

## Approach to Gedling Green Homes Scheme 2022/23

### Project background

Gedling Borough Council has been awarded funding via the Government's Sustainable Warmth Competition Local Authority Delivery (LAD) Phase 3 Scheme and Home Upgrade Grant (HUG) Phase 1. The grant funding is to be used to raise the energy efficiency rating of low income and low Energy Performance Certificate (EPC) rated homes (those with EPCs of D, E, F or G). The scheme is available cross tenure and social housing is capped at 10% of total number for HUG 1 homes and 10% of the total number of homes for LAD 3. The proportion of D rated properties will be kept to 30% for HUG 1 total number of homes and 30% of the total number of homes for LAD 3. Installations must be delivered by the end of March 2023.

### Project Aims and links to corporate priorities

- Tackle fuel poverty by reducing energy bills for low-income households by improving the energy efficiency of their home.
  - Corporate priority, *'promoting strong, resilient communities and reduce hardship and inequality'*.
- Deliver cost effective carbon savings to carbon budgets and progress towards the UK's target for net zero by 2050.
  - Corporate priority, *'to promote a sustainable environment.'*
- The phasing out of the installation of high-carbon fossil fuel heating and reducing emissions and improving air quality.
  - Corporate priority, *'to promote a sustainable environment.'*
- Support economic resilience and a green recovery in response to the economic impacts of Covid-19, creating thousands of jobs nationwide.
  - Corporate priority, *'to promote and drive sustainable growth across the borough to meet current and future needs'*
- Utilise the role of Local Energy Hubs to build Local Authority capacity and supply chains to deliver energy efficiency at scale.
  - Corporate priority, *to be a high performing, efficient and effective council*

### Council's approach

Gedling Borough Council has accepted an invitation from Midlands Energy Hub (MEH) to receive £891,000 of the Sustainable Warmth Competition to fund eligible home energy efficiency measures for the targeted Gedling Green Homes Scheme.

The project will be targeted initially in the Netherfield ward and Newstead village to improve the energy efficiency of approximately 69 homes. The development plan outlines an ambition to install external wall insulation to 22 homes, loft insulation for 17 homes, solar panels to 24 homes, and air source heat pumps to 6 homes. As eligible



households come forward to join the scheme the measure mix could change but will ensure compliance with the funding guidance and aim to maximise the use of the £891,000 funding available.

The scheme will be accessible across all tenures including social housing, private rented and owner-occupied homes. Eligible households must live in properties with an EPC rating of D to G.

It is proposed that the scheme will be delivered by EON Plc as a managed service on behalf of the Council and will link in with the community, council officers, and Nottingham Energy Partnership (NEP) who will host the customer journey support for the scheme. NEP will market the scheme to generate leads and receive householder enquiries and assess their eligibility. NEP will also ensure pre-installation EPC assessments are completed and refer eligible applicants to EON to carry out technical surveys and installations as appropriate. NEP will continue to liaise with customer during their journey with the project and flag up any issues with EON or the council. EON and NEP currently work together with the council on the 2021/22 Green Homes scheme and in Nottinghamshire in a similar partnership arrangement with Nottinghamshire County Council via the Nottinghamshire Warm Homes hub to deliver low carbon heating to homes not connected to the gas supply network.

EON have a track record of delivering area based schemes and can draw upon resources and a supply chain to successfully deliver the project. EON can also draw down further Energy Company Obligation funding to support fuel poor households accessing further energy efficiency measures such as loft, cavity wall insulation and replacement gas boilers where the current system is aged and defective. These additional benefits from utilising EON are subject to capacity and the terms of those separate funding mechanisms and can be accessed by eligible households throughout Gedling Borough.

NEP also offer other fuel poverty services borough-wide such as household energy saving and fuel poverty advice which is available to residents throughout Nottinghamshire.

### Scheme eligibility criteria

#### ➤ Eligible area

Initially the scheme will prioritise measures for eligible households in the Netherfield ward and Newstead Village

If in the unlikely event there is insufficient household take up within these areas or additional funds are made available, the scheme will move to the Council's other priority localities of Killisick and Colwick. It is very unlikely there will be sufficient time or funding available to go beyond these areas. The Council will continue to monitor the scheme performance and will explore alternative delivery approaches if required. Any further changes in eligible areas will be recommendation by the Head of Environment in consultation with the Portfolio Holder for Public Protection and subject to approval by MEH.



➤ Eligible costs

The funding can be used for ‘eligible costs’ incurred up until the end of March 2023 in relation to the installation of ‘Eligible Measures’ which aim to improve homes towards EPC ratings of C and above,

‘Eligible Measures’ are any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP) that will help improve EPC Band D, E, F or G rated homes measures and aim to improve the EPC rating of a property to C and above. This includes external wall insulation (EWI) or solar photovoltaic (PV) roof panels.

Funding should cover the full cost of the Eligible Measure(s) and the average cost of the LAD upgrades is not expected to exceed £10,000 per property for owner-occupiers. For eligible rented homes, the landlord (both private and social) would provide at least 33% contribution towards the cost of the Eligible Measure(s) and it is not expected that the subsidy would exceed £5,000 per property on average.

The cost expectations under HUG 1 will range from £10,000 to £25,000 per home depending upon the starting Energy Performance Certificate (EPC) rating of the property and fuel type see table below:

	<b>F&amp;G</b>	<b>E</b>	<b>D</b>
<b>Electric</b>	£20,000	£15,000	£10,000
	<b>F&amp;G</b>	<b>E</b>	<b>D</b>
<b>Off-Gas Grid Fossil Fuel (oil, LPG, coal)</b>	£25,000	£20,000	£15,000
<b>Park Homes (off the mains gas grid)</b>	£15,000		

➤ Eligible Households

Funding must be targeted at low-income households likely to be in fuel poverty and situated in the eligible area in a home with an EPC rating of D to G.

In accordance with the MEH guidance the Council will only accept households as eligible in one of the following two ways:

- 1) where they have a combined household income of no more than £30,000 gross, before housing costs and where benefits are counted towards this figure.

OR

- 2) Households must be in receipt of one of the following income related benefits

- Universal Credit
- Income Support



- Income-related Employment and Support Allowance  
*not contribution-based ESA alone*
- Income-based Jobseeker's Allowance  
*not contribution-based JSA alone*
- Guarantee Pension Credit  
*not Savings Pension Credit alone*
- Working Tax Credit and/or Child Tax Credit (where your annual income for the purposes of the tax credits assessment was **below** £15,050)
  
- Housing Benefit
  
- Council Tax Reduction for low income households  
*Not including other Council Tax discounts*

**For private and social rented properties the tenants will need to satisfy the above 'eligible households' criteria.**

**Nottingham Energy Partnership (NEP) will assess householder eligibility and provide a declaration to the council where an eligible household has been identified. NEP will refer eligible households to EON for a retrofit assessment. Following their technical assessment EON will provide the council with confirmation that eligible measures have been identified within the funding criteria. The Food, Health and Housing Manager will oversee the scheme and will approve works to be completed by EON in-accordance with the council's approach and scheme funding conditions. The Head of Environment or Community Protection Manager can also provide confirmation in absence of the Food, Health and Housing Manager.**

