

THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA**HOUSING AND PROPERTY SCRUTINY COMMITTEE –
20 JANUARY 2011****REPORT BY THE DIRECTOR OF ENVIRONMENTAL HEALTH AND
TRADING STANDARDS****TACKLING AFFORDABLE WARMTH AND CLIMATE CHANGE IN
PRIVATE SECTOR HOUSING**

This report summarises the current strategy in Environmental Health to improve energy efficiency, tackle fuel poverty and encourage carbon reduction within private sector housing in the Royal Borough.

FOR INFORMATION

1. BACKGROUND

- 1.1 Cold homes are a significant cause of ill health. Poorly insulated homes with inefficient heating also waste energy and contribute to carbon emissions which from the housing sector have risen by more than five per cent since 1997 and account for around 27 per cent of the UK's carbon footprint. Fuel poverty is where a household must spend 10% or more of its income on fuel to keep warm. In addition to ill health, fuel poverty contributes to the problem of social exclusion.
- 1.2 Significant improvements can be made to the energy efficiency of homes by increasing levels of insulation, draught proofing and improving heating systems. These measures improve health as well as helping protect the environment for future generations. Properly targeted interventions more than pay for themselves in terms of lower fuel bills and more generally by reduced health care costs as a result of cold related ill-health.
- 1.3 Strategies are in place to improve the energy efficiency of homes, deliver carbon reductions, reduce fuel poverty, cut energy bills and contribute to increased fuel security.

2. STATUTORY FRAMEWORK

- 2.1 *The Home Energy Conservation Act 1995* (HECA) came into force in April 1996, in response to the Kyoto Summit to undertake actions to reduce global warming. The Act required local authorities to report annually on the measures undertaken to improve the energy efficiency of all housing in their area. This requirement is currently in abeyance and the Act will be repealed by the forthcoming Energy Bill.
- 2.2 *The Warm Homes and Energy Conservation Act 2000*, requires the Secretary of State to publish and implement a strategy and to report annually on progress in tackling fuel poverty in England and Wales.
- 2.3 *The Energy Security and Green Economy Bill* (the "Energy Bill" was introduced to Parliament in December 2010 and is due to bring in a number of changes to the way energy efficiency and fuel poverty are dealt with. Scrutiny Committee will be updated as appropriate.
- 2.4 The Government's recent public health white paper "*Healthy Lives, Healthy People*" cites housing as a key determinant of health. It proposes giving local authorities the lead role in preventative public health. The services outlined in this report are fully in line with this approach and will form a sound foundation on which to build on this ethos.

3. LOCAL CONTEXT

- 3.1 The most recent data^{*1} (2005-2006) on the energy efficiency of the private housing stock in the Borough indicates that 33% of dwellings (28,048) failed the Government's thermal comfort standard and 8% of private households (6552) were living in fuel poverty. More recent English House Condition surveys indicate this is unlikely to have changed significantly since then.
- 3.2 The Royal Borough's first Affordable Warmth Strategy (2005) lays out a strategy and action plan for improving energy efficiency and tackling fuel poverty locally. It is currently being updated. The workplans within it feed into *The Community Strategy 2008 – 2018* particularly the theme of "*Homes and Housing*". The aims and objectives of this are to improve the energy efficiency of dwellings and encourage sustainable development. The workplans also link into some of the statutory and targeted priorities within the Borough's *Local Area Agreement*.

4. DELIVERING IMPROVEMENTS LOCALLY

- 4.1 Services to improve energy efficiency and tackle fuel poverty are contained in the Environmental Health and Trading Standards service delivery plan 2010-11. The lead officer is the Private Sector Housing and Energy Officer (HEO). This post is funded from the Department's salaries budget but some of the initiatives themselves are funded by NHS Kensington and Chelsea and the West London Housing Partnership (funded by the Greater London Authority). The services currently being delivered are summarised in Table 1 below.

Table 1: Summary of services to improve energy efficiency and tackle fuel poverty locally (2010-2011)

Service	Summary description
Warmfront	<i>A national scheme providing financial assistance of up to £3,500 to upgrade heating systems and improve insulation to those on certain qualifying benefits. Clients are referred by the HEO. Funded by central government.</i>
West London Warm Zone	<i>Free heating and insulation to homeowners and private tenants in receipt of means tested benefits. Free loft insulation to those over 70 years of age and heavily subsidised loft insulation to all other residents. Funded by central government via the Greater London Authority.</i>
Kensington and Chelsea Keep Warm Grant	<i>Up to £7,500 is available to homeowners and private tenants on benefits or low income to upgrade or install heating and insulation. Funded by the Council's Housing Capital Programme.</i>
Healthy Homes	<i>A free telephone advice service providing signposting to other services, advice on income maximisation and emergency heating for vulnerable residents during cold weather. Funded by NHS Kensington and Chelsea, RBKC and HHASC.</i>
Private sector enforcement	<i>Where private sector rented homes fail to meet the minimum standard for heating, the private sector housing teams will liaise with the landlord to providing advice. Where this does not bring improvement enforcement action may be taken under the Housing Act 2004 requiring improvements.</i>

