# Report of the Environment and Sustainability Scrutiny Panel

# **Fuel Poverty Inquiry**



## **August - October 2008**

#### PANEL MEMBERSHIP

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Councillor Simon Letts
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Councillor Peter Galton
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#### Contributions also received from

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#### **Executive Summary**

#### Introduction

- 1. Fuel poverty is a growing problem nationally and within Southampton. The inability to afford to adequately heat a home can lead to severe health and social problems and it is the most vulnerable in society who are the most likely to be affected.
- 2. The 2002 Private Sector Housing Condition Survey suggested that 9,900 households were in fuel poverty in Southampton and in 2005/06 an additional 130 deaths occurred within the City during the winter months<sup>1</sup>. Many of these deaths can be attributed to cold indoor temperatures.
- 3. In recognition of the growing problems presented by the increase in fuel poverty the Overview and Scrutiny Management Committee agreed that a scrutiny inquiry should be undertaken on fuel poverty in 2008/09. The Overview and Scrutiny Management Committee agreed the terms of reference for the inquiry and requested that the Environment and Sustainability Scrutiny Panel conduct the inquiry and report back their findings to the Overview and Scrutiny Management Committee for the meeting on 6 November 2008.
- 4. The approved objectives of the inquiry are:
  - To identify the causes, extent and impact of fuel poverty within Southampton
  - To identify what Southampton City Council and its partners are doing to alleviate fuel poverty
  - To compare Southampton's approach with other public and private organisations
  - To learn from examples of good practice and develop recommendations to help alleviate fuel poverty

The full terms of reference for the inquiry, approved by Overview and Scrutiny Management Committee on 10<sup>th</sup> July 2008, are shown in Appendix 1.

5. To ensure that the Environment and Sustainability Scrutiny Panel could meet the set objectives six evidence gathering meetings were arranged. The outline project plan shown in Appendix 2 identifies the structure of each of the evidence gathering sessions.

#### **Consultation**

6. The Environment and Sustainability Scrutiny Panel received evidence from a wide variety of organisations and community representatives throughout the six meetings. Evidence received was both oral and written. A list of witnesses that provided evidence to the inquiry is detailed in Appendix 3.

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<sup>&</sup>lt;sup>1</sup> ONS Ef f int fr **M**ortality ftati ti f 1997-2006 f

#### **Findings - General**

- 7. The evidence presented to the Scrutiny Panel identified a number of key findings regarding fuel poverty within Southampton which include:-
- 8. Following the recent increases in energy prices, fuel poverty has become an increasing problem nationally and locally. Thousands of people die each year from cold-related illnesses in the winter months. If temperatures are cold this winter there is an increased risk that the number of people dying will rise, particularly amongst vulnerable groups living in thermally inefficient properties.
- 9. Fuel poverty is a complex problem caused by many inter-related factors. To address fuel poverty therefore requires a multi-disciplinary and multi-agency response.
- 10. A number of factors that contribute to fuel poverty within Southampton are influenced by national and international pressures and are beyond the influence of Southampton City Council and local partners.
- 11. As a result of these external factors Southampton City Council and local partners cannot eliminate fuel poverty. However, collectively it is possible for local partnerships to alleviate the impact of fuel poverty on the most vulnerable members of society.
- 12. Nationally there are increased resources, initiatives and opportunities available to:
  - Improve the energy efficiency levels of properties
  - Decrease the fuel bills of the most vulnerable
  - Increase household income through benefit maximisation and winter fuel payments.
- 13. Within Southampton a number of the elements recommended as best practice with regards to tackling fuel poverty are in place. For example Southampton Warmth for All Partnership (SWAP) is a partnership between key stakeholders across the community that seeks to co-ordinate policy and service developments at a local level.
- 14. Across Southampton numerous innovative initiatives are being delivered or are proposed that aim to tackle, directly or indirectly, the causes of fuel poverty in the City. These initiatives involve a large number of organisations across all sectors within Southampton and many have been able to make significant inroads into the causes of fuel poverty. This will grow further when the new initiatives planned within Private Sector Housing, Planning and Sustainability, Decent Homes, Communities and Regeneration and local partners are implemented.
- 15. The inquiry has however, identified a number of areas where improvements can be made in the collective efforts to tackle fuel poverty in Southampton.

