Annual Report
2018/19
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Good homes support the creation of cohesive and well-functioning communities in which all can play a part. Our Warm Homes Programme continues to make a significant contribution to improving the quality of our homes, supporting people who continue to struggle to meet the cost of their home energy needs, whilst contributing to our ambitions to reduce harmful carbon emissions into our natural environment.

As part of the Warm Homes Programme, the Welsh Government Warm Homes Arbed Scheme has been improving the energy efficiency of homes since 2009, making them a warmer and more comfortable place to live. The Scheme has continued to support some of the most vulnerable people in our society by improving their resilience to avoidable ill health and by preventing premature death. Creating a comfortable home also supports our children to give them the best start in life to help them better realise their full potential.

This is the first annual report published by Arbed am Byth, who have been awarded the contract to deliver home energy efficiency improvements in areas identified as being more at risk of not being able to maintain a safe and comfortable home environment at an affordable cost. Learning the lessons from past Schemes and putting them into practice, this new Scheme is focused on the customer, reflecting...
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In this first year, more than £1.2m of Government funding was provided, benefitting people living in 145 homes by improving their home energy efficiency. I expect this Scheme to deliver many more improvements to Welsh homes in the years ahead.

In 2008, 332,000 homes were estimated to be fuel poor under the full income definition. This represented 26% of all households. Under the basic income definition, approximately 356,000 households were fuel poor which represented 28% of all households. Latest estimates based on the Welsh Housing Conditions Survey undertaken in 2018 suggests 155,000 homes continue to live in fuel poverty, representing 12% of all homes in Wales. Maintaining this downward pressure on fuel poverty through our Warm Homes Programme will ensure we are able to further reduce the number of people who continue to live in a cold home during the winter.

The Arbed Scheme continues to make a valuable contribution in our efforts to reduce carbon emissions from homes in Wales. Achieving near zero carbon emissions from buildings is one of the biggest decarbonisation challenges we face in the next three decades. Whilst Arbed is not predominantly a decarbonisation scheme, the immediate carbon benefits this Scheme contributes to our wider efforts to decarbonise housing cannot be underestimated. The new approach we have adopted in this Scheme to a whole system approach to retrofitting housing will provide an invaluable blueprint on how best we can achieve housing decarbonisation in the years ahead.
About
Arbed Am Byth

Arbed am Byth is a joint venture partnership, formed in 2018, between the Energy Saving Trust, a leading sustainable energy non-profit organisation and Everwarm, an experienced installer of energy saving measures.

The Welsh Government’s Warm Homes programme is Wales’s flagship fuel poverty programme and continues to make a significant contribution to improving the quality of homes across Wales by supporting people who continue to struggle to meet the cost of their home energy needs.

As part of the Warm Homes Programme, the Welsh Government Warm Homes Arbed scheme is targeted on geographical areas in fuel poverty. The scheme offers a suite of energy efficiency advice and measures to improve the energy performance of the properties in these areas to move householders out of fuel poverty. The Arbed programme is supported by £23.3m from the European Regional Development Fund and this will support the delivery of the programme in F/Y 2019/20 and 2020/21. Arbed am Byth delivers the Arbed programme under contract to the Welsh Government.

Each of the joint venture partners have an equal stake in the business and each sits, together with the head of the Arbed team, on the Arbed am Byth board to ensure that the organisation fulfils its responsibilities to the Welsh Government and to the people of Wales.
Introduction

Arbed am Byth was awarded the contract to manage the Arbed programme across Wales in May 2018. Once the business was established and formally set up, a range of activities commenced to ensure that Arbed delivery could get underway and begin to make an impact in local Welsh communities.

Our first priority was to be ready to deliver the programme as soon as practicable, meaning that establishing contact and initial relationships with our prospective local authority partners was key. The team worked closely with the Carbon Trust across the summer months to engage and meet face-to-face with every local authority in Wales; seeking to understand their respective priorities and requirements for local programme delivery. Whilst not every local authority could be expected to be at the same stage of readiness in terms of having local schemes ready to deliver in the short-term, we were encouraged by the willingness to engage that was evident in these sessions and will continue our programme of dialogue and close collaboration with local authorities in the coming year.

