

COMMUNITY & SOCIAL AFFAIRS COMMITTEE

21 SEPTEMBER 2011

HEAD OF COMMUNITIES & NEIGHBOURHOODS

ENERGY EFFICIENCIES INITIATIVES - COUNCIL HOUSING

1 PURPOSE OF REPORT

- 1.1 For members to note some of the progress made related to introducing energy efficiency initiatives and in particular Solar PV and seek members approval to progress this with a view to include into the 2012/13 capital programme.

2.0 RECOMMENDATIONS

- 2.1 **Members note the progress made in relation to energy efficiency initiatives.**
- 2.2 **Members instruct officers to progress the initiatives, with a view of including them into the 2012/13 capital programme.**

3.0 KEY ISSUES

- 3.1 Melton Borough Council (MBC) Officers and the Tenants' Forum Executive Committee (TFEC) have jointly researched the installation of solar panels to a selection of MBC properties to help reduce fuel poverty for tenants housed in properties with expensive energy prices e.g. Oil.
- 3.2 The report which MBC Officers and TFEC produced outlines the relevant information regarding a solar photovoltaic (PV) panel installation and the options to MBC for consideration. This is attached for members as Appendix A.
- 3.3 MBC has two choices for the installation of a solar PV panel project:
1. Investors fund the project and receive all the governments Feed In Tariff (FiT), however MBC receive a roof rent from the installation company.
 2. MBC finance the project and receive all the FiT income over the 25 year course of the project.
- 3.4 Solar PV panels must be installed and commissioned by 31st March 2012 to receive the current FiT, as from 1st April 2012 the tariffs will be changed and it is widely believed the tariff will be reduced.
- 3.5 There will be restrictions to some properties which will mean a solar panel cannot be installed including, roof too small, significant shading and obstructions. There will be properties and tenants who will not benefit from a solar PV panel project so there is a question of fairness across the board. To combat this issue, the roof rent or FiT received from the project can be pooled and used to improve the energy efficiency of the properties that cannot have a solar PV panel installed.

4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 A project of this nature runs in line with MBC's green corporate plan as the project will help reduce carbon emissions.

4.2 The installation of solar PV panels will also help reduce fuel poverty for a number of tenants which aligns with MBC's corporate strategy People and Place.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 Depending on the route MBC decide to follow:

1. Investors fund a project – no financial implications in regards to costs to MBC. Roof rent income received per roof over the 25 years of the project. Officer time will be spent on the project but minimal if follow this route.

2. MBC finance project – cost of installation and on going maintenance. MBC receive all FiT income for 25 years of project. High level of officer time required to complete project.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 MBC will be required to follow a procurement process to appoint a contractor to install solar PV panels.

6.2 MBC's legal team will be required to review all paperwork, amending where appropriate, and a Service Level agreement to be developed and signed.

7.0 COMMUNITY SAFETY

7.1 There are no direct links to community safety arising from this report.

8.0 EQUALITIES

8.1 There are no direct links to equalities arising from this report.

9.0 RISKS

9.1 The risks are considered in the table below:

Probability



Very High A				
High B				
Significant C		1, 2, 3		
Low D				
Very Low E				
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic

Impact →

Risk No.	Description
1	Increase in fuel poverty
2	Low number of homes being able to benefit from project
3	Benefits from tariff reduce after 31 st March 2011
4	
5	
6	
7	

10.0 **CLIMATE CHANGE**

- 10.1 The Climate Change Act 2008 makes the UK the first country in the world to have a legally binding long-term framework to cut carbon emissions. The UK has committed to reduce carbon by 34% by 2020 and at least 80% by 2050 from a 1990 baseline.
- 10.2 The installation of a solar PV panel project will help reduce carbon emissions as tenants will be drawing energy direct from sunlight to provide some electricity to their homes.

11.0 **CONSULTATIONS**

- 11.1 The installation of a solar PV panel project has been in conjunction with TFEC, who in addition have kept their tenants informed of their ambitions for such a project in the tenant's newsletter 'In Touch'.
- 11.2 The report in Appendix A and this report has been considered by the Council's management Team.

12.0 **WARDS AFFECTED**

- 12.1 All wards are affected.

Contact Officer: Sam Spencer

Date: 5 September 2011

Appendices: Solar PV report

Background Papers: None

Reference: X: C'tees, Council & Sub-C'tees/CSA/210911/HR – Energy efficiencies initiatives- council housing