

District Partnership & Area Committee **Briefing Paper on Fuel Poverty**

Introduction

The Warm Homes & Energy Conservation Act 2000 focuses on the production of a Government strategy to reduce “fuel poverty” in consultation with local authorities. A sixteen-year timescale has been set for the eradication of fuel poverty and progress with the Strategy is reported annually. The Warm Homes and Energy Conservation Act 2000 and subsequent 2001 revision requires local authorities to report on the actions taken in tackling fuel poverty in their administrative area and in the formation and implementation of an Affordable Warmth Strategy covering the period up to 2016.

The definition of Fuel Poverty

The definition of fuel poverty is a household where more than 10% of income is expended on total energy needs in the home. Fuel poverty is caused by a number of issues including; low household income, inadequate insulation and heating, under occupancy and energy prices. A householder who is fuel poor may generally live in cold, damp & unhealthy conditions. Fuel poverty is a cross cutting issue which has impact in and on community strategies, spanning themes such as health, older people, affordable quality of life, housing, the built environment, decent homes & the environment.

The National Perspective

National Energy Action and the National Right to Fuel Campaign, two leading fuel rights organisations, say as many as two million households in England alone will face fuel poverty by 2009. Initial progress was encouraging and meant that the level of fuel poverty in vulnerable households had dropped from around 4 million in 1996 to 1 million in 2003. This level is expected to be back up at around 3 million by the close of the year due to the current trend towards increasing fuel costs.

Based upon government figures the number of households in fuel poverty in the UK in 2004 remained at 1.2 million, with 1 million of those in the vulnerable category. Vulnerable households include those containing children, the elderly, chronically sick or disabled. It is estimated that 24,000 older people are likely to perish this winter because they often cannot afford to heat their homes, with 3500 of these excess deaths likely in the Yorkshire region.

The Regional Perspective

The Yorkshire and Humber region is estimated to have the second highest level of fuel poverty in the UK in turn has and a significant number of vulnerable people experiencing this form of deprivation fuel. One in eight households in Yorkshire & Humber region suffer unnecessarily with Fuel Poverty. In West Yorkshire Leeds has an estimated 22%, Bradford 18% with Wakefield at 16.4% - equivalent to nearly 22,000 households - living in cold, damp conditions. In North Yorkshire, the highest levels of fuel poverty are found in the coastal resorts of Scarborough (highest at 27%), Whitby and Bridlington (36% in one ward) plus inland urban areas around Goole, Selby and remote rural areas around the North Yorkshire Moors. Some 3,200 people in our region died the winter of 2004/5 ,this over and above the normal mortality rate.

The local understanding of fuel poverty

Large numbers of Leeds residents suffer from this form of deprivation and this is likely to increase due to recent fuel cost hikes, although many could be supported out of the fuel poverty trap by existing mechanisms available in the City, aided by agencies working in cooperation and partnership with each other to identify and support at risk households.

The level of fuel poverty in Leeds in 2005 is estimated at 22% (private sector) households,14% of which are deemed to be vulnerable. The table over illustrates the percentage of fuel poverty in Leeds electoral wards in rank order. Leeds is aiming to support government targets in reducing fuel poverty in vulnerable groups to the lowest achievable level by 2010. In addition the city aims to further facilitate the reduction of no vulnerable households in Fuel Poverty from 2010-2016.

Table 1: Percentage of private sector in Fuel Poverty in Leeds electoral wards by rank order 2005

Rank	Wards	% of Fuel Poverty
1	Gipton & Harehills	48
2	Hyde Park & Woodhouse	40
3	Middleton Park	36
4	City & Hunslet	34
5	Burmantofts & Richmond Hill	34
6	Killingbeck & Seacroft	33
7	Beeston & Holbeck	30
8	Armley	30
9	Headingley	26
10	Farnley & Wortley	25

Fuel Poverty in Leeds electoral wards by rank order 2005 the full list can be viewed in Appendix A.

Energy Prices

Local authorities and voluntary organisations working with the elderly, long term sick and disabled recognise that fuel poverty may have doubled due to the substantive increase in fuel costs over the past two years. It is estimated that for every 1% increase in the price of fuel, 40,000 more people nationally fall into fuel poverty. A report by the BBC in 2005 concerning rising energy prices indicated that more people will be forced into fuel poverty and highlighted fuel poverty as the 'new social evil'. Current indications show gas costs have increased by 110% and electricity by 61% over the last six years with the bulk of these rises taking place over the past 18 months.

