
Report To:	Education & Communities Committee	Date: 5 May 2015
Report By:	John Arthur, Head of Safer & Inclusive Communities	Report No: EDUC/38/15/DH
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Subject:	HEEPS Programme 2015-2016 and Update on Progress	

1.0 PURPOSE

- 1.1 The purpose of this report is to advise Committee of the programme of works to be undertaken in 2015-2016 utilising Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS:ABS) funding from the Scottish Government. The report also includes an update on progress to date of the overall HEEPS:ABS Programme across the Inverclyde Council area.

2.0 SUMMARY

- 2.1 The Scottish Government (SG) has awarded HEEPS:ABS funding of £1.007m to Inverclyde Council for the 2015-2016 financial year allowing targeted investment to improve energy efficiency and to reduce fuel poverty in identified areas of multiple deprivation. The funding award of £1.007m is to assist home owners under the Core Allocation Programme (HEEPS:CAP) and Proposals for Additional Funding have also been submitted to SG for collaborative projects with RSLs to assist both tenants and owners under the HEEPS:PAF scheme. These supplementary proposals amount to a further £0.501m of funding, subject to approval by SG.
- 2.2 Inverclyde Council has been particularly successful in attracting HEEPS:ABS investment for private owners and for collaborative working with RSL partners to improve energy efficiency and to reduce fuel poverty for both tenants and private owners in mixed ownership properties. A well-known example is the Holmscroft area of central Greenock, adjacent to Greenock Health Centre, where External Wall Insulation (EWI) has both improved the general appearance of the housing stock and significantly improved its energy performance. An update on the progress of other HEEPS:CAP and HEEPS:PAF funded projects is provided in this report.

3.0 RECOMMENDATIONS

- 3.1 That the Committee:
- Note the HEEPS:ABS Programme 2015-2016 as set out in paragraphs 5.2 – 5.5 of this report together with the Proposals for Additional Funding submitted by Inverclyde Council to the Scottish Government;
 - Note the progress to date of HEEPS:ABS projects across the Inverclyde Council area as detailed in paragraph 5.10 of this report; and
 - Note the success of Inverclyde Council in attracting substantial HEEPS:ABS investment for the benefit of both private owners and tenants of social rented properties.

John Arthur
Head of Safer & Inclusive Communities

4.0 BACKGROUND

- 4.1 The SG is committed to tackling fuel poverty and to improving the energy efficiency of housing in the private sector by providing HEEPS:ABS funding to owners via local authorities. The central aim of this funding stream is to target specific areas where fuel poverty is known to exist and where homes are uninsulated or require additional insulation to bring them up to 21st Century standards. Local authorities have to set out a strategy for identifying target areas and for ensuring that areas in fuel poverty are improved first before turning attention to other areas that could also benefit from energy efficiency measures. The well-established and well-respected Scottish Index of Multiple Deprivation (SIMD) Scores for the whole of Scotland are used as the benchmark for determining which areas should be tackled first under HEEPS:ABS programmes.
- 4.2 The SG has made it clear that there is an ongoing commitment to providing HEEPS:ABS funding over a period of years and local authorities have been invited to include an outline programme for 2016-2017 together with their HEEPS:CAP and PAF submissions for 2015-2016. This ongoing funding commitment has allowed Inverclyde Council, its HEEPS delivery partner, The Wise Group, and partner RSLs to plan for the future and to bring forward significant projects within recognised SIMD areas to tackle fuel poverty and provide energy efficient homes. Local authorities are required to bid for the PAF element of HEEPS funding and it is hoped that Inverclyde Council's bids for 2015-2016 will be successful given previous and current collaborative work with partner RSLs.
- 4.3 The projects to be undertaken during 2015-2016 are as set out in paragraphs 5.2–5.5 below and PAF project bids are set out at paragraphs 5.7–5.8 below. The Committee is also provided with the outline of the 2016-2017 programmes as requested by SG at paragraph 5.9 below, for reference. Paragraph 5.10 provides a brief summary of progress to date on all current and completed HEEPS:ABS projects.
- 4.4 The SG and Inverclyde Council recognise that physical work alone will not be sufficient to permanently improve energy efficiency, reduce fuel poverty and make homes warmer and more comfortable for their occupants. The HEEPS:ABS Programme therefore includes an element of funding for the highly successful Inverclyde Home Energy Advice Team (iHEAT) project which provides a full range of follow-on advice, information and advocacy services to owners and tenants whose homes have been insulated using HEEPS:ABS funding. This service will enable householders to take full advantage of the opportunities offered by the thermal insulation works to make the best use of their heating, fuel supplies, and benefits checks, where appropriate.

