



**To/
Councillor Andrea Lewis
Cabinet Member for Homes &
Energy**

BY EMAIL

cc: Cabinet Members

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SPC/2018-19/1

20 June 2018

Summary: This is a letter from the Scrutiny Programme Committee to the Cabinet Member for Homes & Energy following the meeting of the Committee on 19 June 2018. It is about a proposed cabinet decision on the More Homes Parc Yr Helyg Site.

Dear Councillor Lewis,

**Pre-decision Scrutiny of Cabinet Report:
More Homes Parc Yr Helyg Site Options Appraisal**

The Scrutiny Programme Committee met on 19 June to consider the report that you are presenting to Cabinet on 21 June, and give a view on the proposed decision.

We thank you and relevant officers for attending our meeting to present the report and answer our questions.

Following on from our pre-decision scrutiny of your report on the More Homes Pilot Scheme in November 2017 we discussed proposals for the second development at Parc Yr Helyg of 16 one/two bedroom homes, including the appraisal of options and recommended approach in relation to design standards. The Committee noted the intention to proceed with what is referred to as a 'Swansea Standard' which will have costs savings (£264k) and provide better value than the 'Passivhaus' standard in providing energy efficient housing over and above current Building Regulations.

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In terms of the overall decision that the Cabinet is being asked to take, the Committee has no objections to the recommendations. However there was concern amongst some members at the significant cost of external works at Parc Yr Helyg (in excess of £1m). The report states that this is due to the nature of the site, the need to divert / move overhead cables, major works to deal with surface water drainage, and need for retaining walls. We debated the cost / benefit of such work and how it impacted on unit costs and viability of build. From the figures provided in Appendix B of your report we can see that the total budget cost when factoring in costs other than dwelling construction costs (£1,518,852) would be £2,875,634 – the equivalent of nearly £180,000 per unit, which would exceed market value. We noted that some redesign options are being looked at that may bring down the overall costs.

We understood the reasons for the Swansea Standard being the preferred specification, and need to push forward with the house building programme in order to provide more affordable housing, and support the Council's efforts towards poverty reduction. However, given the financial implications Cabinet will need to think carefully about building homes at any cost, and whether it would be better to focus on the Colliers Way site instead given the particular challenges described at Parc Yr Helyg.

We noted in the lessons learnt from the first pilot project at Colliers Way difficulties experienced with the Passivhaus approach such as the limited supply chain for specialist products that met Passivhaus certification standards. We also noted that the Swansea Standard would be seen as innovative and more likely to attract funding from the Welsh Government Innovative Housing Programme and Affordable Housing Grant. Though it was not known at this stage how much of the costs a successful bid would cover, and the outcome may impact on final design specifications and extent of innovative features.

Furthermore, we agreed that a completed build based on both Passivhaus at Colliers Way and Swansea Standard at Parc Yr Helyg would enable a more accurate comparison of the performance and cost of both specifications to inform future decisions about further house building. We noted the intention to progress a third scheme at Colliers Way.

We were pleased to hear that issues highlighted by the Committee in November have been considered:

- Proposals for Parc Yr Helyg will enable a greater use of local suppliers, and therefore mean benefits to the local economy and workforce. You told us that 74% of the local supply chain would be within a 10 mile radius of the site, 84% within a 20 miles radius, and 92% within a 50 miles radius.
- The likely cost of external works at Parc Yr Helyg are being considered up front. It is important that the report clearly highlights to Cabinet that there will be significant costs, far greater than the costs at Colliers Way site.

- The report provides some information about the financial savings to tenants in terms of energy bills, though we acknowledged that monitoring will need to take place over a period of time to be able to accurately report on the performance of homes and energy savings. Anecdotal evidence at the Committee suggested that tenants at Colliers Way are reporting a reduced need for heating.

Committee Members remarked on the impressive delivery of new homes at Colliers Way, and once again congratulations to all involved. We were particularly pleased to hear about the contribution that was made by our apprentices and positive experiences they gained from being involved in the project.

Finally, I am unable to attend the Cabinet meeting on Thursday to feedback the Committee's views as contained in this letter. However, the vice-chair, Councillor Terry Hennegan will attend in my absence.

Your Response

We hope that you find the contents of this letter useful and would welcome any further comments however we do not expect you to provide a formal response, unless there is any variation from the recommendations in your report in the decision taken by Cabinet on Thursday.

Yours sincerely,



COUNCILLOR MARY JONES

Chair, Scrutiny Programme Committee

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