



Stockton-On-Tees Affordable Warmth Strategy

Fuel Poverty Partnership
September 2015



Stockton-on-Tees
BOROUGH COUNCIL

Health and Wellbeing

Big plans for the health of our people

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Foreword



Councillor Nigel Cooke
Chair, Fuel Poverty Partnership
Stockton-on-Tees Borough Council



Councillor Mike Smith
Cabinet Member for Environment
Stockton-on-Tees Borough Council

Fuel poverty is a persistent and growing problem that affects many of our residents. The inability to keep warm in one's home is more than just a comfort issue – it has real impacts on peoples' health and well-being and on community spirit. Additionally, trying to adequately heat an energy-inefficient home results in considerable unnecessary emissions and can drain a family of money, often leading to fuel poverty and causing many to have to constantly make the choice of 'heat or eat'.

Affordable warmth and fuel poverty is an issue that is at the top of our agenda in Stockton-on-Tees. Since 2001 the Council and its dedicated partners have delivered thousands of household improvement measures to support people of all ages and reduce the burden of rising energy costs and cold and inefficient homes. We formed a multi-agency Fuel Poverty Partnership in 2013 to take collaborative action and share good practise, and agree an Affordable Warmth Strategy. We have seen success in reducing fuel poverty levels but with 8911 households still facing this challenge, we have much to do.

The strategy presented here is our refreshed plan after 12 months of successful delivery and prioritises key issues where the Partnership can make a continued impact. It is a working document with a flexible approach, one that is able to respond to changes in local and national circumstances.

It is our ambition that no-one in the Borough need suffer the blight of fuel poverty and be unable to keep warm in their homes. It will be a difficult battle to fully eradicate this problem, however a great deal has already been achieved within Stockton-on-Tees and we are confident that this strategy and action plan will make significant further inroads on this agenda, and help make a warm home achievable for all of our residents.

2. Fuel poverty and affordable warmth

2.1 What is fuel poverty?

Fuel poverty affects the most vulnerable residents in our communities and can have significant adverse impacts on their well-being. Increasing fuel price rises are combining with real term decreased incomes to increase fuel poverty levels in the UK, with 2.35 million households nationally living in fuel poverty in 2013 compared to 1 million households in 2004. As fuel bills continue to rise we recognise that an increasing number of Stockton Borough residents may be at risk of falling into fuel poverty unless the causes are addressed.

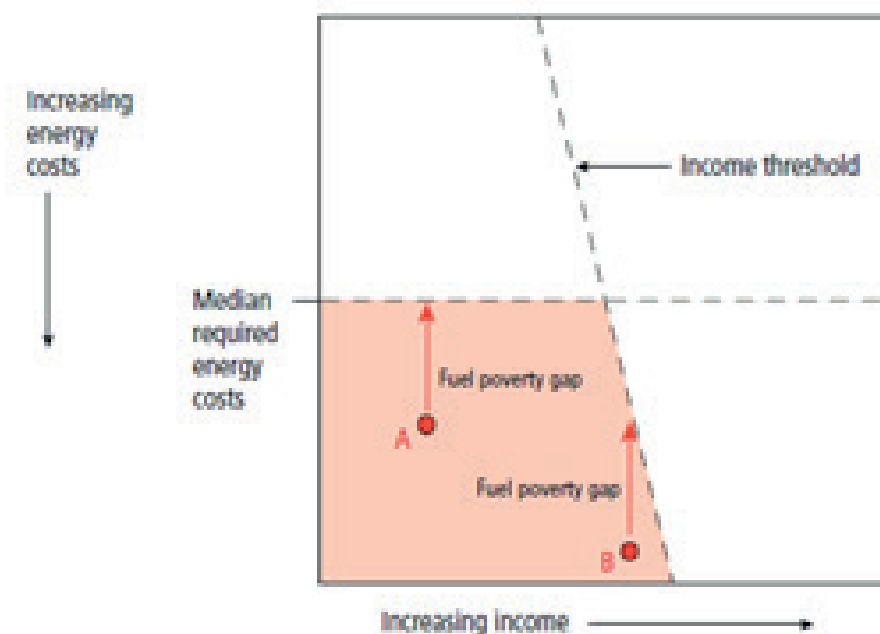
People are generally considered to be in fuel poverty when they need to spend more than 10% of their household income on heating their home to an adequate standard of warmth to promote well-being and good health.