Health Impact

Cold homes have been shown to exacerbate existing illnesses such as asthma and chronic obstructive pulmonary disease and reduce resistance to respiratory illnesses like influenza, pneumonia and bronchitis. Cold homes also contribute to an increased risk of falls amongst the elderly and have been linked to social exclusion, low educational attainment and mental health problems.

Cont;

The UK records 30,000-40,000 excess winter deaths in the UK (24,000 in England) each year. Britain has the highest number of avoidable deaths due to winter cold in Western Europe. Countries with much more severe winters than those of the UK, for example Sweden, Germany and Canada, experience comparatively low variation of mortality across the seasons, suggesting that the UK's poor housing standards and comparatively low incomes are the crucial factors. It has been suggested that for every 1°C that the winter temperature drops below the average there will be an associated increase of 8,000 excess winter deaths.

Housing & Energy

Table 2 shows how the Standard Assessment Procedure (SAP) rating of a property is clearly linked to the incidence of fuel poverty. The SAP is a means of determining the energy efficiency standard of a dwelling which uses a scale of 1 (worst) to 100 (best) to measure the heating and insulation characteristics of the property.

Table 2: National number of households in Fuel Poverty in 1998 by SAP (Standard Assessment Procedure) rating

SAP Rating	Number of households in Fuel Poverty (millions)	Percentages of households in Fuel Poverty in this SAP rating group.
Under 20	0.6	41.5
20-30	0.4	33.4
30-40	0.9	21.5
40-50	0.8	13.9
50 plus	0.7	8.7
All	3.3	16.4

In 1998 nearly half of those households whose homes scored a SAP rating of below 20 (i.e. poor energy efficiency) were in fuel poverty. The majority of those who were considered to be in fuel poverty were in homes with a SAP rating of less than 50.

The average SAP (Standard Assessment Procedure) rating for households in England remained at 52 in 2004. The Leeds aim is to facilitate an average housing stock of SAP rating of 55 in the private sector by 2006/7 and of 66 in the public sector by 2007/08.

Over the long term up to April 2012 the local authority will seek to facilitate that all homes achieve a SAP grade of equal or better than SAP 55 (under review).

Table 3: Percentage of householders in Leeds self reporting they have difficulty heating their homes (2006 Home Energy Conservation Act 10th report) survey:

SAP Rating	Percentage of all households having difficulty in heating their homes	Percentage of vulnerable group households having difficulty in heating their homes
1-10	51	53
11-20	45	48
21-30	47	50
31-40	40	43
41-50	36	38
51-60	34	37
61-70	30	32
71-80	05	29

Table 3 illustrates the link between SAP ratings and the difficulty that households have in heating their homes. The higher the SAP the rating fewer households had difficulty heating their homes. The vulnerable groups includes pensioners, the long term ill, the disabled & young children of society also confirm SAP ratings as a determinant factor in householders having difficulty in heating their homes.

In a typical British home, around one-third of the heat produced by a heating system is rapidly lost through the roof, ceiling and walls. As much as 20% of an energy bill can be saved by improved retrofit insulation. Most heat (around 35%) is lost through the walls of an un-insulated house. Wall insulation can reduce this loss by two-thirds and make a home more comfortable. In addition houses can lose as much as 10% of heat through un-insulated floors. Energy efficiency measures can be installed to keep the heat from escaping from the home and can help to dramatically reduce the likelihood of fuel poverty.

The next steps

Neighbourhoods and Housing Department of Leeds City Council are, given the noted increase in fuel poverty and the need to broaden the scope of the existing strategy to encompass partner organisation support, revising the current Affordable Warmth Strategy for the City. A series of workshops have already taken place, designed to secure views on the direction of the revised strategy and in turn what partner support is available over-time. This, with a view to putting the revised draft strategy out for comment in late November.

Given the scale of fuel poverty, monitored by the Authority at 22% of Leeds households in 2005 (See Appendices B), the marked recent increase in fuel costs, which shows no sign of abating and the need to find and establish mechanisms to identify those most in need in the community, we would like to engage with your Committee and seek your comments and support in this timely revision of the City's Affordable Warmth Strategy.

We would therefore seek that your committee consider contributing too and/or commenting upon the draft revised Affordable Warmth Strategy, which will be issued shortly. In turn, we would ask that your Committee or Board consider encompassing fuel poverty reduction targets and support mechanisms within your plans, if at all practical to do so.

