



To Executive Councillor for Housing (and Deputy Leader):
Councillor Catherine Smart
Report by Director of Customer & Community Services, Director of
Environment and Director of Resources
Relevant Scrutiny Committee Community Services 12th January 2012

Community Services - Housing Portfolio

- **Revenue and Capital Budgets 2011/12 (Revised)**
- **2012/13 (Budgets) and 2013/14 (Forecast)**

Key Decision

1 Executive Summary

Revenue Budget – 2011/12 Revised and 2012/13 Proposed

- 1.1 The following report sets out the overall base revenue and capital budget position for the Housing portfolio. The report compares the proposed 2011/12 revised budget to the budget at September 2011 and details the budget proposals for 2012/13 and 2013/14.

2 Recommendations

The Executive Councillor is recommended to:

Review of Charges:

- a) Approve the proposed charges for Housing services and facilities, as shown in Appendix B to this report.

Revenue Budgets:

- b) Approve, with any amendments, the current year funding requests and savings, (shown in Appendix A) and the resulting revised revenue budgets for 2011/12 (shown in Table 1) for submission to the Executive.
- c) Agree proposals for revenue savings and unavoidable bids, as set out in Appendix C, which have been incorporated into the budgets presented for this portfolio.
- d) Agree proposals for bids from external or existing funding, as set out in Appendix D, if applicable.
- e) Agree proposals for Priority Policy Fund (PPF) bids, as set out in Appendix E.
- f) Approve the budget proposals for 2012/13, as shown in Table 2, for submission to the Executive.

Capital:

- g) Seek approval from the Executive to carry forward resources from 2011/12, as detailed in Appendix G, to fund rephased capital spending.
- h) Approve capital bids and savings, as identified in Appendix H and Appendix H(a), for submission to the Executive for inclusion in the Capital & Revenue Project Plans and Housing Capital Plan respectively.
- i) Confirm that there are no items covered by this portfolio to add to the Council's Hold List, for submission to the Executive.
- j) Approve the current General Fund Capital & Revenue Projects Plan, as detailed in Appendix J, to be updated for any amendments detailed in (g), (h) and (i) above.
- k) Note that revised Housing Capital Investment Plan for 2011/12 to 2016/17, will be presented to the special joint Housing Management Board and Community Services on 8th February 2012, to include the impact of in year savings in capital budgets, re-allocation of budgets for decent homes works, rephasing of existing projects and schemes and incorporation of capital bids (as detailed in Appendix H(a)), submitted as part of the 2012/13 budget process.
- l) Approve the two project appraisals as detailed in Appendix K.
- m) Approve a provisional Housing Capital Allowance for 2012/13 of £11,384,000.

3 Background

- 3.1 At its meeting on 20 October 2011, Council gave initial consideration to the budget prospects for the General Fund for 2012/13 and future years. An overall savings requirement was set in November 2010, for the following four years, with the expectation that identified service reviews would contribute significantly to achievement of these targets. This position was reviewed in October 2011 and the position in relation to any service reviews within this portfolio is shown in paragraph 6.3 and the associated table and appendix.
- 3.2 The overall Budget Setting Report (BSR) to Strategy & Resources Scrutiny Committee on 16 January 2012 will include a review of all the factors relating to the overall financial strategy that were included in the Medium Term Strategy (MTS).
- 3.3 For 2012/13 provision was made for a Priority Policy Fund (PPF) of £500,000 to provide funding for developments that can be demonstrated to make a significant contribution to the Medium Term Objectives, as set out in the Annual Statement so this report considers any items to be funded from PPF.
- 3.4 The report to The Executive on 19 January 2012 may include details of the Government's Final Settlement for 2012/13. The announcement is likely to be made shortly after the conclusion of the consultation period, which ends on 16 January 2012.
- 3.5 Capital bids will be prioritised by the Executive at its meeting on 19 January 2012. Items in the existing Capital Plan and Hold List will also be reviewed to identify any that are no longer required, or where the current indicated timing for spending is no

longer accurate. The Capital Plan can then be revised to take account of any changes required.

- 3.6 Further work is required on detailed budgets due to corporate and departmental restructuring, so delegation to the Director of Resources will be sought from Council for authority to finalise changes relating to this and reallocation of support service and central costs, in accordance with the CIPFA Best Value Accounting Code of Practice and the Service Reporting Code of Practice for Local Authorities (SeRCOP).

4 Revised Budget 2011/12

- 4.1 The following table sets out the proposed revised revenue budget for this portfolio in comparison with the September 2011 budget.

Table 1: Revised Budget 2011/12

Total Net Budget	2011/12 Budget Sep 2011 £	2011/12 Revised Budget Jan 2012 £	Variation Increase/ (Decrease) £
Housing Portfolio	2,870,400	2,865,790	(4,610)
Technical Adjustments			
- Cash limit adjustment to put in balance the recharge from the HRA			(2,450)
- Virements between this and Environmental and Waste Portfolio			4,840
Total (Savings) / Bids (as per Appendix A)			(7,000)
Total Variance			(4,610)

- 4.2 On 23 February 2012, Council will consider for approval the revised budget proposals for this portfolio. The table above demonstrates, after any budget transfers, a net reduction in the use of reserves of £7,000 compared to the position at October 2011. See Appendix A for further details of amended budget proposals/changes.

5 Review of Charges

- 5.1 Proposals for the review of charges for this portfolio are presented at Appendix B. The effects of any proposed changes have been included in the base budget projections.

6 Budget 2012/13

- 6.1 A summary of the proposed budget for 2012/13 for this portfolio is shown in Table 2. This includes the effects of the proposed savings and bids together with the impact of the proposed new charges.
- 6.2 The proposed savings and bids, identified during the budget process to date, are detailed in Appendix C.

Service Reviews

- 6.3 The anticipated net savings resulting from service reviews are shown in Table 2 and detailed in Appendix C.

7 Overall Revenue Budget Position

- 7.1 The approved budget proposals for this portfolio will be submitted to the meeting of Strategy & Resources Scrutiny Committee on 16 January 2012 and for consideration by the Executive at its meeting on 19 January 2012.
- 7.2 An overall summary of the budget proposals, as set out in this report, is shown below.

Table 2: Overall Budget Proposals

Savings and Bids	2012/13 Budget £	2013/14 Forecast £
Savings:		
Service Reviews	(36,940)	(36,940)
Other	(34,470)	(34,470)
Total	(71,410)	(71,410)
Bids:		
Unavoidable	0	0
Other	0	0
Total	0	0
Net Savings/Bids (see Appendix C)	(71,410)	(71,410)
Priority Policy Fund (PPF) Bids	23,230	13,230

8 Capital – 2011/12 Revised Budget, Capital Bids and 2012/13 Proposed Budget

- 8.1 Appendix G shows the latest position against the 2010/11 Capital & Revenue Project Plan at September 2011 for schemes and programmes within the Housing Portfolio, with variances explained in detail in the accompanying notes. At this stage, approval is sought to rephase anticipated variances of £450,000 into 2012/13. Of this, £400,000 relates to our ability to compulsory purchase properties within the city and £50,000 to our ability to take over the management of HMO's, both of which will only occur expenditure if the situation presents itself. £1,150,000 of the funding for the re-development of Roman Court is proposed to be re-phased into 2012/13 (£518,000), 2013/14 (£591,000) and 2014/15 (£41,000) to meet the anticipated spend profile for the scheme.
- 8.2 Appendix H and H(a) detail the schemes, which have been identified as possible bids for the Capital & Revenue Projects Plan.
- 8.3 Section 6 of the Medium Term Strategy, approved in October 2011, highlighted the need to review current Hold List items. There are currently no items on the Hold List for this portfolio.
- 8.4 Appendix J shows the Capital & Revenue Projects Plan for all the schemes and programmes within this committee's portfolio (including any approvals since the MTS was published in October 2011, but before any changes arising in paragraphs 8.1 to 8.3 above).
- 8.5 Appendix K, which provides the detail of the first 5 years of the Housing Capital Investment Plan, including the impact of proposed capital bids and the request to reallocate and re-phase expenditure and resources will be presented to a special joint meeting of Housing Management Board and Community Services on 8th February 2012. This meeting will consider both revenue and capital position for the HRA from April 2012, taking account of the implications of the final Housing Revenue Account Self-Financing debt settlement, anticipated in late January 2012.
- 8.6 The Housing Capital Investment Programme is funded from a variety of sources, with one of the main contributors in the future being Direct Revenue Financing (DRF) of capital expenditure from the Housing Revenue Account. Until the final HRA Self-Financing debt settlement is received, the level of DRF available in 2012/13 can't be confirmed.
- 8.7 The special joint meeting of Housing Management Board and Community Services on 8th February 2012 will consider a 30-year Business Plan and Asset management Plan for the HRA alongside the final revenue and capital position for 2012/13 and 2013/14, incorporating all of the HRA revenue bids and savings presented to HMB on 3rd January 2012 and the capital bids and savings included in this report.
- 8.8 An in year capital bid of £10,000 is proposed to allow for the replacement of an It server and upgrade of the associated reporting software, which is fully funded from a repairs and renewals provision. A reduction in capital investment in the current year of £208,000 is also incorporated, resulting from the proposal not to proceed with solar pv installations due to reductions in the feed in tariffs associated with installation.
- 8.9 One-off capital bids totalling £3,304,970 have been proposed in 2012/13 to allow for the purchase and implementation of an Anti-Social Behaviour database (£27,020),

conversion of the adjoining part of an HRA dwelling for future re-letting of a larger unit of housing (£50,000), installation of energy efficiency measures in housing properties (£152,950) and ear-marking a sum for the refurbishment of the extra care housing at Ditchburn Place (£3,075,000). The latter will be subject to the ability to borrow additional resource as part of the self-financing arrangements from April 2012, with the final recommendation for this investment to be incorporated in the report to the meeting on 8th February 2012.

- 8.10 A capital bid has also been proposed at £330,000 for 3 years from 2012/13 to 2014/15, to allow the repurchase of ex-council dwellings under the right of first refusal legislation, where the properties meet the criteria identified in the agreed policy.

9 Public Consultation

- 9.1 For a number of years the Council's budget process has included consultation with the citizens of Cambridge to find out which services were most important to residents and what they thought spending and savings priorities should be for the coming budget year.
- 9.2 We have used a mixture of surveys and workshops to build up trend data on the views of residents about spending and saving priorities and have found that views have been quite consistent over time.
- 9.3 The 2011 survey was undertaken as part of the wider Citizens Survey by BMG Research Ltd on behalf of Cambridge City Council. It was conducted by means of a postal questionnaire with 801 randomly selected residents. Questions covered the level of Council Tax, identification of those service areas that are most important and those that are less important, and those services that it was felt that the Council should not provide at all.
- 9.4 In broad terms the results reflect previous surveys - respondents placed greatest importance on our core services: collecting rubbish from properties within the City (73%), cleaning the streets and public places and removing graffiti (36%) and collecting recyclable items from properties within the City (34%)
- 9.5 They also placed high importance on working with the police to tackle anti-social behaviour (35%), providing community service for older people (31%) and managing and maintaining the City's parks and open spaces (28%)
- 9.6 As previously, results showed that residents placed least importance on managing ticketed events and free events, such as running the Corn Exchange (27%), providing events such as the Folk Festival, Big Weekend and Bonfire Night (24%)
- 9.7 With regard to the level of Council Tax, respondents were split as to approach to be taken, answers were:
- "Cambridge City Council should charge for more services so they don't have to increase Council Tax by more than inflation" (31%)
 - "It is important for Cambridge City Council not to increase Council tax, even if this mean a reduction in the levels of service" (31%)
 - "It is important for Cambridge City Council to maintain current levels of service, even if this means increasing Council Tax" (24%)

10 Options / Implications

- 10.1 In relation to bids, the decisions made may have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have staffing, equal opportunities, environmental and/or community safety implications. A decision not to approve a Capital Bid will impact on managers' ability to deliver the developments desired in the service areas.