Adequate heating is described as 21°C in main living areas and 18°C in other areas for healthy adult households. Changes to the way fuel poverty is assessed came into being in 2013 with the publication of the Department for Energy and Climate Change's 'Fuel Poverty: A framework for Action', with the introduction of the following fuel poverty measure:

Under the Low Income High Cost (LIHC) definition a household is considered to be fuel poor where:

- They have required fuel costs that are above average (the national median level)
- Were they to spend that amount, they would be left with a residual income below the official poverty line

Fuel Poverty: a Framework for Future Action DECC July 2013



2.2 What causes fuel poverty?

There are a number of contributing factors in the causes of fuel poverty, which can include the following:

Low Household Income

Those on low incomes, or who suffer unexpected reductions in income, often choose to prioritise spend on other essentials above purchasing fuel, such as food, and essentially do not have enough money to keep warm

Homes with poor energy efficiency

The energy efficiency of a property is measured by the Standard Assessment Procedure (SAP) rating on a scale of 1 to 100 e.g. the higher the number the more efficient the house. Many households suffering from fuel poverty are likely to be living in properties with low SAP ratings

Under Occupancy

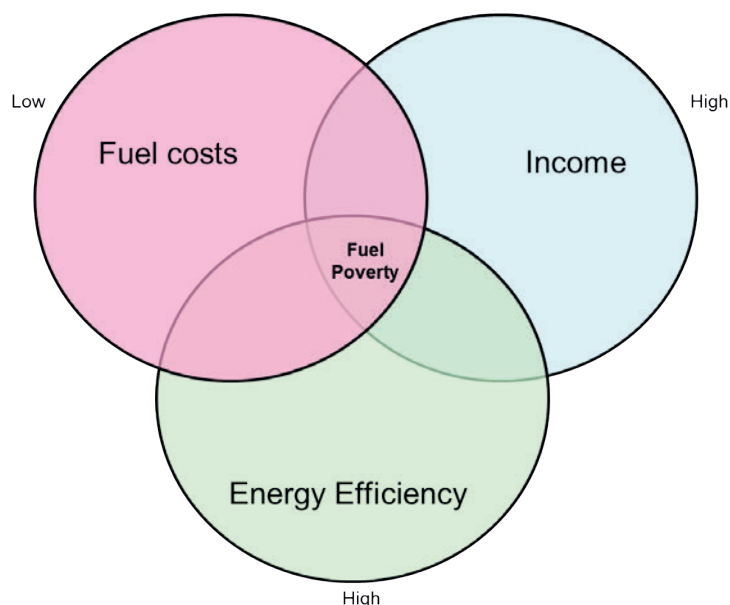
When the home is unnecessarily large for the number of occupants it can be difficult for the household to afford to heat the home, this can often occur with older residents who unexpectedly find themselves alone

The price of fuel

Domestic energy prices have been rising at above inflation rates over the past few years. Figures published by DECC in June 2015 show that in 2014 the average electricity bill across all payment types rose by £15 compared with 2013, to £592. The average standard credit bill increased by £17 compared to 2013, and direct debit and prepayment bills increased by £13 and £18 respectively. Figures below show the rising cost of energy over the last few years

Fuel poverty is therefore usually a result of any of these interacting factors and can be illustrated in the diagram below.

Fuel Poverty - Factors



The energy efficiency of properties is mostly influenced by the type of construction, with older and non-traditional methods such as solid walls harder to heat, and harder to treat. In the Borough there are 9,204 solid wall homes (private and rented combined). The average SAP rating for the Borough is 61.76, which is above the national and regional average. However there are 1,967 properties below a SAP rating of 40 and are therefore particularly vulnerable to fuel poverty.

Stockton-on-Tees Borough Council can do little to influence fuel prices or incomes, so our efforts are perhaps better focused on supporting people to improve the energy efficiency of their homes and/or to find cheaper energy tariffs. Given that it is estimated that poor insulation results in £1 in every £3 currently spent heating UK homes being 'wasted', increasing fuel efficiency is a better-targeted public policy measure to tackle fuel poverty than blanket intervention on prices or incomes.

