

**SUBMISSION TO COMMUNITY HOUSING AND HEALTH (OVERVIEW AND SCRUTINY)  
COMMITTEE**

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Agenda Item: 4

Contact Officer: Clive Gibbins / Lucy Robinson

Telephone: 01543 308702 / 01543 308710

**SUBMISSION BY CABINET MEMBER FOR HOUSING, HEALTH AND ENVIRONMENTAL  
PROTECTION**

**HEALTH SCRUTINY – FUEL POVERTY AND AFFORDABLE WARMTH**

**1. Purpose of Report**

- 1.1 At the meeting in June 2012, Members agreed to the establishment of a Task Group to consider fuel poverty and affordable warmth as key issues which affect the health and well being of local residents. As well as being a housing quality issue, it falls within the remit of this Committee to undertake the scrutiny of the underlying determinants of health. Councillors Mrs Allsopp, Mrs Bacon and Mrs Evans volunteered to take part in the Task Group.
- 1.2 This report provides Members with background information on fuel poverty and affordable warmth including definitions of what fuel poverty and affordable warmth are and their links to health. It will also examine local evidence and performance of the Council's energy efficiency initiative 'Warmer Homes Greener District' (WHGD) 2008-2012 which is currently delivered through a service level agreement with Beat the Cold (BTC) and Marches Energy Agency (MEA).
- 1.3 To assist Members to gain an understanding of the current services they provide the Council and the key issues to consider emerging from the introduction of the Green Deal, Richard Davies of Marches Energy Agency will make a presentation to Members.
- 1.4 This report and the related presentation will provide Members with some wider context on the issues so that the draft terms of reference for the Task Group can be considered and endorsed. The proposed terms of reference are detailed at **Appendix A**.

**2. Background and Introduction**

**2.1 Affordable Warmth and Fuel Poverty**

- 2.1.1 Affordable Warmth is the ability of a household to heat their home to an adequate level of warmth for comfort and health, without developing a debt as a result. The lack of affordable warmth is known as "fuel poverty".
- 2.1.2 A household needing to spend 10% or more of income to achieve this level of warmth is classed as being in fuel poverty.
- 2.1.3 It is estimated that between 4.3 and 6.9 million households in England are in fuel poverty (the lower figure is achieved when housing benefit received is included as "income").

**2.2 Local Evidence**

- 2.2.1 Despite being a relatively affluent district it is estimated that 9010 or 22% of households are currently in fuel poverty<sup>1</sup>. This has increased from 2010 figures of 7,142 (17.4%) of households and although the level of households in fuel poverty varies across the UK we can see in the table below that the level in Lichfield District is higher than the English average.

<sup>1</sup> Department of Energy and Climate Change (DECC) Sub-regional Fuel Poverty levels England 2012

	All Households	Fuel Poor Households	%age of fuel poor households
<b>Lichfield</b>	<b>40,999</b>	<b>9,010</b>	<b>22.0%</b>
Tamworth	30,932	6,429	20.8%
Staffordshire	345,924	83,399	24.1%
West Midlands	2,244,928	589,004	26.2%
England	21,535,414	3,963,923	18.4%

Source: DECC 2012 Fuel Poverty statistics by local authority area

- 2.2.2 Fuel poverty however varies around the district between 9% and 27%; the map at **Appendix B** shows the distribution of this on a ward basis where it can be seen that it is higher in many rural wards. By comparing this with other evidence we know that there is also a correlation with wards that have a higher percentage of homes that are off-gas and/or have solid walls.
- 2.2.3 The 2010 Private Sector Stock Condition Survey also found that fuel poverty was more prevalent in the rural areas, and across the district as a whole was found to be much higher in homes in the private rented sector. The survey also found that excess cold was a key issue, with 4,310 (11.7%) of all homes in the private sector failing to meet thermal comfort standards. Excess cold was strongly associated with older dwellings and those occupied by residents on a low income.
- 2.2.4 Fuel poverty is clearly linked to general poverty and deprivation but it has distinct characteristics and causes. Low income and multiple debt form part of the picture but additional factors are linked to the varying cost of heating different homes. These include:
- the condition of housing
  - access to, type of and the cost of fuels used for heating, for example oil is much more expensive than gas
  - the energy efficiency of a home, for example a solid wall property or one without insulation will be less energy efficient and so more expensive to heat
- 2.2.5 An analysis of home energy efficiency indicates that the main factors contributing to fuel poverty are low levels of thermal insulation, and the efficiency, or inefficiency, of appliances used for heating, hot water and other needs.

