



Affordable Warmth Strategy

2014 – 2016

July 2014

Foreword

At the present time most residents in the UK use fossil fuels to heat their homes. The cost of these has risen sharply, significantly outstripping increases in household income and since 2007 the average annual electricity bill has increased by 24% and the average gas bill by nearly 40%.

There is a link between cold homes and impact on health. Residents living in poorly insulated homes may fall into fuel poverty, which is a significant public health issue resulting in illness and excess winter mortality. The most recent statistics for Warrington show that in 2011 some 14.3% of households were in fuel poverty.

The Government has set some very stringent targets for the UK to move towards a low carbon economy and levies on households and small businesses will allow energy companies to raise an extra £7.6bn until 2020 to fund low carbon energy. This currently equates to around £80 per year for households in the Warrington area.

We must therefore improve the energy efficiency of our homes to help to meet the stringent carbon saving targets agreed by Government; to help reduce our fuel bills and to improve the long term health of the population by a reduction in fuel poverty.

We are operating in very challenging economic times and whilst the Council is not in a position to offer funding for free insulation measures in homes, we can help residents to make the most of the offers that are currently available through the Government's Green Deal and promote current incentives for installing alternative energy generation measures, such as solar PV and can work with local partners to use our buying power to get the best deals from installers and providers.

We will also work closely with local partners to offer help and advice to all residents, whilst driving forward an energy efficiency programme targeted at hard to treat homes, particularly those occupied by people on low incomes who may be in fuel poverty.

This Affordable Warmth Strategy 2014-16 sets out the ambitions of Warrington Borough Council and its partners to help owners, landlords and residents to improve the energy efficiency of their homes thereby potentially reducing fuel bills, with the overall aim of reducing fuel poverty and ill health caused by poorly insulated and heated homes.

**Councillor David Keane
Executive Member for Environment and Public Protection**



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Introduction

Our Vision:

Warrington Borough Council has pledged to protect the most vulnerable people in our society and is committed to closing the inequalities gap between the most deprived communities and other areas in the borough. We will contribute towards this vision by working with partners to improve the thermal efficiency of the housing stock, with a focus on areas of deprivation and the most vulnerable in our society, which in turn will lead to improvements in health and wellbeing for residents.

The imperative for producing this strategy is due to the following factors:

- The need to improve energy efficiency and reduce greenhouse emissions, driven by national and international requirements
- The cost of gas, electricity and liquid fuels have risen sharply (Fuel Poverty Advisory Group (for England) Eleventh Annual Report 2012-13 records that since 2005, consumer gas prices have risen by more than 120%, retail electricity prices by more than 75% and the cost of liquid heating fuels has more than doubled in the UK.)
- We estimate that at least 14% of Warrington households live in fuel poverty (DECC 2011 figures)
- Our number of excess deaths in the winter rose sharply in 2012/13 from 70 in the previous year to 170; this rise is higher than the rise seen nationally and our excess winter death rate is worse than the national rate
- Government funding for energy efficiency initiatives has reduced, meaning that we have to be ever more innovative in our work to increase affordable warmth.

1.0 Background Information

Energy efficiency in the UK's built environment should be of major concern to all – reducing greenhouse gas emissions will help to reduce the more extreme effects of climate change; security and reliability of energy supplies will assist with a wider stable economy and fuel affordability affects all residents, particularly those on lower incomes, which may be exacerbated by changes in household make-up, and who may be at risk of fuel poverty. Expenditure on fuel bills is now the largest household expenditure after housing costs.

The cheapest way of cutting carbon emissions is to reduce demand, this can be facilitated by improving energy efficiency in buildings, hence the Government target to insulate all wall cavities and lofts by 2020. This is supported by encouraging additional insulation to solid wall constructions and setting more energy efficient targets for new builds and major renovations of existing dwellings through the Planning and Building Regulation processes.

Energy efficiency improvements are often lower down the list of home improvement priorities for residents – however, a well-insulated energy efficient dwelling can lead to lower fuel bills, a more comfortable living environment free from drafts and improved health and longevity. The local authority's role is to promote affordable warmth for residents through its strategic public health role and as the regulatory body for the enforcement of building standards and as well respected local leaders.

In the current financial climate, funding to local authorities to assist with housing improvement programmes has stopped completely and for the first time since 1978 there is no longer a government funded fuel poverty programme in England (Warm Front). The Green Deal and Energy Company Obligation (ECO), which was set up to replace Warm Front and the former energy company initiatives, such as CERT and CESP, started in 2013.

¹The Fuel Poverty Advisory Group: Eleventh Annual Report: 2012-13 raises concerns that the Government is yet to publish an official impact assessment of the effect of welfare reform changes on fuel poverty but has major concerns that these could entrench and widen the gap for households experiencing fuel poverty.

²The National Institute for Health and Care Excellence (NICE), has recently issued a draft consultation guide which recognises the links between cold homes, illness and morbidity and makes recommendations on how to reduce the risk of death and ill health associated with living in a cold home.

1.1 Legislative Context

A legislative framework is in place, encompassing a wide range of topics from energy provision to health reforms, which forms the backdrop to the Affordable Warmth Strategy and has been taken into account in developing this strategy.

The **Climate Change Act 2008**, which has introduced a legally binding framework to tackle the dangers of climate change, requires the UK's greenhouse gas emissions to be at least 34% lower by 2020 and 80% lower by 2050, using a baseline of 1990 figures.

