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# Home Energy Conservation Act (HECA)

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Further Report 2017

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Huntingdonshire District Council

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## HOME ENERGY CONSERVATION ACT (HECA)

### Further Report 2017

The Secretary of State for Business, Energy and Industrial Strategy required all English authorities to prepare further reports by 31<sup>st</sup> March 2013 and subsequently every two years, setting out the energy conservation measures that the authority considers practicable, cost effective and likely to result in significant improvement in the energy efficiency of residential accommodation.

This report sets out Huntingdonshire District Council's current and planned activity to comply with the requirements under the Act.

Improving the energy efficiency of properties reduces carbon emissions, enables affordable warmth, alleviates fuel poverty and improves the condition of the housing stock. We will continue to encourage energy efficiency in residential accommodation by implementing the actions set out in this report.

BEIS state that Local Authority activity is key in the delivery of energy efficiency and carbon reduction. Huntingdonshire District Council previously achieved an improvement of 31.8% in domestic energy efficiency, as reported through HECA from April 1996 to March 2003 – this figure exceeded the required 30% target.

### **Local Housing Stock Profile** *(Figures taken from 2011 Census and Private Sector House Condition Survey 2010, unless otherwise stated )*

There are currently 75,672 occupied homes in Huntingdonshire, as of December 2017. From the Census data we are aware that 76% of domestic properties are privately owned, of which 11% are privately rented. Data taken from the 2011 Census show that 13% of housing is owned and managed by Housing Associations (RSL's). The average SAP rating of the privately owned sector is 54, the Standard Assessment Procedure or SAP is a government rating for energy efficiency. There are a large proportion of detached properties, with 60% of the privately owned housing stock built between 1965 and 1990. There

are also a significant number of solid walled properties in the district with 9,860 properties built pre 1919 and 11,367 built between 1919 and 1944, together making up 28% of the properties in the District.

Based on the Stock Condition survey, it is estimated that there are 12,860 dwellings in the district that are 'non-decent' and 6,210 dwellings that would failed the thermal comfort criteria of the Decent Homes standard

Huntingdonshire has no Lower Super Output areas in the 10% of most deprived in the income domain of the Index of Multiple Deprivation 2015. As of January 2017, 7,288 households in the District receive benefits from the District Council and based on government statistics, 43,720 people are in receipt of centrally funded benefits, including those who receive just the state pension.

### **Reducing Domestic Carbon Emissions**

Huntingdonshire District Council has actively promoted national energy efficiency programmes in the past, including CERT and Warm Front. We have also promoted national schemes to our local residents such as the Feed-In-Tariff (FIT), Renewable Heat Incentive (RHI), Green Deal and the Energy Company Obligation (ECO), and continue to provide advice.

In November 2013, the District began working in partnership with all the local authorities in the Cambridgeshire area (Cambridge City, East Cambridgeshire, Fenland and South Cambridgeshire) to procure a commercial partner in order to deliver a County-wide Green Deal offering. Our 'brand', Action on Energy, was tailored to the housing needs in the area and sought to maximise the impact of Green Deal. The aim of the partnership was to deliver significant energy efficiency savings across all the Districts, improve the skills base within the local building industry, engage communities and to secure revenue streams to sustain local action.

Following a full procurement process, a commercial partner, Climate Energy Ltd, was appointed to market the Cambridgeshire 'Action on Energy' scheme providing a Green Deal offering and support to residents as they installed measures. Initially the county-wide Green Deal scheme was managed on behalf of the councils by Climate Energy, however, following the collapse of our business partner, the scheme was managed by the Councils themselves, primarily by Cambridge City Council, who carried out the day to day management of the scheme and coordinated installers and householder to ensure the service was delivered effectively.

The partnership was successful in securing £7.8 million of Government funding through the Green Deal Communities programme to help target the insulation of solid wall properties. Following the completion of the Green Deal Communities fund, 169 properties in the district had benefited from external solid wall insulation and a further 9 had internal solid wall insulation installed.

By the end of the Action on Energy county wide scheme in September 2016, 199 properties in the District had been improved, 24 of which were considered to be in fuel poverty, using benefits received as an indicator and 45 were privately rented. A total of 210 measures were installed, with the majority (80%) of the measures being solid wall insulation installations.

### **Tackling Fuel Poverty**

Fuel poverty in England is measured using the Low Income High Costs (LIHC) indicator. Under the LIHC indicator, a household is considered to be fuel poor if:

- they have required fuel costs that are above average (the national median level)
- were they to spend that amount, they would be left with a residual income below the official poverty line.

