



<b>Environment and Sustainable Communities Committee</b>	Agenda Item
<b>11 March 2024</b>	<b>9</b>

Title:	Care Homes Retrofit Programme Update
Report of:	Judith Barker, Executive Director, Place and Connectivity
Lead Member:	Cllr. Bridget Smith, Chair of Environment and Sustainable Communities Committee
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	A simple majority of voting Members

**Recommendations:**

A	Approve that the Care Homes Retrofit Programme delivery continues to December 2025.
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**Strategic Objective(s):**

The proposals within this report fit under the following strategic objective(s):	
✓	Achieving good growth
✓	Enabling resilient communities

**1. Purpose**

1.1	This report provides an update on the Care Homes Retrofit Programme and recommends a review with the wider Climate Change programme in June, with an extension to the current programme end date to December 2025.
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**2. Proposal**

2.1	That the Care Home Retrofit Programme delivery is extended to December 2025,
2.2	That utilisation of any forecast remaining capital is considered alongside the revised Climate Capital Programme at the Committee's June meeting.

**3. Background**

3.1	The CPCA Board approved grant funding of £2m in June 2022, focussed on supporting independent care homes across Cambridgeshire and Peterborough to enable them to become more energy efficient; to help meet climate change goals; save money and reduce risks to their more vulnerable residents. We offer the opportunity of applying for grant funding of 50% of total project costs to a
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	maximum grant of £100,000. Take-up to date would suggest only between £500k and £1m of capital would be utilised.
3.2	Following our analysis of information from the Care Quality Commission, the Programme Manager issued an online survey to each of the 32 eligible independent care homes in the CPCA area (the basis of our focus) to gauge their interest in our proposed investment programme. The target care homes were asked to complete the survey by 31 March 2023. 10 care homes expressed an interest. The Environment and Sustainable Communities Committee agreed at its meeting on 12 June 2023 that an officer-group should be formed with the responsibility of taking decisions about which applications from care homes should be approved or rejected.
3.3	The Programme Manager sent the on-line application documentation to each of the 10 care homes, following which the Programme Manager has contacted each one and undertook visits as necessary to discuss the programme in more detail and the care homes' requirements.
3.4	So far 4 care homes have submitted applications: <ul style="list-style-type: none"> <li>• 1 is waiting for additional quotes; indicative grant required is £75,000.</li> <li>• 1 application on hold as the care home owner is engaging the services of an energy advisor to ensure the items requested were appropriate; indicative grant required is £50,000.</li> <li>• 2 applications have been appraised (and 1 approved); one application requested grant funding of just over £1,000 (total project costs of £2,149). The other application requested grant funding of £99,950 towards total project costs of nearly £200,000.</li> </ul>
3.5	In addition, another care home is waiting for quotes and will then submit an application. The grant required is likely to be approximately £60,000.
3.6	In terms of the current potential funding commitment, if all 4 current applications are approved, this will require grant funding of approximately £225,950 plus a potential further £60,000 resulting in indicative grant commitment of £285,950.
3.7	The Programme Manager continues to work with each care home that has yet to submit an application to discuss their project proposals and answer any questions about our scheme. Once full applications have been received, the Programme Manager will arrange appraisals. The Programme Manager will be preparing and issuing Grant Funding Agreements to each of the successful applicants.
3.8	Given the interest and modest take-up to date, options for the future of the programme have been reviewed. Following the most recent round of communications there has been an uptick in interest as the prospect of the scheme closing is encouraging applications to come forward. However, it seems likely that the programme as currently set would not utilise the full forecast amount of £2m.
3.9	Options for the programme are to (or a combination of): <ol style="list-style-type: none"> <li>A. Extend the Programme delivery to December 2025 with engagement using our partners</li> <li>B. Support the existing successful applications but reallocate a proportion of the forecast budget to other climate change project opportunities;</li> <li>C. Continue with the existing investment programme but broaden it to include other types/categories of independently owned care homes other than nursing and residential care homes in collaboration with our local authority colleagues;</li> <li>D. Extend the eligibility criteria to groups of care homes, but excluding large national organisations</li> <li>E. Close the programme</li> </ol>
3.10	Based on the applications currently being appraised/developed, the grant programme is providing a valuable opportunity for those care homes able to bring forward proposals to respond to the challenges of a changing climate and to increase protection to vulnerable residents). The view of the Programme Manager is that wider take-up of the programme is judged to be more an issue of timing/availability of match funding rather than no suitable properties in need of investment. Many independent care homes are not in modern properties that might be expected to have a greater level of climate adaptation. Given current applications being developed, it is not recommended to close the programme completely (Option E) but to extend to December 2025 allow delivery (Option A).
3.11	However, to recognise the limits of the market to respond and the need to use our resources efficiently, it is appropriate to monitor progress and consider setting a reduced cap on the total programme spend.

	This would allow for completion of existing expressions of interest, and any additional activity that might both be stimulated because of the publicity of the successful first round of applicants.
3.12	The programme was set up to focus on independently owned nursing and residential care homes, based on those being the most likely to be unable to access additional funding (such as borrowing against assets). This does mean groups of care homes are excluded. In some cases, these may not be national companies and face similar challenges on borrowing to invest. However, option D has the difficulty of setting an appropriate bar to filter applications (as opposed to extending to all care homes no matter the ownership). The definition of a SME company could be used in this situation.
3.13	Similarly there are other types of care situations, such as hospices, that are currently not within the definition of the programme. It is not expected that this would significantly expand the potential range of applicants given the relatively low numbers of additional properties.
3.14	It is recommended to proceed with Option A but that the progress and eligibility criteria of the scheme be kept under review in Q1 of FY24/25 to assess progress towards the forecast spend this year, with decision on usage of any forecast underspend being considered as part of the Climate Change programme budget report to June Committee.

#### 4. Appendices

4.1	None.
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#### 5. Implications

##### Financial Implications

5.1	The programme funding needs to be carried forward into 24/25. Any future virement to the Climate Programme would need to be approved at Committee.
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##### Legal Implications

5.2	None.
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##### Public Health Implications

5.3	Set out in the report regarding the public health benefits of climate improvements to buildings that have vulnerable residents.
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##### Environmental & Climate Change Implications

5.4	A reduction in emissions and improvement to adaptation.
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##### Other Significant Implications

5.5	None.
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##### Background Papers

5.6	<a href="#">Board MTFP approval Jan 2022</a>
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