11 Background papers

These background papers were used in the preparation of this report:

Medium Term Strategy 2011
Budget Papers 2012/13

12 Appendices

In this Report:

- Appendix A – 2011/12 Revised Budget Items – January cycle
- Appendix B – Review of Charges (2012/13)
- Appendix C – Savings and Bids (2012/13 to 2015/16)
- Appendix C(a) * – Non Cash Limit Adjustments (2012/13 to 2015/16)
- Appendix D * – Bids to Existing or External Revenue Funding
- Appendix E – Priority Policy Fund (PPF) Bids (2012/13 to 2015/16)
- Appendix F\$ – Revenue Budget 2011/12 to 2013/14
- Appendix G – Capital Budget 2011/12
- Appendix H – Capital Bids (2011/12 to 2015/16)
- Appendix H(a) – Housing Capital Bids (2011/12 to 2015/16)
- Appendix I * – Hold List
- Appendix J – Revised Capital Plan
- Appendix J(a) # – Housing Capital Investment Plan
- Appendix J(a) Notes # – Notes to the Housing Capital Investment Plan
- Appendix K – Project Appraisals
- Appendix L * – Earmarked Reserves

= To follow as part of the report to HMB / Community Services on 8th February 2012

\$ = Service analysis not being presented at portfolio level

* = Not applicable for this portfolio

13 Inspection of papers

To inspect the background papers or if you have a query on the report, please contact:

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Report Name: O:\accounts\Committee Reports & Papers\Community Services
Scrutiny\2012-01 January\Final\Housing\2012-13 Budget Report Jan 2012 - CS -
Housing.doc

Reference	Description / Justification	2011/12 Revised Budget £	Ongoing Effect	Anticipated 2012/13 Effect £	Contact Name
Community Services - Housing					
Revised Budget					
RB2864	Reduction in recharge from the HRA to the General Fund in respect of shared amenities	(27,000)	Yes	(29,620)	Julia Hovells
<i>Reduction in anticipated recharge from the HRA in respect of shared amenities, based upon actual costs incurred in 2010/11 [See also RB2890]</i>					
RB2979	Funding to meet anticipated set up costs of the new Home Improvement Agency shared service	20,000	No	0	Alan Carter
<i>A new shared Home Improvement Agency Service is being set up, combining staff from Cambridge City Council, South Cambridgeshire District Council and Huntingdonshire District Council. There are anticipated set up costs in 2011/12 to facilitate the new service, with anticipated long term financial benefits [See also SR2912]</i>					
Total Revised Budget		(7,000)		(29,620)	
Total Community Services - Housing		(7,000)		(29,620)	

Appendix B

Review of Charges

Charge Type and Description	Charges 2011/12	Charges 2012/13	% Increase
Licences:			
HMO Licences - New Applications	£620	£620	0.0%
HMO Licences - New Applications with a 50% discount to landlords who are members of our Landlord Accreditation Scheme.	£310	£310	0.0%
HMO Licence Renewals (including landlords who are members of our Landlord Accreditation Scheme).	£310	£310	0.0%
HMO Licences Variations	£30	£30	0.0%
Caravan Site Licence	N/A	N/A	N/A
Camp Site	N/A	N/A	N/A

2012/13 Budget - Bids & Savings

Appendix: Page 1 of 3

Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

Service Reviews

SR2912	Saving to be delivered through restructure of Strategic Housing Services	0	(36,940)	(36,940)	(36,940)	(36,940)	Alan Carter	
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This saving includes the impact of reviewing the structures and service delivery methods of the Home Improvement Agency, Housing Options, CBL, Homelessness and Housing Strategy, and will result in some staffing reductions overall [See also RB2979]

Service Reviews		0	(36,940)	(36,940)	(36,940)	(36,940)		
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2012/13 Budget - Bids & Savings

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

Savings

S2849	Charging for service of statutory housing notices		0	(900)	(900)	(900)	(900)	Selwyn Anderson
<p><i>The law allows the council to charge when statutory housing notices are served. This proposal sees a change in policy (if approved by members) whereby if informal action does not result in action, the council will charge where a statutory notice is served to obtain compliance.</i></p>								
S2863	Increase in Development Team fee income		0	(1,500)	(1,500)	(1,500)	(1,500)	Alan Carter
<p><i>Due to the 3 year affordable housing investment programme, it is anticipated that the Development Team will be in a position to capitalise a greater degree of their time in the form of fee recharges</i></p>								
S2865	Reduction in recharge from the HRA to the General Fund in respect of shared amenities		0	(29,620)	(29,620)	(29,620)	(29,620)	Julia Hovells
<p><i>Reduction in anticipated recharge from the HRA in respect of shared amenities, based upon actual costs incurred in 2010/11</i></p>								
S2867	Reduction in recharge from the HRA in respect of the General Fund share of ASB costs		0	(810)	(810)	(810)	(810)	Lynda Kilkelly
<p><i>A net reduction in the General Fund contribution towards the costs of ASB is anticipated, due to a share of savings proposed in legal fee budgets, partially offset by the costs associated with a new ASB Case Management System</i></p>								

2012/13 Budget - Bids & Savings

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

S2911	Saving delivered through budgeting for actual cost of existing Housing General Fund employees	0	(1,640)	(1,640)	(1,640)	(1,640)	Julia Hovells	
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Staff retained or recruited results in small savings or unavoidable revenue bids in any one year. This saving matches the actual costs incurred to those initially assumed in budget working papers where inflation is applied at an average rate.

Savings		0	(34,470)	(34,470)	(34,470)	(34,470)		
Community Services - Housing		0	(71,410)	(71,410)	(71,410)	(71,410)		
Report Total		0	(71,410)	(71,410)	(71,410)	(71,410)		

2012/13 Budget - Priority Policy Fund (PPF)

Appendix: Page 1 of 1

Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

PPF Bids

PPF2866	Funding to secure consultancy support in respect of the Housing Strategy	0	10,000	0	0	0	Alan Carter	H
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Funding to secure consultancy support to research the impact of national housing policy change on more vulnerable groups of local people. This research will form part of the evidence base for the revised Housing Strategy.

PPF2909	Contribution towards a post in the Independent Living Service to allow community based support to vulnerable older residents	0	13,230	13,230	13,230	13,230	Sally-Jane Williams	H
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This bid is proposed to contribute 50% towards the costs of a post within the Independent Living Service, to work with vulnerable older people across Cambridge City, providing links with the Council's sheltered housing where possible to deliver mutual benefits to residents of Cambridge.

PPF Bids

0	23,230	13,230	13,230	13,230
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Community Services - Housing

0	23,230	13,230	13,230	13,230
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Report Total

0	23,230	13,230	13,230	13,230
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Housing Portfolio / Community Services Scrutiny Committee

2011/12 Capital Budget Position

Capital Ref	Description	Lead Officer	Original Budget 2011/12	Current Budget 2011/12	Spend to end September 2011	Anticipated Spend October 2011 to March 2012	Anticipated Variance	Re-phase Spend	Forecast Over / (Under) Spend	Comments
			£000	£000	£000	£000	£000	£000	£000	
SC163	Compulsory Purchase Orders (CPOs)	S Anderson	400	400	0	0	(400)	400	0	Currently no properties are prioritised for CPO action. Revising policy and reviewing long term vacants. At present spend in 2011/12 is unlikely due to the length of the process
SC386	HMOs - Management Orders	S Anderson	50	50	0	0	(50)	50	0	No properties are currently identified for action. Basis of protocol agreed with City Homes who will manage properties where action is taken
SC414	Landlord Accreditation Scheme	J Dicks	65	72	32	40	0	0	0	
Total Projects			515	522	32	40	(450)	450	0	
PR001	Housing Capital Investment Programme	J Hovells	13,930	20,669	3,007	16,512	(1,150)	1,150	0	Funding for the re-developemnt of Roman Court is proposd to be re-phased into 2012/13, 2013/14 and 2014/15 to meet the anticipated spend profiel for the projcet. Any further re-phasing or in year under / over-spending to be incorporated as part of report to February HMB / Community Services.
Total Programmes			13,930	20,669	3,007	16,512	(1,150)	1,150	0	
Total for Housing			14,445	21,191	3,039	16,552	(1,600)	1,600	0	

2012/13 Budget - Capital Bids & Funding

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

Capital Bids

Bids requiring funding

C2810	Grant funding bid for Cambridge Property Accreditation Scheme (CPAS)	0	50,000	0	0	0	Jo Dicks	H
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Requirement for Capital Funding (included Above)

0	50,000	0	0	0
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The Cambridge Property Accreditation Scheme (formerly known as the Landlord Accreditation Scheme) was supported by external funding from the East of England Regional Assembly (EERA) to assist landlords to improve their property and to meet higher standards. This funding has now ceased. This has benefited 51 properties over the last two years. The bid is for City Council grant funding for individual properties of up to £3,000 to assist them to reach higher standards of energy performance required to meet the standard for accreditation.

The aim of the accreditation scheme is to raise the standard of private rented accommodation in a number of areas. The grant although an incentive for landlords to bring their properties up to the necessary standards is aimed at improving the energy efficiency of the property which is of primary benefit to the tenant, not the landlord, who will gain through lower energy bills.

C2811	Funding to increase the uptake of energy efficiency improvements to private sector housing.	0	150,000	0	0	0	Jo Dicks	H
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Requirement for Capital Funding (included Above)

0	150,000	0	0	0
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The proposal is to expand the qualifying criteria of the current government grant for basic insulation measures for private sector housing. Through offering additional funding this scheme will bring more Government funding into the city and will provide basic insulation measures to residents who have previously been unable to afford it or who needed this added incentive. Not only will the proposal help the City Council meet its objectives regarding climate change, but more importantly it will target fuel poverty by providing warmer homes to residents and allowing residents to save money on their energy bills. This proposal would require partnership work with registered insulation installers but could be provided within the current capacity of the service.

2012/13 Budget - Capital Bids & Funding

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Community Services - Housing

C2960	Bid to allow for changes to internal office layout for Housing Options / Choice Based Lettings	0	10,000	0	0	0	Alan Carter	H
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Requirement for Capital Funding (included Above)

0	10,000	0	0	0
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Funding to allow some internal partition walls to be removed in the Housing Options / Choice Based Lettings Team in Hobson House, to better facilitate proposed new working practices as part of a service review, and resulting restructure of the teams, from April 2012.