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#### **Findings - Co-ordination and Awareness**

16. In the evidence provided to the Scrutiny Panel by the Later Years Partnership the following paragraph made an impression on the Panel:

'It is vital that the city now takes local action both to protect its people from the effects of fuel poverty, particularly during the coming winter; and makes sure that the benefits of any national programme are fully captured locally; and that the variety of factors – whether income, housing, energy efficiency, are addressed in a co-ordinated way.<sup>2</sup>

- 17. Evidence provided by consultees indicates that there are many different initiatives being delivered by many different organisations in the City. As a result it can be confusing for vulnerable people to know how to access the support that is available. SWAP is working with key stakeholders to help co-ordinate action and raise awareness but more must be done to improve co-ordination and awareness.
- 18. The Panel noted that the Council's Senior Citizens Charter invites the Seniors Council to comment on its progress under the Charter. In its feedback this year, the Seniors Council reported that it thought the Council ought to be doing more and taking a lead in addressing fuel poverty in the City. This view was endorsed by the Scrutiny Panel.
- 19. Fuel poverty is a cross-cutting issue that impacts on the work of at least three directorates (Neighbourhoods, Communities, Health and Care and Environment) and four Cabinet Members (Housing and Local Services, Adult Social Care and Health, Environment and Transport, Economic Development). Southampton City Council's ability to take a more pro-active role in co-ordinating activity to address fuel poverty is hindered by the lack of an identifiable lead Cabinet Member or lead officer.
- 20. Having studied the impact that Luton's referral scheme is having on the coordination and awareness of fuel poverty activity within Luton, members of the Scrutiny Panel believe that the implementation of an effective referral mechanism within Southampton could help to maximise the take-up of energy efficiency grants and welfare benefits for the most vulnerable members of the community.
- 21. The lead officer responsible for co-ordinating Luton's approach to tackling fuel poverty attributes part of their success to the fact that the lead officer is located within the Chief Executives Department. Working from the corporate centre has helped to secure greater multi-agency and multi-disciplinary working in Luton.

#### **Findings - Private Sector Housing**

22. Evidence presented to the inquiry highlighted that the highest concentration of fuel poverty occurs within privately owned and privately rented accommodation within Southampton.

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<sup>&</sup>lt;sup>2</sup> Later Years Partnership – Fuel Poverty Inquiry, September 2008, p3

23. A number of factors limiting the effectiveness of the efforts to redress this problem were identified during the inquiry. These include:-

#### **Accurate information**

24. The lack of up to date information indicating where fuel poverty is concentrated is impacting on partners' ability to target resources and support. It is recognised that the publication of the 2008 Private Sector Housing Condition Survey will help to rectify this problem. This is scheduled to be published in November 2008.

#### **Trust and Support**

- 25. Age Concern, Southampton Seniors Council and Southampton Pensioners' Forum identified the problems that exist regarding trust and support that are preventing funded energy efficiency work from being undertaken to homes occupied by vulnerable people in Southampton.
- 26. A number of energy efficiency improvements scheduled to be undertaken by Warm Front contractors or through the CERT (Carbon Emissions Reduction Target) Scheme are not undertaken because residents are afraid to open the door, or there is a difficulty accessing lofts and outside walls because the resident is unable to clear them.
- 27. Luton's referral scheme has helped to increase the trust and confidence of vulnerable people who have been referred to Warm Front through the referral scheme. This has been achieved by liaising with the customer and keeping them informed of any developments regarding the energy efficiency work, thereby preventing any unexpected visits by contractors.
- 28. Trust in 'Warm Front' contractors locally may also be enhanced if the proposed move by Warm Front contractors who are working within Southampton to seek accreditation with the Council's 'Buy with Confidence' Scheme comes to fruition.
- 29. However, these developments will not address the problems relating to vulnerable people being incapable of clearing lofts and outside walls to enable contractors to install much needed loft and cavity wall insulation. Further action/proposals are required to address this.

#### Private rented accommodation

- 30. The 2008 Private Sector Housing Condition Survey is expected to report that the energy efficiency of privately rented properties in Southampton is disproportionately low. As vulnerable people often live in these properties, the risk of fuel poverty is high. More needs to be done to improve the energy efficiency levels of privately rented accommodation in the City.
- 31. The Scrutiny Panel were informed of a scheme in Bournemouth managed by Dorset Energy Advice Centre that has been successful in improving the energy efficiency of over 7,000 flats and houses for some 700 landlords in

Bournemouth. This initiative could be undertaken in Southampton.

32. Under the Housing Health and Safety Rating System (HHSRS) where a private landlord persistently fails to improve standards of insulation and heating local authorities now have powers to serve an enforcement notice, which requires the work to be completed within a certain time. Limited formal enforcement action has been taken by Southampton City Council against landlords under the HHSRS hazard of 'excess cold'.

