

Capital Programme Application Form



Corporate Priority	To support a 'Well Borough'
Proposed Scheme	To deliver low carbon initiatives by enhancing the existing energy efficiency schemes currently available to residents in the Borough
Outline of Proposal, including timescales	<p>The scheme proposes two separate levels of assistance.</p> <p>These include:</p> <ul style="list-style-type: none"> a) To provide a scheme for top up funding, to the existing KCC Flex scheme which currently only offers assistance to low income households for cavity wall and loft insulation. This flex scheme is very limited and funding does not cover the cost of an energy efficient heating system. The Borough has recently signed up to a new initiative with Southern Gas Networks to assist those who are off the gas network to be provided with a connection and gas fired central heating, this initiative will require funding from TWBC. By providing the additional funding it will enable a more comprehensive approach to be provided in delivering energy efficiency measures and therefore support the low carbon initiative of a reduction of carbon emissions from domestic premises. b) To provide a 'landlord assistance' funding scheme to private tenanted properties to achieve an improved energy efficiency rating in the most cost effective manner as required by the Energy Efficiency Regulations of 2019 and to ensure an appropriate level of warmth and comfort within the tenants accommodation. <p>Both funding schemes are interest free and repayable on sale or transfer of ownership of the property by means of a land charge placed on the property, this means funds are in due course returned to the council enabling the scheme to be self financing and ongoing.</p> <p>A delegated portfolio holder decisions report links to this capital programme application.</p>
Sources of funding	S106 RV0735 (Fountains Retail). The S106 provides for the sum of £100,000 as a "Renewable Energy Contribution" to be applied "towards the investigation, evaluation, design or implementation of renewable energy or low carbon initiatives within a three mile radius of the Site". It is proposed to use this funding for low carbon initiatives.

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	Transfer of £100,000 from the Housing Assistance Reserve funds into the Housing Assistance Budget to enable the additional energy efficiency measures to be provided in the rest of the Borough.
Objectives	To deliver energy efficiency improvements and therefore the associated carbon savings to the existing housing stock thereby support the low carbon initiative and carbon reduction offsetting requirement. Energy efficiency measures will also improve the health and wellbeing along with reducing costs for the NHS and primarily health care.
Benefits	
How will the proposal contribute towards: Corporate Priority? Local Area Agreement? Asset Management Plan? Other plans and strategies (please specify)?	Enhance the quality of life for our residents, especially those who are fuel poor by providing funding to reduce their energy costs and at the same time make substantial improvements to the hardest to heat homes. Fuel poor households or households on low income are vulnerable to the effects of living in a cold home, one of the principle objectives of the scheme is minimising the health risks associated with living in a cold home, by reducing the number of households in fuel poverty. Improving the energy efficiency of homes will reduce the carbon emissions from our housing stock and therefore compensate for the additional emissions being produced by the development, as required by the s106 funding. It will also reduce emissions of other products of combustion including nitrogen oxide. This scheme will benefit owner occupiers and landlords and will be available across the whole Borough, due to using funds already allocated in the reserve. By ensuring funding is repayable on sale or transfer, money is returned to the Council allowing it to be reinvested into future energy efficiency projects.
Constraints (e.g. time, reliance on external funding, legal or technical)	The s106 funding was received from Marks & Spencer to enable low carbon initiatives in this instance in the form of carbon reduction measures to be installed elsewhere in the borough to compensate for the additional emissions being produced by them as a result of not installing renewable energy on their North Farm site.

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<p>factors)</p>	<p>A 3 miles radius includes all of Tunbridge Wells (although south Forest Road is just on the edge), Rusthall (but not Langton Green), Pembury, Southborough and Bidborough. The area falls short of Matfield and Five Oak Green.</p> <p>The agreement for this S106 funding ends 10th August 2020. Not utilising the funding would mean returning it to developer. This would be a lost opportunity to deliver carbon savings, reductions in other pollutants contributing to local air pollution and energy efficiency measures in the housing stock, which would help lower energy bills and support those in fuel poverty.</p>
<p>Is this scheme already in the Capital Programme? (If so, has the work started or has the contract been let?)</p>	<p>The KCC flex scheme which this Council supports and is a partner of, already provides assistance to those on low incomes and who are vulnerability to cold through ill health or age, however the scheme is limited. Therefore, by making the s106 £100,000 available it would assist a greater number of households thereby reducing carbon emissions and critically reduce the number of residents living in a cold home.</p> <p>Equally, a further £100,000 transferred from the allocated Housing Assistance Reserve into the Housing Assistance Budget will enable the rest of the Borough to benefit.</p>
<p>Does this scheme create new assets, which the Council will need to replace in due course? If so, please give the asset life expectancies.</p>	<p>No.</p>
<p>Have Accountancy agreed that the proposed expenditure should correctly be treated as capital?</p>	<p>Housing reserved does have sufficient funds to the £100,000 and to provide discretionary funding for the next 4 years.</p>
<p>Implications of</p>	<p>The Council at its meeting 17th July 2019 declared its recognition of global climate and biodiversity</p>

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<p>proposal being rejected</p>	<p>emergencies and set out its ambition to be carbon neutral by 2030. This low carbon initiative will support the ambition to moving towards reduced carbon emissions.</p> <p>Residents will not have their energy costs reduced nor will their health and wellbeing benefit from energy efficiency measures being installed.</p> <p>S106 funding of £100,000 will need to be repaid to the developer.</p> <p>Currently no other funding is available to enable these additional energy efficiency measures to be installed in the existing housing stock.</p> <p>The Home Energy Conservation Act (1995) (HECA) also places an expectation on Local Authorities to reduce fuel poverty levels.</p>
<p>Implications of proposal being delayed</p>	<p>Scheme will not commence on time to meet the s106 deadline and subsequently the s106 contribution would need to be repaid.</p>
<p>Alternative solutions (If capital funding not available)</p>	<p>None available.</p>
<p>Risks (outline risks and action required to meet them)</p>	<p>Discretionary assistance in respect of this initiative will be repayable in full on transference of ownership of the property to people other than a spouse, unless otherwise agreed in accordance with any exceptions policy that may be agreed from time to time by the Council:</p>
<p>How does this proposal impact on equalities?</p>	<p>No impact. Potentially positive as support is provided for those in fuel poverty.</p>
<p>Are there any VAT implications?</p>	<p>No</p>

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Capital Costs				
Expenditure	2019/20	2020/21	2021/22	2022/23
Site Acquisition				
Construction				
Structural Maintenance				
Fees				
Vehicles, Plant, Furniture and Equipment				
Grants and Contributions	200,000			
Other expenditure				
Total	200,000			
Less external grants and contributions (S106)	(100,000)			
Less sales of related fixed assets				
Net cost to Tunbridge Wells Borough Council (Housing Renewal Reserve)	100,000			
Revenue Effects of Capital Expenditure				
Expenditure / Income	2019/20	2020/21	2021/22	2022/23
Loss of Interest (3% of net cost)				
Additional revenue costs (please specify)				

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Reduced revenue costs (please specify)				
Additional income (please specify)				
Net cost to Tunbridge Wells Borough Council				

Net Present Value (Please speak with Finance if you are unsure what this is)	£100,000
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Date the scheme discussed by the Head of Service with the relevant Portfolio Holder:

Supply email endorsing their support for the approval of funding by Cabinet.

Work must not commence without budgetary approval from Cabinet (or s151 in an emergency)