

**NOTE OF A MEETING OF THE
OVERVIEW AND SCRUTINY TASK AND FINISH GROUP
ON DOMESTIC INSULATION
HELD AT NELSON TOWN HALL
ON 10TH AUGUST, 2023**

PRESENT

Councillors:-

*C. Church
M. Stone
M. Strickland*

Also in attendance:-

<i>Stuart Winterbottom</i>	<i>Rhea Projects</i>
<i>Sarah Whitwell</i>	<i>Head of Housing and Environmental Health</i>
<i>Peter Blackburn</i>	<i>Housing Technical Officer</i>
<i>Lynne Rowland</i>	<i>Committee Administrator</i>

(Apologies for absence were received from Councillors D. Cockburn-Price, K. McGladdery and Y. Tennant.)



1. APPOINTMENT OF A LEADER OF THE GROUP

Members were invited to appoint a Leader of the Task and Finish Group.

AGREED

That, due to the limited number of Members present, consideration of the appointment of a Leader of the Task and Finish Group be deferred. In the meantime, the Committee Administrator facilitate this meeting.

2. DECLARATIONS OF INTEREST

Members were reminded of the legal requirements concerning the declaration of interests.

3. HOME ENERGY EFFICIENCY

At its meeting on 15th June, 2023, the Overview and Scrutiny Committee had agreed to set up a Task and Finish Group of all Overview and Scrutiny Committee members in response to the following resolution from Annual Council –

“Council notes the awful impact that the cost-of-living crisis is having on residents in Pendle.

Council recognises that a significant issue for residents is the cost of home heating, particularly for homes with poor insulation.

Overview and Scrutiny Task and Finish Group – Domestic Insulation (10.08.2023)

Therefore, Council requests that options for a major initiative to significantly improve domestic insulation in Pendle are presented to the Executive as a matter of urgency, together with possible funding opportunities.

In addition, the Overview and Scrutiny Committee be asked to convene a task and finish group to examine the options open to the Council to bring this about.”

The Group began by considering a draft review plan and agreeing the terms of reference as follows –

1. To gain a clear understanding of what options are available to significantly improve domestic insulation in Pendle.
2. To review the options open to the Council and identify possible funding opportunities.
3. To make recommendations to ensure that all home energy efficiency schemes are made available to Pendle residents and all sources of funding opportunities are fully explored.

The Head of Housing and Environmental Health then presented a report, which had been circulated prior to the meeting, on the current energy efficiency projects in Pendle and details of the various Government funded schemes to help improve home energy efficiency.

The schemes available to Pendle residents were as follows –

- **Home Upgrade Grant 2 (HUG2)**

The Home Upgrade Grant 2 (HUG2) was the Government’s latest national home energy support scheme for delivery between April 2023 and March 2025. It comprised of a package of support worth £700m nationally to provide energy efficiency upgrades and low-carbon heating to low-income households living in the worst quality, off-gas grid homes. This was to tackle fuel poverty and make progress towards Net Zero by 2050. The HUG2 scheme followed on from HUG1 which ran until March 2023.

Pendle Council was directly involved through a countywide local authority partnership known as CHiL (Cosy Homes in Lancashire). The CHiL scheme offered an accessible and straightforward means of accessing grants from energy companies and other sources. A meeting was held fortnightly with all involved.

Blackpool Council was the lead authority on behalf of all Lancashire authorities and, after submitting a proposal, had received funding of £41.4m to improve the EPC ratings (energy performance of a property’s running costs on an A-G scale) for residents. The scheme focussed on the low-income households (classed as having a combined annual income of less than £31,000 or on predetermined, qualifying benefits) living in properties with the worst EPC rated (D-G) off-gas grid homes without gas central heating. It was available in both rural and non-rural areas and private homeowners and those in social or private rental properties were eligible. Through the scheme the following works were available –

- air source heat pumps,
- solid wall and floor insulation
- loft insulation, room in roof insulation
- double glazing
- replacement external doors
- solar voltaic cells

Following a recruitment process, RHEA projects had been appointed to administer the grant on behalf of CHiL.

In relation to Pendle, it was noted that addressing poorly insulated housing was often a problem due to the nature of the housing stock. Retrofitting of energy efficiency measures was particularly expensive and difficult in properties built before 1919 as they had solid walls as opposed to cavity walls. A further challenge in delivering the scheme was that many of Pendle's off-grid properties were occupied by those who were not eligible for financial assistance.

From July this year, there had been 465 applications across Lancashire, some of which were from Pendle residents. To date, there had been no households in Pendle confirmed as meeting the eligible criteria. However, there were 13 cases that were waiting on a survey/quote. This was despite the large amount of publicity given to the scheme.

Members were advised that, as further publicity, a mailshot to the qualifying postcodes was due to be carried out next week. This would promote the grant and include an application form. Applications could also be made online and telephone enquiries were welcome.

- **Connected for Warmth Scheme**

The Connected for Warmth Scheme was a smaller national scheme that was run by Agility Eco in partnership with Affordable Warmth Solutions which used funding from the national grid. Funding of £10m had been made available nationally in February 2023, for loft or cavity wall insulation (where suitable) for properties in council tax bands A – D and had less than 200mm of loft insulation. This was regardless of household income.

Unfortunately, none of this funding had been ringfenced for Pendle so, in order to get as much funding as possible into the borough, the Council was actively promoting the scheme and referrals were being made by RHEA projects.

