



# **Home Energy Conservation Act 1995**

## **Further Report**

setting out actions which will help result in significant energy efficiency improvements of residential accommodation

**Final Draft subject  
to formal approval**

March 2013

# 1. Introduction

- 1.1 The Home Energy Conservation Act 1995 (HECA) recognises local authorities' ability to use their position to significantly improve the energy efficiency of all the residential accommodation in their areas. In July 2012 the Department for Energy and Climate Change (DECC) published a requirement under HECA for all local authorities in England to report on the measures they propose to take to achieve this aim. DECC has set a deadline of 31st March 2013 to publish the first of these reports, known as a "further report". Subsequent reports known as progress reports must be published at two-year intervals following this date. This document sets out Cheshire East Council's strategic objectives in improving the energy efficiency of homes in the borough and the actions the Council will take to help achieve its objectives.

## 2. Energy use, CO<sub>2</sub> emissions and energy generation

- 2.1 The average consumption of both gas and electricity within Cheshire East are above the regional and national averages. This increases the need to promote energy efficiency and the use of renewable energy technologies within new and existing development.
- 2.2 Energy consumption in housing is the source of 36.6 per cent of CO<sub>2</sub> emissions in Cheshire East. Action to reduce domestic emissions is lagging behind other sectors, with a 5 per cent decrease in domestic CO<sub>2</sub> emissions between 2005 and 2010, compared with a reduction of 8.8 per cent for industrial emissions and 8.7 per cent from transport.<sup>1</sup>
- 2.3 20 per cent of private sector dwellings in Cheshire East emit 5 or more tonnes of CO<sub>2</sub>, with oil fired heating producing the highest levels of emissions.<sup>2</sup>
- 2.4 2009 data shows that average electricity consumption in the former Macclesfield borough was significantly higher than the rest of Cheshire East, with average household consumption of 5,053kWh per annum in Macclesfield, compared to 4,349kWh per annum in Congleton and 4,636 kWh per annum in Crewe & Nantwich. Domestic energy use in Cheshire East is in the bottom quartile for the North West, with only two local authorities having greater electricity consumption per household than Macclesfield.<sup>3</sup>
- 2.5 Gas consumption rates place Macclesfield households as the highest average users in the North West, at 18 per cent higher than the regional average, with

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<sup>1</sup> Local Authority CO<sub>2</sub> emissions dataset - CO<sub>2</sub> emissions within the scope of influence of Local Authorities, AEA 2012

<sup>2</sup> Cheshire East Private Sector Housing Condition Survey 2010

<sup>3</sup> Regional Energy Consumption Statistics, 2009

Congleton 7.7 per cent higher than the regional picture. At the other end of the scale was Crewe & Nantwich with the sixth lowest average gas consumption. These variations could be influenced by the size of dwellings and lack of energy efficiency, but also the large areas of rural Nantwich which are off the gas network.<sup>4</sup>

- 2.6 1,949 households have installed renewable energy technologies under the Feed in Tariff scheme between 1<sup>st</sup> April 2010 and 7<sup>th</sup> February 2013; 1,933 installations were photovoltaics.

### **3. Thermal Comfort and Decent Homes**

- 3.1 Registered Providers of social housing have achieved targets of making 100 per cent of their homes decent, however the bigger challenge of the private sector housing stock still remains in Cheshire East.
- 3.2 Over 40,000 private sector dwellings do not meet the Decent Homes Standard in Cheshire East, of which 11,000 are occupied by vulnerable households<sup>5</sup>.
- 3.3 An estimated 16,800 of the homes failing the Decent Homes Standard failed because of hazards caused by excess cold (where indoor temperatures are below the optimum level). Significantly, excess cold was more prevalent in properties built before 1919 (solid walled properties), and properties owned and occupied by older people.
- 3.4 A further measure of decency is the reasonable thermal comfort of a dwelling, which is achieved by a combination of efficient heating and effective insulation. In Cheshire East, 11.2 per cent (16,340) of the private sector stock failed the thermal comfort criterion, with the private rented sector and dwellings built pre-1919 most likely to lack thermal comfort.
- 3.5 The Council has assisted over 3,000 households between 2009 and 2012 to carry out energy efficiency improvements. The principal form of improvement carried out has been insulation to lofts and/or cavity walls.

