

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

22 July 2013

**Joint Report of the Director of Planning, Housing and Environmental Health and
Cabinet Member for Housing**

Part 1- Public

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken
by the Cabinet Member)**

**1 DELIVERING ENERGY COMPANY OBLIGATION (ECO) INITIATIVES IN
TONBRIDGE & MALLING B.C.**

Summary

**This report seeks Members endorsement on how the delivery of Energy
Company Obligation funding will be managed within Tonbridge & Malling
B.C.**

1.1 Introduction

- 1.1.1 Members are aware of the Energy Company Obligation (ECO) funding pot that sits alongside the Green Deal framework to support the installation of energy efficiency measures in homes. The fund is estimated to be in the region of £1.3billion per year from the seven largest energy companies and replaces the Carbon Emissions Reduction Target (CERT) funding.
- 1.1.2 Within Kent, the Kent & Medway Green Deal Partnership (KMGDP) has been set up to enable Kent to maximise the amount of funding coming into Kent particularly through ECO and to secure additional benefits from a large scale programme of retrofit such as local jobs, opportunities for SMEs, local economic growth and training including apprenticeships.
- 1.1.3 The KMGDP has completed procurement of an ECO partner which will attract up to £80 million of funding over the next four years. The ECO partner Enterprise will initially offer funding of up to £12 million for 1400 homes in seven identified pilot areas, which does not include Tonbridge & Malling. The seven pilot areas being certain wards in Dartford, Medway, Gravesham, Swale, Thanet, Dover and a rural area in Dover. These areas were chosen as they have the higher percentage of solid wall properties and benefit claimants; also because of the fuel type and indices of multiple deprivation.

1.2 Tonbridge & Malling ECO delivery group

- 1.2.1 In the pilot areas the way of supporting the delivery of ECO funded works by Enterprise has been to set up a delivery group of key people within the local authority.
- 1.2.2 Tonbridge & Malling B.C. has followed this model and set up a delivery group consisting of members of the Private Sector Housing team, the Chief Building Control Officer, an Area Planning Officer, representatives from Russet (as the major housing provider in the area), representatives from Enterprise and representatives from E3 who have been appointed by Kent County Council to support the delivery groups and the wider delivery of the ECO funding in the county.
- 1.2.3 The delivery group met in mid June for the first time without Enterprise to enable all to be brought up to speed with ECO and the objectives of KMGDP as well as looking at some of the lessons coming from the pilots and considering how we can best gather data to enable areas to be appropriately targeted. It is understood that ECO funded works could begin in Tonbridge & Malling by October 2013 if the lead-in work is successful.
- 1.2.4 The group is due to meet again in July with Enterprise to begin initial discussions with the contractor about which areas of the borough we believe should be targeted. Prior to this meeting, we are hoping to use the following information to enable us to provide the contractor with areas that should allow maximum use of the ECO funding:
- previous energy efficiency information collected following surveys/initiatives;
 - the recently commissioned Building Research Establishment (BRE) stock modelling report;
 - building Control records e.g. where cavity wall insulation notifications have been received; and
 - local knowledge from both Housing and Building Control teams.
- 1.2.5 It is important that the target areas provide the right type of property mix within them to enable Enterprise to fully fund measures under ECO. For example, we hope that a large number of solid wall improvements can be carried out under ECO as these have traditionally been hard to target due to lack of funding. However in order for this to work, Enterprise need to also have a larger proportion of cavity wall insulation/loft insulation installations (cheaper measures) to carry out in order for the more expensive work to be fully funded. This “blend” of different types of work is being monitored behind the scenes and the right “blend” can be

achieved across Kent as a whole, although it is easier to manage if we were able to produce the right “blend” within Tonbridge & Malling B.C.

- 1.2.6 As the project progresses it may be that an amendment of our Housing Assistance policy is appropriate in order that we can financially assist householders with more expensive ECO works in order that measures do take place and we maximise ECO in our borough. We envisage this would operate as a top-up to ECO funding and would be managed within the existing capital plan provision for Housing Assistance. We will need to monitor the outcomes carefully and will of course report any proposed amendment back to Members via this Board for decision.
- 1.2.7 A further report on the delivery group and ECO roll out in Tonbridge & Malling B.C. will be presented to the November meeting of this Board.

1.3 Legal Implications

- 1.3.1 None arising from this report.

1.4 Financial and Value for Money Considerations

- 1.4.1 ECO presents a real opportunity to carry out large scale energy efficiency improvements to housing at no cost to the householder or the Council. It is important that we work to maximise this opportunity for residents in the borough.
- 1.4.2 Any amendment to the Council's Housing Assistance policy would be within the existing capital plan provision.

1.5 Risk Assessment

- 1.5.1 None arising from this report.

1.6 Equality Impact Assessment

- 1.6.1 See 'Screening for equality impacts' table at end of report

1.7 Recommendations

CABINET is RECOMMENDED to:

- 1.7.1 Endorse the setting up of the delivery group to manage the roll out of ECO funding within Tonbridge & Malling B.C.

The Director of Planning, Housing and Environmental Health confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Linda Hibbs

Nil

Steve Humphrey
 Director of Planning,
 Housing and Environmental Health

Councillor Jill Anderson
 Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	No	
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	No	
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		n/a

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.