



**South  
Derbyshire**  
District Council

# Affordable Warmth Strategy 2005-2010

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## **1. INTRODUCTION**

### **1.1 Purpose of the Affordable Warmth Strategy**

This strategy has been developed in order to ensure that the Council acts in the most effective way to deliver affordable warmth within the district. In doing so it supports the objectives of the government's UK Fuel Poverty Strategy published in 2001.

The UK Fuel Poverty Strategy set a target of ending fuel poverty for all vulnerable households by 2010. (Vulnerable households are those who are older, disabled or suffering from long term illness and families with children).

In this document South Derbyshire District Council sets out the principles to guide and the practical measures that will be used to help vulnerable households achieve affordable warmth by 2010.

Additionally the Council's will use this strategy to deliver other significant aims as set out in the Community Strategy, its Housing Strategy and Environmental Policy.

We have decided to call it an Affordable Warmth Strategy rather than a fuel poverty strategy, since affordable warmth is the positive aim the Council intends to achieve.

### **1.2 Definition of Affordable Warmth**

A household is said to enjoy affordable warmth if they can maintain an acceptable heating regime at a cost of less than 10 % of their income.

Conversely fuel poverty is defined as when fuel costs are more than 10% of income and in addition the terms severe fuel poverty and extreme fuel poverty are sometimes used to indicate where fuel costs are more than 20% and 30% of income respectively.

This strategy utilises the Government's definition, which calculates affordable warmth and fuel poverty on the basis of total net income.

### **1.3 How Can Affordable Warmth be achieved?**

Affordable Warmth can be achieved through a combination of improved energy efficiency (to reduce fuel running costs), energy advice to householders and higher incomes.

Recent Government reports suggest that more people have been relieved from fuel poverty through increases in income than through heating efficiency improvements since the 2001 National Strategy was launched. Research published in March 2005 has shown that energy efficiency improvements alone will not relieve all cases of fuel poverty and that a 30 % raises in fuel price would make almost all households assisted by Warmfront/HEES grants vulnerable to fuel poverty again. Consequently measures to secure the uptake of benefit amongst vulnerable groups must be an important element of this strategy and should be supported by the Council whenever possible.

However the factor, which the District Council can most readily influence is the energy efficiency of dwellings. Improving energy efficiency also meets other key aims of the Council most importantly tackling climate change (as set out in the Community Strategy and the Environmental Policy). Consequently a major thrust of activity to deliver affordable warmth will be through measures to improve energy efficiency.

Homes that are expensive to heat often have condensation problems that can be made worse by measures to improve energy efficiency without improved ventilation. Therefore in cases where the Council attempts to improve heating and insulation, ventilation measures will also be included as appropriate.

There is a case that a comprehensive Affordable Warmth strategy would seek to improve the energy efficiency of all homes (irrespective of occupier) so that they would be affordable to heat for the poorest of households (in order to account for migration and change in circumstances). However, in practice the UK Fuel Poverty Strategy tackles only those householders that are vulnerable to ill health due to cold homes first, and this strategy will therefore take the same approach at least for private sector households.

#### **1.4 The Benefits of Action on Affordable Warmth**

The most significant consequence of fuel poverty is the effect that this has on people's health and well-being. There is a clear relationship between temperatures in the home and the incidence of respiratory and cardio-vascular diseases, and while death from hypothermia is rare, nationally there are between 20,000 and 40,000 additional deaths each winter depending on the severity of the weather. Therefore the primary benefit of action on affordable warmth will be improved health for households that are at risk of fuel poverty. Other significant benefits include:

- Reduced costs for the health service
- Reduced absence from work (and from school, improving educational opportunities for children from poorer households)
- Improved quality of life
- Increased energy efficiency and reduced energy use
- Improved housing stock
  - Reduced social exclusion
  - Improved air quality in the home

While there are a number of national initiatives that are setting out to address fuel poverty, these mainly rely on households (or local organisations) to apply for assistance. There is therefore a need for local action to ensure that people are made aware of the schemes that are available and are able to access the resources available

Other benefits of a local strategy include:

- The ability to tailor the local approaches towards local circumstances e.g. as researched in the 2004 Private Sector Housing Stock Condition survey.

