

<b>Report title:</b> Grant Agreements for the delivery of energy and financial wellbeing advice to households suffering fuel poverty	
<b>Report to:</b> Mark Carroll- Executive Director for Place and Public Health.	
<b>Report author:</b> Paul Ashworth – Strengthening Communities Manager	
<b>Date:</b> 23 December 2019	<b>For:</b> Decision
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<b>County Divisions affected:</b> All Essex	

## **1. Purpose of Report**

- 1.1 The purpose of this report is to seek a decision to authorise Essex County Council (“ECC”) to enter into grant agreements to deliver an advisory service to households in fuel poverty.

## **2. Recommendations**

- 2.1 To agree and approve that ECC can enter into the following agreements: -

2.1.1a Recipient Agreement with Affordable Warm Homes Solutions CIC (“AWS”) whereby ECC will be the recipient of a grant to the sum of £774,833 from the Warm Homes Fund (“WHF”);

2.1.2. a Grant Agreement with Citizens Advice Essex Ltd, ECC’s chosen lead partner for the operational delivery of services for which the grant from WHF was awarded; and

2.1.3to agree to allocate £85,000 from the existing budget as a contribution towards winter warmth initiatives.

## **3. Summary of issue**

3.1. In 2014 the UK Government introduced a statutory target to ensure, as far as reasonably practicable, that Low income households that cannot afford to heat their homes (“fuel poor homes”) in England achieve a minimum energy efficiency rating of Band C by 31<sup>st</sup> December 2030.

3.2 The WHF is a £150million fund administered by AWS across England, Scotland and Wales. The fund was created in 2017 between National Grid and AWS to help make households in Great Britain warmer, healthier and cheaper. It is primarily designed to address some of the issues affecting households in fuel poverty by incentivising the installation of affordable heating solutions in fuel poor households who do not use mains gas as their primary heating fuel. It is

envisaged that this fund will be used to supplement existing local initiatives and other funds available to demonstrate additionality.

- 3.3. The WHF is split into three categories being: Category 1 Urban Homes and Communities which is primarily for new gas heating systems; Category 2 Rural Homes and Communities – providing non-gas solutions where it is uneconomical to connect to the nearest gas main; Category 3 – Specific Energy Efficient/Health Related Solutions – which brings together relevant organisations to promote energy efficiency and /or health related programmes in relation to fuel poverty.
- 3.4 To secure funding, applications are required to come from Registered Social Landlords or Local Authorities. On 26 September 2019 ECC, with the assistance of Citizens Advice Essex Ltd, made a successful bid for funding under Category 3 and were notified on 7 November 2019 that ECC have been awarded £774,833, subject to entering into the required Recipient Agreement, whereby ECC commits to delivering the project pursuant to the Recipient Agreement and failure to do so will affect the amount of funding to be provided. As ECC will be working together with Citizens Advice Essex to deliver the project, the terms in the Recipient Agreement are reflected in the Grant Agreement with Citizens Advice Essex.
- 3.5 The accepted bid proposal is based upon increasing the availability of high-quality advice, guidance and support to at least 2500 households suffering fuel poverty across Essex (“the Project”). In total it is expected this to equate to 7500 beneficiaries over the Project term. The Project will commence in January 2020 and complete by 31 May 2022.
- 3.6 Under the Project, holistic services will be delivered addressing the householder’s energy usage and financial wellbeing and will be targeted on those living in the coldest homes and on low incomes, and/or with exacerbating health conditions and thus experiencing fuel poverty.
- 3.7 As part of its bid ECC proposed to work in partnership with Citizen Advice Essex and the grant awarded to ECC will be provided to Citizens Advice Essex under a Grant Agreement for them to deliver the Project as the lead delivery partner. Citizens Advice Essex is an existing consortium body and charity that operates with over 30 advice locations in Essex. They support around 30,000 people per year within administrative Essex with a client profile weighted towards the provision of support to people on the lowest income, and with a higher incidence of long-term ill health and disability than general population. They already are established in providing localised responses to fuel poverty.
- 3.8 Citizens Advice Essex will project manage the introduction of a single point of referral service, supported by the provision of specialist staff, administration and marketing functions to provide energy and financial wellbeing advice responding to direct and self-referrals across the Citizens Advice Essex network. Project beneficiaries will receive the following services:

- Clients shall be allocated a 'key worker' to ensure provision of and end to end service.
- Home visiting services – supporting assessment of the householders living conditions to drive behavioural change, provide guidance on heating system usage and identify where physical infrastructure needs improvement. – An emergency fund of £18,000 will be held by AWS to assist in emergency repairs of installations which shall be accessible via qualifying criteria.
- Debt advice and support with income maximisation.
- Utility provider switching, smart metering advice, referrals to other sources of support e.g. social tariff schemes
- Targeted distribution of Winter Warmth Packs through partnerships with local Council for Voluntary Service Organisations.

