

## **DURHAM COUNTY COUNCIL**

At a Special Meeting of **Environment and Sustainable Communities Overview and Scrutiny Committee** held in Council Chamber, County Hall, Durham on **Tuesday 1 December 2015 at 9.30 am**

### **Present:**

**Councillor B Graham (Chairman)**

### **Members of the Committee:**

Councillors E Adam, D Bell, J Clare, J Clark, J Gray, D Hall, G Holland, I Jewell, A Liversidge, O Milburn, S Morrison, P Stradling and L Taylor

### **Co-opted Members:**

Mr T Bolton

### **Also Present:**

Councillors R Crute, M Davinson, B Kellett, J Rowlandson and M Nicholls

### **1 Apologies**

Apologies for absence had been received from Councillors J Armstrong, E Bell, S Foster, P May, S Zair and P Spurrell.

### **2 Substitute Members**

There were no substitute members.

### **3 Declarations of Interest**

There were no declarations of interest.

### **4 Any items from Co-opted Members or Interested Parties**

There were no items from Co-opted Members or Interested Parties.

### **5 Overview of Fuel Poverty within County Durham**

The Committee considered a joint report of the Assistant Chief Executive and Corporate Director of Regeneration and Economic Development which provided members with an overview of fuel poverty within the County (for copy of report, see file of minutes).

Dianne Hedley, Housing Regeneration Manager and Cliff Duff, Housing Regeneration Project Manager provided members with a presentation on fuel poverty (for copy of slides, see file of minutes).

Dianne Hedley provided Members with information on who are the fuel poor and what is fuel poverty.

Nationally there is now a Fuel Poverty Strategy for England 2015 – 2030, which is the first strategy in 14 years. There are over 320,000 fuel poor household in England who live in properties rated below band 'E' level EPC rating who need to spend on average £1,000 a year more on energy to heat their home compared to a typical home. Through the Energy Act 2013, the government established a fuel poverty target which set out an ambition that as many fuel poor homes as reasonably practicable achieve a Band C energy efficiency standard by 2030 and this became law in December 2014. The interim milestones included as many fuel poor homes as is reasonably practicable to Band E by 2020 and as many fuel poor homes as is reasonably practicable to Band D by 2025.

Regionally there were estimated to be 134,895 fuel poor households and in County Durham there were estimated to be 26,050 fuel poor households.

In County Durham there were 226,091 domestic properties and 175,489 owner occupied and privately rented resulting in the estimated overall percentage of household in fuel poverty within the county of 11.5% and up to 35% fuel poverty in rural areas which were off gas and hard to treat properties.

Members were shown a map which provided information taken from the stock condition survey which provided details of the percentage of homes on a geographical basis in fuel poverty within the county together with detail of those areas that are off gas settlements.

Members were then provided with details of the delivery and monitoring of fuel poverty within the county via the County Durham Affordable Warmth Strategy, Housing Strategy, Poverty Action Plan and the Energy and Fuel Poverty Partnership.

Cliff Duff informed that the County Durham Warm Homes Campaign is used within the county to get the message to residents in large rural and semi-urban areas. The campaign provides the Countrywide co-ordination and promotion of local and national schemes in 900 local community venues across the County with the aim of having a venue in each settlement. The campaign raises the awareness and uptake of grants to increase energy efficiency and assist income maximisation. The information within the campaign is constantly having to be refreshed as schemes change and an e-newsletter is now used.

The Warm up North partnership comprises a total of nine local authorities including Durham County Council along with British Gas. Funding is provided by British Gas and since the partnership commenced there have been 4,000 referrals to the Warm up North scheme helping households to improve the energy efficiency of their homes. The Contract was from September 2013 for a five year period with an extension period of an extra three years built into the contract terms.

Members were provided with details of Warm up North energy efficiency measures installed to date in County Durham and surrounding local authorities for comparison with County Durham in October 2015 having 1632 energy efficiency measures installed.

The committee was informed that the Department of Energy and Climate Change (DECC) had a £25m Central Heating Fund to support local authorities to deliver the installation of 7,000 first time central heating systems in fuel poor households.

The Department of Energy and Climate Change had agreed to award £6.56m to the Warm up North partnership which comprised a total of nine local authorities including Durham County Council along with British Gas.

The main outcomes of the bid were to include:

- 1,313 new energy efficient gas boilers and central heating systems.
- 250 new energy efficiency oil boilers and central heating systems in off gas grid areas.
- 426 new Air Source Heat Pumps (ASHPs) and central heating systems in off gas grid areas.
- Energy efficiency advice provided to all households in the project.
- Improved joint working with health providers.
- Improved targeting of fuel poor households.
- Project evaluation carried out by an independent external organisation

The project lead was Northumberland County Council and would commence December 2015 until August 2016. Durham County Council's promotional strategy would be launched on the 14 December 2015. The criteria to qualify for assistance from the project would be a total households income of less than £26,000 (including benefits) and no central heating or partial central heating or electric storage radiators in the property.

