One Corby Policy Committee  
18th December 2018

Warm Home Funding Opportunity

SYNOPSIS BOX
This report seeks an approval to support a successful Warm Homes Fund (WHF) bid to install first time gas central heating (FTCH) to fuel poor homes. Corby Borough Council are the accountable body and have led on this project for the County.

1. Relevant Background Details
The outcome of this project will be to connect and install gas central heating to wholly electrically heated homes in order to help fuel poor private residents in Corby, and a mix of social and private residents across the County.

Corby has led on a countywide bid with the Northants Warm Homes Partnership (NWHP) which has included the public and private sector homes across the seven district and boroughs of the County.

NWHP is a collaboration between the seven Northamptonshire districts and boroughs and the County Council and aims to help residents of the county to reduce their energy bills, alleviate fuel poverty and lower their carbon emissions. Since the 1990’s the group has undertaken many successful projects across Northamptonshire in partnership with fuel utility providers and installers. These have included; boiler replacement schemes, renewable energy schemes, home energy advice and insulation schemes.

2. Report
Last year the National Grid, now Cadent, and Affordable Warmth Solutions launched a £150m Warm Home Fund designed to support local authorities, registered social landlords and other organisations working in partnership, to address some of the issues affecting fuel poor households, in particular homes not connected to the national gas network.

CBC have successfully led a cross tenure Northants Warm Homes consortium with representative from NWHP, Spire Homes, Northampton Partnership Homes, Surefire Management Services (SMS) and Agility Eco. Following a consortium presentation to the funding panel, the WHF have confirmed that they are willing to fund £3,997,625 for the installation of approximately 1,400 FTCH at a cost of £5,891,905. This could help estimated 100-200 homes in Corby. This project requires contribution from consortium members and support from energy company obligation grants called ‘Help to Heat’ ECO3. Corby Borough Council has identified a £75,000 contribution fund from a ‘home repair grant’ budget to assist with the shortfall for Corby homes.

Connecting and installing gas central heating will save an average 3 bed semi £1,400 per year off their heating costs. This is based on a standard electricity rate of £1,950, and an average cost of £550 for gas heating. (Data source Department of Business Energy Industry Strategy - BEIS).

Latest data show that 10.4% of households in the Northamptonshire area are classified under the low income high cost definition as ‘fuel poor’. This breaks down as Corby 10.5%, Daventry 9.6%, East Northants 10.3%, Kettering 10.8%, Northampton 10.8%, South Northants 9.0% and Wellingborough as 11.1%. Data source BEIS).
In order to identify the fuel poor the project intends to use a NHWP joint set criteria set by ECO Flex guidance issued by BEIS.

**Financial and outcomes**

The bid awarded, combined with funding from ECO3 and funding from consortium members will be enough to complete the installation of approximately 1,400 FTCH systems over a three-year period across Northamptonshire. In total the Northants Warm Homes consortium has been successful (pending contract agreement) to draw down on £3,997,625 for a total contract value of £5,891,905.

The average installation cost of a FTCH system is approximately £3,861. This is broken down as:

- Average cost of FTCH: £3,410
- Irrecoverable VAT: £116
- Surveys: £85
- Project management, admin, marketing: £250

**Total cost:** £3,861

**Contribution per home for Corby:**
- Warm Homes Fund: £2,855
- Average ECO3: £656
- Corby Borough Council: £350

**Total cost:** £3,861

### 3. Options to be considered

**Option A** - Use funding as required from the Home Repair Grant for an estimated 100 - 200 homes in the Borough, at an estimated value of £35,000 to £70,000 and accept the offer of the award from the Warm Homes Fund.

**Option B** - Do nothing and miss out on an opportunity to alleviate fuel poverty across Corby and Northamptonshire.

### 4. Issues to be taken into account:

**Policy Priorities**

To reduce fuel poverty and improve energy efficiency of homes; Corporate Service Plan (priority 5.2, 5.4), NWHP Action Plan (1), Home Energy Conservation Act Action Plan (HECA Action point 1.2, 3, 4 and 5), Environmental Sustainability Strategy ‘Action on Climate Change’ (5.3), Housing and Homelessness Strategy (Priority 6) and CBC Affordable Warmth Strategy (3.1).

**Financial**

The financial details of the project are covered within the report. There will be no net cost to the Council apart from the drawdown of up to £75K from the internal Home Repair Grant Budget. Cash flow implications will be minor and contained within existing budgets.