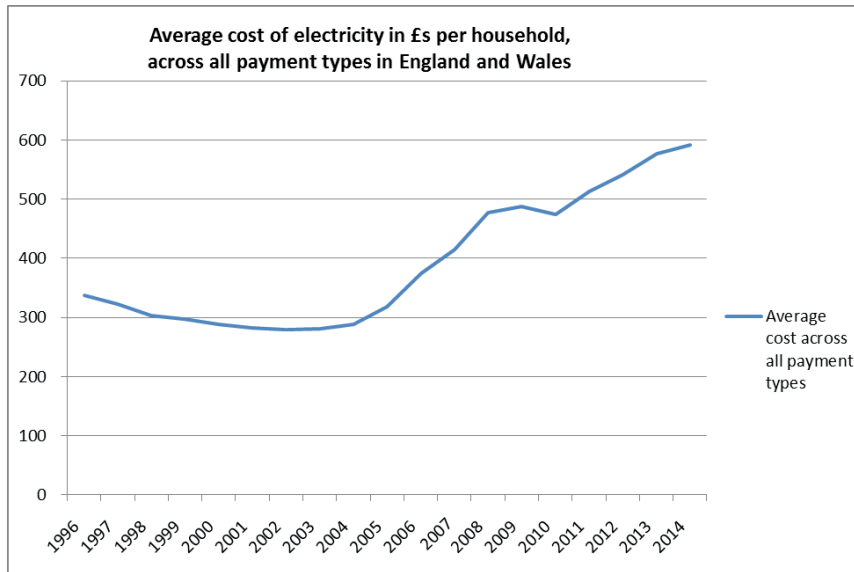
2.3 Energy prices

Standard Electricity

Standard Electricity figures for 2014 show that average standard credit bills for electricity in England & Wales have increased steadily since 2002 from £280 for an average household across all payment types to £592 in 2014, an increase of 111% in 13 years, as Figure 1 shows.

Pre-payment customers continue to pay more than other payment types, with the average increases also higher for pre-payment customers. Direct debit customers in 2014 paid an average of £49 less than all other types.

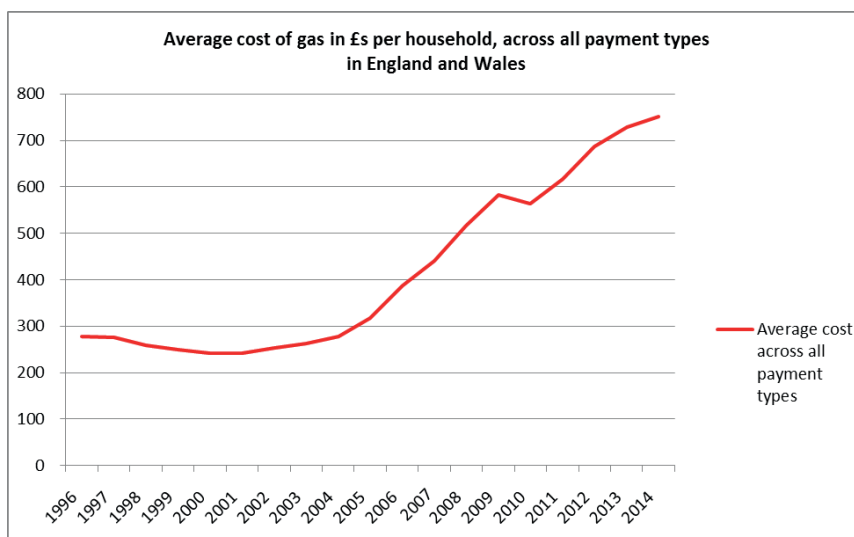
Figure 1



Gas

Standard gas figures for 2014 show that average standard credit bills for gas in England & Wales have increased steadily in line with electricity since 2001 but more significantly, from £242 for an average household across all payment types to £752 in 2014, an increase of 211% in 14 years, as Figure 2 shows.

Figure 2



The impact upon households cannot be underestimated, as the figures demonstrate that on average a household was paying a dual fuel bill in 2001 of £524 per year which has now risen to £1344 per year in 2014, an increase of £820 per year (£68 per month more) or 156%.

2.4 Who is at risk?

It is often the vulnerable members of our communities that are most at risk of fuel poverty such as:

- Older people
- Young families
- Single people on income support
- People with long term illnesses or disabilities
- People in hard-to-heat homes

Fuel poverty effects can impact on a wide range of areas:

Increased ill health

Cold homes increase the risks of strokes, heart attacks and worsen circulatory diseases. Cold conditions also lower resistance to respiratory infections, worsen asthma and Chronic Obstructive Pulmonary Disease (COPD), and also contribute to depression, mental health issues and social isolation. These are manifested as excess winter deaths (EWD) and seasonal ill-health.

Education

Fuel poverty can impact on educational attainment due to having no suitable room for home-based private study and inadequate funds to purchase books, stationery or other educational needs.

Social Exclusion

Where high concentrations of households in fuel poverty exist in an area it can also lead to adverse impacts on the wider community. This can result in a lack of investment in maintaining housing with subsequent environmental deterioration and damage to the local economy, as less money is available to spend in local shops and businesses.

Deterioration of the Housing Stock

Energy inefficient properties are more likely to suffer from damp and structural problems.

A number of the above will occur in accommodation within the privately rented sector. Fuel poverty can have a significant effect on the health and well-being of affected people. Fuel poverty is widely, but not exclusively, linked to areas of deprivation. Where residents are able to pay to heat their homes adequately, poor insulation leads to very high fuel bills and carbon emissions.



