

PERTH AND KINROSS COUNCIL

Housing and Health Committee - 29 May 2013

Home Energy Efficiency Works

Report by the Executive Director Housing and Community Care

PURPOSE OF REPORT

This report summarises progress in providing energy efficiency measures to households in Perth and Kinross during 2012/13. The report also outlines proposals for continuing with further energy saving initiatives in 2013/14 and seeks homologation of actions already taken to help secure funding for these schemes.

1. BACKGROUND / MAIN ISSUES

- 1.1 The last fuel poverty statement, which was submitted to the Housing and Health Committee on 31 October 2012 (Report 12/479 refers), outlined various initiatives aimed at addressing fuel poverty and improving the energy efficiency of homes within Perth and Kinross.
- 1.2 Increases in energy prices during the autumn of 2012/13 have presented renewed challenges in tackling fuel poverty and although much has already been done to assist 'fuel poor' households, further action is needed to counter the effects of rising fuel costs.
- 1.3 During 2012/13 a total of 974 Council houses received upgraded central heating systems. New gas connections were commissioned for 651 homes (attracting subsidies of £837,000 through Scotland Gas Network's (SGN) Assisted Connection Scheme) and insulation improvements were completed in 440 houses. These measures were carried out as part of the Council's plan to improve the energy efficiency of its housing stock and achieve compliance with the Scottish Housing Quality Standard by 2015.
- 1.4 Successful bids for funding from the Scottish Government, along with further contributions from Ofgem's Carbon Emissions Reduction Target (CERT) have enabled a continuation of the Universal Home Insulation Scheme (UHS) throughout 2012/13. This scheme has helped to provide privately owned and privately rented households with a variety of measures, ranging from simple energy advice to the installation of features such as loft insulation, cavity wall insulation and pipe / tank insulation.
- 1.5 More than 13,000 households in Perth and Kinross have now benefitted from the UHS programme. Bids to the Scottish Government for UHS funding have resulted in awards totalling £2,175,000 since the scheme began in 2010. The UHS offer was extended to include all homes in Perth and Kinross during 2012/13 and the final remaining insulation measures will be fitted to households that signed up to the scheme (prior to it closing in March 2013) by September 2013. A detailed breakdown of the funding awards from UHS and the SGN Assisted Connection Scheme is contained in Appendix 2.

- 1.6 For 2013/14, the Scottish Government has replaced UHIS with a new scheme which is to be known as Home Energy Efficiency Programme Scotland – Area Based Schemes (HEEPS-ABS).
- 1.7 Based on local fuel poverty levels and in consideration of the Council's past performance of delivering the UHIS programme, a provisional core allocation of £922,500 has been awarded to Perth and Kinross Council for 2013/14. Councils were required to submit proposals to the Scottish Government outlining how they could spend their allocation of HEEPS-ABS funds by 19 April 2013. The proposals from each local authority will be considered during May 2013 and it is expected that the outcome of the bid process will be announced in June 2013.
- 1.8 One of the key elements of the HEEP-ABS programme is a requirement for Councils to source supplementary funding from energy companies through the Energy Company Obligation (ECO), which now replaces the former Carbon Emissions Reduction Target (CERT) scheme. The Scottish Government has indicated that the ratio of ECO to HEEPS-ABS should be no less than 3:1 and it has been requested that funding bids should aim to obtain this level of ECO leverage.
- 1.9 Any HEEPS-ABS funds that are awarded during 2013/14 must be spent before 31 March 2014, which will make the timescale for delivering these projects extremely challenging.
- 1.10 Several other sources of funding for energy efficiency measures, including the Green Deal and Greener homes Cashback Scheme are also currently available and details of these schemes are outlined in Appendix 1.

2. PROPOSALS

- 2.1 A notice inviting energy companies to engage with the Council and provide ECO funding was posted on the Public Contracts Scotland portal on 15 January 2013. Negotiations are continuing with companies who responded to the notice with the intention of developing a variety of future energy saving schemes that will benefit households of all tenures within Perth and Kinross.
- 2.2 The first specific offer of funding, to fit externally applied insulation and rendering to 159 hard to treat 'no fines' concrete houses in the Hillyland area of Perth, has been made by Scottish and Southern Energy plc (SSE).
- 2.3 This offer, which attracts an ECO contribution of approximately £1.1M, will initially provide benefits for 119 Council tenants and (with a contribution from the HEEPS-ABS programme) 40 owner-occupiers. In order to meet the very demanding timescales required to deliver this project and attract the required ECO funding investment, it has been necessary for officers to enter into an agreement with SSE using the delegated authority of the Executive Director to accept their funding offer (subject to owner-occupier consent and agreement of the detailed specification). The SSE offer for Hillyland provides an ECO to HEEPS-ABS funding ratio of approximately 10:1 which comfortably exceeds the Scottish Government's minimum requirements.