3.9 ECC will also provide £85,000 of own funding over the life of the Project as a funding contribution towards winter warmth partner initiatives. This will come from existing, allocated budget

3.10 This Project aligns to strategic aims and priorities the ECC Organisational Strategy 2017-2021 being:

- Help people get the best start and age well.
  - Improve the health of people in Essex
- Help people get the best start and age well.
  - Help to secure stronger, safer and more neighbourly communities

## 4. Options

### 4.1 Option 1 – Enter into Recipient Agreement with AWS and Grant Agreement with Citizens Essex Ltd

4.1.1 Enter into the Recipient Agreement with AWS accepting the £774,833 from the WHF for the Category 3 Specific Energy Efficient/Health Related Solutions, bringing together relevant organisations to promote energy efficiency and /or health related programmes in relation to fuel poverty and enter into a Grant Agreement with Citizens Advice Essex Ltd as the delivery partner for the provision of high-quality advice, guidance and support to at least 2500 households suffering fuel poverty across Essex under the Project.

### 4.2 Option 2 – Do nothing

4.2.1 To not enter into the Recipient Agreement would not allow acceptance of the grant and the grant to be available to ECC to deliver the Project in partnership with Citizens Advice Essex Ltd and doing nothing will disadvantage those households on poorer incomes who find themselves in fuel poverty.

## 5. Next steps

- 5.1 Once the Agreement(s) have been executed project mobilisation can occur from January 2020 onwards.

## **6. Issues for consideration**

### **6.1 Financial implications**

- 6.1.1 ECC have been awarded £775,000 from the WHF under Category 3 (Specific Energy Efficient/Health Related Solutions), which will be claimed quarterly in arrears subject to submitting a satisfactory 'Funding Use Report' demonstrating that the grant conditions have been met. The grant runs from January 2020 to May 2022.
- 6.1.2 ECC will enter into a grant agreement with Citizens Advice Essex to allow the funds to be passported to contribute towards the creation of a single point referral service, to provide energy and financial wellbeing advice. The grant agreement will require Citizens Advice Essex to submit regular reports to provide ECC with the information required to claim the grant from AWS. ECC will also not release the grant to Citizens Advice Essex until the funding has been received from AWS.
- 6.1.3 ECC match funding of £85,000 is required which will be met within the Strengthening Communities existing revenue budget which is already allocated to winter warmth initiatives.
- 6.1.4 The funding is capped at £860,000 (£775,000 grant plus £85,000 ECC match), Citizens Advice Essex will be responsible for any cost overrun so there are no additional cost implications to ECC.

### **6.2 Legal implications**

- 6.2.1 ECC should ensure that the pertinent clauses in the Recipient Agreement with AWS are mirrored in the Grant Agreement with Citizens Advice Essex.
- 6.2.2 Citizens Advice Essex will be required to enter into and sign a Grant Agreement with ECC and some of the conditions of the grant will include:
- No grant funding will be paid unless ECC is satisfied that such payments have been used for the proper expenditure in the delivery of the Project and in accordance with the agreement, budget and timings;
  - Any Project underspend is to be returned to ECC;
  - Any costs overruns or additional spends on the Project are at the sole responsibility of Citizens Advice Essex;
  - Grant funding will only be paid if ECC is in receipt of Funding from AWS

6.2.3 This funding is not considered to constitute state aid

## **7. Equality and Diversity implications**

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
  - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

## **8. List of appendices**

- 8.1 Equality and Diversity Impact Assessment

## **9. List of Background papers**

- 9.1 Warm Homes Fund 4B Category 3 Application for Energy Efficiency and Health Related Solutions.

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Mark Carroll Executive Director for Place and Public Health</b>	<b>24.12.19</b>

**In consultation with:**

<b>Role</b>	<b>Date</b>
<b>Councillor Susan Barker Cabinet Member for Cabinet Member for Customer, Communities, Culture and Corporate</b>	<b>20.12.19</b>
<b>Executive Director for Finance and Technology (S151 Officer)</b> <b>Stephanie Mitchener on behalf of Nicole Wood</b>	<b>24.12.19</b>
<b>Director, Legal and Assurance (Monitoring Officer)</b> <b>Laura Edwards on behalf of Paul Turner</b>	<b>19.12.2019</b>