#### Findings - Social Housing

33. Through the Decent Homes programme the average energy efficiency levels of the City Council's and RSL housing stock is higher than within the private sector. Continued investment will increase this still further.

#### **Smart Meters**

- 34. The proposals by Southampton City Council to amend the system for charging tenants for their heating is likely to mean the installation of new energy meters within the housing stock.
- 35. Modern forms of smart meter technology now exist that could offer consumers clearer information and so greater control over their energy use. According to energywatch, smarter meters could reduce consumption by between 3% and 15%. A number of countries including Italy and Northern Ireland have pioneered smart meters and last year the Government and energy suppliers began to pilot their usage in the UK.<sup>3</sup>
- 36. The introduction of smart meters to Southampton City Council's housing stock could help to reduce fuel costs for Southampton residents.

#### Findings - General Cost Saving Initiatives

#### **Switching Suppliers**

37. It is estimated that by actively switching between suppliers a consumer can save approximately 10% on their fuel bills. More can be done by Southampton City Council and local partners to promote and facilitate this practice, particularly amongst those who have limited internet access and experience.

#### **Social Tariffs**

38. This report makes reference to the low take up of social tariffs offered by energy suppliers. Scottish and Southern Energy supplies around 60% of the customers in the Southern Electric Distribution area (this corresponds to the old preprivatisation Southern Electricity Board area). The energyplus Care social tariff offers a 20% discount on current prices to existing customers of Scottish and Southern Energy who are in fuel poverty.

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<sup>&</sup>lt;sup>3</sup> Energy shouldn't cost the earth – National Consumer Council, 2008, p6 f

- 39. All energy supply companies are under pressure to do more for their vulnerable customers. Scottish and Southern Energy have undertaken to increase the number of customers on energyplus Care, its social tariff. This offers a real opportunity to reduce fuel poverty in Southampton.
- 40. In addition all energy supply companies have an obligation under CERT to target funding for energy saving initiatives at their most vulnerable customers.

#### Recommendations

- 41. To help alleviate fuel poverty within Southampton the Environment and Sustainability Scrutiny Panel have identified the following recommendations:
- 42. To improve co-ordination & awareness of fuel poverty it is recommended that:
  - 1) Southampton City Council takes a visible lead in the drive to reduce fuel poverty and identifies a lead Cabinet Member and a lead officer to drive this forward within the City Council. The lead officer should ideally be located within the Chief Executive's Department.
  - 2) A fuel poverty referral system, similar to Luton Borough Council's, is developed to co-ordinate the activities undertaken by Southampton City Council and partners to alleviate fuel poverty. This referral system must:a) Work closely with SWAP
    - b) Help to co-ordinate available grants to ensure that maximum value is obtained by residents
    - c) Work with partners to improve trust amongst vulnerable groups
    - d) Seek to maximise the uptake of benefits for residents in fuel poverty, including energy suppliers social tariffs.
  - 3) Southampton City Council organises a conference to discuss fuel poverty and brings together key partners to raise awareness of available support. This conference is used as the platform to publicly launch the referral system. The Environment and Sustainability Scrutiny Panel recommends that external funding is sought from private sector organisations to help finance the event.
  - 4) Fuel poverty training continues to be rolled out across Southampton City Council and key partners who visit people at home. Training should include identifying the signs of fuel poverty and knowledge of the referral mechanisms. The proposed conference should be a platform to help address this need.
  - 5) The findings of this inquiry are incorporated into the revised older persons housing strategy and an updated fuel poverty strategy (affordable warmth strategy), to bring it up to date with the new initiatives and the shifting influences on fuel poverty. The affordable warmth strategy should be updated bi-annually.
  - 6) Work to alleviate fuel poverty is co-ordinated with the emerging programme designed to co-ordinate promotion of benefits take up.

## 43. To reduce fuel poverty amongst households living in private housing within Southampton it is recommended that:

- 7) The information contained within the 2008 Private Sector Housing Condition Survey is used to help identify those in fuel poverty. Infra-red technology should then be used to identify homes that are energy inefficient. Contact should be made with the occupants advising them of the findings and the help that is available to improve the energy efficiency levels of the property.
- 8) The support offered to people in receipt of funding from Warm Front / CERT is developed to ensure that necessary preparations are made to enable energy efficiency work to be undertaken.
- 9) Southampton City Council works with partners to replicate the success of a scheme in Bournemouth that has improved the energy efficiency levels of 7,000 privately rented properties.
- 10) Southampton City Council use powers under the Housing Health and Safety Rating System (HHSRS) to take enforcement action against landlords who, following warnings, fail to improve the energy efficiency levels of their properties.
- 11) The Cabinet Member for Housing and Local Services writes to the appropriate Government Minister to request that the law be amended to enable landlords, whose tenants die due to the energy inefficiency of the property, to be prosecuted.

