

ACTION FOR AFFORDABLE WARMTH

A strategy for Gloucestershire and South Gloucestershire
2013 -2018

Contents

- 1. A Joint Policy Statement..... 2
- 2. What is Affordable Warmth? 3
- 3. Causes of fuel poverty..... 4
- 4. The effects of fuel poverty 4
- 5. National Policy Links..... 5
- 6. Gloucestershire and South Gloucestershire Affordable Warmth Partnership 6
- 7. Local Context..... 7
- 8. Overall Aims 9

1.A Joint Policy Statement

The local authorities of Gloucestershire and South Gloucestershire are committed to achieving affordable warmth for all. The *Gloucestershire Affordable Warmth partnership* launched a strategy *Action for Affordable Warmth* in 2001 inline with the commencement of the national fuel poverty strategy. Much has been achieved during the past twelve years and this revised strategy describes how the local authorities of Gloucestershire and South Gloucestershire, along with the affordable warmth partnership will aim to assist those in fuel poverty, improve energy efficiency in houses and promote advice and assistance in conjunction with our partners over the next 5 years.

Fuel prices are continuing to rise and the effect of fuel poverty and low indoor temperatures has been shown to be related to an array of social problems including fuel debt, poor health and even death. As indoor temperatures lower the more risk to the resident of impaired respiratory and cardiovascular function. During the Winter of 2011/12 (December to March) there were 24,000 excess winter deaths in England and Wales representing a 15% increase in deaths compared to the average number of deaths occurring during the rest of the year, known as Excess Winter Mortality.¹

As fuel poverty is an issue which impacts on many different aspects, the work of a wide range of agencies in many different sectors is needed and there are many opportunities and necessities for joint working across these sectors.

Government believe that to meet ambitious national targets, local authorities and partners have a key role to play. The Home Energy Conservation Act (HECA) 1995 requires all English authorities to publish a report setting out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of homes in its area. This strategy forms the basis of a HECA report on behalf of a consortium consisting of all the district authorities in Gloucestershire and South Gloucestershire council.

Given UK Government targets and local authority obligations to assist in achieving reductions in Carbon emissions, which the partnership strongly support, these can in fact effect energy prices overall. The long-term solution to achieving affordable warmth, and one that also supports the objective of reducing carbon emissions, is to increase dramatically the energy efficiency of homes and to specifically target fuel-poor households with assistance.

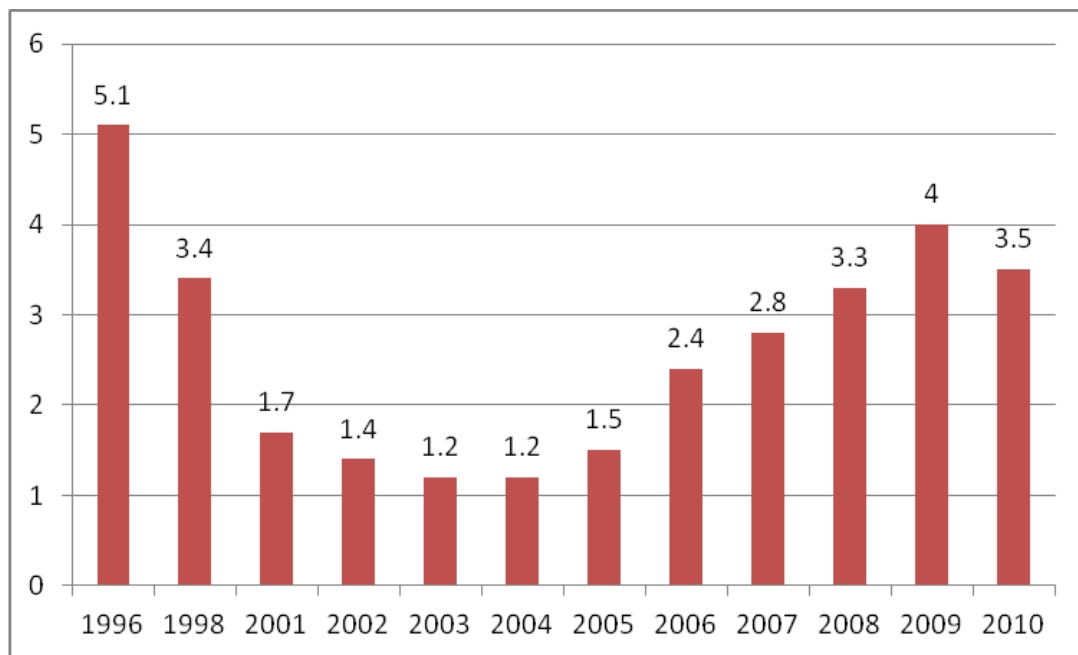
¹ Office of National Statistics, Excess Winter Mortality in England and Wales, 2011/12 (Provisional), November 2012