Total Bids requiring funding	0	210,000	0	0	0
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Requirement for Funding : Bids requiring funding	0	210,000	0	0	0
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Bids to existing funding

C2985	Funding to upgrade facilities at 125 Newmarket Road	0	100,000	0	0	0	Julia Hovells	H
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Requirement for Capital Funding (included Above)

0	0	0	0	0
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The City Council is working closely with Cambridge Community Services (CCS) NHS Trust to develop and enhance the primary health care service offered to homeless and previously homeless people at 125 Newmarket Road. A proposal to offer a more holistic one-stop-shop health model at the surgery requires a significant upgrade to the building to ensure that patient consultancy rooms meet clinical standards, to upgrade the information technology services within the building to improve services to patients and to refurbish the building throughout for the first time in the 8 years since the City Council took on the ownership of the property. The building, owned by the City Council is used to provide a dedicated primary health care service for homeless people. Utilising an existing R&R fund provision for the building, the City Council will provide a grant to contribute to the building related aspects of the upgrade.

Total Bids to existing funding	0	100,000	0	0	0
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Requirement for Funding : Bids to existing funding	0	0	0	0	0
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Total Community Services - Housing	0	310,000	0	0	0
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Requirement for Funding : Community Services - Housing	0	210,000	0	0	0
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2012/13 Budget - Capital Bids & Funding

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Housing Revenue Account

Capital Bids

Bids requiring funding

C2907	Purchase of Anti-Social Behaviour (ASB) Database with a Case Management System and Associated Server	0	27,020	0	0	0	Lynda Kilkelly	H
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Requirement for Capital Funding (included Above)

0	27,020	0	0	0
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The current ASB IT system is not a case management tool and does not integrate with the Orchard system used by ASB and housing officers. The service is currently at risk of challenge, in that it does not adequately capture equalities data. It is highly deficient as a reporting tool. A new system will lead to service delivery improvements, with better case monitoring and management and performance management and reporting information available. It will also allow improved targeting of our services. [See also S2867, UR2880, RB2882, PPF 2879]

C2908	Bid to convert and re-claim part of an HRA dwelling asset for future re-letting	0	50,000	0	0	0	Robert Hollingsworth	H
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Requirement for Capital Funding (included Above)

0	50,000	0	0	0
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Bid to reclaim part of Cemetery Lodge, allowing letting of a larger property as a miscellaneous lease [See also C2943]

2012/13 Budget - Capital Bids & Funding

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Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Housing Revenue Account

C2919	Bid to fully refurbish the Extra Care Housing at Ditchburn Place	0	3,075,000	0	0	0	Robert Hollingsworth	H
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Requirement for Capital Funding (included Above)

0	3,075,000	0	0	0
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This capital bid relates to the inclusion of additional resource in the Housing Capital Programme to facilitate a full refurbishment of the extra care housing at Ditchburn Place. This funding will allow major works to the scheme to re-provide 36 units of extra care housing to modern and desirable standards, allowing fully independent living, which would also easily be re-configured for use as alternative accommodation if the County Council were not to require the scheme for extra care in years to come. This bid assumes the borrowing of resource through the headroom anticipated under HRA Self-Financing.

C2965	Installation of solar thermal panels and/or energy efficiency measures on housing properties.	0	60,000	0	0	0	David Kidston	H
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Requirement for Capital Funding (included Above)

0	60,000	0	0	0
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Installation of solar thermal panels on housing properties to reduce the Council's carbon footprint and generate a 20 year financial return on investment from Government's Clean Energy Cash Back scheme. 1 property has been assessed as potentially financially viable, and the budget would be used to assess technical viability, purchase and install solar panels and associated structural and electrical works. If at the site assessment stage the site is found unsuitable, this money will be spent on energy efficiency measures instead. [See also C2966]

2012/13 Budget - Capital Bids & Funding

Appendix: Page 3 of 5

Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Housing Revenue Account

C2972	Capital bid to allow re-purchase of ex-council homes under the right of first refusal	0	330,000	330,000	330,000	0	Sarah Lyons	H
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Requirement for Capital Funding (included Above)

0	330,000	330,000	330,000	0
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The right of first refusal legislation allows the Council to buy back ex right to buy dwellings from owner occupiers before they are openly marketed. There are clear circumstances where this might be of benefit to the Council - to meet a specific housing need or on a potential development site. The time frame to enact the Council's right is short, and this capital allocation, for the period of the 3 year affordable housing programme, will allow the re-purchase of up to 2 dwellings per year, if appropriate.

C2981	Cancellation of Solar PV panel installation	(208,000)	0	0	0	0	Bob Hadfield	H
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Requirement for Capital Funding (included Above)

(208,000)	0	0	0	0
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A capital scheme to introduce Solar PV panels and other energy initiatives was proposed in 2011/12 budget (C2655). Following a proposed reduction in the Government's Feed in Tariff, the expected internal rate of return on this project fell to 2% - the Council can achieve a significantly higher rate of return by investing in solar thermal panels and/or energy efficiency measures, hence the cancellation of this project. (See C2965 for new renewable energy project) [See also UR2983]

C2991	Voltage Optimisation at Ditchburn Place	0	13,950	0	0	0	David Kidston	H
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Requirement for Capital Funding (included Above)

0	13,950	0	0	0
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Following the successful trial of voltage optimisation technology at the Guildhall, this project is to supply and install the technology at Ditchburn Place. Through reduced electricity usage, the project is expected to achieve savings, which will in turn be passed on to residents of the scheme through reductions in service charges. [See also C2807]

2012/13 Budget - Capital Bids & Funding

Appendix: Page 4 of 5

Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Housing Revenue Account

C2992	Lighting control improvements at East Road garages	0	4,000	0	0	0	David Kidston	H
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Requirement for Capital Funding (included Above)

0	4,000	0	0	0
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As part of the Carbon Management Programme, investment of £4,000 is proposed in respect of introducing lighting controls at East Road garages [See also C2807]

C2993	Energy efficiency measures at Ditchburn Place	0	75,000	0	0	0	David Kidston	H
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Requirement for Capital Funding (included Above)

0	75,000	0	0	0
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Ear-marking of funding for additional energy efficiency measures at Ditchburn Place, to include improved heating and lighting systems and controls, with the benefit of any reduced energy costs being passed on to residents in the form of lower service charges. [See also C2807]

Total Bids requiring funding	(208,000)	3,634,970	330,000	330,000	0
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Requirement for Funding : Bids requiring funding	(208,000)	3,634,970	330,000	330,000	0
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Bids to existing funding

C2931	Bid to replace Orchard Business Objects Server and upgrade the associated reporting software	10,000	0	0	0	0	Julia Hovells	H
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Requirement for Capital Funding (included Above)

0	0	0	0	0
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This bid will allow for the replacement of a server and the associated software to facilitate continued reporting from the Orchard Housing Management Information System

2012/13 Budget - Capital Bids & Funding

Appendix: Page 5 of 5

Reference	Description / Justification	2011/12 Budget £	2012/13 Budget £	2013/14 Budget £	2014/15 Budget £	2015/16 Budget £	Contact	Cttee Priority (Bids)
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Housing Revenue Account

Total Bids to existing funding	10,000	0	0	0	0		
Requirement for Funding : Bids to existing funding	0	0	0	0	0		
Total Housing Revenue Account	(198,000)	3,634,970	330,000	330,000	0		
Requirement for Funding : Housing Revenue Account	(208,000)	3,634,970	330,000	330,000	0		

Capital-GF Projects

Capital Ref - Cost Centre	Description	Lead Officer	Capital Scheme Approval (£000's)	Spend in Prior Years (£000's)	Current Year Budget (£000's)	2012/13 (£000's)	2013/14 (£000's)	2014/15 (£000's)	2015/16 (£000's)	Spend This Year to End Sept 2011 (£000's)	Comments
SC163 - 39060	Compulsory Purchase Orders (CPOs)	S Anderson	411	11	400	0	0	0	0	0	£200k approved at City Board 9/7/01. £435k approved at Strategy Scrutiny 28/01/03. Funded from Usable Capital Receipts. Budget revised to £400k contingency.
SC386 - 39105	HMOs - Management Orders	S Anderson	50	0	50	0	0	0	0	0	Approved at Council 21/02/08. £50k funded from Temporary Use of Reserves.
SC414 - 41063	Property Accreditation Scheme	J Dicks	100	28	72	0	0	0	0	40	Approved Council 20.2.09, £100k Other Sources (East of England RA).
Capital-GF Projects			561	39	522	0	0	0	0	40	

Capital-Programmes

Capital Ref - Cost Centre	Description	Lead Officer	Capital Scheme Approval (£000's)	Spend in Prior Years (£000's)	Current Year Budget (£000's)	2012/13 (£000's)	2013/14 (£000's)	2014/15 (£000's)	2015/16 (£000's)	Spend This Year to End Sept 2011 (£000's)	Comments
PR001 - 45502	Housing Capital Investment Programme	J Hovells		0	20,669	8,033	7,932	8,034	6,797	0	Detailed review of schemes is undertaken by Housing
Capital-Programmes				0	20,669	8,033	7,932	8,034	6,797	0	

TOTAL CAPITAL PLAN			561	39	21,191	8,033	7,932	8,034	6,797	40	
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Cambridge City Council

Item

To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart

Report by: Jas Lally, Head of Refuse & Environment

Relevant scrutiny committee: COMMUNITY SERVICES SCRUTINY COMMITTEE

Wards affected: All

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Funding to increase the uptake of energy efficiency improvements to private sector housing.

Recommendation/s

Financial recommendations –

- The Executive Councillor is asked to approve the commencement of this scheme, which if the bid is successful, will be included in the Council's Capital & Revenue Project Plan.
 - The total cost of the project is £150,000 funded from reserves.
 - There are no ongoing revenue implications arising from the project.

1 Summary

The project proposes to expand the qualifying criteria of the current Government grant for basic insulation measures for private sector housing. Through offering additional funding this scheme will bring more Government funding into the city and will provide basic insulation measures to residents who have previously been unable to afford it or who have needed this added incentive.

Not only will the proposal help the City Council meet its objectives regarding climate change, but more importantly it will target fuel poverty by providing warmer homes to residents and allowing residents to save money on their energy bills. This proposal would

require partnership work with registered insulation installers but could be provided within the current capacity of the service.

1.1 The project

Target Dates:	
Start of procurement	N/A
Award of Contract	N/A
Start of project delivery	April 2012
Completion of project	March 2013

1.2 The Cost

Total Project Cost	£ 150,000
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Cost Funded from:

Funding:	Amount:	Details:
Reserves	£150,000	Budget reference C2811
Repairs & Renewals	£0	
Developer Contributions	£0	
Other	£0	

Ongoing Revenue Cost

Year 1	£0	
Ongoing	£0	

1.3 The Procurement

This is not a procurement project. This project will require Cambridge City Council to work directly with installers who are already approved to provide insulation under the Governments 'Carbon Emissions Reduction Target' (CERT) scheme.

It is proposed that the installation providers will be notified of our scheme through the National Insulation Association and they will be invited to register with us to be able to become a provider that can access our funding.

