



September 2016

Norwich City Council

Affordable warmth strategy



NORWICH
City Council



**STAY WELL
THIS WINTER**

Shelter



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1. Foreword

One of the council's key corporate priorities within our corporate plan is to 'make Norwich a fair city' and within that we have said we will 'reduce financial and social inequalities' and 'reduce fuel poverty in the city' through a programme of affordable warmth activities. This new affordable warmth strategy provides a framework for our different council activities to reduce fuel poverty.

Improving energy efficiency in communities, especially fuel poor households, is vital to improving the health outcomes of the local area, but also enhances prosperity locally via reducing utility bills for citizens and creating local employment opportunities.

However, more than a million households in the UK cannot afford to heat their homes sufficiently even though a member of the household is in work. Therefore there seems to be a disconnection with the governments' ambition for all fuel poor households to be at EPC level band C or above in 2030 and the amount of money being spent on the issue.

On average, resident earnings are low in Norwich compared to the rest of the region. This is partly due to low incomes and financial capability, as well as limited access to products and services that enable people to manage their money more effectively. We also have a number of citizens on fixed incomes, who may be suffering from fuel poverty due to the rise in fuel costs. Low incomes and rising costs generally results in some difficult financial choices.

A fuel poor household is one that cannot afford to keep adequately warm at a reasonable cost. The most widely accepted definition of a fuel poor household is the low income high cost indicator. This means that a household is fuel poor if their fuel costs are above average and if they were to spend that amount they would be left with a residual income below the poverty line.

In Norwich we believe that 10.5 per cent of households, or more than one in every 10 are experiencing fuel poverty. That equates to a staggering 6,523 households. In addition, the new welfare reforms such as universal credit and the benefit cap, will impact some of the most vulnerable residents in the city. During times of financial hardship it is even more important that residents are able to maximise their finances to best effect.

If the work of this affordable warmth strategy means that less people in Norwich have to make the agonising decision of whether they can afford to keep warm at winter, then I think you will agree it will have been a success.



Councillor Vaughan Thomas
*Portfolio Holder for Fairness and Equality
Norwich City Council*

2. Context and purpose

A fuel poor household is one that cannot afford to keep adequately warm at a reasonable cost. The most widely accepted definition of a fuel poor household is the low income high cost indicator. This means that a household is fuel poor if their fuel costs are above average to be able to heat their home to an adequate standard and if they were to spend that amount they would be left with a residual income below the poverty line. An adequate standard of warmth defined by the World Health Organisation is 21°C in the living room and 18°C in the other occupied rooms.

Fuel poverty is caused by a combination of factors including:

- low household income
- homes with poor energy efficiency
- under occupancy
- fuel prices.



62-year-old Michael Bennett from Norwich saved £300 a year through signing up to the Big Switch and Save.

“Switching with the council was easy!”

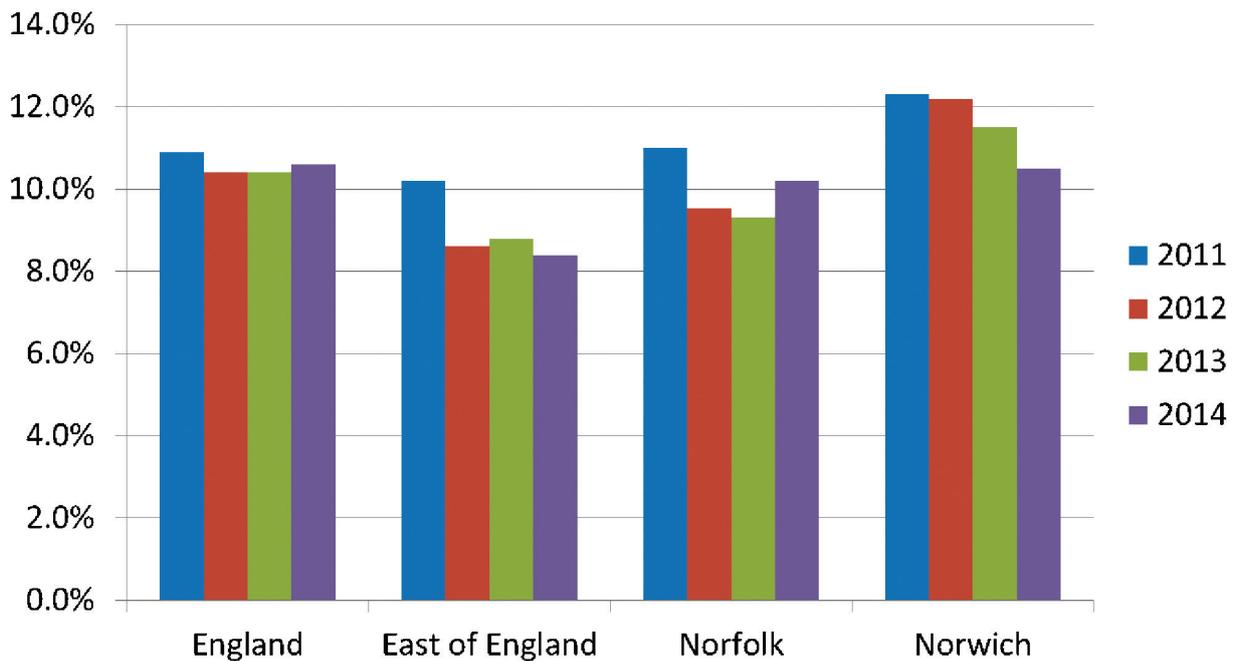
The continuing weaknesses in the wider economy will inevitably be exacerbating the problems of fuel poverty. The impending changes to the welfare system are likely to make the situation worse, particularly in more deprived urban areas like Norwich. In addition to cuts in energy efficiency home improvement funding such as the Green Deal Home Improvement Fund and the 34 per cent cut in the Energy Company Obligation. This begins to paint a bleak picture for the future of fuel poverty. This does not look to change until the parliamentary review which will look to make changes for the financial year 2018/2019.

