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WARM WALES
CYMRU GYNNES

10 Years of Achievement



www.warmwales.org.uk



COMMUNITY
INTEREST
COMPANIES

Foreword



Warm Wales is one of the first community interest companies in the UK and the first set up to tackle fuel-poverty by implementing energy-saving measures. I was appointed as Chair at the outset and I have seen the company grow and diversify, to meet many changes including those in government policy, technology and funding regimes. However, our mission has always been to tackle fuel poverty; and to do so by finding

ways to overcome barriers, to build collaborative partnerships, and to specialise in direct delivery of effective schemes. As an independent company with a background in business and a wide range of professional experience in the energy, housing, environmental, building and research fields we have sought to capture best practice in the field of energy reduction, bringing significant financial, environmental and social benefits to vulnerable communities.

Now, more than ever, government is recognising the major role that building energy retrofitting has to play in the move to a low carbon economy. Warm Wales has the enthusiasm and experience to help deliver this objective and as always prioritising the needs and concerns of households and building users.

I would like to thank National Grid for their vision in establishing the company, their contribution to the Board and company structure over the years and continued involvement with us today.

We have also been successful in receiving significant funding under Welsh Government programmes, which has helped us work with local contractors to grow capacity and supply chain capability. Thanks are also due to the Building Research Establishment and National Energy Action for their co-operation in our joint mission to reduce fuel poverty. We thank them all for their support.

**Professor Phil Jones,
Chair, Warm Wales**



Congratulations from Sara Burgess, Community Interest Regulator



Sara Burgess, CIC Regulator with Professor Phil Jones, Chair and Craig Anderson, Chief Executive Officer.

“The CIC model has come a long way in ten years, and I am delighted not only that we are well on the way to having 10,000 CIC’s across the UK, but that we are able to celebrate 10 years of growth as a Regulator with a CIC that has been registered from the beginning. Warm Wales Cymru Gynnes is one of the CIC Regulator case studies which have been instrumental in demonstrating to new companies how a CIC can work.

I would like to take this opportunity to congratulate Warm Wales on their success and to wish them well for the next 10 years.”

Sara Burgess



How it all began...

The UK's first Community Interest Company established to tackle Fuel Poverty



The move to tackle Fuel Poverty on a national scale gained momentum in 2000. The Government of the day faced the question of how best to deal with the many contributory factors, which range across a wide spectrum of poverty, education, social exclusion and health. Three target issues were identified: the poor energy efficiency of existing homes, the low income of many households and lack of access to the competitive energy market via the mains gas network. Fuel poverty was known to damage the quality of life for many and impose wider costs on the community. The direct effect in relation to health and well-being impacted on older people, children and the vulnerable in particular. About four million households were estimated to be at risk.

The cost of addressing this situation was immense and the Government was keen to find ways to bring together organisations and departments, where there was a natural, beneficial, overlap in purpose. Aligning objectives and bringing together resources to maximise efficiencies would make the most of limited budgets. The Warm Zones programme was designed to do just that.

In 2000, five local authorities in England volunteered to host a county-wide scheme or Warm Zone – Northumberland, Stockton-on-Tees, Hull, Sandwell and Newham. The zones were to establish collaborative partnerships, coordinate activity and finances with the

aim of delivering energy efficiency improvements on a large scale, increasing receipt of welfare benefits, boosting training and employment opportunities and raising awareness of energy saving.

Over a three-year period, the Zones trialled many methods of engaging with the general public and of delivering services. The Stockton-on-Tees zone, delivered by Transco (now National Grid), produced excellent results. It proved possible to increase energy efficiency activity by 7 times above the standard with a structured programme of intensive marketing, door to door services, coordinated installation of improvements, education and welfare benefits advice. Local authority, energy supply company and European funding was 'pooled' to achieve considerably more by way of outcomes than would have resulted from separate initiatives.

Success led on to a move to spread the benefits and in 2004, National Grid took the area-based, zones model to Wales to form Warm Wales Cymru Gynnes Ltd. The company converted to community interest status in March 2006, achieving a unique 'double first'.

