

HOMES & COMMUNITIES COMMITTEE

13 SEPTEMBER 2021

MEH LAD 2 GRANT FUNDING PROJECT - UPDATE

1.0 Purpose of Report

1.1 To provide Members with an update on the progress of the Midlands Energy Hub (MEH) Local Authority Delivery 2 (LAD 2) Grant Funding Project to provide major energy efficiency improvement measures to 73 homes on low incomes.

2.0 Background Information

2.1 The Council confirmed its participation and acceptance of the government grant of £724,850 on 15 April 2021, to enable approximately 73 (20 social homes owned by the Council and 53 private sector homes) low income households in poorly insulated homes to benefit from either solid wall insulation or installation of solar photovoltaic panels.

2.2 Prior to accepting the grant allocation for this project verbal approval for the scheme was given by the following Councillors in principle:

- David Lloyd (Leader – Conservative)
- Paul Peacock (Labour – Leader of the opposition)
- Tim Wendels (Conservative – Chair Homes & Communities)
- Kathleen Arnold (Labour).

2.3 Approval for contract procedure rules exemption was verbally approved by the Section 151 Officer first and then the SLT on 19 May 2021 due to the tight deadlines for acceptance of the grant.

2.4 Initially NCDS were not going to bid for grant as we did not have the resources to deliver the programme. However, discussions with two neighbouring authorities (Gedling and Rushcliffe) raised the prospect of working in partnership with EON to deliver our programme. Following initial discussions with EON a proposal was drawn up and submitted for approval by SLT before being lodged with the MEH on 24 May 2021.

2.5 Two target areas have been established for the measure as the Council's top ranking wards in terms of % of households living in fuel poverty. These are Bilsthorpe and Boughton.

3.0 Update

3.1 On 25 June 2021 approval was received from MEH that our proposal had been accepted and the first grant element of £2,750 was released.

3.2 The Council also received £72,485 on 23 July 2021 for administration and mobilisation of the project.

3.3 So far, the Council has identified 35 homes, 20 Council-owned homes and 15 privately owned homes. The 20 Council-owned homes will receive the solar panel measures, subject

to receiving the tenant's agreement. A letter is being sent to these tenants as the first communication, explaining the scheme and encouraging participation. In addition the first flyer has gone out to owner-occupiers and we have already received interest from 7 residents. An income assessment will then be made to ensure applicants' incomes are below the threshold of £30,000 per household required under the grant funding.

- 3.4 On 20 August 2021, we received confirmation from MEH that the Department for Business, Energy & Industrial Strategy have extended the deadline for completion of works from 31 December 2021 to 31 March 2022. This is most welcome given the initial delay in realising funds for administration and mobilisation.

4.0 Equalities Implications

- 4.1 There are no direct equalities implications arising from this report. Any proposed changes to operations and any consequential impact upon tenants and staff will need to be considered in terms of any possible negative impacts upon people with protected characteristics, but none are envisaged at present.

5.0 Digital Implications

- 5.1 None

6.0 Financial Implications (FIN21-22/1879)

- 6.1 The urgency item approved in April 2021 included approvals to changes to the budget as follows:
- £84,148.28 of the grant be initially added to the HRA Capital Investment Programme to support the current budget of £150,000 making £234,148.28 available for the works to the 20 Council Dwellings.
 - A general fund Capital budget be set up for £578,175.57 for the works to the privately owned properties via EON (which would be passed to EON under the contractual arrangement for this scheme).
 - The remaining part of the £724,850 grant (of £62,526.15) as it stands £5,073.99 is unlikely to be required, and £57,452.16 be set up in revenue for managing and administering the programme.
- 6.2 The £41,930.85 Council contribution as per the summary, was already available for Energy Efficiency within the Council House Investment Programme and was intended for use on PV units. The grant available to the HRA of £84,148.28 will mean that the Housing Asset Management Team will be able to carry out more PV unit installations in 2021/22 and the budget will be increased by the grant amount. All other costs are 100% funded by Grant.

7.0 Community Plan – Alignment to Objectives

- 7.1 This report supports two objectives in our Community Plan - Create more and better quality homes through our role as landlord, developer and planning authority and improve the health and wellbeing of local residents.

8.0 Comments of Director(s) or Housing Advisory Group

8.1 The MEH LAD2 funding provides an excellent opportunity to improve the energy efficiency of Council-owned homes and private sector homes in two priority areas.

9.0 RECOMMENDATION(S)

The project update be noted.

Reason for Recommendation(s)

Background Papers

None

For further information please contact (Caroline Wagstaff) on Ext. 5637

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