

 <b>Overview &amp; Scrutiny Committee</b> <b>29<sup>th</sup> August 2018</b>		<b>Agenda Item No. 5</b>
<b>Title</b>	Report on Fuel Poverty	
<b>For further information about this report please contact</b>	Alice Ellis, Sustainability Officer, Health & Community Protection Alice.Ellis@warwickdc.gov.uk Tel: 01926 456102  Simon Brooke, Sustaining Tenancies Manager – Housing Services Simon.Brooke@warwickdc.gov.uk Tel: 01926 456433	
<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No If yes state why	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Date of meeting when issue was last considered: 26 <sup>th</sup> June 2018	
<b>Background Papers</b>		

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	No

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	07/08/2018	Chris Elliott
Head of Service	02/08/2018	Marianne Rolfe and Lisa Barker
CMT	07/08/2018	Andy Jones and Bill Hunt
Section 151 Officer	07/08/2018	Mike Snow
Monitoring Officer	07/08/2018	Andy Jones
Finance	07/08/2018	Andrew Rollins
Portfolio Holder(s)	07/08/2018	Councillor Andrew Thompson / Councillor Peter Phillips
<b>Consultation &amp; Community Engagement</b>		

Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.

The Sustainability Officer Group and Financial Inclusion Group have been consulted with regard to the detail within this report.

**Final Decision?**

No

**Suggested next steps (if not final decision please set out below)**

A report will come back to O&S Committee following completion of the Fuel Poverty Strategy

1. **Summary**

1.1 This report summarises the Council’s latest position in relation to fuel poverty.

2. **Recommendation**

2.1 The committee note the work to date on fuel poverty and planned future actions.

3. **Reasons for the Recommendation**

3.1 O&S requested an update on the fuel poverty work following the 26<sup>th</sup> June 2018 meeting.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

The Council’s FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council’s Key projects for ‘Green, Clean and Safe’.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
Homes that are warmer and more energy efficient directly improve the health and wellbeing of residents.	Home energy efficiency also helps to improve local air quality by reducing NOx as well as CO2 emissions.	

<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		

## 4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal include the Housing Strategy and Sustainability Approach.

## 4.3 Changes to Existing Policies

None.

## 4.3 Impact Assessments – Not applicable

## 5. Budgetary Framework

5.1 There are no budget implications for this report.

## 6. Risks

6.1 The Home Energy Conservation Act, 1995 requires local authorities to report on action that is being taken on keeping homes warmer and including fuel poverty.

6.2 By not delivering on fuel poverty, the well-being of local residents will not be improved which will have adverse effects on the health of local residents. In addition, domestic emissions will remain the same, if not increase, contributing to global warming, and poor local air quality.

6.3 Where particular projects require investment, financial risks will be identified and approval sought through the appropriate channels.

## 7. Alternative Option(s) considered

7.1 Not applicable as the report is providing an update of the work on fuel poverty

## **8. Background**

- 8.1 The Council's Strategic Approach to Sustainability, includes the performance indicator to develop a Fuel Poverty Strategy.
- 8.2 In addition, the Home Energy Conservation Act 1995 (HECA) requires local authorities to report on the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area. The local authority is required to report on progress in this area to the Department for Business Energy and Industrial Strategy every two years. Warwick District Council last provided an update in 2017 and so the next update will be required in March 2019.
- 8.3 We identified the opportunity to obtain some support on the fuel poverty strategy, which has begun to be compiled by a student placement from The University of Warwick. This placement has now ended, however it should be noted that there is still a significant amount of work to be done including developing an action plan and consulting with colleagues, third sector and other organisations. In addition, there needs to be clear links to the Housing Strategy and Financial Inclusion action plan amongst others.

## **9. Fuel Poverty Definition and Factors Causing It**

- 9.1 A household is defined as being in fuel poverty if it i) has an income below the poverty line; and ii) has higher than typical energy costs. This definition was adopted by the Government in 2013 and replaces the previous '10% indicator' where a household was defined as being in fuel poverty if 10% of the household income was spent on meeting their energy needs.
- 9.2 According to the latest 2016 figures, 11% of households are in fuel poverty in Warwick District which is a decrease on the previous year (previously 12.3%). The current figures equate to approximately 6,600 households and total carbon emissions from the domestic sector are 227 kt CO<sub>2</sub>, of which there is a total of 937 kt CO<sub>2</sub> which also includes emissions from transport and industry.
- 9.3 There are several factors influencing fuel poverty including size of property and occupancy, inadequate insulation and heating, low income and the price of energy.