Fuel poverty data provided by BEIS (Department for Business, Energy and Industry Strategy) indicated that in 2014, there were approximately 4790 households (6.7% of the housing stock, across all tenures) in the district in fuel poverty. This is a small reduction from the figure published for 2013 which was estimated at 7%.

Fuel poverty is caused by several factors including high fuel costs, low income levels, poor thermal efficiency and under-occupancy of homes. A sustainable way of reducing fuel poverty is to improve the thermal performance of homes, which will enable affordable warmth, improve the condition of the housing stock, increase the well being of residents and help to reduce the number of excess winter deaths (currently 62 a year in Huntingdonshire – *figure taken from the Public Health Observatory*).

Although Excess Winter Mortality (EWM) is associated with low temperatures, conditions directly relating to cold, such as hypothermia, are not the main cause of EWM. The majority of additional winter deaths are caused by cerebrovascular diseases, ischaemic heart disease, respiratory diseases and dementia and Alzheimer's disease. This is a result of the fact that the cold can have various physiological effects, which may lead to death in vulnerable people. In vulnerable older people a cold home has been associated with increased blood pressure, lowered immune response and haemoconcentration, which leads to thrombosis. In addition, pre-existing health problems, such as asthma, can be severely impacted by cold and damp homes.

As well as promoting the Green Deal Communities fund to home owners, the Cambridgeshire consortium wanted to engage with private landlords, as the private rented sector has, historically, been a difficult sector to engage with. Information was circulated to all the local letting agents and to all the landlords who were part of the Council's Landlords Discussion Forum. As a result, nearly a quarter of all installations in the District were carried out on private rented properties. Incentives for the private rented sector included:

- Up to £6,000\* towards the installation of internal or external solid wall insulation, and up to an extra £1,000 for other energy efficiency measures
- Or, up to £2,000\* towards either loft or cavity wall insulation, plus one other energy efficiency measure.
- Landlords could receive a one-off payment of £500 for increasing the EPC rating of the property from an 'F' or 'G' rating to at least a 'D' rating
- Tenants could receive a one-off rental discount of £500 where solid wall insulation is installed, or £100 when any other measure is installed.

\*Up to 75% of the cost.

### **Tackling Fuel Poverty: Stay Well Working Group.**

The Council is part of the Cambridgeshire Stay Well Steering group, which consists of all the local District Councils, Citizens Advice groups, Care Network, various Cambridgeshire County council officers; e.g., support officers for chronically excluded officers, Cambridgeshire Fire Service, and colleagues from the NHS. Advice was provided to householders in the form of a pack which provided basic energy efficiency advice, advice on staying warm, healthy and active, a recipe card for healthy meals, grant advice, thermometer card, and tea bag. Packs were distributed at GP surgeries, Flu jab clinics, pharmacies, Age well/Golden Age groups, Right Start Groups, and Citizens Advice, amongst others. The feedback cards received indicated that the advice was generally well received, and householders would share the grant and support advice with neighbours who had not obtained packs.

A communications tool kit was developed for partners and stakeholders to ensure a consistent message for both advice and information was delivered. Using the tool kit, councils were able to send out pre-prepared cold weather alerts via social media, asking residents to look out for their more vulnerable neighbours and family members.

Small grants were available to fuel poor households to tackle one off issues such as making first payment to establish heating oil accounts, emergency payments for energy due to resettlement e.g. following domestic violence etc. Householders in Huntingdonshire accessed 20% of the grant funding available.

### **Tackling Fuel Poverty: Energy Company Obligation**

In addition to the funding provided by the Green Deal Communities, Energy Company Obligation (ECO) was accessed, as appropriate, for all appropriate insulation measures carried out under the banner of Action on Energy. Analysis of the data showed that as a result of the scheme, overall an additional £10,755 of funding was leveraged into the District and householders themselves invested £528,841 to fund the energy conservation measures.

The Action on Energy website also signposted the public to the companies who were part of the scheme and which had access to ECO funding. This allowed the public to choice of how they could fund energy efficiency measures, and with a choice of installers, gain a range quotes easily.

## **Reducing Energy Costs**

Huntingdonshire District Council have been active in promoting renewable energy measures. For 5 years we promoted sustainable living, retrofit energy conservation measure and renewable energy to the public through our Green House Project, a domestic, sustainable living, demonstration property. The house was fitted with a range of energy efficiency measures and renewable energy technology, so visitors can see the products/measures 'in-situ' and learn about how they work, the running costs and whether or not such measures may be suitable for their own property. This project was developed in partnership with the Building Research Establishment and formed part of their 'Rethinking Housing Refurbishment' programme.

