



Eich cyf/Your ref P-06-1491
Ein cyf/Our ref JB/00389/25

Carolyn Thomas
Chair, Petitions Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN

8 May 2025

Dear Carolyn,

Thank you for your letter confirming the outcome of the Petition Committee's decision on 24 March on external wall insulation (EWI) in Caerau, Bridgend.

Following complaints from householders living in Caerau, Bridgend County Borough Council (BCBC) commissioned a survey to determine the root cause of penetrating damp and mould growth. The survey revealed the external wall insulation (EWI) installed under the UK Government Community Energy Saving Programme (CESP) scheme in 2012 had failed. The failure is attributed to poor workmanship.

BCBC identified issues with 104 homes all in the owner-occupied sector in one of the most disadvantaged communities in BCBC area. The contractors responsible for the original installation have ceased trading and no guarantees were issued when the works were completed. BCBC has explored funding remedial work with the energy suppliers who funded the original works and with the CESP scheme administrator, Ofgem.

Although the Welsh Government have no legal liability, we recognise the distress this has caused, and we have provided grant funding in order to rectify the damage to the EWI in affected homes. To date BCBC have spent over £1,35m of the £2.65m awarded by Welsh Government, an additional £673,000 has been provided this financial year. The local authority has also contributed £855,000 of its own money, to put things right.

The cost of installing the initial EWI was provided through EU Convergence funding. This means it was subject to very stringent monitoring and auditing through the Welsh European Funding Office. Given the time that has elapsed since it was awarded in 2012, it is unlikely that a new exercise would be more useful than intelligence from the contemporaneous audits and evaluation. It is not, therefore, our intention to conduct a further review on Caerau.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Gohebiaeth.Jayne.Bryant@llyw.cymru
Correspondence.Jayne.Bryant@gov.Wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

However, Welsh Government recognise the importance of learning lessons from such schemes. We have, therefore, implemented several measures to provide greater assurance and protection to householders under our new Warm Homes Nest programme. Lessons learned include:

- Reducing potential conflicts of interest by letting separate contracts for our advice and referral provider and our delivery provider.
- Works are undertaken in accordance with PAS 2035 standards so that the most appropriate measures are applied to each household. This means every retrofit project is subject to monitoring and evaluation to determine whether the intended outcomes of the retrofit project have been realised.
- Independent quality assurance requirement for works to be compliant with the PAS2035 standard. The presence of independent QA expertise reduces the likelihood of poor design and installation.
- Introducing KPIs for complaints received.
- Retaining 10% of payment in the final year of the contract to ensure there are sufficient funds to remediate any deficiencies in installation. This also stands as an incentive to ensure high quality work.
- Ensuring governance through financial monitoring, Project Boards and compliance meetings.

I understand residents are keen for the work to be completed swiftly. However, it is essential to remove the old insulation, install ventilation and ensure walls have dried out before installing the new insulation and finishing the works. Failing to do so risks further mould and damp issues in the future and I support the council in their determination to complete this work to the highest quality and protect residents from further issues.

Bridgend County Borough Council has appointed a community liaison manager to answer any queries from concerned residents. Bridgend County Borough Council are best placed to answer any issues around the works or any wider concerns around the impacts of the historic scheme.

Once again, thank you for writing to me about this important issue. I hope this information is helpful to you.

Yours sincerely,

A handwritten signature in black ink that reads "Jayne Bryant". The signature is written in a cursive, flowing style.

Jayne Bryant AS/MS

Ysgrifennydd y Cabinet dros Lywodraeth Leol a Thai
Cabinet Secretary for Housing and Local Government