At the same time, we selected and prepared a headquarters for the new business in Nantgarw, Rhondda Cynon Taf – deliberately choosing a regeneration area that the Welsh Government has designated as part of its strategy to drive investment in the northern valley areas of South East Wales. That regeneration activity is intended to create new and high value jobs, skills and sustainable opportunities for local people. Our aim is to contribute to that process as part of delivering the Arbed contract, working with local SMEs and community groups to bring real and demonstrable value to the region as the scale of our work expands over the coming months and years. We have started well, already having created 27 new jobs and with plans in place to create a minimum of eight more jobs in the next financial year. We will also be working with our sub-contractors and our wider supply chain to ensure that they maximise the benefits that they are bringing to local people and communities.
As part of the mobilisation work, we carried out a successful and widely advertised procurement exercise to select our local installer partners for the contract. That involved holding three well-attended public information events across different parts of Wales and advertising the opportunity to work with us as widely as possible to maximise participation in that tender process. More than 50 local businesses took part at various stages, encompassing a wide range of scales and sizes from businesses all across Wales. As a result, we now have 35 companies that have demonstrated their ability to meet our quality requirements and have earned a place on our Wales-wide framework of installers. Those installation companies will provide a wide range of trades and skills in terms of the measures we will need to deliver, ranging from solar panels and traditional gas boilers through to air source heat pumps and more ambitious renewable energy technologies.

We also built our bespoke IT system that will allow us to deliver flexibly across different local schemes and we completed a full recruitment programme for our senior leadership team and key roles. Now that the team is established and the IT infrastructure has been tested in live scheme delivery, we have built a strong base for the year ahead.

With the mobilisation process now complete and programme delivery underway in earnest, it’s positive that we were able to get five schemes established during the first year, encompassing several different parts of Wales and a range of diverse communities, but all with a common focus on providing help to homes in or at risk of fuel poverty.

The Arbed am Byth business has now built its foundations and is currently helping more than 200 vulnerable households every month across a range of different geographic areas and communities. We will be working with a range of partners and stakeholders over the coming year, leveraging additional funding from sources such as the Energy Companies Obligation (ECO) to ensure that the Welsh Government’s investment in local schemes goes further to assist more households. Our focus will be on building on the platform that has been established and delivering Arbed at scale in 2019.
The process of developing schemes alongside individual local authorities is a detailed and comprehensive one, involving the use of data and locality-specific insights (for example on the propensity for a household in the area to be in fuel poverty and Welsh Indices of Multiple Deprivation). Our aim is to develop a comprehensive dataset and focus particularly on any areas this may identify that are in, or at greater risk of, severe fuel poverty in order to ensure that assistance is targeted towards those who need it most. We then continue this process of engaging with the local authority and key stakeholders throughout scheme delivery, ensuring that we learn from any feedback opportunities as they arise.
1,266 measures on average have been installed in 2018/19

145 Properties have benefitted from the programme in 2018/19

8 Measures on average were installed in every property that received assistance in 2018/19

609 Whole House Assessments were carried out in 2018/19. In every one of these assessments, a household has an Energy Performance Certificate (EPC) completed that provides detailed recommendations for all of the energy saving measures that can be installed.

141 The average improvement in the energy performance rating (which is measured by Standard Assessment Procedure, or SAP) of each property receiving assistance in 2018/19 was 14.1 points
It is generally accepted that households living off the gas network, without access to mains gas as a heating source, are more likely to be in or at risk of fuel poverty than those households who are on the gas network, as they may be reliant on more expensive and less efficient sources of fuel such as oil, solid fuel or electricity. By working with gas network companies across Wales and linking in with their established programme to extend the network, we have been able to develop local schemes in low income areas that can have a significant and long-term impact on fuel poverty.

Connecting homes and communities to the gas network has the added benefit of moving households away from much more carbon intensive sources of fuel (usually solid fuel or oil) to a cleaner and more efficient source of heating in mains gas. Whilst fuel poverty reduction is the primary driver for Arbed, it’s positive that local schemes can also have a lasting contribution to climate change targets by reducing carbon emissions in households.

Moving forward, we have already identified more than 1,000 properties that could be linked up to the gas network, some through direct connection to an existing main and some with the additional requirement of a mains extension.