## **10. Why Fuel Poverty Matters**

- 10.1 The effects of fuel poverty result in cold and damp homes and reduced income and lifestyle choices. Health related issues are costly to the NHS and excess winter deaths which are calculated as a ratio of excess winter deaths to average non-winter deaths. The elderly, children and those in poor health and/or reduced mobility are most at risk.
- 10.2 Housing Services have led in developing a financial inclusion plan recognising that fuel poverty amongst our tenants and the wider community can lead to financial stress and failure to maintain tenancies.

## **11. Fuel Poverty Strategy**

- 11.1 The scope of the fuel poverty strategy is being developed and will include all residents within the District and households of all types. Actions will be directed to how the District Council can be most effective in using its limited resources.
- 11.2 The Fuel Poverty Strategy and action plan will be prepared by summer 2019.

## **12. Work Already Completed**

- 12.1 A number of actions have already been undertaken to address fuel poverty within the last year:
- A stock condition survey has been completed giving an indication of the heating, insulation and the condition of doors and windows of our properties. This also indicates the age of our properties and life expectancy of the key features of the property. This has been subject to a separate O&S report.
  - The Service Level Agreement with Act on Energy has been renewed with a greater focus on delivering key projects, as follows
    - The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 came into effect from 1<sup>st</sup> April 2018 making it illegal to let out a property with an EPC (Energy Performance Certificate) rating of F or G. An initiative is being undertaken to contact private sector landlords with EPCs of 'F' and 'G'. The purpose of this has been to make landlords aware of the legislation and signpost to Act on Energy for help to make improvements.
    - Three 'Save in Summer. Be Warm in Winter' home energy drop-in sessions for residents have been held at the Brunswick Healthy Living Centre, the Packmores Centre and the Sydni Centre. These have had the aim of publicising Act on Energy and the grants or funding available to residents.
  - Fuel poverty training has been delivered to 35 frontline staff and Members to better signpost residents and provide basic energy saving advice.
  - Act on Energy administer ECO (Energy Company Obligation) funding provided to householders on means tested benefits to help cover the cost of installing boilers and insulation measures. A Statement of Intent has been signed by the authority in relation to ECO Flex, which is an extension of ECO. The 'flex' element enables the authority to provide funding to vulnerable residents not necessarily on means tested benefits such as those on a low income, with small children, a disability or health condition and on a pre-payment meter.
  - The HEART Partnership offers countywide advice and assistance to residents requiring disabled adaptations and home improvements including in relation to cold and damp homes.

- Warm & Well in Warwickshire offers support to residents with respiratory conditions including help with understanding energy bills, grants for insulation and boiler replacements, emergency heaters and home visits to vulnerable householders. The scheme is funded by Warwickshire County Council and is administered by Act on Energy. The Housing Money Advice team offer advice on energy saving matters.

### **13. The Action Plan**

13.1 A key part of the Strategy will be to develop an Action Plan. Some of the actions have begun to be identified, but these are not yet committed nor limited to the following list of examples below. Timescales and officers responsible for the delivery of these are to be identified.

- Improve how to identify who is in fuel poverty and how we target actions to certain groups.
- Continue to work with Act on Energy including providing on-going training for frontline staff, Members and third sector.
- Improve the EPC rating of council properties so that these are D or above where possible.
- Improve advice given to our Tenants including electric heating, targeted events, better understanding of energy tariffs and heating controls.
- Provide advice to residents regarding switching for our tenants our Money Advice Officers.
- Improve the Energy Performance Certificate ratings of our own stock and through the development of the Housing Investment Programme.
- Continue with private sector landlord work and the investigation and enforcement of landlords with F or G rated properties.
- Promote ECO (Energy Company Obligation) and ECO 'flex' funding to vulnerable residents along with other grants available through the HEART Partnership and Warm & Well in Warwickshire partnership.
- Encourage the take-up of renewable energy technologies.
- Drive community engagement work to raise awareness particularly amongst vulnerable groups of people along with all residents.
- Apply for external funding opportunities to maximise energy efficiency improvements for householders.
- Consult with planning policy to determine how to achieve higher levels of energy efficiency in relation to new build properties over the current standards.