



Cymru

TANI

2024



Breakout Two

Skilling the Future: Future skills, future proofed – plugging the skills gap.

Sesiwn dau

Sgiliau'r dyfodol: Sgiliau'r dyfodol, paratoi at y dyfodol - llenwi'r bwlch sgiliau

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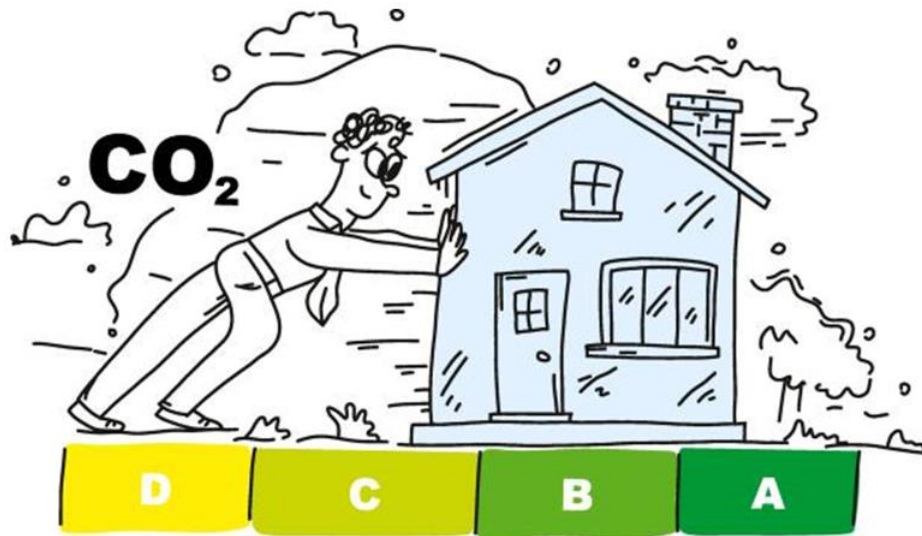


Residential Decarbonisation/ Ddatgarboneiddio Cartrefi



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Welsh Government

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Malcolm Davies
Senior Programme Manager / Housing Decarbonisation

Decarbonisation of Welsh Housing stock

- 1.4 million homes focus to date has been on circa 240,000 social homes.
- Residential homes contributed to around 10% of net carbon emissions set out in carbon budget 2 in 2019.
- Homes are responsible for around 30% of all energy consumed.
- The last rough estimate to decarbonise the Welsh housing stock was around £5.5 billion but this figure is out of date and likely to significantly higher.
- The key emission source is heating but emission sources also include cooking, household appliances, garden use and the generation of energy for the home.
- Some of the biggest challenges in this policy area includes uptake of low carbon heating sources, behaviour change of how people use energy in their homes and attitudes, funding sources for decarbonisation works and provision of a Welsh supply chain and skills.

Programme for Government commitment



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“Decarbonise more homes through retrofit, delivering quality jobs, training and innovation using local supply chains.”

Objectives of Optimised Retrofit Programme

The objectives of Optimised Retrofit Programme are as follows:

- To support social landlords to approach the decarbonisation of homes enabling underpinning factors to be addressed such as skills, procurement, finance models and material selections.
- To support social landlords to innovate in their approach to measures in the decarbonising of their housing stock , adopting a risk appetite which matches the innovative and entrepreneurial activity required to decarbonise effectively and efficiently.
- To support social landlords to develop a strategy to align with the 'Affordable Warmth and Decarbonisation', elements of Welsh Housing Quality Standard 2023 as the Welsh Government and social landlords work towards establishing a new standard.
- To support the development of appropriate approaches to decarbonising the private rented and owner occupier sectors

Goals of the Programme:

- Along with contributing to the net zero challenge, the ORP also delivers improved social, economic and wellbeing outcomes for tenants and communities **eg Healthy Homes Research Project.**
- To address issues of affordable warmth by providing homes which are more energy efficient and/or cheaper to run.
- Demonstrate benefits associated with new ways of retrofitting, with a view to encouraging wider uptake
- Harness opportunities to **deliver jobs, skills training, and develop local industry**, embracing foundational economy principles.
- Welsh Government intends to **build an evidence base** of what works and what doesn't, to inform future policy and investment decisions. The learning from this scheme will support the development of approaches to decarbonising the owner occupied and private rental sectors. **Part of this is a Dashboard of Sensor Data via TrustMark**

Progress to Date:

- **Over 40** Landlords (Registered and Local Authority) engaged with year one of ORP 3 with and uptake of roughly **£54 million** in funding.
- **Around 13,000** premises have been directly impacted by all iterations of the programme to date, utilising roughly **£120 million** in funding.
- **£70 million** has been allocated this financial year with a further indicative £70 million for the following financial year demonstrating both a material and long-term commitment.

