



Generating jobs in the green economy

Community Housing Cymru (CHC) is the representative body for housing associations and community housing mutuals in Wales, which are all not-for profit organisations. Our members provide over 112,000 homes and related housing services across Wales. Our members employ 4,100 people and spend over £487million in the Welsh economy every year. We are also active in community regeneration throughout Wales, including some of its most deprived communities. Members work closely with local government, third sector organisations and the Assembly Government to provide a range of services in communities across Wales.

Our charitable objects are to:

Promote, in such manner as shall be consistent with Charity Commission published guidance from time to time and for the benefit of the public in Wales, the voluntary housing sector and the relief of financial hardship through that sector's provision of low cost social housing in particular, but not exclusively, by: providing services, education, training, information, advice and support to providers of such housing in Wales; encouraging and facilitating the provision, construction, improvement and management of such housing by Housing Associations in Wales.

General statement

The direct and indirect consumption of energy from buildings generates approximately 40% of all carbon emissions in the UK-larger than any other single sector. This is why the construction industry and our existing building stock has to be a major focus for action in order to meet the Welsh Assembly Government carbon reduction targets. The green jobs agenda is an important strategy to shape and drive a move towards a low carbon, low waste economy. Concern for global climate change is causing us to review the way we live and work to seek opportunities to reduce carbon and other greenhouse gas emissions. Adopting a more sustainable approach towards construction and the built environment can provide the key to economic regeneration and the creation of

green jobs. The drive for energy efficiency measures can stimulate the market and promote the demand for lower carbon construction and developing skills for sustainable development. This ranges from the need to build better public and private sector buildings to the need to transform our existing stock to a better more sustainable standard.

The importance of housing in community regeneration

Social housing and the built environment play a massive role in community regeneration in terms of creating wealth, jobs and reducing co2 emissions. The latest report from the Welsh economy Research Unit (WERU) at Cardiff Business School has revealed that in 2008/09 the total number of staff on Housing Associations books was 4,100 with over 10,440 jobs created indirectly (the sector supporting 14,500 jobs in the Welsh economy.) These figures are up 21% from last year and mean that for every one person employed directly within the housing sector another two and a half jobs are supported in the economy. The total spend of Welsh housing associations in 08/09 was £487million – up 20% from last year, with over 80% of that spend retained in Wales. Regeneration spend was also up 22% from 07/08 to £257m. As evident, our members make a huge contribution to the Economy. As most of the work involved in building sustainable housing is done through the delivery, installation, and construction, the vast majority of jobs created will occur at the local level and provide additional opportunities for employment.

Examples of sustainable building by Housing associations

1. Cynon Tâf Community Housing Group have undertaken a pilot project which will see the creation of six affordable homes in Penrhiwceiber, with each home being completely gutted, re-designed and re-configured in order to reach the Eco Home Excellent standards, as advised by the Building Research Establishment (BRE). The homes will cost the sum of £400,000 (as part of the Valleys (HoV) regeneration programme) and each will meet the energy performance standards of new homes resulting in an immediate 60% improvement in energy performance standards.
2. A £10million investment in affordable homes on SA1 Swansea Waterfront by Coastal Housing, following the release of land by the Assembly Government, is set to create one of the most environmentally friendly and sustainable apartment buildings in Wales as it has been designed to achieve a high 4* rating under the national Code for Sustainable Homes. The new apartment blocks have been designed to cut CO² emissions through a 44% reduction in energy use with features of the building including a small scale biomass boiler and a central hot water distribution system.

Examples of good practice in creating green jobs

Many housing associations within the sector are currently undertaking training or providing employment opportunities linked to the green agenda. Examples include:

1. United Welsh Housing Association have 5 trainees placed with Micaul solar training to be plumbers of the future install solar heating to our properties. They also have four trainees placed on their sites building 42 houses, one of which is their first code five build. They are working with their contractors micauls solar and Gee construction to provide these opportunities and the candidates have come from Job match bleanau gwent. They are hoping to run this program with more of their contractors through their procurement contracts following the can do tool kit. They are to start on site developing their new extra care scheme in the new year and there will be another 6 opportunities provided there. Two of which will be employment opportunities and 4 of which will be training opportunities for four 16 to 19 yr olds. They will be linking in with job match bleanua gwent again on this.
2. Mid Wales HA reported that one internal member of staff is training to be a code for sustainable homes assessor. They now use 'green' technologies on new builds where they didn't before so companies providing e.g. solar panels will be getting more work.
3. RCT homes through their Solar Thermal Programme are working with British Gas, Low Carbon Building Programme Phase II (e), CERT, the Energy Saving Trust, FILSOL and the Heads of the Valleys Programme.

