



BROMSGROVE DISTRICT COUNCIL

MEETING OF THE OVERVIEW AND SCRUTINY BOARD

MONDAY 29TH MARCH 2021, AT 6.00 P.M.

VIRTUAL MEETING - TEAMS

SUPPLEMENTARY DOCUMENTATION

The attached papers were specified as "to follow" on the Agenda previously distributed relating to the above meeting.

6. Green Homes Funding (Pages 1 - 6)

K. DICKS
Chief Executive

Parkside
Market Street
BROMSGROVE
Worcestershire
B61 8DA

23rd March 2021

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GREEN HOMES FUNDING

Relevant Portfolio Holder	Councillors Shirley Webb/ Margaret Sherrey
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis
Report Author	Name: Kath Manning Job Title: Climate Change Officer Contact email: kath.manning@bromsgroveandredditch.gov.uk Contact Tel: Ext 3201, Ext 3044
Wards Affected	No specific ward relevance.
Ward Councillor(s) consulted	n/a
Relevant Strategic Purpose(s)	<ul style="list-style-type: none"> - Affordable and sustainable homes - Living independent, active & healthy lives - Work and financial independence - Communities which are safe, well maintained & green
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

1. RECOMMENDATIONS

The Cabinet **RECOMMEND** that:

- 1) The Capital and Revenue Budgets are increased to receive Bromsgrove District Council's Green Homes Grant scheme Local Authority Delivery Part 2 allocation of £476, 900.
- 2) Delegated authority is granted to the Head of Community & Housing Services in consultation with Portfolio Holders for Housing and Climate Change to administer the funding received in line with the grant conditions.

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2. BACKGROUND

- 2.1. The Department for Business, Energy and Industrial Strategy (BEIS) have allocated £59.95m of funding to Phase 2 of the Local Authority Delivery (LAD) element of the Green Homes Grant scheme, which runs until December 2021.

The distribution of this funding is being managed via Local Energy Hubs (the Midlands Energy Hub in the case of Bromsgrove District).

The allocations have been calculated to reflect the number and proportion of EPC Band E, F and G properties within the Local Authority area: for Bromsgrove District Council (BDC) this will be £474,150.

The deadline to accept the allocation is 15th April 2021. Note this is before the next Full Council meeting and therefore if Cabinet agree the Recommendations, then a decision under Urgency Procedures will be required. (Insufficient detail was known before the last democratic cycle to be able to prepare a Report for Cabinet.)

- 2.2. Key requirements related to the grant scheme are as follows:

- Funded measures must improve the properties' energy efficiency, as measured by the Government's Standard Assessment Procedure for Energy Rating of Dwellings (SAP) ratings.
- Measures must be targeted at properties with the worst SAP ratings: Energy Performance Certificate (EPC) score D (up to 50% of properties), E, F and G. Alternatively for park homes, the local authority can outline why the stock is energy inefficient and high cost to the homeowner. Existing park home EPC and energy cost data will enable BDC to demonstrate this for their Part 2 proposal.
- Decarbonisation of energy systems is integral to the scheme, so no fossil fuel powered measures will be funded.
- The occupants of the properties in the scheme must be overall at above average risk of fuel poverty: across the scheme, most households must have an income of less than £30k or other proxies for fuel poverty risk such as receipt of means tested benefits can be used.
- The average capital works per property cannot exceed £10k.
- The deadline for completion of funded projects is December 31st, 2021, unless extended by the Midlands Energy Hub with permission from BEIS and HM Treasury as required.
- Any tenures may be funded, though the proportion of funding differs between tenures (see 3. Financial Implications).

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- 2.3. BDC took part in a successful Green Homes Grants LAD Part 1a bid to fund works to privately owned park homes, where there is a high proportion of vulnerable residents living in E, F or G rated properties, for which the completion deadline has been extended to June 30th, 2021. It is anticipated that the Part 2 funding will be used to continue the park home scheme, with the possibility of including other appropriate privately owned or social housing properties should funding allow. Regarding social housing properties, this could include any Housing Association stock in Bromsgrove District of a poorer energy efficiency, including but not limited to Bromsgrove District Housing Trust (BDHT) as the largest holder of social housing in Bromsgrove District.