- 2.4 The agreement requires no financial commitment by Perth and Kinross Council or from owners, which means that the works are fully funded and will effectively be carried out free of charge. The works are to be completed to the recognised industry standard - PAS 2030 and will include the cost of ancillary works, such as access scaffolding and moving / relocating satellite dishes. The works will also be covered by a 25 year guarantee. This report seeks approval from Committee to homologate actions already taken by the Executive Director (Housing and Community Care) and the Convenor of Housing and Health in progressing with the acceptance of SSE's offer to provide ECO funding for the 159 houses in Hillyland, Perth.
- 2.5 Engagement and participation of owner-occupiers will be a critical factor in the successful delivery of these mixed tenure projects and plans have been developed to ensure that communications with owners are adeptly and effectively managed.
- 2.6 The feasibility of developing further schemes that could result in similar improvements to other groups of 'hard to treat' homes within Perth and Kinross are also being explored. It is hoped that funding packages for these mixed tenure schemes can also be put together, which will result in them too becoming viable projects.
- 2.7 Local Registered Social Landlords (RSL's) were invited to put forward potential schemes that could help to provide benefit from HEEPS-ABS funding in any of their mixed tenure blocks.
- 2.8 The funding application that has been submitted by Perth and Kinross Council for the Scottish Government's HEEPS-ABS programme contains proposals for insulating selected hard to treat houses of non-traditional construction. It is unlikely that all of these projects could be fully completed before 31 March 2014, however, there is a provision in the scheme which enables projects to continue beyond March 2014 as long as works amounting to at least the value of the grant have been completed, which will enable the Scottish Government's share of the funding to be drawn down.
- 2.9 In addition to the schemes noted above, the HEEPS-ABS application also includes a proposal to offer a package of basic insulation measures (similar to those previously carried out under UHIS) but targeted at properties in Council tax bands A-C. At this stage, it is difficult to assess with accuracy the likely levels of uptake for this offer, however, there is thought to be sufficient interest to make such a scheme worthwhile.
- 2.10 For this part of the programme, it is proposed to participate in a joint tendering exercise which is being undertaken by the Energy Savings Trust (who have been commissioned by the Scottish Government) on behalf of several local authorities. A similar approach was taken in the procurement of contractors for Perth and Kinross Council's UHIS programme and the economies of scale arising from a collective tendering approach resulted in highly competitive rates being obtained for the sixteen local authorities that took part.

- 2.11 In addition to the funding opportunities presented by both the ECO and HEEPS-ABS programmes, the potential benefits of other energy saving measures (such as installing Solar Photo-voltaic (PV)) panels to the roofs of suitably located Council houses) are also being explored.
- 2.12 As well as providing an opportunity for tenants to benefit from any free electricity generated by the panels during the day, solar PV installations can generate an income from the feed-in tariff. The feed in tariff rate, which is set by the Government, provides a payment for each unit of electricity generated. This payment is set at the time of installation and (as well as being index linked) is guaranteed for a period of 20 years. The purchase cost of solar PV equipment has reduced significantly during the past two years and this factor, combined with the current rate of feed in tariff, could provide a sound business case for installing a solar PV system.
- 2.13 It is understood that neighbouring Councils are also currently evaluating the feasibility of installing solar PV schemes to parts of their housing stock and there may be opportunities and economic benefits in working jointly on the procurement of such a scheme. It should be noted that solar PV will not be suitable for all households for several reasons such as the orientation / structural design / shading from neighbouring properties.
- 2.14 It is now proposed to review the potential benefits of installing Solar PV to parts of the housing stock and bring forward proposals to Committee for consideration.
- 2.15 The Council's Energy Advice Project which is delivered by SCARF (Save Cash and Reduce Fuel) continues to provide advice and guidance to all residents within Perth and Kinross. The range of services offered by SCARF includes advice and help in ensuring householders are on the most beneficial tariff from their energy supplier. The Warm Homes Discount Scheme operated by energy companies is not automatically given to their customers (even though they may qualify) and usually relies upon annual applications being made to continue receiving the discount. Those in receipt of Pension Credit are an exception and the discount is automatically renewed in their circumstances.
- 2.16 The importance of ensuring that householders are on the correct fuel tariff is of significant value and the Council will continue to work with SCARF and the Energy Suppliers to maximise tariff savings.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 There is good potential for households within Perth and Kinross to benefit from the various schemes that are now offering funding towards energy saving measures, such as HEEPS-ABS, ECO, Green Deal and the Feed in Tariff.

