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## Report of the Fuelsavers Team - Health and Environmental Action Service

### Inner West Area Committee

Date: 9<sup>th</sup> April 2009

Subject: Fuel Poverty Reduction Target Support

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#### Electoral Wards Affected:

Armley

Bramley & Stanningley

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Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

☐

Community Cohesion

☐

Narrowing the Gap

☒

Council  
Function

x

Delegated Executive  
Function available  
for Call In

☐

Delegated Executive  
Function not available for  
Call In Details set out in the  
report

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### Executive Summary

Fuel poverty in 2008 is calculated at **24% in the City**, increasing from 19% in the last reporting period. Vulnerable fuel poverty, (those households containing pensioners, long term ill, disabled or children) has increased from 15% to **20%** representing one in four and one in five households respectively.

In turn, given the new suite of National Performance Indicators placed on the Authority and with particular reference to NI 187 Fuel Poverty Reduction, there is a growing need to ensure area based targets are established to support the objectives of reducing fuel poverty to meet the overall city objectives.

Without local support and the integration of targets into local plans, the Local Authority's endeavor to support national government to eradicate fuel poverty and in meeting Key Performance Indicator NI 187 for fuel poverty reduction will be difficult. This report identifies the level of this form of poverty in the City, the current work going on to address the problem, the local levels of this form of poverty and crucially the need for partner support, at a local level, to assist in eradicating fuel poverty by 2016.

## 1.0 Purpose Of This Report

- 1.1 To seek support for actions and targets to be established at a local level to eradicate Fuel Poverty in the City in line with Leeds Affordable Warmth Strategy 2007 to 2016.

## 2.0 Background Information

- 2.1 The Home Energy Conservation Act (HECA) came into force on 1 April 1996 and runs for a term of 15 years up to 31<sup>st</sup> March 2011. The Leeds Energy Efficiency Strategy, entitled 'Warm Homes Cool Planet' sets out in 93 action points how the Local Authority seeks to stimulate a 30% energy efficiency improvement across Leeds public and private sector housing stock over the HECA period. This strategy was reviewed and updated in September 2007.
- 2.2 It is a requirement of the Act that Local Authorities report annually as part of and parallel to their housing investment submission on the progress made in managing and implementing measures identified in their energy efficiency plan submitted under Section 2 of HECA (1995). This report will highlight extracts of some of the main outputs of the Twelfth Reporting Year 2007/08 HECA Report.
- 2.3 Further to the HECA facilitation and reporting requirements placed on the Authority, the Warm Homes Act 2000 and revision 2001 has placed extra responsibility on Local Authorities to establish fuel poverty plans. These plans should establish how many households are 'fuel poor' and in turn identify what action or assistance that Local Authority is undertaking to assist and reduce the number of fuel poor households in its area. Fuel poverty is defined as those households spending more than 10% of net income on total household energy use.
- 2.4 Central Government seeks that all households **are taken out of fuel poverty by 2016 and all** vulnerable households, those containing the elderly, disabled, long term sick or households with children by **2010**.
- 2.5 Leeds City Council refreshed its Fuel Poverty Strategy in 2007 and issued the Leeds Affordable Warmth Strategy 2007 to 2016, in its place. Leeds City Council subsequently gave the responsibility to the Fuelsavers Board to oversee taking forward the actions identified within that Strategy up to 2016. The Fuelsavers Board is made up of a cross sectoral partnership of organisations and is Chaired by Lead Member for Energy, Councilor Barry Anderson.
- 2.6 The Fuelsavers Board, in the summer of 2008 also accepted responsibility to over-see and facilitate actions that support carbon dioxide emission reductions in the Leeds housing stock, as identified by the City's Climate Change Strategy, once released. Housing currently represents 30% of the City's overall environmental emissions burden.

