

Appendix A Part 1: Coventry City Council Report to the Secretary of State for Energy and Climate Change in accordance with the Home Energy Conservation Act 1995

March 2017 Progress Report – Ambitions and Progress

POLICY	POSITION
i) LOCAL ENERGY EFFICIENCY AMBITIONS AND PRIORITIES	
Tackling fuel poverty and reducing carbon emissions in the housing sector	<p>The Council Plan for 2016 – 2024 sets out the vision and priorities for Coventry, and was last updated in August 2016. Under the heading of Reducing the Impact of Poverty, the Plan states that supporting those experiencing fuel poverty is a priority.</p> <p>The Council's Housing and Homelessness Strategy 2013 – 2018 states that improving energy efficiency and affordable warmth across all tenures is a priority and that the Council will continue to work with partners to play a leading role in the development and implementation of projects to improve home insulation and heating efficiency, provide help to reduce fuel costs, maximise incomes and support householders with fuel debt arrears.</p> <p>The Council's Climate Change Strategy 2012 – 2020 aims to influence Coventry residents to reduce carbon emissions and improve energy efficiency at home. The visions for the Strategy include improving home energy efficiency and reducing fuel poverty, and reducing carbon dioxide emissions. One of the Strategy's objectives is to reduce carbon dioxide emissions by 27.5 % by 2020, and it is intended that this will be achieved in the housing sector by i) raising householders' awareness of their energy use and providing advice managing and reducing it, ii) insulating homes, and iii) investigating how renewable sources of energy may be used. The latest figures available for 2014 show that carbon dioxide emissions from housing in Coventry have reduced by 18% since 2012.</p> <p>The Council aims to act upon these ambitions and priorities. Progress will be dependent upon Government policy and funding enabling projects to be developed and implemented, and upon the continuing effects of austerity necessitating savings in, and cuts to, some Council services. In particular, the future scope for the Council's Affordable Warmth Team to develop and implement projects may be impacted by the proposals set out in the Pre-Budget Report 2017/18 presented to Cabinet on 29 November 2016. The Affordable Warmth Team comprises two members of staff, with a specific remit to tackle fuel poverty.</p>
ii) MEASURES TO BE TAKEN TO ACHIEVE SIGNIFICANT ENERGY EFFICIENCY IMPROVEMENTS IN THE HOUSING SECTOR	
Green Deal	<p>The Green Deal was launched by the Government in January 2013. Unfortunately the concept of a loan being used to fund energy efficiency improvements struggled to find widespread public appeal. The Affordable Warmth Team considered how the Council could either become a Green Deal Provider, or enter into a partnership with one, to promote the Green Deal but it was concluded that neither option was appropriate given the limited appeal of the Green Deal.</p> <p>The Government subsequently introduced a number of changes to the Green Deal, notably 'cash-back' grants that would partially fund the cost of energy efficiency work. These grants were popular and the Affordable Warmth Team promoted them through advice and information given to the public, and through specific area-based schemes in collaboration with the energy supplier</p>