### **4. Fuel Poverty**

- 4.1 A household is in fuel poverty if it needs to spend more than 10 per cent of its income on fuel to heat the home to an adequate temperature (21°C in the living room, and 18°C in the bedroom). Fuel poverty is caused by a number of factors including poor energy efficiency, high fuel costs, low income and under occupancy, and tends to be higher in rural areas with older properties.

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<sup>4</sup> Gas Connections in Cheshire, Transco, 2001

<sup>5</sup> Cheshire East Private Sector Housing Condition Survey 2010

- 4.2 An estimated 28,792 households (18.2 per cent) are in fuel poverty in Cheshire East. Distribution is fairly even, although is at its highest in Nantwich Local Area Partnership, which correlates with the off-gas network and rural nature of the area.

## **5. Health Impact of Energy Conservation**

- 5.1 There are approximately 220 excess winter deaths each year in Cheshire East, with a 19.7 per cent excess risk of winter death, compared to 17.6 per cent nationally.<sup>6</sup>
- 5.2 Emergency hospital admissions in Central and Eastern Cheshire PCT area for children with lower respiratory tract infections is statistically high compared to England.<sup>7</sup> Emergency admissions reflect a number of influences, including housing conditions.
- 5.3 Findings from a Health Impact Assessment of poor housing conditions in private sector housing show that if all Category 1 hazards for excess cold were mitigated, the estimated annual saving to the NHS would be over £1.4 million.
- 5.4 Excess cold particularly affects older people, and the most vulnerable group is people aged 65 and over who are expected to spend a greater proportion of their time indoors. Approximately one third of incidences would be expected to result in an extreme harm outcome leading to death. Severe and serious harm outcomes lead to cardio vascular and respiratory illnesses. Excess cold has been shown to contribute to a worsening of symptoms of other illnesses such as rheumatoid arthritis and leg ulcers.
- 5.5 An evaluation of the Warm Front scheme carried out in May 2008 showed the difficulties in demonstrating the link between insulation improvements and increased life span<sup>8</sup>. The paper states that combined heating and insulation measures will reduce annual winter deaths by 0.4 per 1000; positive mental health impacts can also be increased in the short term.

## **6. Strategic position - National**

- 6.1 The requirement to improve the energy efficiency of homes stems from the legal requirements to reduce carbon dioxide (CO<sub>2</sub>) emissions as set out in the Climate Change Act 2008, and the government's Carbon Plan published in 2011.

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<sup>6</sup> Cheshire East Joint Strategic Needs Assessment 2012

<sup>7</sup> Hospital Episode Statistics 2009-10

<sup>8</sup> Warm front Better Health, Health Impact evaluation of the Warm Front scheme. Centre for regional economic and social research Sheffield Hallam University May 2008

6.2 The Carbon Plan sets the following targets in relation to housing:

- To reduce greenhouse gas CO<sub>2</sub> emissions by 29 per cent by 2017, 35 per cent by 2022, and 50 per cent by 2027 – for buildings this means a reduction between 24 per cent and 39 per cent lower than 2009 levels by 2027;
- To insulate all cavities and lofts, where practical, by 2020;
- By 2030, between 1million and 3.7million additional solid wall installations, and between 1.9million and 7.2million other energy efficiency installations;
- By 2030, between 1.6million and 8.6million building level low carbon heat installations such as heat pumps (Government modelling suggests that 21 to 45 per cent of heat supplies to buildings will need to be low carbon); and
- By 2050, emissions from UK buildings to be “close to zero”.

6.3 To support the ambitions in the Carbon Plan there are several significant drivers for action in the residential sector:

- the Green Deal and the new Energy Company Obligation will provide new sources of finance;
- ongoing support under the Feed in Tariffs scheme;
- ongoing support through the existing Renewable Heat Premium Payment and the new domestic Renewable Heat Incentive from summer 2013;
- requirements for all new homes to be built to a zero carbon standard from 2016;
- Energy Performance Certificates (EPCs), which are required on the sale, rent or construction of a building, which provide the occupier with an assessment of the energy efficiency of the building and a set of recommended improvements that will make it more energy efficient;
- the Energy Act contains provisions to introduce a minimum energy efficiency standard (likely to be EPC band ‘E’) for private rented sector housing from 2018; details will be subject to full public consultation and use of these regulation making powers is conditional on there being no net or up-front costs to landlords. As a first step, government will work with the private rented sector to encourage uptake of energy efficiency measures through the Green Deal; and
- by late 2019 smart meters to be installed in every home.