- The need to address the problems of rural areas, which the national strategy does not specifically tackle.
- The ability to develop plans with important local partners including the local Housing Associations, Citizens Advice Bureau, Private Sector Landlords etc
- The opportunity to plan effectively, avoiding duplication of resources

## **1.5 Links With Other Council Strategies and Policies**

At the highest strategic level the Council's aims are set by the Community Strategy. The Council's Affordable Warmth Strategy is very important in steering the delivery of two of the Community Strategy's aspirations namely a Healthy Community and a Sustainable Environment.

The Council's own Corporate Plan (2006-2009 draft) emphasises both the environmental and personal impacts of affordable warmth and energy efficiency with, "sustainable communities," and, "supporting vulnerable people and families," as specific priorities.

This strategy will define the mechanisms to deliver key elements of the Council's overall Housing Strategy. In particular its primary priority 5, to raise the standards of vulnerable households in the Private Sector to meet the decent homes standard and its secondary priority to reduce harmful CO2 emissions and tackle fuel poverty.

The Affordable Warmth Strategy is a comprehensive cross sector document. It sits closely with the Private Sector Housing Renewal Strategy and has informed Council's policies of intervention which that policy sets out. This document has absorbed the contents and action plan of the Housing Services Energy Efficiency Strategy and supersedes that document in order to form a single and integrated strategy covering public and private sectors for all South Derbyshire.

Further strategies and policies that have been taken account of in producing this document include:

- The Council's Environmental Policy
- Draft Affordable Warmth Regional Strategy
- The Nottingham Declaration
- East Midlands Regional Energy Strategy
- The Home Energy Conservation Act (HECA)

## **1.6. Strategy Development and Partnership Working**

It is recognised that this strategy will be most effective if it has the support and active participation of officers from across all Council Directorates and other partner organisations.

This strategy will therefore been developed in consultation with a range of key stakeholders and as well as the South Derbyshire District Councils Housing Services and Private Sector Housing teams the input of others has been sought including;

Independent Private Sector Landlords  
Registered Social Landlords  
Age Concern  
Warm Front  
Powergen

It is hoped that the Councils Housing Department and the RSL's will engage in the development of this strategy and will then be able to commit to delivering their element of it. It is also hoped that private landlords will offer comment in order to allow the Council to develop schemes that will appeal sufficiently to encourage them to improve the energy efficiency of their stock.

The Council is a member of the Derbyshire and Nottinghamshire Local Authority Energy Partnership that develops and shares best practice across the region this partnership will be of great assistance in identifying effective interventions.

## **2.0 FUEL POVERTY IN SOUTH DERBYSHIRE DISTRICT**

### **2.1 The Prevalence of Fuel Poverty**

The 2004 Stock Condition survey estimated 10.2 % of Private Sector households, a total of 3346, to be experiencing fuel poverty. We do not have sufficient information to be certain whether these households are vulnerable or not.

There are potentially further households in Council Property who experience fuel poverty however these are unlikely to amount to a large number as the Council stock is on average more energy efficient than the private sector (current estimated SAP\* rating is 64

\* SAP rating is a government specified energy rating for dwellings that indicates how costly a home is to heat. SAP ratings range between 0 (almost unachievably bad) through to 120 (almost unachievably good) compared with 39 for the private rented sector or 50 for owner occupied property with a mortgage, as at November 2004). Nevertheless there are 89 Council properties with a SAP rating of 40 or below and the heating costs for these would certainly be significant enough to put low income groups at risk of fuel poverty. The

National Fuel Poverty Strategy suggests a SAP of 65 as minimising the risk of fuel poverty in a particular property.

It would seem reasonable to estimate that no more than 100 households within Council stock are suffering fuel poverty. However, if there are a significant number of single occupants living in larger dwellings this could be an underestimate.

Fuel poverty therefore affects about 10% of private sector households and 3% of Council tenants.

Overall South Derbyshire seems in line with nationally expected levels of Fuel poverty.

## **2.2 Distribution of Fuel Poverty within Private Sector Housing**

In targeting measures to deliver affordable warmth it helps to understand what type of properties are least energy efficient, typical income levels and where different groups live.

Private rented and housing built prior to 1919 are the least energy efficient in the district.

The general rule that the older the property the worse the thermal insulation holds true within the district. Properties with electric and solid fuel heating are generally the most energy inefficient and the most expensive to heat.

