

ASHFIELD DISTRICT COUNCIL: OFFICER DECISION RECORD

Please use this form to record those executive decisions which are taken by officers and are **not** designated as 'Key Decisions' – or in other words those decisions which are **not** included in the Forward Plan. There is a separate form for recording Key Decisions.

You should also use this form to record decisions about those functions which are reserved to the Council or to its committees. The Constitution explains what these reserved functions are and who is responsible for them.

1. Title / Subject Matter:

Solar Photovoltaic Panels (SPV) to Council owned domestic assets; additional to Green Homes Grant (Local Authority Delivery) Phase 2

With growing pressure on Local Authorities to be actors in the shift towards a low carbon economy, the Council is striving to pursue a proactive approach towards the decarbonisation of its assets and operations, as well as decarbonisation of the wider district where the opportunity arises.

The Council has reaffirmed its commitment to doing everything possible to combat climate change including committing to a robust climate change strategy, and to include an assessment of the implications for sustainability and the environment in all relevant reports to Committees.

For the Council and the wider community to work towards net zero emissions, investment is required, putting significant pressure on existing budgets, with a clear gap between investment requirements and available budgets. To this end, the Council will, where possible, make use of funding opportunities associated with carbon reduction activity to maximise carbon reduction within the district.

The Council has previously approved the receipt of funding in relation to the Government's Green Homes Grant Local Authority Delivery Phase 2 (GHG2), aimed at reducing carbon emissions and fuel poverty to both social (Council owned) and private sector domestic properties. The funding is provided by Department for Business, Energy and Industrial Strategy (BEIS) via the Midlands Energy Hub. Funding levels vary depending upon whether the properties are Council owned (Social) or privately rented/privately owned. The Council was allocated circa £700,000, to install a combination of energy efficiency measures including solar photovoltaic panels, loft insulation and cavity wall insulation. Eligible properties must have an Energy Performance Certificate (EPC) rating of D, E, F or G. A survey of each eligible home is conducted to decide on the appropriate measures. Numbers of EPC rated D properties must not exceed 50% of the total. Through the Midlands Energy Hub, the Notts Energy Partnership (NEP) would seek private sector properties

for inclusion on behalf of the Council. The Council would select social properties for inclusion.

A requirement of the funding is that the Council must fund a minimum of 33% of the cost of works to its own stock (funding contribution maximum £5,000 per property) and will receive up to £10,000 per property (average) for privately owned properties, The Council contribution to the works carried out to its own housing stock is currently funded from within the existing Capital Programme.

The contract includes for 44Nr. Council owned properties to receive SPV. This will be the first time SPV panels are installed on the roofs of individual domestic assets (note that SPV panels are installed on a number of large flat blocks with communal areas, whereby electricity generated is used to provide electricity to communal areas). The intention was to target bungalows (let to tenants over the age of 60) in a geographical area where the majority are of like type and where the majority are D rated or below, as opposed to C rated or above.

Further to having established the necessary numbers of funded properties it has been identified that a number of existing C rated properties, located amongst those receiving works under the scheme, have received updated EPC surveys whereby the very unlikely result of the rating regressing has occurred, which is considered to be as a consequence of their previous score being on the boundary between a C and a D rating and ongoing changes to the national software which calculates the score and rating, causing the score to alter by a small number of points. These properties are additional to those included in the GHG2 scheme but which now not only share the same property type and characteristics but now have the same EPC rating of D (the driver behind the GHG2 funding).

Given this result we propose to re-survey the remaining bungalows on the same enclaves as those included in the GHG2 scheme to establish if these will also be re-assessed as D rated. On the grounds of consistency and fairness, we are proposing to self-fund SPV works to the properties adjacent to those D rated properties receiving SPV works under GHG2, which after carrying out an updated EPC, move from a C to a D rating. This would potentially increase the number of properties receiving SPV by a maximum of circa 30 properties, should all C rated properties become D rated after survey using the current EPC software.