3.2 The timescales for responding to some of these offers are very challenging and it will be necessary to act quickly to maximise the benefits from these schemes in 2013/14.


3.3 It is recommended that Committee:-

- (i) Homologates the actions taken to secure ECO funding from Scottish and Southern Energy plc for the insulation of 159 no fines concrete houses in Hillyland, Perth.
- (ii) Notes the actions already taken to submit funding applications for the Scottish Government's new Home Energy Efficiency Programme Scotland – Area Based Schemes.
- (iii) Remits the Executive Director Housing and Community Care to research the feasibility of installing Solar Photovoltaic panels to the roofs of selected Council houses, utilising feed-in tariff payments as a method of funding the scheme and bring forward detailed proposals to a future meeting of the Housing and Health Committee.

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Approved

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Date 29 April 2013		

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

The undernoted table should be completed for all reports. Where the answer is 'yes', the relevant section(s) should also be completed

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	Yes
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan/Single Outcome Agreement

- 1.1 The Single Outcome Agreement for Perth and Kinross and the Perth and Kinross Council Corporate Plan 2013-18 have five concurrent outcomes which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The following are relevant to this report: -

- Promoting a prosperous and sustainable economy.
- Creating a safe and sustainable place for future generations.

Corporate Plan

- 1.2 The Corporate Plan has five objectives of which the following are relevant to this report:

- Giving every child the best start in life
- Developing a prosperous, inclusive and sustainable economy
- Creating a safe and sustainable place for future generations

2. Resource Implications

Financial

- 2.1 The financial resources required to deliver the proposals contained in this report will mainly be provided from the Energy Company Obligation and from the Scottish Government's Home Energy Efficiency Programme Scotland – Area Based Schemes programme.

Some elements of the proposals relate to energy efficiency improvements to the Council's own housing stock, which are already contained in the approved Capital budget. The Head of Finance was consulted as part of the Capital Budget setting process which was reported to the Housing and Health Committee on 6 February 2013 in the Housing Revenue Account (HRA) Strategic Financial Plan Incorporating the 5 Year Capital Investment Programme and Rent Strategy to 2017/18, Reserves Strategy and Other Housing Charges for 2013/14 (Report 13/56 refers). The approved budget contains a provision of £1,546,000 in 2013/14, £849,000 in 2014/15 and £1,700,000 in 2015/16 for Energy Efficiency works.

The precise allocation of funding to individual parts of the proposed programme will not be known until the outcome of the HEEPS-ABS bidding process has been concluded.

Workforce

- 2.2 There are no direct workforce implications regarding this report.

Asset Management (land, property, IT)

- 2.3 The properties included in these proposals contain both privately owned homes and HRA housing. These proposals are in accordance with objectives contained in Council's Housing and HRA Asset Management Plan 2012-2017.

3. Assessments

3.1 Equality Impact Assessment

Under the Equality Act 2010 the Council is required to eliminate discrimination, advance equality of opportunity and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

The proposals have been considered under the Corporate Equalities Impact assessment process (EqIA) with the following outcome: -

- (i) Assessed as not relevant for the purpose of EqIA.

3.2 Strategic Environmental Assessment

The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. However, no further action is required as the proposals contained in this report do not qualify as a PPS as defined by the Act and it is therefore exempt.

3.3 Sustainability

These proposals meet the following sustainability criteria: -

- Energy conservation through improved insulation measures
- Where possible using materials from sustainable sources
- Re-use of existing resources

3.4 Legal and Governance

The Head of Legal Services has been consulted and there are no direct legal implications of this report.

