

## **CABINET**

<b>DATE</b>	12 <sup>th</sup> March 2025
<b>REPORT OF</b>	Councillor Stewart Swinburn, Portfolio Holder for Housing, Infrastructure and Transport
<b>RESPONSIBLE OFFICER</b>	Carolina Borgstrom, Director of Economy, Environment, and Infrastructure
<b>SUBJECT</b>	East Marsh Housing Retrofit Scheme
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 03/25/03

### **CONTRIBUTION TO OUR AIMS**

The aim of supporting good quality housing throughout the North East Lincolnshire area is important to supporting the Council's aims around, reducing the number of residents living in fuel poverty, reducing health inequalities, and supporting progress towards the Council's net zero ambition.

### **EXECUTIVE SUMMARY**

This report provides information and recommendations around the next steps to progressing a pilot Housing Retrofit scheme within the East Marsh area of Grimsby, utilising Government grant funding.

### **RECOMMENDATIONS**

It is recommended that Cabinet:

1. Approves the principle of, and the next steps of progressing, the East Marsh Housing Retrofit scheme, as outlined within this report.
2. Authorises the Director of Economy, Environment, and Infrastructure, in consultation with the Portfolio Holder for Housing, Infrastructure and Transport, to accept grant funding from the Ministry of Housing, Communities, and Local Government (MHCLG), on behalf of the Council, which will enable delivery of the East Marsh Housing Retrofit Scheme
3. Delegates responsibility to the Director of Economy, Environment, and Infrastructure, in consultation with the Portfolio Holder for Housing, Infrastructure and Transport, to deal with all matters leading to and including the award of contracts for the provision of professional support with this matter.
4. Authorises the Assistant Director Law and Governance (Monitoring Officer) to execute and complete all requisite legal documentation in relation to the matters outlined above.

5. Delegates to the Director of Economy, Environment, and Infrastructure, in consultation with the Leader of the Council authority to deal with all matters arising from and ancillary to the above

## **REASONS FOR DECISION**

To enable the Council to progress studies and works that will support a future proposal regarding delivery of the East Marsh Housing Retrofit Scheme.

### **1. BACKGROUND AND ISSUES**

- 1.1 In 2022, North East Lincolnshire Council (NELC) participated in a “Deep Dive” exercise with Government exploring a range of issues that affect the borough, leading to:
  - 1.1.1 A more informed appreciation of the borough’s socio-economic challenges, and demand drivers, particularly in the most deprived wards;
  - 1.1.2 A clearer understanding of the extent of the health inequality gap; and,
  - 1.1.3 A fuller understanding of the focus of the Council’s economic strategy.
- 1.2 One outcome of this exercise was an opportunity to obtain Government funding to pilot a housing retrofit scheme in the East Marsh ward of Grimsby, aimed at evaluating the outcomes in terms of resident health, housing improvement, and environmental impacts.
- 1.3 Rutland Street within the East Marsh ward was identified for this pilot, as it is one of the most deprived areas nationally, and poor housing conditions only help to fuel high levels of acute deprivation.
- 1.4 In addition, suppressed sales value potential along Rutland Street alongside low wages among residents has for many years deterred investment in property improvements by current owners, and without public support it was considered unlikely that any significant improvements, of the kind envisaged by this project, would be achievable.
- 1.5 The proposed scheme will deliver a significant package of housing retrofit works to bring much improved conditions to up to 60 existing properties along the street. The proposed retrofit works will be designed to bring improved energy efficiency and living conditions, potentially including external wall insulation coupled with upgrades to door and windows (where required), and internal loft insulation, new rainwater goods and improvement to damp proof course. As outlined later in this report, an initial phase of surveys, etc, will be undertaken, before approval is sought to undertake the final package of works. In addition to the proposed housing retrofit works, further investigation will also be undertaken to identify potential upgrades to the external areas of the street, e.g., new fencing and greening, designed to bring a much-improved street experience.
- 1.6 NELC working in partnership with its regeneration partner, Equans, originally estimated that it could undertake the works outlined in paragraph 1.5 to c.60 properties on Rutland Street at a cost of c.£3 million. However, these

estimates were undertaken in 2022, and cost inflation will have had a significant impact on these costs.