- 2.7** A suite of National Indicators (NIs) have been placed upon Local Authorities in 2008, covering a three year period, and giving responsibility to the Local Authority in taking action on range of issues. NI187, a key indicator, covers decreasing the number of households who are in receipt of state benefits, and who live in a SAP score dwelling of under 35. In turn, increasing the number of occupants receiving state benefits living in SAP score dwellings of 65 or better .The SAP or Standard Assessment Procedure is an energy score of dwellings from a low of 0 to a high of 100.The average public sector dwelling having a SAP average of 67 and the 55.8 respectively for private sector homes in Leeds.
- 2.8** NI187 targets set for Leeds are 500 homes under SAP 35 to be taken above this threshold and 500 dwellings from SAP 36 to 65 to be taken to above 65 annually.
- 2.9** National Indicator 186 is a carbon saving per capita target and has not currently been set or agreed by the Local Authority for the City.

### **3.0 Main Issues**

- 3.1** The 12<sup>th</sup> HECA Report covering the period 2007/08 continues to highlight energy efficiency improvement progress across the City, with an overall improvement of 4.07% and new overall City running total standing at 24.68% against a 2011, 30% target. Whilst this is excellent progress, a large number of households in the City are in and are being brought into fuel poverty by low income, rising fuel prices and limited housing improvement grant take-up.
- 3.2** Energy efficiency improvement in the owner occupied housing stock has shown a slowing to 3.71% from 3.98%, mainly due to the predicted tailing off of fuel company grants due to the replacement of the Energy Efficiency Commitment (EEC) obligation with the Carbon Emission Reduction Target (CERT). Fuel poverty in the owner occupied sector was measured at 17% in 2008.
- 3.3** The private rented housing sector stock performance at 1.60% shows a slight improvement against the 1.24% achieved in the previous reporting period. This is however, still the lowest rate of progress across all tenures and suggests this sector requires continuing support, development and action. It is anticipated the revised Private Sector Housing Strategy; which contain a large proportion of energy efficiency interventions will help to accelerate growth in this sector. Fuel poverty in this sector is measured at 28% of all households.
- 3.4** Housing Association performance at 2.05% shows a drop from the 3.39% in the last reporting period. Self reporting by Registered Social Landlord (RSL) tenants also shows energy efficiency improvements in the older stock is low. The dialogue with RSLs will continue to ensure Housing Association managers this tenure's sector managers are aware of the need to support energy efficiency improvements of their existing, older solid-walled dwellings, with fuel poverty showing at 29% of this tenure grouping.
- 3.5** Warm Front 2 (WF2) grant take-up for insulation and heating improvements to those receiving state benefits living in the private sector, shows that 4,634 households received improvement measures . Environment and Neighborhoods Directorate have placed much emphasis in seeking to contact all potential eligible WF2 clients in an

attempt to encourage the take up of grant support. Over 12,000 Leeds households are still eligible for this grant.

- 3.6** Energy efficiency improvements have brought about a carbon dioxide (CO<sub>2</sub>) reduction in the whole housing stock in 2007/08 of 72,437 tonnes. The average carbon dioxide emissions from a Leeds home are now 6.3 tonnes. The highest level of carbon dioxide emissions were noted in the private rented sector at 7.4 tonnes with the lowest outputs from RSL dwellings at an average of 5.8 tonnes due to the larger number of newer dwellings in this tenure sector in their top quartiles by build age.
- 3.7** The level of calculated fuel poverty in the private sector across the City in **2008** is **24%**, representing an increase against the 19% reported in the previous HECA Report in 2007, but not unexpected given the continued increases in gas and electricity prices, which have outpaced annual rises in household income. Moreover, such an impact is also reflected in the calculated level of fuel poverty in vulnerable households which has increased from 15% to **20%**. Furthermore, 19% of all households reported that their own, or family's health is affected by cold conditions in the home. Record high energy prices may therefore also bring additional challenges as households are faced with making choices between heating and health. Appendices 1 of this report shows by Area Management wedge and Area Committee areas the scale of fuel poverty in the City. Appendices 2 the scale of fuel poverty in the community by ethnicity. Appendices 3 the original base position data by ward and ranking of fuel poverty in the City.
- 3.8** The revised new Leeds Affordable Warmth Strategy was formally launched on 23<sup>rd</sup> October 2007, and work has continued to encourage organisations to sign up to the Code of Practice (CoP) which seeks to stimulate partnership working to eradicate fuel poverty. Currently 28 organisations support the COP in the City, but progress is slow in stimulating organisations to accept, signpost, advise or support vulnerable households under the terms of the COP to assistance via Fuelsavers. Partner support to date has led to numerous gains both through COP and non COP partners, but given the scale of the fuel poverty problem in the City it is crucial that partners, working locally, consider supporting the overall objectives, wherever practicable to do so. In turn that this support is formalised in local area plans in five key areas, (1) Pieces (leaflets or guides by volume) or the type of advice and information available publicly, (2) referrals to support both financial measures and staff trained (3) assistance to energy improvement measures either in house or to other bodies and (4) financial resource allocated for facilitation? or measures. (5) Intervention actions either legal or advisory.
- 3.9** The Local Authority's overarching objectives to tackle fuel poverty in support of the requested actions under 3.9 in the City are:
- To find and assist fuel poor householders in Leeds and support those found to access current and available grant or landlord assistance. Either through partnership working, agencies, direct communication, mail drops, leaflets, door-to-door or via an in –the-home worker support.
  - To work with partners to ensure targets are supported and embedded into plans in support of the overall city-wide objectives.
  - To facilitate financial resources being brought into the City or released to meet the need overtime.
  - To continue to provide a coordinating and support mechanism through the HEAS Fuelsavers Team