3.5 Risk

The two key risks that have been identified for the initial phase of the HEEPS-ABS / ECO programme are as follows:-

- Owner-occupiers in communal blocks may not wish to participate in the scheme resulting in some neighbouring properties having to be omitted from the programme
(Action being taken to mitigate this risk includes providing good information to owners, explaining the benefits of the scheme through personal visits and public meetings etc.)
- Conditions related to funding awards from the Scottish Government are expected to result in strict planning and programming constraints
(Action being taken to mitigate this risk includes close liaison with Scottish Government and ECO funding partner regarding planning & scheduling of proposed works + early consultation with Building Standards team / residents etc.)

4. Consultation

Internal

- 4.1 The Finance and support services, Head of Legal Services have been consulted on this report.

5. Communication

- 5.1 Communication with owner-occupiers and tenants affected by these proposals will be undertaken by means of letters, personal home visits and locally arranged open meetings.

2. BACKGROUND PAPERS

The following background papers as defined by section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

- Housing Revenue Account (HRA) Strategic Financial Plan Incorporating the 5 Year Capital Investment Programme and Rent Strategy to 2017/18, Reserves Strategy and Other Housing Charges for 2013/14. (article 13/56 refers)
- Perth and Kinross Fuel Poverty Statement 2011-2016 Progress Report 2012 (article 12/479 refers)

3. APPENDICES

The following documents are appended to this report: -

- Appendix 1 - Fuel poverty statement – Interim update 2013
- Appendix 2 – Summary of Funding Awards (Energy Efficiency 2010 – 2013)



PERTH and KINROSS

DRAFT FUEL POVERTY STATEMENT

2011 – 2016

Interim Update April 2013

Introduction

Fuel poverty is the term used where householders are unable to afford the purchase of adequate fuel to maintain reasonable household warmth. It is caused by a combination of factors, such as: -

- Low household income.
- Fuel costs and lack of access to cheaper fuels.
- The thermal quality of the building through poor insulation standards.
- Poor energy efficiency through inefficient heating systems.
- Household behaviour and under-occupancy of properties.

The Perth and Kinross Fuel Poverty Statement 2011-2016 sets out four strategic objectives to assist fuel poor households in Perth and Kinross to decrease their domestic fuel costs: -

- Identify levels of fuel poverty and measure progress towards its reduction.
- Increase household income of 'fuel poor' households by delivering fuel poverty advice, information advice and referral services.
- Maximise overall household incomes by providing benefits and money and debt advice.
- Increase energy and fuel efficiency of the housing stock.

This is the Perth and Kinross Fuel Poverty Statement 2011-2016 interim update for April 2013. It demonstrates how measures to eradicate Fuel Poverty, as far as reasonably practicable, in Perth and Kinross by 2016 are being addressed and highlights national and local initiatives that are available and have been actioned in the area.

Current Initiatives

Energy Assistance Scheme

The Scottish Government Home Energy Efficiency Programmes for Scotland are open to people across Scotland to help make homes warmer and more energy efficient by offering: -

- A free home energy check, which is available to everyone, and will check how energy efficient the home is and suggest practical changes and improvements to reduce the amount of energy used in the home, saving money.
- A benefit and tax credit check, and access to the lowest-cost energy rates. This may be available to everyone depending on circumstances.
- Energy Efficiency Measures to make the home warmer and cheaper to heat e.g. heating systems such as central heating or a new boiler, and loft and cavity wall insulation.

- Energy Suppliers fund measures under the Affordable Warmth Scheme and is available to homeowners or private sector tenant, have lived in the home for at least 1 year, and are in receipt of certain benefits.
- The Scottish Government fund measures under the Energy Assistance Scheme which are available to homeowners or private-sector tenant, have lived in the home for at least 1 year, and meet the qualifying criteria of home energy rating and certain benefits. However they may still qualify if over 60 and no central heating system.

Green Deal

The Green Deal is an innovative financing mechanism that lets people pay for energy-efficiency improvements through savings on their energy bills. Participants will then repay the loan through a charge added to their energy bill.

There are 4 stages of Assessment, Finance, Installation and Repayment and will ensure that improvements identified meet the 'Golden Rule' the payments made for the improvements cannot be higher than the estimated energy bill savings they will make.

Green Deal launched in January 2013 and applies to both the domestic and non-domestic sector. It will replace current policies such as the Carbon Emissions Reduction Target (CERT) and the Community Energy Saving Programme (CESP).