In practice, there needs to be a reduction in the demand for energy in existing houses by improving insulation and replacing inefficient boilers, as well as measures to change householders' behaviour. New housing is already more energy efficient than older stock, but there need to be changes to Building Regulations to require construction of zero-carbon homes as standard.

To meet the Government's very ambitious targets, the current reliance on fossil fuels will need to be focussed more on alternatives such as air and ground source heat pumps, biomass boilers and better use of "wasted heat" from industrial and commercial processes. Often the act of getting people out of fuel poverty can lead to increased carbon emissions and so links in with ensuring that residents not only live in well heated, thermally efficient homes, but that they also consider their energy use and actively seek to reduce any fuel wastage.

The **Energy Act 2011** introduced the provision for ³**Green Deal** and the **Energy Company Obligation (ECO)** and according to the Department of Energy and Climate Change (DECC), buildings that leak heat and waste energy account for 43% of the UK's total greenhouse gas emissions.

The Green Deal was launched in January 2013 and is a funding mechanism (through the not-for-profit Green Deal Finance Company) to allow householders and businesses to pay for some or all of the cost of energy saving improvements to their properties (currently) over a maximum 25 year period through savings on their energy bills.

Repayment of the Green Deal loan is through a fixed charge applied to the customer's electricity meter and is equivalent to the savings generated through the energy efficiency improvements installed. The improvements which can be funded through the Green Deal vary from loft and cavity wall insulation to renewable technologies such as wind turbines and solar panels.

One of the provisos within the Green Deal (the "golden rule") is that the repayments on the loan cannot exceed the amount a typical household is expected to save on electricity bills and therefore for a low energy use household, the expected savings may be less than the repayment amount.

The ECO was also introduced in January 2013 to reduce the country's energy consumption and support people living in fuel poverty. Initially this was a 2 year commitment funded by the energy suppliers (and recouped from all consumers' energy bills) which was due to end in March 2015, although the Government has recently closed a consultation exercise to extend this to 2017. It is targeted at supporting the installation of energy efficiency measures in low-income households and areas, and in properties that are harder to treat, such as those with solid walls or of non-traditional construction which can't be financed solely through the Green Deal.

ECO creates a legal obligation on larger energy suppliers to improve the energy efficiency of households through 3 targets:

Carbon Emissions Reduction Obligation target (60% of the programme) focusing on primary measures including solid wall insulation and hard-to-treat cavity wall insulation for all private and social households.

Carbon Savings Community Obligation target (15% of the programme) focusing on the provision of insulation measures to all private and social households in areas of deprivation (according to the Indices of Multiple Deprivation). At least 15% of the target must be achieved in low income and vulnerable households located in rural areas.

Home Heating Cost Reduction Obligation target (25% of the programme) which focuses on measures that improve the ability of low income and vulnerable households, (the 'Affordable Warmth Group') to heat their homes at an affordable price. This includes the replacement or repair of a qualifying boiler.

The latter 2 targets (CSCO and Affordable Warmth) are directed at low income households and will amount to £540m per annum of the ECO's £1.3bn per annum. This represents a 44% cut in funding for energy efficiency schemes compared to the previous provision.

The Energy Act 2011 also requires energy companies to provide information on the cheapest tariff on energy bills, which was introduced in 2013.

The **Energy Act 2013**, seeks to ensure that the UK is able to generate enough energy to meet its needs in the context of decarbonising power generation, decommissioning older plants and meeting rising demand for power generation.

One of the cornerstones of the bill is **Electricity Market Reform (EMR)** and a White Paper has been prepared setting out the Government's commitment to transform the UK's electricity system to ensure that future electricity supply is secure, low-carbon and affordable to meet the carbon reduction targets set out in the Climate Change Act 2008. It also addresses the need for security in our electricity supply, the cost to consumers and European Union targets for 15% of UK energy to be supplied from renewable sources by 2020.

From April 2013, the **Health and Social Care Act 2012** transferred responsibility for public health from the NHS to local authorities and this is funded by a ring fenced grant. Each local authority will have its own statutory Health and Wellbeing Board with the responsibility to ensure that NHS Services, health improvement and social care services are properly coordinated and integrated. Health and Wellbeing Boards are required to produce Joint Strategic Needs Assessments (JSNAs) and Joint Health and Wellbeing Strategies (JHWS) for their areas. Commissioning decisions about local priorities must be made by the Council and the Clinical Commissioning Group (CCG) in accordance with the strategy laid out in the JHWS.

⁴The Department of Health has produced a framework document for England which sets out desired public health outcomes and how they will be measured for the period 2013 - 2016. These wider determinants of health include indicators to measure reduction in fuel poverty and in the numbers of excess winter deaths in the overall population.

Action to deliver affordable warmth through major investment in heating and insulation programmes meets both social and environmental objectives.

Local authorities are the enforcing authority for housing standards in England. The main assessment tool used to determine whether dwellings are safe and suitable to live in is the **Housing Health and Safety Rating System (HHSRS)**, which is based on 29 hazards.

HHSRS focuses on threats to health and safety, with less emphasis on matters of quality, comfort and convenience, even though these matters can, in some cases, impact on physical and mental health.

As excess cold is of particular concern amongst the over 65s, not all properties with a Category 1 - excess cold hazard would be dealt with in the same way by the Council's enforcing officers, each case must be taken on merit.