The Warm and Healthy Homes Project was launched in 2014/15 and the project aimed to address exposure to both excess winter death and decrease hospital admissions for those who have a health condition relating to living in cold damp private sector homes.

The aim of the scheme is to install domestic energy efficiency measure resulting in warmer homes, which enabled people to manage fuel debt and assist in reducing cold related illnesses. The installation of these measures also aimed to enhance the condition of private sector housing stock across County Durham.

Funding is provided via Durham County Council Public Health Service and the Department of Energy and Climate Change Fuel Poverty and Health Booster funds to the end of 2016/17.

This was the second year of the scheme and an additional £100,000 had been received for 2015/16 from the Department of Energy and Climate Change Fuel Poverty and Health Booster Fund.

The scheme was not self-referral and all referrals have to be made by a health or social care professional or key stakeholder organisations which have been approved by Public

Health. There is also a fast track installation of 5 days (where this is possible) for those without heating and hot water, normal installation would be two to three weeks.

To date 193 referrals have been processed and 82 household have received new central heating systems.

Members were provided with a case study where a lady's gas fired central heating system had been condemned and she was referred from the Occupational Therapist due to a severe health condition. Through the project she got a new gas boiler installed and free loft and cavity wall installation through the Warm up North scheme and increased income via Disability Living Allowance together with a fire safety check and smoke alarms installed via Durham and Darlington Fire and Rescue Service.

Following the presentation Members were asked for their questions.

Councillor Milburn referred to pre-payment meters and how the energy tariffs for these meters were always higher and if work was taking place, looking at different ways people could pay for these metres taking away the daily charge and introducing a standard charge when using pre-payment metres.

Officers responded that pre-paid meters do have higher tariffs. Some energy suppliers are using Smart meters as part of a national roll out programme. In addition there is more competition in the energy market providing various options with individuals no longer tied to a supplier. Although there is more competition in the energy market, some fuel poor households tended to stay with their current supplier. In addition, the Managing Money Better Scheme in County Durham helps individuals to move to a different supplier.

Councillor Holland commented that within the county, we suffer from poor standards of housing including new builds and there was an absence of renewable energy provision within homes including new homes. Having to pay for utilities by meter is more expensive and hits the poorest people of the community and this should be addressed. Food poverty and fuel poverty are linked with failure to deal with fuel poverty adding to the pressure on the National Health Service (NHS).

Officers responded that Band A rated houses were virtually impossible to build due to the associated costs however government wants to eliminate Bands F and G rated properties with new regulations to be issued in 2018 which would raise private properties to Band E and government aims to eliminate completely F and G Band properties by 2030. It was highlighted that improving private sector housing stock would improve other issues.

The Chairman referred to the cost of fuel resulting in people having less money for food and therefore not eating properly which would affect their health.

Officers responded that they had direct referrals from health professionals and they could refer people to other agencies. They had a strong link with Public Health.

Councillor Jewell commented that a significant proportion of older people have a fear of the cost of heating and therefore would not put the heating on or blocked the air flow which would cause issues with condensation. He referred to cavity wall insulation and how some properties were not suitable or could only have part wall insulation.

Officers responded that some cavities were too narrow so were not suitable for cavity wall insulation. They could subject to appropriate surveys have external wall insulation installed but this was more costly. In addition, officers could refer people to the Managing Money Better Scheme providing advice on how to manage their money better and how to switch supplier to obtain the best tariff available.

They recognised that in relation to cavity wall insulation one product was not suitable for all properties but there was now a new product available which could be used on properties with a narrow cavity.

Councillor Jewell sought clarification on the costs if you had already received a grant.

Officers responded that it may be possible that you could claim again as the schemes had been running for a number of years where schemes had ended and new schemes commenced. They could offer advice to people on how to use their boiler more efficiently. Durham County Council also had portable energy monitors available which individuals could lend to monitor energy consumption and help eliminate any fears and to ensure that the meter was working properly.

Councillor Clare referred to smart meters used to monitor consumptions and highlighted the need to ensure that individuals understood the readings being given otherwise this could cause the individual to panic when they see how much electricity was been used. He also asked for clarification if the Department of Energy and Climate Change scheme was open to private landlords and who was referred the tenant or landlord.

Officers responded that Durham County Council promote to both private sector landlords and private sector tenants however would require the consent of the landlord before agreement to install any measures. The Home Heating Cost Reduction Scheme through Warm up North which includes installation of subsidised boilers will be re-launched on the 14 December and promoted to those on benefits and will also be communicated to private landlords.