The Green House Project has come to an end but we continue to promote the installation of renewable energy measures and signpost the public to the Renewable Heat Incentive and Feed-in-tariff.

In partnership with Cambridgeshire County Council and the other local authorities in the County, HDC has promoted Collective Switching, to encourage householders to change energy suppliers and make savings. To date, 220 householders in the District have taken advantage of the opportunity to switch energy supplier and have saved, on average, £228 on their annual energy bill. We intend to continue to promote collective switching to our residents.

## **Future Projects and Devolution**

Cambridgeshire and Peterborough will elect their own Mayor in May 2017 and there will be the opportunity for Councils in Cambridgeshire to develop more partnership projects to deliver energy efficiency to their residents. Following on from the experience of successfully delivering Action on Energy, the District Councils in the Partnership have the expertise and understanding of their local communities to deliver these future projects. The Action on Energy partnership has demonstrated that we can work successfully with commercial partners to deliver an energy efficiency scheme which meets the needs of the local population, in diverse geographical locations; delivering in towns and villages as well as in the more challenging off-gas rural areas.

With the introduction of the next phase of ECO and ECO Flex, the Action on Energy Partnership is actively seeking to work with the Energy Companies and insulation installers to develop new projects. The new phase of the ECO would initially commence as an 18 month transition period starting in April 2017 and the documentation from Government specifically

suggests a role for LAs to determine flexible eligibility. LAs (and potentially other appropriate parties, such as charities) would have the ability to identify and designate households as being eligible under Affordable Warmth criteria, and as a result could ensure that local priorities are identified and met. In addition the proposals include support for low rated social housing stock and a simplification of the qualifying criteria to remove some of the barriers to take up.

Action on Energy has shown that to maximise the opportunities that come from national policies LAs need to take a leading role. While this activity can be done by district authorities in isolation, all LAs in the partnership benefit from the greater potential that comes from a larger housing stock and the joint working from a county wide partnership. As a Partnership we are actively seeking to access ECO Flex funding from one of the major Energy Providers. Our experience in delivering a successful Green Deal Communities project should make working with commercial energy partners an attractive proposition.

### **Minimum Energy Efficiency Standards/ Smart Energy Meters**

From April 2018, subject to a suitable funding stream being available, every new tenancy agreement entered into for private rented properties must meet a minimum energy efficiency standard of Band E. From April 2020 these requirements will apply to all occupied properties in the domestic sector, and from April 2023 in the non-domestic sector. Enforcement of these standards is the responsibility of Trading Standards, within Cambridgeshire County Council. Private Landlords are able to advertise their properties available to rent on the HDC website. Information and links are provided on the site so that prospective tenants are aware of the landlord's obligation to provide an energy performance certificate and Gas Safety Certificate.

The Government aims for all homes and small businesses to have smart meters by 2020. Energy suppliers will be required to install smart meters and take all reasonable steps to install them for everybody. Officers are aware of the smart meter roll out and can provide advice to households if required.





	<ul style="list-style-type: none"> <li>• A total of £867,283 of the Green Deal Communities fund was delivered in Huntingdonshire, 15% of the total spend.</li> <li>• An additional £10,755 Eco funding was drawn down and a total of £528,841 of private investment by homeowners was used to improve their properties in conjunction with the GDCF</li> <li>• The scheme delivered good value, high quality energy efficiency installations with excellent customer care.</li> </ul>	
Feed in Tariff Scheme and Renewable Heat Incentive	<p>Officers are trained to give advice on renewable energy technologies and continue to signpost enquirers to the current national schemes.</p> <p>Advice on the Council website is reviewed and updated to provide energy efficiency advice and communicate the Councils energy saving activities,</p>	On-going
Minimum Energy Efficiency Standards	<p>Officers will work with Housing and Enforcement colleagues to ensure landlords are aware of their obligations and requirements to improve the energy performance of their properties, as appropriate and that tenants are aware of the information that should be made available to them from the letting agents and landlords</p>	On-going
<b>Devolution and Future Projects</b>		
	<p>Cambridgeshire Councils have a successful track record of partnership working, which has delivered a significant level of investment in domestic energy efficiency. Those councils involved in the Action on Energy brand recognise that partnership working can deliver more benefits with economies of scale and a better negotiating position, than working as individual councils, while retaining discretion on how to deliver schemes in their local communities.</p>	On-going

	<p>As a consortium, Action on Energy is seeking to deliver energy conservation measures through ECO and ECO Flex to our residents. The Councils are currently seeking commercial partnerships to deliver a quality energy saving scheme to meet the needs of local residents.</p>	
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