

AGENDA ITEM

**REPORT TO HEALTH AND
WELL BEING BOARD**

20th November 2014

**Report of the Chair of the
Fuel Poverty Partnership**

Stockton's Fuel Poverty Partnership - Overview and Ambitions

DETAIL

Background & Introduction to the Fuel Poverty Partnership

1. Fuel poverty is a persistent problem that Government figures indicate is affecting 8,010 households across Stockton Borough. The inability to be warm at home is more than a comfort issue; it has significant impacts on people's health and wellbeing. Trying to adequately heat a house that is energy inefficient can result in additional carbon emissions and be a huge drain on the household budget often compounding fuel poverty and causing too many people to repeatedly make the choice of heat or eat.
2. During 2012 a detailed Scrutiny Review of Affordable Warmth was undertaken, reporting to the Council's Cabinet in February 2013. One of the actions agreed was to form a multi-agency Fuel Poverty Partnership to, share good practice, agree an Affordable Warmth Strategy and keep fuel poverty issues at the forefront of decision making across agencies.
3. The initial meeting of the Fuel Poverty Partnership took place in September 2013 and work has continued throughout 2014 to refine an Affordable Warmth Strategy and Action Plan, the fine detail of which was endorsed on September 25th, 2014.
4. The Fuel Poverty Partnership includes representatives from :-
 - Public Health
 - SBC Private Sector Housing
 - SBC Tech Services
 - Registered Social Landlords including the Thirteen Group and the NorthStar Group.
 - The Housing & Neighbourhood Partnership – Private Sector Landlord's Rep.
 - Catalyst's Voice Forum
 - The Five Lamps Organisation - partners in Warm Homes Healthy People
 - Stockton District Advice and Information Service (SDAIS) – partners in Warm Home Healthy People
 - TADEA – Tees and Durham Energy Action
 - GoWarm - The Council's partner to deliver Eco funded energy efficiency measures

The Extent of Fuel Poverty

5. The Department for Energy and Climate Change (DECC) estimated in May 2013 by applying the 10% definition of fuel poverty that there were 4.5 million UK households experiencing fuel poverty i.e. 17% of UK Households (based on 2011 figures).
6. The Government has since proposed a change to the definition of fuel poverty in England which means households are fuel poor if they have a low income and live in energy inefficient homes, relative to other households. The revised definition is the Low Income High Cost measure, under this new definition there remain an estimated 2.3 – 2.8 fuel poor households in England & Wales (May 2013).
7. The change in convention of defining fuel poverty from the 10% indicator to the Low Income High Cost measure has had the effect of reducing the total number of Stockton Borough Households defined as fuel poor from 11,908 to 8,010 (DECC June 2014).
8. When applying the revised LIHC definition to 2012 figures the rate of fuel poverty in Stockton-on-Tees is 10.3% which compares to the England rate at 10.7% or the north east rate at 11.6%. As with so many indicators the borough average hides a considerable variation in local levels of fuel poverty ranging from 3% in some LSOAs to 31% in a specific town centre LSOA. The fuel poverty rates for individual wards in Stockton are attached as Annex1 to this report for information.

Fuel Poverty – The Implications

9. Fuel poverty means people are unable to heat their homes to a level required for comfort and wellbeing. The root of fuel poverty is commonly:-
 - A low household income
 - Inadequate heating and ventilation (energy inefficient home)
 - The increasingly high costs of energy
10. Fuel poverty is most prevalent amongst vulnerable households including:-
 - Those on low incomes
 - People with children under 16
 - People with disabilities or suffering from long term illnesses
 - Older people
11. The consequences of fuel poverty range from psychological stress, worry and social isolation and causing or exacerbating serious illnesses such as respiratory and circulatory conditions. Those in fuel poverty often have to face a choice between spending what they need to heat their home adequately and either falling into debt or rationing their energy use and living in cold damp homes that are prejudicial to their health.

12. According to the charity and lobbying organisation National Energy Action:-

“even at a conservative estimate in England and Wales 27,000 people are dying each year because they can’t afford a warm home – far exceeding those killed on our roads”.

