



Report of the Director of Neighbourhoods and Housing Department

Executive Board:

Date: 13th December 2006

Subject: Home Energy Conservation Act (1995) - 10th Progress Report

Electoral Wards Affected:

ALL

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In

(Details contained in the report)

EXECUTIVE SUMMARY

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The 10th HECA Report identifies that steady progress is being made in improving the overall energy efficiency of the Leeds housing stock by 4.06%, to a ten year cumulative total of 18.07%. There has been some solid investment monitored over the period but it will be necessary to ensure that accelerated and progressive energy efficiency growth and investment continues to take place, to maintain the improvement in performance so as to meet the 2011 30% target set by government.

Overall fuel poverty in 2006 is reported at 36.7%, increasing from 22% in the last reporting period. Vulnerable fuel poverty, (those households containing pensioners, long term ill, disabled or children) has increased from 14.3% to 27.5%. These dramatic rises are in the main caused by marked increases in fuel costs in late 2005 and early 2006. Corporate and Local Area Agreement fuel poverty reduction targets are to be revised in light of these significant increases.

Continued action will be necessary to increase awareness to landlords of the benefits of improving the thermal comfort standards, particularly in housing association older stock and, in turn, private rented sector dwellings, which, once again, in this reporting period, show excessively high levels of fuel poverty against the City average.

Carbon dioxide emission reductions are monitored at 76,926 tonnes for the reporting period, with the average Leeds home emitting 6.7 tonnes of carbon dioxide per annum, a 1.5% improvement since the last period.

The cross sectoral 'Public and Private Sector Energy Working Group', Chaired by the Chief Environmental Health Officer, will continue to facilitate action in seeking to take forward the City's HECA and Fuel Poverty targets.

1.0 PURPOSE OF THIS REPORT

- 1.1 The Home Energy Conservation Act (HECA), came into force on 1 April 1996. The Leeds Energy Efficiency Strategy, entitled 'Warm Homes Cool Planet', sets out in 93 action points, how the Authority seeks to stimulate a 30% energy efficiency improvement across the Leeds public and private sector housing stock over the HECA term of 15 years, which runs up to 31st March 2011.
- 1.2 It is a requirement of the Act, that 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).

2.0 BACKGROUND INFORMATION

- 2.1 The 10th HECA Progress Report covers the period 1 April 2005 to 31 March 2006 including the Department's Fuel Poverty Strategy for the period 2002 to 2012 and the progress made in seeking to address the incidence of fuel poverty in the Leeds housing stock over the reporting year.
- 2.2 The Authority was contacted by the Department for Environment, Food and Rural Affairs (Defra) on the 17th August 2006, setting out the 2006 reporting time scales and procedures.
- 2.3 Information to provide the report involves gathering, processing, collating and extracting data from a 20,000 direct mail out to Leeds households. Because of the magnitude of this task, the specified target return date of the 31st October 2006 was deemed as unachievable by officers of the Authority. Defra and the Government Office for Yorkshire and the Humber GOYH were informed therefore, that Leeds were unable to meet the timescales and would be submitting a return slightly later than the target date.
- 2.4 The procedures also require evidence is submitted that a "top down" approach to HECA is fostered in the authority with support and commitment from senior officers and elected members. It is therefore a requirement that the Chief Executive of the authority, formally 'signs off' the progress report. To ensure that the timescales were not further extended, the report was duly agreed for release by the Director of Neighbourhoods and Housing, signed by the Chief Executive and submitted GOYH on the 20th November 2006.

3.0 THE MAIN OUTCOMES

- 3.1 The 10th Report continues to highlight 'year on year' progress across the City, with an overall City wide improvement of 4.06% against the 2004/05 9th reporting year performance of 3.98%. The new overall City running total now stands at 18.07% against the 2011 target of 30% and a notional target for 2005/06 of 20%.
- 3.2 Investment in public sector housing, whilst greater than the 9th reporting year period, has seen a drop in the rate of energy efficiency improvement from 7.38% in 2004/5 to 6.34% in this reporting cycle. However the Standard Assessment Procedure (SAP) performance, measured as part of Key Performance Indicator No 63, did meet the City's 2005/06 target of SAP 61.2 (SAP is a domestic energy performance grade of 1 to 100+ with a score of 1 as low and 100 high.) This target was supported by contractors employed by the Arms Length Management

Organisations finding dwellings already insulated under earlier programmes which had not previously been reported on.

- 3.3 Energy efficiency improvement in the owner occupied housing stock has shown steady growth from 3.77% to 4.08%, mainly due to fuel company grant provision. This growth is predicted to flatten out or drop off in 2006/07, as Fuel Company grants were halted in April 2006.
- 3.4 The private rented sector dwelling performance at 1.60% shows no growth in the new reporting period, suggesting this tenure sector requires continuing support and development.
- 3.5 Housing Association performance at 3.37% shows increased gain from the last reporting period, however, self reporting by Registered Social Landlords (RSL) of energy efficiency improvements in older stock is low. The dialogue with RSLs will continue to ensure this tenure's sector managers are aware of the need to support energy efficiency improvement of their existing, older dwellings.
- 3.6 Warm Front Two (WF2) grant take-up shows that 1,734 households received measures against the previous year of 4,162 homes, a drop of 42% in government grant delivery in the City. Neighbourhoods and Housing Department have placed much emphasis in contacting all potential WF2 clients in an attempt to bring people to grant. It is believed there are still around 11,500 households in the city eligible to this grant. Because of this substantive drop in performance in the 10th reporting year, the new agency, who manage the process on behalf of government, the Energy Action Grants Agency (EAGA), have been contacted, with discussions still ongoing to ascertain the reason for this much lower grant delivery output.
- 3.7 Energy efficiency improvements have brought about a carbon dioxide (CO₂) reduction in the whole housing stock for the year of 76,926 Tonnes, this in comparison to the 77,487 Tonnes 9th year saving. The average carbon dioxide emissions from a Leeds home are now 6.7 Tonnes, some 1.5% lower than in 2004/05. 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 5.6 tonnes.
- 3.8 The level of self reported private sector fuel poverty in the City in 2006 has increased dramatically from 22% to **36.7% of all households, with 27.5% vulnerable fuel poverty** noted against a 9th reporting year total of 14.3%. Ward mapping of fuel poverty show the range of fuel poverty from a 22% low, up to a 65% high. Fuel poverty is monitored as the actual within the current calendar year, as opposed to energy efficiency performance, which is logged for the previous financial year. Fuel poverty figures are not currently available in the public sector. It is anticipated however, that public sector fuel poverty will be in line with or greater than private sector fuel poverty, due to the high level of benefits dependency and in turn, low income in this tenure grouping. The near doubling of vulnerable households suffering fuel poverty is, we believe, solely due to substantive increases in fuel costs since November 2005, this being in the range 30 to 40%, dependant upon fuel provider and the fuel type used.
- 3.9 Neighbourhoods and Housing Department are currently taking forward a consultation to review and revise the current Fuel Poverty Strategy to widen this for broader partnership inclusion and support. The review commenced in September 2006 with a view to issuing a new city wide Affordable Warmth Strategy early in 2007.

3.10 A full copy of the 10th HECA Progress Report is available on the Neighbourhoods and Housing Intranet home page, filed under reference documents.

4.0 RECOMMENDATIONS

4.1 That the Executive Board of the Authority accept this report for information and note the submission of the 10th HECA Progress Report to GOYH.