



Glasgow City Council

Economy, Housing, Transport and Regeneration  
City Policy Committee

Report by Executive Director of Neighbourhoods,  
Regeneration and Sustainability

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Item 3

14th November 2023

**GLASGOW'S AFFORDABLE WARMTH PROGRAMME:  
DELIVERED PROJECTS DURING 2022/23 AND  
PROJECT DELIVERY DURING 2023/24**

**Purpose of Report:**

The purpose of this report is to:

1. Report on the projects that were delivered through Glasgow's Area Based Schemes programme during 2022/23.
2. Update committee on Glasgow's Affordable Warmth programme, which delivers energy efficiency measures to owner occupied and private landlord properties, funded through the Scottish Government's Energy Efficient Programme: Area Based Schemes funding 2023/24.

**Recommendations:**

Committee is asked to consider and note:

1. The projects delivered through Glasgow's Area Based Schemes programme during 2022/23.
2. Glasgow's Affordable Warmth programme of works for the current year (2023/24).

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes  No  consulted: Yes  No

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## **1 Background**

- 1.1 Glasgow's Affordable Warmth Programme is funded through the Scottish Government's Energy Efficient Scotland: Area Based Schemes (EES:ABS) programme. The Area Based Schemes (ABS) approach delivers energy efficiency measures, mainly external wall insulation (EWI), to owner occupied and private landlord properties. The programme is administered by local authorities. ABS is a voluntary scheme whereby owners/landlords "opt in" to participate in a project.
- 1.2 The EES:ABS programme targets "fuel poor" households in geographical areas that are:
- within the lowest 25% of the Scottish Index of Multiple Deprivation (2020);
  - in Council Tax Band A-C and Tax Band D in certain conditions;
  - not included in the area of operation of Registered Social Landlords (RSLs) and/or have consequently missed out on investment programmes; and
  - areas where people are living with conditions vulnerable to cold temperatures.
- 1.3 In line with Scottish Government guidance and the 'fabric first' approach, projects consist, in the main, of external wall insulation in both traditional and non-traditional properties. Projects are identified by Glasgow City Council (GCC) through analysing data such as house construction type, profiling by area and reviewing previous measures undertaken. This enables viable projects, which meet the criteria outlined in the Scottish Government's guidance, to be developed at scale.
- 1.4 The EES:ABS programme supports the delivery of key objectives outlined in Glasgow's Local Housing Strategy (2023-28), particularly in relation to LHS priority 2 "Improving the energy efficiency of Glasgow's homes, reducing fuel poverty and supporting a Just Transition to New Zero through decarbonizing domestic heating and energy."

## **2 Glasgow's EES:ABS 2022/23 Programme Out-turn**

### **2.1 2022/23 Programme Out-turn**

- 2.1.1 GCC's drawdown of EES:ABS Grant was £1,989,029 against a potential of £6,437,137. A summary of the three funded projects delivered in Glasgow through the EES:ABS 2022/23 programme is outlined in Table 1. A total of 203 owner occupied homes received energy efficiency measures during 2022/23.

**Table 1 – Glasgow’s Area Based Schemes 2022/23 Programme Outturn**

<b>Project</b>	<b>Owner Occupied</b>	<b>Total Properties</b>
Commonhead (Easterhouse)	131	131
Hardridge Road (Corkerhill)	47	47
Glaive Road (Knightswood)	25	25
<b>TOTAL</b>	<b>203</b>	<b>203</b>

2.1.2 No RSLs participated in Glasgow’s EES:ABS programme during 2022/23. Projects led by RSLs had been scheduled for delivery, however, these projects experienced delays to programmes and will now be taken forward during 2023/24. Since 2013/14:

- 18 RSLs have worked in partnership with NRS to progress mixed tenure projects.
- Over 1,500 occupiers/private landlords have received EES:ABS funding, which has enabled them to participate mixed tenure projects led by RSLs.

2.1.3 Similar to some other local authorities, GCC has not been able to maximise the drawdown of EES:ABS grant funding during recent years. The remainder of Section 2 outlines some of the reasons for this, the delivery challenges, and the engagement activity undertaken by NRS during 2022/23 to maximise take-up of the scheme.

