

# Pecyn Dogfennau Cyhoeddus

## Cabinet

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Man Cyfarfod  
**Siambwr y Cyngor - Neuadd y Sir,  
Llandrindod, Powys**

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Dyddiad y Cyfarfod  
**Dydd Mawrth, 6 Gorffennaf 2021**

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Amser y Cyfarfod  
**9.00 am**

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I gael rhagor o wybodaeth cysylltwch â  
**Stephen Boyd**  
01597 826374  
steve.boyd@powys.gov.uk



Neuadd Y Sir  
Llandrindod  
Powys  
LD1 5LG

Dyddiad Cyhoeddi

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Mae croeso i'r rhai sy'n cymryd rhan ddefnyddio'r Gymraeg. Os hoffech chi siarad Cymraeg yn y cyfarfod, gofynnwn i chi roi gwybod i ni erbyn hanner dydd ddau ddiwrnod cyn y cyfarfod

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## AGENDA

<b>1.</b>	<b>YMDDIHEURIADAU</b>
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Derbyn ymddiheuriadau am absenoldeb.

<b>2.</b>	<b>COFNODION</b>
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Awdurdodi'r Cadeirydd i lofnodi cofnodion y cyfarfodydd a gynhaliwyd ar 15 a 22 Mehefin 2021 fel cofnodion cywir.

(Tudalennau 1 - 10)

<b>3.</b>	<b>DATGANIADAU O DDIDDORDEB</b>
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Derbyn unrhyw ddatganiadau o ddiddordeb gan Aelodau yn ymwneud ag eitemau i'w hystyried ar yr agenda.

<b>4.</b>	<b>GWELEDIGAETH 2025: EIN CYNLLUN GWELLA CORFFORAETHOL - ADRODDIAD PERFFORMIAD BLYNYDDOL</b>
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Ystyried adroddiad gan yr Arweinydd, y Cyngorydd Sir Rosemarie Harris a'r Cyngorydd Sir Beverley Baynham, Aelod Portffolio ar faterion Llywodraethu Corfforaethol a Gwasanaethau Rheoleiddio.

<b>5.</b>	<b>TREFNIADAU BWRDD GWELLA CSP</b>
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Ystyried adroddiad gan yr Arweinydd, y Cynghorydd Sir Rosemarie Harris.

<b>6.</b>	<b>GOROLWG O BROSIECT CARTREFI O BREN LLEOL Y CYNGOR</b>
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Ystyried adroddiad gan y Cynghorydd Sir Iain McIntosh, Aelod Portffolio ar faterion Tai, Cynllunio ac Adfywio Economaidd.

(Tudalennau 11 - 36)

<b>7.</b>	<b>PENDERFYNIADAU DIRPRWYEDIG A WNAED ERS Y CYFARFOD DIWETHAF</b>
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Nodi'r penderfyniadau dirprwyedig a gymerwyd ers y cyfarfod diwethaf.

(Tudalennau 37 - 38)

<b>8.</b>	<b>BLAENRAGLEN WAITH</b>
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Ystyried blaenraglen waith y Cabinet.

(Tudalennau 39 - 40)

<b>9.</b>	<b>EITEMAU WEDI'U HEITHRIO</b>
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Mae'r Swyddog Monitro wedi penderfynu bod yr eitemau canlynol yn destun categori 3 y Rheolau Trefn Mynediad at Wybodaeth. Ei farn o ran prawf lles y cyhoedd (wedi ystyried darpariaethau Rheol 11.8, Rheolau Mynediad at Wybodaeth y Cyngor), oedd y byddai gwneud y wybodaeth hon yn gyhoeddus yn datgelu gwybodaeth ynglyn â materion ariannol neu fusnes unrhyw unigolyn penodol (gan gynnwys yr awdurdod yn cadw'r wybodaeth honno).

Yn ei farn ef, mae'r ffactorau hyn yn fwy pwysig na diddordeb y cyhoedd wrth ddatgelu'r wybodaeth. Gofynnir i Aelodau ystyried y ffactorau hyn wrth benderfynu ar brawf lles y cyhoedd, a dylent benderfynu hyn wrth iddynt ystyried eithrio'r cyhoedd o'r rhan hon o'r cyfarfod.

<b>10.</b>	<b>DARPARIAETH SEIBIANNAU BYR YM MHOWYS</b>
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(Tudalennau 41 - 90)

**MINUTES OF A MEETING OF THE CABINET HELD AT BY TEAMS ON TUESDAY,  
15 JUNE 2021**

**PRESENT**

County Councillor M R Harris (Chair)

County Councillors MC Alexander, B Baynham, P Davies, A W Davies, H Hulme,  
I McIntosh and R Powell

In attendance: County Councillor Matthew Dorrance

<b>1.</b>	<b>APOLOGIES</b>
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Apologies for absence were received from the Corporate Director (Economy and Environment) and the Strategic Lead for Education.

<b>2.</b>	<b>MINUTES</b>
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The Leader was authorised to sign the minutes of the meetings held on 18<sup>th</sup> and 25<sup>th</sup> May 2021 as correct records.

<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>
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County Councillors Aled Davies and Phyl Davies and the Head of Finance declared interests in item 9 as directors of Heart of Wales Property Services.

<b>4.</b>	<b>BIODIVERSITY AND RESILIENCE OF ECOSYSTEMS DUTY, SECTION 6 OF THE ENVIRONMENT (WALES) ACT 2016</b>
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Under section 6 of the Environment (Wales) Act 2016, the Council must seek to maintain and enhance biodiversity in the exercise of its functions, and in so doing promote the resilience of ecosystems, so far as is consistent with the proper exercise of those functions. To demonstrate compliance with these duties, the Council must publish:

- A plan, setting out what the Council proposes to do to comply with these duties (the 'Section 6 plan'); and
- A report, setting out what the Council has done to comply with the duties under section 6 (the 'Section 6 report.')

The Section 6 report was completed by the end of December 2019 and must be updated and republished every three years thereafter. The section 6 plan would be incorporated into existing Corporate reporting mechanisms. Cabinet noted that funding for the Biodiversity Officer ended in March 2022 and that consideration would have to be given how this role could be funded after this.

**RESOLVED that**

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1. **The contents of the Section 6 report (appendix A), be accepted as reflecting the position at that time (December 2019) in terms of the actions taken to maintain or enhance biodiversity; and**
2. **The Section 6 plan be incorporated into the Council's Corporate Improvement Plan. This would be achieved by compiling a list of the activities being carried out by individual Services to maintain or enhance biodiversity. These would be captured as measures for 2022-23 and onwards, linked to an overarching biodiversity objective in the Corporate reporting programme.**
3. **The Section 6 report be reviewed in 2022.**

<b>5. COVID RECOVERY FUND PROPOSALS</b>
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Cabinet considered the allocation and criteria for the Council's Covid Recovery Fund. The proposed allocation was

**Theme 1 Community – Year 1 (2021/22) £400k**

Covid Community Recovery Grant Fund £300k  
Public Convenience Support £100k

**Theme 2 Economy and Environment – Year 1 (2021/22) £600k**

Business Recovery Support – 3 Officers grade 7 £120k  
Highways Recovery Fund £340k  
Financial Recovery Support £40k  
Council Services and Project Specific Support £100k

County Councillor Matthew Dorrance, the Chair of the Economy, Residents and Communities Scrutiny Committee presented the Committee's recommendations which had been accepted or partially accepted.

The Portfolio Holder for Environment advised that Welsh Government had confirmed that they would continue to fund the five public conveniences on trunk roads and therefore the funding from the Covid Recovery Fund for the remaining 51 toilets could be increased to £1,886 each.

**RESOLVED that Cabinet approves the proposals for the Covid Recovery Fund as set out in the report.**

<b>6. FORWARD WORK PROGRAMME</b>
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Cabinet received the forward work programme.

<b>7. DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING</b>
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Cabinet noted the delegated decisions taken since the last meeting.

<b>8.</b>	<b>EXEMPT ITEMS</b>
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**RESOLVED to exclude the public for the following item of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).**

<b>9.</b>	<b>HEART OF WALES PROPERTY SERVICES</b>
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County Councillors Aled Davies and Phyl Davies and the Head of Finance declared interests as directors of Heart of Wales Property Services and left the meeting.

Cabinet considered the confidential report and the recommendations of the Economy, Residents and Communities Scrutiny Committee presented by the Chair, County Councillor Matthew Dorrance.

**RESOLVED to approve the recommendations in the report.**

**County Councillor M R Harris (Chair)**

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

**MINUTES OF A MEETING OF THE CABINET HELD BY TEAMS ON TUESDAY, 22  
JUNE 2021**

**PRESENT**

County Councillor M R Harris (Chair)

County Councillors MC Alexander, G Breeze, P Davies, A W Davies, H Hulme,  
I McIntosh and R Powell

In attendance: County Councillors M Dorrance, P Roberts and D Selby

<b>1. APOLOGIES</b>
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Apologies for absence were received from the Corporate Director (Children and Adults) and the Strategic Lead for Education.

