

NORTH LINCOLNSHIRE COUNCIL

**CABINET MEMBER FOR
HIGHWAYS AND NEIGHBOURHOODS**

**UPDATE ON THE CESP PROJECT
AND TARGETING ENERGY EFFICIENCY ASSISTANCE**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To update the Cabinet Member on the outcomes achieved from the recent Community Energy Saving Programme (CESP) project undertaken in Frodingham ward.
- 1.2 To seek approval to use a portion of the 2011/2012 capital money allocated for discretionary home assistance to help fund energy efficiency measures on a targeted basis.

2. BACKGROUND INFORMATION

- 2.1 The Community Energy Saving Programme (CESP) has been created as part of the government's Home Energy Saving Programme. It requires gas and electricity suppliers to deliver energy saving measures to domestic consumers in specific low-income areas of Great Britain. CESP has been designed to promote a 'whole house' approach and to treat as many properties as possible in defined areas.
- 2.2 Within North Lincolnshire there are a number of IMD (Indices of Multiple Deprivation) areas that would qualify for CESP by virtue of being within the worst 10% in the country.
- 2.3 CESP is most effective where a significant proportion of the properties are owned by social housing providers. This is because the amount of funding received from the appropriate energy provider to fund the measures increases according to the area coverage achieved and the installation of multiple measures within properties. The Frodingham ward was chosen because North Lincolnshire Homes were due to commence their decent homes work along with some major structural refurbishment to areas of non traditional housing.
- 2.4 The measures targeted at private homeowners included loft and cavity insulation along with the replacement of old "G" rated boilers.
- 2.5 In total, 52 insulation measures (cavity and loft) were completed giving an overall annual saving in heating costs of £4,320.00 (an average of £83.00 per property) and an annual carbon saving of 22 tonnes.

- 2.6 20 “G” rated boilers were replaced giving an overall annual saving in carbon emissions of 38.2 tonnes and £6181.00 annual savings in water and heating costs (£309 per property).
- 2.7 The Home Assistance policy determines how capital money allocated for home assistance is spent. Currently, for energy efficiency, this is generally provided in the form of a grant for eligible householders.
- 2.8 The aims of the new Home Assistance policy include maximising home energy efficiency and contributing to the Council’s wider aims of reducing carbon emissions along with addressing the health inequalities that exist between our richest and poorest residents.
- 2.9 The accompanying evidence base for the Home Assistance policy allows us to select and target our resources for energy efficiency towards those areas where the housing is generally less energy efficient and the population is significantly older. Research clearly illustrates that it is older people that are particularly vulnerable to cold conditions. For the year 08/09, there were 160 excess winter deaths recorded for North Lincolnshire.
- 2.10 The first area to be targeted if this approach is adopted will be Barton and District.
- 2.11 The success of the CESP area has illustrated that targeting resources on an area basis to improve energy efficiency and reduce carbon is more successful than the current pepper potting approach. It also allows us to work with energy providers, such as Eon, who are our partners, along with North East Lincolnshire, in SHEEP (South Humber Energy Efficiency Project). Additional funding is often available from energy providers to allow the installation of free loft and cavity insulation or part funding for boiler replacements.

3. OPTIONS FOR CONSIDERATION

- 3.1 Option 1 – to note the outcomes from the CESP area and approve the use of a targeted approach to proactively provide energy measures on an area or ward basis and using the housing evidence base and the Home Assistance policy to do so.
- 3.2 Option 2 – to note the outcomes from the CESP area and to continue to only target energy efficiency on an individual property approach.

4. ANALYSIS OF OPTIONS

- 4.1 Option 1 – this is the preferred option for targeting energy efficiency measures in the future. It is also the recommended approach by Central Government through such projects as CESP. It is also a more efficient use of resources and allows private sector money from the energy companies to be levered in.

- 4.2 Option 2 – this option is more resource intensive overall, less predictable and does not provide the outcomes in relation to fuel poverty, energy efficiency and carbon savings that can be achieved through option 1.

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

- 5.1 Financial Implications – a proportion of the capital budget has been set aside for discretionary home assistance and it is recommended that a portion of that is used for energy efficiency measures in accordance with the Home Assistance policy. By proactively targeting in this way and making homes warmer, other services such as health will also benefit.
- 5.2 Staffing Implications – the Energy Efficiency Officer already works on a proactive basis, giving advice through the use of outreach surgeries, attending community events and training. There are no additional staffing implications from the preferred option.
- 5.3 IT Implications – the current energy efficiency database used by housing allows the improvements in energy efficiency to be measured along with the cost savings, reduction in carbon emissions and whether the householder is taken out of fuel poverty. There are no additional IT implications.

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

- 6.1 Statutory implications – The Housing Act 2004 places a duty on the local authority to deal with houses that are a risk to the health and safety of the occupants. Properties that have no or very old heating systems or are very inefficient are a risk to the health of the occupants. In addition to that, the Home Assistance policy, which governs what help will be given, has been developed in accordance with the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.
- 6.2 Environmental implications – the Council is committed to reducing Carbon emissions across North Lincolnshire and domestic homes contribute a significant amount to the current levels.
- 6.3 Diversity implications - targeting on an area basis should ensure that all households are reached and assistance given as necessary.

7. OUTCOMES OF CONSULTATION

- 7.1 The report has been circulated to Legal, the Environment Team and Human Resources for comment and no adverse comments have been received.
- 7.2 The feedback from householders who have had boilers replaced as part of the CESP initiative has indicated that on the whole they were fairly or very satisfied by the work carried out.

8. RECOMMENDATIONS

- 8.1 That the Cabinet Member notes the outcomes achieved from the CESP funded area within the Frodingham ward.
- 8.2 That the Cabinet Member approves the targeting of energy efficiency measures on an area basis according to need and to comply with the requirements of the Home Assistance policy.

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Background Papers used in the preparation of this report - None