

**WRITTEN QUESTION TO THE MINISTER FOR PLANNING AND ENVIRONMENT  
BY DEPUTY T.M. PITMAN OF ST. HELIER  
ANSWER TO BE TABLED ON MONDAY 15th JULY 2013**

**Question**

Can the Minister confirm whether the publicly funded energy efficiency scheme was temporarily suspended in 2011 and 2012 to be re-evaluated, due to internal procedural problems within the Department and, if so, would he further confirm that, as a consequence, significant amounts of public money was misspent by the programme officers through the funding of private applicants whose homes fell outside of the remit of the scheme and impacted upon the ability to gauge the benefits of such energy efficiency measures?

**Answer**

I can report that the Energy Efficiency Service (EES) has never suspended its services as a result of 'internal procedural problems', or for any other reason, and no programme officers, past or present, have misspent 'significant amounts of public money' as the question would suggest.

All EES staff operate within the mandate originally laid out to them by the States Assembly in 2008 when this workstream was established in the 2009 budget debate. The aim was to assist 'the vulnerable' with energy efficiency improvements.

The EES offers a 100% grant assisted turnkey service for vulnerable Islanders and has received 1,613 applications since 2009. To date, the EES has completed work (or is in the process of carrying out work) in 1,427 eligible households. The categories of eligibility for grants are set by the Minister who has been, and continues to be, advised by the Jersey Energy Trust (JET). JET was established in 2009 under MD-PE-2009-0114<sup>1</sup> and is an independent body that provides oversight and guidance to the Minister with respect to the energy efficiency services that are offered.

To assist further, I have set out below more details on how the EES operates.

Originally, eligibility for assistance from the EES was focused on a subset of people on Income Support in receipt of the Cold Weather Payment or those enrolled on the Westfield Health Scheme (65+ Health Scheme). As this priority group of clients were helped, the eligibility criteria has been expanded to include all those on Income Support, the Food Cost Bonus payment and a further group of Low-Income Islanders who are over 70 and declare having limited savings<sup>2</sup>.

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<sup>1</sup> The establishment, membership and terms of reference of 'The Jersey Energy Trust' (JET). Currently the JET is chaired by Sir Nigel Broomfield, and members include David Lord, Chris Ambler, Peter Cadiou and Andrea Cook OBE and they are supported by the Director for Environmental Policy, the Deputy Chief Officer and the Chief Executive Officer of the Department of the Environment.

<sup>2</sup> Less than: £50,000 savings if they are married/co-habiting or £30,000 savings if they live alone. This category of applicants is approximately 10% of the total applicants that are accepted on to the scheme.

Since the scheme began, applicants who are not eligible for acceptance under the usual criteria but who feel that their circumstances merit further consideration, have the right to appeal to the Minister. On reviewing such a case, the Minister may decide to accept an applicant on to the scheme using his/her discretion; this route has been used for 4 individuals since 2009. Full details on eligibility are available on the EES website<sup>3</sup>.

In evaluating an application for eligibility, officers are required to make the appropriate checks to ensure that applicants are eligible for help. For example, if an applicant claims to be on Income Support or another benefit such as the Food Cost Bonus payment, officers 'back-check' with the Department for Social Security to ensure they are actually in receipt of this benefit. If the applicants declare they are over 70, and of limited savings, their age is checked with the Department of Social Security.

When the householder receives assistance they sign an agreement document to authorise the prescribed energy efficiency works to their property. There is a clause that allows the States of Jersey to reclaim the value of the grant if information given in the application is found to be untrue. We have never had reason to enforce this provision but if the Deputy has evidence of ineligible people receiving State's assistance then he is invited to contact me and I will thoroughly investigate this.

All EES staff, both past and present, operate in accordance with the relevant States of Jersey Financial Directions: Financial Direction 5.1 the 'Purchase of Goods and Services' and 5.5 'The Management of Grants'. The officer responsible for the EES budget meets with the Department financial manager every month and the Department's Senior Management Team review the Department's overall spend at their 6 weekly Senior Management Board Meeting. The JET Board members receive an update on the EES budget every month by email and this includes expenditure and open orders. The budget is a standing agenda item at every JET Board meeting (held at least 4 times a year).

All energy efficiency work undertaken by contractors appointed by the EES are ordered and receipted through the States of Jersey Financial Management system – JD Edwards. The member of the EES team raises an order within the system and their senior manager and budget holder (in this case the Director for Environmental Policy) approves that order. All client records are held in a bespoke Client Relationship Management System. A combination of the financial data and operational data held in JD Edwards and the CRM allows the Energy Efficiency Service to report and analyse in great detail on all its activities and areas of spend.

The number and cost of each intervention (e.g. loft insulation, cavity wall insulation) ordered by the EES is known and quantified. The environmental benefit, in terms of carbon savings, as well as cost savings to the customer can then be evaluated. The analysis of the interventions and their benefits are then externally validated by the UK's Energy Saving Trust to which the EES is accredited. The EES report this data both to the Minister and the JET Board, an example of this report is the EES's Phase 1 report which covers the period 2009 and 2010 and was lodged au Greffe in November 2011 under MD-PE-2011-0119<sup>4</sup>.

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<sup>3</sup> <http://www.gov.je/ENVIRONMENT/GENERATEENERGY/ENERGYEFFICIENCY/Pages/EnergyEfficiencyServiceGrants.aspx>

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<http://www.gov.je/Government/PlanningPerformance/Pages/MinisterialDecisions.aspx?docid=5c3da955f99ed95aba129ad0dc6e639a> MDs