2. What is Affordable Warmth?

Affordable Warmth is the ability to heat your home to an adequate level for household comfort and health, without developing a debt as a result.

The lack of affordable warmth is known as “fuel poverty”. The Government has previously accepted that households needing to spend 10% or more of their income to achieve adequate warmth are in fuel poverty. With this definition, it is estimated that there are 3.5 million households in fuel poverty in England in 2010.²

Fig.1 Changes in fuel poverty in England from 1996 to 2010



This definition has since been independently reviewed for a proposed new – Low Income High Cost indicator. A Low Income High Cost indicator means that a household is in fuel poverty when they:-

- Require fuel costs that are above average; and
- Their income is below the average poverty line (once housing and fuel costs have been taken into account)³.

Using this approach it was estimated that 2.7 million households are found to be fuel poor in 2009 as oppose to 4 million estimated under the old definition.

² Department of Energy and Climate change and Office of National Statistics (ONS) annual report on fuel poverty statistics 2012

³ Hills Fuel Poverty Review, Getting the measure of fuel poverty, final report March 2012

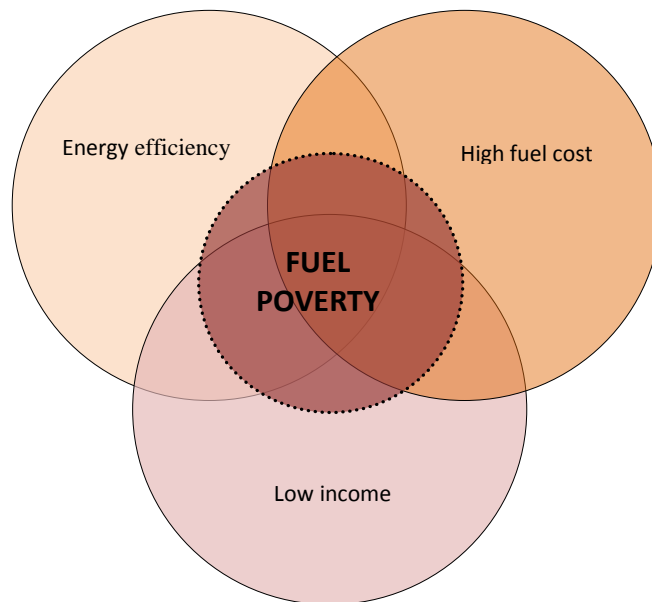
3. Causes of fuel poverty

Fuel poverty can be caused by one or a combination of the following factors:

1. Poor energy efficiency of the home
2. High fuel costs
3. Low income

Other factors also come into this equation, being either households that are under-occupied, or they have a greater requirement for heat than others, or are suffering from debt.

Although interlinked, fuel poverty is recognised as serious problem and is distinct from the wider issues of poverty. Fuel poverty 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, the condition of housing, access to and the cost of fuels used for heating and the energy efficiency of a home.

With a number of variables, people can move in and out of fuel poverty when circumstances change, some of which are out of peoples control e.g. fuel prices. With fuel prices on the increase, despite the national policies put in place, the number of fuel poor households is projected to remain high.⁴ National Energy Action (NEA) estimates that for every 1% increase in price there is a corresponding 60,000 people pushed into fuel poverty⁵. Most at risk are older people, single parent families and people with poor health or disabilities who may have a higher than average need for warmth.

