

Project Documentation

**PROJECT INITIATION DOCUMENT
(PID)**

**Energy Efficiency and thermal comfort works
at Westward House, Chichester**

Release:	Draft
Date:	
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Approved by:	

Note: the completion of this document is required for medium and large projects as defined by the Project Type Matrix.

Document History

Revision Date	Version	Summary of Changes	Reviewer(s)

Consideration by the Corporate Improvement Team

Date	Reviewing Officer	Comments for Consideration
09/03/22	Jenny Westbrook	Comments including suggested clarifications fed back to PID author.

Approvals

This document requires the following approvals:

Name of person, group or committee
Leader of the Council and Leader of the Opposition under an Urgent Decision Notice Cabinet
CC Kerry Standing, Divisional Manager for Housing, Revenues and Benefits, Cally Antill, West Sussex County Adaptations Manager/Project Co-ordinator
CC Ivan Western, Housing Solutions Manager and Mark Hughes, Housing Accommodation Team Leader
CC CDC Estates Department

Distribution

A final copy of the approved document will be distributed to:

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Strategic Leadership Team	
Kerry Standing	Divisional Manager for Housing, Revenues and Benefits
Cally Antill	West Sussex County Adaptations Manager/Project Co-ordinator
Ivan Western	Housing Solutions Manager
Mark Hughes	Housing Accommodation Team Leader
Victoria McKay	Divisional Manager Property and Growth

1. PURPOSE OF DOCUMENT

This Project Initiation Document (PID) defines the Westward House energy efficiency and thermal comfort project and sets out the aims of the project, why the project should go ahead, who is involved and their responsibilities. This PID will provide the baseline for the project's management and for an assessment of its overall success.

2. PROJECT DESCRIPTION

Installation of energy efficiency measures in 41 units at Westward House.

3. BACKGROUND

The Council has been awarded in principle funding to improve the energy performance certificate (EPC), thermal comfort and reduce the carbon footprint of residential housing within the district as part of the West Sussex/Brighton and Hove group of councils. This is via the Government's Green Homes Grant Local Authority Delivery (LAD) 2 funding and is being administered via the Greater South East Energy Hub (GSEEH). The money will be used to fund local-authority schemes in the region.

The Government is strongly urging housing providers to improve their stock to Energy Performance Rating of 'C' or above by 2035 in line with the net zero target to be achieved by 2050. The outcomes achieved through this project will contribute towards the council's target of reducing its own reported emissions, as well as district-wide emissions.

The scheme will fund the installation of energy efficiency measures to improve homes with a low EPC (D to G rated homes). This will deliver progress towards sustainable warmth, making homes more energy efficient and reduce household energy consumption and bills.

The scheme is open to owner-occupied and tenanted homes. Landlords are required to make a financial contribution of one third towards the cost of any measures installed, with two thirds of the cost being covered by grant funding, up to a maximum grant of £5k per property. The funding is only available until 30th June 2022 and all projects must be agreed by the end of March 2022.

One of the projects agreed in principle by GSEEH is an energy efficiency and thermal comfort project at Westward House, Chichester. The aim is to improve the energy performance of the accommodation and to deal with the current obsolete heating units the controls for which are no longer available and the units cannot be repaired.

The proposed project is to replace the storage heaters and increase the thermal insulation of 41 units at Westward House. (This excludes the three recently refurbished flats which are not eligible). Furthermore, once the 'whole house' surveys and assessments of the properties have been undertaken there may be an opportunity to include additional measures such as smart hot water heaters and LED lighting, if the funding limits permit.

The Council has already agreed to meet the cost of undertaking the surveys of the 41 units (£20k) under the urgent decision procedures.

GSEEH had previously appointed EON as the Managing Agent for the West Sussex/Brighton and Hove area. However after a long delay EON pulled out of the arrangement and the GSEEH was left without a managing agent to take forward any projects in the area. It proved extremely difficult to secure an alternative managing agent. However Warmworks, who were acting as managing agent in other regions of the country, agreed to step in on an urgent basis and to do what they could to prevent a total failure of the scheme in the south east.