This pre-registration will allow us to manage spend of the funding and to monitor the companies involved. It will also allow us to hold companies accountable in case of any issues that may arise.

The list of registered insulation providers will be then be made available to residents though the website or through the customer service centre. This list will allow a resident to identify the installer most suitable for their requirements and to seek a quotation. We will recommend residents obtain alternative quotations to find the most competitive price. We will have no influence on the company a resident will contact and as such this project will not have any procurement issues. The contract to deliver the work will be between the resident and the insulation provider.

2 Project Appraisal & Procurement Report

2.1 The Project

Increases in gas and electricity prices mean that fuel poverty is on the rise. A recent BBC article reports that “more than a fifth of all households in the UK were affected by fuel poverty in 2009”¹ and goes on to explain that “DECC predicts that the numbers for 2010 and 2011 will have increased because of further rises in the price of energy”².

If we consider fuel poverty within Cambridge, we do not know the scale of the issue we have to deal with. The 2009 House Condition Survey states that the percentage of benefit claimants in fuel poverty could be 12.5%. However, these figures only consider fuel poverty with respects to benefit recipients, and fuel poverty is present in those households where residents do not receive benefits. The House Condition Survey (HCS) reports that fuel poverty occurs in 62% of households where occupiers do not receive benefits”³

¹ <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

² <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

³ Cambridge City Council Private Sector House Condition Survey November 2009, page 73, Section 10.9.5

Some of the focus to help the fuel poor is already delivered under the CERT funding, however it can be argued that CERT does not go far enough. There is scope to extend CERT, and the HCS indicates areas where we would be able to target this extension.

An analysis on improvement in the HCS states that there is scope for work that would cost “just over £115.1 million”⁴. The improvement measures that these figures are based on are:

- Loft insulation to 270mm
- Cylinder insulation to 70mm Jacket (unless foam already)
- Double glazing to all windows
- Cavity wall insulation
- Installation of a modern high efficiency gas boiler where none is present
- Full central heating where none is present

We therefore propose the best way to target fuel poverty and to maximise CO² savings is to extend the criteria as part of the current CERT scheme. With the Government introducing a new funding mechanism in 2013, we believe the current scheme offers a value for money solution and it is important that residents are encouraged to take advantage of the current assistance. We believe this final push on the basic insulation measures will also help us strategically this will allow us to concentrate on the next stages of insulation in 2013. We therefore propose to offer free loft and cavity wall insulation to all residents no matter what their circumstances and offer financial assistance for any remedial work.

We have considered alternative schemes. One of the biggest challenges Cambridge will face is how to upgrade its hard to treat stock and you would expect a significant number of residents in these properties would suffer from fuel poverty. However, there are a number of issues surrounding this type of work, including: lack of infrastructure, cost, disruption of work, conservation issues and potential reduction of floor area that make this type of scheme much more expensive. We also believe the new Government scheme may be more suited for this type of work.

⁴ Cambridge City Council Private Sector House Condition Survey November 2009, page 68, Section 10.8.1

Therefore the project we are proposing is to supplement the current Government CERT funding for loft and cavity walls, which is available to private homeowners, landlords and tenants at reduced prices through registered installers. Funding for the current subsidy is provided through energy suppliers under a statutory obligation.

In certain cases the CERT funding may not cover the full cost of the insulation. Therefore additional funding may be required to make up this short fall and this is what we are planning to supply.

In summary, the new scheme would provide:

- Free loft and cavity insulation to all residents (under 150mm of existing insulation)
- Increase the maximum insulation requirement from 60mm to 150mm to capture more loft insulation top ups.
- Assistance for remedial work to reduce additional barriers (e.g. loft clearance, loft hatch, vents or boarding)

Under the current scheme, the typical contribution a resident would be expected to pay is as follows:

Measure	Priority Group	Non-Priority Group
Cavity Wall Insulation	No cost	£149
Loft Insulation (No insulation present)	No cost	£179
Loft Insulation (Under 60mm)	No cost	£179
Loft Insulation (60mm and over)	£199	£199

These costs are approximate as they can vary from supplier to supplier by £50.

The scheme categorises residents in two groups:

- Priority Group – Those aged over 70 and on qualifying benefits
- Non Priority Group – Those not in the priority group.

We are proposing to subsidise these costs so a resident will only pay the following:

Measure	Priority Group	Non-Priority Group
Cavity Wall Insulation	No cost	No cost
Loft Insulation (No insulation present)	No cost	No cost
Loft Insulation (Under 150mm)	No cost	No cost
Loft Insulation (150mm and over)	£199	£199

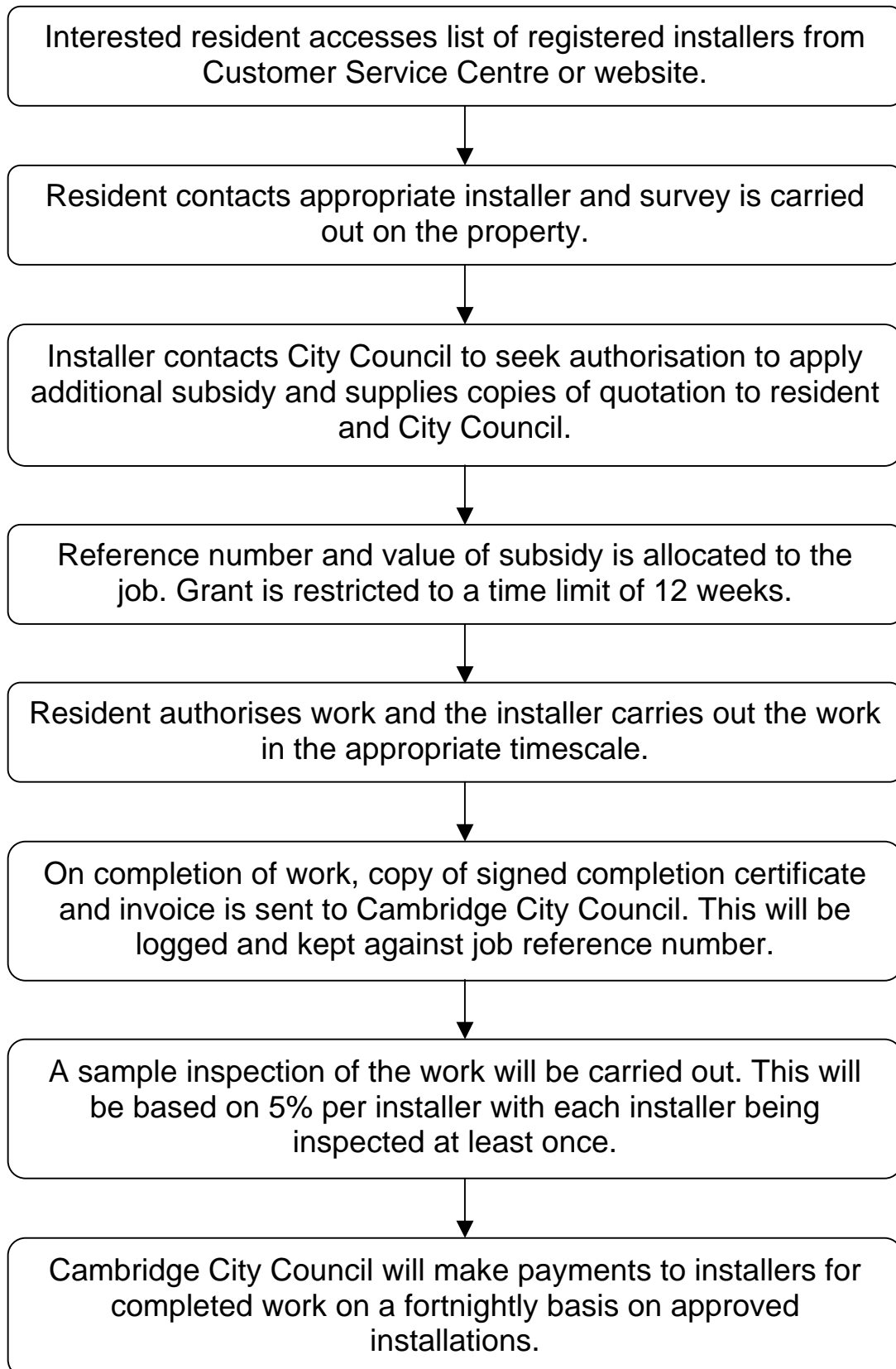
We will also cover the costs of any remedial work up to £200 per property, and only in cases where the work is necessary. Typical costs for this type of work is:

Work	Cost (approx)
Loft clearance	£30 per Hour (usually 2 hours work)
Easy vents	£60
Loft Hatch	£180
Boarding	£20.32 per m ² (up to 20m ² max)

We believe we should offer this assistance for the following reasons:

- A further incentive to the current CERT scheme is required to generate more insulation work.
- Further qualifying criteria would be too restrictive, time consuming and complicated which could add additional barriers.
- The scheme will allow private tenants to apply to help improve our worst energy performing housing stock.
- The funding for loft top ups will help target properties that have low levels of old insulation.
- We can address non-financial barriers in the form of remedial work. (Loft clearances, hatches, boarding and vents)

The process of the scheme is as follows:



A proportion of the budget would need to be set aside to promote the scheme. We estimate £5,000 would be required for this purpose and promotion could be carried out in a number of ways, including:

- Press releases and articles in Cambridge Matters and Cambridge News
- Leaflets to be produced and distributed
- Adverts to be taken up in local press and through other publications
- Maximise further City Council promotional work by partnership working with other departments to promote the scheme at events.

An additional way the project could generate referrals is through the links with public health. Cambridge City Council is part of the Cambridgeshire Home Shield referral network. With this scheme any organisation that conducts home visits can may a referral to a range of other organisation just by filling out a simple questionnaire. This scheme is currently co-ordinated by AgeUK and offers a way to ensure we are able to access vulnerable residents.

Referrals may also be generated through the HeatSeekers thermal imaging project that is planned to take place from December 2011. The HeatSeekers scheme will include a process of surveys and home visits and we will be able to promote our additional funding through this scheme.

2.2 Aims & objectives

This project meets the following objectives:

- A city which recognises and meets needs for housing of all kinds - close to jobs and neighbourhood facilities.

This project helps to improve the quality of private sector housing by providing residents with more energy efficient properties. This helps to increase their quality of life through the potential of cheaper energy bills and warmer, more satisfactory living conditions. In the case of vulnerable residents this scheme could deliver significant health benefits

and protect from extreme weather conditions. It also helps to increase the quality of the existing housing stock.

- A city in the forefront of low carbon living and minimising its impact on the environment from waste and pollution

Through making properties more energy efficient we will be reducing the amount of carbon dioxide emissions escaping from homes. Basic insulation is the start of a pathway to low carbon living and this scheme will enable residents to start on that pathway. Insulation will also provide protection from the potential extreme conditions of climate change which could occur in the future.

Scale of work

We have calculated potential work that could be carried out based on the value of budget of £150,000

Quantity of measures installed	882
Total CO2 saved per annum (Tonnes)	874

We have estimated the figures above based on cases where we would contribute an average of £170 to all applications. However this is only an estimate as our promotional work would generate enquiries from residents who would be entitled to free insulation, plus other residents may take up the remedial work offer.

