

Connexus Warmer Homes Project

1. About the Warmer Homes project

The Connexus Warmer Homes project is part-funded by the European Regional Development Fund (ERDF) which is contributing one million pounds to a £2.6m project to make 132 of our existing homes more comfortable and energy-efficient.

The Warmer Homes ERDF project will investigate whether a Passivhaus approach to designing energy efficiency investment in Connexus homes is the right plan for our investment over the next 30 years.

The Warmer Homes project will improve the energy efficiency of 132 Connexus properties across Shropshire and Herefordshire. In the short term, this will involve work on insulation in Shropshire and Herefordshire and replacing heating systems in Shropshire properties. The long term objective of the project is to ensure we make the right investments in our properties to reach UK targets on energy efficiency and the reduction of greenhouse gas emissions.

Connexus has already invested in new build to Passivhaus standard and has found that customers have found significant savings in energy bills compared to those for typical new build houses and really enjoy living in their new homes. Connexus wants its customers in all its houses to have the same experience of comfortable, energy-efficient homes.

Connexus believes that this is the first project of its type in the UK. As well as benefits to customers, there will also be opportunities through the development of a 30 year investment plan for the supply chain and area regeneration.

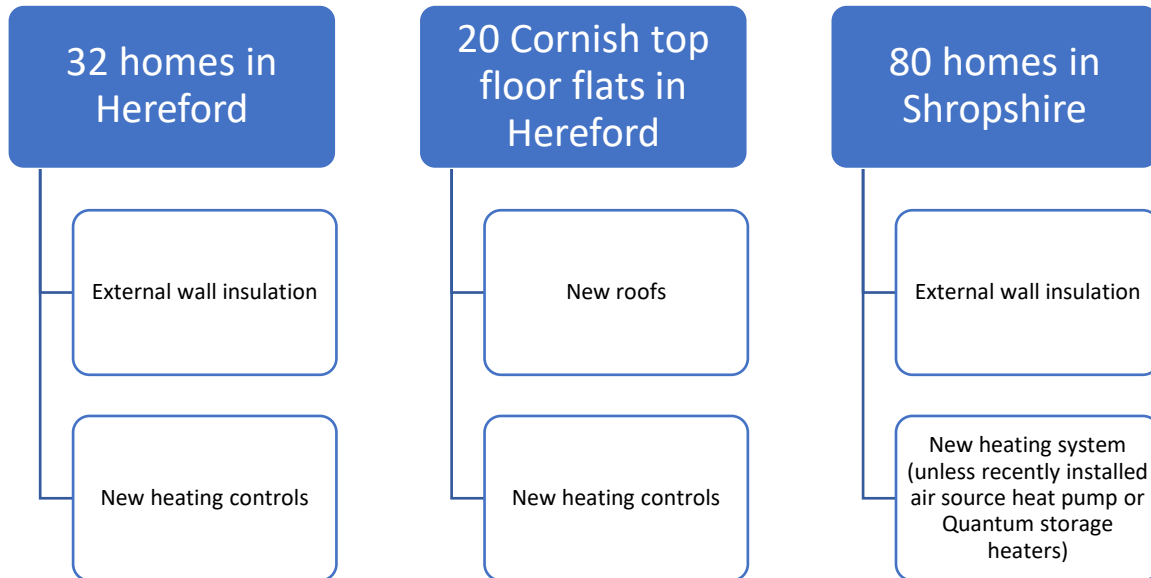
This is a significant project for Connexus that will involve support from teams across Connexus. Customers in the first homes to be invested in will also be invited to give their feedback on the process and the outcomes to help with future project design.

The project funding agreement from the Ministry of Housing, Communities and Local Government is now in place and planning for the first procurements of specialist designers is underway.

The programme is being reviewed to allow for Covid-19 impacts and the supply chain has been consulted about their ability to deliver energy efficiency works designed to contribute to the Connexus net-zero plans for their stock in the timescales required to meet our contracted funding grant.

2. Project Details

- The Warmer Homes project started with design in 2019 and will finish in 2021.
- The intention is to test the pathway to net-zero energy homes by 2050 through a passive house approach, which adopts an airtightness and ventilation strategy to ensure energy efficiency, good internal air quality and elimination of cold bridging which can contribute to condensation. The Passivhaus standard for retrofit is EnerPhit.
- The project is focussing on good wall insulation and may involve new external doors and triple glazed windows.
- Top floor non-traditional Cornish Unit flats in Hereford will have new well-insulated mansard roofs and triple glazed windows.
- The existing gas central heating systems in Hereford will not be changed but new controls will be added to help improve tenant management of the heating system.
- New heating systems will be installed in Shropshire homes as part of our compliance requirements to remove solid fuel heating systems. The Government is pursuing electric heating systems and heat pumps as part of the national decarbonisation strategy and the Warmer Homes project will continue the Connexus and national approach. Where any Shropshire houses already have new Quantum heaters or heat pumps, these will not be replaced.
- There is monitoring of about half the homes in the project to check on the performance of the house after the works and to also understand the tenant experience of their home before and after the work and their opinion of how the work was carried out.
- The monitoring is being done by Marches Energy Agency (MEA) who are responsible for installing data loggers in 65 homes, downloading the data periodically and for carrying out 3 tenant surveys over the life of the project.



