

Welsh Zero Carbon Housing Performance Hub

Annex D – Finance

August 2021

Introduction

This annex presents a more detailed estimation of the finances required to establish the proposed new hub and deliver the planned activities for Years 1 – 3. It also provides an insight to the implications of the proposed strategy to gradually increase the proportion of financial support secured from industry over the same three-year timescale.

Please note – The following table is designed to be viewed on screen or at A3 size if printed.

WZCH Budget		31/03/2021	Estimation of activity based on scoping study report						
Work Packages	Activity	Unit / Person days	Unit cost	Sub total	Year 1	Year 2	Year 3	Notes	
WP1- Accelerator Projects									
	Projects Officer 01	1.00	£ 30,000.00	£ 30,000.00	£30,000.00	£31,500.00	£33,075.00	(Fixed term / consultant role) FTE Salary shown Assume 1 PM can interact with up to 10 live Accelerator Projects simultaneously due to fluctuating info gather	
	Projects Officer 02	1.00	£ 30,000.00	£ 30,000.00	£0.00	£31,500.00	£33,075.00	Assume increase in demand for Accelerator Project results in additional 10 live projects p.a. for first 3 years	
	Projects Officer 03	1.00	£ 30,000.00	£ 30,000.00	£0.00	£0.00	£33,075.00	As above so only need 3rd PM in year 3	
WP2 - 6 (5 x Forums)									
	Research / Fora Officer	1.00	£ 30,000.00	£ 30,000.00	£30,000.00	£31,500.00	£33,075.00	Assumes 1 Research/Fora Officer can organise admin and comms side of WP2.3,4,5,6 = Construction Systems, Housing Performance, Funding & Warranty, Zero Carbon Policy, Skills & Training & Scale Up	
WP7 - Communications & Stakeholders									
	Design, build website	1.00	£ 10,000.00	£ 10,000.00	£10,000.00			Assumed to be more expensive as we need construction webcam facility and Wales ZC Policy Tracker web map, plus Accelerator Project Blogs run by PMs	
	Online content creation	1.00	£ 5,000.00	£ 5,000.00	£5,000.00	£ 5,000.00	£6,000.00	Assume at least weekly updates and spike of activity in year3 as all Accelerator projects start to disseminate lessons (Project Blogs)	
	Accelerator Pledge progress tracker inc live time-lapse cam for site activity	5.00	£ 5,000.00	£ 25,000.00	£25,000.00	£25,000.00	£25,000.00	Estimate assuming £1000 install per site then £250 pm service over 5 months? Only half of live projects have started in site construction at any one time so max 5 sites worth watching at a single time	
	2 x Collaboration Partner dissemination events	2.00	£ 1,000.00	£ 2,000.00	£2,000.00	£2,000.00	£2,000.00	Assumes 2 x online only. Example Yr. 1= Launch event & Training event	
	Annual physical conference	1.00	£ 5,000.00	£ 5,000.00	£5,000.00	£5,500.00	£6,050.00	Assumes only 1 physical event costs include venue and catering	
	Design and publish (PDF) max 2 x Forum led - Research / Tech guidance reports per annum	2.00	£ 15,000.00	£ 30,000.00	£30,000.00	£ 36,000.00	£ 43,200.00	These are reports generated by work of the Forums (WP1-6) when they identify a need for new work. We would likely need to get similar match funding from industry for each one to increase the content value	
Core operating overheads									
Core team members									
	Programme Director	1.00	£ 72,000.00	£72,000.00	£72,000.00	£75,600.00	£79,380.00	Assumes salary is circa £60k but increased 20% for pension / tax etc?? (Full time fixed term)	
	Technical Director	1.00	£ 54,000.00	£54,000.00	£13,500.00	£27,000.00	£56,700.00	Assumes salary is circa £45k FTE but increased 20% for pension / tax etc?? (Full time fixed term). Only required from 2nd half of Year 1 for 50%, then 50% YR2, 100% YR3	
	Communications Director	1.00	£ 54,000.00	£54,000.00	£27,000.00	£54,000.00	£56,700.00	As above. Only required from 2nd half of Year 1 at 50%, then 100% for YR2 & 3	
	Projects Director	1.00	£ 54,000.00	£54,000.00		£27,000.00	£56,700.00	Assumes only needed in Yr. 2 onwards as number of Accelerator projects increase	
Facilities etc									
	Office (Cardiff)	2.00	£ 7,500.00	£15,000.00	£15,000.00	£15,750.00	£16,537.50	Assume two locations = 1 x South (Swansea?), 1 x North Wales	
	Meeting space	10.00	£ 500.00	£5,000.00	£5,000.00	£5,250.00	£5,512.50	Assumes 1 day pm approx. and 20% increase p.a	
	Core team combined T&S	3.00	£ 150.00	£18,000.00	£18,000.00	£18,900.00	£19,845.00	Assumes 3 external activities pw @ avg £150 over 40 weeks pa Plus 20% increase pa	
	Back office charges admin wages finance etc	12.00	£ 500.00	£6,000.00	£6,000.00	£6,300.00	£6,615.00	Assumes 5% inc per year	
Legal & Insurance									
	Original company set up the yearly advice / guidance	1.00	£ 2,000.00	£2,000.00	£2,000.00	£2,000.00	£2,000.00	Assume extra £3k for year 1 set up than normally £2k	
	Annual accounts	1.00	£ 2,500.00	£2,500.00	£2,500.00	£2,500.00	£2,500.00	Rough estimate	
	Professional indemnity insurance	1.00	£ 1,500.00	£1,500.00	£1,500.00	£1,500.00	£1,500.00	Especially needed if linked to any Technical Guidance published	
Estimated annual operating costs									
Check					£299,500.00	£403,800.00	£518,540.00		
Government funding request					£269,100	£342,550	£388,500		
Assumed percentage from government					90%	85%	75%		
SECURED - Industry in-kind support									
	Office & Meeting spaces				£20,000.00	£10,000.00	£5,000.00	Assumes gradual move from 100% FOC to 50% and then 25% over 3 yrs	
Expected - Industry in-kind support									
	Original company set, accounts & legal support				£ 6,000.00	£ 6,000.00	£ 6,000.00		
Additional industry support to be found via event sponsorship and report branding					£3,900	£44,450	£118,500		
Check					£299,000.00	£403,000.00	£518,000.00		