

# **Cambridge City Council**

# Home Energy Conservation Act (HECA)

**Further Report 2013** 

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## **1.0 Introduction**

## 1.1 Overview

Cambridge City Council is committed to improving the energy efficiency of properties across all the housing stock in Cambridge. We recognise the benefits of reducing carbon emissions, enabling affordable warmth, alleviating fuel poverty and improving the condition of the housing stock, and we will continue our work by implementing the actions set out in this report.

There has been sustained action over the years across all the sectors. In the private sector we have maximised partnership work and we are prepared to trial new schemes and adopt good practice. This has resulted in targeted projects such as warm homes healthy people with our health partners and working closely with our strong community groups in Cambridge. In the last year we have utilised the remaining Carbon Emissions Reduction Target (CERT) funding by running a project with HeatSeekers to raise the profile of energy efficiency and by funding insulation through the Cambridge Home Insulation Scheme. These schemes have seen a significant increase in the private sector insulation rates in Cambridge.

We have invested in heating and insulation improvements to our own stock and regularly trial new and innovative measures. Our Retrofit for the Future funded property in Trumpington was one of the first demonstration properties to be completed with monitoring and evaluation still ongoing. This work has significantly increased the quality in our own housing stock.

However Cambridge still offers a number of challenges around fuel poverty, the older housing stock and the private rented market. We recognise the opportunities offered by schemes such as the Green Deal and in response we are establishing a county-wide partnership to provide a high quality and trusted Green Deal solution to Cambridge residents. However we will also continue to investigate further opportunities such as Cambridge Retrofit and District Heating to develop a range of solutions to suit all our housing needs. We will also continue to invest in our own stock and trial new measures to provide energy efficient homes for all of Cambridge.

This report sets out Cambridge City Council's current and planned activity to comply with the requirements of the Home Energy Conservation Act.

#### **1.2 Home Energy Conservation Act**

The Home Energy Conservation Act 1995 (HECA) recognises local authorities' ability to use their position to significantly improve the energy efficiency of all the residential accommodation in their area. In July 2012 the Department for Energy and Climate Change (DECC) published a requirement under HECA for all local authorities in England to report on the measures they propose to take to achieve this aim.

The Secretary of State for Energy and Climate Change requires all English authorities to prepare further reports by 31<sup>st</sup> March 2013 setting out the energy conservation measures that the authority considers practicable, cost effective and likely to result in significant improvement in the energy efficiency of residential accommodation. Subsequent reports, known as progress reports, will be published at two-year intervals following this date.

# 2.0 Cambridge Housing Stock

The 2009 Cambridge House Condition Survey provides a detailed picture of the private sector housing conditions and occupancy characteristics in Cambridge. While the survey does contain some information for the local authority stock for reference, the survey sample only covered properties in the private sector and registered social landlord (RSL) properties.

As we have direct control of local authority properties, we are able to accurately assess the needs of residents and households and provide solutions accordingly. As we have no direct control of private sector properties, the use of house condition surveys allows us to assess and target work more effectively. For this reason the data in sections 2.2 to 2.6 only covers private sector housing.

#### 2.1 Tenure

In total there are an estimated 49,100 households in Cambridge. The tenure profile in Cambridge differs from the national average in the level of privately rented housing is significantly higher at 25% compared with 12%, which will be partly due to the student population within the City as well as a buoyant labour market which assists a high demand for people wanting to rent. The overall proportion of social housing is higher at 22% compared with 18% nationally.

The table below shows the comparisons of the tenure profile for Cambridge and that for England as a whole using statistics from the English House Condition Survey (EHCS)

Tenure	Dwellings	Percentage	EHCS 2006
Owner occupied	26,000	53%	70%
Privately rented	12,300	25%	12%
Private Sector Housing Stock	38,300	78%	82%
Housing Association (RSL)	3,200	7%	8%
Local Authority	7,600	15%	10%
Social Housing	10,800	22%	18%
All Tenures	49,100	100%	100%

Source: 2009 Cambridge House Condition Survey

#### 2.2 SAP ratings across tenures

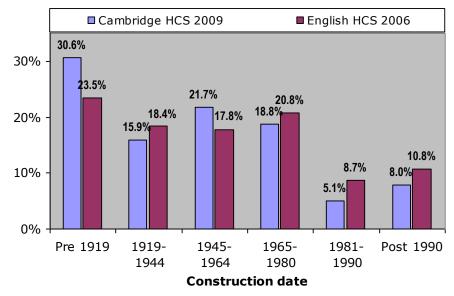
The average Standard Assessment Procedure (SAP) ratings across all the tenures are as listed below. Please note that local authority SAP ratings are based on SAP2001 where other tenures are based on SAP2005.