There are 45 measures or areas of home improvement approved to receive funding under the Green Deal, covering: -

- Insulation.
- Heating and hot water.
- Glazing.
- Microgeneration (generating your own energy).

For the non-domestic sector lighting, mechanical ventilation and heat recovery measures can also be covered. More areas may be added as technology develops.

In November 2012 the Scottish Government launched the Green Homes Cashback Scheme to encourage people to make improvements. The Scottish Government is offering owner occupiers, private and social tenants and private sector landlords up to £500 towards energy efficiency measures that are recommended in either the Energy Performance Certificate (EPC) or Green Deal assessment.

Energy Company Obligation

The Energy Company Obligation (ECO) for the big six energy suppliers was also launched in January 2013 and consists of: -

- Affordable Warmth Obligation provides heating and hot water saving measures, insulation, glazing and microgeneration technologies (except PV) to low income and vulnerable households (excluding social housing tenants).
- Carbon Savings Obligation provides funding to insulate solid wall properties and those with 'hard-to-treat' cavity walls.
- Carbon Saving Communities Obligation provides insulation and glazing measures to people living in the bottom 15% of the UK's most deprived areas.

Through ECO, the government aims to help 230,000 low-income households or those in low-income areas. Of the expected investment by suppliers of £1.3bn per year, there will be a 75:25 split between the carbon and affordable warmth obligations.

HEEPS – ABS

The Home Energy Efficiency Programme for Scotland – Area Based Schemes (HEEPS-ABS) is a new programme which is being promoted by the Scottish Government. The scheme replaces the Universal Home Insulation Scheme and invites local authorities to submit funding bids towards energy saving measures that will assist home owners or private landlords in their area. The scheme has the following main objectives:-

- To reduce fuel poverty.
- To reduce carbon emissions.
- To lever ECO funding.
- To support the local economy and sustainable economic development.

Applications for funding under the HEEPS-ABS programme are required to meet several specific criteria. The main points are as follows: -

- They should clearly target fuel poor areas beginning with those households in most need of assistance.
- They should be for private sector properties (including private sector properties in mixed tenure blocks). Private rented properties will be eligible. Holiday homes and static caravans are excluded.
- They should be for 2013/14, but can also include an outline programme for 2014/15.
- They should be made up of a mixture of higher cost measures (such as solid wall insulation) and lower cost measures made available more widely (see below for further information).
- Councils will be able to spend up to 10% of received funding on administrative and enabling costs (see below for further information).

- Councils will be able to contractually commit up to 20% of their core 2013/14 allocation for drawdown in 2014/15 Projects may continue into 2013/14 using ECO or other leveraged funding.
- A core objective of the HEEPS: ABS is to lever as much ECO into Scotland as possible. In the NRP pilots, leverage of around 3:1 (ECO:NRP) was secured and it is expected that this ratio will be achieved for the HEEPS: ABS. It is, however, accepted that in some circumstances leverage will be lower than this. Therefore leverage should be sought across the scheme as a whole.
- Proposals should demonstrate that they have considered all available funding options to achieve the proposed work. This would include, where appropriate, the Green Deal and the Green Homes Cashback Voucher.
- Schemes should be designed to maximise carbon reductions.

Universal Home Insulation Scheme

The Universal Home Insulation Scheme (UHIS) is funded by the Scottish Government. The scheme provides private householders with FREE energy saving advice, a home energy check, and where needed, free loft insulation, pipe / tank insulation and cavity wall insulation.

No new applications for assistance under the UHIS programme can be accepted after 31 March 2013, however, measures can still be installed in those households that applied to be included in the scheme before then up to the end of September 2013.

UHIS has now been superseded by the Scottish Government's HEEPS-ABS programme (see above).

SGN Assisted Connections Scheme

Scotland Gas Networks operate a discount scheme which helps to subsidise the cost of installing new gas connections where households meet the following qualifying criteria: -

- Reside within the 20% most deprived areas, as measured by the Scottish Government's Index of Multiple Deprivation (IMD); or
- Are eligible for measures under the Scottish government Energy Assistance Package; or
- Fall within the Priority Group (low income households or individuals over 70 years of age) for measures under the Carbon Emissions Reduction Target (CERT); or
- Are in fuel poverty based on the standard Government definition - that is to spend more than 10% of their disposable income on all household fuel use to maintain a satisfactory heating regime.