- 1.7 In Summer 2024, NELC was awarded £3,100,000 by Government, to deliver this pilot project on Rutland Street, as outlined above. Subsequently, the Council has been revisiting the costing exercise outlined in paragraph 1.6.
- 1.8 In addition to the Government grant outlined in paragraph 1.6, officers across different departments within NELC have been exploring further funding opportunities to supplement the available funding, which would extend the potential scope of the project, including, existing housing improvement grants, community funding, and security improvement funding. This would enable the Council to not only deliver the retrofit improvements outlined in paragraph 1.5, but also undertake wider improvements to other houses and the wider streetscape.
- 1.9 A similar scheme was implemented in Guildford Street (200m away from Rutland Street), in 2017. Rutland Street and Guildford Streets were constructed in the same period with comparable property size and layout. Until completion of the Guildford Street Scheme in 2017, property prices on both streets were comparable, but since the street improvement in 2017, prices in Guildford Street have increased significantly compared to Rutland Street and the turn over (number of sales) has dropped significantly, indicating a much more stable community.
- 1.10 In addition to the potential of creating a more stable community, the proposed scheme on Rutland Street also has the possibility to deliver more energy efficient properties, vastly reducing the energy cost for residents.
- 1.11 Furthermore, the proposed retrofit scheme would supplement the recently approved Selective Licensing scheme in East Marsh. The Retrofit scheme will focus on different improvements than those required via the Selective Licensing scheme, but together will support a wider approach to improving housing conditions in the ward.
- 1.12 The proposed housing retrofit scheme would generate several potential benefits, which are outlined below.

### **Pride in Place**

- 1.13 Visual and structural improvements to homes in one of the most deprived neighbourhoods in the UK, together with greening, would inject community pride, reduce anti-social behaviour and neighbourhood crime, and promote safety and wellbeing, building strong community cohesion. Council and community-led consultations have brought up a recurring theme that this is a priority for residents who want to live in a beautiful place.

### **Grow Community Voluntary Network and Support Neighbourhood Planning**

- 1.14 There is a community drive for change in the East Marsh ward that is:

- 1.14.1 Using housing as a pillar of long-term change in the neighbourhood – community group East Marsh United have started a community-led housing model, raising funding through a community share issue and now owning several houses in the ward;
- 1.14.2 Unlocking the energy and ambitions of the community through a community plan. This plan is a formal collaboration between the community and the council, led by the community. It is currently in development and will contain several resident missions for the ward, an action plan and ongoing learning and delivery. It will be delivered as a collaboration between the community, council, philanthropy, and other partners in the ward.
- 1.14.3 Harnessing community energy to make the area greener and more beautiful – this includes community-led tree planting in Grant Thorold Park in the East Marsh and planned tree planting on Rutland Street.
- 1.14.4 The community want green solutions as part of the change of their neighbourhood. For example, they are building a partnership with leading green energy firms to create an exemplar eco-home to show how retrofitting, clean energy and sustainable materials can transform the lives and benefit those on the lowest incomes.

### **Improved Health Outcomes and Reduced Pressure on Health Services.**

- 1.15 Forty three percent of the homes on the East Marsh are considered “non-decent.” The Marmot review identified the direct harm poor housing causes to the physical and mental health of residents. Good housing helps people to stay healthy and can improve wellbeing, whilst poor housing can increase demand on health and other public services. Good housing can also have a positive impact for supporting those with mental health conditions.
- 1.16 A healthy home is affordable - difficulty paying the rent, mortgage or excessively high energy bills can cause stress, affecting mental health, while spending a high proportion of available income on housing leaves less for other essentials that influence health, such as food and social participation. East Marsh ward has some of the highest income deprivation in North East Lincolnshire
- 1.17 A healthy home is of good quality - the condition of a home includes whether it is cold and hard to heat, damp, mouldy, or contains hazards such as fall risks, is of a reasonable state of repair, or whether it has modern facilities. Damp is linked to health conditions such as respiratory issues and is a particular risk to young children. There is an association between excess winter deaths and homes that are cold and not effectively insulated, with respiratory conditions and high blood pressure also linked to cold temperatures. This is especially important, as:
  - 1.17.1 The cold increases the risk of heart attacks and stroke, as well as arthritic and respiratory conditions, and can impact mental health, dementia, and childhood development. Older people, children and babies are at high risk (LSE, 2023).
  - 1.17.2 Hypothermia and cold, damp, and dangerous housing cost the NHS more than £2.5bn a year (LGA, 2019).
  - 1.17.3 There is a social gradient in fuel poverty, in that the lower a household's

- income, the more likely they will be at risk of fuel poverty (Marmot Review Team, 2011).
- 1.17.4 Homes that are cold due to fuel poverty will therefore exacerbate health inequalities, as the range of negative impacts of fuel poverty on health and wellbeing are disproportionately felt by those on the lowest incomes.
  - 1.17.5 31.7% of households in East Marsh ward were fuel poor, which is higher than the prevalence for both North East Lincolnshire (18.4%) and England (13.1%) overall.
  - 1.17.6 There were approximately 350 housing standard complaints during 2022/23, of which just over a quarter were related to properties in East Marsh ward.
  - 1.17.7 During 2022/23, East Marsh ward had a rate of 18 complaints per 1,000 households, which is over three times the rate for North East Lincolnshire overall, of 5 complaints per 1,000 households.
  - 1.17.8 There are many properties with damp in both the East and West Marsh, as these properties were built pre-1918, built quickly, and built on reclaimed marsh land.

