

Cosy Homes in Lancashire (CHiL)

REPORT TO EXECUTIVE



DATE	15th March 2023
PORTFOLIO	Housing
REPORT AUTHOR	Clare Jackson
TEL NO	(01282) 425011 EXT 7231
EMAIL	cjackson@burnley.gov.uk

PURPOSE

1. To seek approval for the Council to extend its membership of the Cosy Homes in Lancashire (CHiL) consortium for a further 4 years from April 2023.
2. To seek approval to sign a contract with the appointed delivery agent for the provision of CHiL.
3. To adopt a Lancashire wide Statement of Intent (Appendix 1) so that residents can access Energy Company Obligation (ECO 4 LA flex) funding.

RECOMMENDATION

4. That the Executive approve the continued membership of the above consortium for a further 4 years from April 2023.
5. That delegated authority is given to the Head of Housing and Development Control in consultation with the Executive Member to negotiate and agree the terms of the delivery agent contract.
6. That delegated authority is given to the Head of Legal and Democratic services to sign the indemnity letter and delivery agent contract.
7. To approve the Council's participation in the Lancashire Statement of Intent for ECO 4 LA Flexible Funding.
8. That the Head of Housing and Development Control is authorised to sign a declaration confirming that a resident of Burnley meets the eligibility criteria for ECO 4 LA Flexible Funding.

REASONS FOR RECOMMENDATION

9. To deliver energy efficiency measures and advice to residents through CHiL to reduce fuel poverty.
10. To deliver the Green Homes Grant funding, the Home Upgrade Grants and other financial assistance through CHiL to Burnley residents.

SUMMARY OF KEY POINTS

11. CHiL is the name of the 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. In June 2021 the Council entered a contract with RHEA, the delivery agent for CHiL. This contract expires at the end of March 2023.
12. The CHiL collaboration was created in 2013 and has grown steadily since then to become the exemplar model of retrofit delivery that exists today. Current membership includes the majority of districts in Lancashire, plus the unitary authorities of Blackpool, Blackburn with Darwen and Lancashire County Council.
13. Since its inception, almost 14,000 measures have been installed in fuel poor and vulnerable households in Burnley have benefitted from a range of improvements improving the energy efficiency of their homes and reducing the cost of fuel bills. ECO funding is a complicated funding stream which CHiL will continue to access for residents where it is the only option available to them. At this point it is worth highlighting other Government funded schemes which CHiL has delivered extremely successfully in Lancashire. This is funding that has been given directly to Local Authorities to administer with Blackpool Council acting as the Lead Authority.
14. During the partnership substantial funding for energy improvement measures and retrofits has been awarded through a bidding process from Government. £2.85m for a Lancashire LAD1b scheme. A further £11.4m was allocated for a LAD2 scheme which was delivered ahead of time and a further £13m was allocated from underspend in other Regions. Burnley was one of the authorities that received the highest number of installation measures in Lancashire for the LAD1 and 2 schemes. £8.7m of Home Upgrade Grant funding to deliver energy efficiency measures to 450 properties has also been secured, with delivery of this scheme now underway. Qualifying properties are those that do not have gas central heating and are classed as energy inefficient. This scheme is due to end March 2023 but an application was submitted in November 2022 to request a further £36m for the next 2 years which will deliver energy efficiency improvements to a further 2000 properties across Lancashire.
15. The ethos of CHiL is the same today as it was in 2013 which is not to compete with commercial installers of energy efficiency measures and to do as many installations as possible. CHiL works with the local supply chain and 3rd sector organisations to help those

most in need, those with life challenges and those who need support to get heating and insulation interventions.

16. As the contract with the current delivery agent ends in March 2023, Officers from across Lancashire have been working with Procurement at Blackpool Council to finalise Tender Documentation, advertising the contract in early December with a closing date for applications by the 17th January 23. A panel of Officers from across the County has undertaken the evaluation and interviewing processes.
17. As part of this ongoing Lancashire wide partnership, as is often the case with such projects we are being asked to sign the partnership indemnity letter and enter into the contract with the new delivery agent. The indemnity letter requests that the partner authorities agree to Blackpool being the lead authority and that there is a shared responsibility across all the authorities for the delivery of the project.

Energy Company Obligation (ECO) 4 Local Authority Flex

18. ECO4 is the fourth phase of ECO. As part of its Sustainable Warmth Strategy, the Government has extended the ECO grant for an extra four years, meaning it will run until March 2026. The primary goal of this grant is to support low-income households who are unable to upgrade their homes and heating systems.
19. Through the ECO Flexible funding every local authority can make a declaration to an energy company for a qualifying resident to receive a range of energy efficiency measures. To take part in ECO Flex each local authority must have a statement of intent (SOI) which details the criteria for a qualifying resident. The SOI has been agreed through ChiL as a Lancashire SOI and is contained within Appendix 1 to this report.
20. The Lancashire SOI also states that to be considered for LA flex a resident has to go through the CHiL scheme to get measures installed by the schemes approved installer. This arrangement was not unique to Lancashire as other schemes similar to CHiL operate around the Country. This arrangement provides assurance that the appropriate checks for eligibility and quality of work have been carried out and removes the pressure from councils who alternatively would have to carry out the required verifications.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

21. All funding costs including administrative are included in the various grants from Government. Blackpool as the lead and accountable local authority receive the grant on behalf of the consortium members.

POLICY IMPLICATIONS

22. In July 2019 the Council declared a climate emergency and subsequently developed the Climate Change Strategy 2022- 2026. The CHiL consortium and recommendations

contained within this report help to achieve the objectives of the strategy by improving the energy efficiency of homes in the Borough which reduces carbon emissions.

DETAILS OF CONSULTATION

23. None

BACKGROUND PAPERS

24. None

FURTHER INFORMATION

PLEASE CONTACT:

Clare Jackson 7321

ALSO: Paul Gatrell 7230