13. There are many health impacts from living in cold homes leading to an estimated £1.3 billion per year cost to the Health Service of treating the symptoms of fuel poverty. Cold homes increase the risks of strokes, heart attacks and worsen circulatory diseases. Cold conditions also lower resistance to circulatory and respiratory infections, worsen asthma and Chronic Obstructive Pulmonary Disease (COPD). A cold home is also acknowledged as a contributory factor to depression, other mental health issues and social isolation. These effects are manifested in excess winter deaths and seasonal health.

14. The table below illustrates the incidence of excess winter deaths across the Tees Valley with the regional and national comparators.

	Excess winter deaths	EWM index	Excess winter deaths	EWM index	Excess winter deaths	EWM index
	2010/11		2011/12		2012/13	
England	24,120	16.7	22,960	15.8	31,100	19.6
North East	1,370	17.0	860	10.4	1,700	20.7
Hartlepool	70	25.0	30	9.6	figures not available yet	figures not available yet
Middlesbrough	80	19.1	20	4.4	figures not available yet	figures not available yet
Redcar and Cleveland	30	6.1	50	12.4	figures not available yet	figures not available yet
Stockton-on-Tees	80	15.7	40	7.4	figures not available yet	figures not available yet
Darlington	60	20.5	30	7.6	figures not available yet	figures not available yet

Office of National Statistics - Excess Winter Mortality in England and Wales, 2012/13 (Provisional) and 2011/12 (Final) | 26 November 2013

- Infants living in fuel poor households have a 30% greater risk of admission to hospital or primary care facilities.¹
- More than 1 in 4 adolescents living in cold housing are at risk of multiple mental health problems²
- Children living in cold housing are more often at twice as likely to suffer from breathing problems including asthma and bronchitis. Children living in damp and mouldy homes are almost three times as likely to suffer from coughing, wheezing and respiratory illnesses.³
- Fuel poverty impacts on educational attainment either through increased school absences through illness or children being unable to find a quiet warm place to study at home.⁴

The Energy Efficiency of Homes & Fuel Costs

15. Increasing energy costs and the energy efficiency of an individual property are key influences on fuel poverty. The table below illustrates the increase in the average cost of heating a typical three bedroom semi 2003-12.

	2003	2012	Difference 2003 – 20012
Gas	£330	£800	£470 (142%)
Electricity	£242	£541	£299 (124%)
Combined	£572	£1,366	£764 (134%)

16. It is estimated that in energy inefficient homes £1:00 in every £3:00 currently being spent on heating is being wasted. The energy efficiency of any property is of course a product of it's construction with older and non-traditional methods such as solid walls being harder to heat and harder to treat. In Stockton Borough there are 9,400 solid wall homes across all tenures.
17. The energy efficiency of a property is measured using the Standard Assessment Procedure (SAP) and rated from 1 to 100 where 100 is the most energy efficient. The average SAP rating for properties in Stockton Borough is 62.21, above the regional and national averages respectively. There are however 2,000 properties with a SAP rating of 40 or below and therefore particularly vulnerable to fuel poverty prevalent amongst the most deprived LSOA's and in the private rented sector.
18. Improving the energy efficiency of a property can make it a more comfortable, warmer and healthier place to live and improving the energy efficiency of the housing stock across tenures in Stockton Borough is a founding ambition of the fuel poverty partnership and it's Affordable Warmth Strategy.