<b>2. DECLARATIONS OF INTEREST</b>
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County Councillor Phyl Davies declared a personal interest in the report on Ysgol Dyffryn Trannon as a governor of the school and as having a pre-determined position.

County Councillor Rachel Powell advised that she had a child at Ysgol Calon Cymru. The Monitoring Officer advised that this did not constitute an interest.

County Councillors Aled Davies and Phyl Davies and the Corporate Director (Economy and Environment) and Head of Finance declared interests in the report on Heart of Wales Property Services as directors of HoWPS.

<b>3. DRAFT WELSH LANGUAGE STANDARDS ANNUAL REPORT 2021</b>
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Cabinet considered the Draft Welsh Language Standards Annual Report which outlined work undertaken during 2020-21 to ensure compliance with the Welsh Language Standards under the Welsh Language (Wales) Measure 2011, and performance against the requirements of the Standards.

The Portfolio Holder with responsibility for the Welsh Language noted the significant progress made and thanked the Welsh Language Services Team Leader for his work. It was acknowledged that there was more work to be done to overcome technologic problems in enabling translation at virtual meetings.

**RESOLVED to approve the Draft Welsh Language Standards Annual Report 2021 (attached as Appendix A) for it to be published on the Council's public website by 30 June 2021.**

<b>4. YSGOL DYFFRYN TRANNON LANGUAGE CATEGORY</b>
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Cabinet considered responses to the proposal to make a regulated alteration to alter the medium of instruction at Ysgol Dyffryn Trannon from Bilingual (dual-

stream) to Welsh-medium introduced on a phased basis, year-by-year, starting with Reception in September 2022.

A consultation response form had been completed by 71 respondents and written comments were also received by e-mail and post. Based on the findings of the consultation, the advice of officers was that the Council should proceed with the proposal to change the language category of Ysgol Dyffryn Trannon by publishing a Statutory Notice. Cabinet was advised that there were 97 pupils in the Welsh stream and 12 in the English stream. Cabinet noted the comments of Estyn which supported the proposal.

County Councillor Phyl Davies who had declared an interest spoke as the local member. He noted that there had been much debate locally on the proposal and that the community was split over it. The main concern was that while the change could protect the future of education in the Trannon valley, there was no mention of this being the case in the wider catchment. Governors and the community were not assured that this proposal would ensure the future of Ysgol Dyffryn Trannon as the Welsh language provision for the catchment. Officers advised Cabinet that they felt that the opportunity for Ysgol Dyffryn Trannon and the issues they were trying to address needed a more immediate response rather than await the area review in 2022. Changing the language category of the school would give the opportunity for Ysgol Dyffryn Trannon to establish itself as a Welsh medium school in the catchment and enable its growth.

County Councillor Pete Roberts advised that Scrutiny had confidence in this proposal to proceed. Scrutiny had asked for up to date figures on the numbers of pupils moving into the Welsh Medium stream and also moving out of the catchment to receive English Medium education and for further detail to be included in future reports regarding the financial savings and the timescale for those to be achieved. Officers provided the up-to-date figures on pupils movements between areas and stressed that the proposal was not about savings but about learner entitlement and improved outcomes for pupils.

## **RESOLVED**

- 1. To receive the Consultation Report in respect of changing the language category of Ysgol Dyffryn Trannon.**
- 2. To approve the publication of a statutory notice to make a regulated alteration to alter the medium of instruction at Ysgol Dyffryn Trannon to Welsh-medium, on a phased basis, year-by-year, starting with Reception in September 2022.**

<b>5.</b>	<b>YSGOL CALON CYMRU</b>
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Before presenting the report the Portfolio Holder for Education and Property apologised to Julie Price for mistakenly including her name in the minutes of the consultation meeting with Ysgol Bro Hyddgen governors in the report recently considered by Cabinet.



The Portfolio Holder for Education and Property presented the report seeking approval to commence informal engagement with stakeholders on the preferred way forward for Ysgol Calon Cymru. He thanked the Chair of Governors and County Councillor Jeremy Pugh for raising with him the figure of the projected overspend in the report. He advised that the deficit of £173,450 as of 31 March 2021 quoted in paragraph 3.2 of the report was correct. The projected deficit as of 31 March 2022 had been correct at the time the report had been written but was now projected to be £480,909. The work of the Governing Body and the school to reduce the deficit was greatly appreciated but the position was not sustainable.

The Strategic Outline Case (SOC) considered by Cabinet in September 2020 had identified a 'preferred way forward':

- A new 11-18 English-medium campus in Llandrindod Wells; plus
- A new/remodelled 4-18 Welsh-medium all-through campus in Builth Wells.

Officers explained the rationale for recommending an informal engagement exercise in September and October. They felt that given the scale of investment required to improve facilities and the complexity of the strategic plans, the best way forward was to give all stakeholders an opportunity to contribute to the development of the strategic vision for transforming education in the area and to inform the development of proposals that would then be subject to formal consultation. The implementation plan in the report was a draft and it was stressed that it did not prejudice any decisions that the Cabinet may make in the future around the organisation of schools in the area. It was also stressed that what was being proposed was not a formal consultation and that things could fundamentally change as a result of the engagement. Cabinet was also advised that the engagement exercise would cover Welsh medium provision for the middle and south of the county and not just the Calon Cymru catchment.

County Councillor Pete Roberts speaking as a local member welcomed the recommendation to go out to informal engagement but expressed disappointment that by putting the primary sector into a second phase, the impact on the primary sector if an all through Welsh medium school was established in Builth Wells would not be tested in the engagement. He was also disappointed that the Cabinet would not have the benefit of the Internal Audit report into the previous reorganisation which was not yet complete.

Officers confirmed that there was no intention to exclude primary schools from the engagement about the preferred way forward and stressed that no decisions had been made – the wider primary reorganisation would be considered in Phase 2 of the Programme. At the same time, it was important not to delay everything until the engagement had taken place and therefore HoWPS had been engaged to carry out to develop concept designs for the Llandrindod campus. This work would be developed in parallel with the community engagement and if it was decided not to proceed this would be a risk to the revenue budget. Members of the Cabinet welcomed informal engagement as a good way forward and the Portfolio Holder encouraged all stakeholders to get involved.

**RESOLVED** that Cabinet approves the commencement of a period of informal engagement on the preferred way forward for Ysgol Calon Cymru

- A new 11-18 English-medium campus in Llandrindod Wells; plus
- A new/remodelled 4-18 Welsh-medium all-through campus in Builth Wells.

The informal engagement will take place in September and October 2021, and an engagement report would then be produced for the consideration of Cabinet towards the end of the year and, if approved, formal consultation would then proceed.

<b>6. FINANCIAL OUTFURN FOR THE YEAR ENDED 31ST MARCH 2021</b>
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Cabinet considered the revenue outturn report for the 2020/21 financial year. Throughout the year the Council had faced unprecedented challenges due to the COVID crisis, with business critical activity being prioritised for most of the year and resources directed away from normal activities.

The final outturn produced a net underspend, after contributions to specific reserves, of £4.24 million against the £187.7 million budget, a 2.3% variance (excluding Schools and the Housing Revenue Account). The Council's financial position had been greatly helped by the support provided by Welsh Government to fund a substantial element of Covid related expenditure, without which the outturn would be a significant overspend. In addition, Welsh Government funding announcements in February and March had further significantly improved the Council's financial position during the final quarter of the year. The pandemic and the restrictions imposed continued to impact on the delivery of services across the Council, which resulted in additional costs and loss of income throughout this year and into 2021-22. Funding claimed and received through the Welsh Government Hardship Fund during 2020/21 was just over £18 million.

Section 7 of the report set out a number of requests for budget virements.

**RESOLVED**

1. That Cabinet note the budget position and the full year position to the end of March 2021.
2. That the requests set out in section 7.1 to utilise year end underspends of £3,343,210, to support activities in the new (2021/22) financial year are approved, and the requests at 7.1.2 and 7.1.3 are recommended to Council for approval as this complies with the Council's virement rules being in excess of £500,000.

3. That the requests as set out in section 7.2 are approved, to roll forward the underspends from grants of £2,515,219 received in year, and a specific reserve be set up that will be fully drawn down next year.
4. That the Virement request at 7.3 to establish three new reserves totalling £4.241 million is approved and utilise the year end outturn. The request for new specific reserves are recommended to Council for approval as this complies with the Council's virement rules being in excess of £500,000.

<b>7.</b>	<b>CAPITAL OUTTURN FOR THE YEAR ENDED 31ST MARCH 2021</b>
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Cabinet considered the outturn financial position for the Council's capital programme for 2020/21. The final working budget for the 2020/21 Capital Programme, after accounting for approved virements, was £72.91 million and actual spend amounted to £61.83 million, representing 85% of the total budget.