Excess cold is a hazard which covers the threats to health from sub-optimal indoor temperatures. It is one of the highest scoring and most prevalent hazards under HHSRS, particularly amongst older homes with solid walls in the private sector housing stock.

Further ⁵*guidance on enforcement of excess cold hazards in England for enforcement practitioners in July 2011* has been produced by the Chartered Institute of Environmental Health (CIEH).

The previous definition of a household in **fuel poverty** is one that cannot afford to keep adequately warm at reasonable cost. Adequate standards for warmth are defined as 21°C in the living room and 18°C in other occupied rooms. A fuel poor household was defined as one that needed to spend more than 10% of its income on all fuel use to heat the home to an adequate standard of warmth (Department for Energy and Climate Change, 2011). Although the emphasis in the definition is on heating the home, fuel costs in the definition also include spending on water heating, lights & appliance usage and cooking costs.

It is generally recognised that low-income or vulnerable households often underheat their homes, spending less than would be required to maintain a satisfactory heating regime.

The Government commissioned a report by Professor John Hills to look at fuel poverty and the way it is measured. The report was published in March 2012 and recommended a change in focus to concern about individuals in households who are "*living on a lower income in a home that cannot be kept warm at reasonable cost*". The report concluded that fuel poverty is a major social problem, causing considerable hardship and negative health impacts, as well as impeding efforts to reduce carbon emissions.

It suggested that policies that improve the thermal efficiency of the housing stock tend to be the most cost-effective and have persisting benefits in reducing fuel poverty. However as upgrading of the stock would be a gradual process, other short term interventions, such as price subsidies may need to be considered as part of the overall mix.

As a response to this report, the DECC published ⁶*Fuel Poverty: a Framework for Future Action* in July 2013 which outlined a future Government Strategy for Fuel Poverty which would be put in place following Royal Assent of the Energy Bill (December 2013). This new indicator finds a household 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 is below the official poverty line

It also uses the fuel poverty gap, which is the difference between a household's modelled bill and what their bill would need to be for them to no longer be fuel poor. The purpose of the fuel poverty gap is to measure the severity of the problem faced by fuel poor households thus allowing Government to measure the "extent" and "depth" of fuel poverty. Further information regarding the new indicator is available in ⁷DECC's Annual Fuel Poverty Statistics Report 2014

Government social programmes of assistance targeted at poorer householders include:

- **Warm Home Discount Scheme** – this is currently £135 for winter 2013 to 2014. The money is paid to the electricity supplier to reduce the electricity bill, usually between October and March and includes customers on pre-pay / pay as you go electricity meters.

The scheme is limited to certain suppliers and so the customer's energy company must be part of this group of suppliers. Eligibility criteria apply as the scheme is targeted towards pensioners and vulnerable customers. The scheme is running until winter 2014/15, when it will be reviewed.

- **Cold Weather Payments** – payments are made when the local temperature is either recorded as, or forecast to be, an average of 0°C or below over 7 consecutive days. The payment is £25 for each 7 day period of very cold weather between 1st November and 31st March and is targeted at clients on certain benefits.
- **Winter Fuel Payment** – this is a tax-free payment between £100 and £300 to help pay heating bills for people born on or before 5th July 1951. Payments are made automatically for people on state pension or some other benefits, otherwise householders need to make a claim.

The ⁸NHS Cold Weather Plan for England 2013 (the 3rd plan) recognises the impact of cold weather on health and calls for local action to be better prepared for winter and with measures to respond to cold periods in winter, thus helping to reduce the numbers of "excess" winter deaths.

1.2 Warrington Profile

Results from the **2011 census** indicate that there are 85,140 occupied residential dwellings in Warrington, of which 71.5% are owner-occupied, 16.4% are in the social rented sector (this also includes 637 or 0.74% shared ownership dwellings) and 11.2% are in the private rented sector.

The 2011 census data also indicates that 89.29% of these occupied residential dwellings have gas central heating, with 2.24% having no central heating at all. The remainder have other forms of central heating, such as electric, solid fuel or oil or have more than one type of central heating system.

The most recent **Private Sector House Condition Survey (HCS)** in Warrington was undertaken in 2008 using the Housing Health and Safety Hazard Rating System (HHSRS). This identified and categorised any deficiencies found within each dwelling. The survey found that thermal comfort was the main reason for Category 1 hazards in dwellings in Warrington with the less energy efficient dwellings being older homes (pre 1919), converted flats and owner-occupied homes. Thermal comfort measures items such as loft and cavity wall insulation as well as a suitable form of central heating and double glazing.

A **stock condition survey of the former Council stock**, which is now owned by Golden Gates Housing Trust (GGHT) following stock transfer in 2011, was also undertaken in 2008. This was followed by a further in-depth study of the 9 types of non-traditional property types within the housing stock. Non-traditional forms of house construction were encouraged after the Second World War, where craftsmen skilled in traditional building methods and materials were in short supply. They generally consisted of prefabricated frames and infill panels, mainly in reinforced concrete, but steelwork and timber were also used.

The “U” value of many of these non-traditionally constructed properties is poor.

The types of properties include Admiralty houses and maisonettes, Cornish houses, Parkinson Frame houses, Sheperd Spacemaker houses, Reema houses and low rise flats, steel framed houses, timber framed houses and maisonettes, a Wimpy No Fines Tower block and a Bison Large Panel Tower block.

Several other Registered Providers operating in the Borough also have a number of timber framed properties.