The procurement of Warmworks has been reviewed and confirmed by the Divisional Manager for Legal & Democratic Services.

The proposed works will contribute to reducing the Council's own carbon emissions, as well as the district-wide target set in the Council's Climate Change Action Plan. The improvements made to Westward House also meet the Corporate Plan objectives to:

- Reduce fuel poverty and excess cold
- Improve the condition and energy efficiency of homes
- Minimise carbon emissions from new housing, existing housing and other development, with the support of central government, registered providers and individual householders
- Minimise our own corporate carbon emissions

4. PROJECT OBJECTIVES AND SUCCESS CRITERIA

4.1. Outputs

The project will enable the installation of high heat retention storage heaters and additional thermal insulation to the accommodation at Westward House. There may also be the opportunity to add further measures budget permitting.

4.2. Outcomes

- Energy Performance –

The installation of high heat retention storage heaters and additional thermal insulation will improve the energy performance of the accommodation.

The EPC available for the accommodation at Westward House is based on an assessment of the house which is 'E' rated (A rating is most efficient, and G least efficient). EPCs for all the properties will be assessed as part of the 'whole house' surveys being undertaken in April 2022. At that time the level of improvement in EPC which can be achieved will be determined.

The main advantage of the high heat retention storage heaters is that they are cheaper to run compared with other types of electrical heating which generally operate during peak hours. Furthermore, storage heaters made since 2018 must have built-in programmable timers, fans, and thermostats to allow them to release heat as needed, depending on the external temperature. This results in less energy being consumed overheating a property when it doesn't

need it. For example, Dimplex, a leading manufacturer of storage heaters, asserts that their units are 25% cheaper to run and use 20% less energy than comparable static storage heaters.

- Thermal Comfort – The installation of the energy efficiency measures will improve the thermal comfort for residents who will be provided with a more controllable, modern heating system. The improvement will positively improve health and wellbeing, and it is hoped the reduction in energy consumption will result in lower energy bills.

- Energy Consumption –

The improvement to the energy performance of the accommodation through the installation of high heat retention storage heaters and thermal insulation will allow residents to reduce their energy consumption whilst maintaining a comfortable indoor temperature.

According to the Energy Savings Trust data it is anticipated that the increase in the thermal insulation of the loft spaces at Westward House, assuming current minimal thermal insulation, will result in a 50 kg saving of CO² per annum per loft space.

- Reduced Maintenance – The existing heaters are obsolete and the controls can no longer be repaired or replaced so heating unit failures are time-consuming and costly. The installation of modern units will provide confidence to staff managing the accommodation, and future repairs can be actioned more quickly and efficiently.

4.3 Outcome Measures

- Warmworks will undertake surveys of all 41 properties, draw up 'whole house plans', undertake 'retrofit assessments', and calculate the EPC ratings before and after the work.
- The effectiveness of the measures installed will be measured by the improvement in the EPC ratings compared with the baseline ratings. The energy performance certificates will also provide data regarding carbon savings which will be achieved following the installation of energy efficiency measures.

4.4. Dis-benefits

- There are no assessed dis-benefits.

4.5. Out of Scope

The project will not include:

- Any other CDC buildings including Freeland Close, the recently renovated office and three refurbished flats at Westward House.
- Any other project utilising LAD2 funding in Chichester district.

5. PROJECT IMPLICATIONS

- Crime and Disorder – none identified
- The Environment (e.g. Climate Change, Biodiversity, Air Quality) – reduction in carbon emissions
- Human Rights and Equalities – reduction in fuel consumption and associated fuel costs for vulnerable residents
- Safeguarding and Early Help – none identified
- Health and Wellbeing – improvements to thermal comfort will have positive impact on residents' health and wellbeing

6. PROJECT CONSTRAINTS

- The funding available is limited to a maximum of £5k per flat, providing the landlord contributes one third of the overall cost. The maximum total grant funding available for Westward House is therefore £205,000 (£5000 x 41 units). The project will prioritise the installation of high heat retention storage heaters and thermal insulation. However, once the property surveys are complete additional measures such as smart hot water heaters and LED lighting will be considered if funding permits.
- The project must be completed by 30th June 2022 as part of the funding conditions.