	<p>E.ON, and the Mark Group.</p> <p>The Green Deal was effectively terminated by the Government in July 2015. A replacement for the Green Deal may be announced in 2017. When a replacement scheme has been announced by the Government, the Affordable Warmth Team will be able to consider how this might benefit Coventry residents and what options there may be for supporting or promoting it.</p>
Energy Company Obligation (ECO)	<p>The ECO was introduced by the Government in January 2013. Under this scheme, obligated energy suppliers can provide funding towards the cost of insulation and heating in accordance with eligibility criteria prescribed by the Government and the regulator, Ofgem.</p> <p>Building on the successes that the Council had with the previous obligation schemes, partnership arrangements were developed by the Affordable Warmth Team during 2013 with energy suppliers and contractors to deliver external wall insulation for private householders on a significant scale. The announcement of changes to green levies made by the Government in the December 2013 Autumn Statement regrettably led to major changes in the ECO. This caused the energy suppliers to advise the Council that they would no longer be able to fund the external wall insulation. A number of projects had to be abandoned, including one to offer external wall insulation to up to 1500 private householders.</p> <p>Whitefriars, the largest housing association in the city, continues to carry out external wall insulation schemes for some of their properties using ECO funding to subsidise part of the cost. Since 2013, Whitefriars have improved 2,324 homes with external wall insulation. Orbit Homes have also improved 294 homes in the same way.</p> <p>The latest available Government statistics show that for the period January 2013 - September 2016, 15,900 ECO insulation or heating measures were installed in Coventry homes of all tenures. However, the Government's own estimates indicate that only 2,921 of these measures would have benefited fuel poor households because of the way that the eligibility criteria have worked.</p> <p>The Government has recently consulted on new proposals for the ECO for the period April 2017 - April 2022. The consultation document stated that whilst the overall value of work to be carried out under the obligation would be reduced, the amount to be focused on fuel poor households would be increased. Of particular interest are the Government's 'flexible eligibility' proposals which will give local authorities the option of playing a prominent role in defining which households can be eligible for ECO assistance, and then identifying these households and promoting the assistance to them. The Affordable Warmth Team has already engaged with a number of obligated suppliers to initially explore how a partnership arrangement could work. Once the Government has issued its formal guidance to local authorities on 'flexible eligibility', the Team intends to develop this further with the objective of maximising the amount of ECO funding invested in Coventry by energy suppliers.</p>

<p>DECC funding competitions</p>	<p>Following a successful bid to the Department of Energy and Climate Change (DECC), the Council received £597,000 from DECC in March 2013 to implement an affordable warmth project to help fuel poor disabled householders. A further £223,000 of ECO funding was also subsequently secured, enabling the scope and duration of the project to be extended. The project was developed and implemented by the Affordable Warmth Team and was completed after three phases of work. A total of 83 disabled householders benefitted from external wall insulation for their homes, whilst others received new boilers, and loft and cavity wall insulation. Feedback from householders showed positive health improvements after completion of the insulation and heating work. No further competitions of a similar nature have since been run by DECC or the successor department, the Department for Business, Energy and Industrial Strategy (DBEIS).</p> <p>The Affordable Warmth Team also secured DECC funding of £63,000 following a bid for support from the Cheaper Energy Together Collective Switching Fund. This enabled the team to run two Coventry Switch and Save schemes in 2013 and 2015. No further competitions of a similar nature have since been run by DECC or the successor department, the Department for Business, Energy and Industrial Strategy (DBEIS). For the 2013 scheme 3035 households registered and the average annual saving for those who switched was £105, and for the 2015 scheme 1688 registered with an average annual saving for those who switched of £285.</p> <p>Another Switch and Scheme is now open for registrations until 14th February 2017, albeit that the budget for marketing and promotion is substantially less than in 2013 and 2015. There is currently a limited budget available to the Affordable Warmth Team for future Switch And Save Schemes. The budget is non-recurring and means that the Council is only likely to be able to operate another three Switch and Save Schemes with reduced provision for marketing and promotion costs.</p> <p>In 2015 the Affordable Warmth Team participated in a consortium bid led by Worcestershire County Council for a share of DECC's £25m Central Heating Fund. The consortium bid was for first-time central heating for low income and vulnerable households in 20 local authority areas, but was unsuccessful. A total of 82 bids were submitted by local authorities to DECC, but only 20 could be funded. Feedback from DECC suggested that the bid failed because other local authorities were able to provide greater levels of match funding.</p> <p>The Council successfully received funding in 2015 for a bid prepared in partnership with Warwick University and Whitefriars housing association to access funding from the Government's Heat Networks Delivery Unit. The funding was to commission a feasibility study into a district heating system that could potentially include homes in Canley. The feasibility study has now been completed and the consultant's report is expected shortly.</p>
<p>Warm Homes Healthy</p>	<p>In September 2013 the Government announced that the Department of Health's Warm Homes Healthy People Fund would not be</p>

