



NORWICH City Council

Committee name: Cabinet

Committee date: 13/12/2023

Report title: Scrutiny Committee Recommendations

Portfolio: Councillor Jones, Deputy leader and cabinet member for housing and community safety and Councillor Hampton, cabinet member for climate change

Report from: Head of legal and procurement

Wards: All wards

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Purpose

To consider the recommendations made by scrutiny committee with respect to the items 'Retrofitting: Warm, low bills, no carbon: a plan for Norwich's council homes' at its meeting on 23 November 2023.

Recommendation:

To consider whether to adopt all or some of the recommendations from the scrutiny committee.

Policy framework

The council has five corporate priorities, which are:

- People live independently and well in a diverse and safe city.
- Norwich is a sustainable and healthy city.
- Norwich has the infrastructure and housing it needs to be a successful city.
- The city has an inclusive economy in which residents have equal opportunity to flourish.
- Norwich City Council is in good shape to serve the city.

This report impacts on all of the council's corporate priorities.

Report details

1. In June, members of the Scrutiny Committee agreed to consider the topic of retrofitting as part of their work programme and subsequently determined that a task and finish group would be the best means by which to explore the topic.
2. Expressions of interest to be part of the task and finish group were taken from members of the committee and Councillors Ackroyd, Driver, Galvin, Osborn, Prinsley and Stutely formed the group.
3. At its first meeting the task and finish group, elected Councillor Galvin as chair and Councillor Prinsley as vice-chair.
4. At the first meeting, a terms of reference for the group were agreed, the scope of the work and who the group would like to hear from in terms of officers to support the work and witnesses from other organisations.
5. The group received presentations from officers in various departments including finance, development, environmental strategy, housing and compliance, with support provided by The Environmental Strategy Manager, The Environmental Strategy Officer, The Interim Head of Asset Management and The Interim Head of Building Safety and Compliance.
6. The group heard from witnesses such as Flagship Housing who had undertaken a programme of installing air source and ground source heat pumps in their properties and Leeds City Council who had undertaken a number of place based retrofitting projects within its own stock and across mixed tenures.
7. The group also considered examples of best practice in relation to retrofitting at other local authorities.
8. The group decided to focus on retrofitting within the council's own housing stock but noted that retrofitting across all tenures was a priority for the city.
9. The group concluded some key findings within the report:
 - a) That the council's existing HRA budget commitments would not meet the full costs of retrofitting and that further analysis was needed to understand this shortfall.
 - b) That the government funding landscape needed to change from short term funding bids to long term certainty including policy support for the sector.
 - c) That there was a need for engagement with residents to promote an understanding of retrofit.
 - d) That an evidence based approach was needed to ensure the greatest degree of benefit in all respects not just carbon emissions.
 - e) That council should learn from first adopters of retrofit technologies to understand what works and what doesn't.
 - f) That there is a need for a citywide Local Area Energy Plan to ensure that the city has the capacity to reach net zero.

- g) That there is a need for increased capacity in supply chains and local skills across Norfolk.
- h) And a need for increased skills and capacity across the council to design, manage and deliver retrofit projects at scale.

10. Members were grateful to officers for their time and contributions to the work of the task and finish group and made the following recommendations for cabinet to consider:

Recommendation	Rationale	Implications/ resource requirements
Recognise its key roles in essential decarbonisation, combatting fuel poverty and health and economic development, add retrofitting as a core and central theme to the new Corporate Plan.	Norwich City Council has set an ambitious target for the city to reach net-zero by 2045, encompassing all sectors of the economy. Retrofitting is essential to reach this target and should be embedded in the corporate plan.	Officer/member time to consider amending and including in corporate plan.
Develop a state of evidenced readiness for future funding to allow quality funding applications to be submitted efficiently for all available funding opportunities.	Recognition that bids are often required to be turned around quickly to ensure the council maximises the potential success of any bids it makes.	To consider how best to ensure readiness across council teams may mean building capacity in teams which impacts on resources.
Allocate sufficient resource to reach this state of readiness, enabling the council to plan strategically and to effectively manage projects, particularly in the housing team. Writing quality bids, planning strategically and managing the projects will take significant additional resource.	To ensure that relevant teams have the necessary resources they need to deliver retrofitting, particularly the housing team.	Resource implications in terms of reviewing capacity and then delivery of training, development and possible recruitment.
Agree to monitor the effectiveness of the housing team restructure to ensure that the team includes the necessary skills and capacity to deliver	To ensure that relevant teams have the necessary resources they need to deliver retrofitting, particularly the housing team.	Officer time to review what resource required across council teams and to review impact of the housing team restructure.

<p>retrofitting. Similarly, review the capacity of key support services in other teams within the council – e.g. procurement – to ensure an understanding and culture of retrofit.</p>		
<p>Offer ongoing training and advice, including site visits, to all councillors and staff in relation to retrofitting so that they can be a conduit for information to residents.</p>	<p>In recognition of the need to raise awareness in relation to retrofitting and the role of councillors and officers in achieving this.</p>	<p>Officer and member time to develop and attend training.</p>
<p>Aspire and plan to deliver retrofit services through its own companies. Long term, contracts need to be written with this possibility in mind, and development and business planning undertaken to support this as an income stream. This entails exploring opportunities for new builds in collaboration with Lion Homes, assessing the feasibility and ambition for Lion Homes to offer retrofit services, and consequently identifying the necessary support the company will require for successful implementation.</p>	<p>In recognition that this could provide a potential income stream for the council's wholly owned companies which should be explored.</p>	<p>Officer, member, shareholder time to support the companies to consider these development opportunities.</p>
<p>Examine Norwich City Services Limited (NCSL) opportunities and ambition for income generation related to retrofit, and develop an early stage plan in readiness.</p>	<p>As above.</p>	<p>As above.</p>