In order to achieve the Government's carbon saving targets, the Government must continue to provide funding streams to enable the Council to achieve near net zero for its non-domestic assets prior to 2030, and so carrying out such energy/carbon saving works will be necessary to all of the Council's housing stock in the near future, subject to stock viability.

The Council may consider implementing a charge to tenants as SPV to Council owned properties increases over time (as a separate decision).

1. Decision Reference No:

Each Directorate maintains its own decision records/reference system to number its decisions. Please make sure that you use this system

AHSD200

2. Decision Taken:

Try to briefly summarise what you have actually decided to do. For instance, to purchase a specific piece of equipment for a specific cost, to be paid for from which budget heading etc. Don't include any exempt information in your summary that you would not want to be published.

- 1) To carry out works to eligible (part funded under GHG2) Social properties plus the remaining properties adjacent to those included on the GHG2 scheme which attain the same EPC rating (D or below) after updated EPC surveys are carried out, subject to:-
 - a) Legal approval to the proposed course of action in terms of varying the contract as allowable under the form of contract, and compliance with the Council's Contract Procedure Rules.
 - b) The contractor's capacity to carry out further properties under the contract
 - c) Access to tenants' homes (potential for tenants declining the works) or other unforeseen eventualities.
- 2) To engage with Legal Services in relation to relevant actions.
- 3) To consider implementing a charge to tenants for the benefit and use of SPV to Council owned properties as a future decision.

3. Reasons for the Decision:

Again, briefly explain why you thought this was the right decision

To enable the Council to complete the estate, whereby properties are of like types and almost identical characteristics, with the same EPC rating. The Council is part funding works under GHG2 anyway, and to complete the potential number of additional properties is not a significant sum. Significant future expenditure will be necessary to install such or similar carbon reduction measures to the Council's stock going forward to meet Government carbon emissions reduction targets. This will also reinforce that the Council's commitment to reducing carbon emissions and mitigating climate change.

5. Alternative Options Considered / Rejected:

Briefly summarise what other options, if any, you considered and explain why you rejected them.

To not carry out works to the remainder of properties, which after receiving an updated EPC survey attain a D rating, would leave like properties with different provision and would leave tenants of such adjacent properties feeling disadvantaged.

6. Implications

Please ask the respective professional Officers for their assessment of the potential (a) Legal, (b) Financial and (c) Human Resources implications of the decision. You only need to consult other relevant officers if you think that the decision will have an impact on their areas of responsibility.

Legal (LE 10.05.22)

The Council has the power to enter into contracts in order to discharge its functions (Local Government Act 1972, s111 and the Local Government (Contracts) Act 1997, s1). The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK legislation every contract entered into on behalf of the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations. Provided that a budget has been allocated for that expenditure and value for money can be demonstrated, the Chief Officer may agree with a Supplier to carry out additional works or services that were not included in the original Contract but which through unforeseen circumstances have become necessary and which either cannot for technical or economic reasons be carried out or provided separately from those included in the original Contract without major inconvenience to the Council or could be carried out or provided separately but are strictly necessary to the later stages of the Contract. The additional works or services must not exceed 50% of the value of the original Contract and authorisation must be obtained from the appropriate decision-maker.

Finance (SB 09/05/22)

The current capital program for Service Improvements – Carbon Saving works has £4.45m unallocated in the 5 year program which can cover the additional £210k estimated in this report.

HR (KB 09/05/22)

The work is to be undertaken by contractors therefore the Authority will need to ensure IR35 compliance

Environmental/Sustainability

The works covered by this ODR will reduce the carbon footprint of the properties receiving works and contribute towards the overall reduction in the district's emission. It will also contribute to a reduction in fuel poverty.

Name / Title of the officer taking the Decision:

Use your own name and title. Do not 'pp' for a more senior officer who has asked you to take the decision

Paul Parkinson – Director of Housing and Assets

Date: 13/05/22

Name / Title of the relevant Lead Cabinet Member consulted (if appropriate)

N/A