- First Community Interest Company to register in Wales
- First CIC business established to tackle Fuel Poverty in the UK.




10 Years of Achievement

- £58 Million : invested in Fuel Poverty reduction projects
- 187,214 Homes : offered energy efficiency improvements, advice and services
- 60,000 Homes : received energy efficiency improvements
- £4 Million : additional benefits and fuel tariff savings for households
- 213 Employment with training : opportunities created

Tackling fuel poverty for communities





Focus on homes in Fuel Poverty

Warm Wales set out to deliver maximum benefit to households in need and to the communities in which these homes were based. This would include supporting the local economy by using local suppliers, contractors and workforce. The aim was to manage costs and ensure efficiency savings were made by following commercial business practice, so that more measures could be offered. In this way, Warm Wales would fulfil the key community interest principle of re-investment for community benefit. Working with local authorities, housing associations, energy supply companies, caring and voluntary agencies, Warm Wales followed a proven recipe for success.

National funding schemes concentrated on improving energy efficiency and cutting carbon emissions and were not designed to target Fuel Poverty. None used assessment of Fuel Poverty as a criterion. Warm Wales assessed every household and used business surplus to give home insulation and new heating systems to those who fell through the net of other schemes but were equally in need of support. The company also supported local charities and organisations which worked within and for the benefit of local communities. Three major schemes illustrate how this was achieved.

'Bringing Warm Homes' to Neath Port Talbot and to Wrexham schemes ran for five years each and invested over £19 million of energy efficiency improvements into homes across the two counties. The schemes delivered many additional services including new access to mains gas, help with benefit applications, energy advice, cross-referral for health and social services, fire safety and crime prevention home visits and an education programme for schools. Warm Wales ran an intensive ward by ward, street by street programme of engagement starting with the most deprived areas and re-visiting until 81% of the 118,688 households – of all tenure - had been contacted and assessed.

Ninety jobs were created and 131 people received training and work experience. Over 38,000 homes received a mix of cavity wall, loft insulation and new heating, bringing fuel savings to householders. £3.35 million extra benefits were claimed and paid; giving householders much needed money for budgeting. These schemes remain the largest fuel poverty programmes designed and delivered by a private company in Wales.

The benefits were soon recognised by home owners:



"I cannot believe the difference the work has made. I have lived in this house since I was born and I have never been so warm and cosy. It's wonderful to feel so warm and safe in my own home. I can't thank you enough."

Miss I Sheehan, Wrexham



"It's a dream come true, now we will be able to use all the rooms in the house. It will make a massive difference to our lives".

The Butler Family, Wrexham

'Community Warmth' schemes followed in Cardiff, Torfaen, Denbighshire, Flintshire and Conwy. This time efforts were focused on 30,600 homes in the most deprived areas of each county for shorter periods of between eight to 12 months. Again, promotion, marketing and door to door visits were used to reach as many households as possible. 2,666 homes received free insulation and new heating.

In 2010, Welsh Government introduced a £30 million investment and large scale retrofit programme, **ARBED** (SAVE), to reduce fuel poverty, cut carbon emissions and support Welsh businesses in the energy efficiency and renewable technology supply chain. A further £30 million was provided by local authorities, housing associations and energy supply companies. Homes requiring more expensive improvements such as solid wall insulation, within Strategic Regeneration Areas, were targeted for 'whole house' measures.

Warm Wales partnered with two local authorities (City and County of Swansea, Caerphilly County Borough Council) and five housing associations (Charter HA, Melin Homes, Tai Ceredigion, Family HA, Coastal HA) to deliver a wide range of 1,391 measures to 1,147 homes, with a value of £9.6 million. Households received solid wall insulation, solar thermal hot water systems, solar photo voltaic arrays, new boilers or heating systems and many were connected to a more affordable mains gas supply for the first time. Ninety people were offered employment and training opportunities.



"My bills are now less than half what I was previously paying, and my house is a lot warmer since the insulation was fitted. I was in arrears with my gas bill but now I am in credit. The house seems to retain the heat for longer, so I don't need to use the heating for as much as before."

