

REPORT TO:	Climate and Environment Advisory Committee	13 September 2021
LEAD CABINET MEMBER:	Lead Cabinet Member for Climate Change	
LEAD OFFICER:	Interim Head of Shared Waste and Environment	

Green Homes Grants Local Authority Delivery Scheme Update

Executive Summary

1. The purpose of this report is to provide an update on delivery of home energy improvement measures to properties in South Cambridgeshire through the government's Green Homes Grant Local Authority Delivery scheme.
2. The report is provided to the committee for review and comment.

Details

3. There are around 67,000 homes in South Cambridgeshire. Providing heat and power for these gives rise to nearly 250,000 tonnes of CO₂, accounting for around 20% of the district's carbon footprint. The Zero Carbon and Doubling Nature Action Plan 2020-25 (21-22 revision) includes seven actions to support reductions in carbon emissions from the housing sector. This report relates to Action 2.5, *Continue to work with partners, including through the Cambridgeshire Energy Partnership, to find ways of supporting and encouraging home energy work, including exploring options for funding and delivering energy efficiency projects for our residents* and Action 2.7, *work with partners to provide home surveys, advice, free insulation and other home energy measures for households in fuel poverty*. (Four of the other six actions relate to the Council's own housing stock and are reported at agenda item 7; the remaining action relates to the Cambridgeshire Solar Together scheme and is reported at agenda item 9.)
4. In August of last year, the UK Government launched its Green Homes Grant scheme to support low carbon efficiency improvements to homes. The consumer-direct element of this scheme, which provided vouchers to households towards the cost of energy improvements, was closed prematurely earlier this

year. However, the Local Authority delivery element of the scheme, which targets low income households of all tenures, continues and two further phases have been added.

Green Homes Grant Local Authority Delivery scheme 1 (LAD1)

5. In the first phase, launched 4 August last year, bids were invited from local authorities for delivery of low carbon energy improvements to low income households by the end of March 2021. The bid deadline was 1 September.
6. As with opportunities to bid for government funding for energy improvements to private sector homes over many years, the Cambridgeshire local authorities agreed a joint collaborative approach led by Cambridge City Council through the Cambridgeshire Energy Partnership, (a formal partnership operating under a Memorandum of Understanding agreed in 2013, and revised in 2018).
7. Despite efforts, the application window proved to be too short to compile a Cambridgeshire bid. However, since the original scheme was undersubscribed, a second round, LAD1b, was opened later with funding for work to be delivered by the end of September 2021. Cambridge City Council led a successful Cambridgeshire consortium bid to LAD1b for just over £2,000,000 to upgrade 278 homes, including 100 park homes in South Cambridgeshire and Huntingdonshire, (approximately 50 in each).
8. Park homes were identified as target properties in South Cambridgeshire, due to the relative ease of identifying multiple eligible households and delivering work to these in a short time-frame.
9. Delivery of the park homes element of the scheme has been delayed due to a combination of factors including delays and an extension to the 1a scheme having a knock on effect on availability of installer capacity before the LAD1b deadline of 30 September.
10. In the past couple of weeks, the deadline for LAD1b has also been extended; for LAD1b this is to 31 March 2022. There remains uncertainty as to whether the intended work to park homes can go ahead. This is because of a change in the retrofit standards (PAS2035 has become mandatory for all public funded projects), which leaves it unclear whether the intended approach to park home insulation is still permitted.
11. We are continuing to explore the possibilities and are hopeful that a way to deliver insulation work to park homes can be found. We are also looking at approaches to identifying alternative properties if this proves necessary.

Green Homes Grant Local Authority Delivery scheme 2 (LAD2)

12. Phase 2 of the LAD scheme in Cambridgeshire, to be delivered by 31 March 2022, (recently extended from 31 December), is being managed an agent, Eon, appointed by the Greater SE Energy Hub. Eon have a nominal funding allocation for each of the Cambridgeshire local authority areas, based on population and deprivation data. In South Cambridgeshire the allocation is £429,500.
13. We are working with Eon to support the identification of suitable properties/eligible households, focussing initially on properties owned by the Council, within the Ermine Street Housing portfolio, and in the Council's private leasing scheme, Shire Homes. Depending on tenure, (an average of £10,000 per property is available for owner occupied properties; but only £5,000 per property for rented properties), this will fund work to between 43 and around 86 properties.

Green Homes Grant Local Authority Delivery scheme 2 (LAD2)

14. Phase 3 of the LAD scheme was combined with a new government scheme targeting fuel poverty in off-gas grid areas, the Home Energy Upgrade 1 scheme, (HUG1) into a single Sustainable Warmth Competition for delivery by 31 December 2022. Bids from local authorities were invited by 4 August. A consortium bid for Cambridgeshire, again led by Cambridge City Council, has been made to this competition, and we wait to hear whether it has been successful. The bid is for a total of £3,676,500 for work to 398 properties across Cambridgeshire, with approximately 20%, ie 80 of these expected to be in South Cambridgeshire.
15. To be eligible for any of the above schemes, households must be in receipt of means-tested benefits or be able to provide evidence of an annual gross income below £30,000. The property must have an EPC rating of D, E, F or G. D rated properties must not comprise more than 50% of the total number of properties benefiting from the scheme.
16. Under the LAD schemes up to £10,000 is available for owner occupied properties with no contribution from the owner required. Up to £5,000 is available for rented properties with a requirement that the landlord funds at least 1/3 of the total cost of works. The HUG1 scheme (off gas grid properties only) is more generous, providing up to £15,000 per property.
17. Eligible measures are any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP), that will help improve EPC Band D, E, F or G rated homes, with the exception of fossil fuel heating systems. This includes wall, loft and underfloor insulation as well as low carbon heat technologies and solar PV. SAP is the basis of the EPC ratings.

Identifying eligible households

18. Along with Eon, officers from the other Cambridgeshire local authorities and officers from other areas of the Council, (eg Environmental Health and Sustainable Communities), we are exploring approaches to identify eligible households in suitable properties, and where necessary, for liaising with landlords, who are required to fund at least one third the cost of any improvement.
19. An additional Project Officer has been appointed and is due to join the Climate and Environment team in November, and will be able to help with this work.

Expected carbon savings

20. Estimate carbon savings from the work will be calculated and reported in due course.

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