

## SWANSEA BAY CITY REGION JOINT SCRUTINY COMMITTEE

DATE 25<sup>th</sup> July 2024

### HAPS Progress Update

#### RECOMMENDATIONS/KEY DECISIONS

To inform Joint Scrutiny Committee of the Homes As Power Stations project progress.

#### 1. Introduction

HAPS is a regional pioneering project to facilitate the adoption of the 'HAPS approach' i.e. the integration of energy efficient design and renewable technologies in new build and existing housing stock across the public, private and third sectors in the Swansea Bay City Region.

It is a regional project led by Neath Port Talbot County Borough Council on behalf of the four local authority partners in the Swansea Bay City Region (SBCR): Neath Port Talbot County Borough Council, City and County of Swansea, Carmarthenshire County Council and Pembrokeshire County Council.

The HAPS project will add value to existing and pipeline energy efficiency programmes, through the provision of targeted 'additional' funding. It will aim to establish a sustainable, skilled regional supply chain with the potential to establish the region as a centre of excellence in renewable technologies in housing.

The aim of the project is to 'prove' the HAPS approach through a phased programme of activity, starting in the public and Registered Social Landlord (RSL) sectors, learning lessons from a comprehensive monitoring and evaluation of technologies process, developing a consistent 'standard', leading to the aggregation of the supply chain, disseminating the findings and encouraging the private sector to adopt the HAPS approach in subsequent phases.

#### 2. Progress Update

HAPS has made good progress since the last Programme Board update where activities aligned to the project benefits (see Appendix 1) are being co-ordinated to ensure maximum impact and effect.

This includes:

##### 2.1 Launch of the HAPS Financial Incentives Fund (£5.75m)

This fund was launched in the second quarter of 2023 to encourage and support the uptake of the HAPS approach primarily with local authorities that have housing stock and Registered Social Landlords. Private Sector developers were also eligible to access the fund.

There was a significant amount of interest where, following a rigorous application and scoring process, 16 projects across the four counties were awarded funding of up to £300k per scheme. A total of £3.7m has been allocated in this initial phase of funding, creating 361 HAPS homes.

A full list of schemes will be published as soon as the legal agreements are in place.

Inception Meetings have taken place with the approved retrofit schemes to install monitoring equipment within the homes to capture data prior to works commencing. This will enable data to be compared following the completion of works.

## **2.2 Supply Chain Development Fund (£7m)**

Work is ongoing with local authority business teams across the region to gather information on the current supply chains related to HAPS technologies and identify opportunities for businesses to diversify and grow to meet the HAPS objectives. This fund criteria is currently being scoped to maximise opportunities alongside other funds including UK Shared Prosperity Fund and funding available from UK Government and Welsh Government.

## **2.3 Technical Monitoring and Evaluation Contract (£1m)**

An external independent organisation has been procured to support the ongoing technical monitoring of the various concepts of HAPS. The contract was awarded to Cardiff University's Welsh School of Architecture who have a proven track record in carrying out this specialist monitoring.

Information and findings will be disseminated to provide a 'Knowledge Sharing Hub' to build confidence and encourage a greater take up from the private sector.

Year 1 report is available for information (Appendix 2)

## **3. Project Benefits**

HAPS has identified 22 project benefits (See Appendix 1) to be realised over a 15 year period, some also form part of the technical monitoring being undertaken by Welsh School of Architecture, Cardiff University.

Further examples of some of the project delivery linked to these benefits are as follows:

### **3.1 Encourage Behaviour Change / Sharing Learning / Increased Skills Development (PEOPLE)**

To highlight and provide a greater understanding of HAPS technologies, a visit was arranged for the SBCD Joint Scrutiny Committee to visit the Tai Tarian development at Aberavon seafront.

This type of activity will continue to be a theme of HAPS, where engaging with stakeholders to increase the learning and understanding of how technologies can be used

to create homes with a reduction in CO2 emissions and more efficiently run, thereby reducing fuel poverty.

Funding has been identified to create two HAPS Demo Houses, this will enable a wide range of stakeholders to visit and gain a further learning of the retrofit process and better understand the impact of the technologies used.