**RESOLVED that the contents of the report are noted.**

<b>8.</b>	<b>EXEMPT ITEMS</b>
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**RESOLVED to exclude the public for the following item of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).**

<b>9.</b>	<b>HEART OF WALES PROPERTY SERVICES PERFORMANCE AND OPTIONS REVIEW</b>
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County Councillors Aled Davies and Phyl Davies and the Corporate Director (Economy and Environment) and the Head of Finance declared interests as directors of Heart of Wales Property Services and left the meeting.

County Councillor Heulwen Hulme left the meeting and County Councillor Myfanwy Alexander lost her connection.

Cabinet considered the confidential report and the recommendations of the Scrutiny Working Group presented by the Chair of the Working Group, County Councillor David Selby and County Councillor Matthew Dorrance.

**RESOLVED to approve the recommendations in the report.**

**County Councillor M R Harris (Chair)**

## CYNGOR SIR POWYS COUNTY COUNCIL

## CABINET EXECUTIVE

6 July, 2021

**REPORT AUTHOR:** County Councillor Iain McIntosh  
Portfolio Holder for Economic Development, Planning  
and Housing

**REPORT TITLE:** An Overview of the Council's Home-Grown Homes  
Project

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**REPORT FOR:** Information

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## 1. Purpose

- 1.1. The purpose of this report is to provide Cabinet with an overview of the 'Home-Grown Homes' Project including the initial outcomes and aims required of the project, the results to date, and the proposals being considered for progression to Phase Two.

## 2. Background

- 2.1. The Welsh timber supply chain currently delivers the majority of its timber into low value products such as packaging, fencing, and garden furniture. Only an estimated 4% of Welsh timber currently ends up in construction, although 95% of harvested Welsh timber can meet construction grade<sup>1</sup>. Apocryphal evidence suggests that this is due to a misconception that Welsh timber is of a poorer quality than that grown in Scotland or Scandinavia, which has promoted Welsh timber mills to channel Welsh timber into lower value markets such as fencing, pallets and paper. This fails to build on the opportunities for both economic development through delivering of higher value construction grade timber, or timber for added value products such as wood fibre insulation, cross laminated timber (CLT)<sup>2</sup> and glulam<sup>3</sup>.
- 2.2. The concept of the 'Homes-Grown Homes' project was initially developed through the Arwain<sup>4</sup> LEADER Programme. The aim of 'Home-Grown Homes'

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<sup>1</sup> 95% of Welsh harvested Sitka Spruce can be graded C16 to C27. C16 is primarily used in construction of walls, whilst high strength grades such as C24 will be used in roofs.

<sup>2</sup> Cross-laminated timber (CLT) is a wood panel product made from gluing together layers of solid-sawn wood, that is to say wood cut from a single log.

<sup>3</sup> Glued laminated timber, abbreviated as glulam, is a type of structural engineered wood product constituted by layers of dimensional lumber bonded together with durable, moisture-resistant structural adhesives.

<sup>4</sup> The LEADER programme is based on empowering local people to develop their own solutions to local issues, through local strategy development and partnerships, resource allocation and making the

was to develop the business case for a supply chain development project focusing on the Welsh timber supply chain and funded through the Rural Development Programme (RDP). The aims of the 'Home-Grown Homes' project were to:

- Build supply-chain capacity along established processing chain to increase local/home-grown market share.
- Work with 'clients' increasing local/home-grown product demands in high performance, low carbon, new build/retrofit housing.
- Increase higher value local/home-grown timber availability.
- Support the use of local/home-grown timber in broader construction developments.
- Liberate socio-economic value.

2.3. The overarching theme of the project would be to harness the spending power of Welsh Government through its investment in the construction of social housing in Wales (£250 million in Social Housing Grant for 2021/22), to drive economic development and job growth in the Welsh timber supply chain. The project would do this by delivering a series of case studies, reports and guidance to social housing providers including local authorities and housing associations, architects, construction companies, and the timber frame industry. This would highlight the advantages of timber as a construction material and offer best practice guidance on how this can be done effectively.

2.4. The long-term outcome of this would be the development and expansion of the timber frame industry, with Powys benefiting from increased jobs in the forestry sector, and also the timber processing, timber frame and modular Modern Methods of Construction (MMC) industries that are already established in the county.

2.5. Following award of £1.5 million of RDP funding, Woodknowledge Wales (WKW)<sup>5</sup> were appointed to lead a consortium to deliver the project. The consortium was made up of four partners who each lead in different areas of the project:

- WKW leads the project and supports the other consortium partners. It would further lead on providing advice and support to several construction exemplar projects, which included the Council's Bowling Green, Clyro and Red Dragon affordable housing developments and lead on communications from the project and delivering a work package focusing on delivery of a 'zero carbon' home.
- Cardiff Metropolitan University leads a package focusing on delivery of guidance and tools for assessment of embodied carbon of developments

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most of local development potential inherent in an area. Arwain is the LEADER programme for Powys.

<sup>5</sup> 'Woodknowledge Wales' (WKW) is a not for profit, public good organisation which is working to develop and expand wood-based industries in Wales.

and conducting Building Performance Evaluation<sup>6</sup>, and further industry guidance on issues such as overheating. The university has also provided advice to the Council's developments at Clyro and Red Dragon.

- BM Trada<sup>7</sup>, a specialist consultancy providing independent timber testing across a wide variety of applications, leads a work package to support the development of the timber frame sector. This includes developing specification tools for timber frame construction and developing a method for auditing the amount of Welsh timber used in a development.
- Coed Cymru<sup>8</sup> leads on interventions in planting and processing, which include investigating financial models to encourage the farming sector to plant forestry and looking into ways of developing the SME timber processing sector in Wales.

2.6. The project is managed by WKW, with oversight from the Council and a Steering Group, with representatives from the Council, the project itself, Welsh Government, National Resources Wales (NRW) and housing associations.

2.7. A requirement of the grant funding provided by the Welsh Government was for the project to be externally audited. This has been carried out by the Welsh Government's Integrated Assurance Hub through the Gateway Review process. Throughout the lifetime of the project, a series of reviews have helped to shape and direct the work of the initiative.

2.8. A final report was published in February 2021. The review team noted that project was seen to be initially overly ambitious, as successful supply chain interventions may take a number of years to have an impact. Accordingly, the final report to be delivered to Welsh Government has been designed to highlight the work undertaken as part of the project as a way to influence policy, that would support the objectives of the project. The report includes recommendations for the scoping of a second phase of the project.

### **3. Project Deliverables and Outcomes**

3.1. The project has had a variety of deliverables, ranging from the final report, specification tools and industry guidance, to policy documents. They are summarised as below by work packages (please see Appendix 1 for more information):

<b>Work Package 1 – Project Management:</b>
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<sup>6</sup> Building Performance Evaluation (BPE) assesses the performance of a building, with particular emphasis on the building fabric, energy, fuel and water use, occupier satisfaction and occupier comfort.

<sup>7</sup> BM Trada is part of the Element Group, an international testing, inspection, certification, and calibration business.

<sup>8</sup> Coed Cymru is an environmental consultancy that works to improve the landscapes of Wales containing woodlands and trees.

	<ul style="list-style-type: none"> <li>• Home-Grown Homes Project – A Study for Improving the Timber Construction Supply Industry in Wales</li> <li>• Five Essential Strategies for an Emerging Forest Nation (attached as Appendix 3)</li> </ul>
<b>Work Package 2 – Exemplar Projects:</b>	
	<ul style="list-style-type: none"> <li>• The Home-Grown Homes Exemplar Projects Google Map</li> </ul>
<b>Work Package 3 – More and Better Homes:</b>	
	<ul style="list-style-type: none"> <li>• Building Performance Evaluation Guidance</li> <li>• Embodied Carbon Guidance for Welsh Social Housing Developers, Their Design Teams, Contractors and Suppliers</li> </ul>
<b>Work Package 4 – More and Better Local Manufacturing:</b>	
	<ul style="list-style-type: none"> <li>• Making the Right Choices – A Guide to Improving the Quality in Timber Frame Social Housing</li> <li>• Timber Audit Report</li> </ul>
<b>Work Package 5 – More and Better Home-Grown Timber:</b>	
	<ul style="list-style-type: none"> <li>• Serious About Green? Building a Welsh Wood Economy Through Co-ordination</li> <li>• The Role for a Consolidator</li> <li>• The Financial Case for Existing Landowners to Plant Woodland</li> <li>• Investing in Woodlands – An Options Analysis for Welsh Housing Associations</li> <li>• The Role of Our Own Conifer Forests for Building a Sustainable Society in Wales</li> </ul>
<b>Work Package 6 – Zero Carbon Build Solution and Education:</b>	
	<ul style="list-style-type: none"> <li>• Net Zero Housing Framework Infographic (attached at Appendix 2)</li> <li>• Zero Carbon Homes – Zero Carbon Timber Solutions for Wales</li> <li>• Zero Carbon Homes Training and Leadership Programme</li> <li>• Carbon Storage Contract</li> </ul>
<b>Work Package 7 – Communications:</b>	
	<ul style="list-style-type: none"> <li>• Wooden Windows Specification Guidance for Timber Windows</li> <li>• Timber Cladding – Specification Guidance for Social Housing</li> <li>• WoodBUILD Conferences and Autumn Series Podcasts</li> </ul>

- 3.2. The outputs of the project have influenced the way house builders, local authorities and housing associations are considering the use of materials in construction.
- 3.3. During the project, housing associations such as Wales & West Housing Association have adopted policies making timber the first-choice material for their build programme, similar to the Council’s own Wood Encouragement Policy. Welsh Government has in the draft Development Quality Requirements (DQR)<sup>9</sup>, compliance with which is a condition of Welsh Government funding for social housing, specified timber as a material of choice for delivering low

<sup>9</sup> Design Quality Requirements (DQR) sets out the minimum standards with which homes must comply to be eligible for financial support from the Welsh Government. The standards include minimum space requirements, encouragement for the use of Modern Methods of Construction and ‘whole life’ value for money.



carbon, energy efficient homes, and mandating that Welsh social housing is delivered to net zero standards, or as low carbon as possible.