People Fund	<p>repeated and it was suggested that local authorities should look to Government funding made available to local authority Public Health Departments to address public health priorities. For the two previous winter periods, the Council had been successful in securing money from the Department of Health to meet heightened winter demand for affordable warmth assistance as a supplement to the year-round services provided to vulnerable and low income households by the Affordable Warmth Team.</p> <p>In response to the announcement, the Council's Public Health Department provided £125,000 for the winter of 2013/14. For the next two winters, Public Health funding was £100,000 for 2014/15 and £113,499 for 2015/16. The amount of funding has since been reduced to £50,000 for winter 2016/17.</p> <p>Over the period 2013/14 – 2016/17 the Council's Consultant in Public Health and the Affordable Warmth Team have collaborated very effectively on a range of projects. The Public Health funding has been specifically targeted to support low income households and those with health conditions impacted by the cold, to receive repairs to broken down boilers, insulation and heating, and advice and information. The Affordable Warmth Team has managed projects to deliver the boiler and insulation assistance, and the funding has enabled external organisations to be commissioned to provide information and advice to supplement the teams work.</p> <p>A sum of £50,000 has been allocated by Public Health for the financial year 2017/18, and the same sum has been provisionally identified for 2018/19 but will be subject to confirmation.</p>
Energy efficiency information and advice	<p>Since 2013 the Affordable Warmth Team has provided year-round affordable warmth information and advice to homeowners, tenants and private landlords. The team's focus is to help those Coventry residents who are vulnerable, suffering with ill health or living in low income households. The information and advice provided is wide-ranging, and can include help with switching to cheaper fuel tariffs, how to access assistance with insulation and heating improvements, help to ensure due financial support is being claimed, negotiations with energy suppliers over fuel debts, and advice on the best use of heating controls and other ways to keep warm at less cost.</p> <p>The Affordable Warmth Team provides information and advice by i) phone, email, surgeries, events and home visits, and ii) the Council's website. For the calendar years 2015 and 2016, the team helped 1,908 Coventry residents through i), and for ii) there were 29,031 webpage views. The Team currently provides weekly surgeries at AgeUK's city centre office and at the Foleshill Children's Centre.</p> <p>In 2016 the Affordable Warmth Team and Public Health began to engage with housing, health and social care organisations. The intention was to raise awareness amongst frontline staff of the fuel poverty issues that may affect the vulnerable residents that</p>

	<p>they visit in their homes, and to encourage referrals to the Affordable Warmth Team for assistance. So far there has been engagement with Foleshill Children's Centre, Longford Primary Care Centre, Children's Centres South East Cluster, Coventry Adult Social Care, Whitefriars, the Acting Early Team and the Willenhall and Wood End Health Visitor Teams. This work will be extended to other organisations in the future.</p> <p>During the winter periods of 2013/14 – 2016/17, Public Health funding has allowed more residents to be assisted.</p> <p>There is a potential role for the Affordable Warmth Team as the roll-out of Smart Meters gains momentum nationally. A national campaign is currently operating to encourage household to have Smart Meters installed, and up to this point in time a local campaign has not been considered. The campaign is being led by Smart Energy GB which was set up by the Government and is funded by the energy suppliers. Smart Energy GB has so far invited bids for one round of its grant programme to fund organisations that can promote the benefits of Smart Meters locally. Another funding round is expected to be launched in early 2017 – once the invitation for bids has been published, the Affordable Warmth Team will look at the potential for a project proposal to be submitted.</p>
Affordable Warmth Action Plan	<p>The Affordable Warmth Action Plan was agreed in December 2013 and has been implemented as part of the Council's Housing and Homelessness Strategy since that time.</p> <p>A new Affordable Warmth Action Plan is now proposed, to reflect the capacity of the Council's Affordable Warmth Team and the limited funding available to support projects.</p>
Private rented sector	<p>The 2011 Census indicated that 19% of all Coventry properties were privately rented, and this figure will have grown since then. Statistics issued by DBEIS show that there are significant fuel poverty issues in the private rented sector; 36 % of all households in the sector are fuel poor compared to 10% of housing association tenants, 9% of local authority tenants and 45% of owner occupied households.</p> <p>A pilot ECO-funded project to encourage landlords to improve the energy efficiency of their properties was developed by the Affordable Warmth Team in 2013. Under the project, the tenants of 357 private lets stood to benefit from the improvements but unfortunately it had to be abandoned early in 2014 due to the impact of changes to green levies announced by the Government.</p> <p>The Council is currently considering whether to introduce a selective licensing scheme for the private rented sector in the St Michaels Ward. If the scheme is implemented, it will present an opportunity to raise energy efficiency standards in up to 4,748 properties and to help tenants affected by fuel poverty. The Affordable Warmth Team plans to i) explore with energy suppliers the</p>

