



## Belfast City Council

<b>Report to:</b>	Health and Environmental Services Committee
<b>Subject:</b>	<b>Consultation on the Proposed New Delivery System for Achieving Affordable Warmth</b>
<b>Date:</b>	7 <sup>th</sup> April 2014
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<b>Relevant Background Information</b>	
1.1	The Department of Social Development's (DSD) primary method of tackling fuel poverty has been the Warm Homes Scheme, which commenced in 2001. A revised Fuel Poverty Strategy, 'Warmer Healthier Homes', published in March 2011 stated that there was a greater need for partnership working with local councils, together with a move to an area based approach of delivery to ensure improved targets and greater effectiveness of helping those most in need.
1.2	In order to test this as a concept the DSD have already carried out two Affordable Warmth pilot exercises with selected councils across the province. Belfast City Council was involved in the first pilot in 2012-2013, where the Building Control Service surveyed 360 properties in four areas across the city as part of the exercise. This resulted in approximately 120 homes receiving free insulation measures and/or boiler services. Additionally data was collected and passed to the Northern Ireland Housing Executive (NIHE) enabling some of those houses to claim further grant aid under the boiler replacement scheme. Using the data from this project the second pilot was a more focussed exercise based on the emerging delivery model. Most councils were not involved in this pilot as the Minister agreed that the Mid Ulster cluster of councils and Newtownabbey Borough Council would undertake the work. Belfast was involved however in the Project and Review Group that managed the second pilot so that we could advise, input and learn from its operation.
1.3	In light of these two pilot exercises, the DSD now intends to introduce a new model for the delivery of the energy efficiency improvements to low income households. The new model will involve the DSD working in partnership with the University of Ulster (UUJ), NIHE and the interested councils. Due to the success of our work in the first pilot and the desire of Members that the Council be involved in tackling fuel poverty, Belfast has expressed an interest to participate in this scheme.
1.4	In February 2014 the DSD issued a consultation document on the proposed new delivery model. The deadline for the response is Friday 9 May 2014. The consultation outlines the changes from the Warm Homes Scheme to the new Affordable Warmth model and asks for responses in relation to seven proposals.

1.5	<p>These seven proposals are:</p> <ol style="list-style-type: none"> <li>1. <b>Targeting</b> – DSD state that the outcomes of the pilots indicate that the benefits of financing and alleviating fuel poverty is by directly targeting those in greatest need. UJJ using their computerised database would be responsible for targeting those most in need.</li> <li>2. <b>Partnership working</b> – DSD propose to work in partnership with all interested councils, UJJ and NIHE to deliver the targeted approach.</li> <li>3. <b>Private rented</b> – the initial Warm Homes Scheme included private rented properties. There is evidence that many landlords with large property portfolios benefitted from the scheme, which was not the intention. The new scheme will be open to tenants in the private rented sector but would require the landlord to be registered with the Departments Landlord Registration scheme and also contribute 50% towards the costs.</li> <li>4. <b>Eligibility</b> – the Department proposes to change the method of addressing eligibility from using social security benefits to an income based approach. The income level would be set in line with other government programmes, such as the level of income for determining eligibility for free school meals (currently £16,190). Household make up would also be a factor to determine the level of income.</li> <li>5. <b>Energy Efficiency measures</b> – the Department is proposing to maintain all the measures that were available as part of the Warm Homes Scheme and also introduce a number of new measures including: <ul style="list-style-type: none"> <li>• Conversion of Economy 7 to a high efficiency storage heating system</li> <li>• Replacement boilers for people aged 65 with boilers over 15 years old.</li> <li>• Replacing existing heating controls</li> <li>• Replacing existing redundant radiators</li> <li>• Replacing defective cavity wall insulation</li> <li>• Draught proofing existing doors and windows.</li> </ul> </li> <li>6. <b>Self referrals</b> – the proposal is for the scheme to primarily target those identified by UJJ. However views are sought on the option for self referrals outside the targeted areas.</li> <li>7. <b>Client contribution</b> – the scheme is to fund improvement measures for low income households. However, where the costs for the range of measures that could be carried out are in excess of the allowable grant, the householder could be allowed to fund the additional measures.</li> </ol>
1.6	A copy of the consultation document and draft response are included with this report.

<b>Key Issues</b>	
2.1	The main changes are the delivery mechanism in the Affordable Warmth model where the DSD will work in partnership with UJJ and councils to deliver a more targeted approach to tackling fuel poverty. The outcomes of the pilots have shown this to be a more effective and efficient method of improving homes for those most in need. However, clarification is needed as to the target areas, the need for a three year plan, and communicating with those outside the areas who would like to be involved.
2.2	New qualification criteria are proposed for the scheme, including moving to an income based approach. More detail is required on the level of income and how household make up would affect eligibility before comment could be made.

2.3	Whilst landlord contributions could help to avoid disproportionate benefits for landlords it could also reduce the uptake from this sector where tenants fall within the criteria but landlords refuse to pay their contribution.
2.4	There are additional energy efficiency improvement measures being proposed by the DSD which would further improve the energy efficiency of properties and are welcomed.

<b>3</b>	<b>Resource Implications</b>
3.1	<u>Financial</u> There are no financial implications regarding the consultation. All the home improvements proposed are financed by the DSD.
3.2	<u>Human Resources</u> The proposals for partnership working include the roll out of the Affordable Warmth proposals once agreed. Officers are currently involved in discussions to implement the partnership arrangements.
3.3	<u>Assets and Other Implications</u> None.

<b>4</b>	<b>Equality Implications</b>
4.1	The Department of Social Development will undertake its own Equality Impact Assessment of any proposed pilots.

<b>5</b>	<b>Recommendations</b>
5.1	The Committee is recommended to adopt, subject to ratification by Council, the draft consultation response on the proposed changes to the current Warm Homes Scheme as outlined in the Achieving Affordable Warmth Scheme.

<b>6</b>	<b>Decision Tracking</b>
Once the Council has ratified the recommendation in line with the consultation document the response will be forwarded to the Department of Social Development. The person responsible for this is Henry Downey, Democratic Services Officer.	

<b>7</b>	<b>Documents Attached</b>
Achieving Affordable Warmth consultation document and draft response.	

<b>8</b>	<b>Key to Abbreviations</b>
<b>DSD</b> – Department of Social Development <b>UUJ</b> – University of Ulster <b>NIHE</b> – Northern Ireland Housing Executive	