

Committee Name: Climate environment emergency executive panel

Committee Date: 22/03/2022

Report Title: Update on Funding Bids

Portfolio: Councillor Hampton, Cabinet member for climate change and digital inclusion

Report from: Head of Strategy, Engagement and Culture

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

To update members on various funding bids – Sustainable Warmth Competition, Social Housing Decarbonisation Fund, Heat Networks, EV Charging

Recommendation:

It is recommended that the committee notes the progress being made in these areas

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the Great neighbourhoods, housing and environment corporate priority

This report addresses 'Improve the quality and safety of private sector housing' and 'Maintain a clean and sustainable city with a good local environment that people value' strategic actions in the Corporate Plan

Report Details

Sustainable Warmth Competition

1. We have been successful in the Sustainable Warmth Competition awarded by central government - £3.1 million to retrofit 200 private sector homes in Norwich with a variety of insulation measures (loft and cavity wall, underfloor and solid/external wall insulation) and renewable heating systems. This will deliver until March 2023.
2. We expect the scheme to save 200,000 kg of CO₂ per year and £250,000 in bill savings per year.
3. This scheme is focused primarily on low-income housing, defined as income under £30,000 or via the use of proxy measures such as receipt of benefits, and/or households identified to be in fuel poverty, which takes into account energy efficiency ratings and broader categories of vulnerability.
4. Areas of the city likely to be eligible have already been identified using data tools which show areas of low income and inefficient housing. Work will likely begin in wards with the highest level of fuel poverty (Nelson, Wensum and Sewell).
5. A suitable contractor has been identified for this work (Eon Energy via the Fusion21 Energy Efficiency Framework). This has now been accepted into the capital programme (approved by Council on February 22nd), and Cabinet approved award of the contract on February 23rd.
6. Therefore, we are now in a position to complete contract work and will begin to contact residents in Spring 2022.

Social Housing Decarbonisation Fund

7. We have also been successful in the Social Housing Decarbonisation Fund (SHDF), also awarded by central government, subject to internal approval processes. This is an overall pot of £1.25m, with £900,000 coming from the SHDF and £350,000 from our own resources.
8. This £350,000 had already been committed in the HRA capital programme, with the additional funding allowing us to increase the number of homes which can benefit from the works. This work will deliver until April 2023.
9. 45 council owned homes will benefit from solid wall insulation. These are 'Wimpey no-fines' homes, which are homes constructed primarily from concrete with no fine aggregates.
10. We had identified these as some of our worst performing homes which would benefit strongly from insulation work. This work will deliver bill savings on £8,000 a year (across all homes) and save over 3,000 kWh in energy.
11. The homes which will be benefiting from the retrofitting investment are in two main ward areas of the city – Wensum and Catton Grove.

12. We intend to accept this into the capital programme at Cabinet on March 9th. Following this we can then formally award the contract.

HNZ Pilot Programme

13. A Heat Network (or district heating) supplies heat from a central source to consumers, via a network of underground pipes carrying hot water. Around 2% of UK heat currently comes from Heat Networks, with the Government's Clean Growth Strategy, which sets out their proposals for decarbonizing the UK economy through the 2020's, modelling the need for 17 – 24%
14. A Heat Network Zone (HNZ) is an area designated by local government within which heat networks are the lowest cost, low carbon solution for decarbonising heating.
15. Within this zone powers may be granted to local authorities which increase the likelihood of both residents and suppliers connecting to the heat network, such as connection mandates for new homes.
16. Any powers granted through legislation are likely to be implemented by central government legislation in 2023/2024.
17. BEIS is currently working on a model for identifying HNZ and would like to test the interface between the model and local knowledge.
18. Norwich has been identified as one of the pilot cities for this work. BEIS will develop the model, collect local data from us and then input this into the model.
19. It is important to note that this is trial and testing identification of zones and modelling, not installations of networks in the city.
20. BEIS has now completed procurement for model developers and consultation with us will now begin.

EV Charging Pilot

21. The Charge Collective pilot programme is a partnership between Norwich City Council, Norfolk County Council and UK Power Networks aimed at increasing the number of electric vehicle charging points in the city. This will install a number of rapid chargers across the city in order to support residents transitioning to electric vehicles.
22. Suitable locations in the city have been identified using a number of criteria – namely areas where average income and car usage is high but offstreet parking is low, meaning there is likely to be a demand for charging points.
23. The aim of this programme is to encourage residents who already own cars to switch to electric vehicles rather than encourage new car ownerships.
24. Norfolk County Council are currently undertaking a procurement process to identify a delivery partner to install the charging points (this will be funded by

UKPN, backed by Ofgem, and therefore will require no investment from Norwich City Council).

25. The next meeting of the group is the 15th February and we expect an update on procurement in this. Procurement continues to progress at Norfolk County Council.

Consultation

26. This report covers a number of different areas and relevant consultations have been carried, or are planned, as needed

Implications

Financial and Resources

27. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.
28. Funding for the Sustainable Warmth Grant has been included in the capital programme for 2022/23 (approved Council, 22 February 2022).
29. The contribution needed for the Social Housing Decarbonisation Fund is already programmed into the HRA. Other costs will be covered by the grant and due process will be followed to take these into council budgets as necessary.
30. For both the Sustainable Warmth Grant and Social Housing Decarbonisation Fund management fees for the council are included.
31. Neither the HNZ or EV Charging Pilot will reduce or increase resources

Legal

32. The legal impacts of the funding bids have been considered separately to this report

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	N/A
Health, Social and Economic Impact	<p>Cold homes can exacerbate underlying health conditions such as respiratory and cardiovascular problems. Children living in cold homes are significantly more likely to suffer from chest problems, asthma and bronchitis. Cold homes can slow down recovery following discharge from hospital, when people are already at risk, and can lead to repeat admissions due to unsuitable housing.</p> <p>Therefore, these proposals, by increasing energy efficiency of fuel poor homes, will have a positive impact on health.</p>
Crime and Disorder	N/A
Children and Adults Safeguarding	N/A
Environmental Impact	<p>These proposals will have a positive impact on the environment:</p> <ul style="list-style-type: none">• Reducing emissions from housing due to improved energy efficiency• Increasing the availability of EV charging in order to encourage residents to switch to electric vehicles

Reasons for the decision/recommendation

33. To note the work being done in these areas.

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