Tenure	SAP Rating
Owner occupied	52
Privately rented	50
Housing Association (RSL)	54
Local Authority	76

Source: 2009 Cambridge House Condition Survey (Owner occupied, privately rented and housing association), Housing database (Local Authority)

## 2.3 Age of the dwelling stock

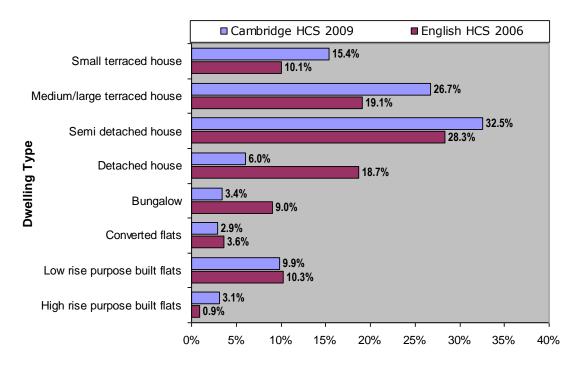
The age profile of the 43,500 owner occupied, privately rented and RSL stock in Cambridge differs from the national average with higher proportions of pre 1919 and 1945 to 1964 dwellings but with lower proportions in all other categories.



Source: 2009 Cambridge House Condition Survey

# 2.4 Dwelling type profile

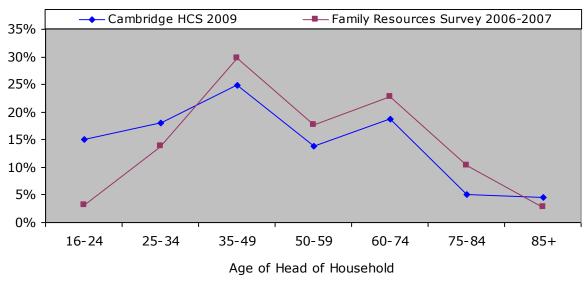
The building type profile in Cambridge again differs from the national pattern with higher proportions of terraced and semi detached properties. There are lower levels of the remaining dwelling types, particularly detached houses and bungalows.



Source: 2009 Cambridge House Condition Survey

# 2.5 Resident Age profile

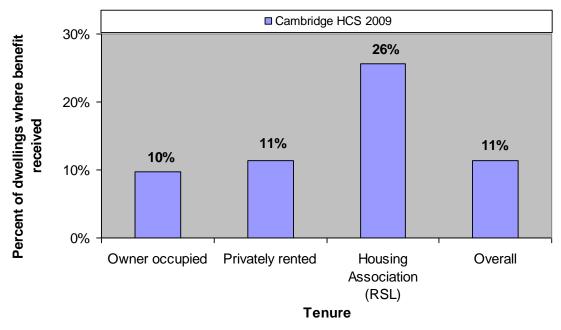
The following chart examines the age distribution, of heads of household within the stock, both for Cambridge and for England as a whole.



Source: 2009 Cambridge House Condition Survey

# 2.6 Benefit Recipients

Overall 4,500 (11%) of households are estimated to be in receipt of a benefit. The distribution of benefit receipt by tenure shows the highest proportion for the RSL type tenure (26%) followed by the private rented sector (11%) and the owner occupied sector (10%)



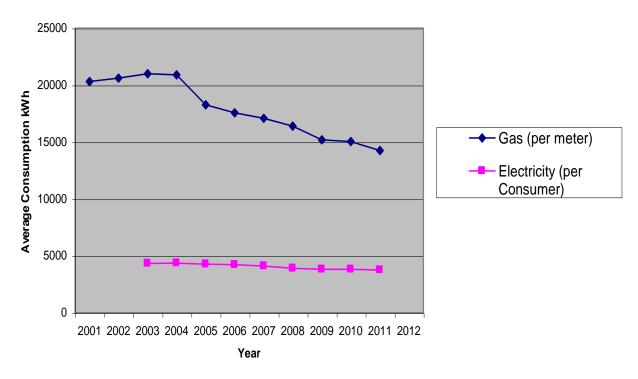
Source: 2009 Cambridge House Condition Survey

# **3.0 Current Trends**

This section provides and overview of current trends in Cambridge City in terms of energy use,  $CO_2$  emissions, fuel poverty and health indictors relating to cold related illnesses.