## **Improve Local Skills**

- 1.18 The project will increase the understanding of local opportunities in the housing local low carbon sector and provide opportunity for growth and knowledge for smaller businesses to engage and will support adults to upskill and retrain, residents. The project will provide opportunity to links to local colleges and supply dedicated apprenticeship / employment opportunities.
- 1.19 The provision of a skills, learning and business with be paramount within the project, having a keen focus on energy efficiency and savings, will highlight the opportunities for local businesses and residents, and deliver a more desirable, lower cost and cheaper place to live, train and work.
- 1.20 Retrofitting old housing stock is a recognised future priority to reach net zero. Housing stock on Rutland Street was constructed in the late 19<sup>th</sup> century. Terraces are constructed with solid walls and many properties still lack double glazing. Using national EPC data demonstrates that only 13% of the properties on Rutland Street reach EPC rating of C, which is a proposed future legal minimum. 16% of properties are rated EPC E and the remaining 71% of the properties are rated EPC D.
- 1.21 This intervention is proposed as a pilot to build the evidence for a wider approach to retrofitting, including greening on a street-by-street basis and to create more liveable streets and function as a catalyst to wider community change and levelling up. The ability to use future energy efficiency funding in a way that also delivers wider community benefits in deprived neighbourhood has the potential to ensure funding delivers social and environmental benefits.
- 1.22 The project will build and evidence and evaluation model to understand:
  - 1.22.1 Energy efficiency improvements.
  - 1.22.2 Community and wellbeing improvements.
  - 1.22.3 Value for money of this approach to inform future retrofitting projects.

- 1.23 The evaluation model outlined above will include input from key stakeholders, including local community groups and public health teams.

## **Next Steps**

- 1.24 As outlined earlier in this report, NELC has received funding from the Government to undertake a pilot housing retrofit scheme within Rutland Street. However, the final package of works to be undertaken require surveys and community consultation.
- 1.25 It is therefore proposed that to develop the scheme further, two key steps are required as outlined below.
- 1.26 Community Consultation – consultation with the residents and property owners within Rutland Street is critical. Furthermore, it is proposed that this is undertaken by a mixture of local community stakeholders and consultation specialists, to achieve the most positive outcomes for residents and the project.
- 1.27 Retrofit Surveys – alongside the consultation outlined in paragraph 1.26, the Council's regeneration partners, Equans, has a specialist housing retrofit team. It is proposed the Council appoints them to conduct specific retrofit surveys to properties on Rutland Street (where residents and property owners agree to this), which will determine the works required in individual properties, including costs.
- 1.28 The actions outlined in paragraphs 1.26-27 will determine the final scope of works achievable, including costings. It is proposed the results of the consultation and surveys are brought back to Cabinet for review and to seek a decision whether to proceed with works or not.

## **2. RISKS AND OPPORTUNITIES**

- 2.1 The key risks associated with progressing the East Marsh Housing Retrofit scheme are:
- Design development – issues with the planned approach for retrofitting;
  - Design development – impact on wider services within Rutland Street;
  - Planning Requirements;
  - Construction cost and wider inflation; and,
  - Lack of resident and property owner engagement.
- 2.2 The specialist housing retrofit team outlined paragraph 1.27 are used to working on the types of housing found on Rutland Street and therefore bring experience of the types of issues that may be faced. In addition, the approach proposed within the report is that surveys of individual properties are undertaken, which will identify potential risk within these, and enable mitigation to be undertaken before embarking on actual works.
- 2.3 As outlined in paragraph 2.2, the specialist housing retrofit team who will be

engaged will be undertaking wider surveys of houses and the streetscape to fully understand the risks associated with this scheme and have previously engaged with utility providers and other relevant stakeholders on similar schemes.

- 2.4 The project team will engage with the Council's planning authority during the survey process outlined in paragraph 1.27, via a pre-application process, which will identify any requirements.
- 2.5 The surveys proposed in paragraph 1.27 will identify costs, including early engagement with contractors and the results will be brought back to Cabinet, for a decision to proceed with works or not.
- 2.6 The community consultation outlined in paragraph 1.26, will be undertaken by a mixture of local community stakeholders, which is important to ensure the scheme is rooted locally. In addition, a specialist public consultation team will be used for this process, which again is intended to support the engagement with residents and property owners in Rutland Street.