3. Fuel poverty in Stockton

3.1 National and regional picture

Fuel Poverty rates are published annually by local authority and Lower Super Output Area (LSOA) level by the Department of Energy and Climate Change. In May 2015, DECC published the 2013 data for fuel poverty under the low income high cost definition by Local Authority area. Nationally, in 2013, the number of households in fuel poverty in England was estimated at 2.35 million, representing approximately 10.4 per cent of all English households. This is broadly unchanged from 2.36 million households in 2012 (a change of around 0.5 per cent). In the North East region there are currently 11.8% of all households in fuel poverty, which totals 135,000 households.

3.2 Stockton-on-Tees levels

The most recent published data showed that fuel poverty had increased in Stockton-on-Tees from 10.3% of (or 8,010) households in 2012 to 11.1% of (or 8911) households in 2013, an increase of 901 households.

This trend of slightly increasing rates was exhibited at a Tees Valley level:

Darlington	12.5%	(up 0.7%)
Hartlepool	12.2%	(up 0.6%)
Middlesbrough	15.4%	(up 0.3%)
Redcar	12.1%	(up 0.7%)
Stockton	11.1%	(up 0.8%)

Although, as section 4.2 describes, there has been some significant investment in measures to alleviate fuel poverty in Stockton, during 2012/13 energy price rises such as those described in section 2.3 will have no doubt increased pressure on household budgets. The winter of 2012 saw all of the 'big six' energy suppliers increase gas and electricity prices by between 6% and 11%. In 2013 four of the big six increased prices between 8.5% and 11.1%, all of which were implemented before the end of the year.



3.3 Ward and LSOA level fuel poverty

What is important to remember however when tackling fuel poverty, is that the Borough average hides a wide variation in incidences of fuel poverty at a more local level. For example at a Lower Super Output area level, two localities in Stockton-on-Tees have fuel poverty levels of 4.3% and 29.4% respectively, and therefore more detailed evidence than local authority area wide data must be used to effectively target. Mapping fuel poverty data can help us do that, and as figure 3 demonstrates, it provides good evidence for targeting interventions.

The June 2015 DECC data highlights:

- There are 120 Lower Super Output Areas (LSOA) in Stockton Borough; 24 have seen a decrease in fuel poverty estimated levels in 2013, whilst 96 have seen an increase;
- The highest level of fuel poverty at ward level is the Town Centre Ward at 18.13% of households whilst the lowest is the Northern Parishes at 4.3%;
- The levels of fuel poverty at LSOA level range from 4.3% in the Northern Parishes to 29.4% in Parkfield and Oxbridge;
- The greatest increase in an individual LSOA fuel poverty rate from 2012 to 2013 was within an LSOA in the Town Centre Ward at 3.7%;

- The most significant decrease in an individual LSOA rate from 2012 to 2013 was within Hardwick Ward with a fall of 3.1%;
- The average rate of fuel poverty amongst Stockton wards is 12.45%;
- The average rate of fuel poverty amongst Thornaby Wards is 12.43%;
- The average rate of fuel poverty amongst Billingham wards is 10.8%;
- The rate of fuel poverty in the Western Parishes is 9.1%;
- The average rate of fuel poverty in Yarm Ward is 8.5%;
- The average rate of fuel poverty amongst Ingleby Barwick wards is 4.98%;
- The rate of fuel poverty in the Northern Parishes is 4.3%.

It must be remembered that while the term fuel poverty carries with it a strictly defined indicator, which is useful for legislative and comparative purposes, there are many who are just outside of the definition and who must make a daily compromise between being able to heat their homes adequately or feed their families. This broader consideration is termed 'Affordable Warmth'. It is affordable warmth in its broader sense that we aim to tackle in this strategy.

