

## Greater Manchester Combined Authority

Date: 29 October 2021  
Subject: Social Housing Decarbonisation Fund  
Report of: Councillor Emmott, Portfolio Leader for Green City Region and Pam Smith,  
Portfolio Lead Chief Executive for Green City Region

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### Purpose of Report:

To seek approval for GMCA to bid for cr£15m Government funding from the 'Social Housing Decarbonisation Fund' from BEIS, on behalf of Greater Manchester Local Authorities and Registered Providers.

### Recommendations:

The GMCA is requested to:

1. Agree GM Local Authorities should collectively bid for c£15m of Social Housing Decarbonisation funding.
2. Agree GMCA should be the accountable body for the bid on behalf of GM Local Authorities and Registered Providers.
3. Subject to a successful award, delegate authority to the GMCA Treasurer and Solicitor to contract with BEIS to receive and defray the funds to partners and procured delivery partner(s).
4. Note that equalities impact from this proposal will be managed via utilising delivery companies with robust equality policies, and the environmental outcome is to substantially reduce the carbon emissions from in excess of 1000 social housing homes across Greater Manchester.

BOLTON  
BURY

MANCHESTER  
OLDHAM

ROCHDALE  
SALFORD

STOCKPORT  
TAMESIDE

TRAFFORD  
WIGAN

## Contact Officers:

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## Equalities Impact, Carbon and Sustainability Assessment:

Impacts Questionnaire			
Impact Indicator	Result	Justification/Mitigation	
Equality and Inclusion	G	The funding if successful would support those who live in homes which are the worst energy performing The proposal will support those with incomes under £30,000 per annum and living in the regions worst energy performing homes	
Health	G	The increased efficiency of the residents home could support the reduction of fuel poverty Health and anxiety which can be attributed to fuel poverty, could be alleviated by the measures installed for residents who meet the funding criteria	
Resilience and Adaptation	G		
Housing	G		
Economy	G	The funding if awarded is proposed to be spent with suppliers from across the region, potentially supporting local jobs This funding may support and secure local jobs The funding is designed to retrofit our worst energy performing homes, leading to a sense of place if targeted via delivery	
Mobility and Connectivity			
Carbon, Nature and Environment	G	The removal of gas boilers and replaced with other forms of heating would reduce emissions from boilers	
Consumption and Production			
Contribution to achieving the GM Carbon Neutral 2038 target			
<b>Further Assessment(s):</b>	Equalities Impact Assessment and Carbon Assessment		
 <b>Positive impacts overall, whether long or short term.</b>	 <b>Mix of positive and negative impacts. Trade-offs to consider.</b>	 <b>Mostly negative, with at least one positive aspect. Trade-offs to consider.</b>	 <b>Negative impacts overall.</b>

Carbon Assessment		
Overall Score		
Buildings	Result	Justification/Mitigation
New Build residential	N/A	
Residential building(s) renovation/maintenance		The funding will only permit new low carbon heating systems to be deployed
New Build Commercial/Industrial	N/A	
Transport		
Active travel and public transport	N/A	
Roads, Parking and Vehicle Access	N/A	
Access to amenities	N/A	
Vehicle procurement	N/A	
Land Use		
Land use	N/A	
No associated carbon impacts expected.		High standard in terms of practice and awareness on carbon.
		Mostly best practice with a good level of awareness on carbon.
		Partially meets best practice/ awareness, significant room to improve.
		Not best practice and/ or insufficient awareness of carbon impacts.

**Risk Management:**

*The Grant Offer is likely to have conditions on utilization of the funds for their intended purposes and within the delivery timescales set. It will be a challenge to deliver this commission within these timescales, which will require proactive management. This has been communicated to all Districts/partners.*

**Legal Considerations:**

*If the bid is successful, the Grant Offer Letter will be reviewed with GMCA Legal to ensure that our legal liabilities are met with respect to passing grant through to Local Authorities and other third parties as required. Discussions have been held with GMCA Procurement Team on the procurement processes necessary to expedite delivery.*

**Financial Consequences – Revenue:**

*There are no financial consequences for GMCA revenue budgets. The bid will include an element of revenue funding for project management, which will be top sliced to support*

*coordination and management. GMCA will receive and disburse grant either directly, or via pass-through grant to Districts and other partners under a back-to-back agreement.*

### **Financial Consequences – Capital:**

*Funding for Capital works will subject to a successful application. GMCA are aiming to achieve a programme which is 100% grant funded.*

### **Number of attachments to the report: 0**

### **Comments/recommendations from Overview & Scrutiny Committee**

N/A

### **Background Papers**

Green Homes Grant Local Authority Delivery

### **Tracking/Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

Yes

### **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

N/A

### **GM Transport Committee**

N/A

### **Overview and Scrutiny Committee**

N/A

# 1. Introduction/Background

1.1 The Social Housing Decarbonisation Fund (SHDF) is a competition being launched by Government as the delivery phase from a previous demonstration funding round.