2.7 Gas In-Fill Loans Scheme

The Scottish Government has made available £1 million for Financial Year 2012/13 and a further £4 million for Financial Year 2013/14 for the Gas Infill Loans Scheme which provides loan funding for gas infill projects and gas grid extension projects. This loan funding is available to support:

- gas infill projects – this means projects to connect groups of owner-occupied houses within the existing gas grid but not currently connected to it; and
- gas grid extension projects – this means projects to connect groups of houses located sufficiently close to the existing grid to be connected at a reasonable cost, taking account of the various sources of funding support available.

2.8 Greener Homes Initiative (Alyth)

On 25 September 2012 the Scottish Government launched a £10 million 'Greener Homes Innovation Scheme' challenge fund that aims to deliver eco-friendly homes.

Perth and Kinross Council was successful in bidding for funding of £210,000 from this scheme for 7 units in Alyth. They are to be built with high levels of insulation, good air tightness, triple glazed windows and doors and whole house ventilation with heat recovery. Both solar thermal and photo voltaic panels are proposed to meet carbon and renewable elements of the Building Standards 'silver level'. The solar thermal will attract Renewable Heating Initiative (RHI) funding and photo voltaic will attract Feed-In Tariff (FIT) funding. The units will demonstrate high levels of energy efficiency which will help to combat fuel poverty make a contribution to Climate Change Act targets and also support the house-building sector to contribute to Scotland's low carbon economy.

2.9 Home Renewables Loan Scheme

The Energy Saving Scotland home renewables loan scheme enables Scottish householders to install a renewables system, further support Scotland's microgeneration industry and contribute towards Scotland's climate change targets. Interest free loans of up to £10,000 are available for heat generating renewables systems such as heat pumps, biomass boilers and solar thermal.

These renewable heat loans will have a repayment period of up to 8 years. Also available are interest free loans of up to £2,000 for electricity generating renewables systems such as solar PV, wind turbines and micro hydro. These renewable electricity loans will have a repayment period of up to 4 years.

2.10 Feed-In Tariffs Scheme (FITs)

Electricity-generating technology installed from a renewable or low-carbon source such as solar PV or wind turbine could result in payments from the energy supplier through the UK Government's Feed-In Tariffs scheme (FITs).

Savings can be made by using the electricity generated from the technology as well as be paid for the electricity generated, and for any surplus electricity exported to the grid.

This is the main financial incentive to encourage uptake of renewable electricity-generating technologies. Most domestic technologies qualify for the scheme, including: -

- solar electricity (PV) (roof mounted or stand alone).
- wind turbines (building mounted or free standing).
- hydroelectricity.
- anaerobic digesters.
- micro combined heat and power (CHP).

2.11 Renewable Heat Premium Payment – Phase 2

The Renewable Heat Premium Payment is a UK Government scheme designed to help households afford renewable technologies for the home, such as: -

- Solar thermal panels.
- Heat pumps (air to water, ground source or water source but excluding air to air and exhaust air heat pumps), and
- Biomass boilers.

The Renewable Heat Premium Payment scheme - Phase 2 extension will run from 1 April 2013 to 31 March 2014, subject to available funding.

2.12 Renewable Heat Incentive (RHI)

The Renewable Heat Incentive is a UK Government Scheme and encourages the installation of renewable heat equipment with financial incentives to householders, businesses and communities. There are two phases to the introduction of the RHI: -

- **Phase 1:** the introduction of the RHI for non-domestic installations in the industrial, business and public sectors.
- **Phase 2:** the domestic element of the RHI is expected to be introduced in spring 2014 following the consultation published in September 2012 and more recently the UK Government Heat Strategy.

2.13 Landlord Green Appliance Scheme

The Scottish Government is offering private sector landlords up to £500 towards replacing old and inefficient appliances such as fridge freezers, fridges, freezers, washing machines and dishwashers in their rented properties. They can apply for more than one different appliance up to £500 limit.

2.14 Warm Homes Fund

The Warm Homes Fund is a new £50 million Scottish Government initiative which aims to provide loan funding for renewable energy projects (including district heating) to support communities in fuel poverty. Funding can be applied for by Local Authorities (LAs), Registered Social Landlords (RSLs).

