

## EXETER CITY COUNCIL

### SCRUTINY COMMITTEE - COMMUNITY 10 NOVEMBER 2009

#### ENERGY EFFICIENCY IN PRIVATE SECTOR HOUSING

##### 1. PURPOSE OF THE REPORT

- 1.1 This report is to inform Members of the progress of initiatives to improve the energy efficiency in private sector housing and to reduce the level of fuel poverty in Exeter.

##### 2. BACKGROUND

- 2.1 There are an estimated 6,100 (15.5%) private dwellings in fuel poverty in Exeter, compared to 13.9% nationally. The highest rate is found in owner occupied dwelling (16%) compared with 13% in the private rented sector. There are also 1,400 dwellings not in fuel poverty but having very poor insulation. All owners would benefit from financial assistance in some form to make their homes warmer.
- 2.2 For the purposes of the Home Energy Conservation Act 1995 (HECA) the City Council is designated an Energy Conservation Authority, responsible for developing strategies and working in partnership to reduce energy use from houses in the City by 30% by 2010. The Council's HECA Strategy was produced in 1996.
- 2.3 The future of the Home Energy Conservation Act 1995 has been uncertain since a Governmental review in 2007, since when there has not been a requirement to report progress to the Department of Energy and Climate Change (DECC). The Act is now in the throws of being repealed.
- 2.4 In the mean time Devon Strategic Partnership has adopted both NI 186, a target for per capita reduction in carbon dioxide emissions, and NI 187, a target for reducing fuel poverty, in their Local Area Agreement (LAA). The targets set for these are high and can only be achieved through education, to encourage reduced energy usage, and through insulating poorly insulated homes.
- 2.5 In order to achieve both these elements the City Council, in partnership with the other 10 Councils in Devon have, with the benefit of grant funding from DECC, established 'Warmzones' throughout Devon to encourage householders to install insulation into their homes. The partnership has negotiated heavily discounted prices for loft and cavity wall insulation with a partnering energy supplier, E-on, who subsidise the cost with their Carbon Emissions Reduction Target (CERT) funding. These discounted prices are available to all private sector households in Exeter in the form of 'Cosy Devon' grants.
- 2.6 In the case of 'vulnerable' householders, those where the householder is over the age of 60, or where the annual household income is less than £18,000 the Cosy Devon grant prices are further reduced by the Council's Warm-up Exeter grants, which pay half the householder's costs. These are funded through the Council's single pot allocation. During this financial year, 2009-10 a further subsidy, from Devon County Council, reduced the cost of measures in these cases to £24.

- 2.7 For a limited period only part of the Council's innovative climate change parking levy is being used to cover this £24 element of the cost, resulting in vulnerable households qualifying for completely free insulation measures. Exeter City Council is only the second local authority in England to offer this.
- 2.8 Householders who are on benefit or are over the age of 70, termed priority households, qualify for free insulation, funded by E-on's CERT fund.
- 2.9 In addition to funding Warm-up Exeter grants the City Council has, for some years, been funding a boiler replacement and insulation scheme [PLEA grants] aimed at private sector landlords to encourage them to provide warm dwellings for their tenants. This is done by either providing central heating and insulation or by replacing inefficient boilers with modern, energy efficient boilers. Again the funding for these grants is from the Council's single pot allocation.
- 2.10 With further E-on funding this scheme is to be extended to enable large properties that have in the past been poorly converted into self contained flats to benefit from free insulation. This is due to commence in October 2009. Poorly converted Houses in multiple occupation, of which there are at least 500 in the City, have been identified as having very poor levels of energy efficiency by the annual Private Sector House Condition Survey, and will house many vulnerable and low income households.
- 2.11 The promotional activity needed to encourage the take up of grants, is being handled by Energy Action Devon who manage Cosy Devon grants on the partnership's behalf as well as Warm-up Exeter and PLEA grants on behalf of the City Council. Energy Action Devon can be contacted by the public on 0800 512 012.

### **3. PROGRESS TO DATE**

- 3.1 Between October 2008, when Warmzones began, and mid August 2009, 3740 applications, relating to 4862 insulation measures, had been made for Cosy Devon grants; 420 of these for properties are in Exeter (11.2%).
- 3.2 Of these 420 households, 291 households will receive free insulation, either because they are in a priority group (222) or are vulnerable, qualifying for a Warm-up Exeter grant (69). In total 546 insulation measures have been funded. In the same period the City Council has awarded in excess of 100 PLEA grants, resulting in the installation of 136 insulation measures.
- 3.3 In order to achieve the NI 187 fuel poverty target, 16500 insulation measures, for which E-on funding is in place, need to be installed throughout Devon by December 2011. This gives an indication of how difficult the target is, particularly since properties built with cavity walls suitable for insulation tend to be concentrated in the Exeter, Plymouth and the larger towns. They are less prevalent in the predominantly rural local authorities.
- 3.4 There is clearly a need for better insulation and heating systems within a large number of Exeter dwellings; fulfilling this need would substantially contribute to the NI 187 targets but more importantly benefit the health and comfort of a large number of Exeter citizens. Encouraging the take-up of these grants by more proactive marketing of the grants will be key in ensuring that Exeter's need is met.

#### **4. THE FUTURE**

- 4.1 Each year it becomes more difficult to achieve targets for insulation measures as the focus moves to hard to get to groups; this has resulted in the need to offer free insulation in certain cases. In the future, depending upon funding being made available from the single housing pot, it may become necessary to extend eligibility in order to contribute to meeting the LAA target.

#### **5. RECOMMENDED**

- 1) That Scrutiny Committee Community note the progress made towards the NI 187 target contained in the Local Area Agreement.

HEAD OF ENVIRONMENTAL HEALTH SERVICES

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COMMUNITY & ENVIRONMENT DIRECTORATE

**Local Government (Access to Information) Act 1985 (as amended)**  
**Background papers used in compiling this report:**