

Meeting of:	Cabinet
Date of Meeting:	Thursday, 19 June 2025
Relevant Scrutiny Committee:	Place Scrutiny Committee
Report Title:	Housing IHP Phase 2 - Solar PV Installation Scheme 2025/26
Purpose of Report:	To advise Cabinet of the tender and contract process for the Housing IHP Phase 2 - Solar PV Installation Scheme 2025/26
Report Owner:	Cabinet Member for Public Sector Housing and Tenant Engagement
Responsible Officer:	Director of Environment and Housing
Elected Member and Officer Consultation:	No individual ward Member consultation was required as the report outcomes affects various wards. Officers consulted - Housing Accountant Legal - Senior Lawyer Head of Housing and Building Services Operational Manager
Policy Framework:	This is a matter for Executive decision by Cabinet
<p>Executive Summary:</p> <ul style="list-style-type: none"> This report advises Cabinet the tender process for the Housing IHP Phase 2 - Solar PV Installation Scheme 2025/26, with a view to taking a decision on a contract award via a Part II report later on this agenda. 	

Recommendation

1. That Cabinet notes the contents of the report, with a view to taking decisions on the award of the contract detailed within the Part II report later on this agenda.

Reasons for Recommendation

1. To advise of the current position with this particular contract.

1. Background

- 1.1 Previously the Housing Development and Investment Team was successful in receiving Welsh Government IHP (Optimised Retrofit Programme ORP 1) grant funding to undertake a pilot scheme to install hybrid heating installations within approximately fifty (50) Council housing owned properties.
- 1.2 These works involved the installation of an intelligent energy system (IES) and air source heat pump (ASHP) within each property. The system would use primarily the ASHP, and the heat could be boosted by the gas boiler if the tenant needed to boost the heating more quickly.
- 1.3 Unfortunately, at the time of the installations the electrical energy costs increased significantly, leading to tenants complaining that their systems were too expensive to run or not working correctly. In some properties, there was a risk of fuel poverty and the ASHP and IES was isolated.
- 1.4 As a result, the Development and Investment Team have identified a package of works which includes a number of properties with the Hybrid heating systems installed which are suitable for photovoltaic (PV) solar panels (with battery backup). By installing these systems, it will reduce the electrical costs for the tenants, along with further improving the carbon footprint of the properties and reducing the potential for fuel poverty.
- 1.5 This report provides information about the Housing IHP Phase 2 PV installation scheme.

2. Key Issues for Consideration

- 2.1 The Housing Development and Investment Team whilst following the PAS2035 process has identified a package of works which consists of one main contractor to deliver the Housing IHP Phase 2 PV installation scheme 2025/26.
- 2.2 The scheme has identified the following retrofit works to be completed to reduce energy costs and decarbonise forty-four (44) properties throughout the Vale of Glamorgan, three (3) of which are in conservation areas and six (6) of which are

within conservation areas and areas of outstanding beauty. There will be external enabling works and the installation of PV systems and associated equipment.

- 2.3 There are no leaseholders associated with the works and therefore the Section 20 Leasehold tender process is not required from any tender process followed.
- 2.4 The Housing Development and Investment Team tendered the work through Sell2Wales. The 'Invitation to Tender' (ITT) sought a single principal contractor to deliver the Joint Contracts Tribunal (JCT) Intermediate contract. The successful contractor would be appointed following a two-stage assessment, with stage one being a Pre-Qualification Questionnaire (PQQ) and the second stage being awarded on 'the most advantageous tender' (Price, Quality and Social Value).
- 2.5 An invitation to tender was published on Sell2Wales on 25th November, 2024 with a closing date of 6th January, 2025. There were fifty-three (53) expressions of interest with sixteen (16) tender bids received.
- 2.6 When checking all the key tender return documents that had been submitted, one bidder had not submitted the required documents and was removed from the evaluation. The remaining fifteen tender bidders move to the PQQ stage.
- 2.7 The fifteen contractors' submissions passed the prequalification questionnaire process scoring above 87. The fifteen contractor's bids were then assessed on stage two of the process, where scores were based on 50% for price, 40% for quality and 10% Social value.
- 2.8 Details of the Housing IHP Phase 2 PV installation scheme 2025/26 tender outcomes is set out in the Part II report.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1 **Looking to the long term** - As a result of the Housing IHP Phase 2 PV installation scheme 2025/26, compliance with the Welsh Housing Quality Standard 2023 will be achieved, along with ensuring the properties receiving the PV installations are more energy efficient, therefore reducing the carbon footprint and reducing energy costs for our tenants / contract holders for future years.
- 3.2 **Taking an integrated approach** – The development and procurement of the Housing IHP Phase 2 PV installation scheme 2025/26 was undertaken via consultation with the Tenants Quality Design Forum (QDF) and tenants / Contract holders linked to the works.
- 3.3 **Involving the population in decisions** – The Tenants Quality Design Forum (QDF) members and tenants/Contract Holders involved have been kept abreast of the developments of the contract along with decision making for elements of these improvement works.
- 3.4 **Working in a collaborative way** - N/A.

3.5 Understanding the root causes of issues and preventing them - As a result of contracting a competent principal contractor and sub-contractors to undertake the delivery of the Housing PAS2035 Retrofit Scheme 2024/25, we will ensure our residents reside in safe, accessible, energy efficient, and compliant homes.

3.6 This This This proposal will meet:

Objective 1: CREATING GREAT PLACES TO LIVE, WORK AND VISIT

Our Ambition:

Residents tell us they have a sense of pride in their communities.

People are able to access good quality and affordable housing.

Objective 2: RESPECTING AND CELEBRATING THE ENVIRONMENT

Our Ambition:

The Council reduces its carbon emissions and is a net zero organisation

Council buildings including schools and homes are more energy efficient.

4. Climate Change and Nature Implications

4.1 This scheme will have a positive impact by improving the energy efficiency of the forty-four (44) properties identified for retrofit measures, therefore assisting in reducing carbon emissions.

4.2 The scheme is estimated to improve the forty-four properties from an average EPC rating of D to an average EPC rating of C, with an estimated carbon reduction figure of 46,200 CO₂kg/yr.

4.3 This project will have neither a positive nor negative impact on nature as a result of the Housing IHP Phase 2 PV installation scheme 2025/26.

5. Resources and Legal Considerations

Financial

5.1 Full financial details will be addressed in the Part II Report included on the agenda.

Employment

5.2 There are no other resource issues to report.

Legal (Including Equalities)

5.3 There are no legal issues to consider. The contract will ensure the Council complies with its legal obligations under Section 3(1) Health and Safety at Work Act etc., PAS2035 for Retrofit Schemes and Building Regulations.

5.4 In terms of equalities, there will be limited training opportunities offered as part of the Housing IHP Phase 2 PV installation scheme 2025/26.

6. Background Papers

None.