Mrs S. Williams, St Thomas, Swansea



"I've lived here for 14 years and we have been paying about £30 per week for coal, so I'm making a saving with the new gas heating. Now, we have hot water whenever we need it. Before, it was lukewarm and we had to use the immersion heater for hot water, costing more. Otherwise, we would lose heating from half the rooms in the house while the old system heated up the water."

Miss J Davies, Pontarddulais, Swansea

Sustainable and Renewable

Warm Wales has also helped organisations take advantage of renewable technologies such as the Amgueddfa Cymru - National Museum of Wales. AC-NMU owns eight historical sites throughout Wales and wished to adopt more sustainable practices and reduce carbon emissions by evaluating potential for solar energy. This would have the added benefit of reducing energy costs for running sites and offices and would generate Feed in Tariff income for AC-NMW. Warm Wales advised on the suitability of solar photovoltaic systems for listed buildings and other premises and planning issues, and then managed both the procurement process to appoint a contractor and the installation works.

The first installations took place at Big Pit, Blaenavon, part of a UNESCO World Heritage Site, and at the National Collection Centre, Nantgarw. A 50kWp system

fitted with Sharps panels was used at Blaenavon. The idea of such a long established site of carbon based power generation adapting to new technology and solar power caught the imagination of both the national and international media, who praised the project as an example of forward thinking in Welsh industry, encouraging adoption of new low-carbon technologies. The projects also had the benefit of significant financial support from the FIT generation grant, making these installations a very attractive investment.

Mark Richards, Director of Operations and Deputy Director General, AC-NMU said "Warm Wales Cymru Gynnes provided much needed expertise. We now have an iconic site which not only tells the history of coal extraction across Wales but one which also demonstrates renewable technologies to our 150,000 and more visitors each year."



Promoting Green Energy

Warm Wales promoted a Ground Source Heat Pump scheme for the Brecon Beacons National Park Authority. Many homes within the park are without access to mains gas and likely to remain so. The houses are often stone-built character buildings which are difficult to heat. The idea of GSHP's was favoured since this would cut heating costs, offer renewable energy, reduce carbon emissions and have no impact on the natural scenery of the area. This all fitted well with the ethos of the National Park. Sixty-eight households took part in the site evaluation process, and Warm Wales offered a grant of £2,500 towards installation costs and a very competitive bore hole drilling price.



In late November 2010, just before the FIT rates for electricity generated from solar photo voltaic systems was due to drop, Warm Wales beat the deadline to assist Cantref housing association. Plans to install PV systems for 100 homes – 500 panels at 5 per roof at three sites in West Wales - were brought forward rapidly. The project was successful and secured the higher FIT income for Cantref for 20 years. In keeping with Welsh Government intentions to bring economic benefits to local communities, Warm Wales managed a group of sole traders and small contractors to complete the work.

Lynne Sacale, Chief Executive at Cantref said "Retaining the higher tariff will allow us to make future investment in additional green technologies. We were very pleased to complete the 100 installations in such a short space of time, thanks to Warm Wales, all concerned and the fantastic co-operation of our tenants."

Partnering for Delivery and Quality

Warm Wales has developed strong collaborative partnerships with local authorities, public services, housing associations, the energy sector, contractors and agencies from the outset. Working together to achieve greater results has been a key feature of the company's success. As the company has developed, new partnering ventures have been introduced.

Breaking Barriers to access mains gas

Warm Wales has been at the forefront of action to overcome barriers to mains gas network extensions and give 'off gas' homes the opportunity of a new, energy efficient heating system and full participation in the competitive energy market. With the advantage of a National Grid heritage and an association with the then Department of Trade and Industry's Design and Demonstration Unit, the company had the background and expertise to create a new business model and make previously unviable schemes possible.

Early projects include taking mains gas to 700 homes in the village of Chirk and other streets in Wrexham and laying 3 km of gas pipes to serve 520 homes in the Upper Dulais Valley, Neath Port Talbot. Partnering with gas transporter East Surry Pipelines, this was the largest scheme to be undertaken in the industry for over 10 years.