3. Who is involved?

The Warmer Homes project is being managed by the Connexus Assets team.

The funding is from the Connexus Investment budget and the European Regional Development Fund. The EU grant is managed by MHCLG (Ministry of Housing, Communities and Local Government).

All Departments are briefed on the Warmer Homes project progress at the monthly Warmer Homes Project Delivery Group meeting.

Warmer Homes reports to the Corporate Project Board quarterly.

Marches Energy Agency (MEA) are a formal Delivery Partner, named in the ERDF bid. MEA is responsible for installing data loggers in 65 homes, downloading the data periodically and for carrying out 3 tenant surveys over the life of the project.

Consultants Enhabit were appointed in January to advise on the design of the proposed works. They are accredited to model design solutions for EnerPhit schemes and have supported Connexus in the development of the procurement documents for the works contractors. Enhabit will also provide quality assurance checks and EA role when the works are on site and will provide a Retrofit Coordinator to ensure the desired airtightness is being achieved. Procurement is underway through MyTenders for the first works contract for EWI to Enerphit standard. Other contracts will follow.

4. What are the specific issues for rural communities?

Issues for Connexus managing a largely rural stock in Shropshire include:

- additional overhead costs to cover mileage and travel time to carry out repairs and maintenance
- issues of lack of digital and mobility connectivity in large parts of the area impacting on mobile and wi-fi signals and the potential for monitoring building performance
- dispersed stock making economies of scale for retrofitting properties difficult to achieve for a high percentage of the stock

These factors have resulted historically in an underspend of retrofit for carbon emissions reductions and fuel poverty targets in rural areas.

Connexus homes are located across Herefordshire and Shropshire. Addressing fuel poverty is important to Connexus. The context for Connexus is:

- Average fuel poverty levels in the UK are 10.8%.
- The average fuel poverty level in the West Midlands is 11.4%.
- The levels of fuel poverty in Hereford are 12.9% and in Shropshire 12.3% with a number of MSOAs and LSOAs being considerably worse.

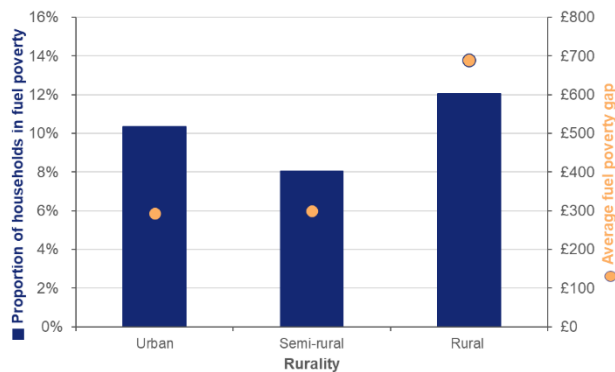
For more information contact:

Vincent Bolton, Communications & Marketing, Connexus

Vincent.Bolton@connexus-group.co.uk

An Extract from the Annual Fuel Poverty Statistics Report, 2020 (2018 data).

The West Midlands has both a higher than average likelihood of fuel poverty (11.4%) and the largest average gap (£433). This is likely due to higher than average fuel costs, combined with lower than average incomes.



In 2018, households living in rural areas are most likely to be in fuel poverty and have the largest fuel poverty gap

Households living in rural areas are most likely to be in fuel poverty (12.0% of rural households are in fuel poverty) and have the largest fuel poverty gap at £690. However, 82.3 per cent of the total number of fuel poor households are in urban areas (81.6% of all households are in urban areas).

Households living in rural areas have, on average, less energy-efficient and larger properties but higher than average median incomes (see Supplementary Table 4), this is likely to somewhat offset the impact of their higher fuel costs. Households living in urban areas have the lowest median income which is likely why their incidence of fuel poverty is higher than those living in semi-rural areas.

Rural properties have a higher incidence of being off the gas grid – 56.2 per cent are off-gas grid, compared to just 8.9 per cent of urban properties. Of households living in properties not on the gas grid, 16.0 per cent are fuel poor compared to 9.4 per cent on the gas grid¹.

¹ Table 10, Fuel Poverty detailed tables 2020: <https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2020>