- 3.4. The document “Embodied Carbon Guidance for Welsh Social Housing Developers, their Design Teams, Contractors and Suppliers” and the “Building Performance Evaluation Guidance”, produced by the project, have been commended by RIBA as comprehensive guides for taking forward decarbonisation and building performance, and have been recommended to RIBA members.
- 3.5. The project has during its lifespan enjoyed successful collaborations, and it has enabled the Council to further build on relationships with Welsh Government departments such as Housing, Forestry and Economy, and organisations such as NRW, all of which have been represented on the project’s Steering Group.

#### **4. Decarbonisation**

- 4.1. Both the Welsh Government and the Council have declared a ‘climate emergency’. The UK Government has adopted a target for the country to cut carbon emissions by 78% by 2035 and be ‘net zero’ in respect of carbon by 2050.
- 4.2. This has led to an increased focus on carbon within the construction industry, with concrete and cement ranked as the world’s third biggest man-made contributor to carbon emissions after energy and transport. The Welsh Government has, in support of its April 2019 declaration of a ‘climate emergency’ made reduction of carbon in the construction and operation of social housing a key consideration in deciding which developments will benefit from financial support.
- 4.3. Carbon in housing developments is often referred to in two contexts:
  - Embodied carbon – the carbon emitted in the construction of a building. This could be the carbon involved in the manufacture of the materials and products, such as concrete, bricks, fittings, etc. or it could involve the carbon emitted through the traveling of workers and materials to site and emissions from plant, such as loaders and excavators, used during construction, etc.
  - Operational carbon – the carbon emitted post construction in the lifetime of a building, including operational factors such as heating and lighting.
- 4.4. The ‘Home-Grown Homes’ project has focused more on the embodied carbon, as this is where the use of timber can reduce the amount of carbon emitted in the construction process. Work Package 3 has focused on reducing the operational carbon created by a building, with guidance on Building Performance Evaluation being produced for developers, architects, and employer’s agents. This will allow those commissioning and in the case of

social rented housing, managing the homes to properly monitor whether their performance of developments is what was promised. The form of construction can also affect the operational carbon dioxide with build forms such as Passivhaus reducing the requirements for heating systems.

- 4.5. 'Home-Grown Homes' by encouraging the planting of more forests in Wales has the potential to support 'decarbonisation' through the promotion of planting of forestry. This is because as trees grow, as part of the process of photosynthesis they take in and absorb carbon dioxide, emitting oxygen. The carbon remains in the wood until the tree or the timber rots, when it is released back into the environment as part of the process of decay.
- 4.6. The use of harvested timber in a way that prevents, or delays decay can extend the locking-in of this sequestered carbon<sup>10</sup> in the construction of homes. This could be done through use of traditional timber frame and the use of engineered timber products such as CLT, glulam, or wood-fibre insulation, and Modern Methods of Construction ideas such as manufactured timber panels.
- 4.7. Use of these products can, if the process of decay is eliminated or much reduced, contribute to the reduction of embodied carbon created by the construction process. Guarding against timber decay and rot benefits from treatment at the point of installation. For timber exposed to the elements that prompt and hasten decay, for example cladding and fascia boards, regular treatment and maintenance need to be factored into the financial and environmental management of such homes. The 'Home-Grown Homes' project has provided guidance on the use and specification of timber cladding under their "Timber Cladding Specification Guidance for Social Housing" document, available via the WKW website.
- 4.8. Reduction of embodied carbon in the construction of housing has been the primary focus of Work Package 6. This involved the design of a house type that could be delivered across Wales. The 2-bed, 4-person three bed town house was designed in conjunction with architects and various specialists to deliver a home that would cost effectively deliver a 'net zero whole life carbon home'<sup>11</sup>. This project remains live, as a number of factors raised by members of the steering group are addressed.
- 4.9. The project has offered many opportunities for Welsh Government, local authorities and housing associations to use the construction of social housing and proactive afforestation to meet the challenge of being carbon neutral by 2050. As highlighted later in this document, the taking forward of these opportunities would in themselves lead to economic opportunities for both

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<sup>10</sup> Carbon sequestration is the process of capturing and storing atmospheric carbon dioxide.

<sup>11</sup> A 'net zero whole life carbon' home is one where the carbon emissions from the construction and operation of the home over a projected 60-year life are initially minimised by using low carbon materials (timber and other natural materials) and a design to reduce the need for heating, any remaining emissions being counterbalanced through initiatives such as woodland planting.

Powys and Wales, with the potential of job growth throughout the timber supply chain.

## **5. Scoping of Phase 2**

- 5.1. The 2020 review of the project by Welsh Government's Integrated Assurance Hub highlighted that: "since the outset of the Project, the drivers have changed because there has been a raft of new policies, legislation and a sea-change in opinion on climate change...the change-enabling products being developed by the Project could help governments meet environmental targets, making it a potentially attractive Project for future funding schemes". The review recommended that the project's Steering Group consider scoping a second phase of the project (Home-Grown Homes 2), to take forward the learnings to date with greater collaboration with both Welsh Government, NRW and the timber supply chain.
- 5.2. Influencing policy is seen as a positive way of further advancing the development of the timber supply chain, including the planting of trees and land use, but also with a focus on delivering a Welsh source of timber for products such as timber windows, glulam, wood fibre insulation and CLT, all of which would not only deliver the objective of the project but also reduce imports to the United Kingdom, creating local jobs and retaining more wealth in Wales and the United Kingdom.
- 5.3. The reviews have put particular focus on developing a source of Welsh timber windows that can be used in social housing. Any social housing schemes which wish to benefit from Welsh Government funding need to be compliant with Secured by Design<sup>12</sup> - currently no Welsh timber window manufacturer can meet this requirement. Working with the industry to gain this accreditation would open up a market of an estimated 65,000 windows a year in the Welsh social housing sector, across both new homes and fitting new windows to existing properties.
- 5.4. WKW have been requested to outline a draft scope for Phase 2 by the project Steering Group. This resulted in two potential project ideas:
  - 'Home-Grown Homes 2' – This would be delivered in a similar manner to the original project, with a focus on supporting local authorities and housing associations to deliver housing schemes that incorporated use of Welsh timber. This would also include working with the industry, Welsh Government and NRW to solve issues affecting the supply chain.
  - 'Home-Grown Homes 2+' – This would deliver the 'Home-Grown Homes 2' concept, but with an additional focus on job creation through the

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<sup>12</sup> Secured by Design is an initiative led by the Police to make sure that homes are as secure as they can be, for example by making sure that doors and windows are designed to deter and prevent burglary and house breaking.

delivery of 'zero carbon homes' and low carbon retrofits. The estimations through the scoping exercise showed the potential of delivery of an estimated 1,300 jobs in varying industries including forestry, timber processing, construction and transport.

- 5.5. Meetings with Welsh Government have suggested that while the principle of 'Home-Grown Homes 2' are supported, financial commitments cannot at this stage be made, pending the development of national budget priorities across Wales<sup>13</sup>.
- 5.6. Accordingly, to maintain momentum pending any decisions by the Welsh Government on further funding, the Steering Group is recommending that three projects, that are in process, being initiated or subject to funding applications, be progressed:
- 'Home-Grown Homes 2' – the Welsh Government's Housing Department has expressed an interest in funding the project, initially for one year whilst other avenues of funding are investigated by the project and Steering Group. Powys County Council has agreed with the Welsh Government that it is happy to carry on leading the project on the basis that all incurred costs are included within any offer of funding.
  - Forest Towns – This is an expansion of a concept being delivered by Skyline in Treherbert. The concept aims to work with Welsh and local government, community organisations, the timber supply chain and construction companies to deliver forest expansion and training programmes for the local community. The project would deliver in three locations across Wales, with Machynlleth proposed as one of the locations.
  - 'Zero Carbon' Homes – This is the further development of the projects work on a 'Zero Carbon' Build Solution and involves further development of the plans to a create a mass produced MMC housing product, which could then be used across Wales by both councils and housing associations. The Council's Commercial Services Team (CST) has been successful in being awarded funding to deliver the procurement exercise for this project and is currently working with WKW and other stakeholders to develop the specification prior to tender.
- 5.7. The project and Steering Group are continuing to seek other avenues of funding, including through the Regional Growth Deals and funding streams such as RDP.