In late 2009, Warm Wales was chosen as an independent partner to manage the new Wales & West Utilities Ltd. gas connection 'grant' scheme. For the first time, OFGEM (Office of Gas and Electricity Markets) had agreed to allow the major gas transporters to invest in their gas networks where individual connections and gas network extensions would benefit the fuel poor. This was a significant breakthrough, and allowed Warm Wales to establish a new brand, Integrated Energy Services, to promote fuel conversion and heating 'grants' across Wales and the south-west of England. To date, Warm Wales has issued over 7,600 gas connection vouchers, representing total savings to vulnerable householders and social housing landlords of over £7 million. The Wales and West area is the smallest UK gas network, and these results show, proportionally, that the scheme has outperformed that of other, larger networks.



Pensioners David and Alma Coleman were in a difficult situation when their old, oil boiler failed. They had spent money on repairs but it still didn't work properly and Mrs Coleman needed a warm home because she was recovering from treatment for cancer. The cost of replacing the boiler and upgrading the system was too high. Warm Wales worked to bring together 3 funding schemes to convert the heating system to mains gas giving Mr & Mrs Coleman a warm home and cheaper fuel bills. The gas connection was funded from the Wales & West Utilities scheme and the heating works were covered from Scottish Power's Affordable Warmth scheme by A&M Energy Solutions Ltd and npower's Health Through Warmth scheme managed by Care & Repair Cymru.

Mr Coleman said "The new heating is absolutely wonderful. Everyone pulled out all the stops to help us; they were so positive and determined, just brilliant people. We can't thank everyone enough."

Quality Solutions for Solid Wall Insulation Issues

Since 2011, attention has turned to improving energy efficiency in the solid wall and non-traditional construction housing in which so many low income UK households live. This is a particular problem in Wales, and wall insulation is an expensive measure. Insulation can be ruined, and the fabric of homes threatened through poor workmanship, poor detailing and system failure of gutters, verge, reveals and window sill protection, which is often dependent upon an insubstantial silicone seal. This is a serious issue of quality and creates 'performance gaps' in carbon savings. Silicone seals will require ongoing maintenance, incurring additional cost.

Warm Wales has taken on the challenge of developing solutions to these system weaknesses by creating a new company, EWiPRO, in partnership with the designers of a new aluminium gutter and trim system which provides complete protection for external wall insulation. The EWi PRO system ensures that rain water is taken well away from the insulation margins. It provides insulation to remove the issue of cold bridging at the roof line. It is also vented to allow better air circulation within the roof space and the verge trims and reveals give a watertight seal. Industry system designers such as Rockwool, Knauf and Parex, have already approved the new product for use on new projects, and the new product has been supported by both the Technology Strategy Board and the Building Research Establishment.



EWi Testimonials

To deliver high quality EWI schemes at scale we need some game changers – and this system could be one of them.

Mr David Pierpoint,
Centre of Refurbishment Excellence, Chief Executive

The system has now been in place for 3 years and still looks and works as well as on day 1.

Mr Robert Prewett,
Prewett Bizley Architects, Director

I see this as the perfect solution for what has been the weakest part of any EWI design, tackling head on the issues with water ingress, cold bridging and the general aesthetics of the finished product.

Mr Mark Thomas,
A&M Energy Solutions, SWI Project Manager

I was taken aback by the innovative approach EWi PRO had taken to a long standing concern within our EWI industry. This system is a major improvement.

Mr Tony Sheehan,
Joyner P.A. (Cymru) Limited, Managing Director.



Retrofitting Homes



Large scale retrofitting schemes have taken place over the past 10 years to deal with the issue of poor energy efficiency in the UK's existing housing stock. More recently, Welsh Government has also supported energy efficiency and fuel poverty programmes by supplementing the shortfall between Energy Company funding and the cost of measures. Warm Wales has worked with the funding changes and wherever possible, delivered a package of measures for households including energy efficiency advice.



