

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting3rd November 2011

1. Title of Item/Report

COMMUNITY ENERGY SAVING PROGRAMME

2. Record of the Decision

Cabinet considered a report relating to the Community Energy Saving Programme (CESP) which was a Government initiative targeting low income areas to deliver a range of home energy efficiency measures; the aim being, to alleviate fuel poverty and reduce carbon emissions. The Programme was introduced in September 2009 and was set to run until December 2012.

British Gas had approached Stockton-on-Tees with proposals to deliver a Community Energy Saving Programme (CESP) within a number of the Super Output Areas (SoAs) within the borough that met the CESP criteria.

There were 16 areas within Stockton which were eligible for CESP projects. Initial discussions with British Gas had identified seven areas within the Borough, which focussed solely on solid wall properties and which would deliver cost effective CESP schemes; Newtown, Victoria, three areas within Parkfield and two areas within Portrack and Tilery.

To take forward any of these schemes required a level of match funding dependent upon the range of measures to be delivered and the carbon savings achievable. This requirement had been a major hurdle to deliver on CESP in the borough, resulting in long and frustrating discussions with a number of the energy supply companies over the last two years.

Parkfield / Mill Lane would be the preferred area to target the CESP resources being offered by British Gas. Members were reminded that this area included the Parkfield Housing Market Renewal (HMR) project which was subject to a HMR Transition Fund bid. Pending a successful bid outcome, the Council had identified £400k for face lift improvement works to 80 properties which were no longer proposed for demolition. It was proposed to use this £400k as a means of part-matching the CESP funding offer from British Gas.

Newtown, Victoria, Portrack and Tilery SoAs had substantial social housing elements included where the energy efficiency of the stock was already at a level above the average within the private sector housing stock which meant that delivering a CESP in those areas would not achieve the same impact on fuel poverty.

Three schemes in Parkfield could be taken forward, which would deliver a £3.3m housing project, requiring match funding of £888,900 from Stockton Borough Council.

Assuming the HMR Transition Fund bid was successful then the £400k identified by the Council for 'facelift' improvement works would leave the amount of further match funding required by the council to be approx £488,940.

British Gas would fully manage the scheme including engagement with individual house holders, full house surveys and organisation of the installation work including all legal, health and safety and customer relationship requirements.

RESOLVED that:

1. Pending a successful HMR Transition Fund bid, the re-direction of the £400k of council resources, currently approved for facelift improvement works be approved to be used as part of the necessary CESP match funding.
2. The allocation of an additional £489k resource be approved, to match the proposal for a CESP scheme in Parkfield / Mill Lane from the Council's share of the VAT shelter. If the outcome of the HMR Transition Fund Bid was unsuccessful this allocation would increase to £889k.
3. Delegated authority, to obtain the most advantageous offer for the council and the community, from the energy suppliers, be given to the Head of Technical Services in consultation with cabinet members for Environment and Housing & Community Safety.

3. Reasons for the Decision

This CESP funding provided an opportunity to carry out work to the benefit of low income residents by means of a grant before the current energy efficiency support was replaced by the new and loan based Green Deal. Enabling this work to proceed would reduce instances of fuel poverty at a time of rising energy prices and downward pressure on household incomes.

4. Alternative Options Considered and Rejected
None
5. Declared (Cabinet Member) Conflicts of Interest
None
6. Details of any Dispensations
Not applicable
7. Date and Time by which Call In must be executed
Midnight on Friday 11 November 2011

Proper Officer
07 August 2011