2.3 Major issues for stakeholders & other departments

This project will rely on partnership work with registered insulation providers. The budget spend will have to be continuously monitored so there is no over spend or unknown committed funding. As a close relationship is required with installers, all installers taking part in the scheme will have to register with the City Council prior to offering our additional funding and work will have to be approved on a regular basis.

The Energy Saving Trust will also have a role to play. This organisation is the main advice service for UK residents for energy efficiency. We will register our funding with them so they can pass on this information to residents who contact them.

Internally the project will have an impact on the customer service department as they may also be required to answer enquiries and direct residents to our registered installers. A script can be produced for this and training can be provided if required. A web page will also be set up.

2.4 Summarise key risks associated with the project

This project aims to mitigate the risk of winter deaths within Cambridge by helping residents who live in cold properties. It can also maintain occupancy in properties through lower running costs and it can also reduce the rate of climate change and protect from the effects in the future.

If this project does not take place then Cambridge residents will be more susceptible to these risks.

Considering the management of the project itself, the Government funding that this project seeks to support is time limited until December 2012. While a new scheme will be available, we believe the current scheme will offer the best value for money option for both City Council residents and the City Council.

The main risks surrounding the project are, reduction in the Government funding which would reduce the effectiveness of our funding, lack of uptake in the scheme by residents or alternatively too much uptake which would result in all funds being spent and increase in officer workload. We feel because of these risks the project needs to remain flexible. Therefore if required we propose to address the next range of energy improvements that could be carried out in private properties. The House Condition survey details a full range of improvements and we propose to apply these to this project if required.

There will be a low risk to the City Council with respect to our relationship with the installers. We are proposing to only use installers which have already been authorized under the CERT scheme. We will not promote any single company and it is up to the resident which installer they use. The contract to carry out the work will be between the installer and the resident so we have no liability for the work. We will however have a complaints procedure in place so we can monitor the effectiveness of the installers registered on the scheme.

2.5 Financial implications

- a. Appraisal prepared on the following price base: 2011/12
- b. Specific grant funding conditions are:
 - Applicant must be entitled to assistance under the current Government CERT scheme. The criteria for this scheme includes:
 - Scheme is available to domestic households only
 - Applicant must be an owner occupier, private landlord or private tenant.
 - In the case of flats or similar, the free-holders permission will need to be sought.
 - Installer must be CERT funding provider approved
 - Only properties within the boundary of Cambridge City Council will be considered.
 - Additional subsidy will be applied for loft insulation under 150mm.
 - Where remedial work has to be carried out with no alternative solutions, Cambridge City Council will pay costs up to £200.
- c. Other comments

2.6 Capital & Revenue costs

(a) Capital	£	Comments
Building contractor / works	150,000	Insulation subsidy and up to £200 for remedial works.
Purchase of vehicles, plant & equipment		
Professional / Consultants fees		
IT Hardware/Software		
Other capital expenditure		
Total Capital Cost	150,000	

(b) Revenue	£	Comments
Maintenance		
R&R Contribution		
Total Revenue Cost	0	

2.7 VAT implications

There are no adverse VAT implications to this project.

2.8 Environmental Implications

Climate Change impact	+H
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This project will enable residents to improve the energy efficiency of their homes and to take the first steps to a more low carbon life style. It will also help residents to manage the impacts of climate change from excess cold to excess heat through a home protected from the elements.

2.9 Other implications

As we will not be carrying out the work, there will be no health & safety implications for us. All installers will be asked for their health and safety at work policy. The work will be covered by the installers insurance and the installer has to meet certain criteria for their association status.

There are potential risks with regards to community safety where there is contact with residents in their home. We would ask all companies to supply us with their registration for relevant associations, guarantees of work and complaints procedure. We believe this will encourage reputable companies to take part in the scheme and we would raise any complaints with the installer.

This project does not discriminate in anyway as there are no exclusions as to who can receive energy efficiency improvements.

The only requirement is that households are in the private sector as this is the worse performing housing stock with regards to energy efficiency.

2.10 Staff required to deliver the project

The project can be run within existing resources. There would be a period of time to set up the project, advertise to installers and to register their details.

Once this work has been carried out the project will then require monitoring and registration of applications, and then authorization of funds and payments. This work can be carried out by the Home Energy Officer and will be monitored by the Principle Scientific Officer in Environmental Health. Payments will be authorized through existing payment mechanisms.

There will be publicity required for this project but the Home Energy Officer will carry this out as per the current job requirement.

Enquiries related to the project will require the assistance of the Customer Service Centre, however they will be provided a script and training if required.

2.11 Dependency on other work or projects

This project does not have any direct influence on the progress of other projects.

2.12 Background Papers

See appendix i and ii – Briefings to Councillors

2.13 Inspection of papers

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Date prepared:	21 st November 2011

Appendix i

Briefing – Private Sector Home Energy Budget Bid 21st July 2011

Following a meeting in May 2011, it was agreed that there was scope for an internal budget bid to be submitted relating to fuel poverty and private sector housing. A number of exemplar projects were discussed which offered guidance, but it was agreed more in depth analysis of these projects and how they could be applied to Cambridge was required.

Fitting in with Government policy

With the proposed introduction of the revised Energy Bill and the resultant change with the way grants are allocated with the Green Deal and Energy Company Obligation (ECO), this presents an opportunity to encourage residents to maximise the current Carbon Emission Reduction Target (CERT) funding. Indications are that CERT may offer the most cost effective solution to residents for basic insulation where residents can receive a grant up front with payback being approximately 1 to 2 years. With the Green Deal, the cost of insulation without the CERT subsidies means payback will be a lot longer, and the charge will be attached to the property. How residents will receive the Green Deal is unknown, but it may offer another barrier to improvements being made.

The proposed Cambridge City Council (CCC) grant scheme would run between April 2012 and March 2013. The Department for Energy and Climate Change (DECC) have announced that CERT funding will cease at the end of 2012 and it is proposed that the new ECO will be introduced in January 2013. This means any project we run that benefits from additional CERT funding needs to be driven from the very start as in scheme may only offer maximum value for money for nine months. The Green Deal and ECO are still a work in progress and while information is being released the full details are not know. This means it is not possible to work with the new schemes at this time but the CCC scheme needs to have flexibility to fit in with any changes.

Fuel Poverty and Cambridge

Increases in gas and electricity prices mean that fuel poverty is on the rise. A recent BBC article reports that “more than a fifth of all

households in the UK were affected by fuel poverty in 2009”⁵ and goes on to explain that “DECC predicts that the numbers for 2010 and 2011 will have increased because of further rises in the price of energy”⁶.

If we consider fuel poverty within Cambridge, we do not know the scale of the issue we have to deal with. National Indicator 187, which has now been scrapped, shows the percentage of benefit claimants in fuel poverty. Data we collected for 2008 and 2009 shows these levels to be at 6.5% and 12% respectively. The 2009 House Condition Survey states that this figure is 12.5%. However, these figures only consider fuel poverty with respects to benefit recipients, and fuel poverty is present in those residents who do not receive benefits. The House Condition Survey (HCS) reports:

“fuel poverty is found in 2,200 households where a benefit is received, which is 38% of all households in fuel poverty. This compares with 3,600 households (62% of households in fuel poverty) where occupiers do not receive benefit”⁷

This shows that while we have used schemes such as Warm Front to target fuel poverty, there is a majority group not entitled to benefits that are vulnerable. With energy prices set to rise you would only expect this number to rise further, therefore any scheme we introduce needs to target both groups.

As we are unaware of the levels of fuel poverty, this makes it very difficult to effectively target any assistance. One of the conclusions drawn from the HCS is:

“The greatest impact, in terms of reducing fuel poverty, can be achieved by focusing on making energy efficiency improvements to dwellings with: older heads of households; dwellings with benefit recipients; households on low incomes; households with disabled occupants and the privately rented stock”⁸.

⁵ <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

⁶ <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

⁷ Cambridge City Council Private Sector House Condition Survey November 2009, page 73, Section 10.9.5

⁸ Cambridge City Council Private Sector House Condition Survey November 2009, page 78, Section 11.8.2

Some of this focus is already delivered under the CERT funding, however it can be argued that CERT does not go far enough. There is scope to extend CERT, and the HCS indicates areas where we would be able to target this extension.

An analysis on improvement in the HCS states that there is scope for work that would cost “just over £115.1 million”⁹. The improvement measures that these figures are based on are:

- Loft insulation to 270mm
- Cylinder insulation to 70mm Jacket (unless foam already)
- Double glazing to all windows
- Cavity wall insulation
- Installation of a modern high efficiency gas boiler where none is present
- Full central heating where none is present

All these measures have the potential to be supported under a CCC grant scheme. However, we would not be able to support all these measures, as we could not meet the cost calculated for all these improvements. Therefore the measures would need to be prioritised based on those that offer the greatest value for money and impact.

Based on cost, and payback, I would suggest the priorities should be:

1. Cavity Wall Insulation
2. Loft Insulation
3. Cylinder Jacket
4. Full central heating where none is present
5. Installation of a modern high efficiency gas boiler where none is present
6. Double Glazing

It is worth noting that the HCS also states that “generally loft insulation will be an improvement on existing insulation, rather than where none exists”¹⁰. Maximum CERT assistance is only available for loft insulation where little or no insulation exists, therefore, from

⁹ Cambridge City Council Private Sector House Condition Survey November 2009, page 68, Section 10.8.1

¹⁰ Cambridge City Council Private Sector House Condition Survey November 2009, page 68, Section 10.8.4

experience, we feel there are significant improvements that could be made here.

One of the big challenges Cambridge will face is how to upgrade its hard to treat stock of which Cambridge has around 45.3% un-insulated solid walled private sector properties¹¹. A significant number of these residents will most likely be those suffering from fuel poverty. However there are a number of issues surrounding this type of work, including: lack of infrastructure, cost, disruption of work, conservation issues and potential reduction of floor area that restrict the amount of improvements that can be carried out. A focussed approach will be required to meet these challenges when issues out of our control have been improved, and this is something we may be able to consider when the Green Deal and ECO has been introduced.

The Budget Proposal

We therefore propose the best way to maximise CO² savings and to target fuel poverty is to extend the criteria as part of the current CERT funding while it is still available and offers a value for money solution. We would like to offer free loft and cavity wall insulation to all residents no matter what their circumstances and offer financial assistance for any remedial work.

Current CERT funding supports a wide range of measures; the most common and easy to access is loft and cavity wall insulation. The assistance currently available under the CERT scheme is detailed below:

Typical customer contribution

Measure	Priority Group	Non-Priority Group
Cavity Wall Insulation	No cost	£149
Loft Insulation (No insulation present)	No cost	£179
Loft Insulation (Under 60mm)	No cost	£179
Loft Insulation (60mm and over)	£199	£199

¹¹ Cambridge City Council Private Sector House Condition Survey November 2009, page 69, Table 10.7

Priority Group – Those aged over 70 and on qualifying benefits

Non Priority Group – Those not in the priority group.