Stockton's Fuel Poverty Partnership

19. The contribution of our partners to date has been extremely generous and the collective knowledge and expertise is going to be invaluable in taking the Affordable Warmth Strategy forward. The Partnership has recruited the right representatives to reflect the breadth of the issues to be tackled and partners are taking an active role in presenting items to the partnership and helping set the agenda in a proactive way.
20. The Fuel Poverty Partnership is committed to :-

Target efforts and resources

- Ensure the most vulnerable residents and the most energy inefficient properties are prioritised and targeted

Raise & maintain the profile of fuel poverty & affordable warmth

- Ensure affordable warmth and the trap of fuel poverty is recognised at the highest levels within the Council and partner organisations and remains a high priority
- Monitor the progress of the action plan and its interventions

Support Residents

- Strive to support householders to gain the lowest possible tariffs, and to reduce social inequalities in energy costs
- Support householders to maximise their income to help pay energy bills
- Help householders reduce their energy consumption, by improved energy efficiency in their homes, and by better energy usage
- Provide interventions to support residents in crisis due to cold homes

Improve the Housing Stock

21. The Affordable Warmth Strategy and its Action Plan are intended to be entirely complimentary to Stockton's Joint Health & Wellbeing Strategy (2012-18) and the Seasonal Health & Well Being Strategy (2013-16). The added value of the Affordable Warmth Strategy and Action Plan are the partnership efforts to tackle the wider socio-economic effects of fuel poverty.
22. In refining the Affordable Warmth Strategy the Fuel Poverty Partnership had the wealth of information from the Scrutiny Review to draw upon to identify target groups, neighbourhoods and to begin to focus on appropriate interventions to respond to the variety of challenges ahead.
23. Demonstrable change is to be measured within the Affordable Warmth Strategy by monitoring the number of households where partnership activity has helped to:-
 - Improve the energy efficiency of homes. The 2014/15 target is for 1396 properties to benefit from energy efficiency measures including external wall cladding, cavity wall insulation, loft insulation and draught proofing.
 - Increase the SAP rating of properties from an April 2014 average baseline for the Borough of 62 via energy efficiency investment from partners.
24. Specific interventions targeted at supporting residents are typically subject to contracts and their individual performance is monitored. For instance the number of households saving money by participating in the Big Community Switch and achieving a lower tariff rate for fuel will be reported to the Fuel Poverty Partnership in order to gather a full impression of progress without double counting or appropriating these achievements.

Key Interventions, Ambitions & Challenges

25. The twelve month period from September 13 to September 14, the first year of the Fuel Poverty Partnership's operation has seen unprecedented changes in Government policy direction and levels of funding available to address fuel poverty issues.
26. In December 2013, the Council and its partner GoWarm had the ambition and the resources to tackle 5000 solid wall and hard to treat cavity wall properties. These plans were seriously limited by the significant reduction in funding available via the various strands of the Energy Company Obligation (ECO).
27. ECO is a fund of money created by a levy on the largest 6 energy producing companies. In December 2013 the Government announced a need to reduce customer fuel bills by "rolling back on green taxes" and subsequently the nature of and resources for ECO were comprehensively reduced from April 2014 to such a level that brought the viability of a programme of housing improvements in Stockton to a standstill.
28. The Fuel Poverty Partnership acknowledges the commitment of Stockton Council and the Health & Well Being Board by allocating budgets to overcome this impasse and kick start a meaningful programme of housing improvements in the priority fuel-poor LSOA areas within Parkfield, Oxbridge, Newtown and Victoria & Mandale wards. An allocation of £250,000 of Public Health funding combined with £720,000 of Council capital to supplement ECO has ensured that 863 priority properties will continue to benefit from the necessary measures to make these properties significantly more fuel efficient, improve their SAP rating and make them more comfortable homes. This concerted effort to support a programme of ECO works in Stockton is a testament to the commitment to tackle fuel poverty and maintain this agenda at the forefront of decision making and budgeting.
29. During September the Fuel Poverty Partnership took the opportunity to respond to the Government Consultation on developing a New Fuel Poverty Strategy for England. A task and finish group was recruited from the broader Fuel Poverty Partnership and during a structured session composed a comprehensive and experience based reply to the 14 specific consultation questions. The unique quality of the Stockton's response was its very practical suggestions based on local experience and evidence. The practicalities of the Stockton response compliments the more strategic opinion offered by the national charities and lobbying groups that will have responded to DECC.
30. Preparing the consultation response highlighted a variety of challenges to come if the Government's Fuel Poverty Strategy for England is implemented, none more so that how we respond to the proposed mandatory target:-

