

<b>Committee(s):</b>	<b>Date(s):</b>
Housing Management Sub Committee	31 January 2013
<b>Subject:</b> Project Proposal – Avondale Square and York Way Estates Cavity wall insulation	<b>Public</b>
<b>Report of:</b> Director of Community and Children’s Services	<b>For Decision</b>

## Overview

<b>1. Spending Committee</b>	Community and Children’s Services
<b>2. Senior Responsible Officer</b>	Eddie Stevens, Housing and Technical Services Director
<b>3. Project Board</b>	Not recommended
<b>4. Context</b>	British Gas contacted Community and Children’s Services to offer free insulation works, fully funded from the Energy Company Obligation. After discussions with British Gas and their partner contractor Avalon, the Department decided to seek approval to proceed with the works or risk losing the funding.
<b>5. Brief description of project</b>	Using Energy Company Obligation (ECO) funding (see appendix) to carry out cavity wall insulation at 11 blocks containing a total of 652 individual residencies, to improve energy efficiency, reduce carbon emissions and cut residents’ fuel bills.
<b>6. Business case</b>	<p>Works will be free to City of London except for officer costs in dealing with administration and overall project management of the project.</p> <p>Delaying the works would lead to higher fuel bills for our residents and increased vulnerability of certain residents (elderly, infirm) during cold weather should they economise on heating their flats to save on fuel bills;</p> <p>Funding could be allocated elsewhere if not accessed.</p> <p>Potential further future funding could be jeopardised.</p> <p>The long term viability of the stock could be harmed by failure to carry out this improvement work.</p>
<b>7. Consequences if project not approved</b>	<p>Missing out on funded works to improve our assets;</p> <p>Energy inefficient buildings; higher carbon emissions;</p> <p>Higher energy bills for the City’s residents.</p> <p>Possible risk of losing future funding.</p>
<b>8. Success criteria</b>	An increase in the Standard Assessment Procedure (SAP) energy rating of these blocks; lower fuel bills for residents; improved energy efficiency as demonstrated on individual

	Energy Performance Certificates and a positive contribution to the City's overall Carbon Descent plan.
<b>9. Notable exclusions</b>	The other blocks omitted from the works at Avondale Square Estate have either already been insulated or are not suitable for this type of insulation. Other estates may be able to benefit from similar initiatives in the future.
<b>10. Key options to be considered</b>	Funding from British Gas under the Energy Company Obligation and their partner installer, Avalon, who are ready to commence as soon as City approval is received. Due to this source of funding, this is the only option that may be considered for these blocks.

### Prioritisation

<b>11. Link to Strategic Aims</b>	SA2: To provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes'. This project supports all these stated aims.
<b>12. Link to departmental business plan</b>	Key priority 1 Improving the health and wellbeing of communities and individuals Key priority 4 Supporting and empowering our communities Key priority 5 Making best use of resources and improving the way we work.  The planned works would help meet all the above three key priorities of the Departmental business plan.
<b>13. Links to other existing strategies, programmes and/or projects</b>	The planned works links to the City's Carbon descent plan, the on-going maintenance and improvement of our housing stock, the City's sustainability policy and the central Government ambition for all cavity wall properties to be insulated by 2018.
<b>14. Within which category does this project fit?</b>	3a Spend to save 4 Reimbursable 7a. Asset enhancement
<b>15. What is the priority of the project?</b>	B. Advisable

### Financial Implications

<b>16. Likely capital/ supplementary revenue cost range</b>	Total capital cost range of £250,000 - £2,000,000. Total estimated project cost estimated at £420,000 (£415,000 works and £5000 officer costs).  The capital cost is an estimated £180,000 at York Way
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	estate and £235,000 at Avondale Square Estate. The insulation works will be fully funded by British Gas under the Energy Company Obligation. The only costs to the City of London will be for officer time spent in facilitating the project.
<b>17. Potential source(s) of funding</b>	The works, material and labour costs will be funded from British Gas under the Energy Company Obligation.
<b>18. On-going revenue requirements and departmental local risk budget(s) affected</b>	None – all work will be guaranteed and no future maintenance will be required.

### **Project Planning**

<b>19. Estimated programme and implications</b>	Gateway 2 in February 2013, Chief Officer (Gateway 5) Authority to start work in March 2013. Works to commence immediately after Authority to start work is granted. It is estimated it will take up to 12 weeks to complete, depending on weather.
<b>20. Potential risk implications</b>	The overall level of risk is considered low, as the contractor will take responsibility for carrying out the works, providing materials etc; Poor weather may delay the contractor's ability to complete the works in the short term.
<b>21. Anticipated stakeholders and consultees</b>	Members, Department of Community and Children's Services Staff, residents of the estates.
<b>22. Equality Impact Assessment</b>	All affected residents will potentially benefit from the works.

### **Recommended Course of Action**

<b>23. Next Steps</b>	Progress to gateway 2, and if approved, proceed to gateway 5, as per the project procedure, to be signed off by the Department of Community and Children's Services Chief Officer,
<b>24. Resource requirements to reach next Gateway</b>	Estimated two days to collate the information required to prepare Chief Officer report.
<b>25. Funding source to reach next Gateway</b>	Housing Revenue Account
<b>26. Standard or Streamlined</b>	Streamlined as per the project procedure (£250,000 – £2,000,000, low risk) going from Gateway 2 to gateway 5 to

<b>Approval Track</b>	be approved by Chief Officer.
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**Appendices**

<b>Appendix 1</b>	Energy Company Obligation information.
<b>Appendix 2</b>	Estate Plans and Photographs
<b>Appendix 3</b>	

**Contact**

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