Single pensioners and pensioner couples (associated with lower incomes) tend to occupy the properties with the lowest energy efficiency.

Other low income groups often occupy private rented property including Registered Social Landlord stock.

Consequently single pensioners are the group most likely to suffer with an estimated 35 % in fuel poverty. If 1/3 of pensioners live on their own and there are 13500 pensioners in the district, were 35% of them to be in fuel poverty this would amount to 1575.

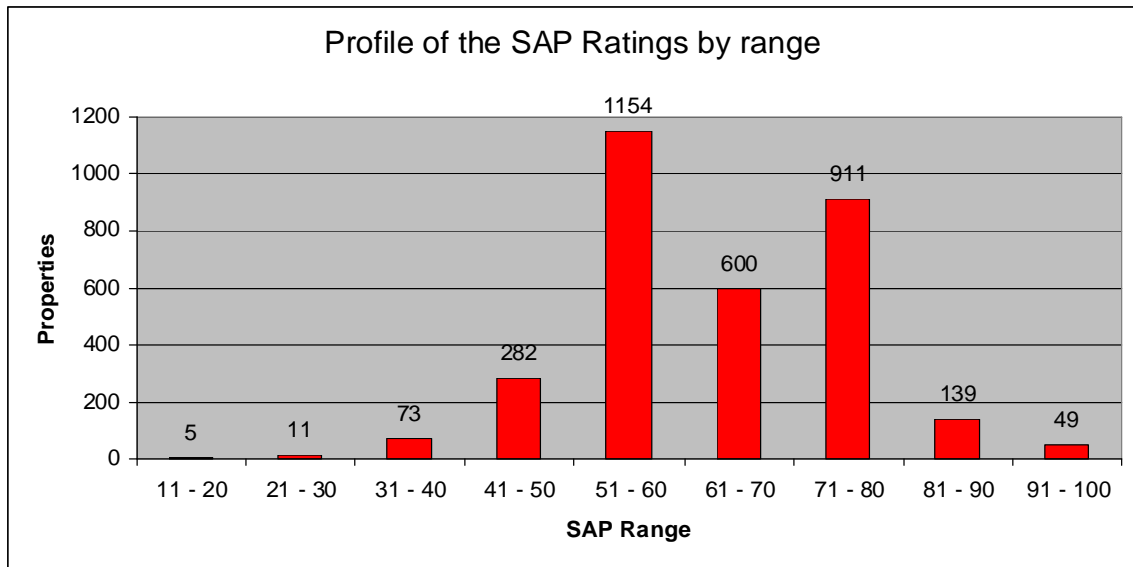
Of the 2400 private rented households in the district 23% about 550 are estimated to be in fuel poverty.

Of the 700 or so household in RSL stock an estimated 225 are in fuel poverty.

The remaining cases of fuel poverty (around 900) would be spread across other groups in owner occupied housing.

### 2.2.1 Council Housing Stock

Whilst the average level of energy efficiency in Council housing is relatively good there are still a small number of properties which are so energy inefficient as to put householders at risk of fuel poverty. See the diagram below.



## 3.0 ACHIEVING AFFORDABLE WARMTH IN SOUTH DERBYSHIRE

### 3.1 Overall Aim

To assist all vulnerable households in South Derbyshire to achieve affordable warmth by 2010.

### 3.2 Key Aims

1. To identify all Private Rented housing within the district and devise incentives to ensure these provide affordable warmth.
2. To identify owner occupied households at risk of fuel poverty and target advice and measures to help them achieve affordable warmth
3. To ensure housing provided by Registered Social Landlords provides affordable warmth.

4. To ensure all Council Housing provides affordable warmth.

### **3.3 Delivering Affordable Warmth**

#### **3.3.1 District Wide Approach/ Blanket Publicity**

With regard to both benefits and energy, general advice can be directed through free publicity reaching a mass market. This can offer excellent gains at relatively little cost.

Other low input marketing techniques such as via the web site will be used to reach relevant householders.

#### **3.3.2 An Intelligence Led Approach**

Energy and benefits advice has been available for many years now and hence the harder to reach groups are prevalent amongst those that are still fuel poor. Consequently to offer detailed advice and to administer financial assistance towards energy efficiency it is essential to target resources towards those that are genuinely at risk. The main difficulty in preventing fuel poverty is identifying these at risk households.