3. FINANCIAL IMPLICATIONS

- 3.1. £435,000 is a capital grant for installation of 'Eligible Measures', in 'Eligible Households', by 'Eligible Contractors' each as defined in the MOU in Annex 1 and Annex 2 in accordance with the Midlands Energy Hub Green Homes Grant: Local Authority Delivery Phase 2 Guidance for Local Authorities.
- 3.2. An additional £39,150 of grant funding can be used for administration and enabling works and can be allocated to capital or revenue budgets at the discretion of the Council.
- 3.3. On signing the Award Letter or once MEH has received the funding from BEIS whichever is later, an additional fixed cost of £2,750 is provide to the council with their mobilisation payment for Stock Analysis or modelling requirements to support proposal development and future energy efficiency schemes.
- 3.4. A full project proposal and ongoing reporting (see Operational Implications) is required for receipt of the full Part 2 grant allocation.
- 3.5. Any owner occupier properties, such as the targeted park homes are required by BEIS to be fully funded using the grant monies. For privately rented or social housing properties, Green Homes Grant funding can only fund up to two-thirds of the cost of measures, up to a maximum of £5000.

4. LEGAL IMPLICATIONS

- 4.1 The general power of competence in s1 of the Localism Act 2011 empowers the council to undertake such a project.
- 4.2 Given the level of spend and timescale, an OJEU compliant framework will be used to procure delivery of the works (in progress).

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4.3 A legal review of the Grant Conditions will be undertaken prior to acceptance.

5. STRATEGIC PURPOSES - IMPLICATIONS

Relevant Strategic Purposes

5.1 The funding aligns as follows:

- **Finding somewhere to live:** improving housing stock
- **Living independent, active & healthy lives:** healthier home environments
- **Aspirations, work & financial independence:** addressing fuel poverty
- **Communities which are safe, well maintained & green:** reducing carbon emissions

Climate Change Implications

5.2 This funding is specifically to reduce energy consumption with an emphasis on decarbonisation, so is key for addressing Climate Change.

6. OTHER IMPLICATIONS

Equalities and Diversity Implications

- 6.1. Allocation of the funding will be based on criteria set by BEIS and will not be based on personal characteristics other than related to income.
- 6.2. Equality and Diversity considerations particularly in relation to accessibility will be included in procurement of Contractors and the design of the project, with the Policy Team consulted as necessary.

Operational Implications

- 6.3 The Climate Change Officer will oversee delivery, working closely with:
- the procured Customer Journey support agency
 - the organisation designated by the Midlands Energy Hub to oversee and monitor the scheme, including provision of technical support.
- 6.5 Once contractors are procured, detailed technical surveys, Retrofit Assessments and pricing will take place, to enable production of the proposal.

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6.4 Key Dates:

15/4/21	Deadline to enable signing of award letter and enable release of mobilisation payment
24/5/21	Final deadline for submitting proposal and accessing full funding allocation
July	Interim report
December 31 st 2021	Delivery completion deadline

7. RISK MANAGEMENT

Risk	Effect	Mitigation
No funding	Benefits not realised	<ul style="list-style-type: none"> • Accept funding
Timescales	Deadlines missed, funding not accessed or needs to be returned.	<ul style="list-style-type: none"> • Preparation already in progress. • Close communication with Midlands Energy Hub regarding potential delays. • Any risks related to returning funding will be reviewed with legal once full Grant Conditions are available.
Covid19	Transmission and resultant harm, impact on timescales	<ul style="list-style-type: none"> • Covid-secure practices. • Health and Safety involvement in project planning.
Insufficient experience of low carbon technologies	Measures underperform	<ul style="list-style-type: none"> • Expert advice from PEEP and Midlands Energy Hub

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8. APPENDICES and BACKGROUND PAPERS

Background papers:

- Midlands Energy Hub (MEH) Green Homes Grants Local Authority Delivery (LAD) Part 2 – Grant Letter Bromsgrove
- Midlands Energy Hub (MEH) Green Homes Grants Local Authority Delivery (LAD) Part 2 Guidance

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Cllr Shirley Webb Portfolio Holder for Strategic Housing and Health and Well Being Cllr Margaret Sherrey Portfolio Holder for Environmental Services (including Climate Change)	10/3/2021
Lead Director / Head of Service	Judith Willis Head of Community & Housing Services	10/3/2021
Financial Services	Kate Goldey Senior Business Support Accounting Technician Chris Forrester Head of Finance and Customer Services	3/3/2021 11/3/2021
Legal Services	Clare Flanagan Principal Solicitor	4/3/2021
Policy Team (if equalities implications apply)	n/a	
Climate Change Officer (if climate change implications apply)	Kath Manning	Report author