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**Democratic Services Section
Legal and Civic Services Department
Belfast City Council
City Hall
Belfast
BT1 5GS**

MEETING OF CLIMATE AND CITY RESILIENCE COMMITTEE

Dear Alderman/Councillor,

As previously notified to you, I enclose a copy/copies of the report for the following item to be considered at the meeting to be held at 5.15 pm on Thursday, 6th April, 2023.

Yours faithfully,

John Walsh

Chief Executive

AGENDA:

3. **Update on the activities of the retrofit hub** (Pages 1 - 10)

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Subject:	Update on the activities of the retrofit hub
Date:	6 April 2023
Reporting Officer:	Debbie Caldwell, Belfast Climate Commissioner
Contact Officers:	Richard McLernon, Climate Programme Manager City, City and Organisational Strategy

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to update Members about the Belfast Retrofit Hub, which was established in September 2022 with the aim of engaging relevant stakeholders and developing a programme of activity which will support preparation for a rollout of retrofit in Belfast.
2.0	Recommendations
2.1	The Members of the Committee are asked to: <ul style="list-style-type: none"> I. Note that Belfast City Council convened the Belfast Retrofit Hub following analysis within the Belfast Net Zero Carbon Roadmap which indicated that residential, public

	<p>and commercial buildings are the major source of emissions in the city, alongside transport.</p> <p>II. Note that a programme of activity is currently being drafted and will be presented to Belfast Retrofit Hub for consideration on the 17th May 2023.</p> <p>III. Agree that regular updates will be brought forward to Committee at key points as the retrofit programme develops.</p>
3.0	Main report
3.1	Background
3.2	Belfast Retrofit Hub met for the first time in September 2022, bringing together NIHE, business leaders, key organisations and the Council to catalyse retrofit activity relating to all public and private buildings in Belfast.
3.3	<p>The Hub's work is informed by the National Retrofit Strategy (see appendix one) which was produced by the Construction Leadership Council and seeks to ensure that eight interlocking elements are advanced together:</p> <ol style="list-style-type: none"> 1. Leadership and communications 2. Supporting learning and innovation culture focussed on just transition 3. Performance standards 4. Finance and grants 5. Training and accreditation 6. Materials and equipment 7. Creating customer demand 8. Compliance and quality regime
3.4	<p>The agreed purpose of Belfast Retrofit Hub as set out in the terms of reference is:</p> <ul style="list-style-type: none"> • To identify opportunities for retrofit across the city and to bring together the partners who can realise those opportunities • To identify and endorse the required standards of building performance that retrofit in Belfast needs to achieve • To identify ways of supporting the economic activity, skills and jobs that achieving those standards require • To draw together partners to source and release funding

- To promote a collaborative, solutions approach sharing knowledge across ownership and tenure
- To ensure engagement with stakeholders across the city, and to support and promote complementary initiatives
- To report on progress, initially to the Resilience and Sustainability Board

3.5 The Hub was established following the findings of the Belfast Net Zero Carbon Roadmap that buildings and transport are the two highest carbon emitting sectors in Belfast and subsequent Housing Readiness Assessment, which provided areas on which to focus such as the upgrade of building regulations, energy efficiency programmes, and regional policy.

3.6 To date there have been three meetings of the Belfast Retrofit Hub, which meets quarterly, and a series of roundtable discussions focused on specific themes, the outcome of which will inform the draft retrofit work programme. These discussions have allowed engagement with a range of stakeholders beyond the core Hub membership for example with private rental landlords and the Consumer Council. The sessions have been themed on the following topics:

- i. **Supply Chain** - “Under what circumstances would every building firm working on repair or renovation add energy efficiency measures into their work?” and “What would it take for construction workers from NI to work on projects at home?” Key points included:
 - a. The rising cost of materials makes retrofit of existing homes challenging.
 - b. New buyers however are starting to seek out energy efficient homes, ultimately, builders build what customers want.
 - c. a pipeline of retrofit activity is required to develop capacity and motivation for local building firms to include energy efficiency measures in their work.
 - d. Customer demand will drive the programme but in order to generate that demand, finance is required through grants or low-cost finance options.
 - e. The public sector could help to develop the retrofit programme by coordinating plans to retrofit the public sector estate, building on the work that NIHE have undertaken on some of their housing stock.