But UK is competing in a Global Market Place for products and services covering the likes of;

Innovation, Design, Manufacture, Shipping (offsite manufacture eg MMC require careful shipping/handling), Installation, Planning/Assessment/Monitoring/ **MCS & TrustMark - PAS (the latter is key)** , Maintenance, Digital System – Covid has shown the opportunities a Smart Home brings but this brings with it the need for Cyber Security/Networking/Updating, Cradle to Cradle product Development “Circular Economy” to deal with waste from the supply chain plus whatever is removed from the home as part of the upgrading/retrofit/ Fossil Free Energy Systems whether per home or Heat Networks – and also Utility Companies connection to the home Water inc Grey Water), Hydrogen, Electricity, Energy Storage, **Also WHQS has a whole detailed guidance section on 'maintenance, repair and adaptation priorities for existing properties under a changing climate'....Higher rainfall and stronger winds.** [Written by Prof Carolyn Hayles, Cardiff Met.](#) [Ystadau](#) Cymru encourages excellence in active management of the **Welsh** public sector estate

a lot

Optimised Retrofit Programme – Skills & Training Support

- We have included guidance on [the ORP pages](#) that aims to help and support Landlords and other bodies to understand the training and skills options and opportunities that currently exist



Optimised RetroFit Programme: training

PDF 160 KB

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Creating and developing a skilled workforce

PDF 124 KB

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- The **skills system** is already delivering a wider range of skills required in occupations that are transitioning to net zero focused outcomes. These include our Further and Higher Education establishments, our Apprenticeship programme as well as a range of Employability schemes and upskilling opportunities offered through Personal Learning Accounts (PLAs) and Green PLAs.

Example of the Upskilling Programmes;

For Employers

Flexible Skills Programme (FSP)

FSP is a training grant, available to all employers in Wales*, that wish to purchase training courses from third party training providers to help them meet their business's upskilling objectives. The Welsh Government will fund up to **50% of the training costs.**

** including third sector and community interest companies but excludes public sector including academia.*

A new Net Zero element was launched in October 2023. [Net Zero Skills | Business Wales Skills Gateway \(gov.wales\)](#)

For Individuals

Green Personal Learning Accounts (PLAs)

Information on Green PLA's and list of approved courses can be found here; [Stronger, fairer greener Wales: net zero skills | GOV.WALES](#). Specifically designed to support key sectors and no salary cap for applicants.

Normal Personal Learning Accounts support a much wider range of courses but the salary cap of £30,596 is applicable to this programme.

OVERVIEW : Net Zero Skills Action Plan

Net zero skills Wales | GOV.WALES

- Plan was launched by Economy Minister, Vaughan Gething, on 28 February 2023
- First milestone for Wales
- Sets out current position and future actions to develop skills needed to support our net zero commitments
- Plan's development included;
 - Engagement with over 200 stakeholders
 - Cross-policy working
 - Strong links to Net Zero Wales and Stronger, Fairer, Greener Wales: a plan for Employability & Skills
 - WCPP sector skills literature review



Skills is a KEY ENABLER for delivering Net Zero



Sector landscape

What do we want to achieve?

To gain an understanding of the current skills position for each emission sector in Wales, what skills are needed in the short, medium and long term and how we will achieve this.

Key Actions

- › Undertake a public consultation on the sector specific skills requirements to inform a Skills Roadmap for each sector
- › Grow and strengthen the right skills sets for each sector
- › Publish Sector Roadmap to support skills development

- The Sector Skills **Annex** provides a high level summary by emission sector based on the WCPP Report ([Net zero skills: Insights and evidence from emissions sectors in Wales](#)) and the wider sector research, evidence and engagement.
- **The sector skills consultation closed on 31 December 2023. The findings are being analysed and a report and Sector Roadmaps are due to be published in April / May 2024.**