## **2.2 Engagement Activity**

2.2.1 During 2022/23, NRS officers undertook the following activity in an effort to increase the number of owner-occupiers and private landlords participating in the programme:

- Secured an agreement from the Scottish Government to waive the financial contributions from owner occupiers who participated in the 2022/23 programme. (agreed as a result of the cost-of-living crisis and to enable households living in project areas to participate in the programme.) Despite this support from the Scottish Government, uptake did not increase as expected. This agreement related only to 2022/23 grant offers and owners/landlords will need to contribute towards works going forward.
- Carried out additional engagement activities in local communities where projects were being delivered. NRS officers arranged multiple public meetings, drop in events and visited households who had not signed up to participate in the 2022/23 programme to explain opportunities, the associated benefits and maximise uptake.
- Ensured close working with contractors to maximise engagement activity with households in project areas.

- Explored opportunities to work with RSLs to develop potential projects. This included writing to all RSLs operating in Glasgow and offering the opportunity to work in partnership with NRS to develop projects in mixed tenure blocks of flats.
- Early engagement with households living in areas that will be taken forward as part of the 2023/24 programme. This included writing to all households in each of the areas, facilitating public meetings and working with Home Energy Scotland to record interest.
- Continued to use available data sources to identify potential future project areas that meet the Scottish Government's funding criteria.

2.2.2 Despite carrying out additional engagement, the following reasons were cited as to why households did not wish to, or could not, participate in the programme:

- Potential damage to gardens, decking, driveways and extensions.
- Recent renovation work including the installing of new render.
- The suitability of their homes (for example, no building warrant certification for alterations previously carried out to the property, layout and/or dampness issues).
- People living with long term health conditions did not wish to participate due to the perceived levels of disruption and work to their home.

2.2.3 Contractors undertake the following activities to try and reassure households that any concerns or issues would be addressed through works undertaken:

- Prior to starting works, contractors review each property and take photographs, which provide a record of condition at the beginning of the programme and also when the works are inspected at the completion stage.
- Where previous work has been undertaken, owners are advised if any action is required and assisted, where possible, to ensure they can participate should they wish to do so.
- Where dampness is identified, NRS engages with the contractor/surveyor to identify the source of dampness (for example, to establish if it is penetrating, rising, condensation or traumatic) and liaises with the owner to identify a solution. In line with PAS 2035, a ventilation survey identifies solutions that can be delivered as part of the overall works to the property.

2.2.4 Owners recognised the immediate and long-term benefits of energy efficiency measures in relation to alleviating poverty, however, despite the removal of financial contributions from households and the increase in engagement with owners, many who were eligible to participate in the three project areas did not wish to take part.

## 2.3 EES:ABS Delivery Challenges

2.3.1 NRS officers have contributed towards the development of a report that will provide an overview of the expenditure of domestic retrofit activity through the EES:ABS programme across Glasgow City Region (GCR) Member Authorities. The report, which is scheduled to be presented by GCR's Programme Management Office to the Chief Executives' Group during December 2023, summarises the challenges local authorities are experiencing in maximising the drawdown of available EES:ABS funding.

2.3.2 The delivery challenges that relate to Glasgow include:

- **The single year allocation of grant funding and expected delivery timescales** – Delivering the EES:ABS programme during a 12-month period is challenging. This is due to the time required to develop programmes, prepare and assess tender documentation with support from Corporate Procurement and Legal Services, appoint contractors and gain statutory consents before starting work on site. If a multi-year funding commitment was provided by the Scottish Government, then this would enable GCC to plan and procure contractors to deliver multiple projects during the short and medium terms and provide certainty. NRS also has to establish interest from owners and landlords in areas and assess if projects are viable.
- **Grant eligibility for private landlords** – Private landlords may be eligible for fabric measures through EES:ABS if the landlord has three or less properties in their ownership. In this instance, they are eligible for a full ABS grant for one property in Scotland. Local authorities are required to seek a contribution from landlords for a second or third private rented property. Landlords who have four or more properties are not eligible for ABS grant funding. This has implications for taking forward the delivery of measures in mixed tenure blocks of flats.
- **Financial contributions from owner occupiers/ private landlords** – Owner occupiers/landlords are required to contribute financially towards the delivery of works. The ability or willingness from owner occupiers/landlords to pay the required financial contribution can be a barrier to progressing delivery.
- **Changes to funding rules** – Department for Energy Security & Net Zero (DESNZ) (previously BEIS), which is the UK Government Department responsible for ECO funding, issued guidance preventing blended funding between ECO4 and any other public funding (such as EES:ABS) at the same time.
- **Cost of delivery** – A recent tendering exercise highlighted an increase in the cost of project delivery for Glasgow's EES:ABS 2023/24 programme. Costs are linked to high inflation experienced in the construction sector. As a result of the costs, NRS had to undertake further engagement with the Scottish Government to consider the viability of projects during 2023/24.
- **Progressing works in blocks of flats** (such as 4 in a block and tenemental properties) – Title Deeds require all owners to participate. Given the scheme is not mandatory, there is a lack of willingness from some owners and private landlords to participate, which impacts on delivery.