## **Schemes Fuelsavers are working with to date or up and coming are:**

**Health Through Warmth** – A private sector housing grant for those with a medical condition. Supporting heating and insulation improvements.

**Warm Front**, a private sector benefits based heating and insulation grant.

**Community Warmth**, a ward based door-to-door initiative to bring households to improved insulation measures (Community Warmth is now no longer operational in Leeds). A new 5+5 ward initiative will be commissioned with a view to operating in 2009/10 .Cost per door hit £4 or less.

**Heat seekers** – A drive by thermal capture system to identify poorly insulated homes (to commence in one ward only). Cost £2,000 per Ward.

**Aerial thermal over-flight.** To capture the thermal image of the insulation of domestic dwellings in the City. On hold due to funding limitations. Current cost approximately 10 pence per household or £3000 per Area wedge.

**Carbon Emission Reduction Target** CERT Grant to ALMOs to support insulation improvements. This will be extended to private homes in 2009/10.

**Renewable Loans.** Not too dissimilar to the Kirklees Scheme of providing loans to purchase renewable technology such as air and ground source heat pump heating systems. On hold due to resource issues.

**Free cavity wall insulation to 60 to 69 year old households** .On hold due to resource issues (17,264 households).

**Events / Training** – To give advice to householders and to support workers to sign post householders to advice and support.

**Telephone support** – On 0113 3957159 or web at <http://www.leeds.gov.uk>

## **4.0 Implications for Council Policy and Governance**

**4.1** Government carried out a Consultation of HECA, the outcome of which appears to favour a repeal of the Act, though a final decision is due to be taken in 2009. In turn this may effect, if repealed, more detailed reporting of what is occurring in energy efficiency improvement and fuel poverty monitoring in future across the City.

**4.2** The Fuelsavers Board will continue to facilitate action to take forward the City's HECA, Affordable Warmth Strategy objectives and new National Indicator 187 (NI187) fuel poverty reduction target. Supporting also where appropriate the new National Indicator NI186 (the reduction in carbon emissions per capita).

**4.3** The Local Authority continues to raise awareness to Government for access to the data which is currently being captured through the new Energy Performance Certificate

legislation which came into force in the private for sale sector in stages from August 2007, and more recently from 1<sup>st</sup> October 2008 for the private rented sector. This is to enable carefully focused targeting of advice and support to properties with a low SAP energy rating, or where appropriate, to target enforcement action in the private rented sector under the Housing Health and Safety Rating System (HHSRS) 'Excess Cold' Category One Hazard, which by proxy would be houses at EPC 'F' or 'G' ratings or under SAP 35.

