

Subject:	Cosy Homes In Lancashire Programme CHiL)	Status:	For Publication
Report to:	Cabinet	Date:	25 th November 2015
Report of:	Head of Health Housing and Regeneration/Planning Manager	Portfolio Holder:	Regeneration and Leisure
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes/No	Attached: Yes/No
Biodiversity Impact Assessment	Required:	Yes/No	Attached: Yes/No
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1.	RECOMMENDATION(S)		
1.1	That Members support this Council's involvement with the Cosy Homes in Lancashire (CHiL) programme		
1.2	That Members support the contribution of £4,000 towards the implementation of the scheme		

2. PURPOSE OF REPORT

- 2.1 To inform members of progress being made on developing Cosy Homes in Lancashire (CHiL) and its relationship with other energy efficiency and affordable warmth initiatives.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- **Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting sustainable investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.
 - **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.
 - **Clean Green Rossendale:** This priority focuses on clean streets and town centres and well managed open spaces, whilst recognising that the Council has to work with communities and as a partner to deliver this ambition.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1
- Failure to implement the scheme effectively would mean opportunities to reduce fuel poverty would be foregone
 - Poor liaison with current initiatives could result in confusion among members of the public
 - If there were inadequate local advertising this could result in low take-up
 - Staffing implications would increase if there was active engagement in scheme monitoring

5. BACKGROUND AND OPTIONS

- 5.1 The 'Cosy Homes in Lancashire' (CHiL) scheme is a countywide energy efficiency and affordable warmth initiative. It offers an accessible and straightforward means of accessing

grants from energy companies and other sources to fund new heating measures, insulation and renewable technologies in domestic properties. The funding for the project is from Energy suppliers via the governments Energy Company Obligation (ECO) scheme. On behalf of all the local authorities in Lancashire, Blackpool Council has entered into a contract with Scottish and Southern Energy (SSE) for around £3.5 million worth of energy efficiency measures to be delivered countywide. It has also engaged with external companies, in particular Firefly Energi, to manage and deliver the scheme as a pilot running from September 2015 to August 2016.

- 5.2 Separately, Lancashire has also been successful in securing £2.24 million from the **Department of Energy and Climate Change (DECC)'s Central Heating Fund (CHF)**. Blackburn with Darwen Council is entering into the contract with DECC on Lancashire's behalf. This money has to be spent in 2015/16. The funding is to be used to provide homes in (or at risk of being in) fuel poverty with central heating for the first time. It is estimated that around 670 households countywide will benefit – the majority with gas heating but some rural properties with biomass, oil or LPG where this isn't possible. Other benefits such as insulation and draught excluders will also be delivered in these properties. The target groups for the scheme are households in the private rented sector, and elderly fuel poor households. 60% of the funding must be used in rural areas.
- 5.3 It is intended the outcome of the CHIL scheme will be a significant reduction in energy bills and an increase in the 'thermal comfort' of homes, leading to a reduction in cold-related illnesses and associated GP and hospital visits. It is strongly support by Public Health Officers. By managing the schemes through local authorities it is hoped to reduce the incidence of poor quality workmanship and rogue contractors.
- 5.4 Measures available under the CHIL scheme as a whole include new boilers and central heating systems for low income/vulnerable households, cavity wall insulation and loft insulation. The income the scheme can access for each household will vary according to a complex calculation that takes into account a variety of factors related to the condition of the property, the local area and/or the financial circumstances of the household. Some measures will generate a surplus, and some will require a contribution to meet the cost (on average several hundred pounds). One of the fundamental ambitions of the scheme is that any surplus will go into a CHiL 'pot' that, once of a sufficient size, can be drawn down to meet the 'top ups' required for properties where there is need but insufficient funding. This is in contrast to the private sector where the emphasis is always to 'cherry pick' the jobs that will generate a profit and reject those that do not. If the pilot proves successful, there is the possibility to develop 'CHiL' further – perhaps into a standalone not-for-profit entity such as a Community Interest Company (CIC).
- 5.5 Working across the county brings economies of scale, allowing high quality materials, such as boilers, to be bought in bulk and the savings passed on to households. Beyond the core work of heating and insulation measures, the scheme will also develop offers for households around renewable energy technologies and energy tariff switching.

- 5.6 The scheme is overseen by a Programme Board with cross-authority representation, and run operationally by officers from Blackpool, Blackburn and Preston Councils. Regular updates are being provided to the Lancashire Leaders group and the Lancashire Chief Finance Officers meeting. The Lancashire Energy Officers Group attended by District officers is the forum where day to day issues on implementation are discussed and disseminated. This includes a monthly 'Progress and Development' working group meeting to receive detailed feedback on performance, and to raise issues and suggestions. A countywide launch of the scheme to key interested parties is to be held in Blackpool on 13th November.
- 5.7 Rossendale Borough Council has participated in the development of the CHiL project but primarily in an observational role via attendance by the Principal Planner-Forward Planning at the Lancashire Energy Officers Group. Publicity for the initiative has been handled by People and Policy and the Section 151 officer has supported the contribution of a sum of £4 000 to development of the project. Rossendale stands to benefit from both CHiL and the Central Heating Fund as there are a large number of properties which may be suitable for treatment, both older terraces and rural properties. Having said this, it is likely that the unitary authorities and Preston are most likely to benefit from the scheme because they are able to resource a more proactive approach to identifying areas and working with the officers and companies running the scheme.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Financial implications are noted in the report.

7. MONITORING OFFICER

- 7.1 To follow.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 There is a degree of overlap between the aims of CHiL/Central Heating Fund and the "Affordable Warmth" scheme which uses DECC funding but which may cease beyond this financial year. The different funding streams can be complementary to each other and have been made so in other Districts (CHiL officers attended the Energy Saving Day organised by this Council held in Rawtenstall on 29th October). Nevertheless it is important that there is continued dialogue between Council and CHiL officers about the management of the different schemes to avoid duplication and confusion for the public. The Citizens Advice Bureau currently provides Energy Saving advice on behalf of this authority which is a function CHiL are seeking to develop. While there has been some dialogue already it will be important this continues to ensure a clear message is delivered to the public.
- 8.2 The uptake of measures will be partly influenced by the role of the authority in publicising, signposting and being actively engaged in promoting the scheme.

9. CONCLUSION

- 9.1 CHiL and the Central Heating Fund offer a large sum of money to be used for addressed fuel poverty issues. Taking a countywide approach enables economies of scale in procurement and enables better targeting of measures to benefit vulnerable consumers. There are possible significant benefits in Rossendale because of the nature of some of the housing stock.
- 9.2 The benefits of the project are likely to accrue most to Districts who are able to actively engage in it. As a minimum this should involve good publicity being given to the scheme via

the Council’s website, the One Stop Shop, STAN and via local community groups. Greater benefits beyond this are likely to be achieved only by allocating additional officer time.

9.3 It is important that there is effective co-ordination and communication between the different agencies responsible for provision of energy efficiency advice and physical measures. The Council can play an important role in ensuring this occurs.

Background Papers	
Document	Place of Inspection
Explanation of CHiL scheme	One Stop Shop, Business Centre, Futures Park, Bacup, OL13 0BB