## 2.3 Links to Health

- 2.3.1 A healthy indoor temperature is considered to be around 21°C although cold is not generally perceived until the temperature drops below 18°C. A small risk of adverse health effects begins once the temperature falls below 19°C. Serious health risks occur below 16°C with a substantially increased risk of respiratory and cardiovascular conditions. Below 10°C the risk of hypothermia becomes appreciable especially for the elderly.
- 2.3.2 In the UK there are approximately 40,000 more deaths than expected between December and March compared to death rates in the other months of the year. This seasonal fluctuation, termed Excess Winter Deaths, is greater in Britain than in most countries of continental Europe.
- 2.3.3 Cardiovascular conditions (e.g. heart attacks and stroke) account for half of excess winter deaths, and respiratory diseases (e.g. influenza, pneumonia and bronchitis) account for another third. The increase in deaths from heart attacks occurs about 2 days following the onset of a cold spell, for deaths from stroke the delay is about 5 days for respiratory deaths about 12 days.
- 2.3.4 Although there are some excess winter deaths in all age groups, it becomes more significant in the 45+ age group. The risk increases with age in a roughly linear pattern up to the 85+ age group, after which there is a marked increased risk.
- 2.3.5 In Lichfield District there is an average of 70 excess winter deaths each year mainly amongst older people for respiratory death. This is higher than the average rates for England, the West Midlands and Staffordshire and may reflect the local demographic profile of an older

population. Compared to other districts in Staffordshire Lichfield has the third highest rate after Stafford and Staffordshire Moorlands.

## **2.4 Warmer Homes Greener District**

2.4.1 The WHGD scheme was introduced in Lichfield District in April 2008 to provide energy efficiency advice and assistance to residents of the district. The scheme helps local residents to access subsidised schemes and grants to install energy efficient measures in their homes including loft and cavity wall insulation and solid wall insulation. It also provides some small grants for qualifying households towards heating systems that have broken down. The funding for these schemes has been provided mainly by energy companies to meet their CERT commitments, together with capital funding by the Council.

2.4.2 Between April 2008 and June 2012 a total of 3,682 households have been assisted through the scheme, of which 1,364 received energy advice and 2,318 had the following energy measures installed

- 892 loft insulations
- 1,349 cavity wall insulations
- 67 heating installations
- 14 other measures were installed which included some renewable technologies and solid wall insulations

2.4.3 Of these measures that were installed, 202 were funded through grants provided by the Council to eligible households on low incomes totalling £83,409. This included 88 loft insulations, 97 cavity wall insulations and 17 heating systems.

2.4.4 WHGD is currently delivered through a Service Level Agreement with Beat the Cold (BTC) and Marches Energy Agency (MEA) which are local organisations tackling fuel poverty and encouraging sustainable energy solutions in homes, communities and organisations. Further details of the scheme can be found on the website at [http://www.lichfielddc.gov.uk/info/880/warmer\\_homes\\_greener\\_district](http://www.lichfielddc.gov.uk/info/880/warmer_homes_greener_district).

## **2.5 Let's Work Together**

2.5.1 Cold and fuel poverty were identified as key risks as part of the Let's Work Together project that could seriously impact on an individual's health and well being. A series of training events were held for home visitors in 2011 to enable home visitors to spot the potential risk by a number of warning bells and make the appropriate referral for assistance. The training sessions will continue in 2012 this time in conjunction with BTC.

## **2.6 Place Project for District Board monies – 'Saving money, saving energy, saving carbon'**

2.6.1 The 2012/13 action plan of the Plan for Lichfield District contains an action to 'reduce carbon emissions and promote energy efficiency and renewable energy within the home and workplace. A bid for funding from the District Board is being developed which aims to reduce fuel poverty and promote low carbon living and energy efficiency across the district both in the home and work place. BTC and MEA are key to the delivery of the project along with other partners in the voluntary and community sectors. We are hoping that the bid will be approved next month to enable a winter affordable warmth campaign to commence in the autumn. The three elements to the bid are:

- A Winter Affordable Warmth Campaign
- Community Energy Saving Project
- Small and Medium Enterprise Affordable Warmth Campaign

### **3. Policy Context**

3.1 We are currently revising our Housing Strategy and in the draft version there is an emerging priority to -

- Ensure warm, healthy, well maintained homes and reduce fuel poverty

We will be developing the strategy at a meeting of the Strategic Housing Partnership on 25<sup>th</sup> September then going out for wider consultation later this year before bringing the draft strategy to this Committee in January 2013. In the strategy we will have an action plan that will consider all the actions needed to deliver the priority and the work of the Task Group will feed into this process.

3.2 In light of changing government policy and the introduction of Green Deal we also recognise that we need to revise the Housing Assistance Policy and this is also something that we would like the Task Group to contribute towards.

3.3 Affordable warmth and reducing fuel poverty are clearly linked to the Councils ambition to reduce carbon emissions and the Lichfield District Strategic Partnership Carbon Reduction Plan 2011-2013 contains a Housing theme where there is an action to continue to promote Warmer Homes Greener District.

