

## Scheme Summary

<b>Name of Scheme:</b>	<b>Warm Homes Fund</b>
<b>PMO Scheme Code:</b>	BHY-WHF-001
<b>Lead Organisation:</b>	West Yorkshire Combined Authority
<b>Senior Responsible Officer:</b>	Elizabeth Courtney
<b>Lead Promoter Contact:</b>	Vicky Dumbrell, Programme Manager, Better Homes
<b>Case Officer:</b>	Daisy Johnson
<b>Applicable Funding Stream(s) – Grant or Loan:</b>	National Grid Warm Homes Fund Grant
<b>Growth Fund Priority Area (if applicable):</b>	Priority 3 – Clean Energy and Environmental Resilience
<b>Approvals to Date:</b>	PAT approval 15 <sup>th</sup> November to proceed through Decision Point 2 and commence work on Activity 5. Leadership Team approval of Request for Decision to apply for funding dated 21/07/2017.
<b>Forecasted Full Approval Date (Decision Point 5):</b>	w/c 11 <sup>th</sup> December 2017
<b>Forecasted Completion Date (Decision Point 6):</b>	February 2019
<b>Total Scheme Cost (£):</b>	<b>£2,909,600 (including contingency)</b>
<b>WYCA Funding (£):</b>	£1,619, 960 (to be funded from National Grid Warm Homes grant)
<b>Total other public sector investment (£):</b>	£825,000 District Match Funding (Includes £8.4k contingency budget from Warm Homes Fund)
<b>Total other private sector investment (£):</b>	<b>£464,640</b> (£80,640 Private Landlords + £20,400 EON + £363,600 Northern Gas Networks)
<b>Is this a standalone Project?</b>	Yes
<b>Is this a Programme?</b>	No
<b>Is this Project part of an agreed Programme?</b>	Yes. It is part of the Better Homes Yorkshire programme.

## Current Assurance Process Activity:



## Scheme Description:

The Leeds City Region Warm Homes Programme and Projects will deliver 704 new gas central heating systems, and 202 gas connections where appropriate, to fuel poor households. 500 of these systems will be for social housing (Housing Leeds), and 204 will be in privately owned or rented properties across the 10 local authority areas in the Leeds City Region.

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.

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 and partners have developed a £1.6m bid, which was submitted to National Grid in September 2017.

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

### Scheme Outputs:

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

Each system includes a full wet system, condensing boiler, controls, 7 radiators, pre-measure Energy Performance Certificate, and 1 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 202 new gas connections in partnership with Northern Gas Networks by March 2019
- Insulate properties where an assessment has identified a need for standard measures

## Business Case Summary:

### Strategic Case

The Programme will contribute towards the Leeds City Region Strategic Economic Plan (SEP) 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

	<p>result from inefficient systems. Specifically it will address Priorities 3 and 4 of the SEP.</p> <p>The full business case sets out how the project will support delivery of national policy including the Energy Act 2011; the March 2015 fuel poverty target; the Leeds City Region Housing and Regeneration Strategy (2014); the 2012 Home Energy Conservation Act; the 2008 Climate Change Act; and the Energy Company Obligation regulations.</p> <p>Locally, the project will also support delivery of participating local authorities' Joint Health &amp; Wellbeing Strategies which sees addressing fuel poverty as key.</p> <p>Engagement has been carried out with members from all local authorities, and with local level partners including the third sector (Age UK, Citizens Advice, Financial Inclusion Groups, and Benefits Advisory Groups).</p> <p>Lessons from the previous Central Heating Fund <i>Lessons Learned Log</i> have captured feedback from beneficiaries.</p>
<p><b>Commercial Case</b></p>	<p>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.</p> <p>The 500 social housing properties which will be improved through Leeds City Region Warm Homes represents around 9% of non-high rise, off gas LCC housing stock.</p> <p><b>Privately Owned Properties:</b></p> <p>All local authorities have Call Off contracts from WYCA's Framework Agreement. These contracting arrangements are OJEU (Official Journal of the European Union) compliant, and it is a Framework of one, the Local Authorities have exclusively committed to delivering these works through this contract. Keepmoat Regeneration (Keepmoat Regen have recently been acquired by Engie) are contracted to deliver energy efficiency and heating measures and surveys across the city region.</p> <p>Keepmoat are responsible for putting in place supply chain to deliver the measures, the supply chain partner has been identified as Scarbrooks Plumbing and a formal Order will be placed with Scarbrooks by Keepmoat upon receipt of Order from WYCA and the authorities. However Scarbrooks are already engaged and have been consulted in project processes. Scarbrooks also delivered the LCR Central Heating Fund measures.</p> <p><b>Social Housing:</b></p> <p>Housing Leeds have an existing OJEU compliant Framework of suppliers to fit heating and energy efficiency measures and will appoint suppliers from this Framework.</p> <p>Contracts were set up in 2014 and prices were benchmarked in June 2017.</p>
<p><b>Economic Case</b></p>	<p>A number of options for delivery were considered and appraised and an approach to calculating monetised benefits and costs was the preferred option. Wider scheme benefits include carbon savings and the advantages to health of</p>

	<p>living in a warm home, as well as the jobs supported through delivery of the scheme. An initial Benefit to Cost Ratio is proposed at 1.8.</p>
<b>Financial Case</b>	<p>The total project cost will be £2,901,200.</p> <p>~£1.600m from National Grid and £825,000 local authority match funding will fund ~204 central heating systems in privately owned or rented properties, and 500 social housing central heating systems.</p> <p>£80,640 of projected landlord contributions will be used towards ~22% of central heating system installations in the Private Rented Sector.</p> <p>£20,400 from EON will be used to contribute towards 20% of the central heating system installations in the Private Rented Sector.</p> <p>£363,600 from Northern Gas Networks will fund the 202 new gas connections through the Fuel Poverty Network Extension scheme.</p>
<b>Management Case</b>	<p>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.</p> <p>The measures to owner occupied, and privately rented, properties will be delivered through the Better Homes partnership and contracts. The Framework Agreement is between West Yorkshire Combined Authority and Keepmoat, all LA partners have Call Off contracts with Keepmoat.</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>