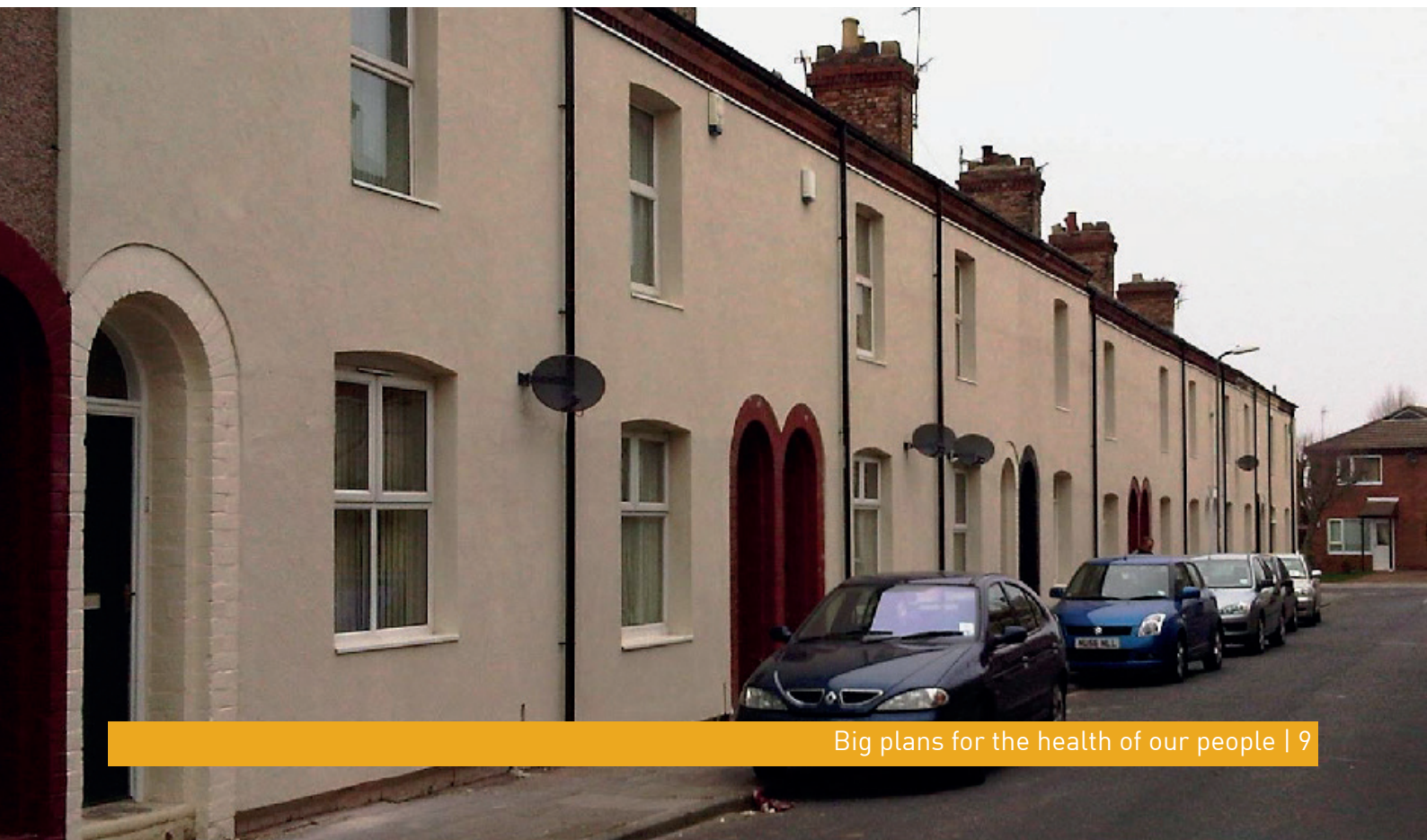
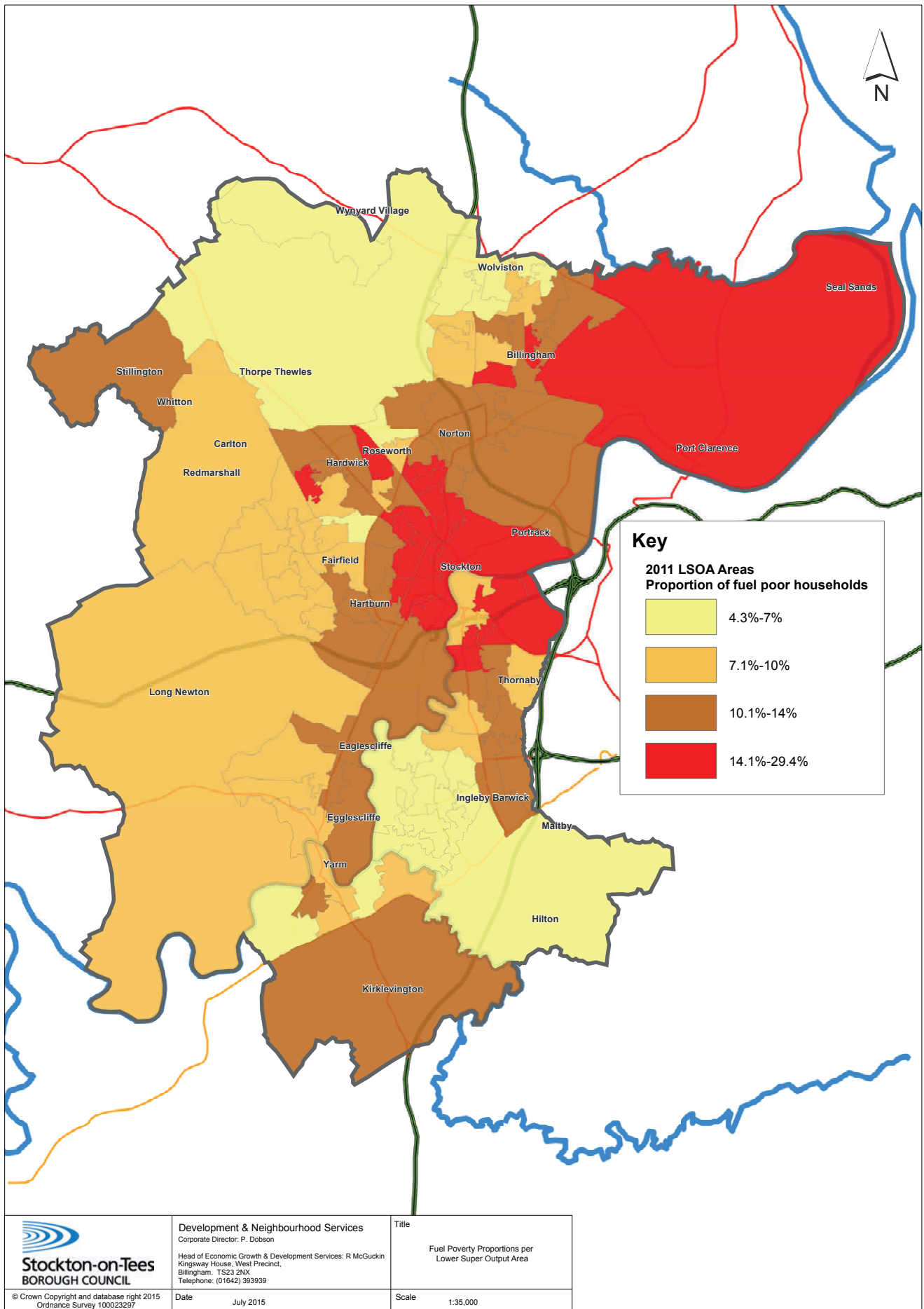