Of the 125 **Lower Super Output Areas (LSOAs)** in Warrington (⁹English indices of deprivation 2010: local authority summaries) 16 fall within the 15% most deprived areas in England on the Index of Multiple Deprivation 2010.

These include parts of Bewsey, Dallam, Town Centre, Howley, Westy, Longford and Poulton North area (social housing estates – Orange & Avery, Vulcan & Valiant). The 11 indicators used to measure deprivation include housing, health and income.

Homes are potentially “hard to heat” if they are of solid wall or non-traditional construction (i.e. no cavity wall) or have no access to mains gas. These off the gas grid homes are often in more rural areas, although some electricity only homes have been constructed in some suburban areas of the Borough.

Off gas-grid areas in Warrington include parts of Hermitage Green, Rixton, Glazebrook and Lower Stretton.

The Council has purchased **UNO**, a dedicated energy efficiency database that will profile dwelling type, area and tenure to assist in targeting specific programmes to improve the thermal efficiency of the stock. The database holds sufficient information on around 17,000 properties to produce robust energy

efficiency calculations. The database can also give information broken down into ward and LSOA level. The current baseline position is shown in the table below.

	Owner Occupier	Private Rented	Registered Provider
Average *SAP rating	59	53	65
Average CO ₂ (Kg/yr)	6,408	6,879	4,228
Average Running Costs (£/yr)	1,439	1,541	990
SAP below 35	384 (5.24%)	41 (9.15%)	37 (0.42%)
SAP above 64	2,822 (38.47%)	107 (23.88%)	5,482 (62.41%)
Data held on:	7,496 properties	460 properties	9,088 properties
% of overall tenure	12%	5%	65%

*SAP – standard assessment procedure (a measure of energy efficiency and carbon emission rates)

The database can also provide information at LSOA and Ward level.

2.0 Joint Strategic Needs Assessment (JSNA)

The Local Government and Public Involvement in Health Act 2007, as amended by the Health and Social Care Act 2012, introduces duties and powers for health and wellbeing boards in relation to Joint Strategic Needs Assessments (JSNAs). These are local assessments of current and future health and social care needs of the population, that should be used by commissioners in providing services to improve the health and wellbeing of the local community and reduce inequalities for all residents, particularly in relation to health and social care needs, but also to address the wider determinants that impact on health and wellbeing.

2.1 Fuel Poverty

The ¹⁰Joint Strategic Needs Assessment (JSNA) for Warrington highlights fuel poverty and excess winter mortality as health issues which are of concern within the Borough. Cold housing is a health risk and is directly linked to fuel poverty. The health effects of cold, damp homes include hypothermia, cardiovascular disease, increased blood pressure, respiratory illnesses, falls and non- intentional injuries (due to a reduction in mobility), social isolation and mental health issues (South East Public Health Observatory, 2009). Cold is believed to be the main explanation for the ‘excess winter deaths’ occurring between December and March. Excess winter deaths caused by the cold can be preventable.

There has been a substantial increase in the numbers of fuel poor households in England between 2003 and 2009 (from 1.2 to 4 million households, using the existing fuel poverty definition) figures in the table below reflect this continuing situation in Warrington.

Fuel Poor Households in Warrington: 2008 - 2011

	Number of households (estimated)	No of households in fuel poverty (estimated)	Percentage of fuel poor households
2008	84,389	12,365	14.7%
2010	85,785	14,310	16.7%
2011	86,246	12,332	14.3%

(Source: DECC: Sub-Regional Fuel Poverty Levels, England 2008, 2010 and 2011)

¹Fuel Poverty Advisory Group (for England) Eleventh Annual Report 2012-13 records that since 2005, consumer gas prices have risen by more than 120%, retail electricity prices by more than 75% and the cost of liquid heating fuels has more than doubled in the UK. Over the same time, real household incomes have fallen significantly. An estimated 30% of winter deaths in Europe are caused by cold housing - statistically 9,000 deaths in England and Wales in 2012/13 could have been reduced by tackling cold homes.

Those households on the lowest incomes are the least able to absorb fuel price rises, as fuel costs make up a more significant proportion of their incomes than is the case for those on higher incomes. In addition, those on the lowest incomes typically pay more for their fuel, as they are often paying through the card system, rather than by direct debit.

2.2 Excess Winter Mortality

Local analysis in 2011/12 highlighted that Warrington had similar levels of excess winter mortality (EWM) to England and the North West. As is the case nationally, older people (ages 75 and above) are at greater risk of winter mortality when compared to the rest of the population, especially older females. It is of concern that the most recent figures indicate that there was a significant increase in excess winter mortality in Warrington in 2012/13 (172 as compared with 70 in the previous year). In addition, the latest figures show that the least deprived quintiles in Warrington (quintiles 4 and 5) have the highest EWM Index and that quintile 4 had a significantly higher EWM Index than the town as a whole and significantly higher than the more deprived areas. These findings are unusual and contrary to what has been seen in previous years.

In addition, Warrington's excess winter mortality rate is now significantly worse than England and the North West.

3.0 Current Provision, Actions Needed and Future Plans

3.1 Current Provision - Council Commitment

Building Control and Planning Standards

The Council enforces legislation which deals with the construction of new residential property and the refurbishment of existing dwellings through planning

legislation and Building Regulations, including matters relating to energy conservation and renewable technologies.

Building Regulations 2010: Part L: Approved Documents L1A & L1B give guidance on Conservation of Fuel and Power in new and existing dwellings.

