

Open Report on behalf of Tony Hill (Executive Director for Public Health and Wellbeing) and Richard Wills (Executive Director for Environment and Economy)

Report to:	Environmental Scrutiny Committee
Date:	04 September 2015
Subject:	Affordable Warmth update

Summary:

Delivering affordable warmth is an important outcome with fuel poverty affecting many Lincolnshire residents. Action is delivered by a range of partners from all sectors and a number of the Council's service areas contribute. Its importance is recognised in the Lincolnshire Health and Wellbeing Strategy and through the Lincolnshire Affordable Warmth Strategy. Environment Scrutiny Committee carried out a Scrutiny exercise on Tackling Fuel Poverty in Lincolnshire in 2011.

This report provides an update for Members on the changing national and local strategic position. Following on are current actions, opportunities, challenges and emerging issues. Potential for Committee support to maximise opportunities and remove barriers is highlighted.

Actions Required:

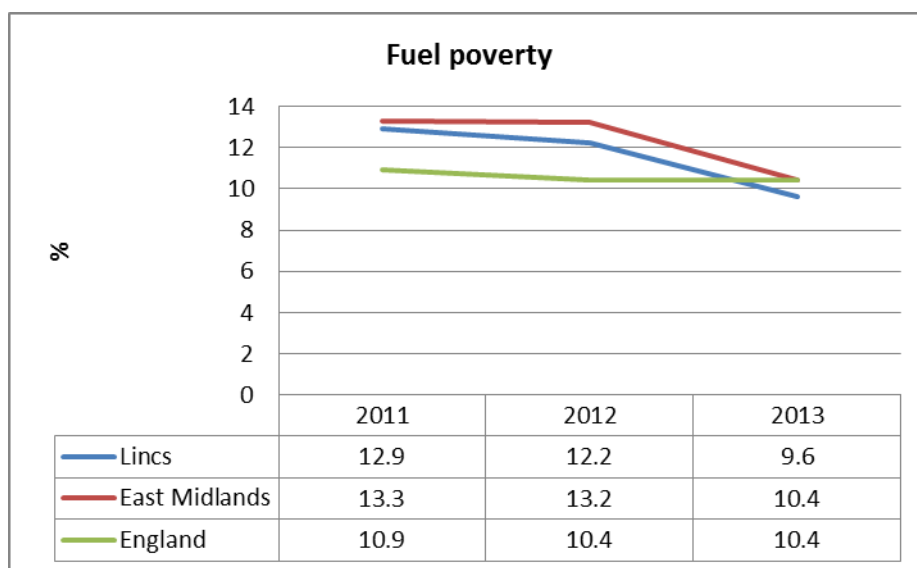
1. Contribute to the development of a new Lincolnshire Affordable Warmth Strategy.
2. Reiterate the importance of working with partners on co-ordinated campaigns, continued awareness raising and appropriate enforcement.
3. Support the continuation of a Lincolnshire Energy Switch, including as an interim measure if necessary, an exemption from procurement to run a winter 2015-6 round and maintain the scheme's momentum.
4. Consider options for appropriate enforcement of Energy Performance Certificate regulations
5. Endorse lobbying to ensure Government understands the importance the authority places on effective EPC and private rented sector minimum energy efficiency standard regulations.

1. Background

- 1.1 On 13 March 2015, the Environmental Scrutiny Committee was updated on the progress of implementing the action plan arising from its 2012 report on "Tackling Fuel Poverty in Lincolnshire" that incorporated ten recommendations.

There have been a considerable number of changes since 2012 and since the 2015 General Election.

1.2 Fuel poverty rates in Lincolnshire fell between 2012 and 2013 but remained significantly higher than the England average. Figures for 2013 show a substantial fall to below average but this is unexplained and 2014 statistics released next year might show this to be a quirk of the monitoring methodology. It should be noted that numbers of households in fuel poverty in Lincolnshire under the new definition adopted in 2013 are almost half those of the old definition.



1.3 Variation across district and local areas is largely due to hard to heat homes in particular areas such as Lincoln city (11.9%) and Boston (10.5%) and off-gas properties in rural areas. The next highest are the rural, sparsely populated areas of East Lindsey (10.4%) and West Lindsey (9.9%). Action around this area has been limited due to national schemes being tailored more to the needs of urban areas.

1.4 National strategic context

- On 3 March 2015 a new Fuel Poverty Strategy for England was published that incorporates an overarching national target to improve as many homes occupied by fuel poor households as is reasonably practicable to a minimum Energy Performance Certificate (EPC) rating of band C by 2030.
- In addition, later in March 2015 the National Institute for Health and Care Excellence published "*Excess winter deaths and morbidity and the health risks associated with cold homes*" guidelines. The guideline makes recommendations on how to reduce the risk of death and ill health associated with living in a cold home, thus improving health and wellbeing and reducing pressure on health and social care services. It notes that year-round action by many sectors is needed to combat these problems, to include:
 - prioritising which homes are tackled first;

- shaping and influencing the decisions about how homes are improved; and
 - developing the research agenda.
- *New Government actions*
 - Government announced in July that there would be no further funding to the Green Deal Finance Company. There is, as yet, no indication on what might replace Green Deal but Government has stated that "future schemes must provide better value for money, supporting the goal of insulating a million more homes over the next five years and the Government's commitment to tackle fuel poverty". Government has commissioned an independent review to look at standards, consumer protection and enforcement of energy efficiency schemes and ensure that the system properly supports and protects consumers.
 - Current Government policies including the Energy Company Obligation (ECO) scheme will continue to provide support to low-income and vulnerable households until the end of March 2017. The Department of Energy and Climate Change (DECC) will work in partnership with the Department for Communities and Local Government to improve existing housing stock. The longer-term future of ECO will be part of discussions around new, better-integrated policy.
 - As part of the Chancellor of the Exchequer's budget on 10 July 2015, the Treasury set out measures intended to boost productivity. The report says that both the 'allowable solutions' scheme, which enabled developers to offset greenhouse gas savings where it was not cost effective to do so on-site, and plans to make on-site energy efficiency standards more strict in 2016 (zero-carbon policy for non-domestic buildings) will be dropped.