6.4 The government has also set a target of eradicating fuel poverty in England, as far as reasonably possible, by 2016.

## 7. Strategic Position – Local

- 7.1 Local authorities are well positioned to take advantage of the national drivers outlined at paragraph 6.3. Driving local domestic energy efficiency improvements can bring significant benefits for local authorities and their residents including:
- opportunities for local economic and physical regeneration;
  - support for the creation and maintenance of local green businesses, jobs and skills;
  - helping to reduce fuel bills for local residents;
  - helping make homes warmer and healthier;
  - making a vital local contribution to reducing local and national carbon emissions; and
  - supporting wider local strategic priorities, on issues such as health and poverty.
- 7.2 The Sustainable Community Strategy<sup>9</sup> acknowledges the high impact that we have on the environment in Cheshire East, and sets out our commitment to reducing reliance on oil and gas for our energy, and reducing carbon emissions. The Strategy also establishes the need to focus local actions on addressing the wider determinants of health; the Marmot Review on health inequalities<sup>10</sup> highlighted the need to tackle energy efficiency across the social gradient.
- 7.3 The Housing Strategy<sup>11</sup> recognises fuel poverty as a significant issue that our communities face and establishes the reduction of fuel poverty as a strategic priority. Actions include working across tenures to improve health through warmth, targeting practical and financial support to vulnerable homeowners through our Private Sector Financial Assistance Policy, utilising housing legislation to effect thermal improvements in the private rented sector, and maximising the use of Government-initiated carbon reduction schemes, such as Green Deal and Energy Company Obligation funding.

Critical to this local strategic approach is our winter resilience programme, which is focused on supporting the most vulnerable households to take up practical measures to improve the comfort of their home and safeguard their wellbeing. This complements and builds on existing multi-agency work,

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<sup>9</sup> Ambition for All – Cheshire East's Sustainable Community Strategy 2010-2025

<sup>10</sup> The Marmot Review report – 'Fair Society, Healthy Lives', 2010

<sup>11</sup> 'Moving Forward', Cheshire East Housing Strategy 2011-2016

utilising existing mechanisms to target vulnerable households who come into contact with health and social care services and other Ageing Well Programme<sup>12</sup> partners.

- 7.4 One of the strategic priorities for the Health and Wellbeing Board is Ageing Well – enabling older people to live healthier and more active lives for longer<sup>13</sup>. The Health & Wellbeing Strategy is informed by a Joint Strategic Needs Assessment (JSNA); winter health including tackling fuel poverty, reducing excess winter deaths and facilitating the take-up of flu vaccinations have been identified as key priorities through the JSNA process<sup>14</sup>.

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<sup>12</sup> Ageing Well in Cheshire East Programme 2012-2017

<sup>13</sup> The Joint Health & Wellbeing Strategy for the Population of Cheshire East 2013-2014

<sup>14</sup> Cheshire East Joint Strategic Needs Assessment 2012

## 8. Action Plan to help result in significant energy efficiency improvements of residential accommodation

Our Commitment	Action	Lead Partners	Timescale
<p><b>1. We will eliminate Fuel Poverty as far as possible in Cheshire East</b></p>	<p>Continue with multi-agency partnership approach to reducing fuel poverty and excess winter deaths:</p> <ol style="list-style-type: none"> <li>1. Publish timely quality information and advice to address the three main causes of fuel poverty: high fuel costs, poor energy efficiency, and low household income</li> <li>2. Develop the Hotspots referral network</li> <li>3. Promote Collective Energy Buying / Switching Schemes to reduce fuel costs</li> <li>4. Develop a patient referral programme with the Clinical Commissioning Groups</li> </ol>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> <li>• Public Health</li> <li>• Benefits</li> <li>• Energy Projects Plus</li> <li>• Cheshire Fire &amp; Rescue Service</li> <li>• Housing Providers</li> <li>• Clinical Commissioning Groups</li> <li>• go-lo CIC</li> <li>• Home Improvement Agency</li> </ul>	<p>2016</p>
<p><b>2. We will target practical and financial support for vulnerable home owners to tackle the effects of energy inefficient homes</b></p>	<ol style="list-style-type: none"> <li>1. Invest £1.34 million between 2012 and 2015 in home improvements through the Private Sector Housing Financial Assistance Policy, prioritising works to tackle the effects of cold and damp homes</li> <li>2. Identify additional resources for energy efficiency improvements</li> <li>3. Assist vulnerable households to access ECO</li> </ol>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> <li>• Home Improvement Agency</li> </ul>	<p>2015</p>

