

<b>SUBJECT:</b>	DECC Communities Fund Project
<b>REPORT OF:</b>	Portfolio Holder Environment Policy Advisory Group – Cllr Luisa Sullivan
<b>RESPONSIBLE OFFICER</b>	Anita Cacchioli - Interim Services Director
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<b>WARD/S AFFECTED</b>	Iver and Burnham

## 1. Purpose of Report

To provide the Portfolio Holder and Members of the PAG with an update on the Department of Communities and Climate Change (DECC) Communities Fund project.

### RECOMMENDATION

Members of the PAG to note the report.

## 2. Content of Report

### 2.1 Background and Project Outline

2.2 In March 2014, South Bucks District Council, along with fourteen other local authorities<sup>1</sup>, were successful in winning £2,574,991 from the Department for Energy and Climate Change (DECC) to retrofit solid wall insulation (SWI) homes in each of the districts through grants covering 60% of total costs or a maximum of £6,000 per property.

2.3 The aim of the award was to stimulate interest in the Green Deal programme and create the local infrastructure necessary to deliver improvements through the programme. The award contained an additional funding stream to develop the local supply chain of Green Deal Approved Installers.

The key targets were:-

1. Install SWI and latterly wider energy efficiency measures to 586 homes, including 10 Show Homes
2. Enable 40 new installers to become Green Deal / PAS 2030 Approved
3. Provide top up funding through Green Deal Plans to enable customers to pay for measures

2.4 With agreement of the other 14 local authorities, South Bucks District Council (SBDC) was appointed the 'Accountable Body' for the partnership, whereby it is responsible for financial probity / risk, and overall key decision making on the project.

2.5 SBDC appointed the National Energy Foundation (NEF) as a Project Manager to run the project from May 2014. This was followed by the appointment of a Green Deal Provider<sup>2</sup>, Foster Property Maintenance (part of the Lakehouse Group) to undertake the SWI retrofitting and deliver Green Deal Plans.

2.6 The Council and partnership have managed many issues through effective project management including;

<sup>1</sup> Chiltern District Council, South Bucks District Council, Aylesbury Vale District Council, Buckinghamshire County Council, Milton Keynes Council, Wycombe District Council, South and Vale District Councils, West Oxfordshire District Council, Cotswold District Council, Cherwell District Council, Watford District Council, Three Rivers District Council, London Borough of Ealing, West Berkshire District Council.

<sup>2</sup> A Green Deal Provider is a company / consortium who have gone through a rigorous Government process to obtain 'Provider' status in order to deliver Green Deal Finance.

- Delays in project start and continuous changes to the grant, target audience and Green Deal by Government together with its slow response in decision making
- Introduction of competing grant schemes such as the Home Improvement Fund (HIF) by Central Government
- Poor national marketing of the Green Deal
- The cancellation of the Green Deal programme and the closure of the Green Deal Bank by Government following the election
- The cessation of the Green Deal Installer Network
- Lack of installer knowledge in delivering SWI to owner occupiers leading to a slower than anticipated delivery of installs by the contractor and poor communication between the installer and customers
- Lack of awareness and acceptance by residents of the value of SWI despite direct engagement with householders in the targeted areas.
- Due to the complexity of the Green Deal programme DECC agreed to extend the original timescales for the Project to September 2016 with sign-ups by March 31<sup>st</sup> 2016.

## 2.7 Opportunity for Change

2.8 In spite of the negativity around Green Deal and the issues and risks that the project has had to overcome, the partnership has continued to deliver. Following changed priorities and direction from Central Government, the Project has re-focused activity to reduce fuel poverty.

2.9 The Fuel Poverty measures are proving extremely popular with residents, and the project is now managing over subscription in some Districts. Already Chiltern and South Bucks have received the target number of grant applications, with Chiltern being oversubscribed with a waiting list. The project is likely to exceed its target of installing energy efficiency measures to 586 dwellings.

In terms of completions to date, at December 2015 there were:-

- 566 Green Deal Assessments / EPC's completed
- 311 sign ups<sup>3</sup>,
- 299 completed SWI installations<sup>4</sup>
- 8 finance packages provided through the Green Deal Investment Bank

## 3. Consultation

Not Applicable

## 4. Options

Not Applicable

## 5. Corporate Implications

6.1 A proportion of Officer time has been recovered from the award from funding for this project.

6.2 The authority has managed the legal implications relating to State Aid and

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<sup>3</sup> Contract offer and acceptance

<sup>4</sup> All paperwork in place, e.g. manufacturers warranties, guarantees and signed off by the customer. Sign off by the customer triggers payment of grant

procurement through this project.

- 6.3 The Project Board has demonstrated effective partnership working across 15 local authorities and the project has delivered significant reductions in householder energy use and savings to the wider health and social care economy as well as reducing CO2 emissions. Please refer Appendix 1 for a full update on the project.

## 7. Links to Council Policy Objectives

### 7.1 **Chiltern and South Bucks District Councils: Joint Business Plan 2015 – 2020**

- Prosperous and diverse economies that encourage local employers and small businesses so we can protect the areas' economy for the future and achieve a better balance between the jobs available and the people to fill them
- Sustainable environments where people take pride in their community and embrace low carbon living
- Good health enjoyed by all, including those in deprived groups, where people take responsibility for their own well-being by making healthy lifestyle choices

### 7.2 **South Bucks Aims and Objectives Summary**

- Provide great value services
- Promote healthy communities
- Promote sustainability

## 8. Next Steps

- 8.1 By 31<sup>st</sup> March offers of grant will cease. All installations, audits, evidence gathering and other documentation on the project will cease by September 2016.
- 8.2 Several LA's are looking at alternative ways to fund fuel poverty measures, including the Bucks Affordable Warmth Network (AWN), managed by Chiltern District Council. The AWN is seeking further Energy Company Obligation (ECO) payments from companies such as E.ON. Such funding will help with the installation of capital measures.