1.5 Lincolnshire strategic context

The Lincolnshire Health and Wellbeing Strategy has now been refreshed and continues to prioritise tackling fuel poverty within Theme 5 (Tackling the social determinants of health). The action outlined is to work through Home Energy Lincs Partnership (HELP) to develop and implement a new Lincolnshire Affordable Warmth Strategy to reflect national strategy and Government policies, NICE guidelines and other toolkits on tackling fuel poverty. It is hoped to engender a renewed commitment from partners in all sectors.

1.6 Challenges and opportunities

It is proposed that the following are avenues to be pursued over the coming months.

- *Countywide housing database.* Local authority partners are in the process of obtaining bulk EPC data for all Lincolnshire housing. The Building Research Establishment will then incorporate this data in to more accurate housing

condition models leading to a database, including details on heating and insulation. In turn the evidence will feed in to the refresh of the Joint Strategic Needs Assessment, used to inform future health and wellbeing strategy. It is hoped the bulk EPC data and database can in due course be merged with information on benefits and health conditions to enable more accurate targeting of energy advice and schemes to those who need it most.

- *Health and housing partnership.* Successful pilot projects around the country to engage health professionals in the affordable warmth agenda will be explored for possible replication in Lincolnshire. The partnership will develop from HELP and build upon the Wellbeing Service, Neighbourhood Teams and the Lincolnshire Advice Network to establish a comprehensive referral network and coordination of energy advice and schemes across the county.
- *ECO supplier partnership.* How this is to be achieved is to be established but HELP and Procurement Lincolnshire will create a strategic partnership or framework within which partners can work with energy supplier(s) and maximise the benefit from ECO for Lincolnshire residents, particularly those in rural off gas areas.
- *Lincolnshire Energy Switch scheme.* So far, five rounds of gas and electric switching scheme under the Local Government Association (LGA) framework have been run with a current round in progress. Over 2,500 households have switched through the scheme and have collectively saved over an estimated £500,000 in total per annum. It is recognised that more needs to be done to focus on supporting those most in need to switch.

Unfortunately, the framework ends this year and the LGA's Improvement and Innovation Board has decided not to extend or retender it. HELP and Procurement Lincolnshire are exploring options to maintain a scheme in Lincolnshire with potential to improve support for fuel poor residents. Members support for an exception to continue the existing arrangement and run a winter round until a new scheme can be procured is requested to maintain momentum.

- *Responders to Warmth.* The current funding agreement between the Council and Lincolnshire Community Foundation, which established Responders to Warmth Community Interest Company, expires in October 2015. There will be a new funding agreement put in place to cover utilising the balance of funding provided. Revising the specification will tighten up on the effective use of this balance. Responders to Warmth has been able to lever in funds from ECO and charities supplemented with its local funding but the numbers receiving home improvements are a small proportion of those in need. Many more households benefit from practical advice.
- *Tackling Private Rented Sector property (through EPC awareness and enforcement).*
It was recognised in the Scrutiny report that Private Sector tenanted property posed particular challenges. Government recognised so too, and legislation was enacted that means, in 2016 landlords are unable to refuse tenants'

reasonable request to make improvements themselves and from 2018 there will be a minimum energy efficiency standard for private rented homes. It will be illegal to rent out properties rated F and G (in required Energy Performance Certificates – see Appendix A).

Accordingly the Scrutiny report recommended concerted action to raise awareness of Energy Performance Certificates for tenants in the private rented sector through Trading Standards (where duty of enforcement lies) in partnership with district councils and the Lincolnshire Private Sector Housing Group.

It is important that, in tandem with awareness raising campaigns, that enforcement is carried out. Enforcement duties for both EPCs and DEC's currently sit with Trading Standards.

Going forward it is recommended that Committee

- reiterate the importance of working with partners on co-ordinated campaigns continued awareness raising and appropriate enforcement;
- support further consideration of the options for appropriate enforcement. In principle enforcement on domestic EPCs and issue of relevant Fixed Penalty Notices could be carried out by Trading Standards or delegated to Districts (subject to satisfactory agreement and all Districts participating). Districts already carry out enforcement on related housing matters;
- endorse lobbying activity to ensure government understand the importance the authority places on effective EPC regulations and that the roles of County and District authorities are better understood and provided for.

2. Conclusion

Following a period of significant change a considerable number of opportunities to further develop activities to tackle fuel poverty in Lincolnshire exist. Delivering affordable warmth also presents some challenges to be overcome. Committee Members' support to make the most of these opportunities and remove barriers to implementation will be of benefit.

3. Consultation

a) Policy Proofing Actions Required

NA

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Energy Performance Certificates

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Sean Johnson and Douglas Robinson, who can be contacted on (01522) 553854; (01522) 554816 or sean.johnson@lincolnshire.gov.uk; douglas.robinson@lincolnshire.gov.uk.