Figure 3 – proportion of fuel poor households in Stockton-on-Tees at June 2015



<p>Stockton-on-Tees BOROUGH COUNCIL</p> <p><small>© Crown Copyright and database right 2015 Ordnance Survey 100023297</small></p>	<p>Development & Neighbourhood Services Corporate Director: P. Dobson</p> <p>Head of Economic Growth & Development Services: R McGuckin Kingsway House, West Precinct, Billingham, TS23 2NX Telephone: (01642) 393939</p>	<p>Title Fuel Poverty Proportions per Lower Super Output Area</p>
	<p>Date July 2015</p>	<p>Scale 1:35,000</p>

4. Delivering action in Stockton-on-Tees

4.1 Contributing to wider health strategy

The Affordable Warmth Strategy recognises the links between the health, economic and environmental impacts of cold homes and fuel poverty and aims to strengthen the concerted effort between partners to tackle the health inequalities associated with fuel poverty. The Affordable Warmth Strategy and its ever evolving Action Plan are intended to be entirely complimentary to Stockton's Joint Health and Well-being Strategy (2012-18) and Seasonal Health and 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.

4.2 Delivering action

The Council and its partners have a history of delivering home energy efficiency and affordable warmth programmes, and both small scale and large scale area based schemes. Recent years have seen over 22,000 households receive energy efficiency measures from innovative programmes such as Warm Zone and 'Warm Homes Healthy People' (WHHP), directly removing 4555 households from fuel poverty. Such has been the success of WHHP that it has now become a mainstream Public Health Intervention.

Some examples of the important delivery that's taken place in the last 12 months to tackle this issue include:

- A £1m External Wall Insulation programme via the Energy Company Obligation scheme (ECO) to 660 properties in 2014/15 taking the total number of properties improved in the last 3 years to 3165;
- During the winter of 2014/15, 855 specific interventions were delivered through the Warm Homes Healthy People (WHHP) programme to support individuals and households to tackle cold homes and promote wellbeing including 111 boiler repairs/replacements to slips, trips and falls prevention;

