



## Report of the Director of Environment and Neighbourhoods

### Executive Board

Date: 9<sup>th</sup> March 2011

### Subject: 2010 Domestic Energy Report

#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### 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

The 2010 Domestic Energy Report<sup>1</sup> identifies that progress is being made to improve the overall energy efficiency of the Leeds housing stock. Energy efficiency improved by 3.43%, to a fourteenth year cumulative total of 30.51% which exceeds the original 2011 HECA target of 30%.

The private sector average SAP energy rating<sup>2</sup> is 56.3, an improvement +0.7 on previous reported figure.

The public sector average SAP energy rating is 69.9, an improvement in the of +2.4 on the previous reported figure.

Average CO<sub>2</sub> emissions are 4,922 kg/year (Private Sector 5,189 kg/year and Public Sector 3,874 kg/year) with a 3.24% reduction equivalent to 49,058 tonnes.

Fuel poverty in 2010 is calculated at 27%, increasing from 22% in the last reporting period. The increase is due to fuel price increases in November / December.

NI 187 targets have been met, with 43.80% of benefit recipients living in a property with SAP $\geq$ 65 compared with the target of 38.85%, equivalent to an improvement of 6,280 properties and 4.83% of benefit recipients living in a property with SAP $<$ 35 compared with the target of 4.89%, equivalent to an improvement in 602 properties.

<sup>1</sup> Previously the HECA report but the Energy Bill 2010 has repealed the HECA legislation. This report has been produced without the use of a costly postal survey, so is acknowledged to be a more basic report, with likely figures based on easily accessible primary data combined with extrapolation of previous trends.

<sup>2</sup> SAP (Standard Assessment Procedure) is an energy rating system based on the energy costs associated with space heating, water heating, ventilation and lighting, minus savings from energy generation technologies. It is expressed on a scaled of 1 to 100, with higher numbers indicating lower running costs.

## **1.0 Purpose Of This Report**

- 1.1 The Home Energy Conservation Act (HECA) came into force on 1 April 1996 and was due to run for a term of 15 years up to 31<sup>st</sup> March 2011, with a target to increase the energy efficiency of the housing stock by 30%. Local authorities were required to report annually on the progress however, the Energy Bill 2010 has now repealed this legislation.
- 1.2 Although the statutory requirement to report has now gone, it is still important for the Council to understand the relative energy efficiency of the housing stock and levels of fuel poverty. This information can be used to track change over time, advise future policy, support bidding for funding and the design, and targeting of future interventions.
- 1.3 The 2010 Domestic Energy Report has therefore been produced to provide a comprehensive picture at this time.

## **2.0 Background Information**

- 2.1 This 2010 Energy Report covers the period 1 April 2009 to 31 December 2010.
- 2.2 Previously the HECA report has been produced from gathering data involving a mail out to 80,000 households across the city; this had proved to be an expensive and time consuming operation. To produce the 2010 report, we have extrapolated Private Sector take-up of measures based on previous HECA reports and modeled the improvement to housing stock by randomly applying the measures to survey data from the previous year's report<sup>3</sup>. Public sector improvements have been calculated using data taken from the council's Keystone Asset Management system and applying these to the UNO dataset used for the last HECA report.
- 2.3 For further information see the [2010 Domestic Energy](#) Report (hard copies are included in members packs).

## **3.0 Performance**

- 3.1 The 2010 Domestic Energy Report continues to highlight progress across the city, with an overall city wide improvement of 3.43%. This gives a cumulative total of 30.51%, meeting and exceeding the original 15 year HECA target set for 2011.
- 3.2 Energy efficiency improvement in the public sector modeled as a reduction in the total energy requirement of the housing stock, is recorded at 7.97%.
- 3.3 Energy efficiency improvement in the private sector modeled as a reduction in the total energy requirement of the housing stock, is 2.63%.
- 3.4 Warm Front 2 (WF2) grant take-up between April 2009 and Mar 2010 shows that 2,587 households received measures against the previous year of 4,201 homes. This is a decrease on the previous report, however, referrals to the scheme are comparable to previous years. WF2 was closed to new applications on 15<sup>th</sup> Dec to allow WF2 to catch up with the backlog of applications. Environment and Neighbourhoods Directorate have placed much emphasis in seeking to contact all potential eligible WF2 clients in an attempt to bring them to grant support. The

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<sup>3</sup> This methodology will have an uncertainty of approx 25% on any private sector improvement figures. e.g. a SAP improvement of 0.7 could be  $0.7 \pm 0.175$ .

scheme will have reduced funding in 2011/12 and 2012/13 with more focused eligibility criteria.