Energy Service Companies (ESCOs) formed by RSLs or LAs and in certain circumstances Community Groups undertaking renewable energy projects. Schemes have to demonstrate that: -

- Funding is targeted to a fuel-poor area.
- It will reduce fuel poverty within that community.
- It should be backed by targeted energy efficiency action so that those communities currently worst hit by higher fuel prices see significant reduction in their fuel costs.

Funding support for this can come from a range of sources, including ECO, and from pilot projects funded through the Scottish Government's HEEPS-ABS.

2.15 Warm Home Discount Scheme

The Warm Home Discount Scheme helps some older people with energy costs and runs for four years from winter 2011/2012.

In 2013/14 customers may qualify for this energy discount of £135 if on the qualifying date (to be confirmed) they are either: -

- Aged 75 or over and getting the Guarantee Credit element of Pension Credit.
- Aged under 75 and only getting the Guarantee Credit element of Pension Credit (you won't qualify if you also get Saving Credit).

And all of the following apply: -

- their name, or their partner's name is on their electricity bill.
- they get their electricity from one of the energy suppliers participating in this scheme.

Energy suppliers may also give the £135 discount to some other customers in vulnerable groups.

2.16 Winter Fuel Payment

A Winter Fuel Payment of between £100 and £300 tax-free is available to help pay heating bills. To qualify for Winter Fuel Payment: -

- Born on or before 5 July 1951 (winter 2012 to 2013 - this date changes every year).
- Live in the UK throughout the week of 17 to 23 September 2012.

Payment may be made if those who live in another European Economic Area (EEA) country or Switzerland with a genuine link to the UK.

2.17 Cold Weather Payment

A Cold Weather Payment is available to people on certain benefits when the local temperature is either recorded as, or forecast to be, an average of zero degrees Celsius or below over 7 consecutive days. For each 7 day period of very cold weather between 1 November and 31 March those eligible will receive £25.

2.18 Perth & Kinross Council (PKC) Energy Efficiency Advice Project

The PKC Energy Efficiency Advice Project is funded by PKC and delivered by Save Cash and Reduce Fuel (SCARF). Its main purpose is to help deliver the Fuel Poverty Statement by:

- Delivering free impartial advice to all householders.
- Making referral to support services like the Energy Assistance Package etc.
- Work in partnership with council departments and other organisations to develop a One Stop Shop for clients.
- Work with partners to raise awareness of Fuel Poverty and ensure the most vulnerable in our community are identified and supported.

The project has 2 part time advisors who operate out of Housing and Community Care based at Whitefriars, Perth. In helping clients the advisors will carry out a holistic Home Energy Check to identify all the underlying causes for the clients problems. This will include benefit and tariff checks along with checking insulation levels and the efficient use of home heating and appliances.

The Project Advisors work to both deliver this service in a proactive and reactive way and subsequently attend numerous events throughout the year to raise awareness of Fuel Poverty and the support services available to help identify the fuel poor and signpost them for assistance.

This service is FREE and PKC Energy Efficiency Advisors can be contacted on 01738 476183 or duty@scarf.org.uk

2.19 Boiler Scrappage Scheme

The last date for applications for vouchers under the 2012-13 Boiler Scrappage Scheme was 31 March 2013.

2.20 Fuel Poverty Awareness Raising Sessions

In 2012/13, 190 frontline staff in Perth & Kinross Council, NHS, Registered Social Landlords, Independent and Voluntary Sectors has attended fuel poverty awareness raising sessions.

APPENDIX 2

Programme	Funding Obtained	Measures Undertaken
UHIS Programme 2010/2011 UHIS Programme 2011/2012 UHIS Programme 2012/2013	£590,000 £560,000 £675,000 + £350,000	Loft / Cavity / Pipe and Tank Insulation Loft / Cavity / Pipe and Tank Insulation Loft / Cavity / Pipe and Tank Insulation
SGN Assisted Connections 2012/ 2013	£837,089	New Connections to Mains Gas Network
Greener Homes Initiative		
HEEPS-ABS 2013/2014	£210,000	Eco friendly new-build housing
	£922,500*	Hard to Treat Wall Insulation , Loft / Cavity / Pipe and Tank Insulation • Note : HEEPS-ABS Funding allocation is provisional and will be subject to approval of proposals that have been submitted to the Scottish Government

