

FAREHAM

BOROUGH COUNCIL

Actions under the Home Energy Conservation Act 1995 Position Statement for Fareham 2013

1 INTRODUCTION

- 1.1. The Home Energy Conservation Act 1995 (HECA) requires local authorities to develop and implement local home energy efficiency strategies. Authorities 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.
- 1.2. From 1997, English authorities were required to submit annual reports showing their progress towards achieving the 30% target. The 12th annual report was produced in 2008 and then the requirement ceased. The independently prepared information submitted by Fareham established that the overall energy improvement achieved in the Borough between 1997 and 2008 was 23.9% and therefore the Council was on target to achieve the 30% improvement in energy efficiency by 31 March 2011.
- 1.3. The Secretary of State for Energy and Climate Change has re-introduced progress monitoring and authorities are required to prepare further reports by 31 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 in its area. Subsequent progress reports are to be produced at 2 year intervals up to 2027. This time round there are some critical differences in the information that is required. Still in place is the requirement to report on how substantial improvements in domestic energy efficiency will be achieved. However, there is no longer a requirement to formally adopt a strategy. Reports are required to outline issues such as the domestic carbon dioxide emissions and levels of fuel poverty, as well as the steps that the local authority will be taking to encourage the uptake of the Green Deal and Energy Company Obligation and other local initiatives. In the mid 1990s strategies were developed and adopted by councils. 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 and easy-to-read documents.
- 1.4. This Position Statement has been developed to help in the preparation of the report and future updates. It considers the progress that has been made to improve home energy efficiency; the local issues and concerns which will determine future policy; and the partnerships that will help us to meet our objectives.

2 THE STRATEGIC CONTEXT

2.1 The main legislation and guidance to take into account in developing our home energy efficiency policies are as follows:

Home Energy and Conservation Act 1995 - Places a duty on government to have a strategy for making sure no person lives in fuel poverty, as far as is reasonably practicable, by 2016.

The Warm Homes and Energy Conservation Act 2000 - Defines a fuel poor household as one that is living on a low income in a home which cannot be kept warm at a reasonable cost.

THE UK Fuel Poverty Strategy 2001 - Defines fuel poverty as being a household which needs to spend more than 10% of its income on home energy (including heating to 21° for the main living area, and 18° for other occupied rooms). It sets the target for the Government to eradicate fuel poverty in England.

Climate Change Act 2008 - Sets specific targets for reductions in carbon emissions.

Energy Act 2011 - Includes provisions for the introduction of the Green Deal and the Energy Company Obligation.

The Green Deal is the Government's flagship environmental policy and will allow consumers to have energy efficiency measures installed in their properties at no up-front cost. A Green Deal is essentially a loan fixed to a property which is repaid through an additional charge on electricity bills. The expectation is that the savings on an electricity bill resulting from a Green Deal should be greater than or equal to, the cost of the repayments. The Green Deal is a new mechanism and the availability of products and working partnerships is still emerging.

The Energy Company Obligation (ECO) underpins the Green Deal and is focused particularly on the poorest and most vulnerable households and also hard to treat properties which cannot achieve financial savings without a measure of additional support on top of the Green Deal finance. ECO requires the big six energy companies to make an estimated £1.3 billion a year available to subsidise energy efficiency in these instances. The ECO will work alongside the Green Deal and much of social landlords' housing stock could be eligible for the subsidy.

The Carbon Plan 2011 - Describes how the Government aims to achieve the reductions set out in the Climate Change Act. Part 2 of the Carbon Plan describes the Government's strategy, including emissions reduction targets:

- to reduce greenhouse gas CO₂ emissions from 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 level low carbon heat installations such as heat pumps;
 - by 2050 emissions from UK buildings to be “close to zero”.
- 2.2 Fareham's key objectives concerning home energy conservation are set out in the Housing Strategy 2010 – 2015. They are:
- To promote and implement cost effective measures that will help reduce fuel poverty, achieve significant improvements in home energy efficiency and a reduction in carbon emissions.
 - To work with social housing providers and private landlords to ensure that new affordable housing schemes continue to achieve the highest levels of energy efficiency and work towards zero-carbon housing by 2016;
- 2.3 The Environmental Sustainability Strategy 2010 "Towards a Greener Fareham" sets out the priority actions which the Council, its partners and local residents need to take in order to ensure the future sustainability of the Borough. The strategy includes the aim to "work in partnership with local residents to reduce domestic energy consumption" by:
- Raising awareness through a publicity campaign in "Fareham Today" (Council news magazine), Facebook and Council Connect
 - Developing the website to provide online guidance and best practice on renewable energy and energy saving methods;
 - Working with established residents groups such as Transition Fareham, Greening Campaigns, Friends of the Earth etc on green initiatives where possible
 - Supporting HCC Collective Energy Switching scheme to lower energy bills for residents
 - Working with PUSH authorities to help the roll out of Green Deal in the Borough
 - Providing a Green Infrastructure strategy for the New Community North of Fareham through an adopted development plan for the new community

3 ENERGY EFFICIENCY OF THE BOROUGH'S HOUSING STOCK

- 3.1 The Council's Private Sector House Condition Survey 2010 provides a picture of housing conditions in the private sector (owner occupied and privately rented stock). The survey includes an assessment of energy efficiency of the stock, the level of fuel poverty and thermal comfort.
- 3.2 In 2012 the Council commissioned the Environment Centre to provide a report identifying energy efficiency improvements since 2005 and how Fareham's performance compares against other authorities. Sub-Regional data compiled by the Department of Energy & Climate Change has also been used in order to gain an understanding of fuel poverty at ward and lower layer super output area in order that resources and activity can be targeted at those parts of the Borough in greatest need.
- 3.3 The above studies form a useful evidence base on which to develop policy and inform investment decisions.

Stock Profile

- 3.4 Fareham has one of the highest levels of owner occupation in the country (87%) compared with the national figure of 70%. The private rented sector is small accounting for 5% of dwellings (12% nationally). Social housing accounts for 8% of the stock compared to 18% nationally.
- 3.5 The private sector stock is generally modern and in good condition. Over 82.2% of dwellings were built post war compared to a national average of 57.3%. A much lower proportion of the stock was built before 1919 than nationally (4.8% compared with 24.6%).
- 3.6 The stock has much higher proportions of bungalows (22.6% compared to 9.2% nationally) and detached houses (34.2% compared to 21.6%) with lower proportions of all other dwelling types. This profile of stock generally results in higher costs to insulate and improve thermal comfort.
- 3.7 The Council retains its own housing stock and currently has 2,366 homes in its ownership. Most of the properties were built between 1945 and 1990. A high proportion of houses have been sold under right-to-buy, leaving predominantly flats, maisonettes and sheltered accommodation in Council ownership. The stock has benefitted from an improvement plan in order to meet the Decent Homes Standard and consequently is in good condition. The Council recommenced a house building programme in 2011 which has provided the first five Code Level 4 homes built in the Borough.
- 3.8 Housing associations own 1,558 properties in Fareham, of which over 1,037 were constructed since 1990 and generally have reasonable levels of energy efficiency.

Demographic Data

- 3.9 Fareham has an ageing population with 37.2% aged over 60 years compared to the national average of 24.4%. This has policy implications due to the potentially greater need for support typically associated with older households.
- 3.10 Average incomes are similar to England as a whole, but benefit receipt at 26% is significantly above the national average of 17%. The above average benefit receipt is also a reflection of the older age profile of residents.
- 3.11 Data from the Index of Multiple Deprivation 2010 gives an indication of the comparative affluence of a district and the likelihood of fuel poverty. Fareham is the second least deprived district within Hampshire with just three sub-areas within the 20% - 40% most deprived category. Thus Fareham is an area with far more fuel rich households than fuel poor. But given the high level of households in receipt of benefit, it indicates a potentially wider gap between the richest and poorest households. However, the level of fuel poverty is not only dependent on income but also the profile of the housing stock.