Additional guidance produced by the Government in 2013 and which came into force in April 2014, recommends homeowners to carry out consequential energy efficiency improvements to the rest of the property when they, (for example), replaced their boiler or a proportion of windows, or when they added an extension to the property or when they converted a loft or integral garage into living space. Replacement appliances must not be significantly less efficient than the one it is replacing.

For planning matters, the Government's policy on renewable and low carbon energy is contained in section 10 (paragraphs 93 to 98) of the ¹¹National Planning Policy Framework (NPPF) and requires local authorities to take account of the guidance in the framework in relation to both existing and new developments to help to contribute to the overall national energy requirement to increase the use and supply of renewable and low carbon energy.

The Council's approach to this is set out in the adopted Unitary Development Plan (UDP) under Policies REP1, REP16, REP17 and REP18 and in the emerging Local Plan Core Strategy (LPCS) in Policies QE1 and QE2.

The Council is promoting decentralised energy networks through the emerging Local Plan Core Strategy, particularly in the town centre regeneration programmes (Bridge Street and the Stadium Quarter).

Home Energy Conservation Officer

The Council offers an impartial domestic energy advice service to residents through the Home Energy Conservation Officer, based within the Private Sector Housing Team.

The post holder delivers educational talks to primary and secondary schools to fit in with several Key Stage learning goals, undertakes talks and roadshows on specific energy issues in venues across the Borough, offers advice on individual matters to residents and is involved in specific domestic energy efficiency projects as they occur.

Cheshire Landlord Accreditation Scheme (CLAS)

Private landlords play an essential role in the provision of accommodation locally (11.4% of dwellings in Warrington are privately let) and many properties are maintained to a high standard, often above minimum legal requirements. This scheme covers Cheshire West & Chester, Warrington and Cheshire East Councils and aims to promote good physical conditions and good management practices in the private rented sector across the county.

The Council's Private Sector Housing Team will continue to promote the CLAS scheme to improve standards in the private rented sector through the Landlord Forum and discretionary funding opportunities that may be available.

Collective Switching

Both Ofgem and DECC (Department of Energy & Climate Change) have singled out collective switching as an innovative way for consumers to group together through a trusted third party and use the combined buying power of large numbers of residents in the country to negotiate cheaper energy prices with energy companies. Companies acting as partners to the local authorities have estimated that in the UK around £150 - £200 could be the average annual saving for customers. The scheme has been successfully piloted in Cornwall and South Lakeland District Council area.

Along with more than 50 other local authorities this Council joined a scheme called the "Big Community Switch" organised by iChoosr. Residents had the opportunity to register an interest in the scheme in March / April 2013 and more than 86,000 choose to do so for this particular scheme (not all will be living in Warrington). They were then offered an appropriate energy tariff based on their usage and given a time limit to decide whether or not to enter into the 12 month contract. It is anticipated that this opportunity for collective switching will be offered to residents on an annual basis.

The Council will receive a "switching fee" for each Warrington resident that takes up their offer.

The total amount raised will not be known until after the auction and local consumers have switched to the new supplier. The Council plans to use any funds realised for local energy initiatives.

¹²Fact sheets for both consumers and collective switching organisations have been produced by the Department of Energy & Climate Change.

3.2 Current Provision – Registered Providers' Commitment

Many of the Registered Providers (RPs) with substantial property holdings in Warrington are committed to improving the energy efficiency of their stock thereby reducing the running costs for their tenants.

Several organisations also have dedicated Energy Efficiency Officers who are able to directly support individual tenants and assist them to use heating controls correctly and direct them towards the most appropriate fuel suppliers for their needs.

Other agencies involved with the support of vulnerable people on low incomes, such as **Warrington Women's Aid** and the **YMCA**, also offer their clients support in financial planning and budgeting, which includes information on good energy use.

Golden Gates Housing Trust (GGHT), which took over the ownership of the former Council stock in December 2011, has a substantial energy efficiency improvement programme which includes loft insulation top-ups (to a standard of 300mm) and completion of the cavity wall insulation programme. It also has a number of trial schemes to improve the SAP rating of “hard-to-treat” dwelling types, such as internal and external wall insulation / cladding.

The organisation has already achieved its target of having 10% of its housing stock fitted with renewable technologies and has set a new, challenging target of 15% of the stock to be fitted with one of these technologies by 2016. Two high rise blocks will be refurbished to include thermal cladding and an EcoPod heating system (a bespoke system encompassing a range of technologies, depending on the requirements of the building, taking advantage of income from the Government’s renewable heat incentive schemes).

GGHT has recently completed re-fitting all of its housing stock with “A” rated windows and external doors by the end, which assist towards energy efficiency of its stock. It is also installing voltage optimisers as part of ongoing refurbishment works when consumers units are being replaced and in communal areas.

Other energy saving improvements include working with United Utilities to install water meters in properties which are part of the bathroom improvement programme (improvements include installation of showers and more water efficient WCs and taps).

In addition, the Trust is moving forward with a significant renewable energy programme, having obtained MCS status it is undertaking a large solar PV installation programme on appropriate dwellings (624 have already benefited from these improvements, 204 properties have solar thermal installations and a further 5 properties have been fitted with heat pumps).

Significant emphasis is being placed on behavioural change and an external company has been engaged to carry out face to face visits with residents – to assess their homes to improve energy efficiency, give energy advice and help them switch supplier if appropriate.

