

# GM Housing, Planning and Environment Overview and Scrutiny Committee

**Subject:** GM Retrofit Action Plan 2021-2024

**Date:** 11 November 2021

**Report of:** Mark Atherton, Director Environment, GMCA

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## PURPOSE OF REPORT :

To seek approval for the GM Retrofit Action Plan, produced as an action from the Mayoral Retrofit Task Force.

## RECOMMENDATIONS :

The Committee is requested to:

1. Note the GM Retrofit Action Plan and its contents.
2. Approve GM Retrofit Action Plan (draft attached at Annex 1).

## CONTACT OFFICERS:

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# 1. INTRODUCTION/BACKGROUND

- 1.1 For Greater Manchester to achieve carbon neutrality by 2038 we need to prioritise the decarbonisation of heat which, at 2.8mtCO<sub>2e</sub> per annum, is our single biggest source of carbon emissions.
- 1.2 Whilst there is an array of renewable heating systems available, the poor thermal efficiency of our housing and commercial building stock means that, for many residents, they are not the most affordable option.
- 1.3 To make low carbon heating more affordable we need to both increase the thermal efficiency of our buildings, by installing retrofit measures and, where feasible, generate more renewable energy on site.
- 1.4 Making our homes and buildings fit for a carbon free future has wider health and employment benefits, particularly:
  - for residents living in vulnerable circumstances such as fuel poverty, poor health, or unsecure employment
  - for under/unemployed residents who could secure local, well-paid work with local employers
- 1.5 If only 20% of Greater Manchester's 1.2m homes were refortified, the market size is in the region of of£3-5.4bn, creating home grown and inward investment opportunities.
- 1.6 The retrofit market does not currently work effectively, because:
  - Most people do not know they need to heat their homes differently
  - Most people are unaware of what they can do to make renewable heating an affordable reality
  - The current supply chain is too small, with many potential suppliers having a limited or an incorrect understanding of what can be achieved.
  - Due to a lack of demand, the unit costs are too high, and we are lacking a suitably sized and skilled workforce
  - Due to the failings of past initiatives, the supply chain has limited confidence that the market will take off
  - Changing heating systems is not a priority for most people and is often an emergency purchase. As such, little thought is given to the options available.

## 2. THE PLAN

- 2.1 The Mayoral Retrofit Task Force highlighted 3 notable challenges to meeting our target of an average 61,000 homes retrofitted per year. These were,
  - Insufficient skilled operatives required to retrofit our homes, public buildings, and businesses
  - Lack of innovative funding models and solutions to support the xx% of GM residents willing to complete retrofit measures to their homes
  - A local, quality assured offer which both informs and demystifies retrofit

2.2 The GM Retrofit Plan will address the identified challenges through the agreed plans structure of,

- Forward
- Executive Summary
- Our Challenge
- Why act now?
- What are we going to do?
  - Boosting Skills
  - Improving access to Finance
  - Speeding up delivery
- Conclusion
- Implementation Plan
- Annex 1: Performance Metrics

2.3 The culmination of the GM Retrofit Plan will be the deployment of an integrated delivery proposition, which seeks to drive forward the upskilling of our local supply chains, piloting, demonstrating and upscaling of funding models and finally a region wide delivery vehicle.

2.4 The delivery vehicle for the domestic sector is currently being designed, with the public sector delivery model currently being coordinated via the Public Sector Decarbonisation scheme. Both delivery vehicles will integrate current and future skills and workforce propositions alongside future innovative funding solutions,

### **3. OPPORTUNITIES/RISKS**

3.1. The key opportunities include:

- Provide clear strategy and policy direction to retrofit our buildings for the region
- Opportunity to encourage inward investment, innovation, research, and development in this area
- Encourage the market to develop solutions and infrastructure to support our heavy goods fleets transition towards carbon neutrality

3.2. The key risks include:

- Business as Usual is currently failing to meet the regions low carbon ambition
- Insufficient capacity to deliver across both internal officers and wider local low carbon goods and services supply chain
- Failure to provide a clear direction and steer on how we retrofit can and will support our low carbon ambition.
- Failure to secure additional funding and leverage investment as result of not having a clear GM Retrofit Plan

### **4. FINANCIAL IMPLICATIONS**

4.1 The implementation of the GM Retrofit Plan will require collaboration across a variety of stakeholders, public, social, and private. To the meet the regions ambition there will be

a need for additional capacity to be identified to support and deliver, at both a regional and local level.

4.2 The proposed delivery vehicles are currently funded utilising a blend of retained business rates and government grant funding (Where applicable and secured). These include Local Green Homes Grant, Public Sector Decarbonisation Scheme, however these are time limited and provide restrictions on their delivery scope.

## **5. RECOMMENDATIONS**

The GMCA is requested to:

1. Note the GM Retrofit Action Plan and its contents.
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