

RUNNYMEDE BOROUGH COUNCIL

CONSULTATION WITH APPROPRIATE CHAIRMAN AND VICE- CHAIRMAN FOR URGENT ACTION TO BE TAKEN UNDER STANDING ORDER 42

TO: Cllrs J Gracey & J Hulley
Chairman and Vice- Chairman of the Housing Committee

SO42 Ref: 998

FROM: Simon Allen/Andy Vincent – Housing

OFFICER REFERENCE: Energy Assessor

DATE: April 2022

1.Synopsis of report:

Considerable investment is required in Runnymede Borough Council's social housing stock, estimated at over £10m+ to achieve the Housing Service's climate change target of a C energy efficiency rating as a minimum by 2030.

Runnymede Borough Council via the Central Government Green Homes Grant and its own decent homes programme can identify £8m approximately to invest in the stock over the next 4 years.

This leaves a considerable funding shortfall of estimated to be £2m+.

Runnymede Borough Council Housing Service plan to apply to the Social Housing Decarbonisation Fund (SHDF) to seek support with the funding shortfall.

Understanding the costs and programmes associated with achieving the 2030 target requires the support of an IT system called an Energy Assessor. NEC/Northgate have identified the cost of their module at £12,000 for 2022/23.

This system would need to be implemented as soon as possible to enable an application to be completed to the SHDF by end of August 2022, which is a requirement of wave 2 of the fund.

2.Reasons why this matter cannot wait for a Committee Decision.

The Social Housing Decarbonisation Fund has been separated into a number of waves or funding rounds.

Wave 1 was closed in October 2021, 69 projects received funding awards to the value of £179m – Social Housing Decarbonisation Fund Wave 1: successful bids - GOV.UK (www.gov.uk)

Wave 2 is opening in spring 2022 with an expectation that applications will need to be submitted by the end of August 2022.

Runnymede Borough Council's Housing Service has completed a self-assessment and a request for support to complete an application for wave 2 of the Social Housing Decarbonisation Fund.

The free support provided via Turner and Townsend Consultancy identified the need to implement an energy assessor system to understand the costs and programmes required to deliver the Housing Service's target to achieve a minimum of a C energy efficiency rating within its social housing stock by 2030.

We have received details of the costs associated with purchasing the NEC/Northgate module (included below). The sooner we can attain approval to purchase the module the sooner we commence the implementation and identify the costs and programmes necessary to achieve the 2030 C rating target.

3.Recommendations

That approval is given to enable the Housing Service to purchase the Energy Assessor NEC/Northgate IT module (Asset Energy) to enable the timescales associated with a wave 2 bid to the Social Housing Decarbonisation Fund to be met.

A supplementary HRA revenue estimate in the sum of £12,000 for 2022/23 and £6,000 thereafter be approved to purchase the system.

4.Context of report

Runnymede Borough Council's social housing stock requires considerable investment to meet its key climate change commitment (specifically achieving a C energy efficiency rating by 2030) – estimated at £10m+ of investment required.

Investment has been and will continuing to be made in the Council's social housing stock via the Central Government Green Homes Grant, LAD 1B – approximately £1.3m (this program will be completed in August 2022) and via the decent homes program £7m approximately.

This will still leave a considerable investment requirement to achieve the 2030 target.

To compile an application to the Social Housing Decarbonisation Fund to enable the authority to meet this funding gap it is essential that the authority seeks to understand the costs associated with achieving the 2030 target and the work programmes required.

The purchase and implementation of the Assets Energy (Energy Assessor) NEC/Northgate IT module will enable the authority to understand the costs associated with achieving the 2030 target and programmes of work necessary to achieve the target.

The information contained within the Northgate/NEC Assets Module on the energy performance of our existing stock (we now have 100% of the data for the energy performance of our stock) will be used by the Assets Energy (Energy Assessor) module to model the programmes of work required to achieve different energy performance targets. With the addition of cost data this can be used to compile detailed programmes of work to achieve the 2030 C rating target with information as to the costs associated with achieving this target.

As targets evolve additional programmes can be built to achieve higher energy performance.

5.Report and, where applicable, options considered

A number of energy assessor systems exist. The value of the Northgate/NEC module is that it links to our existing asset and energy performance data. The fact that other systems do not link to our existing data mean that they have not been considered within this report.

Modelling the energy performance investment required by the Housing Service prior to 2030 alongside the Council's decent homes programme ensures that there is no double counting of costs and a clear delineation between what work will be done under our decent homes programme and what work through the carbon reduction initiatives i.e. funded through either the Social Housing Decarbonisation Fund or through the Green Homes Grant LAD1.

Gathering programmes of work and costings will enable Runnymede Borough Council to compile a submission for wave 2 of the Social Housing Decarbonisation Fund and harness that additional investment to deliver against this target.

If any additional funding becomes available between 2022 and 2030 the Council will then be able to realise the delivery of more stretching energy efficiency targets.

6.Policy framework implications

The Housing Service has made a number of environmental commitments; the commitment relating to this SO42 is the following: -

- Achieving a minimum C energy efficiency rating for the Council's Housing Stock by 2030.

7. Financial and Resource implications (where practicable)

This is a standalone project to help and ensure that the Council meets the relevant criteria to apply for additional external funds to allow it to meet both its Housing and Energy Efficiency targets. There is currently no budget for this system and therefore a supplementary revenue estimate will be required – fully chargeable to the HRA.

NEC Assets Energy – Implementation Days	£6,000
Annual licence costs	£6,000
Total	£12,000

A budget of £12,000 will be required in 2022/23 and £6,000 thereafter.

8. Legal implications

This additional module is part of the Council's enterprise licence with Northgate/NEC.

This is a small addition to the current contract with Northgate/NEC and does not require a contract variation.

9. Equality implications

None

10. Other implications

An application to the Social Housing Decarbonisation Fund supports the Housing Service's commitment of achieving a C energy efficiency rating as a minimum for its social housing stock by 2030.

Significant investment is required in the Council's social housing stock to enable this to be achieved.

Implementing an Energy Assessor IT module will enable the authority to identify the cost and programmes required to deliver this target.

11. Background papers

Housing Asset Management Strategy – [Agenda-08-September-2021-Housing-Committee \(runnymede.gov.uk\)](#) – from page 104 – specifically from page 112 on Climate Change

Social Housing Decarbonisation Fund – [Warmer, greener and cheaper homes as government opens a triple win upgrade for social housing - GOV.UK \(www.gov.uk\)](#)

Report to the Housing Committee on match funding to support the Government Green Homes Grant LAD 1B - (Public Pack) Agenda Document for Housing Committee, 12/01/2022 19:30 ([runnymede.gov.uk](#)) from page 47.

12. Chief Officer(s) Decision

Signature of authorised officer 

I have been consulted and am in agreement with the above

Signature(s) and position(s) of
other relevant Chief Officer, Corporate Heads or authorised representatives



NB: this must include the Assistant Chief Executive or his authorised representative where the decision involves expenditure, loss of income, or future implications for budget or financial forecast.

13. **Chief Executive's Decision**

Signature of Chief Executive ...

I have been consulted and am in agreement with the above

14. **Chairman and Vice-Chairman Comments**

I concur in the Chief Officer's decision

Signed

Date

Signed

Date

I have the following further comments:

Further information may be obtained from Andy Vincent – Corporate Head of Housing on Ext. 5894

The completed copy is to be returned by the Councillors to the Corporate Head of Law and Governance (John Gurmin) who will send a copy to the Chief Officer and report to the relevant Committee for information.