1.2 Registered providers of social housing (including private and local authority providers) can apply to Wave 1 of the Social Housing Decarbonisation Fund (SHDF) to support the installation of energy performance measures in social homes in England. Up to £160 million is available.

1.3 The SHDF will upgrade a significant amount of social housing stock to an Energy Performance Certificate (EPC) rating of C. Wave 1 projects will follow a 'worst first, fabric first, lowest regrets' approach to improving the energy performance of social housing by 31 January 2023.

1.4 The fund will:

- deliver warm, energy-efficient homes
- reduce carbon emissions from treated properties
- tackle fuel poverty
- support green jobs
- develop the local retrofit sector
- improve the comfort, health and well-being of social housing tenants

## 2. Proposal

2.1 GM Housing providers are working together, via the GM Housing Providers Group, to co-ordinate a submission of cr£15m, including the required match funding of cr£7m.

2.2 Co-ordination is being led by the For Housing Group and currently includes nine Registered Providers providing region wide representation. These include:

- For Housing Group

- Six Town Housing Group
- Wythenshawe Community Housing
- Bolton at Housing
- Your Housing
- Moss Care St Vincent
- Stockport Housing
- Salix Homes
- Rochdale Borough Wide

Membership within the final submission may vary as we continue to encourage wider participation.

2.3 If successful, the programme would require works to commence from January 2021, with installs to be completed by March 22.

2.4 GMCA would act as the accountable and reporting body to the funder (BEIS) which, in practice, would operate in a similar fashion to the current Green Homes Grant Local Authority Delivery social housing element.

2.5 The GMCA would contract with BEIS and then, via back-to-back agreements, contract with the respective housing providers. All delivery and procurement would be contracted by the housing providers and, where possible, standardization of technology will be agreed to create efficiencies.

### **3. Opportunities/risks**

3.1 The key opportunities include:

- Potential to bid for cr£15m project value including cr£8m of Government Funding to increase our social housing stock efficiency, support GM fuel poor residents and reduce carbon emissions

- Opportunity for GM Housing Providers to collaborate with consequential efficiencies of scale
- Opportunity to link this retrofit delivery programme to local apprenticeships and employment initiatives
- GM has access to new housing stock data that should help to prioritise marketing of the offer to residents.
- The timescale for delivery has been increased when compared with the previous Green Homes Grant LAD schemes (6 - 15 months), allowing greater time to attract, survey and install suitable solutions for our residents.

### 3.2 The key risks include:

- Insufficient capacity to deliver both internally and externally, in the form of officers and or supply chain.
- The criterion for the scheme is less restrictive than the previous Green Homes Grant LAD, but still seeks properties to meet an EPC rating of C.
- A further restriction is in the form of a target 90kW per sqm for heating which, in practical terms, requires greater intervention by the housing provider.
- To deliver the programme we would need to recruit additional capacity to support its delivery (by end December) although there would be an opportunity for secondments from Districts. This resource would be funded through the administrative element of the funding (see financial implications)
- If GM does not bid for Social Housing Decarbonisation funding, it may hamper our credibility to win future funding, as BEIS are likely to favour programmes that have shown a track record of delivery and can provide continuity of delivery

## 4. Financial Implications

If the bid is successful:

4.1 GMCA and GM Housing Providers may use up to 15% of grant funding to fund administrative, delivery and ancillary works. A top slice will be administered by GMCA to ensure programme management and coordination is sufficiently funded.

4.2 This could be used to fund a central coordinating function, local resident and supply chain engagement and quality assurance. There is no financial requirement on Districts, although District Officers will need to work with the central coordinating team to ensure delivery is efficient e.g., liaison with planning officer.

## **5. Recommendations:**

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