- The Thirteen Group invested in energy efficiency measures to 1196 homes during 2014/15 comprising of 2358 specific measures from replacement windows, insulation treatments to the installation of photovoltaic panels;
- Stockton District Advice and Information Service provide comprehensive support to residents to address debt, fuel debt specifically and promote income maximisation. The service identified £420,294 in previously unclaimed benefit entitlement for WHHP clients alone during the winter of 2014/15;
- Five Lamps provided advice to residents to help them make informed decisions concerning saving energy and switching energy provider to secure the best value for money tariff. This valuable service supported some vulnerable clients in receiving intensive support to save on utilities;
- TADEA provided fuel poverty advice and support to 163 households in 2014/15;
- Cleveland Fire Service provides a 24/7 response to crisis situations across the Borough for example by delivering portable heaters, food warmers etc. to households experiencing a boiler breakdown. 35 households benefited from this provision last winter;
- Public Health – Recognising the impact cold homes on health and wellbeing have committed to promote affordable warmth in the Joint Strategic Needs Assessment and by funding the Warm Homes Healthy People package of measures since 2011. The expectation is that WHHP will remain a key intervention and continue to receive specific funding during 2015/16;
- SBC Housing are a key partner in the Warm Homes Healthy People initiative and promote energy efficiency measures and considerations whenever helping to return empty homes to use or tackling excess cold hazards through the direct involvement of the Private Sector Housing Team.

The action plan for 2015/16 can be found on page 14.

References - 1. DECC 'annual estimates of gas and electricity bills and statistics on household expenditure on fuel', June 2015



5. Our objectives and indicators

5.1 Objectives

As a Fuel Poverty Partnership our objectives are:

1. Target our efforts and resources

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

2. Raise and maintain the profile of fuel poverty and affordable warmth

- 2.1 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
- 2.2. Monitor the progress of the action plan and its interventions

3. Support residents

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

4. Improve the Housing Stock

- 4.1 Continual improvement in the standard, warmth and energy efficiency of all housing

5.2 Indicators

No.	Indicator	Target
1	Percentage of households in fuel poverty (as defined by the national Low Income High Cost indicator)	Year on year reduction
2	Number of households in fuel poverty receiving home improvements	1000 in 2015/16
3	Increase in average SAP rating of domestic housing stock	65 by 2017

6. Action Plan

1. Target our efforts and resources	Projects and actions	Responsibility	Monitoring Progress	2015/16	2016/17	2017/18
1.1 Ensure the most vulnerable residents and the most energy inefficient properties are prioritised and targeted	Maintain the UNO database with updates from partners incl. GoWarm , RP's and SBC Housing. To include advice on investment in measures to improve the energy efficiency of the housing stock.	SBC EGDS, GoWarm, SBC Housing Services and Registered Providers	Quarterly updates in April, July, October and January	•	•	•
	Identify and prioritise fuel poor households, wards and LSOAs using demographic information and public health indicators on the prevalence of key diseases and long term conditions	SBC EGDS and Public Health	Latest data available in June of each year to assist in targeting interventions	•	•	•
	Annual update of the targeting information made available to partners to help inform priorities and keep targeting relevant and focussed	SBC EGDS	Latest data available in June of each year to assist in targeting interventions	•	•	•

2. Raise and maintain the profile of fuel poverty and affordable warmth	Projects and actions	Responsibility	Monitoring Progress	2015/16	2016/17	2017/18
2.1 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	Produce and present refreshed Affordable Warmth Strategy to Cabinet and Health and Well-being Board	SBC and all Fuel Poverty Partnership members	July each year	•	•	•
	Maintain multiagency Fuel Poverty Partnership within structure of Local Strategic Partnership	SBC EGDS	Meet quarterly	•	•	•
	Report performance on Fuel Poverty levels and SAP rating improvements via bi-ennial HECA progress report	SBC EGDS	Bi-ennial HECA report to DECC by 31 July	•	•	•
	Ensure that fuel poverty issues are reflected in all relevant sections within the Joint Strategic Needs Assessment	SBC and Public Health	Refreshed JSNA with high profile fuel poverty information	•	•	•
	Confirm role for Health and Well-being Board in support of Affordable Warmth Strategy & Action Plan	The Fuel Poverty Partnership and Cabinet	Regular updates to the H&WB, joint working where possible	•	•	•
	Annual review of the Affordable Warmth Action Plan achievements highlighting changes in fuel poverty levels, ongoing priorities and actions	SBC EGDS	Annual Review conducted in June each year	•	•	•
2.2 Monitor the progress of the action plan and its interventions	The Partnership will meet quarterly to discuss priorities, progress and forward plan	All fuel poverty partners	The fuel poverty partnership meets every quarter	•	•	•
	Maintain accurate data to monitor performance against three fuel poverty indicators	SBC EGDS	See section 5.2	•	•	•