- **Specification of works required** – The specification of works to improve the energy efficiency of some archetypes in Glasgow through the EES:ABS programme can be complex. Investigating and agreeing measures requires additional time and increases costs.
- **PAS 2035 Standard** – PAS 2035 offers a framework for identifying and installing retrofit measures to existing buildings in the UK. The Scottish Government has set out in EES:ABS guidance their expectation that local authorities broadly comply with PAS 2035. The new specification requires local authorities to agree their approach, work with design teams, contractors and owner occupiers/landlords to consider measures that meet the specification in relation to the property. This requires additional engagement and consideration, particularly between local authorities and contractors and owners/landlords.

### 3 Glasgow's EES:ABS 2023/24 Programme

- 3.1 The Scottish Government's "Offer of Grant" allocated GCC with a sum of £6,845,492 from the Energy Efficient Scotland 2023/24 programme. This Offer of Grant was accepted by the [City Administration Committee on 31st August 2023](#). Local authorities received their allocation based on the methodology agreed by COSLA, which has been used to decide previous grant awards.
- 3.2 GCC is working with contractors and RSL partners towards installing energy efficiency measures in the project areas outlined in Paragraph 3.3 during 2023/24. The EES:ABS funding for 2023/24 requires all projects to be completed by 31st May 2024 and the final drawdown of funding is to be submitted before 30th June 2024.
- 3.3 NRS officers are working with partners to deliver projects in the following areas during 2023/24:
  - Following the completion of a recent procurement exercise, GCC is in the process of appointing the two successful contractors who will deliver external wall insulation measures to properties across four projects. These projects include **the Barmulloch Blackburns, Balornock Swedish Timbers (Phase 2), Kempsthorn North Pollok and Craigend Easterhouse**. Contractor engagement will commence imminently and residents will be notified of the proposed programmes and opportunity to opt into the programme.
  - **Queens Cross Housing Association** is currently on site installing external wall insulation to four mixed tenure maisonettes located in the **Westercommon** area. The work to the four storey deck access blocks includes essential repairs and external wall insulation to the front and rear elevations of the properties. The project has secured Private Sector Housing Grant funding from NRS to assist with essential repair costs. Queens Cross Housing Association has minority ownership in the remaining block and will work with owners to encourage them to participate in the project. There will be an opportunity for owner occupiers to access EES:ABS funding towards energy efficiency measures.

- **Queens Cross Housing Association** is also installing new roofs on 3 blocks of flats in the **Dundasvale** area. The properties have previously benefitted from external wall insulation and require a new insulated roof. Owners in the block will receive an EES:ABS contribution towards the cost of the insulation associated with the works.
- **Wheatley Homes Glasgow** is installing external wall insulation in two four in a block properties in the southside of the city. Owners will benefit from ABS funding, which will enable them to participate in the works.
- In addition, GCC is concluding works relating to the projects at **Commonhead (Easterhouse), Glaive Road (Knightswood) and Hardridge Road (Corkerhill)**.

3.4 The project areas have the capacity to spend the allocation for 2023/24 of £6,845,492, however, this is dependent on the participation of owners in the scheme during the 2023/24 programme period and the ability for contractors to progress works on site.

3.5 NRS officers are also working with the Council's Corporate Procurement Unit to prepare tender documentation for three projects at **Househillmuir (Pollok), Cleve's Road (Priesthill) and Penilee**. Work will continue to develop these projects, which are scheduled for delivery during 2024/25.

## 4 Going Forward

4.1 After appointments have been confirmed, NRS officers will undertake early engagement with contractors and work towards ensuring all statutory consents can be secured at the earliest opportunity. This will limit the amount of lead in time prior to contractors commencing the delivery of projects on site during 2023/24.

4.2 NRS officers will continue to identify project areas that meet the criteria outlined in the Scottish Government's guidance to inform future programmes. This will include exploring and identifying potential opportunities to reduce the time taken to scope out and progress projects before starting on site and developing a rolling programme which will assist with future delivery.