	<p>potential to offer ECO-funded insulation and heating measures for privately rented properties in the scheme, and ii) to provide information and advice to private tenants.</p> <p>Legislation has been introduced by the Government that will require privately rented properties (with some exceptions) to comply with a minimum energy efficiency standard. The standard will apply to all new tenancies created from April 2018, and all existing tenancies from April 2020, and will make it illegal to let a property that has an Energy Performance Certificate rating below E. The Government is understood to be currently considering making some changes to the way that landlords will have to comply with the standard. Once this position is clearer, and once the Government has issued its guidance to local authorities on the minimum energy efficiency standard, the Council will be able to consider its arrangements for enforcing the standard after April 2018.</p>
Aerial thermal imaging survey	<p>The Affordable Warmth Team commissioned an aerial thermal survey in 2013 following the success of the one carried out in 2010. The survey flight was carried out in November 2013, and arrangements were again made for Coventry residents to view the results for their homes on the Council's website. The results were made available from 31st March 2014 and in the first three days there were 5,573 page views. In the same time period residents went on to make 593 page views to read the information provided on loft insulation. The survey data also helped to direct loft insulation programmes around the city - Midland Heart housing association used it to identify which of their properties in the city were losing the most heat and these were included in their insulation programme.</p> <p>Another survey has recently been commissioned by the Affordable Warmth Team. Subject to the correct weather conditions and air traffic control permissions, the survey flight will take place by the end of February 2017 and the results will be available to Coventry residents during 2017/18. The Affordable Warmth Team intends to use the survey data to identify householders who may need loft insulation and advise them of ECO funding assistance, if an obligated energy supplier wishes to enable this.</p>
Energy Performance Certificates (EPC's)	<p>It is a legal requirement that, in most circumstances, house owners make available EPCs for prospective house purchasers or tenants. The intention is that this will help them to make informed decisions about the likely energy costs of their new home, and the type of work that's needed to improve its energy efficiency.</p> <p>Trading Standards are the enforcing body for EPCs. In 2015 and 2016 Trading Standards had 25 contacts or interactions regarding EPCs. The majority of these involved checks to ensure that advertisements contained the correct information. A small number of complaints about EPCs were also dealt, resulting in the estate agents being brought into compliance.</p> <p>EPC data is made available to the public by the Department for Communities and Local Government (DCLG) through its appointed agent, Landmark. The Affordable Warmth Team intends to use EPC data to identify homes with low energy efficiency and to</p>

	advise the owners of ECO funding assistance for insulation and heating improvements, if an obligated energy supplier wishes to enable this.
iii) PROPOSED MEASURES TO DELIVER AREA-BASED DOMESTIC ENERGY EFFICIENCY IMPROVEMENTS	
	The Affordable Warmth Team will explore opportunities to bring inward investment into the city to enable ECO-funded area-based schemes to take place. To do this the team will liaise with energy companies, installers and registered social landlords to encourage investment.
iv) NATIONAL AND LOCAL PARTNERS	
	<p>We will work with local and national partners to improve home energy efficiency in Coventry.</p> <p>Our local partners include: housing associations, AgeUK, Coventry Independent Advice Service, Citizens Advice Coventry, Coventry National Energy Action, Coventry Foodbanks, and the Coventry and Warwickshire Local Enterprise Partnership.</p> <p>Our national partners include: energy suppliers, the Local Government Association, the Department for Business, Energy and Industrial Strategy.</p>