5. CLIMATE CHANGE

- 5.1 The Council's *Climate Change Strategy 2008-15* sets out the potential impact of climate change and the ways in which the Council will attempt to reduce its own impact on the environment
- 5.2 The most effective means of reducing carbon emissions is to bring about behavioural change. We are now aiming to assist people who want to make a positive change in the way they heat and insulate their home and make it easier to take up new technologies such as solar energy and ground source heat pumps.
- 5.3 A feasibility study for the installation of renewable energy sources at the Stable Way travellers' site is being commissioned. This is focusing on the feasibility of installing solar panels for electricity generation on the land adjacent to the site. Bids for funding will be based on the outcome of the study should it prove positive. The aim of this is to reduce fuel costs to the residents, to provide an income for the site through the "feed-in tariff" and to demonstrate how renewable energy can be used in an urban setting. The scheme is also looking to provide insulation to the amenity blocks to save energy and improve conditions for residents.

6. COSTS AND OUTCOMES

- 6.1 In 2009-10, 122 households received advice or were referred to other services outlined in this report. 60 households had measures installed in their homes. The cost to the Borough of these services at 2010-11 costs is £121,000 (HEO salary costs, small enabling budget and capital grants to vulnerable homeowners). Research carried out by the Chartered Institute of Environmental Health and the Building Research Establishment ("*Good Housing leads to Good Health*") shows that indicative cost savings to NHS Kensington and Chelsea as a result of these services would be significantly higher.

7. THE FUTURE

- 7.1 The schemes described above will be at the heart of the revised Affordable Warmth Strategy. Consultation with a range of partners including NHS Kensington and Chelsea, Heating and Insulation providers and third party agencies is underway. The principles of the current policy remain but will be updated to reflect recent initiatives and new influences.
- 7.2 Environmental Health initiatives in the private housing sector will be increasingly aligned with health outcomes. The Department's database is being developed to record all health outcomes and to

enable the indicative NHS cost savings referred to in 6.1 to be recorded.

- 7.3 There will be a move away from direct Council grant funding in the private rented sector with greater use of advice and enforcement to achieve standards. As part of a pilot scheme two Environmental Health Officers are available to assess properties referred to them for excess cold hazard enabling advice to be given or enforcement taken as appropriate.
- 7.4 The Royal Borough in association with its West London Partners will be participating in the *Re:new Programme*. This will provide the Borough with around £170,000 funding over the next two years. The aim of *Re:new* is to:
- Provide households with energy efficiency advice
 - Directly install small measures such as draught proofing
 - Refer qualifying households into existing schemes to provide larger improvements such as central heating or insulation.
- The Scheme is on hold following the Government's spending review. It is hoped that the scheme will proceed later in the year.
- 7.5 Fuel Poverty mapping is being explored with the objective of enabling a more strategic, targeted approach to interventions.
- 7.6 The HEO is currently in discussion with utility companies, the TMO and local registered housing providers to formulate a bid for the *Community Energy Saving Programme* ("CESP"). This will enable us to locate an area (e.g. an estate or cluster of streets) within the Borough that meets the criteria. *CESP* will then create a scheme of works which will cover "quick hits" for householders such as energy efficiency advice, loft insulation etc. Schemes will require match-funding from the Borough which may present a challenge.
- 7.7 In recognition of the significant private rented sector in the Borough the HEO will work with private sector landlords to develop an energy efficiency guide for landlords. This will give advice on how they can improve the energy efficiency of their housing stock. Energy efficiency in the private sector is included in the new Energy Bill and there is a proposal for local authorities to be given powers to enforce standards and fine landlords who do not bring their properties to a reasonable standard of energy efficiency. This will supplement existing enforcement powers. We plan to work with local landlords so that they are aware of their obligations and the assistance available to them thereby avoiding the need for enforcement.
- 7.8 In 2010 the Government published a document called "*Warm Homes, Greener Homes: A strategy for household energy management*". This formed the framework of the Government's

Energy Bill which is in its first stages in Parliament. The key measures proposed in this include the "Green Deal" which will allow householders to finance energy efficiency works in their homes with no upfront payment then repay through the energy saved over a period of time up to 25 years. Environmental Health is currently running a pilot project to research what measures we can install in "Hard to treat homes". Support and funding has been received from the West London Private Sector Housing Group and properties for the trial are now being selected.

- 7.9 There will be a new energy company obligation (ECO) to assist disadvantaged households to improve heating and insulation standards. It is likely that local authorities will play a leading role as a trusted local intermediary in coordinating energy efficiency programmes at a local level. This reflects the current role of local authorities in such schemes such as Warm Zones, Renew and CESP.

FOR INFORMATION

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Public background papers used in preparation of this report:

*1 Private Sector Stock Condition Survey 2006
Building Research Establishment Stock Modelling Report 2005

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