Domestic CO₂ emissions

- 3.12 From 2005 to 2010, Fareham Borough's per capita domestic CO₂ emissions have been lower than those in Hampshire and Great Britain.

| Year | Total Fareham area CO ₂ produced (t) | per capita CO ₂ domestic emissions produced (t) | | |
|------|---|--|-----------|---------------|
| | | Fareham | Hampshire | Great Britain |
| 2005 | 106.46 | 2.4 | 2.5 | 2.6 |
| 2010 | 97.83 | 2.1 | 2.3 | 2.4 |

Domestic Energy consumption

- 3.13 Domestic gas and electricity consumption in Fareham has been less than the Great Britain average value, although the gap has narrowed slightly from 2005 to 2010.

| Year | Gas consumption KWh per capita | | Electricity consumption KWh per capita | |
|------|--------------------------------|---------------------|--|---------------------|
| | Fareham | Great Britain (av.) | Fareham | Great Britain (av.) |
| 2005 | 17,733 | 18,910 | 4,606 | 4,740 |
| 2010 | 14,116 | 15,100 | 4,144 | 4,270 |

SAP Rating

- 3.14 The SAP rating (Standard Assessment Procedure) indicates the government specified energy rating for a dwelling based on a scale of 0 (poor) to 100 (good). The mean SAP rating of Fareham private sector stock is 58, which is substantially higher than that found nationally (48). The lowest mean SAP is for pre-1919 properties at 47 and the highest in post 1990 properties at 67. A comparison against six other authorities in Southern Hampshire indicates that Fareham has the highest SAP rating in the sub-region (58 compares to an average of under 53 amongst the other districts).
- 3.15 The Council's own stock has the highest average SAP rating (78.6) in the Borough. Generally the SAP ratings of housing association stock are also higher than the private sector, which reflects the respective ages of the properties they own. First Wessex, with 661 dwellings has 89% of its Fareham stock built after 1990 and an average SAP rating of 64.7. Radian Housing Group has 222 dwellings, of which 89% are built after 1990 and a SAP rating also of 64.

Decent Homes Standard & Energy Efficiency

- 3.16 The key measure of dwelling condition is the Decent Homes Standard. The 2010 survey found that a total of 19.2% of all private sector homes Fareham are classified as "non decent" compared to 35.8% across England as a whole. The greatest numbers of Decent Homes failures in Fareham are associated with energy efficiency and thermal comfort issues. Of the Category 1 failures (i.e. those with health & safety hazards) the largest number (46.1%) are due to "Excess Cold" (2,210 dwellings). In total 4,390 dwellings failed to meet the standard due to a poor degree of "Thermal Comfort". 68% of dwellings with a Category 1 "Excess Cold" hazard also failed under "Thermal Comfort".

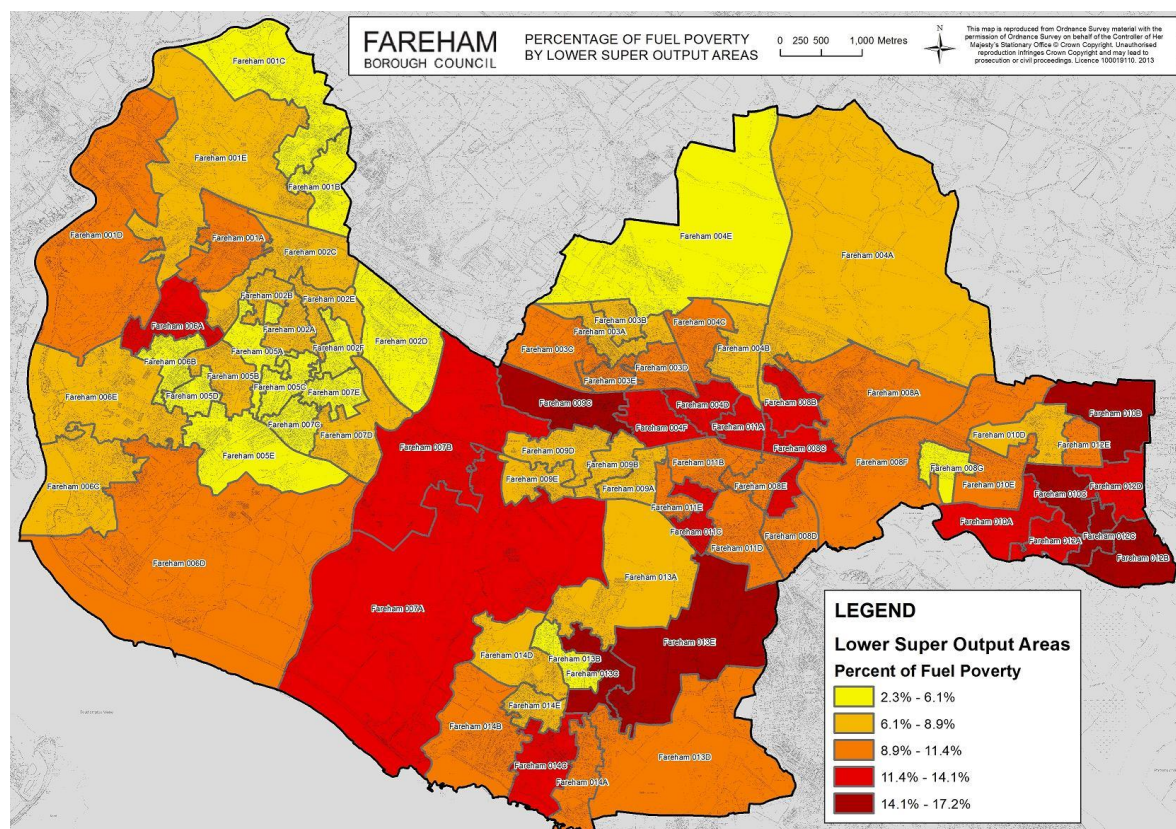
3.17 The greatest level of thermal comfort failure occurs in dwellings built before 1919 (540 dwellings) followed by 1919-1944 homes (1,040 dwellings) and 1965-1980 (1,654 dwellings). The cost to remedy all thermal comfort failures is in the region of £6 million, an average of £1,400 per dwelling.