4. The effects of fuel poverty

The affects of fuel poverty and low indoor temperature has been shown to be related to an array of social problems, fuel debt, poor health and even death.

As indoor temperatures lower the more risk to the resident of impaired respiratory and cardiovascular function. During the Winter of 2011/12 (December to March) there were 24,000 excess winter deaths in England and Wales representing a 15% increase in deaths compared to the average number of deaths occurring during the rest of the year, known as Excess Winter Mortality.⁶ The majority of EWM are due to respiratory and cardiovascular illnesses and the greater part of these were aged 75 or over.

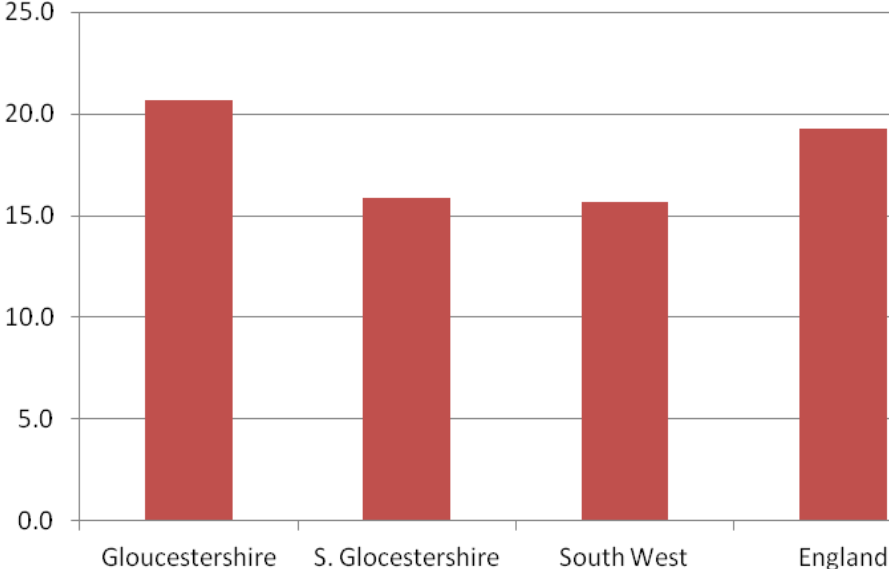
⁴ Hills Fuel Poverty Review, Getting the measure of fuel poverty, final report March 2012

⁵ www.nea.org.uk/media/press-pack/fuel-poverty-and-policy

⁶ Office of National Statistics, Excess Winter Mortality in England and Wales, 2011/12 (Provisional), November 2012

The average number of excess winter deaths across Gloucestershire and South Gloucestershire for the past 3 years is 457⁷. The ratio of excess winter deaths to average non-winter deaths for the period 2008-2011 is 20.7 for Gloucestershire and 15.9 for South Gloucestershire. Figure 2 shows that Gloucestershire has a significantly higher ratio of excess winter deaths compared to that of the South West and England. This could be largely attributed to Gloucestershire’s aging population.

Figure 2. EWD ratio of winter deaths compared to non-winter deaths 2008 - 2011



Fuel poverty also exacerbates other financial and social problems e.g. fuel debt and social exclusion and it has been shown to affect many different population groups. Children are more than twice as likely to suffer from a respiratory problem than children living in warm homes, mental health also is negatively affected and cold homes also increases the amount of minor illnesses such as colds or exacerbates conditions such as arthritis. Indirect effects also include lower education attainment, dietary choices and the risk of trips and falls due to lowered dexterity.⁸

5. National Policy Links

The UK Fuel Poverty Strategy 2001 set national targets to eliminate fuel poverty, where reasonable practical, by 2016. Currently the government is not on target to meet this obligation and the Hills review in 2012 projects the numbers of fuel poor increasing by over 10% in 2016⁹. In addition, the Climate Change Act 2008, sets specific targets to cut UK carbon emissions by 80% from 1990 levels by 2050.