All costs are subject to survey

As previously discussed, it appears Cambridge has a significant quantity of residents not in the priority group that are classed as being fuel poor. Therefore to help assist more residents our proposal is that under the CCC scheme, residents would pay the following:

Measure	Priority Group	Non-Priority Group
Cavity Wall Insulation	No cost	No cost
Loft Insulation (No insulation present)	No cost	No cost
Loft Insulation (Under 150mm)	No cost	No cost
Loft Insulation (150mm and over)	£199	£199

All costs are subject to survey

In summary, the new scheme would provide:

- Free loft and cavity insulation to all residents (under 150mm)
- Increase the maximum insulation requirement from 60mm to 150mm to capture more loft insulation top ups.
- Assistance for remedial work to reduce additional barriers (e.g. loft clearance, loft hatch, vents or boarding)

I have discussed these items in more detail below.

We feel there is no alternative but to open up free insulation to all residents. Our recent area based promotional projects have shown that further incentives are needed if we want to generate further installation work within Cambridge.

We considered having further qualifying criteria, but feel this can be too restrictive. If we are to reach those fuel poor residents not on benefits we need to open up the scheme. We also considered criteria to try and specifically target this hard to reach group but

any criteria would be time consuming, adding additional processes, and as a result becoming a further barrier to work being carried out. We therefore hope that the offer of free insulation will help to motivate those residents who in the past have not taken up the CERT offers.

The other benefit of extending free insulation is how it can help in the private rented sector. CERT funding can assist all homeowners, tenants and landlords, however the contribution that needs to be paid may restrict some of the uptake in the private rented sector. One of the recommendations from the HCS was “The Authority may wish to consider how to encourage landlords to improve the energy efficiency of their dwellings in the private rented sector”¹² The proposed scheme should provide further assistance to residents in this area and we would look to encourage action in this sector.

A key aspect of the grant would be the funding available for loft top ups. Only 1.2% of properties in Cambridge have no loft insulation, and as the levels of existing insulation rises the amount of grant you receive reduces. This means the cost of a fully insulated loft to building regulations is higher the more insulation you currently have present. The House Condition Survey indicates there is scope to improve the insulation in properties where these levels are low but are over the criteria set out under the CERT scheme.

In addition, there are barriers, some not financial, that stop work from being carried out. Remedial work such as loft clearances, hatches or boarding for storage can be an important factor. Therefore the scheme needs to be flexible to be able to offer these services to provide an additional motivation for work to be carried out.

Typical costs for this type of work is:

Work	Cost (approx)
Loft clearance	£30 per Hour (usually 2 hours work)
Easy vents	£60
Loft Hatch	£180
Boarding	£20.32 per m ² (up to 20m ² max)

¹² Cambridge City Council Private Sector House Condition Survey November 2009, page 78, Section 11.8.2

We propose to offer these additional services to residents at no cost but only in cases where it is necessary. We can set a cap on funding per property of £500 maximum to restrict too much work being carried out.

Scheme Management

There are a number of ways the scheme could be managed whether internally or through a managing agent. However, when considering this project there appears to be many benefits and advantages in linking it in with the proposed HeatSeekers project. The HeatSeekers project is subject to approval from Councillors, so we have not investigated this link, but it would appear to offer coverage and management at no cost to ourselves. We are aware that HeatSeekers have offered similar services and links to local authority grant schemes in other areas. Therefore for this briefing I have outlined how the project could be run independently and also where the links and benefits are with the HeatSeekers project.

Considering the scheme separate from the HeatSeekers project, it could be run either by CCC or through using a managing agent. The main advantages and disadvantages for each are as follows:

Cambridge City Council

- Close management of the budget, although time consuming.
- Referrals would have to be taken through Customer Service Centre or other officer, which would require training.
- Tendering process required to identify installers and agreements to be put in place.

Managing Agent

- Running of the scheme is provided by another organisation.
- Responsibility to refer to private company is deferred.
- Reduction in the impact of the money and fee to be paid.
- Motivation to generate leads is fee led and may not target vulnerable residents effectively.

Our preferred option would be to run the scheme through CCC as we feel we need to ensure that work is targeted to the right areas, we can closely monitor spend, plus this gives us flexibility for the future.

As previously discussed, the alternative is to link with the HeatSeekers project. The main benefits from this we feel are:

- HeatSeekers will be surveying all of Cambridge
- Services will be offered to all private sector residents and our grant can be offered.
- The running of the scheme is in the hands of another organisation, however we can monitor progress.
- There are not two independent schemes running at the same time.

There are potential issues regarding the budget going to one organisation, however Mark Group have informed us they have referred to other installers if required. We feel that the HeatSeekers scheme could help us to access many residents and both organisations will be motivated to generate referrals before the CERT funding ends.

Generating Referrals

A proportion of the budget would need to be set aside to promote the scheme. We estimate £5,000 would be required for this purpose and promotion could be carried out in a number of ways, including:

- Press releases and articles in Cambridge Matters and Cambridge News
- Leaflets to be produced and distributed
- Adverts to be taken up in local press and through other publications
- Maximise further City Council promotional work by partnership working with other departments to promote the scheme at events.

An additional way the project could generate referrals is through the links with public health. Cambridge City Council is part of the Cambridgeshire Home Shield referral network. With this scheme any organisation that conducts home visits can may a referral to a range of other organisation just by filling out a simple questionnaire. This scheme is currently co-ordinated by AgeUK and offers a way to ensure we are able to access vulnerable residents.

We can also benefit from our links with the GP surgeries within Cambridge. We currently have a link with a surgery within Queen

Edith's but with this project we can link with all surgeries and notify GP's of the assistance available to residents. We have also offered support through the flu clinics and again this should be extended to all of Cambridge.

Scale of work possible

If we were to consider the criteria above and the data from the HCS, then we would estimate there is the potential for work to the value of approximately £5.4 million pounds to be carried out. We do not expect funding for this amount, but it does go to show the potential of work available to us.

We have calculated potential work that could be carried out based on three different budget values. This allows us to compare the possible scales of work.

Value	£100,000	£150,000	£200,000
Quantity of measures installed	588	882	1,176
Total CO2 saved per annum (Tonnes)	582	874	1,165

The figures stated above are for cases where we would contribute to all applications, however our promotional work would still generate enquiries from residents who would be entitled to free insulation work. Taking this into account, these figures could be as high as follows:

Value	£100,000	£150,000	£200,000
Quantity of measures installed	1,318	1,977	2,636
Total CO2 saved per annum (Tonnes)	1,305	1,958	2,610

In reality by the time we consider other potential costs that may be involved, the realistic amount of measures installed and savings

would be somewhere in between these two figures, but they still represent significant improvements. We would therefore welcome councillor's guidance on the scale of funding potentially available to us.

As a comparison, the 2008-09 Home Energy Conservation Act (HECA) report indicates that we had a total of 981 loft and cavity wall installations in Cambridge. If this project opened up new leads then we could reasonable expect to double the 2008-09 total.

Potential Risks

As this project over laps with major changes in Government policy, there is a potential that if we were not able to generate work quickly enough, the CERT funding may come to an end. It is therefore important that this project has flexibility to change to suit Government Schemes and this will have to be reviewed as new information about the Green Deal and ECO is introduced.

There may also be a potential risk that there is an under spend due to a lower demand for insulation as there may not be the need within Cambridge. In this circumstance we believe that the funding should be extended to the next range of measures to meet demand. This could include the replacement of low energy rated boilers and draught proofing.

Justin Smith, Home Energy Officer

**Appendix ii
Briefing Note**

Funding to increase the uptake of energy efficiency improvements to private sector housing. (Cost centre 08023 - Energy Officer) bid 2012/13

This project will enable residents to improve the energy efficiency of their homes and to take the first steps to a more low carbon life style. It will also help residents to manage the impacts of climate change from excess cold to excess heat through a home protected from the elements.

The proposal is to expand the qualifying criteria of the current government grant for basic insulation measures for private sector housing. Through offering additional funding this scheme will bring more Government funding into the city and will provide basic insulation measures to residents who have previously been unable to afford it or who needed this added incentive. Not only will the proposal help the City Council meet its objectives regarding climate change, but more importantly it will target fuel poverty by providing warmer homes to residents and allowing residents to save money on their energy bills. This proposal would require partnership work with registered insulation installers but could be provided within the current capacity of the service.

Key Issues.

The proposal is designed to supplement the Current Gvt. CERT funding which provides Basic home insulation for loft and cavity walls at reduced prices through registered installers. Funding for the current subsidy is provided through energy suppliers under a statutory obligation.

Costs are approximately as follows (They can vary from supplier to supplier by around £50)

Loft where there is currently no insulation £169

Loft where current insulation is 65mm or more £199

Cavity wall £149

Certain groups are currently able to receive the insulation at no cost these include over 70s and those in receipt of certain benefits.

This bid will enable the City Council to further incentivise uptake of the scheme by offering an additional grant to those who would currently have to pay this could be the full amount or perhaps a payment of £100 per measure to bring cost to the household below £100.

Additionally the bid can be used to facilitate installation where there is some issue currently preventing uptake, these are likely to include the following:

- Installation of a loft hatch for access where there isn't one
- Loft Clearance
- Roof space ventilation
- Partial flooring of a loft

Typical costs for this type of work is:

Work	Cost (approx)
Loft clearance	£30 per Hour (usually 2 hours work)
Easy vents	£60
Loft Hatch	£180
Boarding	£20.32 per m ² (up to 20m ² max)

We propose to offer these additional services to residents at no cost but only in cases where it is necessary. We can set a cap on funding per property of £500 maximum to restrict too much work being carried out. This will reduce the funding available for insulation grants but may contribute to the number of successful measures installed.

Scaleability

The impact of the additional funding is dependant on the amount of funds available but is also limited by time in that the CERT Funding will only be available till December 2012. Therefore we have limited the bid to £150000 looking to realistically stimulate 1000-1500 new insulation measures over a 9 month period

Following this the Green Deal will come in to play and will be the main Govt. vehicle for delivering home energy improvements. The green deal is essentially a loan scheme, which spreads the cost of improvements over up to 25 years. The loan will be registered as a charge on a property.

Uptake of the green deal is likely to be slower and more costly to residents than the current funding structure but will be more flexible in treating those homes that are unable to benefit from cavity wall insulation.

The intention of this bid is therefore to maximise uptake of the current cheap basic insulation. If less funding is available the project can still operate but will assist fewer households.

Scale of work possible

If we were to consider the criteria above and the data from the Housing Condition Survey, then we would estimate there is the potential for work to the value of approximately £5.4 million pounds to be carried out. We do not expect funding for this amount, but it does go to show the potential of work available to us.

We have calculated potential work that could be carried out based on three different budget values. This allows us to compare the possible scales of work.

Value	£100,000	£150,000	£200,000
Quantity of measures installed	588	882	1,176
Total CO2 saved per annum (Tonnes)	582	874	1,165

The figures stated above are for cases where we would contribute to all applications, however our promotional work would still generate enquiries from residents who would be entitled to free insulation work. Taking this into account, these figures could be as high as follows:

Value	£100,000	£150,000	£200,000
Quantity of measures installed	1,318	1,977	2,636
Total CO2 saved per annum (Tonnes)	1,305	1,958	2,610

In reality by the time we consider other potential costs that may be involved, the realistic amount of measures installed and savings would be somewhat lower than these figures, but they still represent significant improvements.

