

# **INFORMATION ITEM**

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	ENVIRONMENT, HEALTH AND HOUSING COMMITTEE	3 SEPTEMBER 2019	11
HECA UPDATE REPORT 2019			

## PUBLIC ITEM

This item is for consideration in the public part of the meeting.

## SUMMARY OF INFORMATION

The Home Energy Conservation Act 1995 requires all local authorities in England to report to the Secretary of State on the energy conservation measures they have adopted to improve the energy efficiency of residential accommodation in their area.

The current HECA report has been submitted in the new on-line standardised format on 31 May 2019. Key details from the on-line submission are outlined below. The next HECA report is due to be submitted by 31 May 2021.

# SOURCE OF INFORMATION

HECA guidance 2019: <u>https://www.gov.uk/government/publications/guidance-to-english-energy-conservation-authorities-the-home-energy-conservation-act-1995?utm\_source=2ad41428-f0fe-4a19-9daf-e70dc257b7e9&utm\_medium=email&utm\_campaign=govuk-notifications&utm\_content=daily</u>

# WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

Local authorities are required to publish relevant information submitted through their HECA report. As required by the HECA reporting arrangements, the details submitted were signed off by the Director of Development Services prior to on-line submission to the Department of Business Energy and Industrial Strategy.

# FURTHER INFORMATION

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#### Overview

The reporting requirements from the Department of Business, Energy and Industrial Strategy (BEIS) require local authorities to capture information across the key themes and to submit this information on-line. This report summarises the information which was submitted to BEIS on 31 May 2019.

Fyldes strategy on carbon reduction and energy efficiency is outlined in the following policy documents:

- The <u>Lancashire Climate Change Strategy</u> sets out the long term vision that Lancashire is "low carbon and well adapted by 2020" with a target to reduce carbon dioxide emissions by at least 34% (relative to 1990) by that time.
- The Fylde Sustainable Energy Study 2012 identified that Fylde had a potential renewable energy capacity of 604MW and the identified technologies have been included in the Local Plan. https://new.fylde.gov.uk/resident/planning/planning-policy-local-plan/

## Delivery

- 1. Delivering actions based on the strategy has been achieved through Cosy Homes in Lancashire (CHiL), which is a collaboration of local authorities which delivers domestic energy efficiency schemes pan-Lancashire. Fylde Council has participated in the CHiL collaboration since its inception in 2015.
- 2. Since 2017, CHiL has implemented the following schemes in owner occupied and private rented properties:
- 3. Delivery of replacement boilers and loft insulation through ECO and ECO-Flex.
- 4. In summer 2018 funding was secured from the Warm Homes Fund for the installation of 150 first time central heating systems across Lancashire, working in partnership with Sefton Council. Fylde also have some access to equivalent funding recently awarded to Blackpool Council.
- 5. The DECC Central Heating fund scheme concluded in 2017 provided over 600 first time central heating systems to Lancashire residents.
- 6. Lancashire County Council has provided a total of £1m funding to councils across Lancashire to deliver affordable warmth interventions such as replacement boilers, heating system repairs, servicing and insulation measures. The funding was available for winter 2016-17 and 2017-18 and was targeted at those at greatest risk of their health being affected by having a cold home. In addition, Fylde Council have made further funding available for affordable warmth measures to supplement that provided by Lancashire County Council.
- 7. Going forward, Fylde Council may continue to participate in CHIL schemes over the next two years. This includes the following in owner occupied and private rented properties:
  - a. Delivery of ECO and ECO-Flex schemes for loft insulation, replacement boilers and first time central heating.
  - b. CHiL has secured a total of £2.2m from the Warm Homes fund for the installation of first time central heating systems for delivery over the next two years across Lancashire.
- 8. Funding from Warm Homes Fund has been secured to provide home visits for vulnerable residents with health conditions until March 2020. The visit will provide an energy audit, benefit checks, registering for Priority Services Register and soft measures such as draught proofing & radiator foils, for example.

#### Sources of funding

- 9. A total of £2.2m pan-Lancashire from the Warm Homes Fund for the installation of first time central heating.
- 10. £380,000 from the Warm Homes category 3 health fund for the delivery of home energy advice visits over 3 years.
- 11. All other schemes are delivered through securing ECO or ECO-Flex for delivery of measures.