## 3.1 Energy Use

The table below shows the annual gas and electricity consumption in Cambridge. From 2003 there has been a reduction in consumption for both gas and electricity fuel types, apart from a small rise in electricity between 2009 and 2010.



Source: DECC Sub national gas<sup>1</sup>/electricity<sup>2</sup> consumption dataset

#### 3.2 Carbon dioxide (CO<sub>2</sub>) emissions

Domestic energy consumption is currently the largest source of  $CO_2$  emissions in Cambridge City at 31% of the total. There has been a 5% reduction in domestic  $CO_2$  emissions between 2005 and 2010, compared to an overall reduction of 4%<sup>3</sup>

#### 3.3 Fuel poverty

Government defines fuel poor households as those households which need to spend more than 10 percent of their income on home energy (including heating their home to 21 degrees for the main living area, and 18 degrees for other occupied rooms).

<sup>&</sup>lt;sup>1</sup> <u>https://www.gov.uk/government/statistical-data-sets/gas-sales-and-numbers-of-customers-by-region-and-local-authority</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.gov.uk/government/statistical-data-sets/regional-and-local-authority-electricity-consumption-statistics-2005-to-2011</u>

Fuel poverty data for 2010, compiled by DECC, indicates that 7,497 or 16.2% of households in Cambridge City are fuel poor<sup>4</sup>. This is an increase of 1,950 households, or 4.2% from the data for 2009 (2009 data: 5,547 households  $12.0\%^{5}$ ).

As energy costs have risen at a greater rate than inflation and wage increases in the intervening two years, it is reasonable to assume that this rate has increased.

#### 3.4 Health

Data from the Public Health Authority states that for the period 2007-2012 there was an average of 31 excess winter deaths each year in Cambridge. The Excess winter mortality index for this period was  $13.9^6$ 

Data from the Office of National Statistics indicates the exact figure for excess winter deaths for 2009/10 was 20<sup>7</sup>.

The Hills Fuel Poverty review sets out the links between fuel poverty and health deprivation and it is evident that energy efficiency programmes can help reduce health inequalities and the likelihood of excess winter deaths, as well as generating savings.

<sup>&</sup>lt;sup>4</sup> <u>https://www.gov.uk/government/statistical-data-sets/fuel-poverty-2010-sub-regional-data</u>

<sup>&</sup>lt;sup>5</sup>http://webarchive.nationalarchives.gov.uk/20121217150421/http://www.decc.gov.uk/en/content/cms/statistics/fuelpov\_stats/archive/archive.aspx

<sup>&</sup>lt;sup>6</sup> <u>http://www.apho.org.uk/resource/view.aspx?RID=116446</u>

<sup>&</sup>lt;sup>7</sup> <u>http://www.ons.gov.uk/ons/about-ons/what-we-do/publication-scheme/published-ad-hoc-data/health-and-social-care/september-2012/local-area-excess-winter-mortality.xls</u>

# 4.0 Targets

This section outlines national and local policies and targets relating to increasing the energy efficiency of residential accommodation.

#### 4.1 National Policies and Targets

## 4.1.1 Climate Change Act

The requirement to improve the energy efficiency for homes stems from the legal requirements to reduce  $CO_2$  emissions set out in the Climate Change Act 2008 and the governments Carbon Plan, published in 2011. The Carbon Plan sets the following targets in relation to housing:

- to reduce greenhouse gas CO2 emissions by 29% by 2017, 35% by 2022, and 50% by 2027 for buildings this means a reduction between 24% and 39% lower than 2009 levels by 2027;
- to insulate all cavities and lofts, where practical, by 2020;
- by 2030, between 1 3.7m additional solid wall installations and between 1.9 7.2m other energy efficiency installations;
- by 2030, 1.6 8.6m building level low carbon heat installations such as heat pumps (Government modeling suggests that 21 - 45% of heat supplies to buildings will need to be low carbon); and
- by 2050 emissions from UK buildings to be "close to zero".

