

SCRUTINY BOARD (ENVIRONMENT, HOUSING AND COMMUNITIES)

THURSDAY, 31ST MARCH, 2022

PRESENT: Councillor B Anderson in the Chair

Councillors J Akhtar, K Brooks, T Smith,
M Midgley and D Ragan

63 Appeals Against Refusal of Inspection of Documents

There were no appeals.

64 Exempt Information - Possible Exclusion of the Press and Public

There was no exempt information.

65 Late Items

There were no late items.

66 Declaration of Interests

There were no declarations of disclosable pecuniary interests.

67 Apologies for Absence and Notification of Substitutes

Apologies were received on behalf of Cllrs Blackburn, Charlwood, Collins, Finnigan, Gabriel, Grahame, Howley and Ritchie.

Cllr Ritchie asked that it be noted that he was unable to attend due to a requirement to self-isolate after having tested positive for Covid-19.

Cllr Gruen had been due to attend the meeting as a substitute for Cllr Gabriel but also asked that it be noted she was required to self-isolate after having tested positive for Covid-19

68 Minutes - 24 February 2022

RESOLVED – That the minutes of the meeting held on 24 February 2022 be approved as an accurate record.

69 Fuel Poverty Update

Agenda Items 7 – Fuel Poverty in Leeds, 8 – Energy Efficiency in Council Housing Stock and 9 – Carbon Reduction in the Private Rented Sector, were considered together by the Scrutiny Board (Environment, Housing and Communities).

The report of the Chief Officer for Sustainable Energy and Air Quality provided the Board with an update on progress to reduce fuel poverty in Leeds over the last 12 months.

The report of the Head of Strategy and Investment set out details of a 5-year investment programme that will contribute to improving energy efficiency and decarbonising council housing in Leeds.

The report of the Head of Private Sector Housing highlighted key areas of Private Sector Housing activity during the last 12 months.

The following were in attendance for this discussion:

- Councillor Rafique, Executive Member for Environment and Housing
- Councillor Hayden, Executive Member for Climate Change, Transport and Sustainable Development
- James Rogers, Director Communities, Housing and Environment
- Tom Cowen, Senior Project Officer (Sustainable Energy and Air Quality)
- Robert Curtis, Programme Officer (Sustainable Energy and Air Quality)
- Nahim Ruhi-Khan, Head of Strategy and Investment
- Gerard Tinsdale, Chief Officer Housing
- Mark Ireland, Head of Private Rented Sector

Members highlighted the increasing challenge of tackling fuel poverty in Leeds, in the context of increasing energy bills and the national “cost of living crisis.”

Tom Cowen delivered a presentation on fuel poverty, noting the most recent data relates to 2019. The Board was advised that it is anticipated that fuel poverty rates will have increased since that time given rises in energy costs.

The latest figures show fuel poverty rates in Leeds at 17% in comparison to an English average of around 13.5%. Unlike in previous years the local data has diverged from national English average.

The Board was advised of a new Government definition of fuel poverty – moving from a “low income, high cost” measure to “low income, low energy efficiency.”

An overview of the “cost of living crisis” was provided, with members asked to note that the energy cap has almost doubled in two years, inflation is at 7% and wages and benefits have increased at below-inflation rates.

It is anticipated there will be a further increase of the energy cap in October.

An overview of support available in Leeds was presented, with attention drawn to Home Plus Leeds and funding available via the West Yorkshire Health and Care Partnership.

It was noted that the Government has announced it is raising the National Insurance threshold from July 2022, introducing a £150 Council tax rebate for households in bands D and below, and providing a £200 fuel bill rebate repayable over four years. It is anticipated this will have the greatest impact

on low income, working households and less impact on those in receipt of benefits.

It was suggested that the most effective long-term solution to fuel poverty is to improve energy efficiency through insulation and other home improvements.

Leeds has been successful in recent years in securing external funding for capital investment in energy efficiency works. Examples included:

- Green Homes Grant Local Authority Delivery: improving almost 900 properties through a mix of measures including external wall insulation and solar PV.
- Social Housing Decarbonisation Fund: enabling improvements in 630 council homes, worth £9.6m, primarily through external wall insulation in high rise buildings.
- Social Housing Decarbonisation Fund Demonstrator: enabling the “deep retrofit” of around 130 properties.
- ERDF funding: Leeds has secured around £26m of the £31m available in West Yorkshire for works including Transformative Insulation in Back to Backs and work in areas such as Lincoln Green.