4.3 NRS officers will continue to engage with RSLs who are progressing energy efficiency works to ensure owners/landlords in mixed tenure blocks can access EES:ABS funding. An RSL information session to outline eligible measures that can be supported through EES:ABS funding is taking place in early 2024. This session will provide further information and an opportunity for RSLs to work in partnership with NRS officers going forward.

4.4 Where RSLs have delivered external wall insulation projects, there is an opportunity to fund eligible decarbonisation measures (for example microgeneration including PV panels, micro CHP, micro wind, heat pumps, solar thermal systems, fuel cells and micro hydro schemes) where reasonably practicable and financially viable. NRS officers will continue to explore, with design teams, opportunities to implement such measures through the programme.

- 4.5 Plans are being prepared to provide additional project information to residents to encourage the maximisation of uptake. Owners and landlords who have agreed to participate will have access to both Home Energy Scotland and our contracted energy advice provider HEAT. Both organisations offer a range of services including bespoke energy advice.
- 4.6 NRS officers will continue to work with the Scottish Government to explore ways to address the challenges that Glasgow is experiencing in relation to maximising the drawdown of funding from the EES:ABS programme and increasing the number of homes that receive energy efficiency measures.

## 5 Policy and Resource Implications

### Resource Implications:

*Financial:* No direct costs. Part of EES:ABS funding can be used for Council administrative and enabling costs

*Legal:* No legal implications of this report

*Personnel:* No additional personnel implications

*Procurement:* EES:ABS projects are procured through Scotland Excel Procurement Framework and require input from Glasgow City Council's Procurement Services.

**Council Strategic Plan:** Grand Challenge 1:- Reduce poverty and inequality in our communities  
 Mission 3:- Improve the health and wellbeing of our local communities  
 Grand Challenge 2:- Increase opportunity and prosperity for all our citizens  
 Mission 2:- Support the growth of an innovative, resilient and net zero carbon economy  
 Grand Challenge 3:- Fight the climate emergency in a just transition to a net zero Glasgow  
 Mission 2:- Become a net zero carbon city by 2030

## **Equality and Socio-Economic Impacts:**

*Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.*

The programme supports the reduction of fuel poverty and therefore contributes to multiple equality outcomes.

*What are the potential equality impacts as a result of this report?*

Delivering Glasgow's EES:ABS programme and targeting investment towards hard-to-treat homes in fuel poor areas including measures such as external wall insulation and associated energy efficiency improvements is an action included in Glasgow's Local Housing Strategy 23-28. The Local Housing Strategy 23-28 was subject to an Equalities Impact Assessment. Against the backdrop of a cost-of-living crisis, action to mitigate high fuel costs will generate positive equality impacts for groups with protected characteristics.

*Please highlight if the policy/proposal will help address socio-economic disadvantage.*

The programme helps to mitigate against energy price increases and cost of living challenges for owners in poor and vulnerable households.

The Council's Corporate Procurement Unit utilises Scotland Excel's framework of contractors, which re-tendered in 2021, to deliver the Council's EES:ABS projects. There are 17 external wall insulation contractors on the framework, which makes provision for community benefits and Fair Working Practice.

## **Climate Impacts:**

*Does the proposal support any Climate Plan actions? Please specify:*

Theme 3 Well Connected and Thriving City  
Action 8: Continue to work with Scottish Government to maximise grant funding for Area Based Schemes to invest in improving energy efficiency and tackling fuel poverty in private sector housing.

Action 39: Encourage and enable retrofit of all existing owner-occupied housing to EPC level C or above, and to reduce flood risk (where appropriate).

*What are the potential climate impacts as a result of this proposal?* The installation of energy efficiency measures will contribute to a reduction in CO2. It is estimated that the 2022/23 ABS programme delivered circa 2,640(tCO2) lifetime carbon savings based on Energy Saving Trust figures.

*Will the proposal contribute to Glasgow's net zero carbon target?* The delivery of the ABS programme can save carbon and reduce energy use to benefit the environment, contributing to the city's net zero carbon target. By June 2023, energy efficiency measures were installed in circa 10,800 properties across 82 project areas since the fund was established in 2013/14.

### **Privacy and Data Protection Impacts:**

Are there any potential data protection impacts as a result of this report  
Y/N

Yes. Measures are in place to ensure the use of personal data complies with the current Data Protection laws.

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

DPIAs have been carried out for both installers and partner organisations involved in the delivery of the ABS programme

## **6 Recommendations**

Committee is asked to consider and note:

1. The projects delivered through Glasgow's Area Based Schemes programme during 2022/23.
2. Glasgow's Affordable Warmth programme of works for the current year (2023/24).