



Cambridge City Council

To: Tim Ward - Executive councillor for Planning and Climate Change

Report by: Jo Dicks

Scrutiny Committee:

Environment

Wards affected: All

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Green Deal Communities

1. Recommendations

- The Executive Councillor is asked to approve the commencement of this project and the associated staffing and administration.
 - The total cost of the project is £7857400, funded from a Department for Energy and Climate Change (DECC) Capital Grant
 - Revenue costs arising from the project are all accounted for within the DECC Grant.

2 Summary

The project

Green Deal communities Fund is a substantial DECC grant for Local Authorities to mobilise to deliver incentives for residents to take up Green Deal approved energy efficiency measures across Cambridgeshire. The Cambridgeshire consortium bid led by Cambridge City Council will focus on incentives for solid wall insulation in key target areas and incentives for private rented properties.

Target Dates:

Start of procurement	na
Award of Contract	na
Start of project delivery	22/4/14
Completion of project	30/6/15
Date that project output is expected to become operational (if not same as above)	na

3 Project overview

3.1 About the Cambridgeshire Bid to the Green Deal Communities Fund

The Cambridgeshire bid to the DECC Green Deal Communities Fund was submitted through the Action on Energy partnership, and led by Cambridge City Council. The ambitious bid was for £5.66 million to include householder incentives, show homes and local authority enabling costs.

The Cambridgeshire bid will support householders to insulate solid wall properties with a focus on properties that are: 1) off gas 2) in conservation areas 3) steel framed houses and 4) rented. Furthermore, a small pilot project on the Green Deal and park homes is proposed.

The target groups have been chosen as they are prevalent in the county and represent properties that have been particularly challenging to treat to date. We aim to mobilise a market for solid wall insulation within these sectors and to share learning across the county, and more widely.

The funds are primarily to provide incentives to householders to undertake energy efficiency improvements through Green Deal Plans (financed with Green Deal Finance or self-funded). A range of incentives will be offered to householders. The main incentive will be financial help to cover the costs of the insulation after the Golden Rule and other grant funding have been taken into account. Other incentives will be rental discounts for tenants, support with planning permission particularly in conservation areas, prize draws for householders that undertake a Green Deal Assessment, support for off gas households to connect to the gas network, and charitable donations for businesses and active volunteers that promote the scheme. Show homes will also be used to promote the Green Deal including the St Ives Green House, the Cambridge Carbon Footprint Open Eco-homes Scheme, development of virtual show homes and businesses that volunteer to promote the scheme.

3.2 Installer funding bid

The Cambridgeshire local authorities also bid for funding to support the installer

network and supply chain to the value of £99,000. This will cover the costs of training SMEs and micro installer organisations to get through the Green Deal installer certification process and to increase the capacity of local installers to install solid wall insulation.

3.3 About Action on Energy

The six Cambridgeshire local authorities (Cambridge City, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire, and the County Council) have procured an ambitious, innovative partnership with Climate Energy to provide Green Deal, ECO and self-financed energy efficiency measures across Cambridgeshire. The partnership, branded as Action on Energy, aims to maximise energy efficiency in buildings, whilst engaging communities, generating local employment and securing revenue streams to sustain local action.

3.4 Bid outcome

Final outcomes for the bid were communicated to the lead authorities in late March confirming that the Cambridge led bid had been granted the full amount and an additional £2million to specifically target the private rented sector and an additional £81000 to directly subsidise Green Deal assessments. The total final award is £7857400 which includes over £200000 towards staffing costs for the project across the six partner authorities.

3.5 Reasons for an urgent decision

The outcome of Green Deal Communities fund was originally envisaged to be decided in December 2013. DECC have substantially delayed a decision due to significant policy changes brought in by Central Government in the 2013 Autumn Budget statement. Although there has been a delay in deciding the outcome of the fund there has been no extension of time available for delivery and so less than 12 months is now available to make the most of the opportunity. Whilst the Action on Energy partnership is already in place to start delivering on this project we need to expedite the financial, administrative and recruitment elements dependent on the arrival of the DECC funding to ensure that installation of energy efficiency measures is not delayed. This cannot wait for the next environment scrutiny committee.

4 Staffing implications

The bid requires funded staff commitment in all of the partner authorities but with additional resources within the lead Authority - Cambridge City Council.

This report seeks approval to extend the contract and increase the hours of the current Home Energy Officer (Green Deal) to deliver the core elements of the Green

Deal Communities project in the City and to coordinate administration, monitoring and final reporting on behalf of the countywide bid consortium. Approval is also sought to recruit a 12 month fixed term contract, full-time, home energy officer to fulfill the newly funded Private Rented Sector elements of the bid

The bid also explicitly provides £15000 towards the cost of financial administration arising as a result of this project within the lead authority. The finance team have been consulted and have agreed to service the likely demands resulting from the project within the allocated budget.

5 Financial Implications

All elements of the bid including staffing, administration, and householder incentives will be externally funded by the DECC grant and require no additional Cost to Cambridge City Council.

6 Equalities implications

Incentives will be open to all qualifying residents equally on a first come first served basis as long as the funding lasts. There are no equalities implications arising from the distribution of this grant funding.

7 legal and procurement

The relevant agreements with DECC and partner authorities have been scrutinized by our legal and procurement officers and advice has been documented. Procedures for administering the fund have been agreed in principle to comply with financial management and state aid rules. It has been arranged all procedures relating to administration of the fund will be agreed with our legal team and reviewed by internal audit ahead of the project going live and this work is well advanced.

Attached documents

DECC Offer letter
Externally funded budget bid papers (updated) x2