

**Report to** Cabinet  
14 November 2012  
**Report of** Executive head of strategy, people and democracy  
**Subject** Affordable warmth strategy

**Item**

**7**

**Purpose**

To consider and approve the council's affordable warmth strategy

**Recommendation**

To approve the council's affordable warmth strategy 2012 – 2015 and agree to sign up to the local authority 'End fuel poverty commitment'.

**Corporate and service priorities**

The report helps to meet the corporate priority "a prosperous city"

**Financial implications**

All work related to this strategy will be met from within existing budgets

Ward/s: All wards

Cabinet member: Councillor Bremner – Environment and development portfolio holder

**Contact officers**

Russell O'Keefe, Executive head of strategy, people and democracy 01603 212908

Richard Willson, Environmental strategy manager 01603 212312

**Background documents**

None

# Report

## Context and back ground

1. 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 one which needs to spend more than 10 percent of its disposable income to heat the home to an adequate standard of warmth (defined by the World Health Organisation as 21°C in the living room and 18°C in the other occupied rooms.)
2. In Norwich we believe that 17% of households, or nearly 1 in every 5, are experiencing fuel poverty. That equates to a staggering 10,000 households.
3. The council's corporate plan 2012-15 sets out a key action "to reduce fuel poverty through affordable warmth activities" to contribute to its corporate priority 'to make Norwich a prosperous city'.
4. While within the council's environmental strategy 2011-2014 there is the planned activity to develop a cross service affordable warmth strategy and review the council's approach to affordable warmth work.
5. The council's affordable warmth activities also align closely with Norwich's status as a member of the Health Cities network and its desired outcomes. .
6. The purpose of this new affordable warmth strategy, which can be found at annex A, is to provide overall direction and a coordinated framework for council services, partners and contractors in their activities to reduce fuel poverty in Norwich.

## Development of the strategy

7. The 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 e.g. the green deal
  - 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 key partners through the Norwich Locality Board
  - discussions with elected members including through the council's sustainable development panel
  - looking at good practice from other areas.

## **Priorities**

8. The strategy sets out the following overall priorities for the council's affordable warmth activities:
  - 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
  - Priority 3 - To assist people in the city to maximise their income.

## **Delivery of the strategy**

9. The council will achieve its affordable warmth priorities through delivery of an affordable warmth action plan that coordinates the different activities of the council.
10. 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.
11. It is recommended that the cabinet agree to approve the affordable warmth strategy to provide a coordinated framework to the council activities that contribute to affordable warmth.

## **End fuel poverty commitment**

12. The End Fuel Poverty Coalition is a group made up of poverty, environmental, health, trade union and consumer organisations including local authorities that have set out a aim to achieve energy efficient homes, decent incomes and low cost fuel for local income households.
13. The End Fuel Poverty Coalition have developed a local authority commitment which they wish local authorities to sign up to formalising their commitment to working to reduce fuel poverty.
14. The commitment states that a council will
  - Make sure we understand the extent of fuel poverty in our area, its impact on health, housing and quality of life, and to take action to address it
  - Make sure that the Joint Strategic Needs Assessment, agreed between Councils and local NHS organisations, informs strategies to tackle fuel poverty
  - Work with partners such as Health and Wellbeing Boards and advice services to develop effective referral systems to reduce fuel poverty and cold-related ill health
  - Develop a strategic approach to improve energy efficiency in all housing and fulfil its potential to create jobs and prosperity in our local communities

- Work with energy companies and related organisations to help make sure the Green Deal, Energy Company Obligation (ECO) and other energy efficiency programmes are delivered effectively in our area
- Administer the benefits we are responsible for efficiently and fairly, and help make sure eligible households receive the benefits to which they are entitled
- Explore ways of reducing fuel poverty that involve the whole community, including community groups and town and parish councils

15. The commitment also states that as a council we want the Government to:

- Help us meet our ambitions to eliminate fuel poverty in our area
- Make sure Public Health Directors can effectively deliver on their responsibility for meeting the public health outcome on fuel poverty
- Work with the LGA to support local authorities provide peer-to-peer support and sign up to locally appropriate actions and targets
- Help disseminate information and guidance on legislation, policy initiatives and best practice
- Help compile standardised housing stock data on all housing in the country
- Require Green Deal and ECO providers to inform local authorities of works taking place in their area, to enable authorities to report on referrals and outcomes
- Make sure we have the resources to make an effective contribution towards meeting the national target to eliminate fuel poverty by 2016.

16. The requirements within the commitment fit very closely with the council's affordable warmth activities. As such, it is recommended that the cabinet agrees that the council signs up to the local authority commitment.

## Integrated impact assessment



**NORWICH**  
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	14 November 2012
<b>Head of service:</b>	Russell O'Keefe
<b>Report subject:</b>	Affordable warmth strategy
<b>Date assessed:</b>	October 2012
<b>Description:</b>	The new affordable warmth strategy will provide overall direction and a coordinated framework for council services, partners and contractors in their activities to reduce fuel poverty in Norwich.