3 Support Residents	Projects and actions	Responsibility	Monitoring Progress	2015/16	2016/17	2017/18
3.1 Support householders to gain the lowest possible tariffs, and to reduce social inequalities in energy costs	Coordinate and promote uptake of collective switching schemes to reduce residents energy expenditure	SBC EGDS	Deliver annual switching event	•	•	•
	Investigate opportunities for lower cost energy supply to residents such as potential Community Energy solutions	All Fuel Poverty partnership members	Updates at each FPP meeting	•	•	•
	Seek lower-rate tariff options for pre-pay meter householders	All Fuel Poverty partnership members	Updates at each FPP meeting	•	•	•
	Investigate opportunities for localised & sustainable energy supply to households such as district heating and communal PV electricity generation	SBC EGDS	Updates at each FPP meeting	•	•	•
	Direct purchase and supply of lower cost energy via formation of Energy Services Company (ESCo)	Registered providers and SBC EGDS	Investigate feasibility in 2015/16	•	•	•
3.2 Support householders to maximise their income to help pay energy bills	Identify and target support on benefits advice, welfare advice and budgeting advice to residents, using energy efficiency, deprivation and fuel poverty data	SBC EGDS, SDAIS, Welfare Advice, TADEA, WHHP and GoWarm	Quarterly updates to FPP	•	•	•

3.3 Assist householders to reduce their energy consumption through improved energy efficiency and behavioural change	Target residents through events and campaigns using energy efficiency, deprivation and fuel poverty data	All FPP members	Events and campaigns to be held through the year	•	•	•
	Organise energy efficiency / fuel poverty support events in communities	SBC and Catalyst	Events and campaigns to be held through the year	•	•	•
	Deliver frontline training on household energy efficiency and fuel poverty issues	All partners	Training to be delivered	•	•	•
	Provide home energy efficiency and usage advice to achieve behaviour change	All partners	Monitor number of households where advice given	•	•	•
	Support SDAIS in development of advice centre	SBC EGDS and partners	Support as required	•		
3.4 Provide interventions to support residents in crisis due to cold homes	Deliver the Warm Homes Healthy People programme to support residents in crisis	SBC EGDS, Public Health and commissioned partners	Report outcomes and achievements to FPP and H&WB board annually	•	•	•

4. Improve the housing Stock	Projects and actions	Responsibility	Monitoring Progress	2015/16	2016/17	2017/18
4.1 Continual improvement in the standard, warmth and energy efficiency of all housing	Registered Housing Providers and Private Sector Landlords returning long term empty residential properties to include energy efficiency measures when undertaking property improvements	SBC Housing Services Empty Properties Team, RP's and landlords	Number of empty properties returned to use where there has been an element of energy efficiency investment	•	•	•
	Via the Landlord Accreditation Scheme ensure all landlords of properties with EPC "E" or below are aware they are unable to rent it out after 2018 unless improvements are made	Stockton BC Housing Services	Obligation highlighted to all private sector landlords	•	•	•
	Deliver direct measures to reduce the number of excess cold hazards*	Private Sector Housing Team	Reduce the number of excess cold hazards	•	•	•
	Investigate opportunities for Section 106 conditions to contribute to home energy efficiency	SBC EGDS	Report back to FPP	•		
	Secure maximum energy efficiency of new-build properties	SBC and providers	Report back to FPP	•	•	•
	Improve the energy efficiency of social and private housing stock through planned investment	SBC and providers GoWarm/Thirteen Group, Northstar	Report back to FPP	•	•	•

Abbreviations

COPD	Chronic Obstructive Pulmonary Disease
DECC	Department for Energy and Climate Change
ECO	Energy Company Obligation
EGDS	Economic Growth and Development Service
EWD	Excess Winter Deaths
FPP	Fuel Poverty Partnership
HCA	Homes and Communities Agency
H&WB	Health and Well-being Board
HECA	Home Energy Conservation Act
JSNA	Joint Strategic Needs Assessment
LIHC	Low Income High Cost
LSAO	Lower Super Output Area'
RP	Registered Providers
SAP	Standard Assessment Procedure
SBC	Stockton-on-Tees Borough Council
SDAIS	Stockton and District Advice and Information Service
TADEA	Tees and Durham Energy Advice
WHHP	Warm Homes Healthy People

Local partners

There are wide ranging partners supporting the delivery of measures in Stockton on Tees, including:

Broadacres
Catalyst
Cleveland Fire Brigade
Community Energy Solutions
Community Services Volunteers
Five Lamps
GoWarm
Northstar Group
Public Health
Stockton District Advice and Information Service
Stockton on Tees Borough Council
TADEA
Tees Valley Community Foundation
Thirteen Group

Contact

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Environment Policy
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This report can be found at the following link:
www.stockton.gov.uk/affordablewarmth