The funding landscape is changing with ERDF funding being replaced by the Shared Prosperity fund and Green Homes Grant LAD ending. In future, there will be very little funding available to retrofit solid wall private homes.

Officers sought member support to extend the holistic, cross-tenure neighbourhood approach that has been trialled in Holbeck.

Nahim Ruhi-Khan delivered a presentation outlining progress with a 5-year investment programme designed to improve energy efficiency in Council housing. There are 54,000 council-owned homes in Leeds made up of a diverse range of property types requiring different energy efficiency interventions.

The Board was advised that the Council is taking a data-led approach to its investment programme. Investment has increased in renewable technologies and there has been a focus on replacing obsolete heating systems in high rise buildings with renewable energy. The programme aims to reduce heat loss through a range of thermal efficiency measures.

The Board was advised that over 5 years investment in decarbonisation projects has risen from less than 1% to 32.6% of the £85m programme.

The approach to high rise buildings has already saved 12,659 tonnes of carbon each year. Work is continuing at pace.

A significant positive impact of the work on well-being and energy usage has been reported by tenants. Several tenant testimonials were provided to the Board.

Nahim outlined current activity on 18 high rise buildings incorporating 916 flats. There is also work taking place on 192 low rise properties. This decarbonisation work is being delivered alongside 'business as usual' fire and repair work.

Mark Ireland delivered a presentation on decarbonisation in the private sector. Mark highlighted the challenge of balancing the ambition to deliver decarbonisation with the need to protect against fuel poverty. It was noted that the cheapest heating systems to install still use gas, which is higher in carbon emissions than more expensive electric systems.

Contradictory national legislation and guidance can be issued by different Government departments. The Department for Levelling Up (DLUP) provides guidance on housing standards and the Department for Business, Energy and Industrial Strategy (BEIS) has responsibility for decarbonisation.

There is a duty under part one of the Housing Act to address excess cold but some of the guidance issued through DLUP will not address excess cold. Some works required under PAS35 can create a part one hazard.

25% of private homes are in the pre-1919 housing stock – these are the hardest homes to treat retrospectively and cost more to retrofit.

Over 50% of the private rented sector is in pre-1919 stock. Pre-1919 Private Rented Sector stock is the dominant tenure in the inner areas, which are generally lower value rental markets. There is an economic challenge in seeking to undertake expensive capital works in these properties.

To meet EPC C standard in Leeds, it is estimated £9bn of investment would be required.

Enforcement options were discussed where works are required to address excess cold.

Members were advised that future legislative changes are anticipated as a result of the Energy Bill in June 2022 and a Private Rented Sector White Paper. It is possible that the white paper may introduce a decent homes standard for all tenures that includes thermal comfort.

Individual Board members shared positive feedback from constituents in response to energy efficiency works that have been completed.

James Rogers noted the scale and complexity of the challenge facing the city, particularly given the mixed tenure of housing.

Members queried how many private rented sector homes do not have central heating and how those homes may be targeted for intervention. It was confirmed that exact numbers are not available but lower energy rated properties tend to be in the inner city, which is where many of Council projects have been targeted.

It was noted that there is a challenge in identifying problems with PRS properties as tenants are often fearful about complaining to the Council. Selective licensing in inner east areas has enabled the Council to cross the threshold of properties to identify concerns about standards proactively, to require landlords to take any necessary action and to offer advice on other matters such as income support.

Members requested a letter be written to Government from the Scrutiny Chair and two Executive Board members to highlight cross-party support on several issues including –

- Advocating an increase in the eligibility threshold to allow more homes to access funding to install solar PV.
- The need to ensure the requirements of the white paper relating to the private rented sector do not contradict those of the Energy Bill.
- The need for long-term sustainable funding sources to facilitate works on solid wall private sector homes.
- The impact of the increasing cost of materials of the ambitions of the council housing investment programme.

Members requested that updated SAP data is brought back to the Scrutiny Board after works have been completed to show the impact of the investment on the portfolio.

Members recommended clearer signposting on the Council website about where to find advice on affordable warmth. It was proposed that 'affordable warmth' should be explicitly referenced on the homepage as being included within the 'Benefit and Support' section of the website.