Fuel poverty in Norwich:

- More than 6,500 households are experiencing fuel poverty. This is 10.5 per cent of households and compares with 10.6 per cent of households in England as a whole (DECC 2014)
- Approximately 1,166 private sector dwellings are likely to have a HHSRS Category 1 hazard due to excess cold.
- The Decent Homes standard was replaced by the Housing Health and Safety Rating System (HHSRS) and 8,744 private sector dwellings in the private sector are likely to have a Category 1 hazard (there are 29 hazards in the rating system)
- The average SAP rating (a measure of domestic energy efficiency on a scale of 0 to 100 is the most efficient) for private sector dwellings is 55 and for all dwellings in Norwich is 57.
- Our council housing stock has a SAP of 70.6

Despite many external factors exasperating fuel poverty, Norwich has managed to buck the trend with fuel poverty continually being on the decrease. Unlike the national and regional trends which shows a mixed picture. Please see on the next page the graph showing these trends.

Fuel Poverty (Low Income, High Costs) 2011-2014



Norwich City Council has done a breadth of work regarding helping people overcome fuel poverty, for example via the Norwich Switch and Save. The scheme has helped more than 2,000 Norwich residents save money through switching, with around two thirds of these residents falling into one of the fuel poor groups.

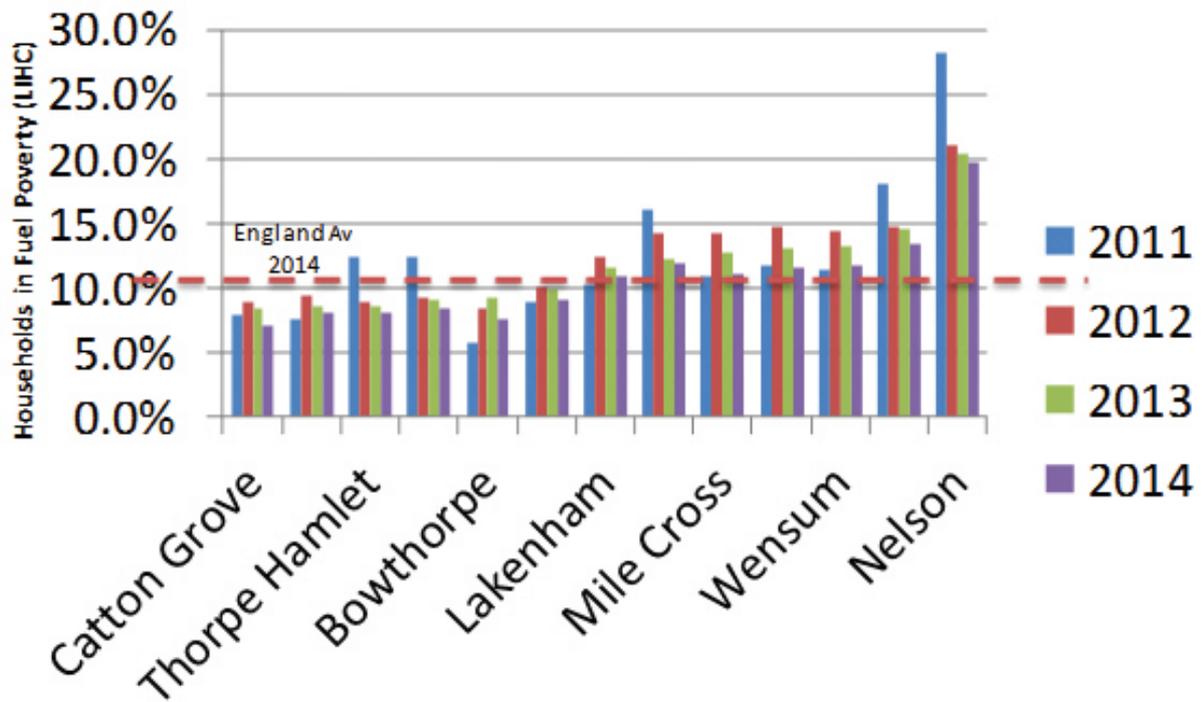
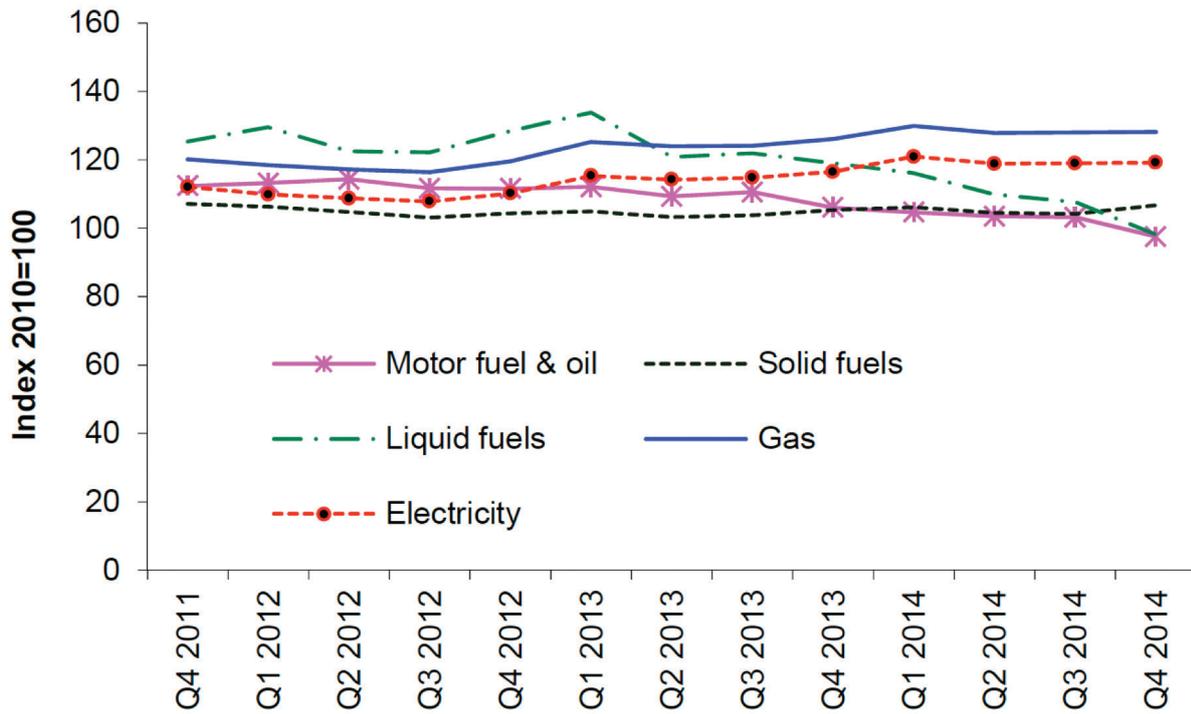
The energy company obligation has funded many energy efficiency measures across the city. In addition to the Cosy City Green Deal Communities Fund which brought in £400,000 to improve private housing stock, there is also charitable grants and private sector housing financial assistance. Money advice is also available and opportunities to clear fuel debt via charitable trusts.

In addition there is also an ongoing maintenance programme that updates council housing stock. This plethora of activity takes practical steps to relieve residents of fuel poverty, which may explain the decreasing trend.