7. PROJECT ASSUMPTIONS

- Officers have already received urgent approval for £20k to meet the cost of surveying 41 properties. The surveys will confirm the current energy performance rating, the options for proposed measures to be installed and the projected carbon savings. On conclusion of the surveys each property's eligibility for funding will be confirmed. It is assumed that the majority of properties will be eligible due to the inefficiency of the current heating units and the minimum level of loft insulation in place.
- In order to proceed to the next phase of this project, officers will require Cabinet approval to fund the Council's financial contribution towards the cost of the works. The estimated cost is currently based on indicative costs provided by Warmworks. The final costs will only be available once the surveys have been completed, and Warmworks have carried out a mini competition to procure the heaters.

8. PROJECT COSTS

8.1. Project Delivery Costs

- The early indicative costs provided by Warmworks to deliver the high heat retention storage heaters and thermal insulation is £79k. However, there is the potential for this cost to increase once surveys have been completed, up to date quotes are received, and any additional energy efficiency measures

have been identified. A ventilation assessment is also required as part of the whole house assessment.

- Warmworks has suggested that the Council should plan for a maximum contribution of up to £100k with a maximum grant of £205k being available for this project.
- Warmworks, the Managing Agent, will be responsible for managing delivery of the works. However, it will be necessary to appoint a CDC project lead who will be responsible for finalising the specification of the works and overseeing the installation and completion of the project. This role will be sourced from existing resources within the Housing department. Input will also be needed from Finance to ensure payments can be made within the 7 days required under the contract.

8.2. On-going Costs Following Project Completion

- Once the measures are installed there should be minimal on-going costs. The high heat retention storage heaters will need to be checked every 5 years as part of the overall electrical safety inspection. Repairs will be required from time to time, but it is anticipated this will be infrequent.

9. ALTERNATIVES CONSIDERED

- Do nothing – Retain the existing obsolete heaters and replace them as they fail. This would mean that the council would miss the LAD2 funding opportunity. Funding would need to be identified from elsewhere to meet the Government's objective of homes reaching EPC C rating by 2035
- Installation of alternative low carbon measures, including air source heat pumps have already been considered but due to the design of the building, lack of external space, cost and the short stay/turnover nature of the residents they have been deemed unsuitable.

10. PROJECT APPROACH

- The project will be delivered through a third-party managing agent; Warmworks. Warmworks has been appointed by the GSEEH, acting on behalf of the Department of Business Energy and Industrial Strategy. CDC has recently signed a contract with Warmworks in order to meet the tight deadline for the surveys of 41 units at Westward House to be completed.
- Warmworks will manage the delivery of the project however, there will be a need for CDC resources to manage the CDC side of the project. Housing resources will also be identified to liaise with residents, book appointments for surveys and installation works and to arrange access.
- Once a project timeline has been agreed with Warmworks, CDC will begin to engage with residents to arrange for access to the properties for surveys to be completed. A provisional project timetable detailing the steps involved, along with forecast timings can be found below.

11. PROJECT PLAN

Task No.	Task / milestone	Completion Date	Responsible Owner	Dependency
Stage 1 – Approval and Contract				
	Seek emergency agreement for £20k approval to survey Westward House flats	Completed 28 th February 2022	Cally Antill	
	CDC to sign contract with Managing Agent, Warmworks	Completed 1 st March 2022	Nick Bennett	
	PID approval	5 th April 2022	Liz Reed/Cally Antill	Cabinet approval
Stage 2 – Survey and Final Proposals				
	Survey of 41 units at Westward House. Access to be arranged by CDC.	Mid - April	Warmworks/ Cally Antill	
	Surveys to be evaluated; property eligibility confirmed, additional energy efficiency measures proposed by Warmworks	30 th April 2022	Warmworks	
	CDC to consider Warmworks' final proposal ensuring sufficient funding is available and project objectives will be met.	Early May 2022	Cally Antill	
Stage 3 - Works				
	Works begin on site	30 th May 2022	Warmworks	Eligibility of flats
Stage 4 - Evaluation				
	Project review and close	July 2022	Warmworks/ Cally Antill	
	Post Project Evaluation	January 2023	Cally Antill/Liz Reed	

12. PROJECT TEAM

Kerry Standing – Senior Responsible Owner
Cally Antill – Project Lead

Liz Reed – Assist Project Lead as required.

