

AGENDA ITEM

REPORT TO CABINET

7 FEBRUARY 2013

**REPORT OF ENVIRONMENT
SELECT COMMITTEE**

CABINET DECISION

Environment – Lead Cabinet Member – Councillor David Rose

SCRUTINY REVIEW OF AFFORDABLE WARMTH

1. Summary

The attached report presents the Environment Select Committee findings following the Scrutiny Review of Affordable Warmth.

Affordable Warmth is the ability heat a residential property sufficiently without incurring financial hardship, and the three major factors affecting affordable warmth are energy efficiency, fuel costs, and household income. The review examined the energy efficiency of housing stock, previous and current schemes to tackle fuel poverty and energy efficiency, and future policy and funding streams. The significant increases in fuel costs and reduced levels of income due to the economic downturn are expected to have had a detrimental impact on fuel poverty levels since these were last reported 2010, and while the Committee noted the large amount of work already carried out by the Council and its partners, there was concern with this prediction that fuel poverty would increase. The overall aim of the review was to identify options for an affordable warmth strategy to ensure schemes are further developed and enhanced.

2. Recommendations

The Committee recommend that:

1. a Stockton-on-Tees Affordable Warmth Strategy and delivery plan be developed for 2012/13 – 2015/16 to address the following objectives:
 - Increase local SAP ratings;
 - Reduce fuel poverty rates in Stockton (dependent on household income and fuel prices);
 - Reduce carbon emissions;
 - Reduce the impact of fuel poverty on health & wellbeing (using recognised measures e.g. cold related hospital admissions) and other financial and social inequalities;
 - Increasing number of homes meeting Decent Homes Standards.
 - Encourage Registered Providers, by working in partnership with them, to incorporate targeted fuel poverty/energy efficiency measures into their repairs

and renewals programme. Also that the programme is focussed on LSOAs/wards with the highest levels of fuel poverty and deprivation (as rated by IMD).

And that the strategy should be revised in 2015/16 to ensure it is fit for purpose.

2. in order to achieve these objectives, a plan be developed to deliver the strategy. (Based on the actions set out in the main body of the report and summarised at paragraph 5.3).
3. all routes of funding are explored on an ongoing basis. This should include a dialogue with Stockton Clinical Commissioning Group (CCG) over potential funding options and presenting year ROI/savings models along with other related health outcomes arising from fuel poverty measures on an ongoing basis for funding consideration.
4. SBC and delivery partners should investigate funding mechanisms potentially available to support Green Deal 'loan' deals including local authority and RP funds, CCG funding.
5. SBC should develop strategies to enable promotion and delivery of Green Deal schemes designed at tackling fuel poverty to reach fuel poor households outside the qualifying Energy Company Obligation (ECO) LSOAs. SBC should utilise the brand the Council to promote such opportunities to individual householders.
6. a 'Fuel Poverty Partnership' is formed to bring together all key stakeholders which will, as part of its remit, monitor the progress of the Stockton-on-Tees Affordable Warmth Strategy and delivery plan and report to all relevant groups and committees and that detailed terms of reference be developed for approval by the organisations involved. As the lead strategic and delivery body in securing funding and delivering programmes to tackle fuel poverty in the Borough, SBC should provide the Chair to this Partnership.
7. in addition to the regular local reporting process of the Affordable Warmth Strategy and Delivery Plan, the information and progress on this Delivery Plan be reported nationally via the Home Energy Conservation Act reporting process and Climate Local (Local Government Association mechanism for public reporting).
8. the issues of fuel poverty and affordable warmth be reflected in all relevant sections of the Stockton-on-Tees Joint Strategic Needs Assessment (JSNA) and other strategic and policy documents covering areas such as family poverty, financial and social exclusion.
9. an evaluation of current and planned projects be carried out to measure and understand their long term health impacts, carbon efficiency, social and economic impacts.
10. Stockton Borough Council sign up to the Local Authority Fuel Poverty Commitment.

3. Reasons for the Recommendations/Decision(s)

Affordable Warmth impacts on both the financial situation and health and wellbeing of the individual, and also the economic and environment on society as a whole. The significant increases in fuel costs and reduced levels of income due to the economic downturn are expected to have had a negative impact on the fuel poverty levels in the borough when next reported and there are also important changes within the policies and funding of affordable warmth, with the national CESP funding being replaced with Green Deal loans and Energy Company Obligation.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or

- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code).

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CABINET DECISION

SCRUTINY REVIEW OF AFFORDABLE WARMTH

SUMMARY

The attached report presents the Environment Select Committee findings following the Scrutiny Review of Affordable Warmth. The review examined the energy efficiency of housing stock in the borough, the success of current and previous schemes to increase energy efficiency and alleviate fuel poverty, and future affordable warmth policy and funding streams.