	Impact			
<b>Economic (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Other departments and services e.g. office facilities, customer contact</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The strategy provides a coordinated framework for a range of existing activity the council is carrying out to reduce fuel poverty and so should not have a significant impact on other services.
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Economic development</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Financial inclusion</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The strategy should help people to ensure people are on the cheapest energy tariffs; are making efficient lifestyle choices; are maximising their income; and are accessing grants that can improve their homes.
<b>Social (please add an 'x' as appropriate)</b>	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The strategy will help to ensure that we continue to share appropriate information via the police, MASH (Multi Agency Safeguarding Hub) on children exposed to excess cold in line with safeguarding requirements.
<b><u>S17 crime and disorder act 1998</u></b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is evidence to indicate that in some individuals, economic deprivation and increased indebtedness can lead to a path into crime. This strategy should contribute to reducing this risk.
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Evidence suggests that reducing fuel poverty will improve health outcomes.
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The life chances or individuals who are already socially and financially excluded are reduced. The institute of fiscal studies have previously indicated that the continuing financial climate will result in a greater number of families and children being in poverty. The strategy should help to reduce the number of people experiencing fuel poverty.
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment
<b>Positive</b>
To approve the strategy.
<b>Negative</b>
<b>Neutral</b>
<b>Issues</b>



# **Norwich City Council Affordable Warmth Strategy**

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## 1. Foreword

- 1.1 One of the council's key corporate priorities within our corporate plan is 'to make Norwich a prosperous city' and within that we have said we will "support people on low incomes through advocacy and financial inclusion activities" and "reduce fuel poverty through affordable warmth activities". This new affordable warmth strategy provides a framework for our different council activities to reduce fuel poverty.
- 1.2 On average resident earnings are low in Norwich compared to the rest of the region. 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. It is likely the recession will only make these issues worse.
- 1.3 We also have a number of citizens on fixed incomes, who maybe suffering from fuel poverty due to the rise in fuel costs. Low incomes and rising cost generally result in some difficult financial choices.
- 1.4 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 one which needs to spend more than 10 percent of its disposable income to heat the home to an adequate standard of warmth.
- 1.5 In Norwich we believe that 17% of households, or nearly 1 in every 5, are experiencing fuel poverty. That equates to a staggering 10,000 households. This winter our utility providers announced that they were going to increase prices by around 8%, adding between £80-100 to an average fuel bill.
- 1.6 In addition in the last three years we have seen a credit crunch, a double dip recession and a period of limited economic growth. Government policy change has also impacted on some of the most vulnerable residents in the city.
- 1.7 During times of financial hardship it is even more important that residents are able to maximise their finances to best effect.
- 1.8 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 Bert Bremner  
Portfolio Holder for Environment and development  
Norwich City Council

## 2. Context and purpose

2.1 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 one which needs to spend more than 10 percent of its disposable income to heat the home to an adequate standard of warmth (defined by the World Health Organisation as 21°C in the living room and 18°C in the other occupied rooms.)

2.2 Fuel poverty is caused by a combination of factors including:

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

2.3 Increases in fuel costs and other household expenses caused by inflation combined with 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.

2.4 In Norwich there are:

- More than 10,000 households experiencing fuel poverty. This is 17 per cent of households and compares with 18 per cent of households in England as a whole. (DECC 2009).
- Approximately 2,500 private sector dwellings have a category 1 health hazard due to excess cold. These are dwellings that cannot be heated to a level sufficient to prevent serious health effects due to cold
- A total of 8,700 private sector dwellings (20 per cent) fail the decent homes standard because of a lack of adequate heating and insulation. Of these, approximately 3,400 are occupied by vulnerable people.
- The average SAP rating (a measure of domestic energy efficiency on a scale of 0 to 100 where 100 is the most efficient) in Norwich is 47. This compares unfavourably with the average for England of 51. It is generally agreed that an SAP rating of 65 in a dwelling will remove the threat of fuel poverty in most cases.
- Our council housing stock has a SAP of 69.5.

