

**BRECKLAND COUNCIL**

**COMMITTEE – OM's 5 December 2007, EB 17 December 2007, Cabinet 8 January 2008**

**REPORT OF THE OPERATIONS MANAGER Commercial**

**(Author: Gordon Partridge, Principal EHO )**

**British Gas Council Tax Initiative**

<p><b>Summary:</b> This report summarises the British Gas Council Tax Initiative which provides an incentive for owner occupiers to improve the insulation in their dwellings.</p>
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**1. BACKGROUND**

- 1.1 The British Gas Council Tax Initiative, ( BGCTI ), is a partnership programme between British gas and local authorities which uses a cashback incentive to encourage owner occupiers to improve the energy efficiency of their dwellings.
- 1.2 Unlike most initiatives the scheme is aimed at households that do not receive any form of income, or disability, related benefits.
- 1.3 Promotion of the scheme rests with the local authority but the administration and work process is carried out by British Gas. Funding is by British gas through its Energy Efficiency Commitment.

**2. KEY DECISION**

- 2.1 This is not a key decision

**3. COUNCIL PRIORITIES**

- 3.1 The matter raised in this report falls within the following Council priorities:
  - A safe and healthy environment
  - A well planned place to live which encourages vibrant communities
  - A prosperous place to live and work

**4. THE INITIATIVE**

- 4.1 There are still a considerable number of dwellings with no, or sub standard, levels of loft and cavity wall insulation. The BGCTI is designed to be attractive to households that do not receive any form of benefit and pay full council tax. Research by British Gas indicated that a reduction of council tax was seen as a popular incentive to take action to improve energy efficiency.
- 4.2 The local authority is responsible for the promotion of the scheme and this can be done by articles in Breckland voice and by including a leaflet in the council tax mailout for maximum impact. A dedicated telephone number and reference are given and the contact is direct to British Gas. Applicants do not have to be British Gas customers. A representative will then visit the applicant and advise of the works that can be carried out and the price. If the applicant agrees the work will be carried out by British Gas's contractors and the applicant pays for the work.

- 4.3 Once this has been done, on a monthly basis, British Gas will email a spreadsheet to Breckland with a list of all addresses where the scheme has taken place. The equivalent of £50 per household is credited to the Council at the same time. It is for the Council to decide how to reimburse the £50 to individual households but the most effective method is to rebill the household to give a £50 reduction on their council tax bill. Alternatively councils may elect to simply send a £50 cheque to individual households.
- 4.4 Whilst British Gas are happy for councils to promote the scheme as a “green” initiative the cashback mechanism must be through the council tax and must be branded as such.
- 4.5 ARP have been involved with the discussions with British Gas over the possible introduction of the BGCTI into Breckland and will have an input into its promotion and operation if Breckland chooses to take it up.

## **5. REASONS FOR RECOMMENDATION**

- 5.1 Whilst there are many grant and cashback schemes to encourage householders to improve energy efficiency most require the applicants to be in receipt of some form of benefit. Every additional household that carries out such works contributes to Breckland achieving its targets under the Home Energy Conservation Act and PSA 7 for decent homes. Breckland can also demonstrate leadership in tackling climate change and partnership working. All energy savings help to ameliorate the effects of climate change.
- 5.2 Households benefit directly from the £50 cashback and from longer term savings on their energy bills. The effect on Breckland is largely fiscally neutral.

## **6. RECOMMENDATION**

- 6.1 It is recommended that Breckland join the BGCTI.

*Footnote:* Recommendation complies with the following :  
Equal Opportunities, Section 17, Crime & Disorder Act  
1998, and Human Rights Act 1998