## **5.0 Legal and Resource Implications**

**5.1** There are no Legal Implications other than a potential failure to meet NI 187 over-time. Resource implications are off-set through energy company grant draw-in

## **6.0 Conclusions**

Without local support and the integration of targets into local plans, the Local Authority's endeavor to support national government to eradicate fuel poverty and in meeting Key Performance Indicator NI 187 will be difficult. This report identifies the level of this form of poverty in the City, the current work going on to address the problem, the local levels of this form of poverty and the need for partner support. See also Appendices 4 from the Energy Saving Trust Fuel Poverty Advisory Group Chair requesting support for and integration of fuel poverty reduction targets into local plans.

## **7.0 Recommendations**

**7.01** That the Committee note the findings of this report

**7.02** That consideration is given to agreeing, setting and integrating local targets into plans when appropriate to do so.

**7.03** That financial resource allocation is considered to support actions that lead to more people coming to grant support, such as aerial or ground based thermal imaging and or door-to-door contact mechanisms. With a recommendation to support a Well Being Fund submission for the sum of £3000 towards a City wide aerial thermal survey.

## **Background Papers**

- Leeds Affordable Warmth Strategy, 2007 - 2016
- Leeds Energy Efficiency Strategy, 'Warm Homes Cool Planet'
- Twelfth Reporting Year 2007/08 HECA Report
- Private Sector Housing Strategy

## Appendices 1

### Fuel Poverty (Calculated) by Area Management Team (AMT) Wedges and Area Committee Areas in 2008.

AMT	Total	Vulnerable	Non Vulnerable	AMT Sub-Sector	Total	Vulnerable	Non Vulnerable
East Northeast	26%	22%	4%	Inner East	45%	36%	9%
				Inner North East	21%	19%	3%
				Outer North East	15%	14%	1%
South East	22%	19%	3%	Outer East	21%	18%	2%
				Inner South	26%	22%	5%
				Outer South	21%	19%	2%
West Northwest	24%	18%	6%	Inner North West	29%	18%	11%
				Outer North West	19%	17%	2%
				Inner West	27%	21%	5%
				Outer West	24%	20%	4%
<b>City wide</b>	<b>24%</b>	<b>20%</b>	<b>4%</b>				

### Calculated Fuel Poverty in “Vulnerable” Groups

Household Category	% Fuel Poor
Aged 16 or under	14%
Aged 60 or over	30%
Disabled	32%
Recovering from a long term illness	32%
In receipt of benefits	41%

**Perceptual question: Do you feel that your health or that of your family's is affected by cold conditions in your home?**

Tenure	2008 Yes
Housing Association	29 %
Privately Rented	28 %
Owner Occupier	17 %
All	19 %

## Appendices 2

### Calculated Fuel Poverty v Ethnicity 2008

Ethnic Group	Calculated Fuel Poverty			% Population from 2001 Census
	Total	Vulnerable	Non Vulnerable	
Caribbean	42 %	32 %	10 %	0.9 %
African	25 %	17 %	8 %	0.3 %
Other Black	60 %	60 %	0 %	0.2 %
<b>Total Black</b>	<b>39 %</b>	<b>30 %</b>	<b>9 %</b>	<b>1.4 %</b>
Indian	20 %	18 %	2 %	1.7 %
Kashmiri	75 %	75 %	-	-
Pakistani	47 %	44 %	4 %	2.1 %
Other Asian	21 %	17 %	3 %	0.7 %
<b>Total Asian</b>	<b>30 %</b>	<b>27 %</b>	<b>3 %</b>	<b>4.5 %</b>
White and Black Caribbean	38 %	31 %	6 %	-
White and Black African	38 %	-	38 %	-
White and Asian	27 %	20 %	7 %	-
Other White Mixed	8 %	8 %	-	-
<b>Total White Mixed</b>	<b>29 %</b>	<b>21 %</b>	<b>9 %</b>	<b>1.4 %</b>
Chinese	44 %	28 %	16 %	0.5 %
Gypsy/Traveler	33 %	33 %	-	-
Other	23 %	23 %	-	0.4 %
<b>Other Ethnic</b>	<b>33 %</b>	<b>26 %</b>	<b>7 %</b>	<b>0.8 %</b>
British	20 %	17 %	3 %	89.2 %
Irish	36 %	33 %	3 %	1.2 %
Other White	16 %	11 %	4 %	1.5 %
<b>Total White</b>	<b>20 %</b>	<b>17 %</b>	<b>3 %</b>	<b>91.8 %</b>

**Note:** Due to the limited number of data returns with these Groups, the data should be treated with caution when assessing fuel poverty in the BME Community.



