jobs market. Many of the fuel poor households in LCR do not use mains gas to heat their homes; identifying and improving these properties will be the overarching aim of the LCR Warm Homes Programme. An adequately heated home has positive impact on health, the ability to participate in education by providing a quiet warm place to study, and access to the jobs market.

Programme Development:

The Programme has been developed in response to National Grid's £150m Warm Homes Fund which was announced in July 2017, to be awarded in three rounds. WYCA, working with North Yorkshire, Leeds, Kirklees, Barnsley, Bradford, Calderdale, Wakefield, developed a £1.6m bid, which was submitted to National Grid in September 2017. The Leeds City Region Warm Homes Programme and Projects will deliver central heating systems (gas fired), and gas connections where appropriate, to fuel poor households across the Leeds City Region.

National Grid Funding Allocation:

The allocation from the National Grid Warm Homes Fund is £1,619,960.

Programme and Contract Management:

The funding will fund gas central heating systems, and the Programme Management of the scheme. There is no requirement for WYCA funding to directly deliver the Programme and outputs, however WYCA will be lead partner and responsible for delivery. WYCA will enter into the funding agreement with National Grid.

The Warm Homes programme will be delivered through the well-established Better Homes Yorkshire programme and contracts.

Scheme Outputs:

- 704 gas central heating systems
- Housing insulation where required
- 202 gas connections

Each system includes a full wet system, condensing boiler, controls, seven radiators, pre-measure Energy Performance Certificate, and one post-install support visit. Additionally, a proportion of typically occurring extra-over items have been included in the cost per system. The post install visit will include energy efficiency, and tariff set up and switching advice. Data gathered from these visits will form part of the evaluation of the Programme.

Scheme Objectives:

- Secure £1,619,960 Warm Homes Funding from National Grid by November 2017
- Secure £825k partner match funding by March 2019
- Deliver 704 gas central heating systems by March 2019
- Deliver 200 new gas connections in partnership with Northern Gas Networks by March 2019

Business Case Summary:

Strategic Case	<p>The Programme will contribute towards the Leeds City Region Strategic Economic Plan Vision “to be a globally recognised economy where good growth delivers high levels of prosperity, jobs and quality of life for everyone” by supporting the people who can least afford it, to meet a fundamental and basic need, of a warm and dry place to live. In addition to tackling fuel poverty, providing efficient heating also reduces excessive carbon emissions which can result from inefficient systems.</p> <p>Tackling fuel poverty, and delivering interventions to some of the most deprived communities, often in partnership with local health and social care partners, is a key action within Priority 3 of the City Region’s Strategic Economic Plan (Clean Energy and Environmental Resilience). Priority 3 sets out a long term ambition to become a resilient zero carbon energy economy underpinned by high quality infrastructure, a particular emphasis is:</p> <ul style="list-style-type: none"> • Deliver improvements that make homes across the Leeds City Region warmer and reduce fuel poverty • Develop partnership and funding models with the health sector to deliver collaborative interventions that reduce extreme cold and damp and improve health. <p>Priority 4 Infrastructure for Growth is focused on new build homes, however it also identifies ‘Improving the energy performance of housing to address fuel poverty and health impacts’ as a priority.</p>
Commercial Case	<p>Keepmoat will be the main contractor. They were procured via an OJEU compliant process in December 2014 and will quality check design and costing work completed by the supply chain on a per property basis. Prices were benchmarked in 2017 and were held at the original rate.</p>

	<p>The Framework Agreement is between West Yorkshire Combined Authority and Keepmoat. Scarbrooks Plumbing & Heating will deliver the works.</p> <p>Northern Gas Networks will deliver gas connections.</p> <p>White Rose Energy will provide gas metres.</p> <p>The 7 districts involved (North Yorkshire, Leeds, Kirklees, Barnsley, Bradford, Calderdale, Wakefield) will be responsible for generation of leads, stakeholder engagement, and project management. All Local Authority partners have Call Off contracts with Keepmoat.</p>
Economic Case	<p>The average fuel poverty rate in the Leeds City Region is higher than the national average - with around 140,000 fuel poor homes – and many currently use inefficient energy systems. These include difficult to control and expensive to use electric storage heaters, underfloor electric heating elements, obsolete electric warm air heating systems, electric fires/heaters, solid fuel, gas fire/room heaters. This is resulting in uncomfortable living conditions, expensive heating bills for residents, and higher risk of mould and cold-related illness.</p> <p>There is an opportunity to significantly improve the efficiency of these homes by focusing on the provision of gas central heating systems, and in many cases provision of a gas connection where this is viable.</p> <p>Because of residents' circumstances or property type they may not currently be able to benefit from existing schemes or support. These criteria are set out in the Programme Eligibility Criteria, which have been submitted as part of this EOI.</p> <p>There is an opportunity to reduce the cost of energy bills to the residents by, in some cases, up to 45% and continue to keep bills controlled and affordable. In addition, repair and maintenance costs may be reduced due to a lesser chance of mould and condensation.</p>
Financial Case	<p>Total cost: £2,909,600 comprising:</p> <p>£1,619,960 from the Warm Homes Fund (including £8.4k contingency)</p> <p>£825,000 partner match funding (Local Authorities)</p> <p>£80,640 from participating landlords</p> <p>£20,400 from EON</p> <p>£363,600 from Northern Gas Networks (clarify at FBC plus finalised costs)</p>
Management Case	<p>The Warm Homes programme will be delivered through the well-established Better Homes Yorkshire programme and contracts.</p> <p>The social housing properties are owned by Leeds City Council (Housing Leeds) and will be delivered through existing contract arrangements between Leeds City Council and their Provider.</p> <p>The measures to owner occupied, and privately rented, properties will be delivered through the Better Homes partnership and contracts. Existing staff</p>

	<p>resource in the districts will be used to generate leads, market the scheme and engage with local stakeholders.</p> <p>WYCA will deliver programme and contract management services.</p> <p>55 jobs will be created to deliver the scheme.</p>
--	---