"to ensure that as many fuel poor homes as is practicable achieve a minimum energy efficiency standard of band C by 2030"

It is proposed that this statutory target should be supported by the following milestones:-

"as many fuel poor homes as it is reasonably practicable achieve band E by 2020"

“as many fuel poor homes as it is reasonably practicable achieve band D by 2025”

31. If the statutory target is introduced the initial task will be to determine how many of Stockton's 8010 fuel poor homes (as defined by DECC) fall into these various energy efficiency categorisations; this will be a complicated task in its own right. There is no commitment in the consultation document as to the funding that may be available to treat these properties to the required standard.
32. An alternative suggestion as proposed by the Centre for Sustainable Energy is that the target should be all “low income” households rather than “fuel poor” homes which is of course desirable but costly.
33. There are 39,244 properties across Stockton (46%) of the total housing stock which would need energy efficiency investment to be brought up to the Category C standard. This example is cited to illustrate the scale of the issues that the Fuel Poverty Partnership will be considering in the forthcoming months.
34. The Registered Social Landlords that are participating in the Fuel Poverty Partnership have shared great deal of information concerning the condition of their housing stock, the energy efficiency of their stock and their ambitions for ongoing and developing work to tackle fuel poverty. For example all the RSL's partners are actively training front line staff who visit tenants at home to be acutely aware of the signs of fuel poverty in households, how to raise these issues sensitively and how to invoke a package of support to assist the tenant to save energy in their home and/or achieve the best value for money in terms of options around switching tariffs.
35. A huge amount of work is being undertaken by a north east consortium of RSL's to offer their tenants particularly those on pre-payment metres the opportunity to purchase their fuel at a significantly more competitive rate from their respective landlords. The Fuel Poverty Partnership is entirely supportive of the RSL's stated ambition to explore all the opportunities about becoming direct suppliers of low cost energy via the formation of an Energy Services Company (ESCo).
36. Other ambitions for our partner RSL's include the feasibility of providing renewable heating in electrically heated properties (typically high rise flats not on gas). A stated ambition of the Thirteen Groups is that any stock with a SAP rating below 60 will be treated by 2017. Work is underway with Northern Gas Networks on the feasibility of communal heating projects and an ambitious partnership scheme to provide photovoltaic panels to whole streets of properties to provide free daytime electricity for tenants.
37. The Fuel Poverty Partnership will ensure that all the opportunities flowing from the Government's Community Energy Strategy (January 2014) are fully understood by partners and aims to encourage innovative local initiatives. The members of the Fuel Poverty Partnership are looking forward to DECC announcing the full details of the much anticipated Urban Community Energy Fund. The expectation is that this fund will be available for feasibility work, planning applications and other up front capital costs which could help realise the ambitions of the RSL partners as outlined above.
38. The Fuel Poverty Partnership acknowledges the financial and operational support of the Health and Well Being Board in the Warm Homes Healthy People Initiative. The award winning Warm Homes Healthy People continues to strengthen the links between tackling fuel poverty and improving public health. This initiative is a

foundation of the Affordable Warmth Strategy and continues to evolve to provide the most comprehensive offer for our residents. Work is underway to ensure that the good practice and working practices created by WHHP are mainstreamed into Public Health provision. The investment in Warm Homes Healthy People 2014/15 is £100,000 from Public Health; £72,000 underspend from 2013/14 from Public Health; £70,000 of Non-Recurrent funding from Public Health for project enhancement.

39. Warm Homes Healthy People was the subject of a comprehensive evaluation during the summer of 2014 which highlighted that between February 2012 and March 2014 the initiative helped 3,500 households and delivered up to 4,500 separate interventions including:-

- 1800 people have received a winter warmth assessment and a slips trips and fall assessment in their home
- Over 970 people have received welfare benefits advice and £370,762 has been claimed in by individuals who are entitled to claim as a result of these checks identifying unclaimed benefit.
- 260 people have received a boiler service or emergency heating repairs
- 79 people have been put in touch with the befriending service.