## **6. Opportunities for Powys**

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<sup>13</sup> Following the Senedd elections in May 2021, a climate change ministry has been established by the Welsh Government, bringing together the environment, energy, housing, planning and transport portfolios.

- 6.1. The Council has helped lead the 'Homes Grown Homes' project since its inception, highlighting the potential for smarter and wider use of Welsh timber to drive forward economic development in Powys, Wales and the United Kingdom. The project aligns very closely with the Council's Vision 2025 Economy and Community aims and supports a directly and indirectly a wide range of the Mid Wales Growth Deal objectives and outcomes.
- 6.2. Powys has well established forestry industries with the largest sawmill in Wales being located at Newbridge-on-Wye and number of smaller mills being located across the county. The timber frame industry is likewise well established with a major national timber framer based on the Shropshire/Powys boarder, and smaller outfits existing in county. An example includes A.C. Roof Trusses in Welshpool which has supplied the timber frame for the Council's Bowling Green housing development.
- 6.3. Powys hosts a number of companies delivering MMC, including F1 Modular in Newtown and Modularwise in Knighton, both of which are on Welsh Purchasing Alliance frameworks for delivery of MMC to the public sector across Wales. In addition, there are smaller SMEs and micro enterprises in Powys, including for example PYC Construction which has expertise in the delivery of high quality Passivhaus MMC products.
- 6.4. The farming industry is increasingly looking to tree planting as an additional way of supplementing farm incomes. The geography and topography of the county also lends itself to further plantation of commercial forestry. Further planting of forestry will lead to job growth in the forestry and transportation sectors.

## **7. Advice**

- 7.1. This report is for information only.

## **8. Resource Implications**

- 8.1. The Contract Manager role of the project has been supported by the RDP grant on the basis of providing support for two days per week. The Contract Manager was responsible for monitoring performance of the 'Home-Grown Homes' project on behalf of the Council, including provision of management information (presented as project dashboards to the Steering Group), arrangement of Steering Group meetings, arranging the project assurance reviews, and communicating with the 'Home-Grown Homes' Project Manager to ensure the smooth and efficient running of the project. Part of the cost of the role of 'Service Manager - Housing Solutions', whose remit embraced 'Home Grown Homes' has been covered by the grant funding for the wider project. There has been no unfunded contribution from the Council to the project.

8.2. The Council has agreed with Welsh Government that the Council will retain the leadership role for the project on the basis that all associated costs incurred by the Council are fully funded. However, there is to date no confirmation from Welsh Government that funding will continue. If this funding is not forthcoming, there is no requirement or expectation of the Council to provide funding or to continue support for the project.

8.3 The Council's Section 151 Officer has considered the report, commenting that:  
“

## **9. Legal Implications**

9.1 The Head of Legal and Democratic Services (Monitoring Officer) has commented that: “there are no legal implications flowing from the report”.

## **10. Data Protection**

10.1. There are no data protection issues arising from this report.

## **11. Comment from Local Member(s)**

11.1 The work of ‘Home-Grown Homes’ applies to all areas and constituencies in Powys.

## **12. Recommendation**

12.1 Cabinet is recommended to:

12.2 Note the content of this report and the outcomes of the ‘Home-Grown Homes’ project and the Council’s commitment to continue in a leadership role for ‘Home-Grown Homes’, subject to funding being made available by the Welsh Government.

12.3 Note that the project has successfully delivered its outcomes, which has been confirmed by the Welsh Government’s assurance reviews.

12.4 Note the continuation of the ‘Home-Grown Homes’ Project with scoping of ‘Home-Grown Homes 2’ and the Council’s continued involvement could offer social and economic opportunities in Powys, prompt and encourage further work to consider how to improve the quality and fuel efficiency of social homes and make a contribution towards delivering the economy and health ambitions in Vision 2025.

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## **Appendix 1 – Home-Grown Homes Work Packages**

### **Work Package 1: Project Management:**

This is the WP that involves all of the project admin, financial management and progress chasing. It includes the regular meetings with project partners and WP leads. The finances are managed to secure partner invoices and make claims to Powys CC. Project progress is reviewed by the Steering Group – originally a Management Board, chaired by Powys CC. The project documents are stored digitally in the cloud using Dropbox. Three evaluation exercises took place during the project.

### **Work Package 2: Exemplar construction projects:**

This WP involved engagement with stakeholders on exemplar projects across Wales which became the project case studies. Its purpose was to identify and respond to barriers to the development of the timber supply chain with knowledge exchange and specific tools – detailed in other WPs. The projects were case studies.

### **Work Package 3: Housing – Better timber homes**

The work undertaken in this work package addressed how to understand, measure and deliver high-quality social housing through a focus on energy, health, comfort, usability and whole life carbon emissions of new build projects. It included work on building performance evaluation to test various tools – again working with the exemplar projects. In addition, embodied carbon analysis was carried out on a number of projects. It also ended up producing industry guidance on both building performance evaluation and on embodied carbon.

### **Work Package 4: Timber manufacturing - Better local manufacturing**

This WP focussed on the timber frame manufacturing sector in Wales – researching issues having a detrimental effect on the cost and quality of timber frame construction and the opportunity for growth. It identified the potential for standardisation as a mechanism to address many of the challenges. Interviews also took place with social housing providers and contractors to better understand their issues with the use of timber and explore their interest in procuring a more standardised product. The main output from this WP was a report on the quality of timber frame build aimed at helping avoid many of the pitfalls and defects in timber frame construction. The WP also included engagement with a number of joinery manufacturers on the production of windows which highlighted a number of barriers to their specification. This subsequently led to the Welsh Windows project which is currently underway.



### **Work Package 5: Forestry – More and better home-grown timber**

This work package identified the timber currently grown and harvested in Wales, how much is used in construction and where the rest goes. It went on to review how this supply chain could be improved to reliably supply a higher proportion of possible future construction demand (particularly social housing) while improving the case for growing the underlying timber supply through expansion of Welsh forestry. The WP ended up producing a series of reports to support greater investment in the supply chain including investment in a wood economy, the role of a consolidator, the financial case for planting, capturing carbon in woodlands and the role of our conifer forests.

### **Work Package 6: Demonstration**

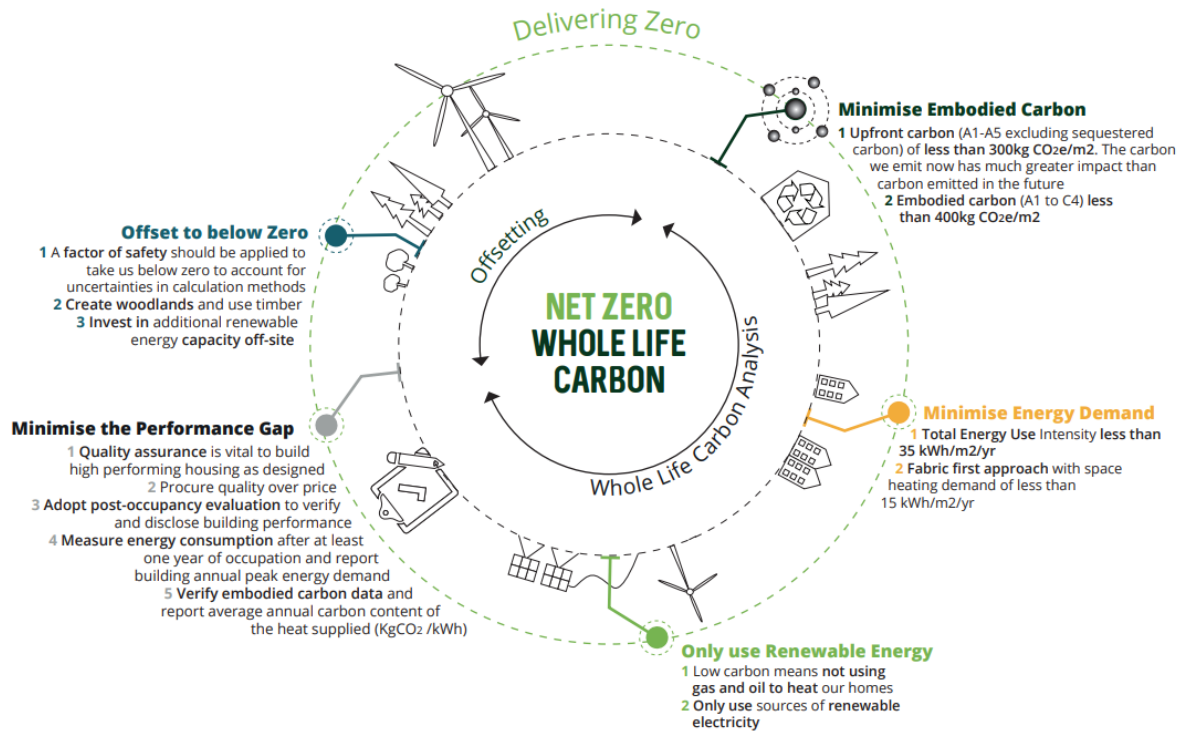
This WP had two elements: a net Zero Carbon Build solution and an education project. Following the first Project evaluation WKW worked with Powys CC to follow a different approach to that originally envisaged. Rather than design and build a physical dwelling, a development team was commissioned to develop a systemized approach based upon fabric first principles: maximising the performance of the building components and materials first and also employing a Whole Life Carbon approach. It resulted in a build solution which is currently being taken forward by Powys CC in partnership with ten other local authorities.