8 Emission Sectors

Electricity & Heat Generation <p>The electricity and heat generation sector in Wales covers the production of electricity in Wales from fossil fuel, low carbon and renewable generation. It also includes the generation and supply of heat, such as through heat networks.</p>	Transport <p>Emissions from the transport sector include those from cars, trucks, buses, taxis and railways within Wales along with our share of emissions from international aviation and international shipping.</p>	Residential Buildings <p>The residential buildings sector covers emissions from energy usage in homes, as well as work to reduce embodied carbon in constructing and retrofitting residential properties. This chapter covers the residential sector (all of Wales's housing including owner occupied, privately and socially rented homes).</p>	Industry & Business <p>The industry and business sector includes manufacturing, construction, operation of machinery, food processing and the extraction and production of fossil fuels. The Sector also covers emissions arising from industrial and commercial buildings.</p>
Agriculture <p>The agriculture sector covers soil, livestock, and waste and manure management.</p>	Land Use, Land Use Change and Forestry <p>The LULUCF sector covers carbon emissions and sinks associated with land use including from forestry, urban land use and peatland.</p>	Waste Management <p>The waste management sector covers the collection and treatment of waste and recycling. It is an important economic sector in Wales, and a part of the foundational economy.</p>	Public Sector <p>The public sector has a role, in not only removing carbon from its own estate but within their span of leadership influence and operations. The importance of the public sector cuts across the other emissions sectors in support of the drive to change.</p>

Sector summary:

Residential Buildings

- › Residential buildings covers the emissions from energy use in home.
- › Construction of buildings to reduce carbon and retrofitting residential properties.



- › **Skills** needs primarily revolve around the broader need to decarbonise housing, including retrofitting current housing stock to improve energy efficiency with more efficient heating systems; as well as building new with significantly low emissions.
- › **Modern methods of construction** with off-sites manufacturing offer the potential for higher quality and more efficient homes in Wales.
- › Demand for **pre and post-construction skills** including surveying, design, energy assessment and retrofit coordination.
- › Shortage of **qualified Heat pump** engineers. **50,000** are needed to meet UK Government targets.
- › Small and Medium SME's have little appetite to **retrain** in new technologies.
- › New technologies require adaptations of existing **skills**.

Net Zero Wales calls for

↓ **80%**
reduction of carbon emissions
in Welsh homes by **2050**.



28%
of homes in Wales
are constructed
with solid walls.

82%
are uninsulated.

32%
have cavity
walls.

To reach Net Zero
12,000
full time workers will
be required in Wales.



Demographic stats

UK figures show that

87% of the workforce are male, and only **5%** are Black, Asian and Minority ethnic communities.

35% workers are aged **over 50**.

Net Zero Carbon Hwb



The Welsh Zero Carbon Hub, is being developed through a collaboration between The Good Homes Alliance, Sero, TrustMark and The Energy Saving Trust. The Hwb is intended to be the home of best practice advice and collaboration in social housing retrofit and new build delivery.

As the Hwb develops, the following areas of activity will take place:

- Optimising policy consultation and development
- Reducing the risks of innovative new build and retrofit
- Expanding the Welsh net zero carbon supply chain
- Facilitating co-ordination across the skills and training sector
- Enhancing occupant engagement and consumer perceptions
- Stimulating innovation within the finance sector

<https://www.zerocarbonhwb.cymru/>

Welsh Housing Quality Standard 2023

- **Launched last October, WHQS2023 replaced the original WHQS standard which was launched in 2002**
- **WHQS2023 is a tenant focussed standard and it keeps quality and anti-poverty requirements at its heart**
- **This is an important standard for Welsh social housing stock and will raise the bar in relation to the quality of our homes**
- **100% of our landlords achieved the original standard with acceptable fails**

Welsh Housing Quality Standard 2023

- **All landlords will be required to produce an 'Affordable Warmth and Decarbonisation Plan' within 3 years from the launch of the standard.**
- **The Plan will set out when the landlord will achieve the targets of an Environmental Efficiency Rating (EER) of 92 (which equates to an EPC A) and an Environmental Impact Rating (EIR) of 92 for their housing stock.**
- **Further guidance for social landlords including information on how to undertake their whole stock assessments will be launched later this month.**

Other Programmes

- [Warm Homes Programme](#) - The new scheme will tackle both the climate emergency and fuel poverty. In line with the Government's commitment to ensure a just transition to net zero, it will focus on supporting the worst-off households in the poorest condition buildings in the owner occupied, private rented and housing co-operative sectors.
- [Leasing Scheme Wales](#)
- Housing Innovative Funding Programme

Other works in train

- **Heat Strategy publication**
- **Exploring innovative finance options for retrofit works including development of a pilot loan scheme for “Able to pay” owner occupiers through DBW**
- **Decarbonisation Implementation Group Route map**
- **2035 Challenge group publication**

Contact Details

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A Social Housing Development Academy for Wales?

