

**SHREWSBURY TOWN COUNCIL
FINANCE & GENERAL PURPOSES COMMITTEE
26 SEPTEMBER 2022**

Members: Councillors Julian Dean and David Vasmer

FUEL POVERTY AND ENERGY EFFICIENCY SCHEME

PURPOSE OF THE REPORT

To ask the Committee to consider amendments to a proposal to support a scheme to assist those in fuel poverty within the town.

The following proposal was made to Full Council on 5 September 2022. It is suggested that this is reconsidered with the amendments laid out below.

AMENDMENTS

The scheme will be open to the following householders in Shrewsbury:

- Available to owner occupiers and landlords / tenants but not social housing. Social landlords have a parallel programme they can access called SHDF – Social Housing Decarbonisation Fund. SHDF1 is currently live also through Shropshire Council. SHDF2 is expected over the autumn at some point
- Beneficiaries to be Band A-B council tax properties with an Energy Performance Certificate and a Standard Assessment Procedure (SAP) rating of C-G (the average SAP in the UK is rating D).
- Funds will be released to the MEA in three tranches of £25,000 each to allow a fair distribution of grants available.

RECOMMENDATIONS:

- (i) That the report be noted.
- (ii) That the Committee approve expenditure of up to £75,000 from the Climate Change budget to support the scheme.
- (iii) That responsibility to draw up a full agreement for the scheme with MEA be delegated to the Town Clerk.

REPORT TO FULL COUNCIL ON 5 SEPTEMBER

BACKGROUND

It is proposed that the Town Council supports a scheme to address fuel poverty in partnership with the Marches Energy Agency to provide insulation to some of the poorest households in the town. The scheme was discussed and supported in principle at the Climate Change Committee on 21 July 2022. It is proposed that any commitment of funds is taken from the Climate Change budget. Oswestry Town Council has already agreed to such a scheme and committed a budget of £50,000 from its capital receipts.

Government data has highlighted that there are properties in Shrewsbury that do not have loft insulation and other basic energy efficiency measures. The project will see the Town Council work with Marches Energy Agency, a local non-profit making charity who specialise in this work, to draw down any funding available from the Government and energy industry and help these families heat their homes this winter. Marches Energy Agency will carry out visits, inspections etc on approximately 50-100 properties across the town. Having access to grants, MEA will look for the financial assistance available. This will provide a huge contribution towards both improving energy efficiency and addressing fuel poverty across the town.

It is proposed that any household in a Council tax band A -C property in Shrewsbury is eligible to apply for this scheme.

PROJECT SUMMARY

Following discussion with the project partner, Marches Energy Agency, it is clear that there is a considerable need in Shrewsbury to improve the energy efficiency of houses. The MEA are already committing resources to the town and using their expertise to access available funding pots. The potential Town Council funding would allow the MEA to implement a scheme per property which would maximise the benefit to the occupier i.e where a householder wouldn't qualify under any other scheme. The Town Council would therefore be providing direct capital support for some of the town's most vulnerable residents who, without an intervention will be colder this winter, either because there is a funding gap and the measures are unaffordable in other programmes, or because there is just no funding. The specification is shown at Appendix A.

LEGAL POWERS

Oswestry Town Council have already been advised by the National Association of Local Councils that they would need to utilise the General Power of Competence to enable them to fund such a project. The advice to them was as follows: "I note that the Town Council has the General Power of Competence (GPC) which allows it to do anything that an individual can do. As an individual could set up a scheme to provide free insulation, then the Town Council can do so under GPC. Alternatively, it could provide funds to the Marches Energy Agency for that organisation to provide the materials... Capital funds should only be used for capital items rather than revenue matters. The provision of permanent insulation would seem to be capital costs and therefore a valid use for capital assets".

FUNDING

Given the project would improve energy efficiency in properties as well as address fuel poverty it is proposed that the funding of £75,000 for the scheme is drawn down from the Climate Change budget, established in 2020 for actions to address climate change between 2020 and 2023.

Should Members agree to provide the funding then an agreement will need to be drawn up setting out terms, outputs and approval processes and Members are asked to delegate this responsibility to the Town Clerk.

RECOMMENDATIONS:

- (iv) That the report be noted.
- (v) That the Committee approve expenditure of up to £75,000 from the Clime Change budget to support the scheme.
- (vi) That responsibility to draw up a full agreement for the scheme with MEA be delegated to the Town Clerk.

APPENDIX A (revised)**Project Specification – Keeping Shrewsbury Warm this Winter****Project Aim**

To reduce fuel poverty by improving energy efficiency measures in Shrewsbury homes.

Project Objectives

Reduce heat loss and improve energy efficiency of Shrewsbury homes. Install loft insulation into homes which need it.

What we plan to do	<p>Working with the Marches Energy Agency to install energy efficiency measures in 75 - 100 homes in the Shrewsbury Town Council area.</p> <p>Measures will be based on what is recommended following a survey.</p> <p>Preparation through August for September for an ideal 'autumn campaign', possibly to end March.</p>
Value Proposition	<ul style="list-style-type: none"> • Public contact the Keep Shropshire Warm telephone service to request a service. All inquiries channelled through Keep Shropshire Warm – freephone 0800 112 3743. • Record details – assess for wider scheme funding – check Energy Performance Certificate on-line. • Arrange and deliver home visit, if appropriate. • Assess need and develop a scheme of measures for the property. • Work undertaken. • Post install assessment and audit. <p>The Shrewsbury Town Council funding will be utilised to enhance or top up other available funding e.g a £4k contribution for external wall insulation matched with £10-15k from another programme.</p> <p>Match funding from the MEA through home visits plus the potential for low cost measures to be fitted – LED bulbs etc – at no cost to the Town Council or residents.</p>
Target Market	<p>Available to owner occupiers and landlords / tenants but not social housing. Social landlords have a parallel programme they can access called SHDF – Social Housing Decarbonisation Fund. SHDF1 is currently live also through Shropshire Council. SHDF2 is expected over the autumn at some point</p> <p>Beneficiaries to be Band A-B council tax properties with an Energy Performance Certificate and a Standard Assessment Procedure (SAP) rating of C-G (the average SAP in the UK is rating D).</p>

Communication/Marketing	<p>Shrewsbury Town Council's contribution to be recognised, with name and logo used in all publicity, alongside MEA/ Keep Shropshire Warm.</p> <p>Shrewsbury Town Council view their trusted brand will attract referrals.</p> <p>MEA and Shrewsbury Town Council to work up a publicity plan together.</p>
Key Partners	Marches Energy Agency
Key Resources	<p>Publicity – Shrewsbury Town Council and MEA</p> <p>Point of contact for referral – MEA</p> <p>Energy efficiency expert – MEA</p> <p>Companies to be sourced from MEA framework agreement or via a mini-tender.</p> <p>Possible post installation surveyor for sample checks.</p>
Finances	<p>Ideally 75-100 homes at c£500-1k per home. £67,000 for measures and £8,000 contribution to MEA Project Management.</p> <p>The Shrewsbury Town Council fund would be used after all other options have been explored</p>