The education project focussed on traineeships, leadership and support for the education sector.

### **Work Package 7: Stakeholder engagement, dissemination and management**

This WP as its title suggests included engagement and communication. Outputs included a website, regular newsletters and briefings, workshops and conferences and specification guidance all aimed at capturing the learning on the project.

## Appendix 2 – Infographic – Net Zero Whole Life Carbon



PROSIECT  
CARTREFI O  
BREN LLEOL

THE  
HOME-GROWN  
HOMES  
PROJECT

# 5 Essential Strategies for an Emerging Forest Nation

Cefnogr y prosiect hwn gan Gronfa Amaethyddol Ewrop ar gyfer Datblygu Gwledig  
This project is supported by the European Agricultural Fund for Rural Development



# 5 ESSENTIAL STRATEGIES FOR AN EMERGING FOREST NATION

Written by: Gary Newman, CEO Woodknowledge Wales.

## CONTEXT

Wales is not a forest nation. Wales is a sheep, beef and dairy nation. Wales is a steel nation.

Like many nations, Wales is the economic country it is, not by political design but largely because of historical accident. Additionally, Wales has been held back by financial subsidies that have maintained the status quo (particularly but not exclusively through the Common Agriculture Policy) and the fashion for *laissez-faire* economic policies.

But there has never been a better time or more reason to change. We have left the European Union and have also declared a Climate Emergency. A more purposeful approach is now required to achieve the net zero carbon goals set by Welsh Government

Therefore, we are proposing five integrated strategies for how Wales can achieve a just transition to become a new high-value forest nation. A transition that would create substantial employment (particularly in rural areas) and a transition for which Wales has many natural advantages.

Wales has suitable and available land for afforestation, fantastic climate for growing the kind of trees that industry needs, the land and workforce for new industries and proximity to almost limitless export markets for high-value timber products. The UK is the second largest importer of timber and timber products in the World after China. Furthermore, any assessments of what a more sustainable low carbon future World might look like will have abundant forestry and timber as a critically important raw material at its core.

In our opinion, the risks and costs associated with maintaining the status quo are far higher than those associated with the transition to a forest nation. Ref. *Serious About Green: Building a Wood Economy through Coordination*

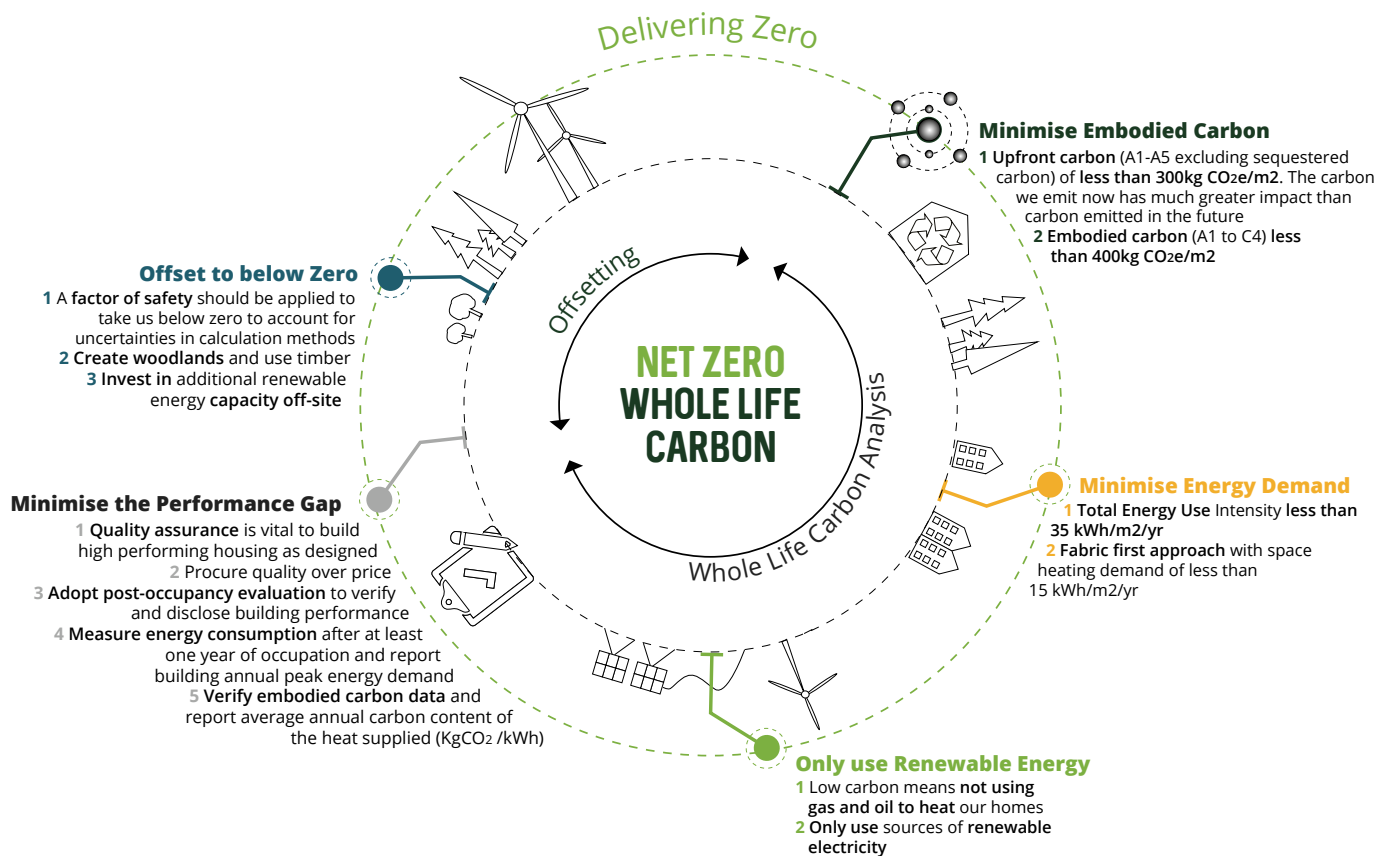
Wales must move away from high-carbon activities, which in recent years have also been heavily subsidy dependent. Wales must move towards more sustainable low-carbon industrial and land-use options that are geared to meeting the resource needs of the low-carbon society and that are economically viable.

Wales is starting from a long way back. Most European countries have well developed forest industries and in recent years Scotland and Eire have pursued more successful afforestation policies than Wales. This paper sets out how our slow start can be turned to our strategic advantage if Welsh Government decides to lead in the adoption of integrated economic policies outlined in this paper that are purposefully aligned across our construction, manufacturing and land-use sectors.

## STRATEGY 1 - CONSTRUCTION

Introduce policies to deliver net zero whole life carbon construction

Welsh Government should adopt a clear framework for delivery of net zero carbon housing by changing the Welsh Building Regulations. Our proposal is below. This framework aligns with the Net Zero Whole Life Carbon definitions developed by the World Green Building Council and aligns with the RIBA 2030 challenge. Clear policies focused on delivering this framework to decarbonise construction will lead to a substantial increase in demand for timber. The following requirements should be introduced in full into the Welsh building regulations for all new developments announced in 2021 and fully implemented by 2025. Social housing new build should with Welsh Government grant be first exemplars of the efficacy of the new regulations.



## STRATEGY 1 - CONSTRUCTION (Cont.)

Introduce policies to deliver net zero whole life carbon construction

### POLICY RECOMMENDATION 1.1

#### Minimise Embodied Carbon

Timber is the exemplar low carbon construction material. Policies should initially demand measurement and then introduce embodied carbon reduction targets. In particular we recommend the adoption of an Upfront Carbon emissions target of <math><300\text{kgCO}\_2\text{e/m}^2</math> as per the RIBA 2030 Challenge. (*See [Embodied Carbon Reduction Guidance](#)*).