However, the decrease in fuel poverty in Norwich is still surprising given the cost of rising UK domestic gas prices over the same period of time as shown in the graph below¹. Some of the drop in fuel poverty can be accounted for by the increase in the number of energy efficiency measures installed to date. In addition, Norwich City Council continues to work to drive down fuel prices through the successful Norwich Big Switch and Save scheme.

¹DECC: Energy Consumption in the UK (2014) Chapter 3: Domestic energy consumption in the UK between 1970 and 2013 (July 2014) p.5

Fuel Prices 2011 to 2014



In the graph on the previous page it shows the percentage of fuel poverty household by ward. It is interesting to note that the wards with a high percentage of private housing, such as the Nelson ward, show a high percentage of fuel poverty households, whereby wards with a high number of social housing are averaging in fuel poverty households, such as Mile Cross. This is consistent with national figures which show that the private sector has a higher percentage of fuel poverty residents. Although this graph does show a more significant drop in fuel poverty in private sector areas.

There is no one size fits all solution to fuel poverty. Nationally statistics show a correlation between EPC ratings and private sector dwellings to fuel poverty. However, local level statistics indicate that it is a combination of factors that can cause fuel poverty. It is clear that there are different variances between each fuel poor household to why they are fuel poor. This is why a holistic and comprehensive strategy combining energy efficiency measures, income maximisation and energy and debt advice is paramount.

Fuel poverty can have a range of effects including:

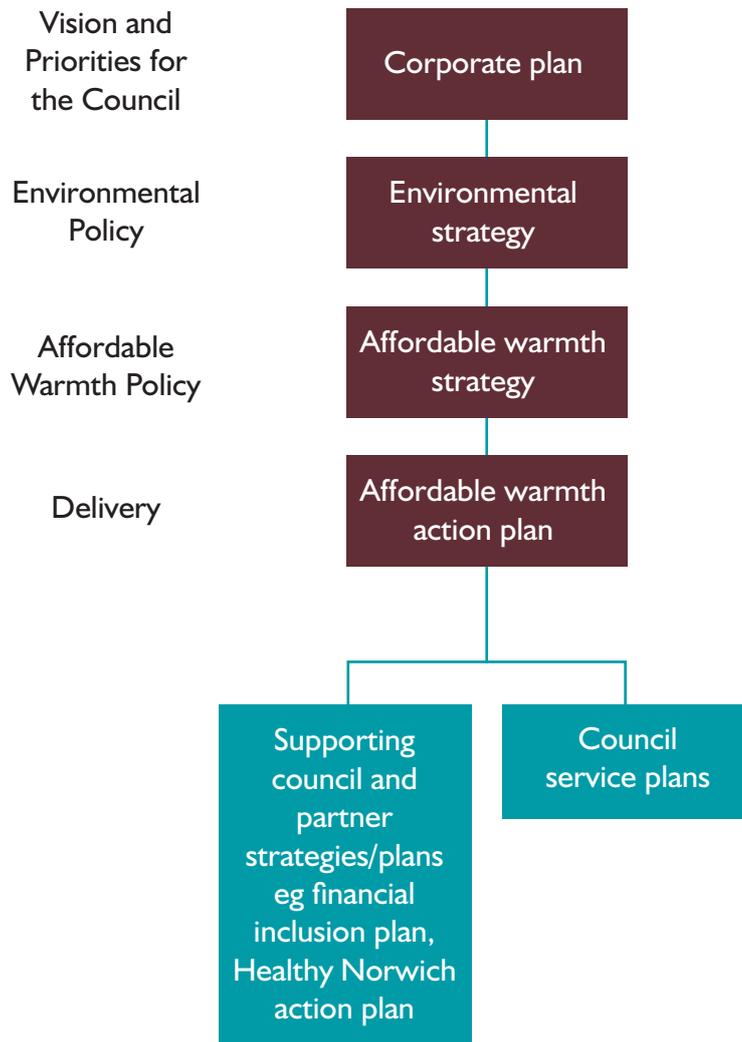
- **Increased accidents** – mobility and dexterity reduce when people are cold which can increase the risk of falls and injury as well as potentially affecting arthritis.
 - **Social exclusion** – people can be reluctant to invite friends to their homes when they are cold, which can result in an increased sense of social isolation.
- **Worsening health** – cold homes can increase the risks of strokes and heart attacks. Cold conditions are also thought to lower resistance to respiratory infections and exacerbate asthma and Chronic Obstructive and Pulmonary Disorder (COPD).
 - **Excess winter deaths** – during the months of December to March the number of deaths recorded (winter deaths) nationally well exceeds the average death rate for the remainder of the year. A significant number of these are thought to be linked to cold conditions particularly amongst the elderly.