GGHT has also set up an “energy social fund” to assist tenants who want to change to a more suitable energy supplier, but are unable to do so because of accrued debts. This financial assistance takes the form of a grant of up to £500 and is not repayable.

Warrington Housing Association has undertaken some renewable energy trials, including an air source heat pump and solar thermal installations on some electric only properties. Plans up to 2015 include external insulation of around 25 pre-1919 terraced houses, loft insulation top-ups and upgrading of some electrical and gas fired heating systems across the stock.

Helena Partnerships, which has a small number of sites in Warrington, has just completed the construction of 92 affordable homes in Latchford to level 3 of the code for sustainable homes.

HCA funding has also been secured (up to 2015) to deliver a lease and repair scheme that will target 4 long-term empty homes for rent. As part of this initiative, these properties will be used to pilot energy efficiency measures – possibly part funded through the Green Deal scheme.

Your Housing Group has worked with the Council to build 32 bungalows to level 4 of the Code for Sustainable Homes, which includes solar PV. There is an ongoing project to monitor energy use (gas, electricity and water) and give energy advice to residents on a quarterly basis, with the report due in Summer 2014.

3.3 Current Provision – Partnership Commitment

In addition to the close working arrangements between the Council and several of the RPs with significant numbers of properties in Warrington, there are a number of other partnerships that are contributing towards improving health by working with vulnerable target groups. These include:

- Celebration of Older People Day organised by Warrington Older People's Engagement Group (OPEG) and supported by Warrington Voluntary Action and NHS Warrington.
- Warrington Winter Warm Partnership led by Warrington Council with support from a number of other groups. The campaign is aimed at older people and endeavours to deliver winter health messages about keeping warm, well and safe throughout the winter months.

The partnership supports an annual event, usually held in the town centre in the autumn which aims to raise awareness of issues such as flu vaccines and the dangers of cold homes.

- The Warrington Partnership and the Warrington Health and Wellbeing Board, which take their membership from a wide range of public, private and third sector organisations, have developed the ¹³Warrington Strategy for Wellbeing 2012-15.
- This highlights the importance of housing quality to the wellbeing of individuals and the wider community. Affordability and fuel poverty are considered to be major issues, with priorities being to increase the energy efficiency of the housing stock, promote energy saving initiatives across the community, together with reducing the numbers of non-decent homes and initiatives to tackle housing affordability issues.

The main source of Government funding for this type of work is through Green Deal. The range of improvements that can be carried out is extensive and includes wall and loft insulation, double glazing, boiler and heating controls.

Due to the initial reluctance of the public to engage in Green Deal initiatives, the Government has changed the criteria for various aspects of the scheme several times. This has caused some difficulty for the Council in planning and developing suitable schemes with Registered Providers and for owner occupiers.

3.4 Future Plans

The Council as a leader

The Council needs to lead on improving the energy efficiency of homes in the borough by engaging with residents and housing providers to show and give impartial advice on the range of improvements that can be carried out on the housing stock and the benefits that this will bring in terms of lower fuel bills and improved health outcomes for occupiers.

WHEELS (Warrington Home Energy Efficiency Loan Scheme)

The Council is planning to run a pilot programme, targeting hard-to-treat properties in the private sector, which will include internal and / or external wall insulation and other appropriate energy efficiency measures. Funding will be sourced through ECO and other Green Deal cashback schemes and will be supported through a low cost loan offered by the Council. The Council's current loan agent, Warrington Housing Association (which deals with a number of similar loan schemes for other housing projects) will also facilitate this loan arrangement for the Council.

The first scheme is being developed with GGHT and will be targeted at former Council stock which is of non-traditional construction in the Longford and Culcheth areas. GGHT is currently carrying out major improvements within its own stock in this area.

Photographic evidence of the improvements at the target properties will be available as "virtual show homes" and used as a promotional tool to engage with other potential.

Redevelopment of the Penketh Court site

The Council has recently approved the development of 54 one and two bedoomed flats for older people on this site. Work is due to start in Summer 2014 and will be completed in Autumn 2015. The energy efficiency of the dwellings will be high, with triple glazing and solar pv giving the potential for very low energy bills for residents.

Partnership proposals with Registered Providers

Discussions are underway between the Council and several Registered Providers to install solar PV on hundreds of social housing units in the borough. Funding for the schemes will be brokered through the Council and will be targeted at the homes of elderly residents, who will then benefit from cheaper fuel bills.

4.0 External funding opportunities

The Council will seek to promote external funding opportunities to residents and landlords and, where possible, will bid for any appropriate funding initiatives as they are available. At the present time these include:

4.1 Green Deal

The **Green Deal** is a finance mechanism allowing households to benefit from energy efficiency measures at no upfront cost. This finance arrangement differs from that of a conventional loan repaid by the borrower in that the charge will be attached to the property and repayments made through the electricity bill.

These arrangements are underpinned by the operation of a “Golden Rule”, the principle being that the cost of repayment of any charge should be lower than the financial savings resulting from the energy efficiency improvements. Responsibility for repayment of the charge will pass to future occupants of the property regardless of tenure.

The Green Deal mechanism is supplemented by the **Energy Company Obligation (ECO)** scheme which is now the only measures-based fuel poverty programme in England, following the termination of the Government funded Warm Front scheme in March 2013. ECO is funded through levies on domestic energy bills and is currently worth around £1.3 billion every year.