As a comparison, the 2008-09 Home Energy Conservation Act (HECA) report indicates that we had a total of 981 loft and cavity wall installations in Cambridge. If this project opened up new leads then we could reasonable expect to double the 2008-09 total.

Installers

Grant funding will be available through this bid to measures installed by those installers registered to deliver the current CERT funding. Pre registration with the City Council and a series of checks and guarantees will be required prior to offering the extra incentive to householders. Individual installations will need to gain approval prior to funding being granted to a householder in order to effectively manage the available budget.

Staffing and resources

We feel this time limited scheme, which requires significant but routine administrative commitment can be managed within current staffing levels but will need some assistance by the CAS and will need to set up a system of separation between awarding grants and payment such as currently exists for grants paid through the property accreditation scheme.

Management of the available fund

Generating Referrals

A proportion of the budget would need to be set aside to promote the scheme. We estimate £5,000 would be required for this

purpose and promotion could be carried out in a number of ways, including:

- Press releases and articles in Cambridge Matters and Cambridge News
- Leaflets to be produced and distributed
- Adverts to be taken up in local press and through other publications
- Maximise further City Council promotional work by partnership working with other departments to promote the scheme at events.

An additional way the project could generate referrals is through the links with public health. Cambridge City Council is part of the Cambridgeshire Home Shield referral network. With this scheme any organisation that conducts home visits can may a referral to a range of other organisation just by filling out a simple questionnaire. This scheme is currently co-ordinated by AgeUK and offers a way to ensure we are able to access vulnerable residents.

We can also benefit from our links with the GP surgeries within Cambridge. We currently have a link with a surgery within Queen Edith's but with this project we can link with all surgeries and notify GP's of the assistance available to residents. We have also offered support through the flu clinics and again this should be extended to all of Cambridge.

Underspend

Any under spend can either be returned at year end as a saving or used in year to implement further measures such as a grant towards boiler replacement where insulation measures have already been implemented. We intend to present a hierarchy of energy efficiency measures, which could be funded, where funds are available at key review dates during the year. (see below)

Fuel Poverty and Cambridge

Increases in gas and electricity prices mean that fuel poverty is on the rise. A recent BBC article reports that "more than a fifth of all households in the UK were affected by fuel poverty in 2009"¹³ and

¹³ <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

goes onto explain that “DECC predicts that the numbers for 2010 and 2011 will have increased because of further rises in the price of energy”¹⁴.

If we consider fuel poverty within Cambridge, we do not know the scale of the issue we have to deal with. National Indicator 187, which has now been scrapped, shows the percentage of benefit claimants in fuel poverty. Data we collected for 2008 and 2009 shows these levels to be at 6.5% and 12% respectively. The 2009 House Condition Survey states that this figure is 12.5%. However, these figures only consider fuel poverty with respects to benefit recipients, and fuel poverty is present in those residents who do not receive benefits. The House Condition Survey (HCS) reports:

“fuel poverty is found in 2,200 households where a benefit is received, which is 38% of all households in fuel poverty. This compares with 3,600 households (62% of households in fuel poverty) where occupiers do not receive benefit”¹⁵

This shows that while we have used schemes such as Warm Front to target fuel poverty, there is a majority group not entitled to benefits that are vulnerable. With energy prices set to rise you would only expect this number to rise further, therefore any scheme we introduce needs to target both groups.

As we are unaware of the levels of fuel poverty, this makes it very difficult to effectively target any assistance. One of the conclusions drawn from the HCS is:

“The greatest impact, in terms of reducing fuel poverty, can be achieved by focusing on making energy efficiency improvements to dwellings with: older heads of households; dwellings with benefit recipients; households on low incomes; households with disabled occupants and the privately rented stock”¹⁶.

Some of this focus is already delivered under the CERT funding, however it can be argued that CERT does not go far enough.

¹⁴ <http://www.bbc.co.uk/news/business-14151032> 22nd July 2011

¹⁵ Cambridge City Council Private Sector House Condition Survey November 2009, page 73, Section 10.9.5

¹⁶ Cambridge City Council Private Sector House Condition Survey November 2009, page 78, Section 11.8.2

There is scope to extend CERT, and the HCS indicates areas where we would be able to target this extension.

An analysis on improvement in the HCS states that there is scope for work that would cost “just over £115.1 million”¹⁷. The improvement measures that these figures are based on are:

- Loft insulation to 270mm
- Cylinder insulation to 70mm Jacket (unless foam already)
- Double glazing to all windows
- Cavity wall insulation
- Installation of a modern high efficiency gas boiler where none is present
- Full central heating where none is present

All these measures have the potential to be supported under a CCC grant scheme. However, we would not be able to support all these measures, as we could not meet the cost calculated for all these improvements. Therefore the measures would need to be prioritised based on those that offer the greatest value for money and impact.

Based on cost, and payback, I would suggest the priorities should be:

7. Cavity Wall Insulation
8. Loft Insulation
9. Cylinder Jacket
10. Full central heating where none is present
11. Installation of a modern high efficiency gas boiler where none is present
12. Double Glazing

It is worth noting that the HCS also states that “generally loft insulation will be an improvement on existing insulation, rather than where none exists”¹⁸. Maximum CERT assistance is only available for loft insulation where little or no insulation exists, therefore, from experience, we feel there are significant improvements that could be made here.

¹⁷ Cambridge City Council Private Sector House Condition Survey November 2009, page 68, Section 10.8.1

¹⁸ Cambridge City Council Private Sector House Condition Survey November 2009, page 68, Section 10.8.4

Capital Project Appraisal - Capital costs & funding - Profiling

	2012/13	2013/14	2014/15	2015/16	2016/17	Comments
	£	£	£	£	£	
Capital Costs						
Building contractor / works	150,000					
Purchase of vehicles, plant & equipment						
Professional / Consultants fees						
Other capital expenditure:						
<i>insert rows as needed</i>						
Total Capital cost	150,000	0	0	0	0	
Capital Income / Funding						
Government Grant						
Developer Contributions						
R&R funding						
Earmarked Funds						
Existing capital programme funding						
Revenue contributions						
Total Income	0	0	0	0	0	
Net Capital Bid	150,000	0	0	0	0	



Cambridge City Council

Item

To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart

Report by: Jas Lally, Head of Refuse & Environment

Relevant scrutiny committee: COMMUNITY SERVICES SCRUTINY COMMITTEE

Wards affected: All

Project Appraisal and Scrutiny Committee Recommendation

Project Name: Grant funding for Cambridge Property Accreditation Scheme (CPAS)

Recommendation/s

Financial recommendations –

- The Executive Councillor is asked to approve the commencement of this scheme, which if the bid is successful will be included in the Council's Capital & Revenue Project Plan.
 - The total cost of the project is £50000 funded from reserves
 - There are no ongoing revenue implications arising from the project.

1 Summary

1.1 This project is to provide funding to contribute towards energy efficiency improvements for accommodation, which has been put forward for accreditation under the Cambridge Property Accreditation scheme.

Target Dates:	
Start of procurement	NA
Award of Contract	NA
Start of project delivery	April 2012
Completion of project	March 2013

1.2 The Cost

Total Project Cost	£ 50,000
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Cost Funded from:

Funding:	Amount:	Details:
Reserves	£50,000	Budget reference C2810
Repairs & Renewals	£0	
Developer Contributions	£0	
Other	£0	

Ongoing Revenue Cost

Year 1	£0	
Ongoing	£0	

1.3 The Procurement

This is not a procurement project. Monies are made available to qualifying landlords on the following basis:

Landlords can apply for grant funding for the following property improvements in order to bring a qualifying property up to a 'D' energy efficiency rating in order to meet the necessary standard for the Accreditation Scheme:

1. Low energy lighting
2. Water tank insulation
3. Loft Insulation
4. Cavity Wall insulation
5. New central heating controls
6. New Boiler or replacement boiler
7. Double glazing
8. Solid wall insulation

The list above is a hierarchy based on a cost benefit analysis that ranks measures in terms of their effectiveness and relative cost.

Up to a £1000 will be available on approval of measures and provision of a quote for improvement works agreed by the Accreditation officer following the completion of an Energy Performance assessment, with up to a further £2000 of match funding where the total cost of necessary works exceeds £1000. This will give landlords up to a maximum of £3000 of grant to put towards improvements necessary to bring a property up to a 'D'. Under the previous EERA funded grant scheme up to £5000 was available. This has been reduced to £3000 in order to benefit a greater number of properties and focus improvements on the most cost effective solutions. (A list of properties improved under the current scheme with costs and measures is attached at appendix i)

Payment will be made only for pre-approved sums, supported by receipts for the work carried out, and a final inspection by the accreditation officer leading to an improved Energy Performance Certificate.

2 Project Appraisal & Procurement Report

2.1 The Project

The Cambridge Property Accreditation Scheme (formerly known as the Landlord Accreditation Scheme) was supported by external funding from the East of England Regional Assembly (EERA) to assist landlords to improve their property and to meet higher energy efficiency standards.

This funding has now ceased. The current scheme has benefited 51 properties over the last two years. The proposed project is for City Council grant funding for individual properties of up to £3,000 to assist them to reach higher standards of energy performance required to meet the standard for accreditation.

The aim of the accreditation scheme is to raise the standard of private rented accommodation in a number of areas. The grant although an incentive for landlords to bring their properties up to the necessary standards is aimed at improving the energy

efficiency of the property which is of primary benefit to the tenant, not the landlord, who will gain through lower energy bills.

2.2 Aims & objectives

This project meets the following objectives:

- A city which recognises and meets needs for housing of all kinds - close to jobs and neighbourhood facilities.

This project helps to improve the quality of private sector housing by providing residents with more energy efficient properties and for those properties which gain accreditation confidence in the standard and quality of that accommodation. This helps to increase their quality of life through the potential of cheaper energy bills and warmer, more satisfactory living conditions. In the case of vulnerable residents this scheme could deliver significant health benefits and protect from extreme weather conditions. It also helps to increase the quality of the existing rented stock.

- A city in the forefront of low carbon living and minimising its impact on the environment from waste and pollution

Through making properties more energy efficient we will be reducing the amount of carbon dioxide emissions escaping from homes. Basic insulation is the start of a pathway to low carbon living and this scheme will enable residents to start on that pathway. Insulation measures will also provide protection from the potential extreme conditions of climate change which could occur in the future.

2.3 Major issues for stakeholders & other departments

This project seeks to continue the established grant-funding stream for those properties seeking to join the Cambridge Property Accreditation Scheme.

Support is currently given by Home Aid in the administration and independent scrutiny of individual grants at an internal cost of £50 per application. Whereas the application process and energy efficiency assessments are carried out by the Accreditation Officer

within Environmental Health, processing, approval and payment of the grant is through the Home Aid Section.

This project seeks to continue the current arrangement to provide a degree of independent scrutiny to the grant process.

