
Healthy Homes Funding Opportunities

The Proposal

The Energy Efficiency and Conservation Authority ('EECA') submitted to the draft LTCCP (submission number 436) recommending that the Council consider:

- a) developing a voluntary targeted rate to help households access insulation and/or clean heating services (commonly referred to as healthy homes retrofits) and/or
- b) supporting the Greater Wellington Regional Council ('Greater Wellington') to develop a voluntary targeted rate mechanism to help households access healthy homes retrofits.

It is recommended that the Council support Greater Wellington to implement a voluntary targeted rate to help households access healthy homes retrofits.

Proposal Costs

There are no operational or capital costs to the Council as a result of this proposal.

Discussion

On 28 May, the Government released its budget for 2009/10, which provides \$323 million over the next four years to subsidise healthy homes retrofits for approximately 180,000 homes. The programme is part of the Government's job stimulus package and it is expected to increase demand for jobs in the construction and manufacturing sectors. The new programme will be available to all homeowners of pre-2000 houses, regardless of income level. The table below summarises the subsidy assistance available to households under the Government's new healthy homes programme.

	Insulation	Clean heating
All eligible houses built before 2000	33% of the total cost up to \$1300	\$500 (inc GST)
Community Service Card (CSC) holders	60% of the total cost*	\$1200 (inc GST)
Landlords with CSC holding tenants	60% of the total cost	\$500 (inc GST)

* In some regions, the total provided to CSC holders may be higher, where third-party funding from charities, line companies or councils is provided.

The Government wants to partner with councils and other stakeholders to make accessing home retrofits more affordable for homeowners. As part of this, EECA has made submissions to the draft LTCCPs of eight councils across New Zealand, including Wellington City Council and Greater Wellington Regional Council ('Greater Wellington'), requesting that they consider trialling a voluntary targeted rate system in 2009/10. EECA's submission also advocates that the Council consider options for promoting the healthy homes programme, including:

- helping to leverage funding from third-parties to assist with insulation and/or clean heating retrofits for low-income households
- assisting with promoting the uptake of insulation and clean heating retrofits on a local level.

The draft LTCCP includes \$35,000 and this addresses EECA's submission in relation to leveraging third-party funding and promoting healthy homes retrofits. A decision relating to the use of a voluntary targeted rates mechanism proposed by EECA is required.

Greater Wellington is yet to formally approve a healthy homes voluntary targeted rate however officers have been advised that this initiative will be included for approval in the LTCCP deliberations. Greater Wellington's advice is that they have no intention on capping the amount of borrowing available for the voluntary targeted rate for 2009/10. They have indicated however that they may cap the total level of borrowing linked to this scheme in future years if there is exceptionally high demand for the targeted rate option.

Officer recommendation

It is recommended that the Council supports the Greater Wellington Regional Council ('Greater Wellington') implementing a voluntary targeted rate mechanism to help households access insulation and/or clean heating services. This approach is preferred over the alternative of creating two similar systems: one administered by Greater Wellington and one administered by the Council.

As part of this approach, officers will monitor demand for the voluntary targeted rate and provide further advice as part of the 2010/11 draft Annual Plan process should Greater Wellington's programme be unable to accommodate Wellington City demand.

Contact officer:

Teena Pennington, Director Strategy