<p>Use the knowledge and experience of work already undertaken by Lion Homes to understand resident behaviours and identify the most effective way of communicating with residents around retrofit, as well as using research and experience from experts in this field.</p>	<p>Learning from other local authorities and the council's own experience of delivering retrofit projects indicates resident engagement to enable the understanding and use of new technologies essential. The council should consider the learning from Lion Homes in this area and from other experts.</p>	<p>Officer/member time to consider and implement.</p>
<p>Develop a Retrofit Communications Plan and Engagement Strategy to share learning, best practice, and opportunities, and to ensure that local residents are well informed and engaged.</p>	<p>As above, engagement with residents is essential to successful delivery of retrofitting.</p>	<p>Officer/ member time to lead engagement work.</p>
<p>Play a leading role with its own estate, using public buildings and community centres as demonstrators to showcase and highlight the potential for retrofit whilst working with communities and community associations to help them unlock energy and carbon savings for community benefit.</p>	<p>For the council to be an exemplar of good practice to promote the benefits of retrofitting.</p>	<p>Officer time to source funding, officer time to deliver any projects.</p>
<p>Consider reworking the HRA business plan in order to deliver retrofitting at pace</p>	<p>To consider if it would be possible to rework the HRA to deliver retrofitting at pace.</p>	<p>Would have to consider impacts on other HRA projects such as new builds. Officer/ member time to research this.</p>
<p>Consider implementing an internal carbon value, alongside Net Present Value (NPV) modelling, to assess and capture the carbon benefits and</p>	<p>To understand the benefits or works undertaken.</p>	<p>Officer time to remodel system and the to implement.</p>

implications of retrofitting the council's housing stock.		
Explore alternative funding, for instance community municipal bonds and other mechanisms in line with previous scrutiny recommendations. A project should be developed to fund the retrofit of community spaces or similar, in the near future, to start to build understanding and public support.	There is a short fall of funding to undertake retrofitting works and municipal bonds provide an alternative source of funding. Alternative sources of funding should be explored to enable works. A community project would introduce retrofitting to a wide audience.	Officer time to explore alternative sources of funding and to launch any scheme. Officer time to identify project, scope and deliver.
Work with private sector investors to utilise potential external funding opportunities, i.e. in large scale heat networks.	Such large scale projects would require the council to work with partners to deliver.	Officer/member time to liaise and engage with partners.
Investigate the potential for additional funding and partnership working resulting from the forthcoming County Deal, as has been the case from Manchester and Leeds' respective devolution deals.	To ensure the council is ready to maximise any benefits forthcoming from the County Deal.	Officer/ member time to investigate.
Explore the concept of "comfort charges", following the lead of other local authorities' trials, as a potential source of additional funding.	Comfort charges may provide a means to deliver retrofitting projects.	Officer time to explore.
Ensure that any contract for delivering retrofit delivers social value too.	A recognition to the aims the council wishes to promote.	Officer time to include and review within contract specifications.
Assess the existing skills provision and capacity in the local economy, in partnership	To understand what the existing skills provision and capacity is.	Officer time to engage with other local authority partners and to undertake work.

with other local authorities.		
Work with relevant partners, including trade unions, to ensure equal opportunities for all, including skill development, job creation, and community involvement, in the council's retrofit initiatives.	To realise wider council ambitions as embodied in the corporate plan.	Officer/member time to engage with partners.
Work with planning officers to use the National Planning Policy Framework to develop local supplementary planning documents to promote and enable retrofit, and to respond to the Future Homes Standard consultation.	To promote and enable retrofitting.	Officer time to develop and implement policy.

Consultation

11. These recommendations were considered and agreed by members of scrutiny committee. There has been no specific consultation on these proposals.

Implications

Financial and resources

12. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2022-26 and budget.
13. Any additional financial requirements where activities cannot be undertaken within existing resources will need to be subject to further consideration, and approval through a business case. This will need to include an appropriate funding source being identified and/ or being built into future years' budget processes.

Legal

14. The proposals largely request that Cabinet consider exploring specific matters further. If these result in formal business cases, the legal implications will require due consideration at that time.

Statutory considerations

Consideration	Details of any implications and proposed measures to address:
Equality and diversity	The recommendations aim to provide equality of opportunity for residents to access retrofitting for their homes.
Health, social and economic impact	Retrofitting is closely aligned with beneficial impacts to health through the provision of warmer homes, also reductions of harmful emission, it beneficially addresses fuel poverty and the cost of living crisis.
Crime and disorder	None.
Children and adults safeguarding	Promotes safeguarding through the provision of affordable warmth.
Environmental impact	Reducing carbon emissions will positively benefit the environment.

Risk management

Risk	Consequence	Controls required
None at this stage.		

Other options considered

15. There have been no other options considered for this report, as it is a factual report based on the outcome of committee meetings that have already taken place.

Reasons for the decision/recommendation

16. This report will allow cabinet to make a decision on whether or not to take forward some or all of the recommendations.

Background papers:

[Retrofitting report and minutes of the scrutiny committee meeting held on 23 November 2023.](#)

Appendices: None

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