

PERTH AND KINROSS COUNCIL

Housing and Health Committee – 6 June 2012

UNIVERSAL HOME INSULATION SCHEME – PROGRESS UPDATE REPORT

Report by Executive Director (Housing and Community Care)

ABSTRACT

This report details progress achieved in the delivery of the Scottish Government's Universal Home Insulation Scheme within Perth & Kinross. The report also highlights information about the next phase of the scheme.

1. RECOMMENDATION

It is recommended that the Housing and Health Committee:-

- 1.1 Notes the progress achieved in delivering the Universal Home Insulation Scheme.
- 1.2 Notes the award of £675,000 in grant funding from the Scottish Government to continue the scheme during 2012/13.
- 1.3 Encourages elected members in the 'Strathtay', 'Strathearn' and 'Kinross' areas to participate in the promotion of the scheme in their wards.

2. BACKGROUND

- 2.1 The Scottish Government's Universal Home Insulation Scheme (UHS) was introduced in May 2010 to help address fuel poverty and reduce carbon emissions from domestic properties throughout Scotland. All Scottish Local Authorities were invited to submit bids for funding and Perth & Kinross Council put forward proposals to offer free cavity wall insulation, loft insulation and pipe / tank insulation to all privately owned and private rented households, regardless of household income, in Highland Perthshire. This area was identified as having the highest incidence of Fuel Poverty (34.9%), based on information abstracted from the local cross tenure stock condition survey, which was undertaken by David Adamson and Partners during 2009/10 and also the Energy Saving Trust's Home Energy Efficiency Database (HEED). The bid was successful and a funding award amounting to £590,000 was received in October 2010.
- 2.2 A further invitation to bid for funding was announced in July 2011 and Perth and Kinross Council's bid attracted an additional grant of £560,000 for 2011/12. The measures proposed for the second round of the programme were exactly the same as in phase 1 (comprising mainly loft / cavity wall insulation) however the areas selected this time were 'Blairgowrie and Glens' along with parts of 'Strathtay' which, according to the stock condition survey had 26.3% of households in fuel poverty. This area was found to be the next highest priority following Highland Perthshire.

- 2.3 The latest grant award for 2012/13, which amounts to £675,000, was announced in March 2012. This award has since been accepted and the funding for this year's project will be used to extend the scheme to a further 8,750 households. Based on the earlier prioritisation principles, the latest phase of the scheme will now focus on completing the remainder of 'Strathtay' and will extend into 'Strathearn' and parts of 'Kinross', where 16.9% and 20.1% respectively of households are estimated to be in fuel poverty. All elected members in wards that are included in the boundaries of the latest scheme will be kept advised of detailed plans and programmes for each locality. Members have played an important part in the promotion of earlier phases of UHIS and it is hoped that this role can be continued by newly elected ward members.

3. ACHIEVED PROGRESS / PROPOSALS

It is proposed that Committee note the following points relating to achieved progress since 2010 along with proposals for delivering the Universal Home Insulation Scheme in 2012/13:-

3.1 UHIS 2010/11

In the 2010/11 scheme, which included Highland Perthshire, 6172 homes received mailings and visits from the Council's Energy Advice partners SCARF (Save Cash and Reduce Fuel).

A total of 2,667 insulation measures were completed by the installation contractor - Eaga Ltd., and the total cost of the UHIS works undertaken was £576,188. In addition, supplementary CERT (Carbon Emissions Reduction Target) funding amounting to £162,491 was obtained from energy suppliers to help pay for measures in 'priority' households.

3.2 UHIS 2011/12

The 2011/12 scheme, which contains 6186 homes, started in October 2011 and installation works are currently in progress. The works were competitively tendered on behalf of sixteen Scottish Local Authorities (including Perth & Kinross Council) by the Energy Saving Trust. SIG Energy Management were confirmed as the designated installation contractor for Perth & Kinross and the contract was accepted under delegated powers in November 2011 (Article 12/47 refers). Works are scheduled to be completed by August 2012, which is ahead of the Scottish Government's requested completion date of 30 September 2012. It is currently estimated that £532,000 of UHIS funding will be spent, although this will again be supplemented by CERT funding for certain households.

3.3 UHIS 2012/13

The 2012/13 scheme which contains 8,750 houses is now underway. The first mailings and home visits by SCARF began in May 2012 and it is expected that insulation measures will start to be installed during July 2012. The 2011

contract with SIG Energy Management included an option to extend arrangements for the installation of measures and this option is being adopted. The Scottish Government require works to be legally committed by 31 December 2012.

- 3.4 The UHIS programme is contributing towards the Council's Fuel Poverty statement by increasing the energy efficiency of the overall housing stock in Perth and Kinross. The true impact on the levels of Fuel Poverty will not be fully known until the outcome of the next stock condition survey is published in 2014. Fuel poverty trends are influenced by many factors and aspects such as rising energy costs and other demands on household incomes will have counteracting effects.

4. CONSULTATION

The Head of Democratic Services, the Head of Legal Services and the Acting Head of Finance have been consulted on the content of this report.

5. RESOURCE IMPLICATIONS

There are no direct implications from this report as the work is fully grant funded.

6. COUNCIL CORPORATE PLAN OBJECTIVES 2009 - 2012

The Council's Corporate Plan 2009-2012 lays out five objectives, which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. This report reflects the following objectives:

- (i) A Safe, Secure and Welcoming Environment.
- (ii) Healthy, Caring Communities.
- (iii) A Prosperous Sustainable and Inclusive Economy.

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 An equality impact assessment needs to be carried out for functions, policies, procedures or strategies in relation to race, gender and disability and other relevant protected characteristics. This supports the Council's legal requirement to comply with the duty to assess and consult on relevant new and existing policies.
- 7.2 The function, policy, procedure or strategy presented in this report was considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- Assessed as not relevant for the purposes of EqIA.

8 STRATEGIC ENVIRONMENTAL ASSESSMENT

- 8.1 Strategic Environmental Assessment (SEA) is a legal requirement under the Environmental Assessment (Scotland) Act 2005 that applies to all qualifying plans, programmes and strategies, including policies (PPS).
- 8.2 The matters presented in this report were considered under the Environmental Assessment (Scotland) Act 2005 and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

9 CONCLUSION

This report highlights the progress of the Scottish Government's Universal Home Insulation Scheme in Perth & Kinross from 2010 - 2012.

David Burke
Executive Director (Housing and Community Care)

Note: The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above report.

Tenders Accepted and Works Awarded Under Delegated Powers - 1 February 2012 (Reference: 12/47)

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