2.4 Summarise key risks associated with the project

There is very low risk to the Council emanating from this project. There are no contractual relationships with the Council and payment will only be made for pre-approved works, which have been verified as having been carried out and having met the necessary levels of improvement.

Once the agreed budget of £50000 has been allocated no further applications will be accepted.

There is a danger that the scheme will be undersubscribed, which was the case in the first year of running. At this time only £1000 grant was available to for a single property. Once that limit was raised to £5000 (£1000 + up to £4000 matched funding) in the second year of running the scheme quickly became over subscribed. This has led us to set a new limit at £3000 per property (£1000+ up to £2000 matched funding) a level at which we believe the grant will remain attractive and effective at delivering the necessary improvements.

We hope to improve 20-30 rented properties during the course of the year.

2.5 Financial implications

- a. Appraisal prepared on the following price base:
- b. Specific grant funding conditions are:
 - Must be a qualifying landlord applying for accreditation of a specific property
 - The property under assessment must currently have an Energy Performance Rating lower than 'D'
 - All other (non-energy efficiency) qualifying criteria must be met for the Property Accreditation Scheme. (details can be found in Appendix II – Cambridge Property Assessment Specification)

- Approval for the grant will only be given for stipulated works pre-approved by the Accreditation Officer on presentation of a full quotation for the works.
- Payment of the grant funding will only be made on inspection of the implemented approved measures and presentation of a receipt from the contractor or contractors engaged to carry out the works

c. Other comments

2.6 Capital & Revenue costs

(see also the attached Appendix for spread across financial years)

(a) Capital	£	Comments
Building contractor / works	50,000	Up to a maximum £3000 per accredited property
Purchase of vehicles, plant & equipment		
Professional / Consultants fees		
IT Hardware/Software		
Other capital expenditure		
Total Capital Cost	50,000	

(b) Revenue	£	Comments
Maintenance		
R&R Contribution		
Total Revenue Cost	0	

2.7 VAT implications

There are no adverse VAT implications to this project.

2.8 Environmental Implications

Climate Change impact	+H
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This project will enable landlords to improve the energy efficiency of their properties up to a minimum 'D' energy rating. It will also help residents to manage fuel bills and the impacts of climate change from excess cold to excess heat through a home protected from the elements.

2.9 Other implications

As we will not be carrying out the work, there will be no health & safety implications for us. The work will be covered by the installers insurance and the installer has to meet certain criteria for their association status.

This project does not discriminate in anyway as there are no exclusions as to who can receive energy efficiency improvements. The only requirement is that households are in the private rented sector and meet the grant criteria set out in 2.5

2.10 Staff required to deliver the project

The project can be run within existing resources. There will be an initial use of resource as the project is started utilizing an existing small revenue budget associated with publicity and support of the Property Accreditation Scheme. The project should only require monitoring and authorization of work, which is already currently carried out by the Accreditation Officer. Publicity would be carried out as per the current role so no additional resource would be required.

2.11 Dependency on other work or projects

This project does not have any direct influence on the progress of other projects.

2.12 Background Papers

Please see appendix I & II

2.13 Inspection of papers

Author's Name	Jo Dicks
Author's phone No.	01223 457892
Author's e-mail:	Jo.Dicks@cambridge.gov.uk
Date prepared:	18/11/11

Appendix I – Grants issued to date

Address	Old and current energy rating	Total cost	CERT funding
37 Beaulands Close	This property is in a block where there is no gas supply present so the funding paid for a new hot water cylinder & programmer. Went from E to D.	£535.15	None
9 Ashvale	Install CWI & low energy light fittings throughout. Went from C69 to C75.	£335.36	£250.00
26 Belvoir Road	Replacement of boiler with a Band A gas condensing combi. Went from E48 to D57	£950.00	None
201 Cherry Hinton Road	Installation of Band A condensing combi boiler with room thermostat, programmer & TRVs, the property went from an F rating to a D rating.	£950.00	None
26 St Philips Road	Installation of loft insulation, 100% energy bulbs & room thermostat. Went from E rating to a D.	£764.15	£129.00
15 Bermuda Road	When first visited, 30/06/09, with the intention of carrying out the EPC assessment the property had no heating system at all therefore the energy rating was an F. Since then it has had a wall mounted gas condensing combi, 100% energy lights, programmer, TRVs & room thermostat installed. F rating to a D.	£950.00	None
366 Mill Road	Replaced regular boiler with Band A condensing combi with TRVs & room thermostat, also 80% energy lighting. Went from E to D rating.	£950.00	None
13 Blossom Street	Replaced old boiler with a Band A condensing combi boiler. Property went from a D to a C rating.	£950.00	None
147 Catharine Street	Loft insulation increased and room thermostat installed. Went from an E rating to a D rating.	£537.85	None
90 Milton Road	Heating controls upgraded & energy lighting increased. Went from an E to a D rating.	£533.63	None
92 Milton Road	Heating controls upgraded and energy lighting increased. went from an E to a D rating.	£334.88	None
1 Stockwell Street	Boiler replaced with Band A condensing combi & heating controls upgraded. Went from an E rating to a D.	£1,390.72	None
3 Stockwell Street	Property already achieved a D55 rating however the LL upgraded the heating controls the rating improved to a D58.	£119.85	None
17 Stockwell Street	Heating controls were upgraded so property went from an E to a D rating.	£119.85	None

Appendix K

29 Tenison Avenue	Boiler was replaced with a Band A condensing combi. Property went from an F rating to an E. It would only achieve a D if external wall insulation was installed.	£2,385.25	None
31 Tenison Avenue	Boiler was replaced with a Band A condensing combi. Rating went from an F to an E. It would only achieve a D if external wall insulation was installed.	£2,536.42	None
20 Ditton Walk	Boiler was replaced with Band A condensing combi. Rating has gone from a D to a C rating.	£1,289.86	None
21d Emery Street	Boiler was replaced with a condensing combi & room thermostat installed. Rating has improved from an E to a D.	£2,755.00	None
141 Catharine Street	Boiler was replaced with a condensing combi and heating controls upgraded. Rating went from an E to a D.	£1,436.00	None
16 Vinery Road	Boiler was replaced with condensing combi, heating controls upgraded and loft insulation increased. Rating went from an E to a D.	£1,165.67	£169.00
160 Thoday Street	Boiler replaced with a condensing combi & loft insulation increased. Rating went from an E to a D.	£1,987.52	
42 Cavendish Road	Boiler replaced with a condensing combi. Rating went from an E to a D.	£2,470.12	
4 Desmond Avenue	Boiler was replaced with a condensing combi. Rating went from a D to a C.	£1,675.00	
97 Mawson Road	Loft insulation was increased and double glazing installed throughout. Rating went from a D62 to a D65.	£4,950.00	None
30 Mawson Road	Boiler was replaced with a condensing combi. Rating went from an F to an E. It will only improve to a D if external wall insulation is installed.	£1,865.00	None
48 Silverwood Close	Double glazing installed. Rating went from a D69 to a C70.	£1,830.00	None
22 Great Eastern Street	Double glazing installed. Rating went from a D56 to a D60	£3,240.00	None
23 Madras Road	Boiler replaced with a condensing combi. Rating went from an E to a D.	£1,612	None
114 Catharine Street	Boiler replaced with a condensing combi, loft insulation increased & CWI installed to extension. Rating went from a D55 to a D63.	£1,849.30	£200.00
125 Hemingford Road	Boiler replaced with a condensing combi. Rating went from an E to a D.	£1,781.03	None
19 Seymour Street	Boiler replaced with condensing combi and room thermostat & programmer installed. Rating went from an E to a D.	£1,867.50	None
5 Halifax Road	Boiler replaced with a condensing combi and loft insulation increased. Rating went from an E to a D	£2,242.50	£169.00

Appendix K

46 Tiverton Way	Boiler was replaced with a condensing combi and loft insulation increased. Rating went from a D to a C.	£1,560.00	None
29 Emery Street	Boiler replaced with a condensing combi. Rating went from an E to a D.	£2,515.00	None
271 Mill Road	Boiler replaced with a condensing combi. Rating went from an F to an E. To improve the rating beyond an E involves extensive & expensive works.	£1,525.00	None
2 Bailey Mews	Boiler was replaced with a condensing combi. Rating went from a D to a C.	£1,736.50	None
103 Cavendish Road	Boiler was replaced with a condensing combi and single glazed windows replaced with double glazed units. Rating went from an E to a D.	£3,430.00	None
110 Newmarket Road	Boiler was replaced with a condensing combi plus all pipework had to be renewed, loft insulation and secondary glazing were installed. Rating went from an E44 to an E53.	£4,950.00	None
29 Halifax Road	Boiler was replaced with a condensing combi and loft insulation was installed. Rating went from an F36 to a D56.	£2,576.11	£149.00

Appendix II

Please See: <http://www.cambridge.gov.uk/public/pdfs/Landlord-Code-of-Standards.pdf>

Summary:

Below is a brief summary of the requirements needed in order for a property to be accredited;

Page 8: During the Tenancy

Repairs and Maintenance

o Names and numbers of who the tenants should contact in case of an emergency or if a repair is needed

Visual Appearance

o Details of who is responsible for maintaining the exterior of the property i.e. sheds, outbuildings

Furniture and Fittings

o Signed declaration to show all furnishings supplied by the landlord, comply with the Furniture & Furnishings (Fire Safety) Regulations 1988

Kitchen Facilities

o A bin for the storage of kitchen waste

Page 10: Health and Safety

Gas Appliances, gas supply and other forms of heating

o Installation of an audible carbon monoxide detector (if gas appliances are present within the property)

o Emergency telephone number for Transco (0800 111 999)

Electrical Installation and appliances

o Instructions for the safe use of all electrical appliances

Energy Efficiency

o Lagging/insulation to hot water tank/cylinder and all associated pipe work

o Loft insulation to a maximum of 250mm (where practicable)

o Cavity Wall Insulation to be installed (where practicable)

Fire Detection and Alarm Systems

o An appropriate fire detection system in place within the property

o Fire blanket and fire extinguisher to be provided (subject to a risk assessment by the Council)

o Instructions for tenants to test smoke alarms monthly

o Evidence to show that fire annually alarm system is serviced

o Instructions to tenants not to interfere with fire precautions

Security and Safety

o All final exit doors and bedroom doors should be openable from within, without the use of a key

(this is subject to a risk assessment by the Council)

Cleaning, Hygiene and waste disposal

o Details should be provided of who is responsible for the cleaning of the interior of the house

o An adequate number of refuse and recycling receptacles should be provided

Capital Project Appraisal - Capital costs & funding - Profiling

	2012/13	2013/14	2014/15	2015/16	2016/17	Comments
	£	£	£	£	£	
Capital Costs						
Building contractor / works	50,000					
Purchase of vehicles, plant & equipment						
Professional / Consultants fees						
Other capital expenditure:						
<i>insert rows as needed</i>						
Total Capital cost	50,000	0	0	0	0	
Capital Income / Funding						
Government Grant						
Developer Contributions						
R&R funding						
Earmarked Funds						
Existing capital programme funding						
Revenue contributions						
Total Income	0	0	0	0	0	
Net Capital Bid	50,000	0	0	0	0	