

**RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER OR OFFICER**

This form can be used for any decision but **MUST** be used to record:

- any decision taken by the Elected Mayor or an individual Councillor
- a key decision taken by a Council Officer

In these circumstances the form must be completed and passed to the Head of Members' Services no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Head of Members' Services has confirmed the decision has not been called in.

**1. Description of decision**

- (a) to approve the receipt of a grant from the Warm Homes Healthy People Fund of £129,500 to fund the Council's boiler replacement loan programme
- (b) to agree that repaid boiler replacement loans funded by the BALES scheme (Bedfordshire and Luton Energy Scheme) and the Warm Homes Healthy People Fund will be recycled to provide further loans.

**2. Date of decision**

13 FEBRUARY 2012

**3. Reasons for decision**

This funding can resource an extension of the boiler replacement loan scheme in Bedford which was primarily aimed at older people. The scheme will operate in a similar way to the BALES scheme and will provide up to 35 additional boiler replacements to older people in Bedford.

The intention behind the scheme was that repaid boiler loans should be recycled within the scheme to create a rolling fund. This report confirms this position with regard to both the Bedford Borough Council element of the original BALES funding and the Warm Homes Healthy People Fund.

**4. Alternatives considered and rejected**

Not accepting the funding – this would adversely impact the Council's policy to reduce fuel poverty and carbon emissions.

**5. How decision is to be funded**

Grant from the Warm Homes Healthy People fund promoted by the Department of Health

**6. Conflicts of interest**

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (if yes give details and date of dispensation)

The Mayor has been consulted on this decision N/A

Signed Dave Hodgson Date 13<sup>th</sup> February 2012

Name of Decision Taker MAYOR DAVE HODGSON

**This is a public document. A copy of it must be given to the Head of Members' Services as soon as it is completed.**

Date decision published: 13<sup>th</sup> February 2012

Date decision can be implemented if not called in: 23<sup>rd</sup> February 2012

## **BEDFORD BOROUGH COUNCIL – REPORT TO THE MAYOR**

**Date:**

**REPORT BY: Assistant Director Planning, Strategic Housing and Transport**

### **SUBJECT: HOME ENERGY SCHEME FOR OLDER PEOPLE**

#### **1. EXECUTIVE SUMMARY**

- 1.1 The report seeks approval by the Mayor to accept a grant to support energy efficiency measures in the home to reduce carbon emissions and fuel poverty and to agree the recycling within the scheme of loans as they are repaid.

#### **2. RECOMMENDATIONS**

**The Mayor is asked to consider, and if satisfied, to**

**(a) approve the receipt of a grant from the Warm Homes Healthy People Fund of £129,500 to fund the Council's boiler replacement loan programme**

**(b) agree that repaid boiler replacement loans funded by the BALES scheme (Bedfordshire and Luton Energy Scheme) and the Warm Homes Healthy People Fund will be recycled to provide further loans.**

#### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 The Warm Homes Healthy People Fund promoted by the Department of Health invited local authorities to apply for grants to combat cold related discomfort, illness and deaths amongst older people in the remaining months of 2011/12. This funding can resource an extension of the boiler replacement loan scheme in Bedford which was primarily aimed at older people. The scheme will operate in a similar way to the BALES scheme and will provide up to 35 additional boiler replacements to older people in Bedford.
- 3.2 The intention behind the scheme was that repaid boiler loans should be recycled within the scheme to create a rolling fund. This report confirms this position with regard to both the Bedford Borough Council element of the original BALES funding and the Warm Homes Healthy People Fund.

#### 4. IMPLICATIONS

(a) Legal

Loans are made under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

Loans will be repaid either

(i) on the sale of the property in which case the loan will be secured either through the registration of a restriction to the title of the property which would enable the Council to prevent a sale unless the loan is repaid or through a charge on the property

or

(ii) in instalments over a period of up to three years in which case they will be unsecured loans and collected as ordinary debts

(b) Policy

The Sustainable Communities Strategy identifies the goal of a Greener Borough and the importance of householders reducing energy consumption and adapting to climate change. The Sustainable Communities Strategy also promotes a Healthy Borough and identifies the importance of the quality of housing to the health and well being of people in the borough, including older people.