Mark Hughes – Housing Accommodation Team Leader – Assist with access to flats for surveys and works to be undertaken.

13. COMMUNICATION

- There will be fortnightly operational meetings between the Project Lead and Warmworks with additional project team members attending as required.
- Communication with residents at Westward House will be managed by the Project Lead with support being provided by the Housing Accommodation Team Leader.

14. RISK LOG

The following risks have been identified together with an assessment of their severity and actions that can be taken to mitigate/reduce the risk. Details of all project risks will be recorded as and when they are identified.

Risk No	Risk Description	Impact Minor Moderate Substantial Major	Likelihood Unlikely Possible Probable Almost Certain	Planned Actions to Reduce Risk	Responsible Officer
1.	Failing to complete the project on time. The BEIS deadline for project completion is 30th June 2022. Warmworks described the timetable as 'aggressive' and subject to change. A provisional project timetable is shown on page 12.	Substantial	Probable	Officers have raised this risk with GSEEH who have indicated that if installation has begun, they would be supportive of an extension request to BEIS.	Cally Antill/GSEEH
2.	Cabinet decides not to approve the Council's financial contribution to the project and the project cannot proceed.	Major	Possible	Provide comprehensive project information to enable elected members to make an informed decision	Cally Antill/Liz Reed
4.	Warmworks fail to meet their	Major	Unlikely	Escalate all concerns to GSEEH at the	Cally Antill/GSEEH