If you would like a representative to brief your Committee or Board on the issues around fuel poverty at your next available meeting we would be more than willing to do so. In parallel to this, your committee may wish to consider supporting the City's Affordable Warmth Strategy through the potential inclusion of the following within your current or future plans:

1. Heating and thermal improvement targets by tenure.
2. Energy grants facilitation and targets.
3. Energy advice provision to householders and targets.
4. Referral mechanism to existing support structures and targets.
5. Energy related staff training, briefings and targets.
6. Financial resources allocation and resource bids.
7. Benefits fast tracking and/or financial advice provision and targets.
8. Renewable energy tariff or measures provision pilots and roll out.

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Glossary

HECA Home Energy Conservation Act 1995

Sets a duty for Local Authorities to secure a 30% improvement in energy efficiency by 2011.

Warm Homes and Energy Conservation Act 2000 and 2001 Revision

An Act that requires the Secretary of State to publish and implement a strategy for reducing fuel poverty and requires the setting of targets for the implementation of that strategy and for connected purposes. The 2001 revision sets a duty for local authorities to monitor, report on and facilitate local actions for change as well as establishing a fuel poverty strategy for their area

Fuel Poverty

Low-income households who pay more than 10% of their net income for all their energy needs to stay warm and dry are defined as being in 'fuel poverty'.

Vulnerable Fuel Poverty

Household including pensioners, the long term ill, the disabled and young children. Government fuel poverty targets for England state that all vulnerable fuel poor should be removed from this form of poverty by 2010. Non vulnerable fuel poor should be removed by 2016.

Standard Assessment Procedure

A energy rating for houses ranging from 0 to 100 (0 being worst to 100+ best). Fuel poverty gets markedly worse in dwellings under SAP 70. New build houses should have a SAP rating of around 85. This is based on a 3 year fuel cost average per square meter and standard occupancy.

Private Sector Difficulty Affording to Heat Your Home – 2005 Data		
New Ward	%	Rank
GIPTON & HAREHILLS	48%	33
HYDE PARK & WOODHOUSE	40%	32
MIDDLETON PARK	36%	31
CITY & HUNSLET	34%	30
BURMANTOFTS & RICHMOND HILL	34%	29
KILLINGBECK & SEACROFT	33%	28
BEESTON & HOLBECK	30%	27
ARMLEY	29%	26
HEADINGLEY	26%	25
FARNLEY & WORTLEY	25%	24
KIRKSTALL	25%	23
CHAPEL ALLERTON	25%	22
PUDSEY	25%	21
ARDSLEY & ROBIN HOOD	25%	20
CROSS GATES & WHNMOOR	24%	19
BRAMLEY & STANNINGLEY	23%	18
MORLEY SOUTH	23%	17
ROTHWELL	23%	16
MORLEY NORTH	22%	15
MOORTOWN	22%	14
KIPPAX & METHLEY	22%	13
OTLEY & YEADON	22%	12
CALVERLEY & FARSLEY	20%	11
GUISELEY AND RAWDON	20%	10
ALWOODLEY	20%	9
WEETWOOD	20%	8
TEMPLE NEWSAM	19%	7
ROUNDHAY	19%	6
GARFORTH & SWILLINGTON	19%	5
HORSFORTH	16%	4
HAREWOOD	14%	3
WETHERBY	13%	2
ADEL & WHARFEDALE	13%	1
Total Private Sector Fuel Poverty Recorded as an Expression of the Householder 2005	22%	

**Appendix
A**

**Private
Sector
Fuel
Poverty by
Ward**

Appendix B

HECAMON 2005 Fuel Poverty Survey Information

Do you find it difficult to afford to heat your home?

Tenure	2005 Yes
Owner Occupier	21%
Housing Association	35%
Privately Rented	37%
All	22%
All Vulnerable	14.3%

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

Tenure	2005 Yes
Owner Occupier	7%
Housing Association	12%
Privately Rented	18%
All	8%

Can you heat your home to a high enough temperature to feel comfortable?

Tenure	2005 Yes
Owner Occupier	6%
Housing Association	8%
Privately Rented	17%
All	6%

Do you find it difficult to afford to heat your home?

Weekly Income	Maximum Annual Income	2005 Yes
Less than £100	£5,200	55%
Between £101 - £150	£7,800	39%
Between £151 - £200	£10,400	37%
More than £200	N/A	15%

Do you find it difficult to afford to heat your home?

Use of Pre-payment Meter	2005 Yes
Gas or Electric	45%

Do you find it difficult to afford to heat your home?

A member of the Household is:-	2005 Yes
Aged 16 or under	23%
Aged 60 or over	22%
Disabled	36%
Recovering from a long term illness	41%
In receipt of benefits	39%