### **3. OTHER OPTIONS CONSIDERED**

- 3.1. Do Nothing - The Council could choose to not accept funding which would mean the Council could not proceed with the project. In addition, given the wider economic issues facing Rutland Street, as outlined in paragraph 1.4 it is highly unlikely that individual residents/property owners would be able to undertake the works. This would lose an opportunity to pilot the scheme, as envisaged by the project, and assess the impact of retrofitting properties within the East Marsh ward, which could be rolled out wider in the future.
- 3.2. Only Deliver a small pilot – The Council has funding secured to deliver a pilot scheme based on the original estimates. As outlined within this report, due to wider inflationary pressures that have affected the wider economy, delivering a pilot as originally envisaged may be difficult. However, the Council could conduct a smaller pilot, but it has received funding to potentially do more. Therefore, it is proposed to undertake the consultation and survey work outlined in paragraphs 1.26-27, which will determine the widest scale of delivery feasible. This will allow a wider sample to assess the impact of the pilot scheme and build a case for future funding and enable a potential wider rollout of support in the future.
- 3.3. Proceeding with the plans outlined in this report will enable the Council to continue delivery of a pilot housing retrofit scheme as originally envisaged via the Deep Dive exercise.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1. There are significant positive reputational implications for the Council if the pilot scheme proceeds, by supporting the community within Rutland Street and tackling the health, poverty, and environmental issues outlined in this report.
- 4.2. There are potential negative implications if the plans do not proceed as

outlined in this report and funding is not accepted. The Council for its part will ensure credible plans are prepared and will procure a professional development team to support it in this context.

- 4.3. The project team is engaging the assistance of the Council's Communication Team in developing this work and a Communications and Stakeholder Engagement Plan will be developed to manage any further communications and engagement.

## **5. FINANCIAL CONSIDERATIONS**

- 5.1. As outlined in this report, the Council has received a £3.1 million Government grant to support this pilot scheme. As also highlighted in paragraph 1.8, the Council is working with a mixture of internal and external stakeholders to identify additional funding streams that might be available to support the scheme and undertake wider improvements to the area.
- 5.2. Delivery of a wider rollout of this scheme will require additional funding and a pilot scheme as envisaged will provide valuable information and research that to support future funding bids and lobbying efforts. NELC is already working with agencies such as Homes England, which will enable the Council to also determine the nature and scale of funding available to achieve its ambitions, which will also shape the nature of the emerging plans. This work will also identify any future revenue as well as capital funding requirements, which will be subjected to further Member decision making processes.
- 5.3. Value for money will be achieved using the Council's procurement processes.

## **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

- 6.1. The proposals developed will make provision for young people within the Rutland Street area and be subject to consultation with young people, for example via local community organisations.
- 6.2. If successful, the retrofitting of properties within the East Marsh ward will strengthen the local housing offer and have a positive impact on health, wellbeing, and safety within the area.

## **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

- 7.1. As highlighted within this report, the retrofitting of housing in Rutland Street will achieve improved energy and environmental status for these properties, which will support the Council's wider net zero ambition, whilst also supporting residents with improved energy efficiency, etc.
- 7.2. As the investigative works proposed within this report proceed, they will consider and consult with environmental and climate change officers to ensure sustainability and low carbon initiatives are incorporated at every opportunity.



## **8. CONSULTATION WITH SCRUTINY**

The Transport, Infrastructure and Strategic Housing Scrutiny Panel will be consulted on the project proposals as they develop and thereafter, appropriate Panels will be engaged in the design process for the proposed schemes.

## **9. FINANCIAL IMPLICATIONS**

Delivery of the East Marsh Housing Retrofit Scheme described within this report will be funded via external grant with no requirement for additional borrowing. As detailed above the Council is looking to identify additional funding streams to support wider improvements or rollout of the scheme.

## **10. LEGAL IMPLICATIONS**

10.1. Immediate legal implications arising will be around the terms and conditions of external grant funding and the completion of funding agreements and ancillary documentation. Legal Services will support this process, ensuring the interests of the Council are protected.

10.2. Any engagement with professional support services is to be compliant with the Council's internal controls and processes, notably, Contract Procedure Rules and prevailing procurement regime.

10.3. The delegations sought are appropriate to an exercise of this nature

## **11. HUMAN RESOURCES IMPLICATIONS**

There are no direct HR implications arising from the contents of this report.

## **12. WARD IMPLICATIONS**

East Marsh ward will be directly affected by the project outlined within this report.

## **13. BACKGROUND PAPERS**

## **14. CONTACT OFFICER(S)**

14.1. Carolina Borgstrom – Director of Economy, Environment, and Infrastructure

14.2. Paul Evans – Assistant Director, Housing, Highways, and Infrastructure

14.3. Richard Dowson – Head of Project Management

**COUNCILLOR STEWART SWINBURN**

**PORTFOLIO HOLDER FOR HOUSING, INFRASTRUCTURE AND  
TRANSPORT**