### POLICY RECOMMENDATION 1.2

#### Minimise Energy Demand

Timber is proven as the exemplar structural material for high performance homes built to the Passivhaus standard. Part L should be amended to require a space heating demand of 15kWh/m<sup>2</sup>/year (*as per the RIBA 2030 Challenge*).

### POLICY RECOMMENDATION 1.3

#### Only use renewable Energy

Net zero means not using fossil energy. However, we recommend Welsh Government review the support given to wood burning (as the least carbon efficient use of timber) in favour of wind, solar and tidal alternatives. Equally the biomass subsidy as currently applied is diverting timber away from the manufacturing and construction sectors and doing little to bring under-utilised woodland into management.

### POLICY RECOMMENDATION 1.4

#### Minimise the Performance Gap

To encourage better building and more manufactured approaches to delivery construction policies and regulation should move away from design standards alone and require post completion performance measurement. (*See [Building Performance Guidance](#)*).



### POLICY RECOMMENDATION 1.5

#### Offset to Below Zero

To deliver net zero whole life carbon an element of offsetting is required. Afforestation is widely recognised as a robust means to offset emissions. We also believe that stored biogenic carbon in the building should also be recognised as an equally robust means of offsetting. In that respect we recommend that Welsh Government seek a one-year moratorium on ratifying the Emissions Trading Scheme to enable the Welsh Government to take evidence in favour of carbon credits for wood in buildings. (*See [Illustrative Carbon Storage Contract](#)*).

### POLICY RECOMMENDATION 1.6

#### Fund the Creation of a Zero Carbon Building Performance Hub

Welsh Government have funded a scoping study for a Zero Carbon Building Performance Hub under Innovative Housing Programme (IHP) year four funding. However, it is essential to provide ongoing revenue funding for such a hub. The hub will act to provide the necessary definitions, training, guidance, methodologies and benchmarks so that all actors in the construction supply chain in Wales can have a common and shared understanding of the zero-carbon journey (for both new build and retrofit, domestic and non-domestic). The hub funding could be enabled through the Social Housing Grant (SHG).

## STRATEGY 2 - MANUFACTURING

Enable high value timber manufacturing & integrate with construction demand

Without interventions, the demand for timber products that will flow from decarbonisation strategies outlined above will be met almost exclusively by imported products. The lack of added value processing of timber in Wales represents a substantial market failure. We produce no structural Glulam. We produce no Cross Laminated Timber. We produce no timber I-beams, no Laminated Veneer Lumber, no Oriented Strand Board and no Wood Fibre Insulation. The list goes on. All these products have two key features in common. Firstly, they are all critical components in high-performance low-carbon buildings that displace steel, plastics, concrete and other high carbon and often toxic materials. Secondly, they are all made from the type and grade of timber we grow in Wales.

### POLICY RECOMMENDATION 2.1

#### Create an Industrial Strategy for Wood

As a matter of urgency Welsh Government should recognise forestry and timber as a foundational industry and create a green industrial strategy for wood. Such a strategy must integrate new and expanding timber growing, processing and manufacturing with the substantial demand within the Welsh Government construction and infrastructure programme. However, we should also aim to supply the export market to England to help address its own chronic shortage of home-grown timber products and to build capacity and scale that is possible in Wales. NOTE: timber frame manufacturers are already choosing to locate in Wales due to proximity to larger English markets and the availability of labour.

### POLICY RECOMMENDATION 2.2

#### Establish Added Value manufacturing

Welsh Government should seek to create strategic public private partnerships, or targeted procurement and supply agreements, with Welsh companies and or European producers to establish advanced product manufacturing in Wales to service both the Welsh and wider UK markets. Three of the many opportunities are outlined below.



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## STRATEGY 2 - MANUFACTURING (Cont.)

Enable high value timber manufacturing & integrate with construction demand



### Opportunity 1: Wood Fibre Insulation (WFI) Factory

Currently WFI has between 5% and 10% market share in France and Germany. In the UK these products represent less than 0.1% of what is in excess of a £1 billion insulation market. UK customers are being poorly serviced by a European market for which demand is outstripping their ability to supply. Furthermore, transport costs of low-density products like insulation means high prices to UK customers. The retrofit programme required for existing homes, is a great opportunity to deliver healthy and low-carbon homes by investing into the healthy and low carbon building material supply chains.



### Opportunity 2: Wood Windows Factory

We estimate that the Welsh Government and Welsh housing associations pay for the installation of approximately 85,000 new plastic windows every year in their retrofit and newbuild programmes. Which also means that a approximately 70,000 plastic windows go to landfill each year. Currently no Welsh timber window manufacturer can supply this market as they lack the certification requirements of Secure by Design.



### Opportunity 3: Glulam Manufacturing Factory

Glulam is a wood based structural material which can and is being used as an alternative to structural steel for low and medium rise (particularly non-domestic) buildings. Glulam should become the healthy, low carbon material of choice for hospitals, schools and other low rise non-domestic buildings.



## STRATEGY 2 - MANUFACTURING (Cont.)

Enable high value timber manufacturing & integrate with construction demand

### POLICY RECOMMENDATION 2.3

#### Support for the Timber Frame Manufacturing Sector

The timber frame sector in Wales is expanding. The timber frame sector represents the manufacturing bed rock for the rapid evolution of offsite MMC net zero housing in Wales. However, in part as a result of the timber frame sector operating as a subcontractor to the main contractor, manufacturing margins remain below 5%. This limits the timber frame manufacturers ability to invest in automation, training and innovation and leaves the sector vulnerable to economic downturns. Welsh Government should introduce targeted and specific policy interventions to enable manufacturers to be at the heart of housing delivery in Wales, rather than the periphery. Welsh Government should also proactively position Wales as a nation of excellence in timber frame manufacturing specifically targeting the English market. This can be achieved through procurement of timber frame to a national performance specification currently being developed by Woodknowledge Wales in collaboration with Welsh local authorities and the timber frame sector. This should be supported with an allocation of timber supply from NRW and/or local sawmills, allowing wood processors and timber frame manufacturers to establish a base line production at lowest risk to all. This approach will help to position Wales as a nation of excellence (and leadership) in advanced timber frame manufacturing, delivering necessary scale by strategically targeting the English market.

### POLICY RECOMMENDATION 2.4

#### Align Public Building Programme to Timber

To reflect the economic, social and environmental benefits for Wales of using timber in construction and stimulating afforestation we believe that the Welsh Government should adopt a Wood First Policy (e.g. In France by 2023 50% of all public buildings must be based upon timber) and create a 'Charter for Timber' in a similar manner as the charter for UK manufactured steel. This would liberate markets for products such as Glulam as a key structural material in non-residential construction



## STRATEGY 3 - WOOD PROCESSING

Influence primary processing decisions to better benefit Wales

The Welsh state has historically subsidised forestry. The Welsh Government Woodland Estate provides the majority of the timber to industry and Welsh Government provides the grants to landowners to incentivise planting and management. But the private sector (in the form of the primary processor - the sawmiller) determines what happens to the trees. In our opinion, wood processing in the UK is a de-facto public private partnership. But to date the Welsh Government has never sought to influence what happens to this critically important resource. Partly as a result, the vast majority of Welsh timber that is grown for industrial applications is used for relatively low-value fencing, packaging and garden products. These timber markets are important, but the absence of the higher added-value construction materials should be viewed as a both an industrial failure and a failure of policy. We estimate that only 4% of Welsh timber is used as construction sawnwood. This low value outcome matters. Not only are the returns insufficient for Welsh landowners to invest in tree planting without the need for grants, but also the current markets, although essential, are massively sub-optimal in terms of climate change mitigation and social returns. The Welsh Government needs to use its role as both the regulator and the grower to achieve better outcomes for Wales.

### POLICY RECOMMENDATION 3.1

#### Change Timber Sales Regulations

Natural Resources Wales (responsible for managing the Welsh woodland estate) have just completed a consultation on their sales and marketing plan for 2021-2026. The proposal is to move from a sales strategy based on the highest bidder to a triple bottom line approach. We believe that NRW should go beyond the difficult to police triple bottom line approach and proactively ring-fence a proportion (e.g. 10% per annum of the 525,000 m<sup>3</sup>/annum in 2019) for strategic adding-value processing by Glulam, timber windows, and wood fibre insulation factories, into the valuable products required by a low-carbon UK.

### POLICY RECOMMENDATION 3.2

#### Support the Establishment of a Coordinating Agency

Welsh Government should support the establishment of a coordinating agency to ensure that Welsh grown timber is available for the use of the timber frame manufacturing and joinery and other value adding sectors. This coordinating agency could for example consolidate demand from the Welsh timber frame sector and the housing association retrofit programme and link this demand directly to the provision of timber from the Welsh Woodland Estate. This coordinating agency will in essence bring supply, demand and processing into more purposeful alignment.



**NOTE:** Woodknowledge Wales have established that housing associations are prepared to demand Welsh timber and timber frame manufacturers are prepared to use Welsh timber.