Improving the quality of the existing housing stock is a priority in the Corporate Plan 2009-12.

The Bedford House Condition Survey 2011 identified energy efficiency and fuel poverty as key issues for the housing stock in Bedford.

Previous decisions (Executive Decisions 724 and 824) have supported the BALES scheme (Bedfordshire and Luton Energy Scheme) of which the boiler loan replacement programme is a part. The details concerning the operation of the scheme were addressed in those reports.

(c) Resource

The BALES scheme was a two year programme funded by CLG which has brought £658,000 into the Borough for energy related improvement. The scheme was also supported by a contribution of £100,000 from the Council's Capital Programme. No further funding is available from CLG or the Capital Programme at present. The additional funding of **£129,500** will allow the programme to be extended.

The scheme will be managed and maintained within existing staff resources.

(d) Risk

Risks associated with not accepting the grants are (a) failure to meet the aims of improving the housing stock particularly the energy efficiency of the stock and reducing carbon emissions and fuel poverty and (b) failure to prevent to the maximum degree possible unnecessary discomfort, illness and death caused by cold.

Failure to deliver by the 31<sup>st</sup> March 2012 deadline: there is an established delivery mechanism in place and the capacity of this delivery mechanism has been considered. Grant conditions are not completely clear at the time of this report. It is likely that unspent monies will need to be returned to the Department of Health after 31/3/12.

The following risks were identified in the previous report (Executive Decision 824)

- some over-60s who are better-off will claim. However, the scheme as proposed has the merit of being straightforward to advertise and administer which will affect take-up and administration costs. The benefits of the measures will be long-term over a period in which older person households' real disposable incomes tend to fall with age.
- Some unsecured loans may not be repaid. The Council has effective systems in place to collect money owing. All the loans to date have been based on the restriction on title. There is a risk of non-repayment of a loan secured by a restriction on title but it is very low.

(e) Environmental

The scheme has significant environmental benefits.

(f) Equalities Impact

An Equality Impact Analysis has been completed and the outcome was that the Warm Homes Healthy People extension to the boiler replacement loans scheme has a positive impact on equality because the scheme targets older people and helps to reduce levels of fuel poverty in the Borough.

**5. DETAILS**

- 5.1 The BALES scheme (Bedfordshire and Luton Energy Scheme) has been a very successful scheme lead by Bedford Borough Council delivering 1388 insulation measures and 118 boiler replacements to older people in the Bedford Borough Council area.
- 5.2 The private sector House Condition Survey carried out by the Council in 2011 identified energy efficiency of the stock as a critical issue to be addressed.
- 5.3 The BALES scheme has been a successful intervention to improve the energy efficiency of the housing stock which has brought significant additional resources into the Borough. To date the scheme has delivered 1387 insulation measures (grants) and 119 boiler replacements (loans)
- 5.4 The Government Office at the time the scheme was established saw the scheme as an important pilot in establishing that loans could be successfully used to promote energy efficiency measures. The purpose of introducing a loans scheme was to create a rolling fund that could be recycled to support further energy improvements. The 'Green Deal' and the Energy Company Obligation are the government's proposed new approaches to addressing home energy efficiency but are not yet functioning. It is important to maintain momentum on tackling energy efficiency while the Green Deal and to maintain the delivery mechanisms. These will be reviewed as details of the Green Deal and the Energy Company Obligation become clear.

**6. SUMMARY OF CONSULTATIONS AND OUTCOME**

- 6.1 The following Council Units or Officers and/or other organisations have been consulted in preparing this report:

Management Group  
Finance

- 6.2 No adverse comments have been received.

## 7. WARD COUNCILLOR VIEWS

- 7.1 The proposal is a borough-wide initiative and views of particular ward councillors have not been sought

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*Previous Relevant Minutes:* Executive Decision 724 (5<sup>th</sup> October 2009)  
Executive Decision 824 (28<sup>th</sup> June 2010)

*Background Papers:* None

*Appendices:* None