Many housing associations are also developing new and innovative approaches to reducing the cost of low carbon housing. Examples include:

- United Welsh-within their first code 5 property they have to meet very high standards to get awarded the code 5 and this involves solar power, rain water harvesting, under floor heating and so much more. As an organisation they have also just helped provide 6 schools through out the heads of the valleys with solar panels and they are now looking at providing 6 schools with wind turbines.
- RCT Homes are developing a Corus Solar Wall and Zero Carbon Space Heating project to Passiv Haus Standards.
- Mid Wales HA are considering factory built whole housing pods which arrive on a lorry

Feedback from some of our members suggests that Solar PV, Solar Thermal, cavity and loft insulation and high energy efficient boilers are some of the green products/ technologies that they think are most effective.

Key opportunities

Proposals under the new "ARBED" project in domestic energy efficiency offer a great opportunity to the sector. It will invest in the energy performance of Welsh homes through social housing providers with the most appropriate and most cost-effective

measures provided to vulnerable households. This is a project that will start in the Heads of the Valleys area and spread out to all Strategic Regeneration Areas across Wales over the next 2-3 years. Phase 1 of the project is targeted mainly (though not exclusively) at the social housing sector and RSLs will be acting as the key delivery agents in Phase 2 of the ARBED programme which is mainly aimed at homes in the private sector.

It is vital that the sector makes the most of this opportunity. The sector has experience in developing the skills needed to install low carbon and renewable energy technologies in homes and the sector is up skilling tenants in these skills which in turn is creating green jobs. For ARBED to be successful in its application, three things are vital:

- Ensuring that we have skilled people to deliver the measures (.eg. solid walls, micro renewables). The British Gas green training skills centre is an important example of support available to up skill people around such measures.
- Making sure Welsh SME'S win/deliver contracts-helping with tendering process is important.
- Supporting local manufacturers with the development of new products.

Funding such as this is vital in creating green jobs within the sector. However, this funding is a great opportunity that will only last a couple of years and funding gaps could follow in the forthcoming years. It is vital that projects such as this continue in the future. Investing in domestic energy efficiency measures can provide significant economic stimulus – its labour intensity offers a real opportunity to respond to the recession with skilled jobs for local people. One of our members RCT homes, have stated that if they are successful through the ARBED Bid, they would envisage that during the delivery of additional solar thermal, solar PV and External Wall Insulation programmes, 14 new jobs would be created; 25 jobs safeguarded and 20 work based training opportunities would be offered.

It is also important to note the immediate opportunity available in taking full advantage of the use of **EU structural funds** for retrofitting activities following changes in EU regulation. This can act as a major leverage for the refurbishment of many homes in Wales as up to 4% of ERDF funding can now be used for energy efficient retrofitting of social housing.

Barriers within the green agenda

Following feedback from our members, investment and awareness appear to be the biggest barriers in generating jobs in the green economy. Other barriers include staff resources in order to develop awareness, ideas and sound business case options. Increasing the energy efficiency of homes is vital for many reasons including the need to tackle fuel poverty. This is an aim of activity for the sector, especially when taking

into account the latest statistics from the Office for National Statistics which have calculated that there were 36,700 "excess" deaths between December 2008 and March 2009(the highest since 1999/2000 and an increase of 49% on the previous year.) In Wales, the figures rose from 1,440 in 2007-2008 to 2,500 in 2008-09. Serious threats to the health of millions of people will again occur this year with a combination of high energy prices, low incomes and poor insulation.

Future developments

A big question concerns the amount of money spent on heat, power and the lack of this money which is retained in communities. The idea of localising energy must therefore be a consideration. A possible way of doing this is through the use of district heating power schemes by setting up an ESCO. In order for this to happen, we need strong policy and support to develop such projects.

Conclusion

Much work is being undertaken in the sector towards generating jobs in the green economy. Much more action around the agenda is attainable with effective coordination and resourcing.

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