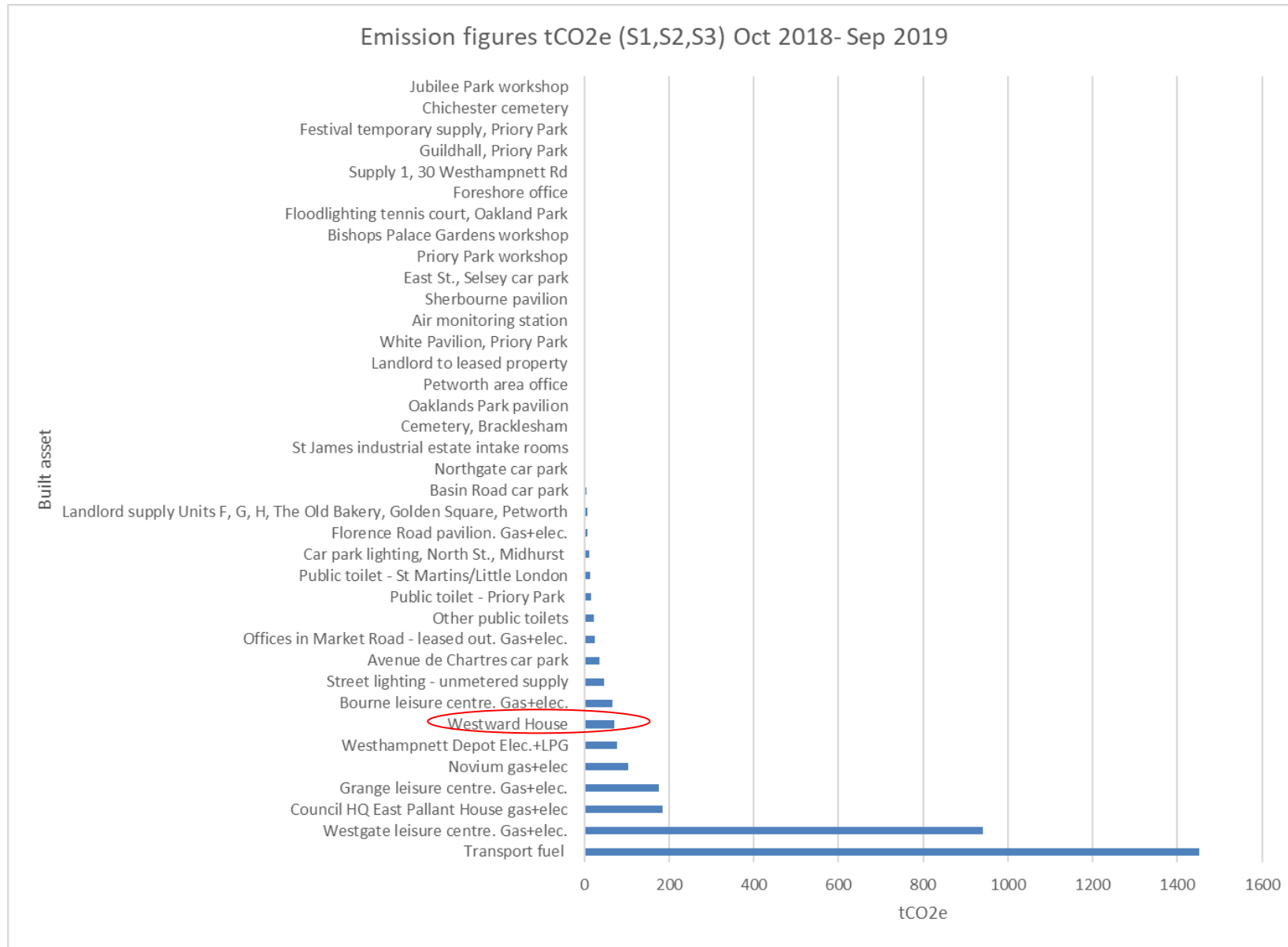
	contractual responsibilities and the project is not completed.			earliest possible time with. GSEEH hold Warmworks accountable against their contractual targets.	
5.	Equipment & installers are not available to install undertake the works in timeframe.	Major	Possible	Fortnightly operational meetings with Warmworks	Cally Antill/ Warmworks
6.	Impact on CDC staff time is greater than expected, affecting other projects.	Substantial	Possible	Project resource requirements will be discussed and reviewed regularly with the Divisional Manager and the project lead.	Kerry Standing
7.	Actual costs exceed the indicative costs following the min tendering exercise for the heaters and insulation.	Major	Possible	Regular liaison with GSEEH and Warmworks to ensure the project budget is being carefully managed. If the cost of the energy efficiency measures proposed exceed indicative costs, the project would be revised to complete works up to the maximum grant available.	Cally Antill
8.	Disruption to residents	Minor	Probable	This should be minimal as the same space and electrical supply is being used for the new heaters. Insulation will be carried out in the loft spaces outside of the residents' homes. Any additional work proposed after the surveys will be assessed for impact on residents. Housing staff will be able to support any vulnerable or	Cally Antill

				residents with associated risks.	
9.	Access to properties	major	Unlikely	The council retains keys and the right to access all properties to carry out works and inspections.	

Appendix A: CDC Greenhouse Gas Emissions

This graph shows emissions from CDC’s owned assets including Westward House and is ranked according to size.

Appendix B: Westward House Project Timetable



	w/c	28/02/2022	07/03/2022	14/03/2022	21/03/2022	28/03/2022	04/04/2022	11/04/2022	18/04/2022	25/04/2022	02/05/2022	09/05/2022	16/05/2022	23/05/2022	30/05/2022	06/06/2022	13/06/2022	20/06/2022	27/06/2022	04/07/2022	11/07/2022	18/07/2022
Kick off meeting		█																				
Tenant warm up activities	Draft comms plan		█																			
	Draft comms		█																			
	Deliver plan			█																		
Start appointment bookings						█	█															
Retrofit Assessments					█	█	█	█														
Carry out whole house plans						█	█	█	█													
Review Batch 1	20 Assessments								█													
Review Batch 2	Remaining								█	█												
Allocate measures	Batch 1								█													
	Batch 2								█	█												
Installer activities	Technical surveys										█	█	█									
	Installations										█	█	█	█								
	Quality inspections													█								
	Handovers														█							
Invoicing	Assessments and surveys									█												
Measures	Staged payments											█			█							
	Final accounts															█						
Fortnightly ops meetings					█		█		█		█		█		█		█		█			
Project review and close																					█	