- 12. Lancashire County Council has previously provided funding of around £500,000 per annum, allocated to district and city councils across Lancashire to deliver affordable warmth interventions. However, this funding ceased in 2018.
- 13. In addition, CHiL works with local businesses to install ECO measures and engages with energy providers to secure funding. For example, through the Warm Homes Fund projects CHiL works with Affordable Warmth Solutions and National Grid. CHiL is active in the National Energy Action (NEA) forums and has worked with NEA to secure funding and deliver projects such as the 'heat and eat' community events held with funding secured from the NEA Warm & Safe at Home Prize Fund.
- 14. CHiL works with local stakeholders such as Home Improvement Agencies, local council grant teams, as well as Housing Standards and Environmental Health departments.
- 15. Locally CHiL engages with local third sector organisations such as Citizens Advice and Age UK to link up services and cross-refer as well as with hospitals, drop in centres, parish councils and community groups to raise awareness of CHiL schemes.

## Local impact

- 16. Energy and carbon savings achieved varies depending on the property type and the measure installed. Using average estimates from the Energy Saving Trust, loft insulation (0-270mm) can save an average of £161 / year on energy bills and 707 kg carbon dioxide / year (<u>https://www.energysavingtrust.org.uk/home-insulation/roof-and-loft</u>) and since July 2017 CHiL has delivered the following measures in Fylde :
  - 11 lofts insulated
  - 2 First Time Central Heating installations
  - 33 boilers installed
- 17. Due to the exposed location of many of the properties in the area, cavity wall insulation is not promoted by Fylde council.

#### **Lessons learned**

- 18. Resources to work on energy saving schemes has continued to diminish over the last 2 years. Working as a collective, with a lead authority providing some resource is valuable and achieves economies of scale in delivering projects and attract funding from energy companies.
- 19. Through ECO, funding is intermittent, inconsistent and volatile. This makes it difficult to communicate and promote schemes to our residents as the measures available and the funding levels is in constant flux. It is also difficult for installers who have no guarantee of work and makes it difficult to plan schemes and projects long-term.

#### Communication

- 20. The CHiL home energy visit project provides advice on energy efficiency, behaviour change and advice on energy bills, tariff switching, securing warm homes discount and signing up for priority services registers.
- 21. Council Officers offer advice, make recommendations and referrals to CHiL.
- 22. General information on energy saving and the schemes available are communicated to residents, through leaflets distributed via local charities, community events, health care providers and Local Authority service providers, and the CHIL website and facebook page. A quarterly CHiL newsletter is circulated to stakeholders for them to communicate to their customers and service users. CHiL carries out targeted mailouts to advertise any specific schemes to residents.
- 23. During 2018 a 'heat and eat' community was held, raising awareness of energy saving support and schemes available.

#### Local Green Supply Chain

24. CHiL uses local installers and manufacturers where possible to deliver energy schemes across Lancashire.

## **Private Rental Sector Minimum Energy Efficiency Standards**

- 25. The Minimum Energy Efficiency Regulations (the Regulations) apply to all privately rented properties in England and Wales. As of April 2018, all such properties are legally required to have an Energy Performance Certificate (EPC) of at least an E before they can be let on a new tenancy. This requirement will then extend to all such properties by 1 April 2020.
- 26. Enforcement and advice has been on hold pending the amendment to the MEES regulations. The amended MEES regulations are included in a revised enforcement policy to be implemented from 1 August 2019.