'Retrofitting' took on a new meaning for retired chemical engineer Bill Price, who returned to Neath and set himself the personal challenge of transforming an old chapel within a Renewal area. Mr Price's neighbours were delighted to learn that the building would be preserved and used as a home, improving the local area, rather than converted for commercial use. Warm Wales helped by arranging a new gas supply and heating system by combining two funding schemes. This helped Mr Price manage the work within his budget.





Stephen and Donna Perret of Castleland, Barry had struggled to find some way of repairing their collapsing bathroom floor and replacing an old, faulty boiler for over two years. It was difficult for the family of six to use the bath or shower because the bath was unstable. This was a particular problem for one of the children, who is physically disabled. They had to leave the heating on to have hot water, which increased their fuel bills. Warm Wales found out about their problems while delivering an energy efficiency improvement programme for the Vale of Glamorgan Renewal Area. There was no help for the family from any other source

because their case 'fell through the net' of other schemes. Warm Wales paid for a local builder to carry out the repairs and then used energy company funding for a new boiler and heating repairs.

Mr Perrett said: "This will make a big difference to us. It's been a constant worry and we have had to take the children to my eldest daughter's home for a bath. I went everywhere I could for help and had reached the end of my tether. We can't thank you enough"



Roger Wills and his wife Elizabeth took up an offer from Neath Port Talbot County Borough Council and Warm Wales of external wall insulation for his non-traditional construction, 'No Fines' home and a new gas boiler using Welsh Government and Energy Company Obligation funds.



Mr Wills said: "I can't fault this scheme and I'm not just saying that. The staff gave me plenty of time to talk it through and explained everything. The team working on our house were marvellous. The standard of work is excellent. I can take a bit more pride in my house now. We couldn't have afforded this any other way."

The Next 10 Years....

Warm Wales embarks on the 'Fresh Approach' to tackling Fuel Poverty – seeking partnership working



Craig Anderson CEO of Warm Wales ~ Cymru Gynnes charts the way forward for the organisation as Warm Wales enters its second decade,

“A series of new challenges lies ahead in the ever-changing energy market.

The biggest of these is the political 'hot potato' of the cost of energy - in funding the next generation of power plants and the adverse impact on both industrial competitiveness and household energy bills.

The unfortunate recent U-turn in government 'green' taxation on energy to reduce energy consumption has virtually cut the ECO energy-saving incentives budget in half, and induced a dramatic cut in the price paid for carbon credits from £120-150 tC to £ 25-£35 tC.

Couple this with the continuing year-on-year public sector budget reductions means far less resource overall. Set this, then, against fuel poverty indicators moving sharply upwards when energy costs jump up again post-election, and there is a big energy-cost problem just around the corner!

Meantime, the Big Six Energy Companies plead their case that they need to increase prices to attract shareholder investment – to 'keep the lights on'. In response, the Government is attempting to create a more diverse and competitive market - trying to tackle public anxieties that consumers are being held hostage to energy price spikes.

With UK energy prices in the lowest third in Europe, the uncomfortable reality is that DECC's 6 per cent year-on-year energy price forecast will inevitably cause future public concerns, making political responses, with declining budgets extremely challenging

How, then, can Warm Wales continue to help vulnerable households and look to repair the lack of public trust that energy companies are acting responsibly?

Trusted Intermediaries - In one way, it is more of the same – with Warm Wales endorsed by local councils acting as a Trusted Intermediary, ensuring quality standards as local energy champions and a fair deal for consumers.

Cheaper Energy and Better Insulated Buildings

- Continuing to expanding more affordable Gas connections – and Renewable Energy Solutions for those off the gas-grid – coupled to cost-effective insulation measures.

A FRESH approach - providing smarter data carbon mapping via the Foundation for Robust Energy Strategies for Housing, developed with Cardiff University – to more efficiently identify vulnerable individuals and target resources, creating a platform for best practise benchmarking.

Partnership - lastly, we would like to thank all our partners and sponsors for their support and co-operation over the years.



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**INTEGRATED
ENERGY SERVICES**

www.ieservices.org.uk



www.ewipro.co.uk

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