Fuel Poverty

3.18 Tackling fuel poverty is an important issue for the authority as it aids those residents most in need, as well as improving thermal comfort and reducing energy consumption. The level of fuel poverty in Fareham has risen over the past few years, but has been consistently below the English and county average as indicated below:

| Year | Est. No. Fareham households | No. Fareham households in fuel poverty | % Fareham households in fuel poverty | % average Hampshire value | % average England value |
|------|-----------------------------|--|--------------------------------------|---------------------------|-------------------------|
| 2006 | 44,832 | 2,820 | 6.3 | 8.1 | 11.5 |
| 2010 | 45,507 | 4,390 | 9.7 | 10.7 | 16.4 |

3.19 The levels of fuel poverty vary considerably across the Borough. The highest level occurs in Portchester East (14.81%) Fareham West (11.95%), Fareham East (11.09%) and Stubbington (11.08%). The wards with the lowest levels of fuel poverty are those with the greatest number of properties built post 1990, particularly Titchfield Common (5.51%) and Sarisbury (5.86%).



- 3.20 The higher levels of fuel poor households in parts of Portchester, Fareham and Stubbington are a reflection of where pockets of fuel poverty have been identified in certain lower layer super output areas within the ward. This information is important in order to ensure that activity and resources are precisely targeted where most needed:

| Ward | Lower Layer Super Output Area | Fuel Poverty |
|------------------|---------------------------------------|--------------|
| Portchester East | West Street & The Crossway | 17.22% |
| Fareham West | Blackbrook Road West & Abbey Farm | 17.10% |
| Portchester East | Portchester Castle area | 16.28% |
| Portchester East | Hill Road & Leith Avenue | 16.18% |
| Portchester East | Merton Avenue & Castle Grove | 15.95% |
| Stubbington | HMS Collingwood & Crofton School area | 15.87% |
| Stubbington | Crofton Community Centre area | 15.21% |

These are not the districts within the Borough with the greatest social deprivation but reflect areas with older properties and also estates comprising mainly bungalows occupied by older persons many of whom live alone and are on low incomes.

- 3.21 The total cost of carrying out energy efficiency improvements to dwellings in fuel poverty in the owner-occupied sector, has been estimated as £5.1 million.

