

<b>Report on</b>	Review of the Delivery Mechanism of the Affordable Warmth Scheme
<b>Date of Meeting</b>	1 <sup>st</sup> July 2019
<b>Reporting Officer</b>	Fiona McClements, Head of Environmental Health

<b>Is this report restricted for confidential business?</b>	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	x

<b>1.0</b>	<b>Purpose of Report</b>
1.1	To inform Members of the report received from Business Consultancy Services (BSC) on the review of the delivery mechanism of the Affordable Warmth Scheme produced December 2018 with the report findings presented to Council management on 8 <sup>th</sup> March 2019.
1.2	To update Members on the funding available from the Department for Communities for delivery of Council's role in Affordable Warmth Scheme for 2019/20.
<b>2.0</b>	<b>Background</b>
2.1	<p><b>Business Consultancy Services Report</b></p> <p>The Affordable Warmth Scheme (AWS) is the Department for Communities (DfC) main tool for tackling the effects of fuel poverty in Northern Ireland and works in partnership with Northern Ireland Housing Executive and all 11 Councils to deliver the scheme. The scheme targets owner-occupiers and households who rent from a private landlord investing to improve energy efficiency within low income vulnerable households.</p> <p>DfC provides addresses to local Councils detailing the areas of highest fuel poverty within each local Council area. A household that has been identified in an area where fuel poverty is prevalent may then receive a visit from local Council Officers to assess eligibility for energy efficiency measures.</p> <p>Councils are currently funded on a unit cost basis per referral to the Northern Ireland Housing Executive. Business Consultancy Services (BCS) were asked by DfC to conduct a review on the end of the first 3 years of the scheme in order to inform on the delivery of future versions of the scheme. The report covers the operation of the scheme for the period up to March 2018.</p>
2.2	<p><b>Funding 2019/2020</b></p> <p>The correspondence attached at Appendix 3 to this report provides details of the Affordable Warmth funding arrangements for Councils in 2019/2020.</p>

<b>3.0</b>	<b>Main Report</b>
3.1	The BSC approach focused on and explored deeper the overall objectives for the scheme – customer journey, quality assurance, process variations, value add on of councils and communication of the scheme.
3.2	With the current delivery model, the review identified potential issues and suggested recommendations revolving around improving the customer journey for vulnerable householders, ensuring the quality assurance processes are sufficient, alignment of processes and improving feedback and communication between organisations/partners within the scheme.
3.3	<p>Recommendations made based on analysis of effectiveness and value of the findings with evidential support were as follows:</p> <ul style="list-style-type: none"> <li>• The scheme should lower its targets in relation to NIHE surveys and number of households supported to reflect its current budget and the cost of works per household.</li> <li>• The managing agent should assess the energy efficiency improvements of works undertaken throughout the course of the scheme.</li> <li>• Householders should be provided with a single point of contact throughout the process.</li> <li>• The scheme should arrange for contractors to undertake the required work.</li> <li>• The scheme should have an approved list of contractors to deliver the required works.</li> <li>• A single process should be developed and agreed with councils, along with a defined quarterly reporting framework to monitor activity and demand.</li> <li>• As part of the reporting framework, local Councils should capture the work they undertake prior to a referral to NIHE.</li> <li>• A standard, structured feedback system should be implemented across the scheme, including regular feedback to councils on the outcomes of referrals and feedback to University of Ulster on the accuracy of targeted addresses.</li> <li>• In its future versions, the Scheme should consider moving to a single delivery agent to manage the Scheme.</li> </ul>
3.4	Upon assessment of delivery model options and in order to address the issues identified above the review team believes that the most effective delivery model is a scheme managed and delivered by a single delivery agent.
3.5	<p><b>Funding 2019/2020</b></p> <p>The correspondence attached at Appendix 3 to this report provides details of the Affordable Warmth funding arrangements for Councils in 2019/2020. The Department has confirmed that the capital budget for the Affordable Warmth Scheme in 2019/2020 is £12 million and that the average spend per household has risen to £4,500. The reduced budget and higher average spend per household means that the Department will need few referrals from Councils in 2019/2020. Each Council will be paid £41,256 for a total of 216 referrals, equating to 18 per month. The Department have advised that this will be kept under review as the</p>

	year progresses. This is a reduction in funding from last year, when Mid Ulster received £68,780 for a total of 337 referrals.
<b>4.0</b>	<b>Other Considerations</b>
<b>4.1</b>	<b>Financial, Human Resources &amp; Risk Implications</b>
	Financial: Programme funded by DfC
	Human: Under review
	Risk Management: N/A
<b>4.2</b>	<b>Screening &amp; Impact Assessments</b>
	Equality & Good Relations Implications: None
	Rural Needs Implications: None
<b>5.0</b>	<b>Recommendation(s)</b>
5.1	That Members note the report conducted by Business Consultancy Services on behalf of the Department for Communities regarding Affordable Warmth programme and the recommendations it contains on future delivery of these schemes .
5.2	Members to note the reduced funding and associated number of referrals for the Affordable Warmth Scheme for 2019/2020
<b>6.0</b>	<b>Documents Attached &amp; References</b>
6.1	Report by Business Consultancy Services on the Review of the Delivery Mechanism of the Affordable Warmth Scheme dated December 2018.
6.2	Affordable Warmth Scheme Energy Efficiency Measures for reference.
6.3	Correspondence from Department For Communities dated 4 <sup>th</sup> April 2019.