- 3.5 Energy efficiency improvements have brought about a carbon dioxide (CO<sub>2</sub>) reduction<sup>4</sup> in the whole housing stock for the year of 49,058 tonnes. The average carbon dioxide emissions from a Leeds home is now 4.9 tonnes, a reduction of 3.24%. The highest level of carbon dioxide emissions were noted in the private sector at 5.2 tonnes (2.45% improvement), with the lowest outputs from LA dwellings at an average of 3.9 tonnes (7.34% improvement).
- 3.6 The level of calculated fuel poverty in the private sector across the city in Dec 2010 is 27%, representing an increase against the 22% reported in the previous report. Fuel poverty levels are highly dependant on volatile fuel prices, which saw large increases from the main suppliers in November and December. Fuel poverty levels would have increased even further without the energy efficiency measures outlined in section 3.7.
- 3.7 In 2009/10, the principal activities that contributed to this performance were:
- Provision of bespoke advice and awareness raising to the public;
  - 4,938 referrals to Warm Front;
  - 360 referrals to Health Through Warmth;
  - 9,674 cavity wall insulation and 5,815 loft insulation grants under CERT (Carbon Emissions Reductions Target);<sup>5</sup>
  - Groundwork undertook 260 home visits, installed 445 low cost energy saving measures and held 48 information sessions.
- 3.8 Additionally, investment from ALMOs, RSLs, owner occupiers and private landlords continue to make significant improvements to energy efficiency in Leeds.
- 3.9 Between 2011-2013 the Council aims to introduce a free solar PV initiative for both social housing and private homes and a free Home Insulation Scheme for the private sector. Progress will be reported to Exec Board on the 30<sup>th</sup> March. Other initiatives will include:
- A thermal over flight of Leeds to visually highlight heat loss from homes;
  - Development of a public/private sector scheme to take advantage of the Renewable Heat Incentive.

#### **4.0 Implications For Council Policy And Governance**

- 4.1 The repealing of HECA leaves the Council with no statutory obligations to monitor energy efficiency in domestic housing.
- 4.2 However, the increase in fuel prices and reduction in real-terms income have left more people in fuel poverty now than a year ago, despite an increase in SAP ratings. This, together with the Council's commitment to reduce CO<sub>2</sub> emissions, means that additional energy efficiency initiatives should be prioritised. There are opportunities to bring in external finance and increase the number of green jobs in this sector.

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<sup>4</sup> Using NHER CO<sub>2</sub> figures from NHER AutoAssessor.

<sup>5</sup> As recorded on the Energy Saving Trust HEED database. National data for 09/10 is approx 80% complete, so the quoted totals may rise.

## **5.0 Legal And Resource Implications**

5.1 There are no legal and resource implications arising from this report.

## **6.0 Conclusions**

6.1 There has been progress in 2009/10, with performance exceeding the original 30% HECA target but despite the reported energy efficiency improvements, fuel poverty has still increased significantly.

## **7.0 Recommendations**

7.1 That the Executive Board note and approve the content of the 2010 Domestic Energy Report (hard copies are available upon request) or available at :

[www.leeds.gov.uk/fuelsavers](http://www.leeds.gov.uk/fuelsavers)

## **Background Papers**

- DEFRA (1995) Home Energy Conservation Act (HECA)
- DEFRA (2007) *Community Energy Efficiency Fund – Guidance Notes for Applicants*
- DTI (2001), *The UK Fuel Poverty Strategy*
- LCC (2007) *Leeds Affordable Warmth Strategy*
- LCC (2008) *13<sup>th</sup> HECA Report*
- LCC (2007) *Warm Homes, Cool Planet*
- OPSI (2000) *Warm Homes and Energy Conservation Act, 2000*
- OPSI (2004) *The Electricity and Gas (Energy Efficiency Obligations) Order, (SI No. 3392)*
- OPSI (2008) *The Electricity and Gas (Carbon Emissions Reduction) Order, (SI No. 188)*
- DECC (2010) *Energy Bill*