The government has also set a target of eradicating fuel poverty in England, as far as reasonably possible by 2016.

# 4.1.2 Energy Act

The Energy Act 2008 introduced a number of measures to encourage renewable energy generation by households and non-domestic users (including the public and private sectors). This included the Feed In Tariff scheme, and the Renewable Heat Incentive, which will provide financial support for renewable heat sources.

The Energy Act 2011 introduced a number of new measures to stimulate energy efficiency measures for homes and businesses. The Green Deal will support improvements to the energy efficiency of homes and non-domestic properties, funded by a charge on energy bills rather than upfront charges to the consumer. The Energy Company Obligation will take over from the previous obligations (such as the Carbon Emissions Reduction Target) that expired at the end of 2012 and will require energy companies to target support where there is greatest need, including vulnerable people on low incomes and residents in hard-to-treat housing.

#### 4.2 Local policies and targets

# 4.2.1 Vision

The City Council's vision for the future of the City is:

- Cambridge where people matter
- Cambridge a good place to live, learn and work
- Cambridge caring for the planet

The Council's vision is for a City includes:

- In the forefront of low carbon living and minimising its impact on the environment from waste and pollution.
- Which recognises and meets needs for housing of all kinds close to jobs and neighbourhood facilities;
- Which celebrates its diversity, unites in its priority for the disadvantaged and strives for shared community wellbeing;
- Whose citizens feel they can influence public decision making and are equally keen to pursue individual and community initiatives;

# 4.2.2 Climate Local

In August 2012, Cambridge City Council was among the first local authorities to sign the 'Climate Local' declaration. Climate Local has been developed by the Local Government Association as the successor to the Nottingham Declaration on Climate Change, which the Council signed up to in 2006.

#### 4.2.3 Climate Change Strategy

The Council Climate Change Strategy establishes the framework for the Council's action to address the causes and consequences of climate change over the next five years. Objectives include supporting residents to reduce their carbon emissions and manage climate risks, and working with partners to address the causes and effects of climate change.

In developing the Strategy and identifying the actions that we will take over the next fours years, we have taken as a starting point the measures recommended for a district Council by the Committee on Climate Change in its report on the role of local authorities in reducing emissions and managing climate risk. Those include:

- Drawing up carbon reduction plans which include a high-level ambition for emissions reductions (e.g. 20% reduction across buildings, surface transport and waste by 2020 relative to 2010 levels).
- Reducing emissions from local authority estates, primarily through use of their own buildings, transport and procurement.
- Influencing emissions from domestic buildings through energy efficiency measures. Primarily through home insulation measures, delivered through national programmes such as the Green Deal and Energy Company Obligation (ECO).
- Influencing emissions from non-domestic buildings.
- Using planning and building control functions to enforce energy efficiency standards in new buildings and extensions.
- Working with developers to make renewable energy projects acceptable to local communities.
- Planning for infrastructure such as low-carbon district heating networks, green infrastructure and sustainable drainage systems.
- Developing and making district heating schemes commercially viable.
- Preparing for climate change impacts through:
  - Using planning policy and other levers to ensure that buildings and infrastructure are resilient to flooding and heat stress.
  - Managing and extending natural resources to promote biodiversity and reduce flood risk

# 4.2.4 Housing Strategy

The Housing Strategy 2012-15 sets out the Councils plans for the next three years to meet the diversity of need for housing and housing-related services in the City. Eleven key objectives have been agreed, as well as a range of priorities to meet those objectives. Those related to energy efficiency include:

Council Housing priorities – We will work with tenants to:

- Manage, maintain and improve the Council's housing stock
- Improve energy efficiency and promote affordable warmth
- Explore greater use of renewable energy in sheltered schemes

Private Sector Housing priorities – We will work with residents and partners to:

- Review our Private Sector House Condition Survey
- Promote and support home energy improvements across all tenures
- Support the improvement of health outcomes for older and vulnerable people