Financial Implications

- 3.22 The Private Sector House Condition Survey 2010 established the cost of installing measures to bring all Fareham private sector dwellings up to the optimum standard of thermal comfort. The measures do not include renewable energy installations, but are based on combinations of the following:
- Loft insulation to 270mm (21,000 dwellings)
 - Cavity wall insulation (11,400 dwellings)
 - Double glazing to all windows (2,900 dwellings)
 - Cylinder insulation (17,100 dwellings)
 - Installation of a modern high efficiency gas boiler (9,600 dwellings)
 - Full central heating - where none present (700 dwellings).
- 3.23 If all combinations of improvements listed above were carried out to all dwellings where required, the total cost would be in the region of £37.1 million, an average of £1,220 for each dwelling.

4 ACHIEVEMENTS

- 4.1 Fareham continues to make good progress in improving the energy efficiency of the local housing stock. Given the high level of owner occupation, the delivery of significant improvements is dependent on encouraging homeowners to invest in energy efficiency measures through offering advice and promoting available initiatives, rather than through direct local authority intervention. Our key areas of activity and achievements are described below.
- **Cavity wall insulation** - installed in 5,231 dwellings from 2008 to 2012;
 - **Loft insulation** - 4,982 installations from 2008 to 2012;

- **HeatSeekers Project** - working with the Energy Savings Partnership, thermal images taken of 34,866 Fareham homes in 2010 resulting in the installation of 512 insulation measures.
- **Insulate Hampshire** - 1,080 homeowners received loft insulation and 813 cavity wall insulation through the Hampshire Area Based Insulation Scheme from July 2011 to December 2012.
- **Warm Front Scheme** - 3,690 measures installed to 1,635 properties between 2006 and 2012, making Fareham one of the top performing authorities in Hampshire.
- **PUSH 4 Safer Homes** - From 2009-11 the Council through a consortium of Partnership for Urban South Hampshire (PUSH) authorities secured funding from the Regional Housing Board to improve the condition of private sector housing and to bring a step-change in stock remediation. One strand of the programme was to reduce fuel poverty and this resulted in two energy efficiency schemes; (i) a top-up grant for vulnerable households where the required works to their home exceeded the Warm Front maximum grant level; and (ii) Home Improvement Loans for fuel poor households ineligible for a Warm Front Grant to enable them to install an energy efficient heating system.
- **PV installations** - 1014 domestic solar PV installations completed in Fareham from April 2010 to December 2012, as compared to an average of 953 for Hampshire as a whole and an average Great Britain figure of 901.
- **Council Housing Improvement Plan** - work completed to bring Council homes to meet the Decent Homes Standard including eliminating failures under “Excess Cold” and to provide high levels of thermal comfort. The improvements include cavity wall and external wall insulation, improved loft insulation, double glazing and the replacement of defective heating systems.
- **PV panels to Council Schemes** - fitted solar PV installations to two of the Council's sheltered housing blocks providing power to communal areas.
- **Retrofitting Demonstrator Projects** - measures installed to a Council owned property built in 1878 included air source heat pumps, solar hot water system, photovoltaic panels for electricity generation and A-rated double glazing. The energy performance certificate rating (EPC) of the dwelling was improved from 36F to 82B, reducing the annual energy cost from £1,596 to £451, a saving of 71.74%. We also supported a similar project by the First Wessex Housing Group involving retrofitting a former 1960s Council property.
- **Raising awareness** - Council website used to promote energy efficiency resulting in 544 “hits” to the introductory page of the home energy efficiency website in the past year.
- **Energy Monitor Project** - Initiative introduced in 2010, allowing residents to borrow an energy monitor through local libraries, to measure their energy consumption and the effects of turning off appliances. Feedback from a survey indicated that 86% of householders using the monitor had identified savings to be made by changing their electricity usage.

- **Schools Programme** - commissioned the Environment Centre to run sessions at local primary and secondary schools. The children are encouraged to take home a Home Energy Check form so that the family can obtain help with calculating its carbon footprint.
- **Exhibitions** - engaged the Environment Centre to mount exhibition stands at local venues including the Fareham Shopping Centre, providing advice and information about the schemes available through the Council.
- **Training for the Voluntary Sector** - worked with the Environment Centre to provide training for voluntary sector workers that regularly contact vulnerable households, equipping them to identify the signs of fuel poverty and to provide advice on energy efficiency measures. Also supported the Hampshire County Council "Hitting the Cold Spots" campaign, aimed at reducing deaths and ill health due to cold weather.
- **New Sustainable Homes** - re-commenced a Council house building programme which resulted in the completion of the first 5 homes built to the Code for Sustainable Homes level 4 within Fareham.
- **Broadlaw Walk** - worked closely with First Wessex Housing Group on this urban renewal project of 56 flats and retail units including a combined Heating and Power Plant.