3.4 From a national policy perspective, it is primarily the responsibility of the homeowner / landlord to secure thermal efficiency of their properties, however through CERT<sup>2</sup> various schemes have operated to provide subsidised or free insulation for residents. The Green Deal, launching later this year, will remove any upfront costs to residents of energy efficiency measures, with the cost being recouped through savings on their energy bills. The Energy Company Obligation will support this and place a duty on energy companies both to reduce emissions through undertaking solid wall insulation and to tackle fuel poverty by installing central heating systems, replacing boilers, and subsidising cavity wall and loft insulation.

### **4. Community Benefits**

4.1 Helping the most vulnerable people keep warm by tackling fuel poverty is a key benefit to the community.

### **5. Recommendation**

5.1 To agree the terms of reference for the Member Task Group and confirm the membership of the Task Group.

### **6. Financial Implications**

6.1 The revenue cost of the current Service Level Agreement is met from within existing budgets and there is a capital programme of £74,000 to continue the energy insulation scheme until 2014/15.

### **7. Plan for Lichfield District Implications**

7.1 Improving the energy efficiency of homes and tackling fuel poverty contributes towards meeting the strategic plan long term outcomes of:

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<sup>2</sup> The Carbon Emissions Reduction Target (CERT) was launched in April 2008 and will end in December 2012. It requires large domestic energy suppliers to make savings in the amount of CO<sub>2</sub> emitted by householders by promoting the uptake of low carbon energy solutions to household energy consumers, thereby assisting them to reduce the carbon footprint of their homes. The primary aim of CERT is to make a contribution to the UK's legally binding target under the Kyoto protocol (to cut greenhouse gas emissions by 12.5% below 1990 levels by 2008-2012) and the Climate Change Act 2008 requirement (to cut emissions of greenhouse gas emissions by 80% below 1990 levels by 2050).

- “Improving the health of the whole population making sure we make the biggest improvement for people with the lowest life expectancy”
- “Reducing carbon emissions and promoting energy efficiency and renewable energy within the home and workplace”

7.2 Reviewing the WHGD scheme is a key activity identified in the 2012/13 delivery plan.

**Background Documents:**

Lichfield District Private Sector Stock condition survey 2010 CPC Ltd

[http://www.lichfielddc.gov.uk/site/scripts/download\\_info.php?downloadID=1318](http://www.lichfielddc.gov.uk/site/scripts/download_info.php?downloadID=1318)

Housing Assistance Policy

[http://www.lichfielddc.gov.uk/site/scripts/download\\_info.php?fileID=3994](http://www.lichfielddc.gov.uk/site/scripts/download_info.php?fileID=3994)

Carbon Reduction Plan

[http://www.lichfielddc.gov.uk/downloads/file/3948/carbon\\_reduction\\_plan](http://www.lichfielddc.gov.uk/downloads/file/3948/carbon_reduction_plan)

**HEALTH SCRUTINY – FUEL POVERTY AND AFFORDABLE WARMTH  
MEMBER TASK GROUP  
DRAFT TERMS OF REFERENCE**

**Proposed Membership**

**Councillor Mrs Bacon, Councillor Mrs Allsopp and Councillor Mrs Evans**

**1. Warmer Homes Greener District Scheme**

Scrutinise and review the performance of the scheme particularly in relation to

- The revenue and capital costs of the scheme together with match funding achieved.
- Outcomes and trends in terms of energy efficiency savings
- Household composition of those assisted through scheme

Review priorities and ongoing delivery of the scheme in light of the impending changes to legislation and funding streams.

**2. Existing service provision and policies in relation to Fuel Poverty**

Review the current service provided in terms of:

- Revenue and capital costs (budgeted)
- Numbers and type of energy advice given
- Outcomes of energy advice
- Target households
- Activities undertaken

Consider the existing Council policies in place including

- The Affordable Warmth Strategy
- The Housing Assistance Policy
- The Carbon Reduction Plan

**3. The Green Deal**

- Understand the implications of the Green Deal
- Understand changes to Energy Company Obligation (ECO) funding from 2013 ( this is likely to be heavily linked to the Green Deal and particularly support the poorest and most vulnerable householders)
- Consider and the options for delivery of the Green Deal and in Lichfield
- Consider how to maximise the benefits for Lichfield residents.

**4. Home Energy Conservation Report**

- Understand the requirements of the Home Energy Conservation Act 1996
- Consider the options available to the Council to prepare a report by 31st March 2012 setting out energy conservation measures likely to result in significant improvement in the energy efficiency of homes.

**5. Policy Development**

- Consider relevant priorities for the revised Housing Strategy 2012-2016
- Identify priorities for action
- Consider options for their delivery and
- Make recommendations to the Cabinet Member – Housing, Health & Environmental Protection.

HOUSEHOLDS IN FUEL POVERTY – PERCENTAGE BY WARD