- **Affordable Warmth Scheme**

Through Lancashire County Council (LCC) £1m had been made available across all 12 District Councils to deliver high impact affordable warmth interventions to individuals who were the most vulnerable to harm from cold or damp homes. The funding sought to reduce illness, hospital admissions and demand for social care services. Pendle had been successful in its bid and received £91,239 in 2022 and a further payment of £40,046 earlier this year. A further £98,000 had been allocated for 2023/2024 to be used in accordance with LCC's funding guidance, and a bid for this funding was in progress.

With this scheme, Pendle Council had carried out the following measures and had resulted in works at 35 households so far, with 10 others due for completion soon –

- Whole house heating systems
- Servicing and repairs to replacement boilers and radiators
- Top up funding for insulation.
- Draught proofing measures
- Advice on fuel poverty
- Emergency heating

- **UK Shared Prosperity Fund**

Newground Together, a charitable division of Together Housing, had been successful in its bid to the UK Shared Prosperity Fund. It had committed to delivering community measures to improve the green life skills of people in Pendle so they had the knowledge, ability, values, and commitment needed to live in, develop and support a sustainable and resource-efficient society; and to provide practical support to residents to reduce the cost of living, improve energy efficiency and combat fuel poverty. This would be delivered over three years (2022 to 2025) and aimed to reach 750 people and increase the uptake of energy efficiency measures by 365 households in Pendle.

- **Social Housing Decarbonisation Fund**

Together Housing Association had been successful in its bid for funding to the Social Housing Decarbonisation Fund (SHDF Wave 2.1). It had confirmed that it was looking to complete retrofit insulation upgrades (loft insulation, cavity wall insulation and underfloor insulation if applicable) at approximately 243 properties in the Nelson and Colne area. Together Housing also intended to install Air Source Heat Pumps, dependent on the age and condition of the existing heating systems, at 13 estates across Nelson and Colne.

It was noted that Pendle was involved and was actively promoting the uptake of all funding streams available. Stuart Winterbottom of RHEA projects confirmed that they actively sought funding and advised Councils on what was available.

Details on previously available funds were provided, which included –

- ECO3 (Energy Company Obligation3) – This ran for three years and was mainly for boiler replacement and first-time central heating. It also covered some insulation measures. However, it didn't cover the whole cost and was therefore not overly successful.
- Home Heat Grants – This scheme for Air Source Heat Pumps was introduced during Covid19 and had since been scrapped.
- LAD1B and LAD2 - Local Authority Delivery of Greener Home Grants. These had delivered £25m across Lancashire. In Pendle, 173 measures had been installed under the LAD1B scheme, and 567 under LAD2. In contrast to the current HUG2 scheme, those with gas central heating could apply.
- LAD3 – Lancashire was unsuccessful in its bid to the LAD3 scheme after following the guidance that no more than 25% of the properties could be D rated, with the rest rated as E,F, or G. The threshold was later raised to 40% as the funding had not been spent.

A discussion was held over the possible reasons for the low uptake of the HUG2 scheme in comparison with the success of the previous LAD1B and LAD2 schemes.

Some of the reasons identified for the low uptake of HUG2 included the strict criteria applied to HUG2, particularly it being restricted to those households without gas central heating; people's fear of being victim to a scam; the invasive and intrusive nature of the works to be carried out; and the ventilation measures required. It had been found that many of the mechanical ventilation measures installed had been disconnected after installation.

It was agreed that the scheme would benefit from an option to replace an old, existing heating system, as the replacement of an inefficient boiler could reduce gas consumption but, as this may

not change the EPC rating of a property, it was not part of the eligibility criteria.

It was suggested that if a small contribution to the works was requested, this may ease the worry about being victim to a scam, as people would no longer be getting 'something for nothing'. However, the rules of the scheme stated that contributions could not be taken.

Publicity was similar for all schemes. The marketing strategy for the HUG2 scheme included information on CHiL's website and the Council's website, which listed all the qualifying postcodes, and regular promotion on social media and local radio. Coffee mornings in local venues were also being organised and, in Pendle, all Borough Councillors and parish and town councils had been notified of the schemes. It was acknowledged that more could be done with extra resources.

The Group was advised that the opportunity to refer a friend had previously been used, with payment being made in shopping vouchers. It was suggested that this be reactivated and promoted via community venues such as community centres, churches and mosques. It was agreed that this be discussed at the next local authority/CHiL meeting.

Referrals also came through RHEA's partnership with Electricity North West. This involved a network of similar organisations that signposted each other. It was noted that the majority of interventions under the Affordable Warmth Scheme had come from local heating engineers. The value of the local Fire and Rescue Service was also recognised for their ability to make referrals following fire safety checks.

It was agreed that promotion and referrals via various organisations proved effective in overcoming suspicion of scams and that this could be developed further, both with existing organisations, such as Fire and Rescue, and with the inclusion of others, such as Citizens Advice.

Conclusion

The Group was satisfied that they had gained a clear understanding of the options available to the residents of Pendle to improve domestic insulation and home energy efficiency.

Members took confidence in the fact that Pendle was involved and actively promoting the uptake of all funding streams available and would continue to play an active role in trying to secure as much external funding for the borough as possible.

AGREED

That Council be recommended to note that the members of this Task and Finish Group on Domestic Insulation are confident that Pendle has identified all funding streams presently available to its residents; is actively involved in promoting the uptake of the schemes; is working in successful partnership with Cosy Homes in Lancashire (CHiL); and will continue to play an active role in trying to secure as much external funding for the borough as possible.

4. DATE OF NEXT MEETING

It was agreed that no further meeting was necessary.

CHAIR _____