STEVENAGE BOROUGH COUNCIL

ENVIRONMENT & ECONOMY SELECT COMMITTEE MINUTES

Date: Tuesday, 11 March 2025
Time: 6.00pm
Place: Council Chamber

Present:	Councillors:	Rob Broom (Chair), Julie Ashley-Wren, Leanne Brady, Forhad Chowdhury, Alistair Gordon, Sarah Mead, Claire Parris, Nigel Williams and Jade Woods
Start / End Time:	Start Time:	6.00pm
	End Time:	7.10pm

1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Andy McGuinness and Ellie Plater.

There were no declarations of interest.

2 CLIMATE CHANGE - SOCIAL HOUSING RETROFIT DECARBONISATION PROGRAMME

The Chair introduced the item by highlighting the purpose of the session, which was to provide an overview of the ongoing retrofit work being carried out by the Council on its housing stock. The Chair emphasised the dual benefits of this work, noting that it contributed to reducing carbon emissions while simultaneously lowering tenants' heating bills and improving the overall quality of housing. This was described as a “win-win” approach, beneficial both environmentally and financially for residents.

The discussion followed a recent site visit attended by the Chair, Councillors Woods and Gordon, and Council Officers, where they viewed renovated flat blocks in Bedwell. The Chair praised the extent and quality of the improvements and expressed hope that similar work could be continued, subject to identifying further funding opportunities. The retrofitted flats were presented as a strong example of what could be achieved in providing high-quality council housing.

The Chair advised that the evening’s presentation would outline progress made to date on the retrofit programme and expressed the intention that the Committee’s discussion would lead to constructive recommendations to support this ongoing work.

The Chair informed the Committee that Councillor Hollywell was in attendance in her capacity as Portfolio Holder for Housing and Housing Development, and Councillor Speller was also in attendance in his capacity as Portfolio Holder for Environment

and Performance.

The Chair invited officers to begin the presentation.

Officers delivered a presentation outlining the Council's work on improving the energy efficiency of its housing stock as part of its decarbonisation strategy. The presentation was structured around key topics as outlined below:

Energy Efficiency Goals:

Target: The Council aimed to achieve Energy Performance Certificate (EPC) Band C for all social homes by 2030. This was in line with the government's expected consultation on requiring all social homes to reach EPC Band C by 2030.

Current Status: While a significant proportion of the Council's properties were already EPC Band C or above, over 2,000 homes were still rated EPC Band D or lower. These homes were the primary focus of current and future retrofit work.

Average SAP Rating: The average SAP (Standard Assessment Procedure) rating across the housing stock stood at 69, which was slightly above the estimated UK average of 66.

Annual Carbon Emissions: The total annual carbon emissions from the housing stock were approximately 20,733 tonnes.

Data Management:

Systems Used: The Council employed Sava Intelligent Energy, integrated with the Keystone asset management system, to manage and model energy performance data.

Data Collection: Energy Performance Certificates (EPCs) were gathered routinely through stock condition surveys and at the point of re-letting properties. Where EPCs were unavailable, data from completed improvement works, such as installations of new boilers, windows, and doors, was used to estimate energy performance.

Retrofit Strategy:

Approach: The Council followed a fabric-first approach, prioritising improvements such as loft and wall insulation, upgraded ventilation, and installation of efficient windows and doors. Floor insulation was not currently pursued due to its disruptive nature and cost-inefficiency in achieving EPC Band C.

Rationale: Improving the building fabric was essential to reducing heat loss and must be completed before other measures, such as renewable technologies, were considered. This approach aligned with national funding criteria, including the Social Housing Decarbonisation Fund (SHDF).

Improvement Plans:

EPC Band C Plan: The plan included all properties except 32 homes, which required further assessment to determine feasible improvement options.

Net Zero Plan: The estimated total cost to reach net zero carbon emissions was £168 million, in addition to the costs required to achieve EPC Band C.

Funding and Costs:

Estimated Cost: The broad estimate for achieving EPC Band C was approximately £20 million across 2,500 properties, equating to around £8,000 per property on average. Properties with lower starting EPC ratings typically incurred higher upgrade costs.

Funding Sources: Funding for achieving EPC Band C was included in the Housing Revenue Account (HRA) Business Plan. However, funding to reach net zero carbon was not currently included in the HRA Business Plan.

Completed and Ongoing Work:

Funding Secured: Over the past four years, the Council had secured £5.5 million in external grant funding, used to upgrade 359 homes under Local Authority Delivery LAD1B and Wave 1 of SHDF. These properties had now reached EPC Band C.