RECOMMENDATIONS

The Committee recommend that:

1. a Stockton-on-Tees Affordable Warmth Strategy and delivery plan be developed for 2012/13 – 2015/16 to address the following objectives:
 - Increase local SAP ratings;
 - Reduce fuel poverty rates in Stockton (dependent on household income and fuel prices);
 - Reduce carbon emissions;
 - Reduce the impact of fuel poverty on health & wellbeing (using recognised measures e.g. cold related hospital admissions) and other financial and social inequalities;
 - Increasing number of homes meeting Decent Homes Standards.
 - Encourage Registered Providers, by working in partnership with them, to incorporate targeted fuel poverty/energy efficiency measures into their repairs and renewals programme. Also that the programme is focussed on LSOAs/wards with the highest levels of fuel poverty and deprivation (as rated by IMD).

And that the strategy should be revised in 2015/16 to ensure it is fit for purpose.

2. in order to achieve these objectives, a plan be developed to deliver the strategy. (Based on the actions set out in the main body of the report and summarised at paragraph 5.3).
3. all routes of funding are explored on an ongoing basis. This should include a dialogue with Stockton Clinical Commissioning Group (CCG) over potential funding options and presenting year ROI/savings models along with other related health outcomes arising from fuel poverty measures on an ongoing basis for funding consideration.

4. SBC and delivery partners should investigate funding mechanisms potentially available to support Green Deal 'loan' deals including local authority and RP funds, CCG funding.
5. SBC should develop strategies to enable promotion and delivery of Green Deal schemes designed at tackling fuel poverty to reach fuel poor households outside the qualifying Energy Company Obligation (ECO) LSOAs. SBC should utilise the brand of the Council to promote such opportunities to individual householders.
6. a 'Fuel Poverty Partnership' is formed to bring together all key stakeholders which will, as part of its remit, monitor the progress of the Stockton-on-Tees Affordable Warmth Strategy and delivery plan and report to all relevant groups and committees and that detailed terms of reference be developed for approval by the organisations involved. As the lead strategic and delivery body in securing funding and delivering programmes to tackle fuel poverty in the Borough, SBC should provide the Chair to this Partnership.
7. in addition to the regular local reporting process of the Affordable Warmth Strategy and Delivery Plan, the information and progress on this Delivery Plan be reported nationally via the Home Energy Conservation Act reporting process and Climate Local (Local Government Association mechanism for public reporting).
8. the issues of fuel poverty and affordable warmth be reflected in all relevant sections of the Stockton-on-Tees Joint Strategic Needs Assessment (JSNA) and other strategic and policy documents covering areas such as family poverty, financial and social exclusion.
9. that an evaluation of current and planned projects be carried out to measure and understand their long term health impacts, carbon efficiency, social and economic impacts.
10. Stockton Borough Council sign up to the Local Authority Fuel Poverty Commitment.

DETAIL

1. The attached report presents Cabinet with the outcomes of the Scrutiny review of Affordable Warmth.
2. The topic was identified for review at Scrutiny Liaison Forum and included in the 2012/13 Work Programme by Executive Scrutiny Committee. The review examined the energy efficiency of housing stock, previous and current schemes to tackle fuel poverty and energy efficiency, and future policy and funding streams. While the Committee noted the large amount of work already carried out by the Council and its partners, there was concern that fuel poverty would increase. The overall aim of the review was to identify options for an affordable warmth strategy to ensure schemes are further developed and enhanced.
3. Following consideration by Cabinet an action plan will be submitted to the Select Committee setting out how approved recommendations will be implemented detailing officers responsible for action and timescales.

FINANCIAL IMPLICATIONS

4. None

LEGAL IMPLICATIONS

5. None

RISK ASSESSMENT

6. This Scrutiny Report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

7. Environment and Housing - tackle climate change
Healthier Borough - reduce impact of poverty on family life.

EQUALITIES IMPACT ASSESSMENT

8. An Equality Impact Assessment (EIA) has been carried out and been given a score of 76 (Positive impact). This is attached at **appendix 2**.

CONSULTATION INCLUDING WARD/COUNCILLORS

9. The proposals in this report have been developed in consultation with the Cabinet Member for Environment and the Corporate Director of Development & Neighbourhood Services. The Committee received evidence from Stockton Council teams, including Environmental Policy and Private Sector Housing, Registered Housing Providers, NHS Stockton-on-Tees, Go Warm (Community Energy Solutions) and Stockton and District Advice and Information Service.

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Education related? No

Background Papers

None

Ward(s) and Ward Councillors

The proposals as a whole are not ward specific. However, it is envisaged that the Affordable Warmth Strategy would ensure that any funding and initiatives are targeted to those LSOA/wards that would benefit most.

Property

None