Councillor Davinson referred to the scale to get out of fuel poverty by 2015 and sought clarification if fuel prices rose would the scale be altered for those properties to come out of fuel poverty. He also referred to the legislation to get properties up to Band C standard by 2030. Some houses within the county would never achieve Band C, what would happen to these properties and the Band E properties by 2020. He also referred to the Warm up North Energy Efficient Measures installed to date in comparison to other authorities and would suggest that partnerships were working well. He also sought clarification on the quota for grants and when was the cut-off point.

He also referred to the external wall installation at Craghead which had resulted in an increase in the value of homes. He had been advised by one of the residents that she had made savings on her fuel costs and he wanted to congratulate officers on this project.

Officers responded that 10% of income spent on fuel was the previous proxy for fuel poverty and that it is difficult to raise properties up to Band C however currently you would receive 47 points for a new boiler, 13 points for cavity wall insulation and 10 points for roof insulation which would raise the SAP level to help make the property more energy efficient.

Products are available on the market which would help raise the SAP standards in older properties.

Companies had developed internal and external wall insulation products but the government had set an ambitious target and some properties would never achieve it. Internal installation was expensive and intrusive and it was debatable if the Government would achieve the target set within the strategy without providing appropriate mechanisms and further financial grant support to residents.

The Officer continued that the successful external wall installation at Craghead was undertaken as part of a housing regeneration programme which also included small scale demolition, returning empty properties back into use and through leveraging in external Energy Company Obligation funding had also resulted in homes having a number of fuel poverty measures installed. It is intended that officers will also use the landlord accreditation scheme to engage with landlords over the next 2 to 3 years to promote various fuel efficiency measures available.

Councillor Davinson sought clarification on who was responsible for ensuring that homes were up to standards. Officers responded that it was national legislation but there were initiatives to help achieve a Band E.

Councillor Clark referred to the publicity for the Warm and Healthy Homes Project and the need to ensure that Social work teams in hospitals are aware of the project. She continued that if heating issues were sorted out this could produce a saving in social care and could relieve the need for a carer. There is also a need to educate on how to use heating systems. She referred to 193 referrals processed and that 82 households received new heating systems but asked how this compared with the map of areas shown earlier.

Officers responded that they had undertaken work with services and were happy to enhance the programme and hoped to connect to more groups. They had held briefing sessions with practice managers and they were looking to run sessions again with CCG's in the county. Mapping of the locations of residents who had benefitted from the project would be undertaken which would also highlight potential areas for targeting.

They were currently working with British Gas in relation to areas which were off the gas grid and Mitsubishi would be doing road shows on heat pumps.

T Bolton referred to external cladding which had made a difference but had raised concerns with regard to the technical aspects in particular damp and sought clarification on how much testing had taken place in relation to external cladding.

Officers responded that a good supplier would offer a 25 to 30 year guarantee but individuals would need to check if companies were an accredited supplier. The only feedback they had received was positive but it was down to the quality of supplier and the guarantee offered. The average cost of external cladding was £8,000 for a mid-terrace and £12,000 for a terrace with a gable from an accredited supplier. T Bolton commented that external cladding was effective however some home owners were concerned about water getting in and dampness. The officer again commented on the need to ensure a good quality product and a good supplier with detail on suppliers appearing on the Energy

Savings Trust website. In addition, home owners could always approach Planning and Building Control services for advice.

The Chairman suggested that an information leaflet be produced to advise people where to check if a supplier is accredited and the officer responded that Durham County Council could look at how this information could be provided.

T Bolton commented that in relation to off gas areas was work still ongoing to get gas into areas particularly rural areas in the county. The officer responded that Northern Gas Network is wanting to expand its network however discussions were still ongoing.

Councillor Davinson commented that a property in his area paid £4,000 for external cladding and building control had to step in as it was not done properly, even though they were an accredited company.

Councillor Hall referred to air source heat which cost a lot of electricity to run and that some boilers with these pumps had broken down and therefore it was essential that any boilers installed had warranties. He suggested that solar panels could have been an alternative however the feed in tariff had been reduced.

He also sought clarification on the money generated from wind turbines and if this could be given to fuel poverty and would smart metres make it easier for companies to disconnect utilities for non-payment of bill.

Officers were unable to provide comment regarding the money generated from wind turbines. All the products that had been installed as part of the Warm up North scheme would be provided with warranties and had been tried and tested.

The Chairman thanked Officers for a very informative presentation and members for their attendance and questions.

**Resolved:** (i) That the contents of the report be noted.

(ii) That the committee receive a further update report on the progress of the Warm up North scheme at a future meeting.