40. The Big Community Switch - last year over 2500 Stockton residents registered with The Big Community Switch to find out about saving money on their fuel bills. Subsequently 230 households switched supplier and are enjoying average annual savings of £165.00 on a typical dual fuel direct debit tariff. There have been some significant savings for people on different tariffs or people who have not previously switched, for example: one gentleman on an electricity only tariff who had n't previously switched has made an estimated saving of £524.00 per year.

41. This report aims to provide an overview of Stockton's Fuel Poverty Partnership which held it's inaugural meeting in September 2013. The report is an attempt to provide a background to the scale and implications of Fuel Poverty in our Borough, the work already underway and ambitions for further interventions. The report provides the background to a presentation planned for the Health and Well Being Board and a discussion around closer working to address fuel poverty. The members of the Fuel Poverty Partnership would like to pursue any opportunities for social prescribing to tackle this cross cutting agenda such as insulation on prescription, strengthening referral pathways between GPs and existing provision e.g. Warm Homes Healthy People; maximising take up of the Warm Homes Discount.

End Notes:

1 Frank, D. et al (2006). Heat or Eat: The low-income energy assistance programme and nutritional health risks amongst children less than 3 years of age. Paediatrics 118, 1293-1302

2 Marmot Review Team (2011), The Health Impacts of Cold Homes and Fuel Poverty. Friends of the Earth and the Marmot Review team

3 Ibid

4 Barnes et al (2008) The Dynamics of Bad Housing . NatCen and Shelter, London

LSOA Code	Ward Name	Estimated number of households	Estimated number of Fuel Poor Households	Proportion of households fuel poor (%)
E01012196	Billingham Central	662	89	13.4
E01012197	Billingham Central	795	102	12.8
E01012275	Billingham Central	612	71	11.6
E01012276	Billingham Central	826	75	9.1
E01012277	Billingham Central	691	76	11.0
E01012214	Billingham East	629	71	11.3
E01012215	Billingham East	489	70	14.3
E01012216	Billingham East	510	54	10.6
E01012245	Billingham East	714	73	10.2
E01012242	Billingham North	616	42	6.8
E01012243	Billingham North	653	42	6.4
E01012244	Billingham North	606	37	6.1
E01012246	Billingham North	564	22	3.9
E01012296	Billingham North	586	40	6.8
E01012297	Billingham North	958	55	5.7
E01012198	Billingham South	599	96	16.0
E01012278	Billingham South	491	69	14.1
E01012279	Billingham South	627	75	12.0
E01012280	Billingham South	636	82	12.9
E01012281	Billingham South	632	82	13.0
E01012255	Billingham West	636	45	7.1
E01012256	Billingham West	618	48	7.8
E01012257	Billingham West	620	55	8.9
E01033480	Billingham West	617	43	7.0
E01012187	Bishopsgarth and Elm Tree	527	42	8.0
E01012204	Bishopsgarth and Elm Tree	613	24	3.9
E01012206	Bishopsgarth and Elm Tree	700	50	7.1
E01032544	Bishopsgarth and Elm Tree	733	57	7.8
E01012199	Eaglescliffe	602	59	9.8
E01012200	Eaglescliffe	874	71	8.1
E01012201	Eaglescliffe	723	48	6.6
E01012202	Eaglescliffe	611	62	10.1
E01012203	Eaglescliffe	675	45	6.7
E01012270	Eaglescliffe	577	70	12.1
E01012188	Fairfield	480	28	5.8
E01012189	Fairfield	620	42	6.8
E01012190	Fairfield	621	38	6.1
E01012191	Fairfield	699	60	8.6
E01012205	Fairfield	620	42	6.8
E01012207	Grangefield	767	70	9.1