Many of the effects of fuel poverty set out above are potentially preventable and, in addition to the benefits to the individuals themselves, could result in significant savings in health care costs. Working with health partners, including through the Healthy Norwich partnership (involving Norwich City Council, Norfolk County Council's public health service and the Norwich Clinical Commissioning Group), is an important part of this strategy.

The purpose of this affordable warmth strategy is to provide overall direction and a coordinated framework for council services, contractors and partners in their activities to reduce fuel poverty in Norwich. These activities are set out in service plans and other council plans and those of partners and contractors. This approach is summarised in the diagram on the next page.



Strategic framework for affordable warmth strategy



3. Development of this strategy

This strategy has been developed through the following methods:

- analysis of customer information including the public consultation used to inform the over-arching environmental strategy and drawing on other specific consultations
- assessment of local needs including the joint strategic needs assessment and indices of multiple deprivation
- review of the policy context and economic climate and opportunities provided by upcoming legislation
- review of existing activities and assessment of the likely resources the council will have in the future to carry out affordable warmth work given its ongoing financial pressures as set out in the medium term financial strategy
- discussions with elected members including through the council's sustainable development panel
- looking at good practice from other areas.

4. Where do we want to be?

The council's affordable warmth priorities are set out in the table below:

Affordable warmth priority	Key performance measures
Priority 1 – To help people in the city to reduce their fuel bills	<ul style="list-style-type: none">• Percentage of people saying their fuel bills have reduced following advice.• Number of private households where council activity helped to improve the energy efficiency of their homes.• Number of privately-owned homes made safe (including cold hazards).• Amount of external funding secured for affordable warmth activity.• Number of council properties meeting the Norwich standard.• SAP rating of council homes.
Priority 2 – To improve the energy efficiency of housing in the city	<ul style="list-style-type: none">• Number of private households where council activity helped to improve the energy efficiency of their homes.• Number of privately-owned homes made safe (including cold hazards).• Amount of external funding secured for affordable warmth activity.• Number of council properties meeting the Norwich standard.• SAP rating of council homes.
Priority 3 – To assist people in the city to maximise their income.	<ul style="list-style-type: none">• Percentage of people saying that debt issues had become manageable following face to face advice.• Amount of external funding secured for affordable warmth activity.

5. How will we get there?

The council will achieve its affordable warmth priorities through delivery of an affordable warmth action plan that coordinates the different activities of the council.

This sets out the key activities and actions the council will progress within the following key themes:

- **Awareness** – By increasing awareness amongst council employees, partners, contractors and the public of fuel poverty and how advice and support can be accessed.
- **Advice** – By ensuring that effective advice is available for households to ensure they are: on the cheapest energy tariffs; are making efficient lifestyle choices; are maximising their income; and are accessing grants that can improve their homes.
- **Landlord** – By improving the energy efficiency of council homes through our stock improvement work.
- **Partnership** – By working collaboratively with partners in Norwich to make the best use of existing resources and to attract further funding to address fuel poverty.

The council's affordable warmth action plan can be found in section 7. This will be updated to accommodate new and emerging policy from central government and other sources as appropriate during the length of the strategy.

Responsibility for the overall delivery of the affordable warmth action plan rests with the corporate leadership team and is coordinated and managed by the environmental strategy team. Specific actions within the programme will be the responsibility of different heads of service and operational managers.

6. Measuring our progress

Overall progress on the affordable warmth action plan will be monitored through the council's performance management framework. This includes overall progress reporting to scrutiny and cabinet through the council's quarterly performance report and through an annual environmental statement.

To assess the success of our affordable warmth strategy the council will, in particular, monitor the following key performance measures:

- Number of private households where council activity helped to improve the energy efficiency of their homes.
- Number of privately-owned homes made safe (including cold hazards).
- Number of council properties meeting the Norwich standard.
- SAP rating of council homes.

Regular progress reports will also be provided as part of monitoring of the delivery of the wider environmental strategy to the council's sustainable development panel, which is a cross party working group chaired by the cabinet member with responsibility for sustainable development. They will provide additional monitoring, challenge and scrutiny.

