

**NORTH LINCOLNSHIRE COUNCIL**

**ASSET MANAGEMENT, CULTURE AND HOUSING  
CABINET MEMBER**

**GREEN DEAL UPDATE**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 This report outlines for the Cabinet Member the options available in response to Green Deal.
- 1.2 The Cabinet Member is asked to agree an approach to offering a complete Green Deal service in partnership with North East Lincolnshire Council.

**2. BACKGROUND INFORMATION**

- 2.1 The Green Deal started in January 2013, replacing all other government mechanisms for assisting householders to make their homes more energy efficient.
- 2.2 For those “able to pay”, the Green Deal offers a means of financing improvements through a loan paid back via the household energy bills.
- 2.3 For those unable to pay or in circumstances where the cost of the works are too much to be financed as a loan, the energy companies subsidise the work through additional funding. This funding is called the Energy Company Obligation (ECO). The amount of funding available varies depending on the measures installed, the carbon saved and the vulnerability of the household.
- 2.4 So far this year, the housing service has received 872 service requests for energy efficiency advice and assistance. The partnership arrangement between North and North East Lincolnshire Council’s and Eon has now ended. This means that currently there is no formal arrangement for referring householders for loft and cavity insulation.
- 2.5 The level of fuel poverty across North Lincolnshire is above the national average at 18.5%. Within a number of lower super output areas the figure is significantly higher.

- 2.6 A large number of organisations are looking to offer Green Deal loans for households who are able to pay. A limited number are offering subsidised measures for vulnerable households under the ECO.
- 2.7 The Green Deal working group met recently to discuss a joint approach across North and North East Lincolnshire. It is the ECO elements of Green Deal where the working group sees most of the assistance is needed. To maximise funding and support, the working group recognises the need to partner with other organisations. Both councils also recognise the need to offer the commercial element of Green Deal through sign posting or partnership working.

### **3. OPTIONS FOR CONSIDERATION**

- 3.1 Option one – take no action and allow the commercial market to provide Green Deal for residents in North Lincolnshire.
- 3.2 Option two – the development of individual projects on a case by case basis with each one being tendered individually and using available subsidies where possible.
- 3.3 Option three – to provide a complete Green Deal package by procuring individual partners for each element of Green Deal, including ECO.

### **4. ANALYSIS OF OPTIONS**

- 4.1 Option one – this does not provide the scope for a proactive approach to Green Deal and is subject to changes in the market. This option does not address the ECO elements of Green Deal.
- 4.2 Option two – this will provide a more proactive response to Green Deal. However, individual procurement processes are time consuming. This option does not provide a day to day service.
- 4.3 Option three – this is the preferred option and would provide a proactive day to day service across all elements of the Green Deal.

### **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 Financial – the Home Assistance Policy guides the assistance the council gives householders to repair, improve or adapt their homes, including energy efficiency measures. The policy needs updating to reflect the council's approach to the Green Deal. The procurement of partners will provide best value for the partnership.
- 5.2 Staffing – existing staff resources will be used to develop the Green Deal approach, including any procurement.

**6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 Statutory – the council has a general duty to reduce carbon emissions. Domestic properties and small businesses contribute significantly to these emissions. The council has to report on how it intends to address fuel poverty, carbon emissions and support Green Deal.
- 6.2 Environmental – option three ensures that the council has a strategic policy to address carbon emissions from domestic and small commercial businesses meeting the reporting obligations on the Council.
- 6.3 Diversity – Option three provides a Green Deal service for all householders, irrespective of circumstances. It also allows the development of specific assistance for vulnerable householders.
- 6.4 Risk – Option three and the provision of a Green Deal service minimises the reputational risk to the council that might exist with either of the other options.
- 6.5 An Integrated Impact assessment has been completed for this report.

**7. OUTCOMES OF CONSULTATION**

- 7.1 No comments have been received from the members of the Green Deal working group, which include representatives from North East Lincolnshire Council and North Lincolnshire Homes.

**8. RECOMMENDATIONS**

- 8.1 That the Cabinet Member agrees the development of a complete Green Deal service through the procurement of partners related to each element.
- 8.2 The Green Deal service is developed to include sign posting to trusted providers for the “able to pay” market, the design and development of community projects to address issues of hard to heat properties and individual referrals for householders in fuel poverty.
- 8.3 That an update report be submitted to the Cabinet Member in three months time.

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**Background Papers used in the preparation of this report: None**