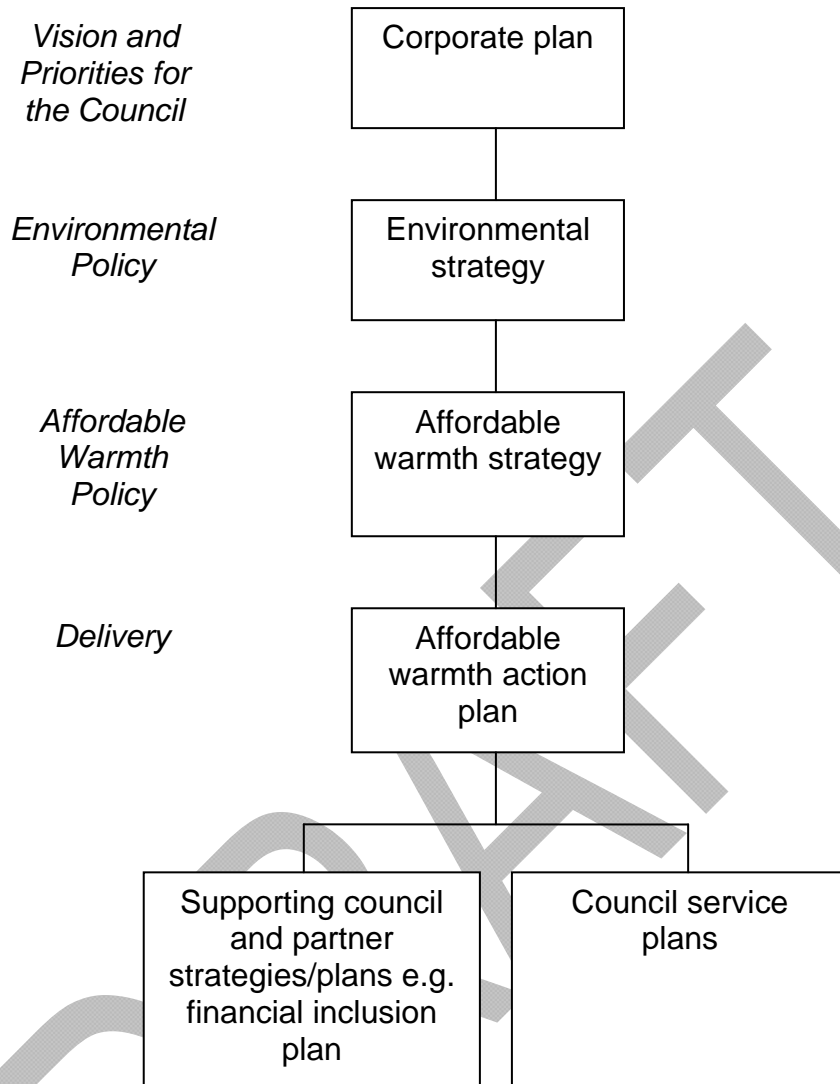
2.4 Fuel poverty can have a range of effects including:

- **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.
- **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.

- 2.5 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.
- 2.6 The council's corporate plan 2012-15 sets out a key action "to reduce fuel poverty through affordable warmth activities" to contribute to its corporate priority 'to make Norwich a prosperous city'.
- 2.7 Within the council's environmental strategy 2011-2014 there is the key action to develop an affordable warmth strategy and review the council's approach to affordable warmth work.
- 2.8 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 below.

Strategic framework for affordable warmth strategy



### 3. Development of this strategy

3.1 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 e.g. the green deal
- 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 key partners through the Norwich Locality Board
- 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?

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

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

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

**5. How will we get there?**

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

5.2 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.
- 5.3 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.
- 5.4 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. How will we know?**
- 6.1 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.
- 6.2 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.
- 6.3 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.
- 6.4 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](http://www.norwich.gov.uk) and supported by external communications to support awareness-raising on these issues in the wider city.

6.5 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.

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## 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.	<p>Priority 1 - To help people in the city to reduce their fuel bills</p> <p>Priority 2 - To improve the energy efficiency of housing in the city</p>	<p>Advice</p> <p>Partnership</p>	<ul style="list-style-type: none"> <li>Number of private households where council activity helped to improve the energy efficiency of their homes</li> </ul>	Environmental strategy team	Review and refresh of existing activities by November 2012 and then ongoing throughout 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 e.g. articles in council publications (Citizen/ TLC)	<p>Priority 1 - To help people in the city to reduce their fuel bills</p> <p>Priority 2 - To improve the energy efficiency of housing in</p>	<p>Awareness</p> <p>Partnership</p>	<ul style="list-style-type: none"> <li>Number of private households where council activity helped to improve the energy efficiency of their homes</li> </ul>	Environmental strategy team, partnerships team, and communications team	<p>Initial new campaign designed and agreed by November 2012</p> <p>Campaign carried out October – February each year</p>

		the city				
3	To work with partners to lobby for national policy changes to support fuel poverty reduction and to try and identify external sources of funding that could be accessed to support affordable warmth work e.g. to pay for winter warmth packs for the most vulnerable residents etc	Potentially all three priorities	Partnership	<ul style="list-style-type: none"> <li>Amount of external funding secured for affordable warmth activity</li> </ul>	Environmental strategy team and partnerships team.	Ongoing throughout period of strategy depending on opportunities.
4	To co-create with the voluntary sector an innovative new system of financial inclusion and money advice services that can be commissioned, taking into account the changes caused by welfare reform, which will help to ensure that people are maximising their income etc	Priority 3 -To assist people in the city to maximise their income	Advice Partnership	<ul style="list-style-type: none"> <li>Percentage of people saying that debt issues had become manageable following face to face advice</li> </ul>	Local neighbourhood services	Co-creation work and re-commissioning completed by September 2012.
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	Awareness Advice	<ul style="list-style-type: none"> <li>Number of privately owned homes made safe (including cold hazards)</li> </ul>	Private sector housing team	Ongoing throughout period of strategy

		efficiency of housing in the city				
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"> <li>Number of employees trained</li> </ul>	Environmental strategy team	Initial training to be provided in December 2012 and then annually in September each year.
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"> <li>Number of council properties meeting the Norwich standard</li> <li>SAP rating of council homes</li> </ul>	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"> <li>Ongoing safeguarding monitoring</li> </ul>	Head of local neighbourhoods	Ongoing throughout period of strategy