# **5.0 Action Plan**

# 5.1 Measures to result in significant improvements to our residential accommodation

Objective	Action	Completion Date
Green Deal and ECO	We are working with neighbouring local authorities to develop a Cambridgeshire county-wide Green Deal partnership via a procurement process with one or more Green Deal Providers.	Proposed launch Autumn 2013
	<ul> <li>The successful Provider/s will need to meet our following objectives:</li> <li>Securing the maximum take-up of Green Deal measures across the building stock of all Cambridgeshire to reduce fuel poverty, carbon emissions and improve the building stock;</li> <li>Ensuring good value, high quality energy efficiency installations with outstanding quality of work and customer care;</li> <li>Boosting the local economy (employment, skills and learning, expansion and development of the energy efficiency and micro-generation business sector);</li> <li>Supporting local community groups and voluntary sector organisations working on sustainable energy-related issues</li> <li>Establishing an energy efficiency/Green Deal programme which could provide a revenue stream that local authorities can use to re-invest into the project or to off set the cost of officer time.</li> </ul>	
Feed in Tariffs scheme	The Feed in Tariff (FiT) scheme is promoted in all energy efficiency promotions and literature produced by the City Council. Officers are trained to give advice on renewable energy technologies and signpost enquiries to national schemes.	Ongoing
	A total of 391 domestic FiT related renewable energy installations have been installed in Cambridge to date.	
Renewable Heat Premium Payment	The Renewable Heat Premium Payment scheme is promoted in all energy efficiency promotions and literature produced by the City Council. Officers are trained to give advice on renewable energy technologies and signpost enquiries to national schemes.	Ongoing
Zero Carbon Homes	To ensure that all new built homes are zero carbon by 2016 we propose to introduce a policy in the new Local Plan requiring all new development to be zero carbon by 2016 (for homes) and 2019 (for non-residential development). The new Local Plan is currently in preparation and will be submitted to the Secretary of State in early 2014 with a view to it being adopted later in 2014.	New residential developments to be zero carbon by 2016
Energy Performance Certificates	We have acquired EPC data for the Cambridge City district and will be using this data with our private sector housing stock database to help target ECO assistance and identify	Ongoing

(EPC's)	potential area based areas.	
	We produce EPC's for all local authority properties when they become vacant. From April 1 <sup>st</sup> we will be increasing all	
	properties with an EPC rating of C or above to target rent.	
Minimum	Since 2007 we have run a Property Accreditation Scheme to	Ongoing
standards in	encourage landlords to improve the standard of their	
private rental sector	properties.	
360101	Since 2009 we have required a minimum energy rating for	
	properties on the scheme and provided additional funding	
	for energy efficiency improvements.	
	We have nearly 500 properties accredited since 2007.	
Cambridge	This is an Cambridge University led initiative aimed at	Ongoing
Retrofit	enabling and maximising the amount of building retrofit in	5 5
	Cambridge by bringing together key stakeholders.	
	Cambridge Retrofit aims to scale projects up to a point at	
	which the financing is possible through the commercial	
	sector or even as an attractive investment opportunity. This	
	is to be achieved by reducing costs through economies of	
	scale, aggregating similar projects together, and de-risking the process so as to realise the economic benefits.	
Historic Building	This guidance will provide property owners and installers in	October 2013
Retrofit	Cambridge with clear guidelines on the best way to improve	
Guidance	energy efficiency in Cambridge's conservation area's and hard to treat homes and will link with the Green Deal and	
	ECO.	
District Heating	Cambridge City Council is investigating the possibility of a	Ongoing
Scheme	joint venture with Cambridge University for a combined heat	
Insulation	and power (CHP) district-heating network. We have a rolling programme of insulation works to our own	Ongoing
Programme for	housing stock. This includes approximately £100,000 per	Chigoling
Local Authority	year on loft and cavity wall insulation (along with other	
housing stock	energy efficiency improvements) and another £100,000 per	
Heating upgrade	year on external wall insulation works. We invest approximately £2 million per year on heating	Ongoing
programme to	improvements to our own housing stock.	Chyonig
Local Authority		
housing stock	Combridge City Council as substrict starts to be seen in the	Ongoing
Trialling new and innovative	Cambridge City Council regularly trial new and innovative energy efficiency measures and monitor their effectiveness	Ongoing
energy efficiency	accordingly with a view to adopting in all our own stock and	
measures	promoting to the private sector.	