Therefore the information on distribution of fuel poverty amongst different age groups, tenures property ages etc, contained in section 2 of this strategy, is critical in guiding efforts to tackle fuel poverty.

Furthermore the Council will continue to take all opportunities to obtain further information to better target its programmes.

Because reducing carbon emissions is a related priority of the Council there will remain scope for measures that are not targeted so tightly or exclusively towards vulnerable households but that provide gains for the environment as well as the fuel poor. This strategy can accommodate such approaches as it would be nonsensical to have a separate plan for activity to address energy efficiency in residential property for the sake of the environment and the wellbeing of the almost fuel poor.

#### **3.3.3 Initial Targeting**

Those particularly at risk of fuel poverty will be identified by:

Benefit enquiries

Benefit claims

Property age

Via the assistance of charitable or interest groups, such as Age Concern, Alzheimer's society, British legion, miners welfare etc

Tenure

### **3.3.4 Resources**

The overall aim of eradicating fuel poverty by 2010 is hugely challenging consequently it is essential to draw on all resources and not least the resources available from other agencies to tackle the issue.

This includes the grants such as Warm Front, the Heat Scheme etc. Tapping in to EEC money wherever possible, and any other initiatives, e.g. clear skies, as and when they arise. The Nottinghamshire and Derbyshire Local Authority Energy Partnership is a great asset in helping identify funding options and how to best access them.

The Council has a significant capital funding programme of its own and an element of this will be dedicated to energy efficiency works. Great care must be exercised ensure this funding is used judiciously to obtain the maximum gain for every pound spent.

Consequently in devising schemes preference will be given to options that achieve the greatest increase in SAP for a given amount of expenditure by SDDC.

Consequently schemes that draw in match funding from other agencies are likely to provide more improvement per pound spent by SDDC.

It is acknowledged that the Councils Environmental Policy contains independent aims which might require gaining maximum CO2 reduction per pound spent and this might occasionally require a degree of compromise in scheme design.

#### 4.0 Action Plan

**Key Aim 1. To identify all Private Rented housing within the district and devise incentives to ensure these provide affordable warmth.**

Key Objective	Detailed Task	Timescale	Lead Officer Responsible
1.1 Identify Private rented property within the District	i. Arrange access, as soon as legally possible, to information on addresses of claimants of housing benefit.	Mar 2007	DB
	ii. Devise and implement a regime to routinely note adverts in the local press, estate agents etc to identify and maintain a register of property presumed as let or available for rent.	ongoing	DB
	iii. Identify the numbers and character of properties let by the rural estate landlords within the district.	Mar 2008	DB/JL
1.2 Devise incentive packages to encourage landlords to improve the energy efficiency of property.	i. Devise grant incentives to encourage any landlords to improve energy efficiency.	Mar 2007	DB
	ii. Develop specific incentive package/s to engage rural landlords in the task of improving energy efficiency. Including a) initial pilot schemes to excite interest engage others followed by b) more general schemes for other rural landlords.	Mar 2008	DB
1.3 Target advice toward	Use in-house databases to target information, advice and support.	Mar 2007	JL

identified tenants to encourage take up of benefits and energy efficiency.	Develop links with partner agencies e.g. social services, letting agents, landlords associations etc and direct information and advice through those.		
	Develop services including with partner agencies to promote maximum take up of benefit amongst private tenants.		

**Key Aim 2. To identify Owner Occupied households at risk of fuel poverty and target advice and measures to help them achieve affordable warmth**

Key Objective	Detailed Task	Timescale	Lead Officer Responsible
2.1 Identify the location of vulnerable groups coinciding with poor energy efficiency	i. Obtain additional information to identify the location of housing with poor energy efficiency. e.g. via aerial thermal imaging or a GIS overlay with pre- 1900 properties.	Mar 2007	DB/JL
	ii. Explore the scope for overlaying the above with data on average income to identify likely fuel poverty hotspots.	Jun 2007	JL
	iii. Engage with other none government organisations e.g. charities and associations to identify vulnerable households that could potentially benefit from advice.	Sept 2007	DB
	iv. Develop relationships with health agencies and Social Services to identify vulnerable households and to help direct or refer cases for assistance.	Sept 2007	DB

