

## TELFORD & WREKIN COUNCIL

CABINET - 22<sup>nd</sup> April 2021

### TELFORD & WREKIN DRAFT AFFORDABLE WARMTH STRATEGY 2021-26

#### REPORT OF THE DIRECTOR - HOUSING, EMPLOYMENT & INFRASTRUCTURE

LEAD CABINET MEMBER – COUNCILLOR DAVID WRIGHT, CABINET MEMBER FOR ECONOMY, HOUSING, TRANSPORT & INFRASTRUCTURE

#### PART A) – SUMMARY REPORT

##### 1. SUMMARY OF MAIN PROPOSALS

- 1.1 A decent place to live is the foundation on which people build their lives. If you've got a warm, safe home then health, employment, educational achievement and a happy family life are much easier to obtain. Some 80% of the homes that will be with us in 20 years' time are here already and we are committed to ensuring that these homes are as good as the best of what is being built now.
- 1.2 Across both the urban and rural parts of our Borough 9.4% or 7220 households are considered to be in fuel poverty. This is below the national and regional average and reflects work already undertaken over the last 2 years however it does mean that there are individuals and families living in homes that are cold and damp, with poor energy efficiency and who are paying more than they can afford on fuel costs.
- 1.3 The Affordable Warmth Strategy (Appendix 1) has been developed with the aim to improve the energy efficiency of housing stock of all tenures across the Borough. As an Authority that does not hold its own housing stock the delivery of this Strategy will involve working with many partners including social and private landlords, residents, health agencies and delivery organisations including Marches Energy Agency. The Strategy also provides a basis for seeking more Government funding to raise the quality of our homes including areas within our Safer and Stronger Communities programme.
- 1.4 The Strategy aims to:
  - **Reduce the number of fuel poor households** from a 2018 baseline figure of 9.4% (7220 households)
  - **Close the gap** targeting those areas of the Borough with the highest levels of fuel poverty and addressing inequalities
  - **Improve the health and wellbeing of the most vulnerable people in our community**, by ensuring they live in a warm and comfortable home
- 1.5 Through the Strategy we will work with partners to:
  - **Raise energy awareness and provide support** to households across the borough
  - **Maximise household incomes**

- **Improve the energy efficiency of the Borough's housing stock** including through retrofit
- **Support our local businesses** to deliver interventions, benefitting the local economy
- **Support delivery of our Climate Change Action Plan** wherever possible

1.6 We have already made significant progress – with actions over the last six months including:

- **Achieving an award of £566,800 Local Authority Delivery (LAD) Funding** to pilot proposals for the retrofit of c.50 owner occupied and rented properties in South Telford
- **Increasing the number of vulnerable residents who can benefit from measures** installed under the Energy Company Obligation (ECO) Funding by publishing a local ECO-Flex Statement of Intent which extends the national definition.
- Through **Nuplace's Southwater Way development establishing our commitment to address carbon reduction initiatives** wherever possible, setting a standard for private rented sector
- **Developing a new Communications Plan** designed to reach all residents in need incorporating podcasts, social media and energy efficiency information in Council Tax reminders

1.7 Our Action Plan (Appendix 2) sets out how we will deliver our aims in partnership. This is a live document that will be developed with partners both through the proposed consultation period, and on an ongoing basis. Amongst the actions planned for the next 12 months we will:

- **Launch a T&W Affordable Warmth 'Top-Up' Fund** to support vulnerable residents to access ECO funding where a client contribution is required
- Provide **financial support to develop the services offered by the Telford and Wrekin Energy Advice Centre (TEA)** to ensure residents can access streamlined advice and support maximising their access to the wide range of grants and services offered by partners
- Design a **new web-site for all energy efficiency services** and information across the borough for launch in early autumn to coincide with increased seasonal demand for services.
- **Continue to set standards in new development** through Nuplace and the management of our temporary accommodation stock - to reduce energy bills and carbon emissions
- Focus on **ensuring landlords meet their Minimum Energy Efficiency Standards** through information, advice, access to funding, and, where necessary enforcement action

1.8 As well as bringing many social benefits it is well recognised that cold homes are a source of both physical and mental ill health – warmer homes are healthier homes, and reducing fuel poverty will protect the health of our most vulnerable residents which in turn will reduce the strain on health and social care services. The Strategy will contribute to the ambitions of the **Telford & Wrekin Health & Wellbeing Strategy 2020-2023** and the work of organisations including the Telford & Wrekin Integrated Place Partnership.

1.9 The Strategy will also contribute to delivery of the Council's Climate Change commitments and links to other corporate strategies including Better Homes for All and the Safer & Stronger Communities Programme. It will also bring benefits to the local economy putting money back into resident's pockets and enabling opportunities for local businesses to deliver retrofit and home improvement schemes.