The Board recommended that a standard item be added to the agendas of Neighbourhood Improvement Boards to provide an update on energy efficiency works in those localities.

The Board sought reassurance that tenants would receive a reminder of how to use new renewable energy systems efficiently in the Autumn.

Members of the Board sought advice about whether selective licensing could be expanded across the city.

Members explored concerns about a shortage of skilled professionals required to deliver energy efficiency works.

It was agreed that a lack of long-term sustainable funding means that it is difficult for businesses to have the confidence to expand and invest in some of the areas of energy efficiency.

In the context of expanding the neighbourhood approach, officers were asked whether a charge could be put on private properties to enable the Council to recoup a percentage of the investment provided to improve energy efficiency in private properties at the point of sale. Officers committed to look at different

funding mechanisms as part of building the business case for an expanded neighbourhood approach.

It was noted that the current increases in the cost of materials is impacting on the ambition of the Council Housing investment programme – for example, in around two months the cost of external wall insulation has doubled.

RESOLVED –

Members agreed:

- a) To note the contents of the three reports presented to the Board.
- b) To endorse the development of a business case for a cross tenure neighbourhood based retrofit demonstrator project, building on the success of the Holbeck Group Repair project, and scaling it up to serve a larger community
- c) That officers should prepare a letter that can be sent from the Scrutiny Chair and Executive Members highlighting cross party support for key areas of concern including:
 - Advocating an increase in the eligibility threshold to allow more homes to access funding to install solar PV.
 - The need to ensure the requirements of the white paper relating to the private rented sector do not contradict those of the Energy Bill.
 - The need for long-term sustainable funding sources to facilitate works on solid wall private sector homes.
 - The impact of the increasing cost of materials of the ambitions of the council housing investment programme.
- d) To recommend that ‘affordable warmth’ advice should be explicitly referenced on the Council’s homepage as being included within the ‘Benefit and Support’ section.
- e) To recommend that a standard item should be added to the agendas of Neighbourhood Improvement Boards to provide an update on energy efficiency works in those localities.

70 Energy Efficiency in Council Housing

Agenda Items 7 – Fuel Poverty in Leeds, 8 – Energy Efficiency in Council Housing Stock and 9 – Carbon Reduction in the Private Rented Sector, were considered together by the Scrutiny Board (Environment, Housing and Communities).

71 Carbon Reduction in the Private Sector

Agenda Items 7 – Fuel Poverty in Leeds, 8 – Energy Efficiency in Council Housing Stock and 9 – Carbon Reduction in the Private Rented Sector, were considered together by the Scrutiny Board (Environment, Housing and Communities).

72 Work Schedule

The Principal Scrutiny Advisor outlined the main issues of note under the work schedule, namely:

- Provisional dates for 2022/23
- A summary of Network Rail Vegetation Management Site Visit as discussed in February 2022.
- A Statement of Progress regarding the inquiry into the Future of Waste Services, which includes a recommendation that the inquiry is continued in the next municipal year when the outstanding areas of information become available.
- A copy of a joint letter with Chair of the Strategy and Resources Scrutiny Board to George Eustice MP, highlighting the importance of bringing forward further detail of the delayed National Resources and Waste Strategy.

RESOLVED – Members of the Board noted and approved:

- a) The Scrutiny Board's 2021/22 work schedule
- b) The summary of the site visit Cllr Anderson undertook with Network Rail at Headingley Station
- c) The interim statement of progress in relation to the inquiry into the future of waste services and the associated letter to George Eustice MP.

Members further noted the Executive Board minutes from 16 March so far as they relate to the remit of the Scrutiny Board.

CHAIR'S CLOSING REMARKS

The Chair formally noted his thanks to Cllrs Gabriel and Charlwood, who are both standing down at the local elections taking place in May 2022, for their work over the years.

He also thanked the officers present for their time and effort, and asked that the Director for Communities, Housing and Environment pass on the thanks of the Scrutiny Board to his teams for their engagement on a wide range of issues over the last municipal year.

The Chair extended his thanks to Scrutiny Board members and the Principal Scrutiny Advisor for their work over 2021/22.

73 Date and Time of Next Meeting

RESOLVED – To note the date and time of the next meeting as 23 June 2022, at 10.30 am (there will be a pre-meet for members at 10 am)

(The meeting concluded at 11.50am)