5.0 HEEPS:ABS Programme 2015-2016

5.1 The Core Allocation Programme (CAP) elements for 2015-2016 are as follows:

5.2 CAP 1 – Bardrainney, Port Glasgow

CAP 1 is a direct continuation of the 2014/15 HEEPS ABS programme which includes a number of properties in this area of Port Glasgow. The area consists mainly of long terraces of no fines concrete properties within the lowest 18% SIMD. The houses are of mixed tenure and have a Council Tax banding of A-C, and are predominantly privately owned. This will provide a stand-alone element of the programme to counterbalance those where working in partnership with RSLs will provide greater flexibility and less risk in terms of programme delivery. A total of 49 Private Sector houses will benefit from EWI insulation under this programme.

5.3 CAP 2 – Wellpark, Greenock, in collaboration with River Clyde Homes (RCH)

The Wellpark area is considered to be an area of severe deprivation and is within the lowest 15% of SIMD areas in Inverclyde. The SIMD outputs substantiate high levels of fuel poverty within the area and all houses are within Council Tax band A. The area contains 63 dwellings considered hard to heat due to their non-traditional construction comprising 39 Private Sector and 24 RCH owned properties. This area suffers from the same range of socio-economic

difficulties as in the adjacent Central Area Programme (Holmscroft) completed in 2013/14 and 2014/15. This area is specifically included within the Stock Transfer Agreement (STA) and is of particular interest to both Inverclyde Council and RCH. The works will include mainly EWI insulation render/cladding and there will be a direct link to planned Scottish Housing Quality Standard (SHQS) works. Inverclyde Council will assist the 39 owners involved through the Support for Owners (SFO) funding arrangements unique to RCH. It is anticipated however that unless HEEPS:ABS and the Inverclyde Council administered SFO funds are available, sufficient uptake by owners will not be achieved to fully deliver the measures.

5.4 **CAP 3 – Bow Road, Greenock, in collaboration with Oak Tree Housing Association (OTHA)**

The Bow Road area is considered one of high deprivation and is also within the lowest 15% of SIMD areas in Inverclyde. SIMD outputs substantiate high levels of fuel poverty within the area and all houses are within Council Tax bands A-C. The Bow Road area is one that OTHA has intended to improve for a number of years in order to achieve the SHQS, which is the Association's key objective. Owners have been reluctant to take part in common works and it is anticipated that the works, which will include mainly EWI insulation render/cladding should overcome owners' reluctance by providing funding support from HEEPS: ABS. The area consists of former SSHA non-traditional construction concrete properties, with the focus of this scheme being to target 12 four-in-a-block properties in mixed ownership and several RSL semi-detached houses. A total of 29 private sector dwellings and 22 RSL owned properties are included in this programme.

5.5 **CAP 4 – Area wide Ad-hoc Insulation Scheme**

Inverclyde Council is committed to carrying out some low cost insulation measures during the 2014/15 HEEPS:ABS programme. A late rush of interest in loft insulation has meant that some will not be completed within the required timescales and funding cannot be accrued into 2015/16. The proposal is therefore that provision is made within the 2015/16 programme to meet commitments to the householders concerned. The properties to be insulated are all within Council Tax Bands A to E.

5.6 The Proposed Additional Funding (PAF) bids for 2015-2016 are as follows:

5.7 **PAF 1 – Larkfield Road, Gourock, in collaboration with River Clyde Homes (RCH)**

The project encompasses a block of 55 hard to heat deck access properties in Larkfield Road, Gourock, which are in a very poor state of repair. RCH have been attempting to bring the property up to the SHQS but have been unable to do so due to the reluctance of the owners in the property to take part in common work. There are 29 owner-occupiers, 5 privately rented properties and 21 flats owned by RCH. The project will include the improvement of the whole external envelope by providing EWI cladding and the entire block will be re-roofed. The work will be facilitated by Inverclyde Council via the Support for Owners fund unique to RCH. The Larkfield Road flats are a priority area for investment by RCH in order to achieve the SHQS and the block meets HEEPS:ABS criteria in terms of SIMD scores and as part of the strategy for tackling fuel poverty as set out in the Inverclyde Local Housing Strategy 2011-2016.

5.8 **PAF 2 – Bardrainey (Continuation of CAP1) in collaboration with Link Housing Association (LHA)**

PAF 2 is a direct continuation of the 2014/15 HEEPS ABS programme and CAP 1 (see paragraph 5.2 above) which includes a number of properties in the Bardrainey area. The area consists mainly of long terraces of no fines concrete properties within the lowest 18% SIMD, but significantly has a small number of mixed tenure flats. LHA own properties within these blocks of flats but have been unable to carry out works to achieve the SHQS due to the reluctance of owners to take part in common work. A total of 36 Private Sector houses and 17 LHA properties will benefit from EWI under this proposed scheme.

5.9 Outline HEEPS:ABS Proposals for 2016-2017

The SG has invited local authorities to consider a pipeline or rolling programme of activity under HEEPS:ABS and to provide details of potential forward programmes together with their 2015-2016 submissions. Inverclyde Council's outline proposals are as follows:

Bow Road, Greenock: The current programme is focused on mixed tenure blocks in partnership with OTHA. Inverclyde Council would wish to continue this project by working with the remaining owners in wholly owned blocks together with terraced and semi-detached properties of the same construction type.