This has led us to work with the gas network operator, Wales and West Utilities, who put in the gas connection to a house before a modern, efficient gas central heating system is installed as part of a local Arbed scheme. The first scheme of this type to go live was Penyffordd in Flintshire in February 2018.
In Numbers
Age Range of Householders

- **<30**: 5%
- **75+**: 11%
- **30 - 44**: 32%
- **60 - 74**: 28%
- **45 - 59**: 24%
<table>
<thead>
<tr>
<th>Property Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houses</td>
<td>93.05%</td>
</tr>
<tr>
<td>Bungalow</td>
<td>4.17%</td>
</tr>
<tr>
<td>Flat</td>
<td>2.78%</td>
</tr>
</tbody>
</table>
Tenure

10% Private rented

90% Owner occupied
Colin Laver Heating was appointed to the Arbed sub-contractor framework following a robust procurement exercise in 2018. They were then successful in being appointed as one of the Arbed contractors for the delivery of three separate schemes in South Wales, quickly mobilising their qualified engineers and staff to deliver a wide range of energy saving measures.

Colin Laver Heating’s Managing Director, Howard Leyshon

Colin Laver were delighted to be selected to work on Arbed as fuel poverty is something that as a business they feel strongly about and they are always looking to improve the safety and health of the most vulnerable whenever they can. They have thus been very pleased to work with Arbed to bring efficient safe heating systems to properties that previously had none, to install systems providing clean, free solar energy on fuel-poor homes and to supply energy efficient light bulbs to help Arbed customers reduce their energy bills even further. This has allowed them to invest in the local community and develop their business, creating two apprenticeships and further employment for eight people.

In addition, as Colin Laver Heating is based in Pontypridd, their engagement and development on this programme represents tangible evidence of Arbed supporting local businesses and local communities as part of scheme rollout and delivery, in this case a business that is based in the heart of the northern valley areas of South East Wales that are being targeted for development and investment.

This partnership has ensured the benefits of the scheme has reached further and wider than the main target of fuel poverty, it is also helping residents in South Wales return to work and achieve wider prosperity, which is good news for the South Wales economy and living standards in the area.

Colin Laver Heating’s Managing Director, Howard Leyshon
In Review
Case Study

Customer: Mr A
Scheme: Sandfields, Swansea
Measures installed: Full central heating system, including boiler, radiator and controls, LED bulbs throughout the house and tap flow limiters in bathroom.
Dates delivered: February 2019

This stone built terraced property was 140 years old. A traditional property that is hard to heat and can prove difficult to keep warm on an affordable basis. The heating system was over 10 years old, inefficient and badly in need of replacing as the homeowner was finding it more difficult to heat the property and afford the ever-increasing bills.

“We’re delighted to have had such valuable upgrades for no cost, and we’re very grateful to Arbed am Byth and Welsh Government for the improvements.”
In Review
Case Study

Customer: Mrs P
Scheme: Grangetown, Cardiff
Measures installed: Full central heating system, including boiler, radiator and controls, LED bulbs throughout the house and tap flow limiters in bathroom and kitchen.
Dates delivered: March 2019

This customer was referred directly by Cardiff City Council as she was elderly and suffering with cancer and had no heating and no hot water. After an Arbed assessor visited, recommendations were made to install a new central heating system in the property.

Mrs P was overwhelmed that we could help and delighted with the service – her experience shows the significant impact that a more efficient and affordable heating regime can have on the health and wellbeing of our customers.

“I feel very happy now I have heat in my house and hot water and am so thankful for all the help I’ve received from my Local Council and to Arbed am Byth staff for arranging this around my very regular hospital appointments.”
In Review
Case Study

Customer: Mrs LK
Scheme: Penyffordd, Flintshire
Measures installed: Gas Connection, full central heating system, including boiler, radiator and controls.
Dates delivered: March 2019

Having recently moved to the area this customer was struggling to keep her property warm and meet the costs of her heating. After signing up to the programme following our letter, an Arbed assessor was assigned to the property and very quickly determined that the property could benefit from a new fuel type.

Wales and West Utilities were then able to bring the gas from the main road into the property and Arbed am Byth contractors were able to remove her old, costly inefficient heating system and replace it with a much more efficient and cost-effective, gas-fired central heating system.

“I thought this scheme was too good to be true, but I now have my new system and I feel great with no worries of it breaking down. As for the contractor they were very efficient and professional and very chatty which put me at ease. Thank you to all involved.”
Rhan o raglen Cartrefi Clyd Llywodraeth Cymru
Part of the Welsh Government Warm Homes programme