TAI 24

Background – the development officer challenge

- 20k target and SHG allocation - skilled officers to deliver the programme
- Feedback from councils is that they have capacity challenges
- RSLs have also reported issues in terms of the recruitment and retention
- The job is becoming ever more complex!
- There is no strict professional route or any accredited qualification
- WG accepts that a development academy would be beneficial
- Aim for consistency to development and awareness of the WGs commitments to both delivering net zero and the well-being of future generations.

The Brief

- Asses the context - the scale and scope of the problem
- A body of research of stakeholders' views regarding the potential
- Identification of similar approaches elsewhere
- A range of alternatives should better solutions be identified
- An outline of the potential establishment of an Academi including:
 - A draft vision for the Academy
 - A market supply and demand analysis
 - Outline establishment costs and any ongoing revenue requirements
 - Outline curriculum and formal qualification options.
- A set of recommendations and next steps
- The scoping project was funded through the Unnos Initiation Programme and delivered by CIH Cymru

Survey Results (1)

- 74 responses across sectors, 61% male, 38% female
- 58% RSL, 26% LA
- 63% over 46, 42% senior leaders
- 99% did not have all the skills when they started
- 4% had 'development' in job title
- 19% came from a housing background, 14% construction, 11% PM
- Majority stumbled into the job by chance

Survey Results (2)

- What attracted you? – 34% making a difference
- Top 3 skills required – PM, people and budget
- 72% said experience was important
- 46% required degree, 34% recognised qualification when recruited
- Recruitment difficulty – average 4/5
- 35% said coaching/mentoring best learning style

Other research

- 21 face to face conversations plus academia, WG and construction sector
- Conversations across sector
- Came into it by accident, various routes
- Skills shortage was prominent theme
- Wage disparity in local government
- Average team size – 13 people to deliver 185 homes
- Highly positive response for idea of an academy
- Views on accreditation, qualifications and modular learning
- Bristol and London models referenced

Conclusions – The Development Role

There is a significant skills shortage across the social housing sector

Recruitment of suitably qualified staff is becoming increasingly difficult

An opportunity for a 'template' job description (and competencies?)

Salary levels could be benchmarked across the sectors to inform debate

The career is not visible or easily accessible

Most development officers land in their job by accident or opportunity

The profile and the career opportunity needs to be promoted

Need to move recruitment from reliance on chance to career choice

The knowledge and skills needed are wide ranging and complex

Conclusions 2 – The Academi

There is significant support for a Development Academi in Wales

It should be accessible and location/delivery model is important

It would need to cover a wide range of subjects

A modular approach and blended learning was the predominant preference

Consideration be given to Academi training by sector professionals

There were mixed views around degree courses and accreditation

Where people expressed a preference for accreditation it was strong

An Academi needs to be robust and have credibility

A degree course is not the best the way forward

Conclusions 3 – For Organisations

The skills shortage is only one challenge that faces social housing delivery, other issues need to be addressed if WG targets are to be met

Organisations have demanding challenges ahead of them and many are being forced to rethink their priorities around what they can deliver

The future will demand there is a crossover between building new homes and the necessary skills to look after them

It will become increasingly important that all teams within an organisation can comprehend the development role

Some organisations appear to be taking pioneering steps - adopting creative approaches from within or following the lead of other sectors

Recommendations

- That further work be undertaken to establish a business case for an academy
- Other models for addressing the skills gap should be explored in more detail
- The sector should do more collaboratively to establish what is required
- Consideration be given on how best to promote a career in development
- Organisations should consider how best to make working in the sector more attractive and promoting this (particularly where salary variations exist)
- The sector should strive for enhanced cooperation in terms of mutual learning and training, within itself but also with larger PLC house builders.

Next Steps – the options appraisal

The first stage will produce an options appraisal of the different types of delivery model for the academy and covering the issues raised

The second stage will be to undertake industry consultation to assess options and agree a preference via WLGA and CHC.

The third stage will be to develop a business case for the preferred option.

It is anticipated that this work will take 8 months and must be complete by February 2025.

Thanks for listening

And any questions?

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