

Decision to be taken by the Portfolio Holder for Sustainable Communities on, or after, 23rd November 2012

Bid to the Department for the Environment and Climate Change (DECC) to secure Funding to reduce fuel poverty in Warwickshire

Recommendations

1. That the Portfolio Holder for Sustainable Communities approves submission of the bid for Fuel Poverty & Green Deal funding to DECC.
2. That the Portfolio Holder for Sustainable Communities approves Warwickshire County Council being the accountable body for the funding.

1.0 Background

- 1.1 Warwickshire County Council (WCC), with the Coventry & Warwickshire Local Enterprise Partnership (LEP), has formed a partnership with Rugby Borough Council (RBC), Renewable Energy Technology Alliance (RETA), a local consortium of SMEs supported by WCC and Coventry City Council (CCC) and Sustainable Action Partnership – West Midlands (SHAP) with links to Public Health and Affordable Warmth.
- 1.2 This partnership has been working towards a coordinated approach to addressing fuel poverty in Warwickshire, including putting a submission to DECC for funding to kick start the initiative.
- 1.3 DECC has now launched a formal competition for local authorities to bid for part of a £25m pot to trial Fuel Poverty initiatives and an additional £10m for Green Deal.
- 1.4 Our original intention was to submit a bid from the LEP Low Carbon Business Group. However, DECC has stipulated that local authorities are required to be the accountable body, drawing down monies from DECC upon receipt of invoices once work has been completed. Therefore the revised plan is for WCC and CCC to submit aligned, but separate, bids in order to still achieve the original objectives.

2.0 Options and Proposal

- 2.1 WCC is applying for up to £400k from the Fuel Poverty Fund, and a further £20k from the Green Deal Pioneer Places Fund. The £400k is to target up to 50 rural households within the County with some of the highest levels of fuel poverty and to install energy saving measures that will decrease house holders fuel bills and ultimately contribute to improving quality of life. This target will be subject to agreement from individual homeowners and depend on the types of measures that are required. The £20k will contribute towards a web portal to enable information and learning to be shared about the process

and payback of the measures. We will not receive the funding as a lump sum but DECC will pay the grant on receipt of monthly invoices.

- 2.2 The project will be a rural pilot within Rugby Borough, with the aim of establishing a blueprint for rolling out further in the Borough and to other areas of Warwickshire, using funding from the major energy companies under the Energy Company Obligation (ECO). The scheme will dovetail with Coventry's proposal to tackle urban fuel poverty, but will be managed separately due to the contrasting urban/ rural agendas.
- 2.3 Eligible households will be identified by overlaying datasets from the Observatory with other public sector information. This includes housing stock condition surveys, fuel poverty, low income and benefit claimant data.
- 2.4 The types of measures to be implemented include cavity wall insulation, loft insulation, boiler replacement and double glazing. The aim will be to install the most cost effective solutions for reducing household energy bills, these currently have a payback of between 7-10yrs depending on the technology.
- 2.5 The intention is to use local installers and suppliers as far as possible, supporting the local economy and the Going for Growth agenda. This will be facilitated by using existing suppliers in the approved ESPO framework.

3.0 Timescales associated with the decision and next steps

- 3.1 The deadline for submission of the bid to DECC is 30th November. Successful bidders will receive confirmation in early January 2013 and the money has to be spent, including measures installed, by 31st March 2013.
- 3.2 The risk to WCC of being the accountable body is considered to be low as invoices are submitted monthly to DECC and the outcomes are instant and easily verified. The Portfolio Holder for Sustainable Communities is therefore asked to approve submission of the bid to DECC, and to approve WCC being the accountable body for the funding.
- 3.3 If the bid is successful then DECC will issue the specific terms and conditions with the grant letter. These will be subjected to legal review once received.

Background papers

- 1. DECC Local Authority Funds Guidance Notes - <http://www.decc.gov.uk/assets/decc/11/funding-support/fund-opportunities/6712-local-authority-competition-fund-application-pack.pdf>
- 2. Detailed content of the bid has not been included here as this is currently being developed.

	Name	Contact Information
Report Authors	Andy McDarmaid/ Rachel Baconnet	andymcdarmaid@warwickshire.gov.uk rachelbaconnet@warwickshire.gov.uk Tel: 01926 412818
Head of Service	Louise Wall	
Strategic Director	Monica Fogarty	
Portfolio Holder	Alan Cockburn	