As detailed in *Chapter 2: Background Information*, ECO places 3 obligations on the larger energy suppliers – the **Carbon Saving Community Obligation** providing insulation measures to households in specified areas of low income, including 15% of each supplier’s obligation being used to upgrade hard-to-reach low-income households in rural areas; the **Home Heating Cost Reduction or Affordable Warmth Obligation** providing heating and insulation measures to consumers living private rented and owner-occupied properties that receive certain means tested benefits - this supports low-income consumers vulnerable to the impact of living in cold homes, including the elderly, disabled and families and the **Carbon Emissions Reduction Obligation** covering the installation of measures such as solid walls and other hard-to-treat dwellings which can’t ordinarily be financed through the Green Deal as they do not meet the requirements of the Golden Rule.

The ¹⁴Green Deal Cashback Scheme is a cash incentive scheme to encourage householders to install a variety of energy saving improvements to their homes including insulation, front doors, windows and boilers. This scheme is open to owner-occupiers, private and social tenants and private and social landlords.

4.2 Feed-in Tariffs (FiTs)

These were introduced by the Government to stimulate the market in renewable electricity generation. These are also funded through an additional levy on consumer bills. They were introduced in 2010 and involve electricity suppliers rewarding electricity generation using micro-renewable technologies such as solar photovoltaic (PV) panels.

The tariff is guaranteed for 25 years and is tax free. Although the FiT amount has fallen considerably since the scheme was introduced, the cost of the equipment needed has also fallen and therefore the scheme currently remains viable.

The primary aim of FiTs is to grow small-scale generation of electricity so that by 2020 around 2% of the electricity in the UK is generated from this source. The costs of this scheme will also be passed onto consumers, who will see an increase in the electricity bills.

Of the 1,277 domestic solar PV installations in Warrington in the 3 year period between April 2010 and March 2013, some 623 of them have been installed in social housing. Plans are underway on another large scheme to install a further 1,500 solar PV installations with a social housing provider.

4.3 Domestic Renewable Heat Incentive (RHI)

This scheme opened in April 2014 and is a financial incentive scheme designed to encourage uptake of renewable heating among domestic consumers. It is targeted at, but not limited to, homes off the gas grid as those without mains gas have the most potential to save on fuel bills and decrease carbon emissions.

This scheme covers single domestic dwellings and is open to all tenure types – homeowners, private landlords, social landlords and self-builders. The support will be paid to the owner of the heating system at a set rate per unit of renewable heat produced (per kilowatt hour) for 7 years.

The scheme will support air source heat pumps (ASHP), biomass-only boilers and biomass pellet stoves with integrated boilers, ground and water source heat pumps (GSHP) and solar thermal panels (flat plate and evacuated tube for hot water only) varying levels of tariff.

The scheme will also be open to qualifying owners who have installed an eligible technology since 15th July 2009. All installations must be certified under the Microgeneration Certification Scheme (MCS) and meet relevant required standards for each technology. The scheme will cover single domestic dwellings and will be open to owner-occupiers, private landlords, Registered Providers, third party owners of heating systems and self-builders.

There are requirements for applicants to have a Green Deal assessment before applying and to ensure that their properties meet minimum energy efficiency requirements for loft and cavity wall insulation. The scheme is administered by ¹⁵Ofgem and opened for applications in spring 2014.

4.4 Assistance for the private rented sector

Regulations made under the Energy Act 2011 include provisions that from April 2016, private residential landlords will be unable to refuse a tenant's reasonable request for consent to energy efficiency improvements, where a finance package (such as green Deal or ECO) is available.

From April 2018 it will be unlawful to rent out a residential (or business) property that does not reach a minimum energy efficiency standard (likely to be set at an EPC rating of E).

These requirements will be subject to there being no upfront financial costs to landlords (so landlords will have fulfilled the requirement if they have reached “E” rating or carried out the maximum package of measures funded under the Green Deal and / or ECO).

The [16](#) **Landlord’s Energy Savings Allowance (LESA)** was introduced to encourage landlords to improve the energy efficiency of let residential properties. The energy efficiency improvements must be self-funded, be completed before April 6th 2015 and can attract up to £1,500 tax relief. Qualifying measures include loft, cavity and solid wall insulation, draught proofing, hot water system insulation and floor insulation. Further information is available from HM Revenue & Customs.

5.0 Targets and Timescales

Each Home Energy Conservation (HECA) authority was required to produce and publish a HECA Further Report by March 2013 and must update this with a Progress Report there-after on a 2 yearly basis.

The [17](#) HECA Further Report 2013 for Warrington is available on the Council’s website; it includes the proposals to achieve our ambitions and targets.

We will be producing an update in 2015, in line with the priorities outlined in this strategy i.e.

- Continue with our existing work commitments
- Develop new initiatives as detailed in 3.4
- Respond with speed and innovation to external funding opportunities

6.0 Glossary

A **decentralised energy supply / network** is an energy supply from local renewable and low carbon sources (i.e. on-site and near-site, but not remote off-site installations such as a power station), usually on a relatively small scale. Decentralised energy is a broad term used to denote a diverse range of technologies including micro-renewables which can locally serve an individual building, development or wider community.

The **Local Plan Core Strategy** is a document that sets out the long term spatial vision for the local authority area, together with the spatial objectives and strategic policies to deliver that vision.

