

**DECC LOCAL AUTHORITY FUNDING COMPETITION
REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY
DIRECTION)**



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. **PURPOSE OF REPORT**

To inform members of the award by the Department of Energy and Climate Change (DECC) of £3,092,600 to the 7 District Councils of Leicestershire, plus Rutland for the Green Deal Pioneer Places Fund and the Fuel Poverty Fund. The funding allocated will need to be spent by 31st March 2013.

To seek endorsement for a supplementary income and expenditure budget for the amount of funding allocated by DECC.

2. **RECOMMENDATION**

That Council

- (i) Acknowledges the achievement of the private sector housing team in submitting an ambitious bid for funding to the DECC on behalf of the district councils of Leicestershire and Rutland and for being allocated £3,092,600.
- (ii) Endorses a supplementary income and expenditure budget for the value of the grant and the payments to partners. In addition, the Council will require an £380,000 expenditure budget for their element of the spend.
- (iii) Endorses that Hinckley and Bosworth Borough Council is the accountable body for the whole project.

3. **BACKGROUND TO THE REPORT**

An opportunity arose in November 2012 to submit a bid to the DECC for Green Deal Pioneer Places funding and to the Fuel Poverty fund. The Private Sector Housing team led on a bid for the 7 District councils of Leicestershire and Rutland and was successful in securing £3,092,600, the second highest award in the country.

The green deal fund is offered to support ambitious approaches to kick start local Green Deal activity in both the domestic and non-domestic sectors. Locally the funding will help to create construction work/jobs, help reduce fuel bills for low income and vulnerable households and reduce carbon emissions enabling the authorities to meet carbon reduction targets.

The fuel poverty fund is designed to reduce the extent of fuel poverty primarily through the provision of resources to support improvements to the thermal efficiency of dwellings amongst low income and vulnerable households.

The project across Leicestershire and Rutland local authorities aims to reduce the number of (low income, high cost/vulnerable) households in fuel poverty by providing energy efficiency measures which will reduce energy bills and improve thermal comfort, alongside fuel debt advice and assistance, and promote opportunities of the Green Deal (GD) to households and businesses:

- A) Low-cost energy efficiency improvements** (up to 880 households).
- B) Improving energy efficiency/safety of existing central heating systems** (up to 520 households)
- C) Boiler Replacement Scheme:** 80 (10/Local Authority area (LAA)) F/G-rated/un-repairable boilers.
- D) Citizens Advice Bureau (CAB) Money Matters (Debt Advice & Budgeting Education):** offered all households receiving financial assistance (4 project officers over 8 LAAs).
- E) Jam-Jar Account Scheme:** £150 for energy bills to 800 (100/LAA) households.
- F) Debt reduction payments to enable move from pre-payment meter:** for around 160 (20/LAA) households with debts over £500.
- G) Food Parcel Emergency Fuel Bill Fund:** providing £5 pre-payment meter top-up to 2000 (250/LAA) households.
- H) Emergency Fuel Provision:** oil/LPG to 240 (30/LAA) households.
- I) Install solar photovoltaic panels on homes:** providing free electricity to 400 (50/LAA) households.
- J) Monitoring & Evaluation** with University partner
- K) GD Assessment surveys provided by GD Advisers for:**
 - i) Households** (3000, 375/LAA)
 - ii) Businesses** (320, 40/LAA)
- L) Household GD Outreach Events:** promoting GD eligible measures (24, 3/LAA (1 at show home)).
- M) Business GD Outreach Events:** promoting GD eligible measures accompanied by Carbon Trust energy efficiency/management workshop (8, 1 each LAA).
- N) Marketing/Communications:** mail-outs, case studies, leaflets.

4. FINANCIAL IMPLICATIONS [KB]

4.1 A separate cost centre will be required for the operation of the grant. As the accountable body, Hinckley and Bosworth Borough Council will incur expenditure and claim all eligible spend for this and those of other partners. The work performed will be split between revenue and capital and should be coded based on the substance of the work performed.

4.2 Any grant monies held before the point in which they are paid over to partners will be shown as a creditor to reflect the obligation for repayment.

4.3 At the time of producing this report, the final grant offer letter for the funding had not been made available. Given the responsibilities of the Council as the administering body, the potential for claiming the internal costs of administering the fund will be investigated. If these cannot be reclaimed, a review of existing staff budgets will be required to ensure the process can be accommodated.

5. **LEGAL IMPLICATIONS (AB)**

As this project is at an early stage it is not yet possible to comment on the terms of the grant agreement document.

The grant application does indicate that some of the grant will be for the benefit of businesses. This is potentially State Aid, however the level of funding to any individual business through this fund will be well below the de minimis level of €200,000 (Approximately £160,000) over a three year period so it will not be necessary for any notification to be made to the European Commission.

6. **CORPORATE PLAN IMPLICATIONS**

Cleaner and greener: Reduce CO₂ emissions and save energy through installation of energy efficiency measures in both domestic and non domestic properties.

Thriving economy: Create jobs in the following areas, delivering energy efficiency measures, surveys and evaluation. The money saved on fuel costs will also be available to spend in the local economy.

Safer and healthier : By increasing energy efficiency in homes, the number of winter deaths and respiratory illness will decrease.

Strong and distinctive: Raises the profile of the Council as HBBC will be leading a practical and innovative project.

Decent, well managed affordable housing: The energy efficiency measures will be targeted towards properties with Category 1 excess cold hazards which fail the decent homes standard. These measures will help to remedy some of the deficiencies within the poorer privately rented stock. The savings made by the measures will increase funds available for rent.

7. **CONSULTATION**

None required at this stage

8. **RISK IMPLICATIONS**

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Failure to meet the required number of outcomes and spend will result in less money being claimed back from DECC	The finance not claimed will not have been spent so there is no risk to the Council.	Private Sector Housing Team

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

The funding is specifically aimed at vulnerable households, low income households and hard to heat homes which will include targeting rural areas especially those areas off gas where heating costs are more expensive.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

Background papers: DECC submission which can be obtained by contacting Private Sector Housing

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