### Appendices 3

## Perceptual Fuel Poverty by Ward .Base year 2006

Difficulty Affording to Heat Your Home - 2006				
Ward	Rank	% - Yes (Vulnerable)	% - Yes (Non Vulnerable)	% - Yes (Total)
Gipton and Harehills	33	51%	14%	65%
Hyde Park and Woodhouse	32	21%	37%	59%
Killingbeck and Seacroft	31	45%	8%	53%
Middleton Park	30	38%	14%	52%
Burmantofts and Richmond Hill	29	38%	12%	50%
Beeston and Holbeck	28	35%	14%	49%
City and Hunslet	27	32%	13%	45%
Armley	26	27%	17%	44%
Pudsey	25	31%	11%	42%
Ardsley and Robin Hood	24	34%	7%	41%
Morley South	23	34%	7%	41%
Bramley and Stanningley	22	31%	9%	41%
Chapel Allerton	21	27%	13%	40%
Kippax and Methley	20	30%	9%	39%
Farnley and Wortley	19	29%	8%	37%
Morley North	18	30%	7%	37%
Rothwell	17	26%	11%	36%
Otley and Yeadon	16	28%	8%	36%
Temple Newsam	15	29%	7%	36%
Cross Gates and Whinmoor	14	28%	7%	35%
Headingley	13	17%	18%	34%
Calverley and Farsley	12	27%	8%	34%
Kirkstall	11	23%	11%	34%
Moortown	10	25%	7%	32%
Guiseley and Rawdon	9	27%	6%	32%
Garforth and Swillington	8	26%	6%	32%
Weetwood	7	22%	9%	31%
Alwoodley	6	24%	6%	30%
Horsforth	5	22%	7%	28%
Roundhay	4	20%	6%	26%
Harewood	3	19%	4%	23%
Wetherby	2	19%	4%	23%
Adel and Wharfedale	1	20%	2%	22%

## Appendices 4

Dear Chief Executive,

2007

I am writing **about your Local Area Agreement to flag up how vital this element of the new performance framework will be for tackling fuel poverty in your area.**

I am Chair of the Government's Fuel Poverty Advisory Group, an external group which advises the Government on the practical measures needed to meet its target of eradicating fuel poverty. Households are described as fuel poor if they have to spend more than 10% of their income to maintain an adequately warm home. **Addressing climate change and fuel poverty through improving the energy efficiency of homes are key roles for Local Authorities, now being embedded in the new framework for assessing Council performance.**

**Our message is an unusual and a helpful one! There is money available in the fuel poverty programmes** for the improvement of the energy efficiency of homes, especially for insulation and the installation of central heating for low income households. Specifically, over £700m pa of resources is likely to be available 2008-11 within the Government's Warm Front grant scheme and the energy companies' CERT energy grant schemes – these grant providers need local assistance to locate eligible householders.

Given the pressures on funding such resources could be useful for you in the context of the Local Area Agreements.

**It will be extremely helpful therefore if fuel poverty (and climate change), NIs 187 (and NI 186), are included in your LAA.** A reduction in fuel poverty is particularly important for elderly people, and NIs 138 and 139 (satisfaction and support for people over 65) are also important here.

Further details on the relevant new indicators and on the importance for many Government and local objectives of reducing fuel poverty are attached, and I would be grateful if you could pass this note to the relevant people in your Authority as appropriate **for consideration during the preparation of the Area Plans/Agreements.**

Thank you for your help.

Chair, Fuel Poverty Advisory Group