Staff resources to deliver this project will be met by the Environmental Services department and SMS will project manage it overall.

The lead authority will pay on arrears on a quarterly basis and there will be no risk.
Payment under the contract between the applicant (CBC and other local authorities) and the funder (WHF) will be on the basis of a quarterly reimbursement of costs for measures installed.

Risk

In not utilising this funding opportunity, a number of residents across Corby and Northamptonshire will continue to be living in fuel poverty.

It is anticipated that the contract arrangement between the Council and SMS will make it clear that the lead authority is only required to pay as and when funds have been received from WHF and ECO3.

If funding from other local authorities cannot be met under the terms of the bid, since the bid has become successful, then renegotiation of the terms of the funding agreement will be undertaken after the offer has been awarded.

Legal

The Council shall adhere to its Contract Standing Orders to ensure that all legal aspects of procurement and contract procedures are considered in line with current legislation. Legal have undertaken initial evaluation of the framework package provided by SMS Walsall Housing and are satisfied that for the purposes of this project, it would satisfy the procurement procedures. Contracts would need to be drawn between SMS and individual local authorities and Housing Associations.

Performance Information

This project would directly benefit homes which are wholly heated by electricity which is an expensive way to heat homes, and negatively affects a large proportion of Northamptonshire residents. Fuel poverty is measured as a performance measure under the joint NHWP work plan and outcomes in turn will be reported into HECA.

Human Rights Equalities

This project will support fuel poor homes and install cheaper ways to heat replacing electricity for gas. Fuel poverty is particularly prevalent in homes where there are under 5’s and over 65’s and homes where there are people with particular health needs. An Equality Impact Assessment Questionnaire has been completed and no further action is required.

Sustainability

The scheme will contribute to the reduction of domestic carbon emissions and reduction in fuel poverty.

Community Safety

None directly from this report.

5. Conclusion

Heating homes is expensive where electricity is the main source of energy. Acceptance of this award offer and implementation of this project could potentially help a number of homes across Northamptonshire and particularly Corby; reduce their heating energy bills thus alleviating fuel poverty.
**Recommendation**

The Committee:-

i) Agree Option A; and

ii) To agree for Corby Borough Council to be the lead Council and accountable body for the project.

**Appendices**

Appendix A – Equality Questionnaire

**Officer to Contact**

Sara Earl, Sustainability Officer x4682
### Equality Questionnaire

This Equality Questionnaire must be completed to enable a decision as to whether a full Equality Impact Assessment should be carried out. For further information see the guidance notes.

<table>
<thead>
<tr>
<th>Name of the policy, strategy or project:</th>
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<tbody>
<tr>
<td>Warm Home Funds – first time central heating project</td>
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<th>Department and Section:</th>
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<tr>
<td>Planning and Environmental Services – Environmental Protection &amp; Private Sector Housing Team</td>
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<tr>
<th>Lead Officer:</th>
<th>Contact Details:</th>
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<tr>
<td>Sara Earl</td>
<td>01536 464682</td>
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1. **What is the main purpose of this policy/project?**
   
   To install 100 first time central heating (FTCH) from 2019-2021.
   
   This project is being led by CBC and is Northants Warm Homes Partnership (NHWP) Project. NWHP is a collaboration between the seven Northamptonshire districts and boroughs and the County Council and aims to help residents of the county to reduce their energy bills, alleviate fuel poverty and lower their carbon emissions. We have a joint action plan and this project is inline with our Affordable Warmth Strategy found here action
   
   Last year the National Grid, now Cadent, and Affordable Warmth Solutions launched a £150m Warm Home Fund designed to support local authorities, registered social landlords and other organisations working in partnership, to address some of the issues affecting fuel poor households, in particular homes not connected to the national gas network.
   
   CBC have successfully led a cross tenure Northants Warm Homes consortium with representative from NWHP, Spire Homes, Northampton Partnership Homes, Surefire Management Services (SMS) and Agility Eco. Following a consortium presentation to the funding panel, the WHF have confirmed that they are willing to fund the installation of approximately 1,400 FTCH, this includes an estimated 100 private homes in Corby.