Government believe that to meet these ambitious targets, local authorities have a key role to play, but at the same time is committed to local authorities setting their own priorities, ambitions and related targets as they are seen to be best placed to assess their local need. The HECA Act 1995 requires all English authorities to prepare a report by 31 March 2013

⁷ Office of National Statistics, Excess Winter Mortality in England and Wales, 2011/12 (Provisional), November 2012
⁸ Marmot Review Team, The Health Impacts of Cold Homes and Fuel Poverty, May 2011
⁹ Hills Fuel Poverty Review, Getting the measure of fuel poverty, final report March 2012

setting out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of homes in its area. The Gloucestershire and South Gloucestershire affordable warmth strategy forms the basis of a HECA report on behalf of a consortium consisting of all the district authorities in Gloucestershire and South Gloucestershire council. Progress reports and updates will subsequently be needed every 2 years.

Previous government intervention has included Warm Front, the Carbon Emissions Reduction Target (CERT), the Winter Fuel Payments and Cold Weather Payments to try and tackle fuel poverty, each of these having varying degrees of success. National interventions have since changed; Warm Front and CERT have ceased (two successful schemes of removing people from fuel poverty). This has made way for the Green Deal and Energy Company Obligation (ECO). As the Green Deal will be based on a loan principle and only 25% of ECO is reserved to tackle affordable warmth, Hills states that it is expected that households at the lower end of the income range will, on average, see an increase in energy bills where the richer households will see little change.

6. Gloucestershire and South Gloucestershire Affordable Warmth Partnership

It is clear that there is much to be done on a local level to ensure that ECO affordable warmth funding is targeted and spent locally. In addition to this, it is important to continue to develop and initiate projects that are specifically targeted to households on lower incomes to raise the energy efficiency of their homes, their income levels and reduce their fuel bills. Local authorities can't do this on their own and a range of partnership organisations are to play a vital role in identifying and assisting those most in need.

As affordable warmth stretches across many social aspects and sectors, it is also a priority to make links to local policies and objectives e.g. Gloucestershire Health and Wellbeing Strategy and the South Gloucestershire Joint Health and Wellbeing Strategy.

The Gloucestershire Health and Wellbeing Board have identified reducing excess winter deaths amongst the over 75s as a priority in its Joint Health and Wellbeing Strategy. The outcome this will contribute to is improving health and wellbeing into older age. The Affordable Warmth Partnership is key to ensuring that fuel poverty and its effects remain on the agenda for the Health and Wellbeing Board.

Members of the Partnership come from a range of organisations that are concerned with issues around affordable warmth and fuel poverty. The Partnership's work is most successful when members from the public, private and voluntary sectors work together. The Affordable Warmth Partnership also works closely with and exchanges information to the Social Housing Action to Reduce Energy (SHARE) Forum, the Gloucestershire Climate Change Panel and South Gloucestershire Environment Forum.

The members of the partnership are responsible for overseeing the Gloucestershire and South Gloucestershire Affordable Warmth Strategy and action plan (appendix 1), a list of members can be found in appendix 2.