5 PRIORITIES FOR ACTION

5.1 The Position Statement has identified the framework for developing the Council's energy efficiency policies. The key issues are:

- A comparatively modern housing stock of which a high proportion already meets reasonable standards of thermal insulation, but with scope for investment in renewable energy;
- The highest level of owner occupation in the region, so that the delivery of significant improvements will largely be due to encouraging homeowners to invest in energy efficiency rather than direct action by the Council;
- A low proportion of rented accommodation most of which has high levels of thermal insulation but as yet little investment in renewable energy sources.
- A predominantly fuel rich community, but with pockets of fuel poverty and a significant gap between rich and poor households;
- An older age profile of residents, especially given that people over 65 are the most vulnerable group for excess cold hazards, and have above average levels of benefit receipt.
- A significant number of fuel rich households have taken advantage of free thermal insulation and heavily discounted solar photovoltaic installations over the past two years, which raises concerns as to whether this level of activity can be sustained under the Green Deal whereby ultimately the householder will be required to meet the full cost of further improvements;

- The opportunity offered by the New Community North of Fareham to create an exemplar community that meets the highest standards of sustainability including low and zero carbon technologies.
- 5.2 The issues outlined below form the basis for the completion of the HECA Further Report for 2013:

(1) LOCAL ENERGY EFFICIENCY AMBITIONS AND PRIORITIES

- 5.3 **Carbon Emissions:** Data on carbon emissions published in 2010 show that the per capita CO₂ domestic emissions for Fareham are 2.1 tonnes, which is lower than Hampshire as a whole (2.3) and the national average (2.4). Fareham has developed an Environmental Sustainability Action Plan which will help to meet the Council's priority to "protect and enhance the environment". The over arching commitment is to work towards a Carbon Emission reduction target of 20% on 2012 levels by 2020.
- 5.4 **Fuel Poverty:** Data on fuel poverty published in 2010 shows that 9.7% of Fareham households are in fuel poverty (4,390 homes). Although this is significantly below the figures for Hampshire (10.7%) and nationally (16.4%), there has been an upward trend in the level of fuel poverty across all authorities since 2006. In Fareham's case the level of fuel poverty has risen by 3.4%. The Council has a clear understanding of the profile of fuel poverty in the Borough including the households, properties and sub-areas to target and has identified where it needs to focus its efforts and resources in order to bring about a reduction. However it will not be possible to set an achievable target reduction until the partnerships and funding streams outlined below are in place.

(2) MEASURES WE ARE TAKING TO RESULT IN SIGNIFICANT ENERGY EFFICIENCY IMPROVEMENTS OF OUR RESIDENTIAL ACCOMMODATION

- 5.5 **Green Deal and ECO:** Hampshire County Council published a report in December 2012 based on market research into the opportunities for the Green Deal. The purpose was to assess the technical opportunity for Green Deal in Hampshire and provide an analysis of attitudes towards the initiative. The findings include the following:
- Just less than 20% of respondents expressed a high level of consideration of making energy efficiency improvements through the Green Deal.
 - Amongst respondents likely to consider the Green Deal, the most popular opportunities are likely to be in relation to solar panels (both thermal and photovoltaic). Just fewer than 50% were interested in these products compared to 21% for condensing boilers and 12% for cavity wall insulation.
 - Groups in terraced properties with monthly energy bills of £50 to £89, those aged up to 64 and working respondents are most likely to exhibit "high" levels of consideration.
 - Those aged 65 or over are significantly less positive towards the scheme, and express low levels of consideration of taking it up.
 - A likely interest rate of between 7% and 8% is likely to deter respondents, and this highlights the fact that there are alternative financial products

available which provide residents with a range of options for financing energy efficiency measures and which may offer more attractive terms than those likely under Green Deal

Research at the district level indicated that consideration of installing energy efficiency improvements through the Green Deal in Fareham was one of the lowest in Hampshire with just 13% in the “high level of consideration” bracket and 61% in the “low” group. Overall this placed Fareham as the second least likely area to take advantage of the Green Deal. When asked the main barriers to installing energy efficiency improvements, Fareham scored significantly higher than every other districts with the response “nothing, required measures already in place” (39%). This may be partially true given the levels of investment already made by Fareham’s fuel rich households, but clearly there are many households that do not appear to be interested at the present time to invest in further measures. The challenge for the Council will be to ensure that the barriers to Green Deal are removed and opportunities are fully promoted.