- ii. **Standards** - Under what conditions would Europe-leading energy efficiency standards be implemented in Belfast?” Key points included:

- a. There is potential to adopt standards such as PAS2035 with the potential introduction of housing passports or logbooks which would identify works undertaken and recommended.
 - b. The role of design and specification in ensuring right products are installed with building regulations as a minimum and client specification as a key determinant of uptake of improved energy efficiency measures with the importance of not underestimating the 'hand print' of the design phase.
- iii. **Skills** - "Under what conditions can retrofit-relevant training reach into all parts of the construction industry serving housing beyond social housing?" Key points included:
- a. training available through the Belfast Retrofit Academy, led by Belfast City Council and training provided by South Eastern Regional College (SERC) and Ulster University, also the potential for on site learning. Subsequent discussions with Council have seen SERC indicate a focus on trade while Belfast Metropolitan College may supply training around retrofit design and coordination, as part of a coordinated approach to skills development in the sector;
 - b. training / capability goes beyond technical knowhow to include communication, project management, and understanding the building;
 - c. there is a challenge in upskilling the workforce without losing significant numbers (who may not be motivated to upskill) with a need to develop skills 'uplift' training for trades people who already have significant skills and expertise. This would build on the upskilling experience from when gas heating was rolled out;
 - d. there is an opportunity to use retrofit to improve cross-trade communications – so the works of one trade doesn't undermine another and compromise thermal efficiency and the whole house approach; and
 - e. the need for a different retrofit approach to public and commercial buildings – recognising that opportunities for fabric interventions may be limited, focus instead on lighting, glazing, ventilation and solar PV – likely to be expensive, possibly cheaper for schools and health centres.
- iv. **Awareness** - What could be done to increase the understanding of retrofit amongst householders in Belfast. Key points included:

- a. the lack of awareness and information for householders was acknowledged, which the development of a One Stop Shop may help to address. This links to the proposed DFE One Stop Shop on Energy;
 - b. grants and finance options would be required to accelerate retrofit implementation in the city;
 - c. those involved in the discussion were also keen to explore co-benefits such as improved health for those living in poor housing conditions and affected by fuel poverty and the impact of the cost-of-living crisis; and
 - d. key barriers for consumers include a lack of information on installers, technologies and benefits; disruption during installation; and uncertainty of what grants might be made available.
- v. **Learning** - How we undertake effective action learning, involving industry. Key points included:
- a. the need to undertake retrofit at scale and the potential role of the public sector in supporting the roll out of retrofit, which would in turn stimulate learning and development within the construction sector;
 - b. there is a lot of learning from good practice and where there have been issues in the past and a lot of learning is going on within the industry already;
 - c. key role for public bodies like NIHE as a first mover at scale in retrofit for disseminating lessons and best practice;
 - d. procurement will drive some of the required skills and standards for those who wish to undertake retrofit contracts;
 - e. the UK can become a world leader in retrofit (at scale – recognising that it is already ahead in energy efficiency in terms of quality);
 - f. there are things that can be done now based on what is already done well (insulation and building envelope as low hanging fruit with solar PV and battery storage close behind), we don't need to wait for the perfect solution everywhere (and the policy landscape around new heating technologies is likely to keep evolving which creates uncertainty); and
 - g. an immediate priority is to enable a large scale insulation programme (training / marketing / awareness) – size of industry is small but others will join if there's a pipeline – however, insulation is the beginning of a longer term plan/programme, not the end of the story.

- vi. **Skills follow up** - Consider a skills/knowledge 'road map' or similar, covering all relevant roles, with different routes depending on different starting points, capacity, and needs. This roundtable focused on the industry expectations in relation to skills. Key points included:
- a. demand for retrofit will drive training and reskilling of existing tradespeople.
 - b. there is a gap in relation to sales and awareness raising training, which links to previous points on the One Stop Shop approach, whole house assessment and understanding the wide ranging benefits of retrofit.
- vii. **Place based approach** - How would we actually start some place-based pathfinders in Belfast? Key points included:
- a. there was agreement to work to identify potential pilot areas, with mixed tenure, and at a scale of 500 to 1000 houses, looking at a range of criteria including poor health outcomes, areas of deprivation, and so on, to examine the costs, issues involved and potential models for implementation;
 - b. it was agreed that we can learn from the approach taken by NIHE and their future plans, also from programmes undertaken in the South of Ireland, with potential for learning exchanges with Dublin City Council;
 - c. a neighbourhood approach (crowding in householders to create a 2 year pipeline of work) offers opportunities in terms of cost effectiveness – would need to be across all tenures to be fair - it could be the way to learn-by-doing for whole house plans etc.; and
 - d. an opportunity for aggregated learning and potential to link to the Living Lab work.
- viii. **Whole house working** - How would we encourage and ensure whole house working in Belfast? Key points included:
- a. the need to review and scale up existing energy efficiency grant schemes to allow measures to be implemented more widely;
 - b. the role of Building Control in relation to retrofit and whether EPCs are the most appropriate way to measure the carbon and energy performance of a house;
 - c. assessments could be useful if helping households to decide what to do first;
 - d. a free, full house energy assessment leading to a plan that can last over time (possibly accompanied by a building passport / logbook) has many benefits –

