

MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR COMMUNITY AND LEISURE SERVICES

REPORT OF HEAD OF HOUSING & COMMUNITY SERVICES

Report prepared by Helen Miller

Date Issued: 19/09/13

1. ECO PILOT

1.1 Key Issue for Decision

1.1.1 To consider whether the Council should implement a Warm Homes ECO Pilot, a scheme to retrofit insulation to homes of all tenures, borough wide but initially targeting the High Street, Park Wood, Shepway North and Shepway South wards.

1.2 Recommendation of the Head of Housing and Community Services

1.2.1 That the Cabinet Member for Community and Leisure Services agrees that the Council implements a borough wide Warm Homes ECO pilot, initially targeting the wards of High Street, Park Wood, Shepway North and Shepway South.

1.2.2 That the Cabinet Member for Community and Leisure Services agrees that the Council should enter into a service level agreement with Enterprise plc. to deliver the Warm Homes ECO pilot.

1.3 Reasons for Recommendation

1.3.1 The council is a partner in the Kent and Medway Green Deal Partnership (KMGDP) which aims to improve affordable warmth for residents. It brings key partners together to deliver a home insulation retrofit project. The partnerships has maximised the amount of Energy Company Obligation (ECO) funding levered into Kent, gaining £80 million to be spent by 2015. It is hoped that some of the insulation work will be carried out by local businesses with 21 across Kent and Medway having applied to be subcontractors and waiting for their application to be approved by Enterprise plc.

1.3.2 ECO funding was introduced nationally in January 2013 to reduce the UK's energy consumption and support people living in fuel poverty. It does this by requiring large energy companies to provide significant funding for home energy efficiency improvements every year. The funding for this project is provided by Npower and can be used to

retrofit existing homes with loft insulation, draught proofing, cavity wall insulation and solid wall insulation.

1.3.3 The government requires that ECO funding be targeted in three ways:

- households living in the lower super output areas with the highest 15% deprivation, as measured on the index of multiple deprivation;
- households receiving certain means tested benefits;
- homes that are hard to treat being constructed with either unconventional cavity walls or solid walls – a property not household related target.

1.3.4 Our research suggests that the wards of High Street, Park Wood, Shepway North and Shepway South have high levels of deprivation and high levels of benefit take up (see Appendices 2 and 3). There are small areas of homes with unconventional cavity walls or solid wall throughout the four wards and larger concentrations of homes with solid walls in the High Street ward. Once work had been completed in these wards the scheme would be offered in other areas in the borough with all areas covered by March 2015.

1.3.5 Nationally 66% of lofts, 69% of cavity walls, but just 1.9% of solid walls, were insulated by October 2012. The cost of insulating solid walls is significantly higher than insulating lofts or cavity walls and many of the previous offers made by utility companies have not included insulating solid walls. If local housing stock conditions reflect the national data then there may be the potential to insulate a further 34% of lofts, 31% of cavity walls and 98.1% of solid walls.

1.3.6 There are 13,724 homes in the four target wards of which it is estimated that there is the potential to improve the insulation of approximately 4,000 homes. However, as there is a high proportion of social housing in these wards and insulation levels are generally higher in social housing than housing generally we may find the potential is lower than estimated. Also, taking into account the number of residents likely to be unwilling to participate in the scheme it is estimated that the scheme will improve insulation in approximately 400 homes in the target wards.

1.3.7 There are 66,682 households in the borough which would suggest a potential to improve the insulation of over 19,000 homes but with the same caveat of householder willingness to participate it is estimated that the scheme will improve approximately 1,900 homes by March 2015.

1.3.8 The marketing materials, surveys, development control fees, building materials and installation would be free of charge to the householder and the Council and could represent a substantial investment in the existing local housing. The funding is provided by Npower. The Home Energy Efficiency Project Officer was appointed on a 12 month contract to support this, and other energy related projects, and will carry out a significant amount of administration and partnership work for this scheme. The scheme will be marketed as "Warm Homes" across Kent.

1.3.9 In summary the process will be that the scheme provider will assess areas to identify homes that are likely to be suitable for insulation work. They will write to the householder to explain the scheme and then visit a few days later. Householders can choose to give the provider access to talk through the scheme, carry out an energy performance assessment, and a technical survey visit. When the home has been fully assessed, and the householder (and landlord if applicable) has given permission for works to be done, an appointment will be made for works to be carried out. The scheme provider will liaise with building control, planning and conservation services as needed. The works will be carried out and the guarantee documents given to the owner of the home.

1.4 A representative of the Communications Team sits on the delivery group to ensure messages are appropriate and encourage scheme take up in all groups including vulnerable groups. Outreach work will be carried out to help vulnerable residents understand the scheme and make an informed decision on whether to take part.

1.5 Alternative Action and why not Recommended

1.5.1 The Council could decide not to implement the pilot scheme. This would result in missing the opportunity to access a higher level of funding from working in the Kent and Medway Green Deal Partnership.

1.6 Impact on Corporate Objectives

1.6.1 Living in a well insulated home is likely to help householders spend less on fuel, live in a warmer home and help them feel Maidstone is a decent place to live.

1.7 Risk Management

1.7.1 Maidstone Borough Council may suffer a loss of reputation if the pilot scheme associated with them is run poorly. Kent County Council has carried out a robust procurement process to ensure an appropriate provider was chosen. The Housing Services Manager will liaise with the scheme provider, Enterprise plc. to ensure the scheme is run well locally and matters arising are addressed promptly. Partners may

withdraw from the partnership yet the partnership will meet regularly to help resolve any matters.

1.8 Other Implications

1. Financial	
2. Staffing	X
3. Legal	X
4. Equality Impact Needs Assessment	X
5. Environmental/Sustainable Development	X
6. Community Safety	
7. Human Rights Act	
8. Procurement	
9. Asset Management	

1.8.1 Staffing. Staffing time will come from within existing resources and relate to officer time in partnership working, contact centre time and engaging with community groups.

1.8.2 Legal. A service level agreement will be entered into to protect the interests of the Council and members of the public.

1.8.3 Equality Needs Impact Assessment – see Appendix 1

1.8.4 Environmental/Sustainable Development. It is likely that the occupants of an insulated house will use less fuel to keep it warm so houses that have been retrofitted will give rise to lower carbon emissions.

1.9 Relevant Documents

1.9.1 Appendices

1.9.2 Appendix 1 – Equality Needs Impact assessment

1.9.3 Appendix 2 – Map to highlight the lower super output areas in the High Street, Shepway North, Shepway South and Park Wood wards that are in the lowest 15% index of multiple deprivation and meet one of the governments funding criteria.

1.9.4 Appendix 3 – Map to show the percentage of housing benefit claimants in each lower super output area

1.9.5 Background Documents

1.9.6 None

IS THIS A KEY DECISION REPORT?

Yes

No

If yes, this is a Key Decision because: It impacts on one or more wards

Wards/Parishes affected: High Street, Park Wood, Shepway North and Shepway South initially, then borough wide.

How to Comment

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

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