2.2 Target advice and support towards vulnerable households.	i. Advice on energy efficiency and cheaper sourcing of energy.	Mar 2007	JL
	ii. Advice on income and benefit take up.	Mar 2007	JL
	iii. Advice on grants and measures via mailshots.	ongoing	JL
	iv. Take SDDC mobile advice centre to rural locations to promote energy efficiency to hard to reach groups	ongoing	JL
	v. Organise the regional Mobile Energy Advice Centre to visit schools and promote energy efficiency.	ongoing	JL
2.3 Ensure the provision of a range of financial interventions to assist all scenarios of vulnerable households to improve their energy efficiency.	i. Secure take up of nationally available grants such as Warm Front, the Heat scheme etc via a range of measures including the Heat Streets promotional scheme.	ongoing	DB/JL
	ii. Develop further options to reach vulnerable households that fall outside the criteria of national grant schemes by a) providing funding to extend the reach of Heat Streets and b) develop a local grant to provide assistance to vulnerable households ineligible for other assistance (e.g. Healthy and Warm Grant)	Sept 2007	DB

**Key Aim 3. Registered Social Landlords to ensure their housing provides affordable warmth.**

Key Objective	Detailed Task	Timescale	Lead Officer Responsible
3.1 Improve housing stock to meet Decent Home Standard to help alleviate fuel poverty	i. Ensure all properties meet the Decent Home Standard for Thermal Comfort	Mar 2010	DB/RSL
3.2 Target advice and support to vulnerable households to help alleviate fuel poverty	i. Advise tenants on income and benefit take up.	Jun 2008	JL/RSL
	ii. Advise tenant on energy efficiency and cheaper sources of energy	Jun 2008	JL/RSL

**Measuring Success:**

**Environmental Services:**

Key milestones in the Affordable Warmth Action plan to be reported quarterly through the Service Plan

Local Performance Indicators (reported quarterly):

LP8 – No. of vulnerable households receiving Energy Efficiency improvements.

LP9 – Tonnage of CO2 reduction arising from energy efficiency improvements and related activity.

**Corporate Plan:**

**To improve the condition and energy efficiency levels of homes in the private sector**

**Key Aim 4: To ensure all Council Housing provides affordable warmth by 2010.**

Key Objective	Detailed Task	Timescale	Lead Officer Responsible
1.1 Establish Housing Services as member of Corporate EMAS Working Group to deliver the Community Strategy aims and ensure, through corporate working, Housing Services is effective in delivering this Strategy	i. Delegation of representatives from Housing Services to sit on corporate group and to have full departmental responsibilities for coordinating energy efficiency and environmental improvements to housing stock.	30/06/05	B Ledger
	ii. Housing Services representatives to ensure Corporate Environmental aims remain aligned to Housing Energy Efficiency aims	Ongoing	Delegate
1.2 Establish an Energy Efficiency Monitoring Team to oversee and deliver the aims of Housing Service's Energy Efficiency Strategy	i. Form a team (including at least one service expert) to comprise of Repairs and Improvement Manager, Improvement Manager, Repairs Manager and delegated officer from operations. Other personnel with specific interests to be invited at the team's discretion	30/06/05	L Carter
	ii. Establish terms of reference for Energy Efficiency Monitoring Team	30/06/05	L Carter
	iii. Review and amend Energy Efficiency Strategy annually against legal and corporate aims	31/03/06 and annually	EEM Team
	iv. Consult, seek approval and publicise aims of strategy in conjunction with corporate policy	Ongoing	EEM Team

Key Objective	Detailed Task	Timescale	Lead Officer Responsible
1.3 Identify financial and specialist resources for delivering Energy Efficiency over a 5 year Programme	i. Identify staffing and specialist advice needed to achieve aims of Energy Efficiency Strategy	31/08/05	G Clarkson
	ii. Examine internal financial resources needed to meet with aims of the Energy Efficiency Strategy	31/09/05	EEM Team
1.4 Re-evaluate and maintain Energy Efficiency stock data to provide accurate reflection on stock energy ratings	i. Validate, through site visits and research, data held on 'Lifespan' software system	31/8/05 then ongoing	G Clarkson
	ii. Produce an updated stock profile as part of Energy Efficiency Strategy on 6 monthly	30/06/05	G Clarkson
1.5 Carry out energy efficiency improvements to housing stock as part of Repairs and Improvement programme	i. Identify and Prioritise potential areas for Energy Efficiency Improvements inc. Loft and Cavity insulation, Central Heating upgrades, Solid Fuel to Gas Fuel Switching, Replacement, Window and Door replacement, Draught Proofing etc.	30/06/05 and annually	L Carter
	ii. Undertake consultation with tenant group (TACT) on proposals to introduce energy efficiency measures	31/08/05 and ongoing	D Dawson
	iii. Incorporate post consultation improvement proposals into Repairs and Improvement programme through quantifying internal and external grant funding for schemes against annual income streams	01/02/06	G Clarkson
	iv. Prepare specifications using Best Value to deliver tendered or negotiated schemes on time and on budget whilst maximising external grant funding	31/03/06 and ongoing	G Clarkson