Community engagement is an element of the Green Deal which is set to prove extremely important. To encourage take up from homeowners and foster community trust in relation to the scheme, the Council must highlight to residents how the Green Deal works and the benefits it can deliver both in terms of lowering household bills and improving comfort levels in their homes.

There is an expectation that local authorities will have a role to play, from a full commercial role as “Green Deal Provider” to a much lesser role working as part of a partnership of district authorities and external providers. Through the Partnership for South Hampshire we are currently exploring the second approach (see below).

We have identified that although there is a low percentage of older properties built pre-1919 of solid wall construction, there are a number of non-traditional dwellings built in the 1960s, many with concrete wall panels and hard to treat. Most of these properties were built by the Council, but a high proportion has been sold under Right-to-Buy.

- 5.6 **Renewable Energy:** 2.2% of all Fareham households invested in photovoltaic installations from April 2010 to December 2012. That is an average of 50 per month or 600 a year. Given the general low levels of social deprivation and comparatively high level of fuel rich households there is considerable opportunity to encourage further investment in renewable energy sources through the Green Deal. However, it is unlikely that the level of take-up under the previous discount schemes will be sustained under Green Deal and therefore a more measured target will be set.
- 5.7 **Zero Carbon Homes:** Sustainable development requires new buildings to be constructed to maximise the use of renewable or low carbon energy sources. In order to achieve this, the Council will seek development to meet prescribed standards and levels identified within the Code for Sustainable Homes. In addition, the Council will seek a proportion of energy use to be from renewable or low carbon sources, particularly for large schemes to help meet the Partnership for Urban South Hampshire Sustainability Policy Framework target. This will be subject to viability testing and if necessary the Council will require developers to demonstrate where this prescribed standard cannot be achieved.

At present new homes are expected to be built to Code 4 and the Government's aspiration is that this will rise to Code 6, effectively zero carbon houses by 2016. The Council's policy for delivering sustainable development and dealing with climate change is set out in Core Strategy Policy CS15 of our Local Development Framework. and requires that all residential development now achieves Code 4 unless it can be demonstrated to be unviable, with Code 6 being achieved from 2016. The Council has developed an Action Plan to deliver and monitor Policy CS15 with annual updates from March 2013.

- 5.8 **Energy Performance Certificates:** We already have Energy Performance Certificates for private rented accommodation and we will consider the added value of purchasing further certificates alongside our existing database established through the regular Private Sector House Condition Surveys and those commissioned through the Environment Centre, Southampton.
- 5.9 **Minimum Standards in the Private Rental Sector:** Although the private rental sector in Fareham accounts for less than 5% of all dwellings (approximately 2,240 properties) there is further scope to encourage landlords to invest in energy efficiency measures. Our research indicates that many local landlords have failed to take advantage of previous initiatives including Warm Front and therefore we need to re-double our efforts to pilot energy efficiency activity through the emerging partnerships described below. The Council currently manages 40 private leased properties and makes referrals to a further 150. We will be targeting our efforts on this group. In view of the low comparatively low numbers in private rented sector, we are not proposing to target our activity in any particular ward or area of the Borough.
- 5.10 **Smart Meters:** The Government expects that most households will have smart meters installed at no cost by their energy company between 2014 and 2019, although some energy companies are starting to install them now. We have obtained information from British Gas regarding the number they have installed in the Borough over the past two years, which amounts to 650 in the Fareham Parliamentary Constituency. Given that British Gas have been responsible for 75% of all smart meters installed in Great Britain over that period and making allowance for the two wards not included in the data above, we estimate that in each of past two years in the region of 500 smart meters have been installed in the Borough. On this basis we believe there will be significant interest from local households once the full scheme is rolled out by the fuel utility companies from 2014 onwards. Subject to the full roll-out of the national programme within the specified timescale, we are targeting that 20% of all Fareham households will have smart meters by December 2016.