**Photo - Joint Scrutiny Committee Visit to Tai Tarian County Flats - March 2024**



**3.2 Leveraging Public & Private Sector Funding (FINANCIALS)**

The HAPS project team continues to seek and support funding opportunities that will further enable the realisation of the HAPS Project Benefits.

Examples of successful applications include:

- UK Shared Prosperity Fund £250k (public funding)

Funding has been secured through Neath Port Talbot Council to create two HAPS Demo Houses in partnership with Tai Tarian and Cardiff University Welsh School of Architecture. The houses will enable businesses / contractors / students to visit and learn about the associated works and benefits.

- Microgeneration Certification Scheme (MCS) £75k (private sector funding)

A partnership project delivered in conjunction with Neath Port Talbot Group of Colleges, MOBIE (ministry of Building Innovation and Education) and Supply Chain Sustainability School.

Main aims;

- Engage with schools and pupils to promote green skills and low carbon opportunities and programmes.
- Ensure the project supports quality and its improvement.
- Ensure there is a strong link with the MCS contractors locally and the training providers. Enabling trainers to gain industry experience, and creating a two way exchange of ideas in addition to employment opportunities for learners.
- Ensuring trainers are kept up to date with industry developments.
- Develop new teaching and curriculum resources for use by one or more provider.

- Engineering and Physical Sciences Research Council (EPSRC) / UK Research & Innovation Investment (£5 million)

The Place Based Impact Accelerator Account 'SWITCH to Net Zero Buildings' – led by Swansea University, with Neath Port Talbot Council as a civic partner, will enable flexible

and agile deployment of resources to unblock barriers to adoption of net zero buildings in the region. The PBIAA will demonstrate the economic impacts of net zero policies, leading to growth of sustainable regional supply chains and diversification and integration with existing local industries.

- Launchpad, Innovate UK for business-led innovation projects and wrap-around support. (£7.5 million)

A partnership project between Neath Port Talbot Council, Pembrokeshire Council and Net Zero Industry Wales.

The proposal focuses on expanding the South Wales Industrial Cluster activity with the aim of strengthening the business case of innovative SMEs and larger industry. It aims to deliver growth in the net zero, renewable energy and circular economy sectors and high value employment.

- AHRC (Arts & Humanities Council) Transforming Housing and Homes for Future Generations (£4.6m)

This project will run from October 2023 to September 2025, across 50+ consortium members from Cardiff, Bath, Bristol and Exeter Universities, Swansea Council, Mikhail Riches, So Modular, We Can Make, Wood knowledge Wales, and the Alliance for Sustainable Building Products (ASBP). The project aims to create a new multi-partner, transdisciplinary, design ecosystem to transform housing for future generations using bio-based and non-extractive materials, together with renewable energy supply and storage. Prof Jo Patterson is Co-Director.

#### Financial Incentives Scheme (16 Schemes to date)

The £3.7m City Deal funding allocated for the 16 schemes will leverage £21.2m of public funding and £16.36m of Private Investment.

Total Investment	HAPS Funding	Private	Public
£ 41,286,288	£ 3,691,174	£ 16,355,562	£ 21,239,552

### **3.3 Increased Skills Development / Aggregation of Demand / Security of Energy (PEOPLE / FINANCIALS / ENVIRONMENT)**

The HAPS Team supported Duracell in launching its first domestic battery. The event was held at the Botanical Gardens of Wales on 30<sup>th</sup> November '23 where nearly a hundred people attended which included landlords, electricians and builders merchants.

The event brought together industry experts to :

- understand the benefits of using a domestic battery,
- how to become a registered installer (MCS attended)
- hear about the financial support available. (Local Authority Business/Economic Development Teams)

The impact of the event is still being tracked but to date we know there are now 15 new companies that have become Platinum Installers for Duracell, as well as numerous contracts secured to install the product which is competitively priced and assembled in the UK.

**Photos : Launch of Duracells Domestic Battery**



**Appendices:**

Appendix A - HAPS Project Benefits

Appendix B - Progress Report for Technical Monitoring and Evaluation for Swansea Bay City Deal Homes As Power Stations Project (Cardiff University Year 1 HAPS Report)

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