E01012208	Grangefield	628	69	11.0
E01012209	Grangefield	663	70	10.6
E01012219	Grangefield	679	94	13.8
E01012248	Hardwick	636	62	9.7
E01012250	Hardwick	624	83	13.3
E01032542	Hardwick	437	61	14.0
E01032543	Hardwick	860	105	12.2
E01012223	Hartburn	617	70	11.3
E01012224	Hartburn	757	63	8.3
E01012225	Hartburn	635	51	8.0
E01012226	Hartburn	588	43	7.3
E01012228	Ingleby Barwick East	520	20	3.8
E01012230	Ingleby Barwick East	588	24	4.1
E01012236	Ingleby Barwick East	528	20	3.8
E01012237	Ingleby Barwick East	486	22	4.5
E01033474	Ingleby Barwick East	604	18	3.0
E01033479	Ingleby Barwick East	605	24	4.0
E01012227	Ingleby Barwick West	577	18	3.1
E01012231	Ingleby Barwick West	672	27	4.0
E01012232	Ingleby Barwick West	535	18	3.4
E01012233	Ingleby Barwick West	555	39	7.0
E01012234	Ingleby Barwick West	567	20	3.5
E01033475	Ingleby Barwick West	562	22	3.9
E01033478	Ingleby Barwick West	569	20	3.5
E01012238	Mandale and Victoria	629	105	16.7
E01012239	Mandale and Victoria	771	103	13.4
E01012240	Mandale and Victoria	753	71	9.4
E01012286	Mandale and Victoria	650	129	19.8
E01012287	Mandale and Victoria	930	86	9.2
E01012288	Mandale and Victoria	610	109	17.9
E01012289	Mandale and Victoria	501	80	16.0
E01012251	Newtown	635	105	16.5
E01012252	Newtown	623	151	24.2
E01012253	Newtown	473	64	13.5
E01012254	Newtown	633	110	17.4
E01012271	Newtown	565	81	14.3
E01033476	Northern Parishes	584	25	4.3
E01012192	Norton North	733	73	10.0
E01012193	Norton North	594	96	16.2
E01012195	Norton North	672	108	16.1
E01012260	Norton North	802	85	10.6
E01012194	Norton South	635	83	13.1
E01012258	Norton South	516	63	12.2
E01012259	Norton South	761	95	12.5
E01012261	Norton South	690	66	9.6
E01012268	Norton South	740	104	14.1

E01012210	Norton West	627	55	8.8
E01012211	Norton West	738	74	10.0
E01012212	Norton West	671	28	4.2
E01012213	Norton West	720	48	6.7
E01012217	Parkfield and Oxbridge	737	108	14.7
E01012218	Parkfield and Oxbridge	603	83	13.8
E01012264	Parkfield and Oxbridge	1,017	126	12.4
E01033477	Parkfield and Oxbridge	1111	348	31.3
E01012247	Roseworth	499	65	13.0
E01012249	Roseworth	626	82	13.1
E01012272	Roseworth	483	38	7.9
E01012273	Roseworth	630	94	14.9
E01012274	Roseworth	490	70	14.3
E01012241	Stainsby Hill	599	45	7.5
E01012282	Stainsby Hill	528	57	10.8
E01012283	Stainsby Hill	538	59	11.0
E01012284	Stainsby Hill	637	60	9.4
E01012262	Stockton Town Centre	794	143	18.0
E01012266	Stockton Town Centre	1,129	173	15.3
E01012267	Stockton Town Centre	840	109	13.0
E01012285	Village	607	45	7.4
E01012290	Village	815	67	8.2
E01012291	Village	685	91	13.3
E01012292	Village	1,037	106	10.2
E01012269	Western Parishes	658	69	10.5
E01012294	Western Parishes	470	40	8.5
E01012295	Western Parishes	485	48	9.9
E01012235	Yarm	452	40	8.8
E01012298	Yarm	534	29	5.4
E01012299	Yarm	725	70	9.7
E01012300	Yarm	733	66	9.0
E01012301	Yarm	554	35	6.3
E01012302	Yarm	477	29	6.1
E01012303	Yarm	595	33	5.5

Department of Energy and Climate Change, Fuel Poverty Statistics 2012