#### **Fuel Poverty**

- 27. The council does not have a fuel poverty strategy. The proportion of households in Fylde classified as fuel poor is 9.7% (Sub-regional fuel poverty, 2016 data, published 26 June 2018). This is the lowest proportion of households in fuel poverty in the north west.
- 28. Across Lancashire the <u>Report of the Director of Public Health and Wellbeing</u>, identifies addressing fuel poverty as one of the key actions to secure our health and wellbeing: <u>https://www.lancashire.gov.uk/council/performance-inspections-reviews/health-and-social-care/</u>
- 29. The latest Lancashire Joint Strategic Needs Assessment (JSNA) annual commentary reports fuel poverty as one of the priority health, wellbeing and social care issues for Lancashire: <a href="https://www.lancashire.gov.uk/lancashire-insight/jsna-publications/">https://www.lancashire.gov.uk/lancashire-insight/jsna-publications/</a>
- 30. To identify residents in fuel poverty, CHiL works with local stakeholders such as Home Improvement Agencies, Citizens Advice and Age UK to identify vulnerable residents, link up services and cross-refer. We promote schemes and the measures available to frontline health and social care staff, ensuring the most vulnerable are targeted, and link up with other council support services such as Disabled Facilities Grants.
- 31. The CHiL newsletter is used to engage with partners who work with vulnerable residents to ensure they're aware of what's available and how to signpost residents.
- 32. CHiL targets areas of high fuel poverty by holding community events, such as the 'heat and eat' events held during 2018. Properties that are known to require measures that there is funding for are targeted with mailouts and leaflet drops.
- 33. Our key actions to address fuel poverty by improving the energy efficiency of properties through the installation of insulation measures and replacing inefficient heating systems in homes together with advice on reducing energy usage are key actions identified in the Lancashire Climate Change Strategy to reduce carbon emissions from the domestic sector.

#### The Energy Company Obligation (ECO) and Statement of Intent

- 34. Fylde Council has published a Statement of Intent (SoI) for ECO flexibile eligibility enabling more households on lo incomes and vulnerable to the effects of cold homes to access ECO funding through CHiL. Link to Statement of Intent: <u>https://new.fylde.gov.uk/resident/housing/chil-statement-of-intent-for-eco-flexible-eligibility/</u>
- 35. With regard to the extent and impact of ECO flex, BEIS data from April 2017 to December 2018 indicates that, out of 293 affordable warmth measures installed, 6 involved ECO Flex delivery. To date136 ECO Flex declarations have been signed pan-Lancashire.
- 36. The ECO-Flex process in Lancashire is managed through CHiL, working with installers approved to work on the CHiL scheme. We have, however, been approached by some installers aggressively demanding ECO- Flex declarations be signed, in some cases post-installation. This is difficult for local authorities to manage when there is an established process in place in the area.
- 37. The ECO transition phases make it difficult to continue delivery, with a 'stop- start' approach to funding.

#### **Smart Metering**

38. CHiL has previously linked up with Smart Energy GB to support the smart meter roll out, leaflets were produced with the Lancashire 'Cosy Homes' branding and some local energy officers attended training provided. However, in Lancashire customers have experienced issues with the roll out with residents being

left with obsolete meters after switching energy providers, as well as connectivity issues in rural areas so currently no further work is planned.

- 39. Fylde Council has no plans at present to integrate activity around energy efficiency improvements with Smart Meter promotion.
- 40. In certain circumstances Fylde Council offer support to vulnerable residents to repair and service broken central heating boilers (highlighted as a result of Smart meter rollout). The CHiL scheme can provide support with replacement heating measures where funding is available for eligible residents.

## Future schemes and wider initiatives

- 41. The Lancashire Energy Officers Group consists of representatives from the 12 district councils in Lancashire, Blackburn with Darwen Council, Blackpool Council and Lancashire County Council. The Group was established in 2007 and works in partnership to improve the energy efficiency of Lancashire Homes, address health inequalities exacerbated by living in cold damp homes, reduce fuel poverty, tackle seasonal excess deaths and reduce carbon emissions from the domestic sector. Fylde Council is likely to continue to be active member of the group.
- 42. The Lancashire Enterprise Partnership has developed an Energy Strategy for Lancashire with the vision that by 2030: "Lancashire has well-developed industry in the low carbon sector, sustaining secure high skilled jobs and supporting further energy efficiency and decarbonisation improvements in wider homes and businesses."
- 43. The Strategy has 6 key priority areas:
  - Build the low carbon supply chain in areas of existing strength
  - Supporting businesses to improve energy productivity
  - Accelerating the shift to low carbon transport
  - Developing heat networks
  - Improving domestic energy efficiency
  - Decarbonisation
- 44. The Fylde Sustainable Energy Study 2012 identified that Fylde had a potential renewable energy capacity of 604MW and the identified technologies have been included in the Local Plan.