(3) MEASURES WE PROPOSE TO COST EFFECTIVELY DELIVER ENERGY EFFICIENCY IMPROVEMENTS IN RESIDENTIAL ACCOMMODATION BY USING AREA BASED / STREET BY STREET ROLL OUT

- 5.11 Our research has identified specific areas and types of properties in Fareham where we need to focus our attention in order to bring about the greatest improvement in energy efficiency. These are:
- a. Households in fuel poverty particularly targeted at the seven areas in Portchester, Fareham and Stubbington identified in this statement.

- b. Mitre Court, an 8 storey block of flats above two commercial units where we are working with the First Wessex Housing Group to bring about improvements to the fabric including external insulation. The surrounding area has been redeveloped comprising 56 flats, retail units and a community facility. Only Mitre Court remains of the original development and proposals include external wall and roof insulation, replacement windows and enclosing the exposed stairwell. The possibility of installing vertical photovoltaic cells is also under investigation. The project team has submitted a planning application and is arranging energy modelling and Green Deal assessments of each flat as well as thermal imaging. Funding is being sought through an ECO Grant.
- c. As part of our Environmental Sustainability Action Plan we are undertaking an external audit of all Council housing stock, which includes investigating methods of reducing energy consumption and possible use of renewable sources for electricity and heating. Potential projects include a replacement of first generation windows (2015 - 2021), the wall insulation of the non-traditional properties and the thermal treatment of facades to properties with crosswall construction. The potential for a “whole house” approach combining energy efficiency and water efficiency in any retrofitting programme will be explored
- d. The Borough's 214 Mobile Homes, concentrating our efforts on the Dibles Road area with 123 homes and Upper Cornaway Lane, Portchester with a further 67.

5.12 **New Community North of Fareham:** The new sustainable development of around 7,000 homes north of Fareham will be required to make a significant contribution towards meeting the sub-region's targets in respect of reducing carbon emissions and generating renewable energy. The Eco-town criteria would require the new settlement to be carbon and water neutral. The extent to which this is achievable and viable together with the options for reducing the carbon footprint and water consumption will be developed through the Area Action Plan. The Plan will include a sustainability strategy to demonstrate how renewable energy might be provided together with an indication of how the development will contribute towards meeting other key sustainability objectives. Current activity includes investigating the feasibility of implementing an Energy Service Company (ESCO) or a Multi-Utility Service Company (MUSCO) providing an integrated approach to delivering energy efficiency and possibly telecommunications and water for the community.

(4) TIME FRAME FOR DELIVERY AND NATIONAL AND LOCAL PARTNERS

- 5.13 **Partnership Working:** There are distinct opportunities and advantages in collaborative working with other Hampshire authorities, the wider public sector and the private sector, both in terms of sharing best practice and developing a range of energy efficiency initiatives whilst generating economies of scale. The Council is exploring through existing partnerships how we can continue to work together to deliver significant energy efficiency improvements:
- The PUSH authorities in southern Hampshire including Portsmouth and Southampton are exploring the potential impacts of the Green Deal on the sub-region, its residents and PUSH's ambitions. PUSH is recommending developing a Green Deal Scheme using the “Partner”

approach whereby the PUSH authorities would work in partnership with one or a number of local Green Deal Providers, but with some element of the process such as marketing and assessment undertaken directly by PUSH. Once the proposals are finalised they will be presented to each local authority for approval.

- The Insulate Hampshire network involving Hampshire County Council and the entire two tier authorities as well as the managing agent and installers for the Insulate Hampshire Scheme are currently discussing further opportunities for joint working.
- The Hampshire Energy Efficiency Partnership (HEEP) involving all Hampshire authorities and the Environment Centre will continue to develop, promote and monitor collaborative working.
- The Council is in discussion with several Green Deal Providers regarding accessing ECO Funding towards several of the projects detailed above.
- Once plans have been finalized we will be in a position to quantify the amount of investment required from the Energy Company Obligation.