The **National Planning Policy Framework** (NPPF) sets out the Government's requirements for the planning system in the form of a statement of national policy which aims to achieve sustainable development through the preparation of local plans and the management of development proposals by local planning authorities. It came into effect in March 2012 and replaces all previously published Planning Policy Guidance notes (PPGs) and Planning Policy Statements (PPSs), except for PPS10 (Sustainable Waste Management) which is still relevant until replaced by a National Waste Plan.

Renewable Energy is energy that comes from resources which are naturally occurring in the environment and are continually replenished such as sunlight, wind, rain, tides and waves, together with biomass and geothermal heat.

Low Carbon technologies are those that can produce power with lower amounts of carbon dioxide emissions than is presently emitted from conventional fossil fuel generation.

The **Housing Health and Safety Hazard Rating System (HHSRS)** is a method of identifying the potential risks to health and safety from any deficiencies identified as part of a whole house inspection of a dwelling. This risk assessment system takes account of the logical evaluation of both the likelihood of an occurrence that could cause harm and the probable severity of the outcomes of such an occurrence.

The system recognises 29 hazards, arranged into 4 main groups reflecting the basic health requirements (physiological, psychological, protection action infection and protection against accidents). The Council is required to take action where Category 1 hazards are identified within a dwelling and may take action where Category 2 hazards are found.

The **Standard Assessment Procedure** (SAP) is the Government's recommended system for home energy ratings and allows comparisons of energy efficiency between different dwellings to be made. The rating is expressed on a logarithmic scale, which runs from 1 (very inefficient) to 100 (which represents zero energy cost).

Building Regulations require a SAP assessment for all new dwellings and conversions. It is also used to estimate the energy efficiency of existing stock. SAP 2009 has been used since 2010, with the previous version (SAP 2005), used from 2006 to 2009. The effect of this change has been to increase average SAP rating by around 0.5 SAP points between the two methodologies.

The **Energy Efficiency Rating (EER)** is derived by putting the SAP ratings into an A to G banding system where band A represents low energy costs and band G represents high energy costs.

SAP Rating	Band
1 to 20	G
21 to 38	F
39 to 54	E
55 to 68	D
69 to 80	C
81 to 91	B
92 to 100	A

The **Index of Multiple Deprivation (IMD)** is a relative measure of deprivation in small areas across England. There are 32,482 of these small areas in England, called lower super output areas (LSOA), and these can all be ranked according to their deprivation scores. This allows identification of the most and least deprived areas in the country. The levels of deprivation in LSOAs in all 326 local authority areas in England can be combined to rank each authority with 1 being the most deprived and 326, the least deprived.

Lower Super Output Areas contain an average of 1,600 residents and 670 households. They also have a reasonably compact shape and have social homogeneity factors included to reflect areas of similar social background. They are maintained by the Office for National Statistics (ONS) to represent a wide range of geographical areas in the UK for use in tabulating census and other statistical data. Warrington has a total of xx LSOAs across its xx wards.

Warrington is ranked as 182; Halton is 32; Cheshire East is 243 and Cheshire West and Chester is 195.

A **Private Sector House Condition Survey (HCS)** may be conducted on a regular basis by local authorities as a means of maintaining a detailed picture of housing conditions in the private sector. This information forms a useful basis on which to build strategies and base investment decisions. The most recent survey in Warrington was undertaken in 2008. A statistically sound sample of 1,000 dwellings was surveyed under the provisions of the Housing Act 2004, using the Housing Health and Safety Hazard Rating System (HHSRS) to identify and categorise any deficiencies found within each dwelling.

U Value is a measure of heat loss in a building element such as a wall, floor or roof. It can also be referred to as an “overall heat transfer co-efficient” and measures how well parts of a building transfer heat. This means that the higher the U value the worse the thermal performance of the building envelope.

A low U value usually indicates high levels of insulation. They are useful as it is a way of predicting the composite behaviour of an entire building element rather than relying on the properties of individual materials.

Excess Winter Mortality (EWM) is defined as the average number of deaths that occur between December and March minus the average number of deaths that occurred in the previous August to November and the following April to July (i.e. the number of “excess deaths in winter compared to the rest of the year).

Excess Winter Mortality Index is the EWM numbers of deaths divided by the average number on non-winter deaths and multiplied by 100.

A **Joint Strategic Needs Assessment (JSNA)** is the means by which Primary Care Trusts (PCTs) and local authorities will describe the future health, care and wellbeing needs of local populations and the strategic direction of service delivery to meet those needs.

The **Homes and Communities Agency (HCA)** is a Government agency responsible for the regulation of social housing providers. They carry out this function within a regulatory framework that focuses on governance, financial viability and value for money, as well as awarding grants for certain types of activities undertaken by the social housing provider.

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Appendices

- 1) <https://www.gov.uk/government/publications/fuel-poverty-advisory-group-for-england-11th-annual-report-2012-13>
- 2) <http://www.nice.org.uk/nicemedia/live/13899/68006/68006.pdf>
- 3) <https://www.gov.uk/promoting-the-green-deal>
- 4) <https://www.gov.uk/government/publications/healthy-lives-healthy-people-improving-outcomes-and-supporting-transparency>
- 5) <http://www.cieh.org/policy/default.aspx?id=38304>
- 6) <https://www.gov.uk/government/publications/fuel-poverty-a-framework-for-future-action>
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- 17) http://www.warrington.gov.uk/info/200635/home_energy_efficiency/1723/affordable_warmth