	<p>while not underestimating the difficulty of rolling this out (would need a cohort of assessors for 4-5 neighbourhood); and</p> <p>e. important that assessors are independent of installers.</p> <p>ix. Private rental sector - Retrofit of private rented homes in Belfast. This roundtable included input from a number of private rental sector landlords who emphasised they were keen to upgrade and are doing that at present where it is affordable. Key points included:</p> <p>a. the absence of grants and finance is a key barrier, and also information and assessment gaps which would assist with understanding the correct measures to take, and the relative impact of various measures, which would help with sequencing retrofit works.</p> <p>x. Finance – a finance group was convened to review the work of the Retrofit Hub and link to other programmes being undertaken. The group will retain an advisory role in relation to the Belfast retrofit work programme. The 3Ci (Cities Climate Investment Commission) approach was discussed, as Belfast is a member, and their work at neighbourhood level is being supported by ARUP. Key points included:</p> <p>a. the potential of offsetting, and Belfast City Council's current work to examine the potential of the carbon offset market to support local initiatives;</p> <p>b. the potential learning from Better Homes Leeds which Council agreed to follow up on;</p> <p>c. the opportunity to link funding to certification and a key role for green mortgages in driving retrofit at the point of sale (mortgage sector is already mapping its loan books as will be held to account for emissions on their mortgage books but some loan products are greenwashing); and</p> <p>d. a potential role for developer finance to nudge projects towards higher building performance.</p> <p>3.7 The outcome of these sessions and the discussions within the Retrofit Hub are currently informing a draft programme of work which will look at a range of activity with the aim of preparing Belfast for a retrofit programme through existing workstreams and potential funding should it become available.</p> <p>3.8 To ensure alignment with regional plans we have involved the Department for Communities and the Department of the Economy who both have responsibility for retrofit at the regional</p>
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	<p>level, DFC having responsibility for residential retrofit, and DFE for commercial and public buildings. In addition, we are engaged with the Department of Finance around Building Regulations and retrofit plans for the public sector estate. This will support our ambitions to develop place-based pathfinders and to upscale energy efficiency programmes in Belfast. We have also identified the creation of a One Stop Shop for both consumer information and retrofit good practice for the construction sector and key partners. This links to the DFE action to create a One Stop Shop on energy, and to emerging plans from Belfast Metropolitan College and NIHE to develop centres of retrofit good practice.</p>
3.9	<p>Council, in a coordinating role, is liaising with a range of training providers including South Eastern Regional College (SERC), and Belfast Metropolitan College, as well as Ulster University and QUB, following the funding of the Belfast Retrofit Academy through Community Renewal Funding which was led by Belfast City Council, working closely with colleagues in NIHE and training provider organisations.</p>
3.10	<p>Members will be aware of ongoing discussions around the development of a Belfast Net Zero Project pipeline and the financial models which might support this, through ongoing discussions with the Cities Climate Investment Commission (3CI) and others. The retrofit programme is part of these conversations and the programme itself, in particular the place-based pathfinders will be developed in a form that allows funding to be assigned should it become available, either from private sources, or from government. This work will be aligned with the wider development of a project pipeline by the Council.</p>
3.11	<p>In addition, Council is facilitating conversations with other cities who have developed retrofit programmes, such as Dublin City Council, with a potential learning visit in September 2023, and through the Place Based Climate Action Network and Core Cities. We are fortunate to have the support of Dr Alice Owen of the University of Leeds in facilitating many of the workshop conversations mentioned above, and in having Dr Peter Roberts Chair the Belfast Retrofit Hub.</p>
3.12	<p>Members will be provided with regular updates as the programme progresses.</p>
4.0	<u>Financial & Resource Implications</u>
4.1	<p>None at present.</p>

<p>5.0</p> <p>5.1</p>	<p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>Officers are currently developing the Equality, Good Relations and Rural Needs Screening and will incorporate within the emerging programme of work.</p>
<p>6.0</p>	<p>Appendix 1</p>
<p>6.1</p>	<p>National Retrofit Strategy https://www.constructionleadershipcouncil.co.uk/wp-content/uploads/2021/05/Construction-Leadership-Council-National-Retrofit-Strategy-Version-2.pdf</p>

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