

## **ITEM 8 Home Energy Conservation Act (HECA) update report**

Report of the Housing and Environmental Health Portfolio Holder

### **Recommended:**

- 1. That the update report and action plan 2016-2018 as set out in the annex to the report be approved.**
- 2. That the Head of Housing and Environmental Health in consultation with the Housing and Environmental Health Portfolio Holder, be authorised to spend up to £50,000 of the Housing Renewals Capital Budget flexibly to improve the energy efficiency of the least energy efficient homes within the Borough.**

### **SUMMARY:**

- The Council is required to produce an updated HECA report and action plan every two years
- Limited progress has been made in respect of the 2013/15 action plan due to the ending of the *Green Deal* and other priority and financial impacts from recent legislation
- A targeted approach is recommended in the report aimed at the least energy efficient homes within the Borough occupied by people in receipt of low incomes
- The HECA action plan will in due course form an integral part of the new Housing Strategy 2016/19 and may be subject to further revision to ensure it aligns with the new Strategy.

## **1 Introduction**

1.1 This update report builds on the previous 2013-2015 HECA report. The report was delayed so that it could more closely align with a new Housing Strategy for the Borough which is in the course of development and secondly to take account of recent changes in legislation. The legislation took longer to prepare than anticipated and so it was felt sensible to proceed with this update report in advance of the new Housing Strategy, rather than delay it any longer.

1.2 The HECA report will eventually form an integral part of the new Housing Strategy and may be subject to further revisions within the next year.

## **2 Background**

2.1 The Government requires local authorities to update their HECA action plans every two years. The update report and action plan is provided as an annex to this report.

- 2.2 The Government's main focus is to tackle fuel poverty and to improve the energy efficiency of the least efficient homes. It has set two key targets;
- (a) As many homes in England, as is reasonably practical, to achieve an energy performance rating of Band E by 2020; and
  - (b) As many homes in England, as is reasonably practical, to achieve an energy performance rating of Band D by 2035.
- 2.3 In addition, Hampshire County Council has produced their own fuel poverty strategy concentrating on raising awareness, providing information to help prevent excess winter deaths, establishing effective partnerships, providing energy efficiency and financial advice and reducing the impact of fuel poverty on health, well-being and social care.

### **3 Corporate Objectives and Priorities**

- 3.1 The improvement of home energy efficiency supports two of the main themes of the current Corporate Plan *Investing in Test Valley 2015-2019*. It is relevant to both *Live – where the supply of homes reflects local needs* and *Enjoy – the natural and built environment*.
- 3.2 The HECA Report will also form part of the forthcoming new Housing Strategy for the Borough.

### **4 Consultations/Communications**

- 4.1 Discussions have taken place with Members, officers and local housing providers and advice has been sought from the Environment Centre in Southampton. The Department of Energy and Climate Change (DECC) was consulted about the delayed timing of the update report.

### **5 Options**

- 5.1 The Council is legally required to produce a HECA report every two years.
- 5.2 The annexed report refers to the 2013 Action Plan and the progress that has been made. Admittedly, progress has been limited with the ending of the Government's *Green Deal* and a reduction in Aster's projected income following the introduction of rent restrictions under the Welfare Reform and Work Act 2016. This resulted in Aster cancelling their energy efficiency programme involving photo voltaic panel installations.
- 5.3 The Council has continued to be supportive of and willing to promote, the *Hitting the Cold Spots* initiative run by Hampshire County Council but despite this, take-up by residents has been limited.
- 5.4 The Environment Centre in Southampton was commissioned to undertake a mapping exercise which has provided very helpful baseline information concerning the energy efficiency of homes within the Borough identifying potential priorities for action.

- 5.5 An opportunity has arisen this year with the Council receiving additional funding for Disabled Facilities grants through the Better Care Fund: £937,669 compared to £480,000 or thereabouts in previous years. This additional funding presents some possible opportunities to use some of the capital funding to further advance the HECA related work.

## 6 Option Appraisal

- 6.1 The proposed key actions with the HECA report are to:
- (a) Update and improve information and signposting through the website and *TVNews* and targeted campaigns
  - (b) Investigate a pilot targeted area-based approach using the mapping information provided by the Environment Centre
  - (c) Improve promotion of *Hitting the Cold Spots* and dedicate some funding from the Housing Renewals budget for this initiative targeting those who are in fuel poverty, particularly those in private rented accommodation and homes in multiple occupation
  - (d) Promote central heating through the DECC funded scheme in partnership with the Environment Centre for properties with energy performance ratings of E-G, that are of-gas and lacking central heating
  - (e) Participate in the EON funded scheme for the insulation of solid wall properties
  - (f) Target mobile home residents with advice in tandem with the site licensing inspection programme
  - (g) Update the Private Sector Housing Renewal Policy including the provision of grants and loans and taking into account the priority areas that have been identified.
- 6.2 These actions are considered to be realistic given the limited resources available for this work and are targeted at those people on low incomes living in the least energy efficient homes. The approach is also proportionate given the characteristics of the housing stock across Test Valley.
- 6.3 Other options would be:
- (i) To invest more heavily at the expense of other priorities within the Council's capital programme,
  - (ii) Not to invest the resources as proposed on the basis that this is not a high priority. This may then be in conflict with the emerging Housing Strategy to be considered later in the year.
  - (iii) Not to take a targeted approach and use whatever resources are available on a first come first served basis.
- 6.4 In seeking to address the Government's priorities and support the County Council's stance in focusing on health and well-being, it would seem most appropriate to take a targeted approach. In this way it is hoped the following outcomes would be achieved:
- An increased number of referrals and residents assisted through the *Hitting the Cold Spots* programme

- A reduction in the number of homes with an E-G energy efficiency rating
- A targeted approach tackling the least energy efficient homes including mobile homes
- An updated Private Sector Housing Policy with a revised range of grants and loans.

## **7 Risk Management**

- 7.1 An evaluation of the risks associated with the matters in this report indicate that further risk assessment is not needed because the changes/issues covered do not represent significant risks.

## **8 Resource Implications**

- 8.1 The only resource implication of this report is to use some of the Housing Renewals capital budget for HECA related work. All proposals are within existing capital and revenue budgets for 2016/17.

## **9 Legal Implications**

- 9.1 There are no new legal implications emanating from this report.

## **10 Equality Issues**

- 10.1 The proposals within this report are aimed at people on low incomes living in the least energy efficient homes. There are no specific impacts for people with protected characteristics. The report is aimed at reducing inequalities in terms of living standards and health and wellbeing.

## **11 Community Safety**

- 11.1 Environmental Health Issues – improved thermal comfort of homes.
- 11.2 Sustainability and Addressing a Changing Climate – more energy efficient homes.
- 11.3 Property Issues – private sector homes.
- 11.4 Wards/Communities Affected – potentially all are affected.

### **11.5 Conclusion and reasons for recommendation**

- 11.6 The Council is legally required to produce a HECA report and action plan. The report recommends a targeted approach at improving the energy efficiency and thermal comfort of the least energy efficient homes within the Borough and assisting residents on low incomes.

Background Papers (Local Government Act 1972 Section 100D)

Baseline Assessment produced by the Environment Centre  
Fuel Poverty Assessment produced by the Environment Centre  
Test Valley Housing Stock Conditions Survey 2010  
Hampshire County Council Fuel Poverty Strategy

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:	1	File Ref:	HECA
(Portfolio: Housing and Environmental Health) Councillor Sandra Hawke			
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Report to:	Cabinet	Date:	22 June 2016