

Report to: Cabinet

Date of Meeting: 6 November 2017

Report Title: Warm Homes Fund

Report By: Andrew Palmer, Assistant Director Housing and Built Environment

Purpose of Report

Following an application to the Warm Homes Fund approval is sought to enter into a funding agreement with an energy installer to deliver major retrofit measures to eligible homes.

Recommendation(s)

- 1. That Members agree to enter into a revised s.136 Local Government Act 1976 agreement with East Sussex County Council for the defrayment of costs relating to the coordination of the East Sussex fuel reduction programme**
- 2. That the Council enter into a funding agreement with Osborne Energy Ltd (as the appointed Winter Homes Check Provider) for the delivery of the Warm Homes Fund in Hastings**

Reasons for Recommendations

A successful application to the Warm Homes Fund has been made by East Sussex County Council on behalf of the East Sussex Energy Partnership. In order for activities to be undertaken in Hastings and be eligible for use as match funding against the EU Interreg SHINE grant a s.136 agreement is required to be entered into to transfer the Hastings element of the successful bid

It is proposed to extend the existing funding agreement with Osborne Energy Ltd, who presently administer the CCG Health Inequalities funded major measures works, to deliver the Warm Homes Fund in Hastings.

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1. Around 4 million UK households are in fuel poverty, unable to afford to heat their home to the temperature needed to stay warm and healthy. As well as being on low incomes, many of these households are also faced with the additional burden of relying on heating systems that are expensive to run and/or inadequate for their needs. Within Hastings the proportion of residents in fuel poverty is much greater than the national average, 11.3% in Hastings compared to 10.6% in England.
 2. The Warm Homes Fund (WHF) is a £150million fund administered on behalf of the National Grid by the community interest company Affordable Warmth Solutions (AWS). It is primarily designed to address some of the issues affecting households in fuel poverty by incentivising the installation of affordable heating solutions in fuel poor households who do not use mains gas as their primary heating fuel. The fund is split into three categories:
 - Category 1 - Urban homes and communities – it is anticipated this will involve new gas heating systems which provide space heating and domestic hot water. It may also include heat network solutions. Under this category new gas connections continue to be undertaken by Gas Distribution Networks (GDN's) and funded through the Fuel Poor Network Extension Scheme (FPNES). The WHF therefore targets the 'in-house' systems.
 - Category 2 - Rural homes and communities – some of the most severely fuel poor households are those without a mains gas connection in rural locations. This category primarily focuses on 'non-gas' solutions which may include air source heat pumps, oil and liquefied petroleum gas (LPG).
 - Category 3 - Specific energy efficient/health related solutions – this category involves national or regional programmes which bring together relevant organisations and charities to promote energy efficiency and/or health related programmes in relation to fuel poverty.
 3. In September 2017 East Sussex County Council Public Health and Hastings Borough Council made a successful joint bid to the WHF for specific urban and rural projects. ESCC and HBC will each be responsible for enabling 50 eligible non-gas households to receive new gas space heating and domestic hot water systems (delivered in partnership with SGN). All 100 households in the WHF project will receive a 'Winter Home Check' home visit.
 4. Following notification of a successful bid ESCC are extending their existing s.136 (Local Government Act 1972) agreement with HBC for the delivery of fuel poverty projects. This agreement presently funds the hosting of the East Sussex Fuel Poverty Officer within HBC (and other minor associated sums for provision of training and hosting costs). The new agreement will include £ 220,000 (the urban element of the WHF grant) for the provision of 50 new non-gas households to receive new gas space heating and domestic hot water systems (delivered in partnership with SGN).
 5. It is proposed that the 50 new heating systems are provided through the Winter Homes Check Service via a funding agreement between Osborne Energy and HBC (this is the way the recent CCG Health Inequalities Healthy Housing funding was

delivered). As such Members are asked to agree to enter into such a funding agreement.

- Promotion of the scheme will be undertaken alongside existing promotion of the winter homes check in in areas covered by the EU Interreg 2seas SHINE project (wider St Leonards) the heating systems will be enhanced with new technologies to help households make the most efficient use of their new heating provision.

Wards Affected

All

Policy Implications

Please identify if this report contains any implications for the following:

Environmental Issues
Economic/Financial Implications
Anti-Poverty

Additional Information

None

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