# 5.2 Measures to deliver energy efficiency improvements using area based/street by street role out.

Objective	Action	Completion Date
Green Deal and ECO - Community Groups	One of the key objectives for our Green Deal partnership is to support local community groups and voluntary sector organisations working on sustainable energy-related issues. We have history in working together on area-based schemes and will look to develop this under our Green Deal offering. Community Champions may be trained and developed to promote Green Deal to local neighbourhoods.	Ongoing
Green Deal & ECO - Pioneer Places Project	Our Green Deal partnership has secured funding for over 200 assessments with over 75 to be in Cambridge. We are using this scheme to trial area based promotion and identify Green Deal potential in typical Cambridge housing types while promoting the Green Deal Cashback scheme to provide a further incentive. This work will help shape the partnership with a Green Deal Provider(s) and will help define future promotional material to encourage take up.	April 2013

# 5.3 Timeframe for delivery and national and local partners

Objective	Action	Completion Date
Cambridgeshire Green Deal Group	The Cambridgeshire Green Deal Group has been formalised and 'strongly endorsed' by the senior district officers. The group includes Cambridge City Council, Cambridgeshire County Council, East Cambs District Council, Fenland District Council, Huntingdonshire District Council and South Cambs District Council.	A formally procured relationship(s) with a Green Deal Provider(s) will be secured by Autumn 2013.
	<ul> <li>The potential Green Deal domestic investment in Cambridge is estimated at £79m with potential domestic carbon savings of 34,095 tonnes</li> <li>The potential Green Deal non-domestic investment in Cambridge is estimated at £49m with potential domestic carbon savings of 17,367 tonnes</li> <li>In total, the Green Deal potential in Cambridge is estimated at £128m with total carbon savings of 51,462 tonnes</li> <li>(Source: Community Connections report)</li> </ul>	Once procured, it is expected to be a long term Green Deal partnership.
Community Partners - Home Energy Liaison Group	The Home Energy Liaison Group includes members from community, voluntary, SME and education sectors. It is a key group used to develop projects and ensure we maximise local value and share resources.	Ongoing
Cambridge City Council Benefit Team	We propose to maximise our links with our Benefits Team to provide a targeted approach of ECO funding to vulnerable groups.	Ongoing
Cambridge City Council Environmental Health – Domestic Team	The Environmental Health Domestic Team works with landlords, tenants and other agencies to provide decent housing for all private rented sector tenants. Through these links we can develop energy efficiency initiatives to increase the standard of the private rented sector.	Ongoing
Cambridgeshire Joint Strategic Needs Assessment	The Cambridgeshire JSNA brings together data and information from a number of different sources to identify the health and well-being needs of the county's population, to help to inform health and social care decisions on commissioning. Housing has an important role to play in promoting health and well-being, and a number of priority recommendations in the JSNA are relevant to energy efficiency.	Ongoing
Cambridgeshire Health and Wellbeing Board	The Council is actively supporting the development of a county-wide Health and Wellbeing Strategy, through the Cambridgeshire Health and Well-being Board.	Ongoing
Cambridgeshire Home Improvement Agency	We have previously worked closely with the Cambridgeshire Home Improvement Agency to delivery Warm Homes Healthy People funding and will continue to develop targeted assistance in the future.	Ongoing

# 6.0 Report Approval

This report was approved for submission on: 26<sup>th</sup> March 2013

Signed:

idusa

Antoinette Jackson Chief Executive, Cambridge City Council

# **This HECA further report review date:** 31<sup>st</sup> March 2014

# **Submission of next progress report due:** 31<sup>st</sup> March 2015

For further information on this report, please contact:

Justin Smith Home Energy Officer (Private Housing Stock), Cambridge City Council Tel: 01223 457954 Email: justin.smith@cambridge.gov.uk

Sam Griggs, Home Energy Officer (Local Authority Housing Stock), Cambridge City Council Tel: 01223 457960 Email: <u>sam.griggs@cambridge.gov.uk</u>