

EXTRA CAPITAL FUNDING FOR ENEREGY EFFICIENCY WORK

Report of the Director of Investment and Regeneration

1. SUMMARY OF REPORT

To update the Local Housing Board on extra capital funding made available by the Council for work to improve energy efficiency in homes.

2. RECOMMENDATION

That the Local Housing Board notes the report.

3. MATTER FOR CONSIDERATION

- 3.1 The great news is that the Council have recently agreed to provide an extra £4.3 million to allow us to carry out additional work to improve energy efficiency in our homes. Most of the money will be spent on replacing old storage heating systems with high efficiency gas central heating and on insulating solid brick walls in pre-war homes.
- 3.2 We are now speeding up the programme to replace old electric storage heating systems and are aiming for it all to be completed within 18 months – by Autumn next year. In the North of the City we have started in Mackworth and now expect to be able to finish that area this year. We have also just begun contacting tenants in the Chaddesden Park area and with the extra funding we expect to do most of the work this year.
- 3.3 We've already worked through the other areas in the North, although not all tenants have taken up the offer of replacing storage heaters and it is their choice. A home with electric storage heating does specifically comply with the Decent Homes Standard, so we are going beyond that with this initiative and the work is optional. Storage heaters actually suit some properties, especially smaller, well insulated homes, for example many flats. Please note that Rivermead House is not included as it has no gas supply.
- 3.4 We are also looking to insulate the walls of some older homes with solid brick walls. This will normally involve dry-lining the inside surfaces of the external walls, using some kind of thermal insulation board. We are currently evaluating various different products to see which gives us the best improvement at the best cost. We are also checking some homes of non-traditional construction (which are those with a metal or concrete structure) to see how their wall insulation compares to a solid brick wall in a traditional pre-war home.

- 3.5 Dry-lining is expensive and there are a huge number of homes that would benefit from work like this. At this stage we estimate that we might be able to improve about 200 homes, which is only part of the total number, so it will not be possible to insulate all homes up to this standard.
- 3.6 Also, we are tendering for a contractor to do basic work insulating lofts and cavity walls. Over the years, all homes have been offered this basic work at least once and the large majority of homes have already been done. However, there are still a few cavity walls that haven't been insulated and we think quite a lot of lofts could do with topping up.
- 3.7 Currently we have our gas contractor, Vinshires, checking and reporting on basic insulation when they visit to do gas servicing. When we have put it all together, we expect to run a fairly big programme over the next two to three years to insulate lofts and cavity walls where required.

4. FINANCIAL AND BUSINESS PLAN IMPLICATIONS

The capital programme is the Council's funding, so it does not come out of Derby Homes' budget. However, it is part of the Housing Revenue Account (HRA), which is basically the overall rent account for our tenants. The additional funding has been released from reserves that have built up in the HRA. The funding is on top of the existing capital programme, so this is extra work in addition to what would normally be done.

5. ENVIRONMENTAL IMPLICATIONS

Improving the energy efficiency of homes reduces the use of heating fuel and carbon emissions. This helps towards our strategic objective of achieving a 25% reduction in carbon emissions, as well as helping tenants to keep their homes effectively heated at an affordable cost.

The areas listed below have no implications directly arising from this report

- Consultation
- Legal and Confidentiality
- Personnel
- Equalities Impact Assessment
- Health & Safety
- Risk

If Board members or others would like to discuss this report ahead of the meeting please contact the author, or the Chief Executive, phil.davies@derbyhomes.org - Tel 01332 711010

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Background Information: None

Supporting Information: None