7. Local Context

Fuel Poverty

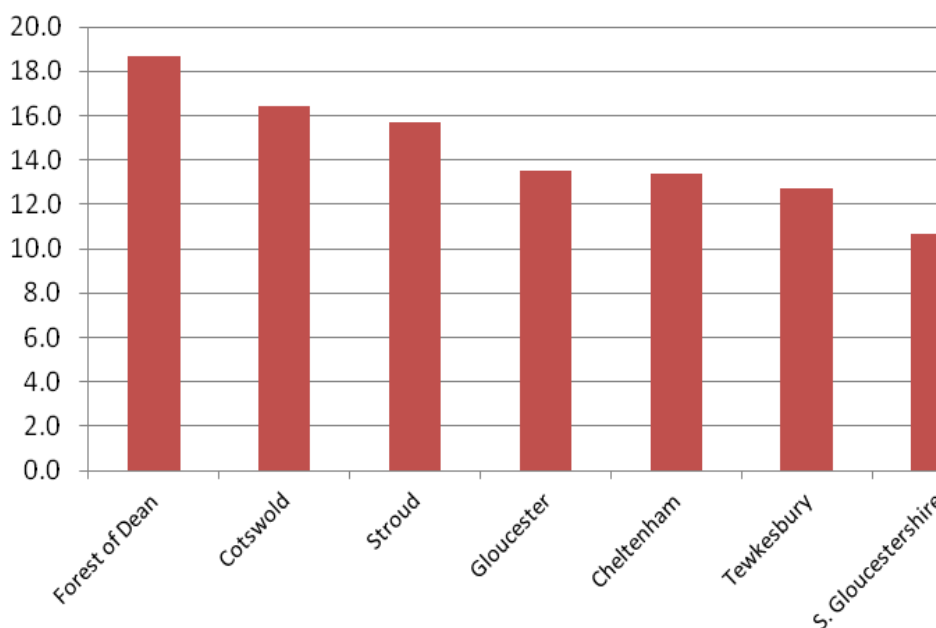
Fuel poverty levels in Gloucestershire and South Gloucestershire are estimated to be nearly 50,000 households, representing nearly 14% of all households across these areas. Table 1 shows the estimated numbers of fuel poor households in each local authority area in 2010. The percentage of households within Gloucestershire and South Gloucestershire is lower than the national figure of 16.4% of households, however there is still much to be done. Fuel poverty figures have increased across the local authority areas by 18,000 since 2006 despite all the efforts in trying to reduce fuel poverty; much of this is due to the price increases of energy bills¹⁰.

Table 1. Number of households in fuel poverty per local authority area 2010¹¹

Local Authority	No. of households
South Gloucestershire	11,187
Cheltenham	6,925
Cotswold	5,935
Forest of Dean	6,349
Gloucester	6,876
Stroud	7,444
Tewkesbury	4,438
Total	49,154

Looking at the numbers alone, it appears that South Gloucestershire have a high proportion of fuel poor households, however they have a larger proportion of homes overall. By using the percentage of fuel poor households figure it enables a comparison between the different authorities, outlined in figure 3, which shows that Forest of Dean, Cotswold and Stroud district councils have a higher proportion of fuel poor households.

Figure 3. Percentage of fuel poor households in each local authority area



¹⁰ DECC, Fuel Poverty 2010: sub-regional data

¹¹ DECC, Fuel Poverty 2010: sub-regional data

Hard to Treat Homes

The differences between the authorities can be partially explained by the make up of the local housing stock. Both the age of the property and if the dwelling is connected to the gas network have significant bearing on the energy efficiency of a property and how expensive it is to heat it. Older properties built pre-1930s are likely to have a solid wall construction, making them more expensive and difficult to insulate when compared to those built with a cavity construction. Gas is also a cheaper form of fuel for heating compared with oil, LPG and electric. Older properties and off gas properties are often termed 'hard to treat'.

Table 2. Percentage of solid wall and off gas properties within each local authority area.

Local authority	Solid wall %	Off gas %
Forest of Dean	36%	38%
Cotswold	33%	38%
Stroud	32%	16%
Tewkesbury	16%	17%
South Gloucestershire	10%	11%
Cheltenham	29%	4%
Gloucester	23%	4%

Those authorities who have a high combination of both solid wall and off gas areas tend to be those that are largely rural. Table 2 shows the percentage of hard to treat properties within each district with Forest of Dean, Cotswold and Stroud showing the largest proportion. It is now widely recognised that rural fuel poverty is an issue and this can be seen to some degree when comparing Table 2 and Figure 2. Those 3 authorities that have significantly higher hard to treat properties are also the authorities with the highest proportion of fuel poor households.

Private Rented Sector

Recently, the number of owner occupied properties in England has decreased with the private rented sector becoming a growing and increasingly significant tenure for housing provision. According to the South Gloucestershire and the Gloucestershire districts' most recent house condition surveys, 13.4% of households in Gloucestershire are in the private rented sector and 12.9% in South Gloucestershire.