## STRATEGY 4 - FORESTRY

### Increase forest area and incentivise forest management for high value applications

The failure of Welsh Government to achieve a significant expansion of forest area in the past 10 years has been well documented and is in stark contrast to our near Celtic neighbours (Eire and Scotland). The production of timber in Wales is forecast to fall over the coming decades whilst that of Eire will double. This decline needs to be addressed through a huge afforestation plan for Welsh landowners of all sizes, particularly farmers.

There is no shortage of private funds available to purchase Welsh land to grow trees. Growing trees already makes economic sense to the longer-term institutional investors with deep pockets. A laissez-faire approach to afforestation will likely mean the sale of Welsh land to wealthy individuals and pension funds, especially given the anticipated post-BREXIT economic challenges likely to be faced by livestock farming.

A key challenge in becoming a successful forest nation is therefore to ensure that our woodlands are both expanded in area and managed in a way that maximises the benefit to Welsh farmers, communities and broader society. Directing investment, both public and private, into partnership with existing farmers to plant a range of woodlands including, crucially, those managed for timber production, will deliver the timber supply needed by new housing and value-added industries, while offering them the opportunity and means to adapt for the future. We believe that private investment is available and ready for deployment.

That of course means we need a balance between the management of woodlands for timber production and for

biodiversity, recreation and other benefits such as carbon and water management. It also requires that the productive output is put to best use. Critically, it means that Welsh people should have an economic interest in the trees as well as being able to access woodlands for their wellbeing. Otherwise, we fear that the productive forests will continue to be regarded with suspicion by a society that has little stake in them. Welsh society currently views degraded treeless landscapes as 'natural' and coniferous woodlands as 'alien'. This is in stark contrast to most other countries in northern and central Europe, despite the comparability of their environmental conditions. It goes without saying that every effort should be made to ensure Welsh society is fully supportive and engaged in the changes ahead. In that respect the National Forest presents a great platform for education and change. But the opportunity for Wales is much bigger to become a high-value forest nation. We support the BBC Wales initiative with the endorsement of the Prince of Wales to plant Britain as well as Wales specifically, but the key is not only combating climate change. It is to provide a low carbon resource and meaningful jobs for the future.



## STRATEGY 4 - FORESTRY (Cont.)

Increase forest area and incentivise forest management for high value applications

### POLICY RECOMMENDATION 4.1

#### **New Financial Models for Tree growing**

Welsh Government should explore the alignment of both public and private investment to enable the scale of investment necessary for substantial afforestation on Welsh farmland (preferably without transfer of land ownership). We believe that the private investment is available, and equitable partnership models between investors and landowners are readily available.

### POLICY RECOMMENDATION 4.2

#### **Carbon Offsetting**

Review the operation of the Woodland Carbon Code, to make it possible for Welsh organisations (e.g. housing associations) to directly invest in Welsh afforestation as part of their offsetting strategies.

*(See [Capturing Carbon: Investing in Woodlands](#))*



## STRATEGY 5: SOCIO-CULTURAL CHANGE

Maximise the benefit in becoming a high-value forest nation to Welsh communities

To help overcome barriers to change, to increase the understanding woodland in general and the acceptance of productive forestry in particular it is essential that the benefits flow explicitly to Welsh communities - particularly those communities surrounded by trees. Woodlands have proven benefits for education (nature-based learning), well-being and leisure (walking and cycling etc.) as well as the meaningful employment that is implicit in the other four strategies.

### POLICY RECOMMENDATION 5.1

#### Better Leverage of the Power of the Welsh Government Woodland Estate

Where the Welsh Government Woodland Estate is located near to communities, parcels of forest land should be sold or leased to local organisations in a way that leverages increased social, economic and environmental value (*e.g. as demonstrated successfully by the Skyline project*). Such an approach would draw more communities into forestry and create greater diversity in forest management and timber processing. NRW should then also be tasked with procuring land to enable the agency to maintain overall productivity levels from their directly managed forest.



Image courtesy of Skyline

### POLICY RECOMMENDATION 5.2

#### Create Designated Forest Towns

Welsh Government should support the creation of designated Forest Towns. Such a designation should come with responsibilities and rewards. Once a designation is achieved, it should enable access to investment in community-based forestry related activities that would benefit the community in terms of employment, wellbeing, education and leisure. The first designated forest town could be Treherbert (which is behind the skyline concept).





**Woodknowledge Wales Limited**  
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17 June	Portfolio Holder for Housing, Planning and Economic Regeneration	Approved the purchase of a house in Llangorse for social housing.
24 June	Portfolio Holder for Environment	Approved the initiation of the Traffic Regulation consultation procedure for parking restrictions for C0180 Cwmporth, C0180 Ystradfellte and C0193/C0194 Coelbren and if no substantive objections are received the proposal be implemented.

Mae'r dudalen hon wedi'i gadael yn wag yn fwiadol



Cabinet / Delegated	Decision Date	Title	Portfolio Holder	Lead	Decision Maker
		Vision 2025: Our Corporate Improvement Plan Annual			
	06/07/21	Performance Report	Councillor Rosemarie Harris	Emma Palmer	Cabinet
	06/07/21	Home Grown Homes	Councillor Iain McIntosh	Nina Davies	Cabinet
	06/07/21	Short Breaks Provision in Powys	Councillor Rachel Powell	Jan Coles	Cabinet
	06/07/21	Improvement Board Arrangements	Councillor Rosemarie Harris	Emma Palmer	Cabinet
	13/07/21	Castle Caereinion Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
	13/07/21	Schools Budget Outturn Reports	Councillor Phyl Davies	Mari Thomas	Cabinet
	13/07/21	Llanfyllin Phase 2 Proposal paper	Councillor Phyl Davies	Emma Palmer	Cabinet
	13/07/21	Moving on Up	Councillor Iain McIntosh	Nina Davies	Cabinet
	13/07/21	Historic Environment SPG	Councillor Iain McIntosh	Peter Morris	Cabinet
	13/07/21	Archaeology SPG	Councillor Iain McIntosh	Peter Morris	Cabinet
	13/07/21	Newtown Place Plan to adopt as SPG	Councillor Iain McIntosh	Peter Morris	Cabinet
	13/07/21	Annual Information Governance Statement	Councillor Beverley Baynham		Cabinet
		Amended Inter Authority Agreement for the Mid Wales			
	13/07/21	Growth Deal	Councillor Rosemarie Harris	Clive Pinney	Cabinet
	13/07/21	Powys Affordable Housing Programme Delivery Plan Guide	Councillor Iain McIntosh	Nina Davies	Cabinet
	14/07/21	Demolition of Garages	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
	14/07/21	Gypsy and Traveller Agreement	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
	14/07/21	Resettlement and Assistance Report	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
	27/07/21	Quarter 1 Performance Report	Councillor Beverley Baynham	Emma Palmer	Cabinet
	27/07/21	Quarter 1 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet
	27/07/21	Revenue and Capital Update Quarter 1	Councillor Aled Davies	Jane Thomas	Cabinet
	27/07/21	Transforming Support at Home	Councillor Myfanwy Catherine Alexander	Dylan Owen	Cabinet
	27/07/21	Affordable Housing Package Deals	Councillor Iain McIntosh	Nina Davies	Cabinet
	21/09/21	Draft WESP	Councillor Phyl Davies	Emma Palmer	Cabinet
	21/09/21	Mount Street & Cradoc consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet

21/09/21 Llanbedr Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21 Churchstoke Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21 Llanfihangel Rhydithon Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21 Treasury Management Quarter 1 Update	Councillor Aled Davies	Jane Thomas	Cabinet
21/09/21 ACRF		Alison Bulman	Cabinet
21/09/21 LDP Monitoring Report	Councillor Iain McIntosh	Peter Morris	Cabinet
12/10/21 Ysgol Bro Hydden Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
12/10/21 Ysgol Dyffryn Trannon Objection Report	Councillor Phyl Davies	Emma Palmer	Cabinet
02/11/21 Quarter 2 Performance Report	Councillor Beverley Baynham	Emma Palmer	Cabinet
02/11/21 Quarter 2 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet
02/11/21 Quarter 2 Revenue and Capital Update	Councillor Aled Davies	Jane Thomas	Cabinet
19/11/21 Homes in Powys Policy Update	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
23/11/21 Castle Caereinion Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
23/11/21 Llanfihangel Rhydithon Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
23/11/21 Council Tax Base	Councillor Aled Davies	Jane Thomas	Cabinet
23/11/21 Treasury Management Quarter 2 Update	Councillor Aled Davies	Jane Thomas	Cabinet
14/12/21 Llangedwyn / Llanfechain consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
14/12/21 Llanfyllin Phase 2 consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
14/12/21 Ysgol Calon Cymru Consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
18/01/22 Draft WESP	Councillor Phyl Davies	Emma Palmer	Cabinet
08/02/22 Quarter 3 Performance Report	Councillor Beverley Baynham	Emma Palmer	Cabinet
08/02/22 Quarter 3 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet

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