1.10 It is proposed to undertake a six week period of consultation targeting partners and key stakeholders.

**2. RECOMMENDATIONS**

**It is recommended that Cabinet:-**

- 2.1 Approves the Council’s draft Affordable Warmth Strategy for a six week period of consultation with partners and stakeholders.**
- 2.2 Delegates responsibility to the Director - Housing, Employment and Infrastructure, in consultation with the Cabinet Member for Economy, Housing, Transport & Infrastructure to update and finalise the draft Strategy following the consultation. Any significant changes required as a result of the consultation will be brought back to Cabinet for approval before the Strategy is finalised.**
- 2.3 Delegates responsibility to the Director – Housing, Employment & Infrastructure, in consultation with the Cabinet Member for Economy, Housing, Transport & Infrastructure to finalise and launch the Affordable Warmth “Top-up” Fund based on the criteria set out in the local ECO-Flexible Eligibility Statement of Intent approved at Cabinet on 9<sup>th</sup> July 2020 and published on the Council’s web-site on 17<sup>th</sup> December 2020**
- 2.4 Receives an annual progress report on the implementation of the Affordable Warmth Strategy**
- 2.5 Note that the Council will report bi-annually to the Secretary of State in line with its obligations under the Home Energy Conservation Act 1995 (HECA)**

**3. SUMMARY IMPACT ASSESSMENT**

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Every child, young person and adult lives well in their community.
	Will the proposals impact on specific groups of people?	
	Yes	All residents of the borough, particularly those living in fuel poverty and/or who’s health is at risk through living in a cold/damp home
<b>TARGET COMPLETION/ DELIVERY DATE</b>	It is proposed that a six week period of consultation be undertaken. Following the analysis of consultation responses, the document will be finalised as soon as possible.	
<b>FINANCIAL/ VALUE FOR MONEY IMPACT</b>	The Council has been awarded a Green Homes Grant capital allocation of up to £566,800 plus £2,750 mobilisation payment to be spent by 31 December 2021, and appropriate changes will be made to the Capital Programme. Existing allocations within the approved capital programme of £50,000 will be used to support a number of initiatives including the provision of top up funding to ECO applications where a client contribution is required as detailed in s1.4 above. DR 11/3/21	
<b>LEGAL ISSUES</b>	Section 2 of the Home Energy Conservation Act 1995 (HECA) requires the local authority , as an “energy conservation	

		<p>authority”, to publish and submit reports to the Secretary of State demonstrating measures adopted to improve the energy efficiency of residential accommodation (owner-occupier, private rented and social rented sectors) within its area. The latest reporting guidance for local authorities was published in January 2021, with the Sustainable Warmth fuel poverty strategy published in February 2021.</p> <p>Properties with an efficiency rating of F or G are “substandard” under Regulation 22 of The Energy Efficiency (Private Rented Property (England and Wales) Regulations 2015, also known as the Minimum Energy Efficiency Standards (MEES) Regulations.</p> <p>Since 1<sup>st</sup> April 2020 landlords can no longer let or continue to let properties with an EPC rating below E, unless there is a valid exemption in place.</p> <p>Consultation upon updated MEES Regulations, including raising the minimum EPC rating to C, concluded in January 2021.</p> <p>The local authority is an “enforcement authority” for the purposes of the MEES Regulations.</p> <p>The Council’s Eco Flexible Eligibility Statement of Intent published on 17<sup>th</sup> December 2020 under a discretionary power set out in the Energy Company Obligation (ECO) Scheme, with measures accompanied by such a statement set out in article 16A of the Electricity and Gas (Energy Company Obligation) Order 2014, and updated measures set out in article 17 of the Electricity and Gas (Energy Company Obligation) Order 2018. KF 18.03.2021</p>
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	The Council’s Affordable Warmth Strategy will enable the Council to work with partners, the community and other stakeholders to address fuel poverty and energy inefficient housing within the borough
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough-wide impact

## **PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

#### **National Context**

- 4.1 In 1995, the Government introduced the **Home Energy Conservation Act**, which requires all local authorities to report to Central Government on energy efficiency improvements made to residential accommodation. Telford & Wrekin Council will use the Affordable Warmth Strategy to inform and shape this report. A HECA report is next due May 2021
- 4.2 In 2000, **The Warm Homes and Energy Conservation Act** was published, creating duties for to tackle Fuel Poverty including putting obligations on energy companies to fund programmes and measures that reduce fuel poverty.

- 4.3 In February 2021, **The Fuel Poverty Strategy – “Sustainable Warmth: Protecting Vulnerable Households in England”** was published. In this Strategy, The Government made 21 commitments to ensure all fuel poor households are made more efficient by 2030. This includes a commitment to support Local Authorities reach their zero carbon targets, while also ensuring local businesses are involved in delivery of measures.

