



Report to Health and Housing PDR Panel

Date: **14 March 2013**

Report of: **Director of Community**

Subject: **ANNUAL HOME ENERGY CONSERVATION ACT REPORT**

SUMMARY

This report outlines the requirement for the Council to prepare a further Home Energy Conservation Act (HECA) report by 31 March 2013 and the actions that the Council proposes to take to improve the energy efficiency of all residential accommodation in the Borough.

RECOMMENDATION

The Panel is invited to review the position statement prepared to document the Council's progress in improving energy efficiency in the Borough and the proposed future activity which will inform the completion of the HECA report.

INTRODUCTION

1. The Home Energy Conservation Act 1995 (HECA) requires local authorities to develop and implement local home energy efficiency strategies. Councils are expected to consider practical and cost effective measures that will bring about a significant improvement in the energy efficiency of all types of housing in their areas. The original aim was to achieve a 30% improvement in energy efficiency over 10 years, but this was later extended to 15 years. Authorities were required to prepare annual reports showing their progress towards achieving the 30% target. The 12th annual report was produced in 2008 and then the requirement ceased, reflecting the fact that the majority of local authorities were unlikely to meet the challenging target that had been set. However, it was independently established that the overall energy improvement achieved in Fareham Borough between 1 April 1997 and 31 March 2008 was 23.9% and that this Council was likely to achieve the 30% improvement in energy efficiency by 31 March 2011.
2. New guidance under the Home Energy Conservation Act requires local authorities to publish a further report on their plans to achieve improved energy efficiency in all housing tenures by 31 March 2013. Councils are required to identify practical and cost-effective measures likely to result in significant improvement in the energy efficiency of all homes in their area and to consider the role that key local partners, such as community organisations, local authority networks and social housing providers can play in supporting their plans. Subsequent progress reports are to be submitted at 2 year intervals up to 2027.

PREPARATION OF FURTHER REPORTS AND PROGRESS REPORTS

3. The Department of Energy & Climate Change (DECC) has issued guidance to local authorities to assist with the preparation of the 2013 Further Report and the Progress Reports from 2015 onwards. The HECA Report no longer focuses on achieving a percentage improvement in energy efficiency. The starting point for action is the Climate Change Act 2008, which sets specific targets for reducing carbon emissions. The Carbon Plan published in December 2011 sets out how the Government aims to achieve these reductions. The strategy includes the following national emissions reduction targets:
 - to reduce greenhouse gas CO₂ emissions of buildings by 39% below 2009 levels by 2027;
 - to insulate all cavities and lofts, where practical, by 2020;
 - by 2030, to carry out between 1.0 - 3.7 million additional solid wall installations and between 1.9 - 7.2 million other energy efficiency installations;
 - by 2030, to carry out between 1.6 - 8.6 million building level low carbon heat installations such as heat pumps;
 - by 2050 emissions from UK buildings to be "close to zero".
4. The guidance acknowledges that "delivering ambitious carbon reduction plans and addressing fuel poverty can only be achieved with the full participation of local government." because of our unique knowledge of local area's needs and circumstances. Therefore local authorities are expected to play a significant role by setting themselves related ambitions and championing the changes required. The Government requires councils to make the best use of the financial incentive schemes such as the Renewable Heat Incentive (RHI) and the Energy Company Obligation (ECO) which replaced the previous Carbon Energy Saving Programme

(CESP) and Carbon Emissions Reduction Target (CERT) utility funding in January. A further important part in meeting HECA requirements is to encourage local residents to invest in the Green Deal.

5. Each authority's further report is required to consider the following aspects of policy:
 - Local energy efficiency ambitions and priorities
 - Measures we are taking to result in significant energy efficiency improvements of our residential accommodation
 - Measures we propose to cost effectively deliver energy efficiency improvements in residential accommodation by using area based / street by street roll out.
 - Time frame for delivery and national and local partners.
6. Back in 1995 new strategies were developed, adopted by councils and acted upon by officers and partner organisations. However the public's awareness of them were relatively low so the new guidance requires not that councils report to government, but that they publish their reports electronically so the public can easily access them. It is also a requirement that these should be brief, easy-to-read documents. And that they are signed off by the Chief Executive Officer.

POSITION STATEMENT 2013

7. In order to inform the preparation of the new report and future updates, a position statement has been prepared which is attached to this Report as Appendix A. It considers the progress that has already been made to improve home energy efficiency; the local issues and concerns which will affect future policy; and the likely partnerships that will help us to meet our objectives.
8. The Council has built up a significant knowledge base on the energy efficiency of the Borough's housing stock through the 2010 Private Sector House Condition Survey and by commissioning a report by the Environment Centre in October 2012 that identifies progress since 2005 and how Fareham's performance compares against other authorities. The general conclusion is that local performance has been above average both compared to Hampshire as a whole and against national statistics. This includes lower CO₂ emissions per capita, lower domestic energy consumption, below average levels of fuel poverty, a housing stock with a relatively high SAP (energy) rating and significant investment in renewable energy particularly domestic solar photo voltaic installations.
9. Partnership working has always been an important part of the Council's HECA Strategy. In the past this has involved delivery arrangements on thermal insulation projects with various fuel utility companies and other organisations; a successful Warm Front scheme and involvement in local authority consortiums such as Insulate Hampshire and PUSH For Safer Homes.
10. The Insulate Hampshire partnership delivering free or heavily discounted thermal insulation across Hampshire has now come to an end with the withdrawal of CERT funding. The scheme has proved to be extremely successful in Fareham with 1,893 installations (cavity wall and/or loft insulation) to 1,402 homes. The total expenditure in Fareham was £609,341. The partners are currently discussing how we can work together on further initiatives linked to the ECO Funding and Green Deal.

PRIORITIES FOR FUTURE ACTION

11. The key priorities for future action have been identified as follows:

- Encouraging local homeowners to invest in further energy improvements such as thermal insulation, energy efficient heating systems, low-emissivity double glazing and renewable energy systems through the Green Deal.
- Maximising opportunities to secure ECO Funding for identified individual projects in the Borough. These include the external insulation of Mitre Court, pre-1919 properties of solid wall construction, system buildings on the Fort Fareham estate and improvements to mobile homes.
- Targeting activity and resources on the seven sub-areas of the Borough where fuel poverty levels exceed 15%.
- Developing the existing partnerships and funding opportunities with other local authorities and private organisations including Insulate Hampshire, the Partnership for Urban South Hampshire and the Hampshire Energy Efficiency Partnership.

RISK ASSESSMENT

12. There is a requirement that all authorities provide a further report and subsequent progress reports and to publish them electronically on their website. The guidance states that "where an authorities' further report or progress reports are not received by the set dates the Secretary of State may write to the authority's Chief Executive seeking advice on when it is expected."

CONCLUSION

13. The Council is required to prepare a Further Report indicating its progress in improving home energy efficiency and reducing fuel poverty by 31 March 2013. In order to inform this report, a Position Statement has been produced to inform members of the main local issues; the progress made and plans for future development of energy saving initiatives.

Appendices:

Appendix A - [Actions under the Home Energy Conservation Act Position Statement for Fareham 2013.](#)

Appendix B - [HECA Further Report: March 2013](#)

Background Papers:

Guidance to English Energy Conservation Authorities Issued Pursuant to the Home Energy Conservation Act 1995 - Department of Energy & Climate Change, July 2012.

Reference Papers: None

Enquiries:

For further information on this report please contact Malc Stevens. (Ext 4473)