Bardrainney, Port Glasgow: Inverclyde Council would wish to continue to work in the area to ensure that all owners have the opportunity to participate and to improve the thermal insulation and energy performance of their homes.

Park Farm, Port Glasgow: This is an area with large numbers of no fines concrete houses and flats in mixed ownership and is adjacent to Bardrainney. The intention would be to roll over the Bardrainney programme in to the Park Farm area.

Pennyfern, Greenock: OTHA is keen to improve the "Lawrence" construction type flats in the area that they own and manage and Inverclyde Council wish to support the Association by directing HEEPS:ABS funding to owners in the Pennyfern area.

River Clyde Homes: RCH has a major ongoing investment programme for their housing stock throughout Inverclyde and Inverclyde Council wish to support RCH on appropriate individual work programmes as they arise in future years.

5.10 HEEPS:ABS Programme: Progress Update

The following projects have been completed on site, or are due for completion in April / May 2015.

Holmscroft Area, Greenock: A total of 330 houses and flats were clad with EWI in two phases over the period 2013-2014 with Phase 2 (70 units) being completed in December 2014. Properties in RCH ownership have been brought up to the SHQS as part of this programme and the opportunity was taken to complete work to roofs and balconies during the time the scaffolding was up for the cladding element of the programme.

Balfour Street / Huntly Terrace / Shore Street, Port Glasgow: A total of 52 tenement flats are being clad with EWI in this project which is being undertaken in collaboration with Link Housing Association (LHA). The opportunity is also being taken to complete SHQS work at these blocks for the benefit of LHA tenants. As with Holmscroft above, combining the HEEPS:ABS programme with SHQS work has been simplified by using the scaffolding already in place. It is anticipated that the project will be completed by late April / early May 2015.

John Street, Greenock: A total of 84 tenement flats are being clad with EWI in this project which is being undertaken in collaboration with RCH. Again, a combination of HEEPS:ABS and SHQS work is being carried out with new roofs, improvement of common areas and environmental improvements included in the overall programme. It is anticipated that the project will be completed in April 2015.

Bow Road, Greenock: A pilot project involving one four-in-a-block property is being undertaken in collaboration with Oak Tree Housing Association (OTHA) with a view to rolling out a larger HEEPS:CAP programme in 2015-2016 (see paragraph 5.4 above). These flats are of non-traditional construction and are "hard to treat" in terms of improving energy efficiency and thermal insulation. OTHA is hopeful that these flats and nearby houses of the same construction type will achieve the SHQS as a result of the EWI cladding and associated work that the Association will carry out on properties in its ownership.

Loft Insulation: Various smaller projects providing loft insulation in untreated tenement blocks, or bringing insulation up to current high standards are being undertaken in

collaboration with OTHA and RCH has also put forward a number of blocks that require the same measures.

6.0 IMPLICATIONS

6.1 Strategic

The Inverclyde Local Housing Strategy 2011 – 2016 (the LHS) includes the strategy for tackling fuel poverty which is one of the national priorities for the SG. The ongoing HEEPS:ABS programme will make a significant contribution to achieving this strategic outcome of the LHS.

6.2 Financial

The SG commitment to an ongoing HEEPS:ABS Programme has allowed Inverclyde Council to plan investment in the private housing stock for future years and to make forward plans with partner RSLs for PAF projects. This will also allow flexibility in the ongoing HEEPS:ABS Programme as an alternative project can be brought forward if an agreed project cannot go ahead for any reason. All funding is supplied by SG and is drawn down by Inverclyde Council in its capacity as Strategic Housing Authority.

6.3 Legal

There are no legal implications for Inverclyde Council arising from this report.

6.4 Personnel

There are no Personnel implications arising from this report.

6.5 Equalities

When delivering services to our customers, full cognisance is taken of equality and diversity processes and procedures.

6.6 Repopulation

The provision of an energy efficient housing stock and reducing fuel poverty are key to retaining the existing population and to attracting new people into the Inverclyde Council area. The ongoing HEEPS:ABS Programme therefore supports and complements the work of the SOA Outcome Delivery Group on Repopulation.

7.0 CONSULTATIONS

7.1 This report has been prepared in consultation with the following:

- Partner RSLs operating within the Inverclyde Council area;
- Scottish Government Housing – Sustainability & Innovative Finance Division.

8.0 LIST OF BACKGROUND PAPERS

8.1 Inverclyde Local Housing Strategy 2011 – 2016; report to Safe, Sustainable Communities Committee, 25 October 2011.

Home Energy Efficiency Programme for Scotland: Area Based Schemes: Notification Letter from Scottish Government Housing – Sustainability & Innovative Finance Division, February 2015.