

Report on	Affordable Warmth Scheme 2022-2023
Date of Meeting	16th June 2022
Reporting Officer	Kieran Gordon, Assistant Director Health, Leisure & Wellbeing
Contact Officer	Anne Caldwell, Principal Environmental Health Officer

Is this report restricted for confidential business?	Yes	<input type="checkbox"/>
If 'Yes', confirm below the exempt information category relied upon	No	X

1.0	Purpose of Report
1.1	The purpose of this report is to update Members on communications received from the Department for Communities (DfC) on the Affordable Warmth Scheme 2022-2023, the proposed changes to the number of referrals that can be made to the Scheme and resultant implications for Council
2.0	Background
2.1	Members may be aware that officers within the Environmental Health service area have been delivering the Affordable Warmth service within the Mid Ulster District Council area on behalf of the Department for Communities (DfC) since 2014.
2.2	The Council work in Partnership with NIHE and Department of Communities to deliver the scheme. A service Level agreement is in place between Council and the Department for Communities which was approved by Council last year. The Councils role is to identify, assess eligibility and refer to the NIHE any households that would be eligible for the scheme.
2.3	The Affordable Warmth Scheme targets low income households who experience the effects of fuel poverty and energy inefficiency. It is a targeted scheme aimed at those areas where levels of fuel poverty are highest. The scheme is available to home owners, those who have their day / life interest in the house and those who privately rent their home. It is not available for tenants living in the social (Housing Executive or housing association) sector. The Affordable Warmth Scheme provides grant aid to improve energy efficiency measures within the home. From 1 July 2021 the income threshold for the Affordable Warmth Scheme rose to £23,000 and at the same time Disability Living Allowance, Attendance Allowance, Personal Independence Payment and Carer's Allowance was removed from the calculation of income.
2.4	DfC have recently written to all Councils on 6th April 2022 to outline their indicative position regarding spending in 2022/23. Council's have been advised that a reasonable planning assumption for the Affordable Warmth Scheme is for a capital budget of £16m for 2022/23. On that basis Councils are asked to submit a maximum of 30 referrals per month for April and May 2022 and then a maximum of 20 referrals per month from June 2022 onwards.
2.5	As Council is remunerated on a payment per referral, the reduction in maximum annual referrals from 360 in 2021-21 to 260 in 2022-23 will result in an approximate reduction of

	<p>approx. £20,000 in available annual funding. The reduction in numbers of max referrals that can be made may require monthly referrals to be prioritised accordingly - this may result in delays for some applicants and the possibility that other applicants will not be referred to NIHE in 2022-23.</p>
3.0	Main Report
3.1	<p>The reduction of fuel poverty is an element of the Council's Poverty Plan and as such it is important that the Affordable Warmth service is continued to be provided in conjunction with other schemes such as Home Safety, Energy Efficiency Advisory Service (both supported with funding via the Public Health Agency) and also the Council's Fuel Stamp Scheme.</p>
3.2	<p>Where applicants or previous applicants do not meet the entry criteria for the Affordable Warmth scheme, officers will signpost them to other fuel poverty assistance schemes such as the Housing Executive Boiler Replacement Allowance, the Northern Ireland Energy Advice Line and the Northern Ireland Sustainable Energy Programme.</p>
3.3	<p>In total, Council have estimated to received approx. £174k in funding for the 22/23 year from various funders to deliver Affordable Warmth, Home Safety, Energy Efficiency Advisory Service and the Make a Change programme and Council currently have 6.1 full time equivalent officers covering all of these areas at an approx. annual expenditure of £202k.</p>
3.4	<p>Council currently allocate two full time officers to the Affordable Warmth scheme and until now, expenditure costs for all of the above schemes have been more or less been covered on a full cost recovery basis. Based on the revised funding model as communicated via DfC, this would equate to 1.5 full time equivalent officers based on a full cost recovery basis being allocated to the Affordable Warmth scheme. Therefore, Council have not anticipated this funding shortfall within its 22/23 budget.</p>
3.5	<p>However, as the demand for assistance under the Affordable Warmth scheme remains strong, it is therefore proposed to maintain the status quo but have the flexibility to move officers across the various programmes to meet the required demands/key performance targets of the various schemes. It is not yet known what the DfC budget position will be for the 23/24 year and if the funding arrangements will return to previous levels.</p>
3.6	<p>The approx. £20k shortfall in funding can be absorbed and met with in-year efficiencies however that is not a sustainable position therefore this approach is proposed to be reviewed during quarter 3 & 4 of this year and to be considered as part of the MUDC rates estimates process for 23/24 - ie. should Council need to scale back its resources in line with available funding to continue to operate at a full cost recovery basis or to contribute to these schemes and highlight shortfall in funding as a future MUDC budget pressure.</p>
4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	<p>Financial: 2021-2022 Max Affordable Warmth funding £78,051, subject to 360 referrals being made From Council to NIHE</p> <p>2022-2023 Max Affordable Warmth funding £57,959, subject to 260 referrals being made from Council to NIHE</p> <p>In total, Council have estimated to received approx. £174k in funding for the 22/23 year from funders to deliver Affordable Warmth, Home Safety, Energy Efficiency Advisory</p>

	<p>Service and the Make a Change programme. In total, Council currently have 6.1 full time equivalent officers covering all of these areas at an approx. annual expenditure of £202k.</p> <p>Council have not anticipated this funding shortfall within its 22/23 budget however with in-year efficiencies being made this shortfall in funding can be absorbed however that is not a sustainable position therefore this approach is proposed to be reviewed during quarter 3 & 4 of this year and to be considered as part of the MUDC rates estimates process for 23/24.</p>
	<p>Human: Staff recruitment already in place. May need reviewed in line with appropriate HR processes should funding position change.</p>
	<p>Risk Management: Considered in line with relevant policies and procedures.</p>
4.2	Screening & Impact Assessments
	<p>Equality & Good Relations Implications: None anticipated at this juncture.</p>
	<p>Rural Needs Implications: None anticipated at this juncture.</p>
5.0	Recommendation(s)
5.1	<p>To note the content of this report and to approve:</p> <ul style="list-style-type: none"> • the current arrangements and meet the shortfall in funding through in year efficiencies • carry out a review in quarter 3 and 4 in line with the annual rates estimates process on the ongoing viability of programme delivery should further funding not be achieved.
6.0	Documents Attached & References
	<p>Appendix A: DFC Correspondence received re: Affordable Warmth Scheme Budget and Referrals 2022 - 2023</p>