	v. Review progress of improvement areas against Repairs and Improvement targets and report to tenants annually on progress	Ongoing	L Carter/ D Dawson
1.6 Identify and provide support for Housing Customers in potentially Fuel Poor circumstances	i. Prepare a desktop model and profile of annual stock heating costs against notional benefit levels to establish the affordable warmth needs of Housing Customers	30/11/05	G Clarkson
	ii. Prepare a procedure to monitor affordable warmth levels in tenancies and target information and practical advice to assist Housing Customers to effectively manage Energy Efficiency within their homes	31/12/05	G Clarkson
	ii. Identify single people in oversized accommodation ?		
1.7 Educate Housing Customers on practical energy efficiency via Housing Staff and contractors.	i. Prepare a training programme for Housing call handling staff and those engaged in operational duties to provide energy efficiency measures and advice when dealing with customers or when working in homes	31/08/05	B Ledger
	ii. Consult and encourage contractors working for Housing Services to train their staff to deliver best practice energy efficient measures when working in homes	21/12/05	L Carter
1.8 Actively promote energy efficiency in Council homes	i. Establish independently or in collaboration with other authorities or agencies a Freephone and Internet link to customers to access practical advice on Energy Efficiency measures	31/12/05	Repairs Manager
	ii. Prepare using advice from the Energy Savings Trust an advisory booklet on Energy Efficiency that is distributed to Housing Customers and included in New Tenant Starter Packs	31/12/05	D Dawson

	iii. Prepare regular features on Energy Efficiency measures in the home for inclusion in 'Tenants Extra' newsletter	30/09/05	D Dawson
1.9 Use innovative, cost effective methods (including best established technology) to reduce carbon emissions, provide high thermal efficiency and reduce heating costs.	i. Ensure only 'A' rated high efficiency condensing boilers are used in Repairs and Improvement Programme	31/03/06	G Clarkson
	ii. Review scope to upgrade or replace all solid fuel systems with a view to switching to a more environmentally efficient system of heating.	30/06/05	L Carter
	iii. Introduce a programme of energy efficiency works to ensure a minimum of 250 mm insulation is installed into all loft areas that receive insulation work and that all hot water pipes and tanks are lagged where they are exposed	30/06/05 and ongoing	G Clarkson
	iv. Ensure that cavity wall insulation is included as a standard feature of all new and refurbished homes.	30/06/05 and ongoing	G Clarkson
1.10 Introduce Energy Efficiency improvements through the use of new technology where appropriate (Including Combined Heat and Power, Solar Photovoltaic and Solar Heating panels )	i. Undertake an annual review of heating and power generation technologies against cost benefits and where appropriate include in Repair and Improvement programme.	31/03/06 and ongoing	EEM Team
	ii. Undertake a review of funding or financial incentives for introducing new technologies to establish any potential benefits for trailing or wholesale inclusion in future energy planning	31/03/06 and annually	EEM Team

1.11 Identify, programme and access external grant funding to deliver the Energy Efficiency Strategy at least net cost to South Derbyshire's Housing Customers	i. Set up meeting with funding agencies (Initially the EAGA Partnership) and make contact with suppliers to establish funding potential based upon current social make up of tenants and current stock Energy ratings	13/05/05	G Clarkson
	ii. Quantify funding requirements and establish internal resource needs in terms of skills and finance to deliver a fund bidding programme	30/09/05	G Clarkson
	iii. Integrate external grant funding potential with internal financial framework and incorporate into Repairs and Improvement Programme. Modify programme regularly against actual funding streams	01/02/06 and annually	L Carter