2. **Who are its beneficiaries?**
   
   Homes eligible for ECO3 ‘Heat to Help’ grant funding and also homes identified as fuel poor according to the borough’s shared ECO Flex statement of indent found here
   
   [https://www.corby.gov.uk/sites/default/files/NWHP%20SoI%20FINAL.pdf](https://www.corby.gov.uk/sites/default/files/NWHP%20SoI%20FINAL.pdf)
   
   Includes vulnerable households, such as low income, poor health as identified by NICE guidance, young, old, and fuel poor households.
   
   Latest data show that 10.4% of households in the Northamptonshire area are classified under the low income high cost definition as ‘fuel poor’. This breaks down as Corby 10.5%, Daventry 9.6%, East Northants 10.3%, Kettering 10.8%, Northampton 10.8%, South Northants 9.0% and Wellingborough as 11.1%. Data source [BEIS].

3. **Has consultation on the proposal been undertaken?**
   
   No
   
<table>
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<tr>
<th>Who will be/has been consulted with:</th>
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<tr>
<td>None</td>
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4. **Has this consultation highlighted any negative impact?**
   
   No
5. **What systems are in place to monitor its impact?**

Data performance management spreadsheets will be used to monitor the number of applications received, approved and completed, in any quarter, with a newly set up Northants Warm Homes Project Board made up of representatives of the consortium. The project aims to install 9 new systems a week for 3 years over the Northamptonshire region.

6. **Does the proposal contribute towards one of the 3 aims of the General Equality Duty?**

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<th></th>
<th>Yes</th>
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<td>Yes</td>
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*Explain (general equality duties are listed at the foot of this form):*

This policy contributes towards aims of the General Equality Duty as it provides consistent and fair opportunity to all groups that may be eligible for a mandatory Disabled Facilities Grant across all housing tenures.

7. **Which group is likely to be affected by the proposal?**

Explain how each protected characteristic is likely to be affected, or not as the case may be.

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<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Comments (include data source)</th>
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<tbody>
<tr>
<td>Age</td>
<td>Y</td>
<td></td>
<td>Young and old are identified as characteristics in the ECO Flex Statement of Intent of being at risk of being fuel poor.</td>
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<tr>
<td>Disability</td>
<td>Y</td>
<td></td>
<td>Resident who receive a disability premium, enhanced disability premium or severe disability premium are eligible to receive ECO3 grant funding support.</td>
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<td>Sex</td>
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<tr>
<td>Marriage &amp; Civil Partnership</td>
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<tr>
<td>Pregnancy &amp; Maternity</td>
<td>Y</td>
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<td>Pregnancy and children under the age of 5 are identified as characteristics in the ECO Flex Statement of Intent of being at risk of being fuel poor.</td>
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<td>Race</td>
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<td>Religion or Belief</td>
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<td>Gender Re-assignment</td>
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<td>Sexual Orientation</td>
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<tr>
<td>Socio Economic</td>
<td>Y</td>
<td></td>
<td>Low household income is identified as characteristics in the ECO Flex Statement of Intent of being at risk of being fuel poor.</td>
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<tr>
<td>Community Cohesion</td>
<td>Y</td>
<td></td>
<td>Only homes identified as being at risk of fuel poverty will benefit from this project. Heating homes is expensive where electricity is the main source of energy. Should the bid be successful, this project could potentially help approx 1,400 homes across Northamptonshire reduce their heating energy bills from £1,950 to £550 and thus assisting with helping alleviating fuel poverty. The project has the potential to help approximately 100 private homes in Corby alone.</td>
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8. **What impact does the proposal have?**

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<thead>
<tr>
<th></th>
<th>No Impact</th>
<th>Positive Impact</th>
<th>Negative Impact or Impact unknown*</th>
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on the Equality Target Groups?  Yes

*Negative Impact or Impact Unknown will require a Full Impact Assessment to be completed.

9. Proceed to a Full EIA?  Yes  No

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<th>Lead Officer Signature:</th>
<th>Date:</th>
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<tr>
<td>Sara Earl</td>
<td>21/11/18</td>
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On completion submit copies to: Policy Officer (Equalities & Diversity) Democratic Services for Committee with policy (if relevant)

**General Equality Duties:**

1. Eliminate discrimination, harassment and victimisation.

2. Advance the equality of opportunity between people who share a relevant protected characteristic and those who do not share it. Eg:
   a. minimising disadvantage,
   b. taking steps to meet their needs,
   c. involving them with activities where normally people with that PC participation is low.

3. Foster good relations between people that share a relevant protected characteristic and those that do not.