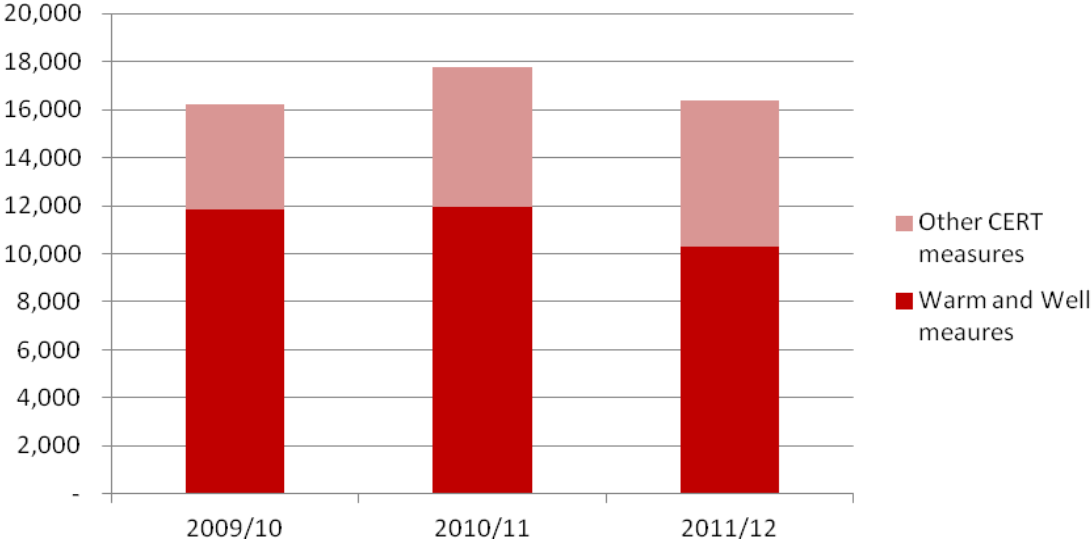
The private rented sector presents its own challenges as in these instances the majority of landlords do not occupy the property, and therefore don't pay the fuel bills, and those that do occupy the home have little influence in decisions concerning making improvements to energy efficiency. On top of this, privately rented homes can be difficult to identify and landlords can be difficult to engage with.

Past achievements

The Gloucestershire and South Gloucestershire Warm and Well scheme began in 2001 aiming to improve energy efficiency in the home via energy efficiency advice, promotion and referrals to loft and cavity wall installations and direct referrals to Warm Front. Since the scheme began thousands of households have benefitted from advice and over 37,000 properties have had energy efficiency improvements.

Making use of national funding from energy suppliers, the local authorities have often put in their own resources to increase awareness and boost uptake of measures and the Warm and Well scheme has become a recognised and trusted brand name over the years. Over a 3 year period there were over 50,000 loft and cavity wall installations across Gloucestershire and South Gloucestershire via CERT¹², using a referral system on a local level with a network of many differing partnership organisations, 68%¹³ of CERT installs came directly from the Warm and Well scheme, showing that local authority endorsement and partnerships have a hugely significant impact on uptake.

Figure 4. Loft & cavity wall installations via CERT in Gloucestershire and S. Gloucestershire



8. Overall Aims

Given UK Government targets and local authority obligations the long-term and overall aim of the strategy is to increase the energy efficiency of homes. More specifically, this will be done by working in partnership and promoting advice targeted at those on lower incomes and at risk of fuel poverty.

The four key aims within the Affordable Warmth Action Plan are:

- Aim 1:** Co-ordinate delivery, work in partnership and influence policy
- Aim 2:** Improve energy efficiency across all housing tenures
- Aim 3:** Promote and provide advice and information
- Aim 4:** Identify and help people at risk of fuel poverty

¹² DECC Energy Efficiency Statistics
¹³ Warm and Well annual reports from 2009-2012