Progress will be communicated regularly to staff through a range of internal communications. This strategy and our annual environmental statement, which will include overall progress on our affordable warmth work, will be publicly available through our website www.norwich.gov.uk and supported by external communications to support awareness-raising on these issues in the wider city.

Risks to the non-delivery of this strategy have been considered. However, from time to time, activities within this strategy may be adversely affected by factors which may fall out of the control of the authority.

7. Action plan

No	Key action/projects	Priority	Theme(s)	Key performance measure(s)	Responsibility	Delivery (timescale)
1	To carry out appropriate housing energy advice and support activities on how to achieve affordable warmth through lifestyles changes, accessing cheaper energy tariffs such as through collective switching and taking advantage of government grants to improve the energy efficiency of people's homes.	Priority 1 – To help people in the city to reduce their fuel bills Priority 2 – To improve the energy efficiency of housing in the city	Advice Partnership	<ul style="list-style-type: none"> Number of private households where council activity helped to improve the energy efficiency of their homes 	Environmental strategy team	Ongoing throughout the strategy.
2	To work with key council partners to develop and carry out a focused external and internal communications campaign leading up to each winter to make the public, employees, and contractors more aware of fuel poverty issues and how advice and support can be accessed through different communication methods eg articles in council publications (Citizen/TLC).	Priority 1 – To help people in the city to reduce their fuel bills Priority 2 – To improve the energy efficiency of housing in the city	Awareness Partnership	<ul style="list-style-type: none"> Number of private households where council activity helped to improve the energy efficiency of their homes 	Environmental strategy team and communications team	Ongoing throughout the strategy.
3	Identify external sources of funding that could be accessed to support affordable warmth work eg to pay for winter warmth packs, heating repairs and heating upgrades for the most vulnerable residents etc.	Potentially all three priorities	Service	<ul style="list-style-type: none"> Amount of external funding secured for affordable warmth activity 	Environmental strategy team	Ongoing throughout period of strategy depending on opportunities.
4	To co-create a single point of referral for health professionals for a range of home adaptations including affordable warmth and to promote this to a range of health and social care professionals, including via the social prescribing pilot in Lakenham.		Advice Partnership		Environmental strategy team, private team and housing.	Ongoing throughout the strategy.

No	Key action/projects	Priority	Theme(s)	Key performance measure(s)	Responsibility	Delivery (timescale)
5	To identify privately-owned homes where an excess cold hazard exists and to take appropriate action to remove the hazard. This may include the use of improvement notices in the case of privately-rented accommodation and financial assistance for vulnerable owner-occupiers.	Priority 1 – To help people in the City to reduce their fuel bills Priority 2 – To improve the energy efficiency of housing in the city	Awareness Advice	<ul style="list-style-type: none"> Number of privately owned homes made safe (including cold hazards) 	Private sector housing team	Ongoing throughout period of strategy
6	To provide appropriate awareness training to employees and contractors to recognise the signs of ill health caused by fuel poverty.	Potentially all three priorities	Awareness Advice	<ul style="list-style-type: none"> Number of employees trained 	Environmental strategy team	Ongoing throughout the strategy
7	To continue to improve the council's housing stock to support energy efficiency and affordable warmth.	Priority 2 – To improve the energy efficiency of housing in the city	Landlord	<ul style="list-style-type: none"> Number of council properties meeting the Norwich standard SAP rating of council homes 	Property team	Ongoing throughout period of strategy
8	To continue to share appropriate information via the police, MASH (Multi Agency Safeguarding Hub) on children exposed to excess cold in line with safeguarding requirements.	Potentially all 3 priorities	Partnership	<ul style="list-style-type: none"> Ongoing safeguarding monitoring 	Head of local neighbourhoods	Ongoing throughout period of strategy
9	To investigate new and emerging micro generation technology and funding for energy efficiency that can support affordable warmth activities.	Potentially all 3 priorities	Advice Partnership Landlord	<ul style="list-style-type: none"> Number of private households where council activity helped to improve the energy efficiency of their homes Amount of external funding secured for affordable warmth activity 	Environmental strategy team and property team	Ongoing
10	To set up and run a Norwich based energy company to offer a fair standard variable deal to citizens.	Priority 1 – To help people in the city to reduce their fuel bills	Service	<ul style="list-style-type: none"> number of retained customers 	Environmental strategy team and property team	2017/18



If you would like this information in another language or format such as large print, CD or audio cassette or Braille please call 0344 980 3333 or email info@norwich.gov.uk.

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