Current Projects: The current Wave 2 SHDF project was targeting 237 homes, including both flat blocks and street properties. All homes within this project would reach EPC Band C or higher, and in some cases, Band B.

Environmental Monitoring:

Technology: A small number of properties (approximately 40) were equipped with real-time environmental sensors. These devices monitored humidity, temperature, and heat loss, supporting early identification and intervention in damp and mould cases.

Benefits: The resident-facing version of the monitoring system included a smartphone app to help residents better manage ventilation and heating.

Resident Feedback:

Positive Response: Feedback collection was ongoing and had been overwhelmingly positive. Formal tracking would continue throughout the following year, particularly through the winter months, to assess the full impact on residents' comfort and energy use.

Support: Energy advice officers, trained through a specialised retrofit academy, assisted residents during and after the works, helping them understand and manage their upgraded systems.

Future Plans:

Wave 3 Funding: The Council had secured £3.8 million in funding for Wave 3, which included a focus on installing air source heat pumps in 10% of identified homes. This funding was part of a broader strategy to move towards full decarbonisation.

Challenges: Inflation, market fluctuations, and future funding availability were highlighted as significant challenges in completing all outstanding works by 2030.

Private Housing and Leaseholders:

Warm Homes Local Grant: The grant had secured £1.5 million to retrofit around 100 private properties over the next three years. This was a significant step forward in terms of progress compared to previous schemes.

Mixed-Tenure Properties: Addressing funding and participation challenges for leaseholders in mixed-tenure properties remained a challenge.

Throughout the presentation, Members asked questions covering a wide range of topics, as set out below, along with the Officer responses:

Average cost per property to achieve EPC Band C:
The estimated cost to achieve EPC Band C across 2,500 properties was approximately £20 million, equating to around £8,000 per property on average. However, the actual cost per property varied significantly depending on existing conditions and required measures. Properties with lower starting EPC ratings (e.g., EPC E) typically incurred higher upgrade costs, while those closer to the target (e.g., EPC D at 68 points) might only require minor, lower-cost interventions such as loft insulation.

Impact of retrofit work on biodiversity:
Concerns about the impact of retrofitting on wildlife, such as birds and bats living in older properties, were raised. This issue was suggested to be addressed outside the meeting, to explore potential solutions and mitigation strategies.

Adaptation of properties to summer heat:
Strategies for protecting properties against higher temperatures, wind, and rain were discussed. These included measures to improve insulation and ventilation, which not only enhanced energy efficiency but also helped maintain comfortable indoor temperatures during extreme weather conditions.

Challenges with mixed-tenure properties:
The funding framework was not designed to accommodate leaseholders, which presented challenges for mixed-tenure properties. Previous work allowed charging leaseholders for retrofitting due to prior Section 20 consultations. However, the next round of funding (Wave 3) would focus only on street properties, not flats, making it difficult to integrate private properties into the same project.

Skills shortage in retrofitting workforce:
Upskilling local workers and promoting green apprenticeships were critical steps to

address the potential skill shortages in the workforce for retrofitting projects. The Council was training its own workers, such as retrofitting advisors and coordinators, to reduce costs and ensure sufficient capacity for future work. Encouraging women and young people to enter the construction and retrofit industries was also highlighted as a priority.

Encouraging private developers to meet energy efficiency standards:
The Warm Homes Local Grant had secured £1.5 million for retrofitting around 100 private properties over the next three years. New climate policies under review included operationally net-zero or whole-life carbon net-zero targets for developers, depending on the scale of development. These policies were expected to be adopted by the end of the calendar year.

Impact of retrofitting on leaseholders:
Previous work allowed charging leaseholders for retrofitting due to prior Section 20 consultations. However, the funding framework is not initially designed to accommodate leaseholders, which remains a challenge, particularly for flats. The next round of funding (Wave 3) will focus only on street properties, not flats.

Low uptake of Home Upgrade Scheme:
The low uptake of the Home Upgrade Scheme was due to its stringent requirements. However, new funding options and expanded eligibility were expected to increase interest. Landlords could now receive full funding for the first property and partial funding for additional properties. The scheme now included three eligibility pathways, which should encourage greater participation from residents.

Support for tenants with heating issues:
Emphasis was placed on preventing issues like damp and mould through additional funding options. The Council was helping homes that weren't heated properly by suggesting additional funding options to prevent such issues. Real-time environmental sensors in properties helped identify and address heating issues early on.

3 URGENT PART 1 BUSINESS

There was no Urgent Part I Business.

4 EXCLUSION OF PUBLIC AND PRESS

Not required.

5 URGENT PART II BUSINESS

There was no Urgent Part II Business.

CHAIR