	<p>funding</p> <p>4. Deliver small-scale energy improvements through handyperson services</p>		
<p><b>3. We will utilise housing legislation to effect thermal improvements in the private rented sector</b></p>	<p>1. Carry out housing inspections, liaison and enforcement actions to improve the thermal comfort and energy efficiency of properties in the private rented sector.</p> <p>2. Raise awareness of any legislative changes that are enacted through the Energy Bill 2012 that affect the private rented sector, through a range of channels.</p>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> </ul>	<p>Ongoing</p>
<p><b>4. We will encourage uptake of Green Deal and ECO</b></p>	<p>1. Evaluate the effectiveness of local and national projects to kickstart interest in the Green Deal and to reduce fuel poverty</p> <p>2. Provide information and advice on Green Deal and ECO to local residents and landlords through a range of channels</p> <p>3. Establish the Council's role in delivering Green Deal and ECO, either as a provider, partner or promoter, and develop our approach to engaging Green Deal Providers and Energy Companies.</p> <p>4. Support local established low carbon communities in their ambitions for Green Deal</p>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> <li>• Carbon Reduction Manager</li> <li>• go-lo CIC</li> <li>• Cheshire West &amp; Chester Council</li> <li>• Stoke on Trent City Council</li> <li>• Newcastle under Lyme Borough Council</li> <li>• Warrington Borough Council</li> <li>• Energy Projects Plus</li> </ul>	<p>2013</p>

	and the wider sustainability of the housing stock.		
<b>5. We will improve the quality and scope of data to support delivery of energy efficiency programmes</b>	<ol style="list-style-type: none"> <li>1. Obtain energy performance certificate (EPC) data for Cheshire East</li> <li>2. Aggregate existing datasets on domestic energy use, energy performance, SAP rating, housing profiles and energy efficiency projects</li> <li>3. Use GIS to improve understanding of domestic energy efficiency and aid targeting of activity, particularly in areas of multiple deprivation</li> </ol>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> <li>• Energy Projects Plus</li> </ul>	2014
<b>6. We will demonstrate our commitment to tackle climate change</b>	<p>Cheshire East Council is a signatory to the Nottingham Declaration which commits us to working with central government to reduce local levels of CO2 and address the impacts of unavoidable change on our climate for the benefit of our communities. We will continue to:</p> <ol style="list-style-type: none"> <li>1. Support the many local groups that act to improve domestic energy efficiency and reduce carbon emissions in their local areas. These groups, or “low carbon communities” offer a route into localities to tackle issues around climate change, build community resilience and support the local economy.</li> <li>2. Support schools as central in their local communities to tackle energy efficiency and</li> </ol>	<ul style="list-style-type: none"> <li>• Carbon Reduction Manager</li> <li>• Strategic Housing</li> </ul>	Ongoing

	<p>climate change issues.</p> <p>3. Work with other public sector organisations to develop best practice and joint initiative to deliver positive outcomes for the people of Cheshire East.</p>		
<p><b>7. We will encourage growth of the Low Carbon Economy in Cheshire East</b></p>	<p>1. We will provide information to SMEs and local businesses on the benefits of Green Deal delivery</p> <p>2. We will publish data to enable Green Deal assessors, installers and providers to target activity in Cheshire East, acting as a catalyst for inward investment</p>	<ul style="list-style-type: none"> <li>• Strategic Housing</li> <li>• go-lo CIC</li> </ul>	<p>September 2013</p>
<p><b>8. We will establish our policies on low carbon energy, energy efficient development and our approach to Allowable Solutions.</b></p>	<p>The new Cheshire East Local Plan is currently being prepared. Once in place, the Local Plan will be the Statutory Development Plan in Cheshire East and will form the basis of planning decisions in the Borough until 2030.</p> <p>Money raised through Allowable Solutions provides an opportunity to contribute towards projects that will reduce carbon dioxide emissions, either by increasing the efficient use of energy or providing alternative sources of energy</p>	<ul style="list-style-type: none"> <li>• Spatial Planning</li> </ul>	<p>Spring 2014</p>

	<p>which are less carbon intensive.</p> <p>We will establish a list of key projects to achieve carbon reductions. The priority of these projects will be informed by the relative carbon saving, the likelihood of the project coming forward without support from Allowable Solutions funding and the strategic objectives within the Borough.</p>		
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