

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Environmental Services Portfolio Holder 9th November 2009
AUTHOR/S: Executive Director (Operational Services) / Corporate Manager
(Health and Environmental Services)

PROGRESS REPORT ON THE IMPLEMENTATION OF THE PRIVATE SECTOR HOUSING RENEWAL STRATEGY – RENEWABLE ENERGY GRANTS, REPLACEMENT BOILER GRANTS AND MAJOR RENOVATION LOANS

Purpose

1. To report on the progress to date on implementing phase two of the Private Sector Housing Renewal Strategy, specifically the grants for renewable technology and replacement boilers, and to seek Portfolio Holder endorsement.
2. This is not a key decision because it does not require a decision from the portfolio holder but does highlight current performance.

Background

3. The Council's Private Sector Housing Renewal Strategy was approved in July 2007. The strategy was essentially phased. Phase One allowed for the continuation of existing strategies and policies covering grants to vulnerable groups (e.g. Disabled Facility Grants, Home Repairs Assistance, etc), regulatory activities including appropriate education and help and advice and promotion of existing external energy efficiency grants and schemes.
4. Phase Two considered the priorities of increasing energy efficiency grants including grants/loans for heating systems not covered by Government schemes and the possibility of renewable energy grants. The Portfolio Holder at that time was concerned to have an appropriate balance of enforcement and grant assistance and therefore, in addition to that mentioned above, also considered it important to look at providing some assistance for "vulnerable" owner occupiers of properties identified as having category 1 hazards under the housing legislation.
5. Cabinet agreed to make available £100k, within the Capital Programme from 2008/09 onwards, for the provision of grants and/or loans to implement Phase Two of the action plan from the Private Sector Housing Renewal Strategy. The £100k was divided between the grants on offer with £50k allocated for renewable energy grants and the remaining £50k split between major renovation loans and replacement boiler grants.
6. The Council offered three types of grants/Loans:
 - Loans for properties with Category 1 hazards under the Housing Health and Safety Rating System (major Renovation Loan)
 - Grants for replacement boilers
 - Grants for renewable energy measures (Solar Hot Water Heating, and Solar Photovoltaic (PV)).
7. This report outlines the take up of these grants/loans to date.

Considerations

8. Loans for properties with Category 1 hazards - **Major Renovation Loan**
The loan is up to a maximum of £20,000 and is only available to “vulnerable” owner occupiers of properties identified as having Category 1 hazards under the Housing Health and Safety Rating System (HHSRS) as defined in Section 2 of the Housing Act 2004. To date no loans have been issued, two were being progressed but the occupiers died before the works could start.
9. Grants for **replacement boilers**
This grant was introduced to ensure vulnerable residents on Means Tested Benefits within South Cambs could have older inefficient boilers replaced. The grant picks up those who need a replacement boiler but who do not qualify for the Government’s Warmfront grant scheme. It assists the Council in tackling fuel poverty in the District.
10. As well as helping our vulnerable residents replace ineffective boilers with new energy efficient ones, it has helped reduce Carbon Dioxide (CO₂) emissions and contributed to the National indicator NI186, which is part of the Cambridgeshire LAA.
11. The maximum award of the grant is £5000. This includes the Home Improvement Agency fee of 12% as per existing grants offered by the Council and administered by the HIA. To date the Council has received 17 applications of which 6 have been approved. Total grant committed to date on these replacement boilers is £17,000. It is anticipated that the budget will be fully committed once the remaining applications have been processed. All the residents who received a boiler grant are “vulnerable” on a Means Tested Benefit.
12. Grants for **Renewable Energy** – Solar Hot Water and Solar Photovoltaic.
The Council offered two grants:
 - Solar hot water heating, and
 - Solar PVGrants were not offered for Ground Source Heat Pumps or small scale wind turbines as; solar technology offers a better investment for the Council, and there are no issues with land take or noise disturbance to neighbours.
13. These grants have helped to reduce CO₂ emissions from the domestic heating sector. It has also contributed to the National indicator NI186 - Per capita CO₂ emissions in the LA area, which is part of the Cambridgeshire LAA.
14. The maximum award of the grant for Solar Hot Water Systems is £1500, and the maximum award for Solar PV is £2000. The breakdown of grants issued (actual and pending) is outlined in Table 1 below. These installations have been carried out by a number of installers.

Grant	Maximum grant	No. of grants Issued	No. of grants pending	Grant spend (Actual)	Grant spend (pending)	Total grant spend (actual and Pending)
Solar Hot Water	£1500	13	13	£19,500	£21,000	£39,000
Solar PV	£2000	1	2	£2000	£4000	£6000
Total	N/A	14	15	£21,500	£25,000	£46,500

Table 1: Grant Spend as of October 2009

15. The Council offered solar hot water grants of £1500, gave a substantial incentive to encourage residents to install solar systems. The total cost of the systems installed to date (from April 2009 to October 2009) range from £4,065 to £14,071 with the Council grant giving a discount of 37% to 11% respectively. The median cost of an installation is £8,568.00 with the median discount after the Council Grant of £1500 is 17.5%. By the end of the year a predicted council spend of £39,000 will have induced a total installation spend of c£230,000.
16. The Solar PV grant of £2000 the Council offered, gave a substantial incentive to encourage residents to install solar PV systems. The cost of the system installed to date (1 installations) was £13,524.00 with the Council grant giving a discount of 15%.
17. As these grants were provided on a first come first served basis and given that all of the £100,000 allocated for these grants and loans has been used or committed, new perspective applicants have been advised that there are no grants available at present but have been placed onto a waiting list, should commitments not be honoured and money become available.

Options

18. None – Performance information only

Implications

19. The Grants have been very successful with the discretionary grant budget having been spent by the end of the 2nd quarter. With the Councils current financial situation it is likely that members will have to review whether these grants can continue to be offered in future years.

20. Financial	2009/10 budget of £100k already spent/committed.
Legal	None
Staffing	Within existing resources
Risk Management	None
Equal Opportunities	The Major Renovation Loan targeted “vulnerable” on means tested benefit as those people most in need.

Consultations

21. None

Effect on Strategic Aims

22.	Commitment to being a listening council, providing first class services accessible to all.
	The private sector housing renewal strategy, from which these grants came, identified a need for the grants and loans mentioned in the body of this report in response to current trends and public opinion of what councils should be doing to improve housing and reducing CO ₂
	Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.
	Most of the hazards due to excessive cold are affecting our most vulnerable residents, particularly those on low incomes. And the major renovation loan is specifically targeted at those “vulnerable” people living in cold damp homes
	Commitment to making South Cambridgeshire a place in which residents can feel proud to live.
	The Renewable energy grants are aimed at reducing Carbon Dioxide emissions the average domestic system reduces carbon dioxide emissions by around 260kg per year, depending on the fuel replaced.
	Commitment to assisting provision for local jobs for all.
Although the grants were not ring fenced all the grants given for solar hot water system went to residents who employed local installers (Cambridgeshire and Suffolk). For solar hot water installations alone the council spend of £39,000 will have induced £230,000 for local businesses.	
Commitment to providing a voice for rural life.	
None	

Recommendations

23. The Portfolio Holder is asked to endorse the success of the grants.

Background Papers: the following background papers were used in the preparation of this report:

None

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