### **Local Context**

- 4.4 The Affordable Warmth Strategy supports the implementation of the 3 key objectives set out in our newly adopted **Housing Strategy**:
- To create sustainable, accessible, affordable and integrated communities
  - To make the BEST use of our existing homes
  - To provide homes to support and empower our most vulnerable people
- 4.5 **The Health & Wellbeing Strategy 2020-2023** establishes a vision of ‘*working together to enable people in Telford & Wrekin to enjoy healthier, happier and more fulfilling lives*’. The Strategy identifies that poor living conditions are a key contributor to mental and physical ill health and to inequalities between our communities. Addressing fuel poverty will support the Strategy’s high level outcomes to:
- Improve overall healthy life expectancy in men and women
  - Halt the increasing inequalities gap in healthy life expectancy and continue to narrow the gap
  - Narrow the inequalities gap in life expectancy for people with serious mental health problems
- 4.6 The Council’s **Better Homes for All Programme** sets out to improve the quality of accommodation for people who privately rent. Objectives in the Affordable Warmth Strategy will help landlords meet their Minimum Energy Efficiency Standards by 2025.
- 4.7 The Affordable Warmth Strategy supports delivery of our **Climate Change Action Plan** This includes a commitment to improve energy efficiency in the stock we hold for temporary accommodation and influence standards in the private rented sector through Nuplace, and encouraging the use of renewable technology in retrofit projects, wherever practical.
- 4.8 The proposals also support the Council’s focus on delivering **Safer & Stronger Communities** with a commitment to focus interventions, where possible, to support physical regeneration and renewal particularly in the South Telford Estates.

### **The Challenge of Fuel Poverty**

- 4.9 A household is considered in fuel poverty if they have fuel costs above the average and, if they spent that amount, they would be below the official poverty line.
- 4.10 Based on this definition across the Borough 7220 – or 9.4% of our households are considered to be in fuel poverty. This figure is below the regional and national average but across the borough there are Wards where over 14% of households are in fuel poverty. A number of these areas include those ranked amongst the most deprived nationally illustrating the link between fuel poverty and reduced health, wellbeing and educational attainment.
- 4.11 Those in fuel poverty include owner occupiers and tenants and delivery of our strategy will require the support and engagement of social and private landlords as well as residents, Parish

& Town Councils and community organisations. Links with key health partners including the Telford & Wrekin Integrated Place Partnership will ensure alignment of priorities and to raise awareness and ensure support is targeted to our elderly and vulnerable residents.

## **Our Aims & Objectives**

4.12 Through the Affordable Warmth Strategy we aim to

- **Reduce the number of fuel poor households** from the baseline of 7220 households
- **Close the gap** targeting those areas of the Borough with the highest levels of fuel poverty and addressing inequalities
- **Have a positive impact on improving the health and wellbeing of the most vulnerable** residents ensuring they can continue to live in a warm, comfortable home

4.13 Working with partners across all tenures we will do this by:

- **Raising energy awareness and providing support** – specifically streamlining and simplifying residents access to existing grants as well as working to access funding to create new, bespoke programmes
- **Maximising household income and benefitting the local economy** – raising the profile of schemes like the Council's Switch Telford and maximising opportunities for local trades and suppliers to deliver interventions and supporting the growth and innovation in our existing green energy sector
- **Improving the energy efficiency of our housing stock** – accessing funding including through the Local Authority Delivery (LAD) Programme to deliver retrofit schemes targeting areas including South Telford – and older and more vulnerable residents

4.14 The Council has been awarded £566,000 under the Local Authority Delivery 2 Programme. To drawdown this funding we have submitted proposals allowing us to target grant funding of up to £10,000/property to c.50 owner occupiers and private and social housing tenants to implement a range of energy improvement measures. This pilot scheme will be used to establish the impact this investment can have and support bids for further LAD and related opportunities allowing us to develop bespoke programmes.

4.15 As a number of existing schemes require client contributions we will be launching an Affordable Warmth 'Top Up' Fund to bridge the gap for some of our most vulnerable residents ensuring they are able to access funding opportunities. The criteria for support will be based on those adopted as part of the Eco Flex Eligibility Statement of Intent approved by Cabinet in December 2020.

## **Monitoring & Reporting**

4.16 The Strategy sets out how we plan to evidence, monitor and report against our aims and objectives to ensure that we deliver against our target to reduce fuel poverty.

4.17 Our main delivery partners will provide information against KPI's on a quarterly and annual basis and we will report annually on our success.

5. **IMPACT ASSESSMENT – ADDITIONAL INFORMATION**  
No further comments.

6. **PREVIOUS MINUTES**

7. **BACKGROUND PAPERS**

Draft Affordable Warmth Strategy 2021-2026

Draft Action Plan

Better Homes for All Cabinet Report – 9<sup>th</sup> July 2020

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