

**Divisions Affected: All**

## **CABINET – 19 JANUARY 2021**

### **GREEN HOMES GRANT LOCAL AUTHORITY DELIVERY 1b**

**Report by Jason Russell, Corporate Director Communities**

#### **RECOMMENDATION**

Cabinet is **RECOMMENDED** to:

- (a) note the submission of a funding bid to support retrofit of homes in fuel poverty under Green Homes Grant Local Authority Delivery 1b (GHG LAD 1b).**
- (b) Support the recommendation to delegate authority to the Corporate Director Communities in conjunction with S151 Officer, and Lead Member for Environment to review and conclude legal agreements should the application be successful.**

#### **Executive Summary**

- 2. In support of the council's climate action and healthy place shaping agendas, as well as national commitments to a green recovery, a funding application in relation to the Green Homes Grant Local Authority Delivery 1b has been submitted.
- 3. If successful the project would deliver home energy efficiency retrofits to 150 households living in energy inefficient properties and fuel poverty.
- 4. The purpose of this report is to brief Cabinet on the bid, and, should the bid be successful, delegate authority to the Corporate Director Communities to proceed, subject to the terms and conditions of the grant offer letter.

#### **Background**

- 5. Residential carbon emissions make up 25% of the carbon emissions in Oxfordshire. The Council's Climate Emergency commitment states our intention to play our role in enabling and promoting retrofit of property to meet a net zero carbon target of 2050. The Oxfordshire Energy Strategy recognises the need for improving the energy efficiency of existing private homes through large scale retrofit of over 4,000 properties per year. Current retrofit is likely to be two orders of magnitude below this target.

6. There is a very strong correlation between poor energy efficient properties, fuel poverty and respiratory illnesses. In Oxfordshire 20% of properties fall into the worst energy efficiency categories (EPC rated E, F and G)<sup>1</sup>. Residents are defined as being in fuel poverty if a household has above average fuel costs and if the spend of this sum would take their residual income below the official poverty line. In 2017 the 8.5% of Oxfordshire Households were in fuel poverty, whilst respiratory conditions are estimated to affect 50,000 people<sup>2</sup>.
7. Oxfordshire County Council, in collaboration with the districts and City, funds the 'Better Homes Better Health' service delivered by NEF. This advice line supports residents with home energy efficiency advice, seeking any grant funding and improving access to eligible benefits in order to reduce fuel poverty and improve health conditions.
8. The initiative supports the Health and Wellbeing Strategy 2019-2023 and seeks to address the connection between cold housing and impact on NHS/winter pressures.

### **Green Homes Grant Local Authority Delivery**

9. As part of the funding packages released by central government in response to Covid 19 to support a Green Recovery, the Green Homes Grant scheme was launched earlier this year by the Department for Business Energy and Industrial Strategy.
10. £2bn has been made available to 'able to pay' homeowners to part-fund energy efficiency improvements. £200m was ringfenced for Local Authorities to bid for projects that would target residents in the worst energy efficiency houses (EPC categories E, F and G) and living in fuel poverty (defined as a household income of under £30,000 per year) within 2021.
11. Building on the existing work taking place in Oxfordshire, the Council, with letters of support from all other Oxfordshire Local Authorities, has submitted a bid for £1.5m to deliver retrofitting of homes for those in fuel poverty and in the worst energy efficient housing. Key details of this funding application are:
  - Notification of bid outcome end of January 2021
  - Delivery to complete 30<sup>th</sup> September 2021
  - A minimum of 150 houses to be retrofitted with a £10,000 spending cap per property
  - Funding for a part-time post to project manage a delivery partner for the scheme.

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<sup>1</sup> EPC for All Domestic Properties (Existing and New Dwellings), BEIS, 7/12/2020 - [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/904850/D1 - Domestic EPCs.xlsx](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/904850/D1_-_Domestic_EPCs.xlsx)

<sup>2</sup> Health Conditions and Causes of Death (Oxfordshire County Council), March 2017 - <https://insight.oxfordshire.gov.uk/cms/system/files/documents/5%20Health%20Conditions%20and%20Causes%20of%20Death%20JSNA%202017.pdf>

12. Should the bid be successful, we intend to use the established operating model and installer networks through NEF to enable delivery against the timeline of the funding. A procurement exemption would be necessary and engagement with legal and procurement has taken place to establish their support in principle.
13. Our prospective delivery partner would manage the recruitment of households and the installer networks, with the Council acting as the responsible budget holder. This funding will enable an enhancement of the installer network, bringing with it flexibility in the most cost effective and deliverable measures within the timescales of the project, and a longer lasting legacy post funding.
14. The application does not give details of the terms and conditions the funding would be granted upon if successful. As such it is requested that Cabinet delegate authority to officers review and enter into the grant if successful.

### **Corporate Policies and Priorities**

15. This project will contribute positively towards the thriving communities and thriving economy corporate plan priorities. Specifically, it will take action towards our climate action and healthy place shaping ambitions.
16. Retrofit has been identified nationally as a sector to support Green Recovery ambitions. This funding stream represents one of a number of streams the government is targeting at building retrofit.

### **Financial Implications**

17. The Council is seeking project management resource as part of the funding to deliver the project and would not be committing any capital as part of this project.
18. The financial implications associated with agreeing a procurement exemption to enable this project have been discussed with the Finance Business Partner.

Comments checked by:

Rob Finlayson, Finance Business Partner, [rob.finlayson@oxfordshire.gov.uk](mailto:rob.finlayson@oxfordshire.gov.uk)

### **Legal Implications**

19. The proposed delivery mechanism utilises a similar method associated with the districts' disability benefit grants, and therefore should not breach state aid or procurement laws. The selection of an appropriate delivery partner will be conducted in accordance with the Councils procurement procedures.

Comments checked by:

Christian Smith, Principle Solicitor, [christian.smith@oxfordshire.gov.uk](mailto:christian.smith@oxfordshire.gov.uk)

## **Staff Implications**

20. The Council will receive funding for a part-time post to oversee delivery of the project. It is anticipated existing staff would be seconded to fill these duties given the timescales involved and will be supported within the iHub team. Additional support will be provided via the Climate Action team in providing technical expertise and outputs from the Local Energy Oxfordshire project.
21. District Councils have committed to support in kind to promote the delivery of the project in their areas.

## **Equality & Inclusion Implications**

22. There is a strong correlation of residents who are experiencing fuel poverty, adverse respiratory health conditions and living in fuel poverty often, but not exclusively, in areas that are in the most deprived wards in the County.
23. The wider Green Homes Grant is targeted towards residents who are able to pay, if this scheme is unsuccessful, residents who are most at risk will be locked out of accessing government grants to improve the energy efficiency of their homes and subsequently indirectly improving their risk of fuel poverty and/ or respiratory health conditions.

## **Sustainability Implications**

24. This project will deliver positive action towards decreasing the energy demands, and subsequent greenhouse gas emissions, of residential homes, taking action towards our climate emergency target.

## **Risk Management**

25. The project will adhere to the use of risk management within the Councils guidelines to continue to identify risks and opportunities as they arise. The project will recruit a delivery partner to manage the householder and installer networks, with the council acting as a responsible budget holder.
26. Should the bid be successful the terms and conditions associated with the project, and the subsequent risk will be reviewed with the Corporate Director Communities.

### **JASON RUSSELL**

Corporate Director Communities

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