# 44. To reduce fuel poverty amongst households living in social housing within Southampton it is recommended that:

- 12) In principle the Environment and Sustainability Scrutiny Panel would welcome the introduction of smart meters across all housing in the City. The Panel recognises that this is beyond the influence of the City Council but the Scrutiny Panel does recommend that, taking into consideration the cost and reliability of available technology, the use of smart meters should be introduced within the City Council's housing stock.
- 45. **General initiatives to reduce fuel bills:** The Environment and Sustainability Scrutiny Panel welcomes the actions proposed by the Government to reduce any unjustified tariff differentials being paid by some pre-payment customers. In addition it is recommended that:
  - 13) Southampton City Council and local partners, to include all partners on SWAP, increase awareness amongst vulnerable groups of social tariffs provided by energy suppliers.
  - 14) Southampton City Council and local partners develop methods to proactively promote actively switching between suppliers to vulnerable groups. The Environment and Sustainability Scrutiny Panel is not advocating the use of cold calling.

#### Introduction

- Fuel poverty is a growing problem nationally and within Southampton. The 46. inability to afford to adequately heat a home can lead to severe health and social problems and it is the most vulnerable in society who are the most likely to be affected.
- 47. The 2002 Private Sector Housing Condition Survey suggested that 9,900 households were in fuel poverty in Southampton and in 2005/06 an additional 130 deaths occurred within the City during the winter months<sup>4</sup>. Many of these deaths can be attributed to cold indoor temperatures.
- 48. In recognition of the growing problems presented by the increase in fuel poverty the Overview and Scrutiny Management Committee agreed that a scrutiny inquiry should be undertaken on fuel poverty in 2008/09. The Overview and Scrutiny Management Committee agreed the terms of reference for the inquiry and requested that the Environment and Sustainability Scrutiny Panel conduct the inquiry and report back their findings to the Overview and Scrutiny Management Committee for the meeting on 6 November 2008.
- 49. The approved objectives of the inquiry are:
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The full terms of reference for the inquiry, approved by Overview and Scrutiny Management Committee on 10<sup>th</sup> July 2008, are shown in Appendix 1.

To ensure that the Environment and Sustainability Scrutiny Panel could meet the 50. set objectives six evidence gathering meetings were arranged. The outline project plan shown in Appendix 2 identifies the structure of each of the evidence gathering sessions.

#### Consultation

The Environment and Sustainability Scrutiny Panel received evidence from a 51. wide variety of organisations and community representatives throughout the six meetings. Evidence received was both oral and written. A list of witnesses that provided evidence to the inquiry is detailed in Appendix 3.

#### **Acknowledgements**

52. Members of the Environment and Sustainability Scrutiny Panel would like to thank all those who have assisted with the development of this review.

<sup>&</sup>lt;sup>4</sup> ONS Ef f int fr Mortality ftati ti f 1997-2006 f

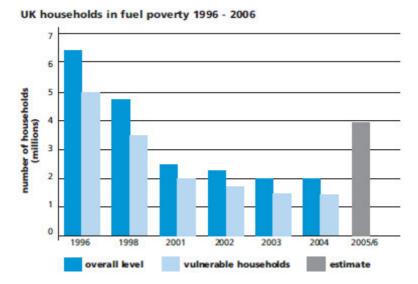
#### **Background to Fuel Poverty – National**

53. The nationally recognised definition of a fuel poor household agreed by the DETR in 1999 and incorporated into the UK Fuel Poverty Strategy is, 'one which needs to spend more than 10% of household income to achieve a satisfactory heating regime (21°c in the living room and 18°c in the other occupied rooms)'.

#### The number of people suffering from fuel poverty

54. The number of households in fuel poverty constantly changes reflecting the underlying causes of fuel poverty. The number of UK households in fuel poverty fell between 1996 and 2003 from 6.5 million to 2 million. Of these, vulnerable households in fuel poverty fell from 5 million to 1.5 million. However, the number of UK households in fuel poverty has risen dramatically since 2003 and today it is estimated that over four million UK households – that's 5.5 million people – are now victims of fuel poverty.

Figure 1:7



55. The situation is deteriorating and other things being equal with every 10% increase in energy prices 400,000 people go into fuel poverty<sup>8</sup>, and the number in extreme fuel poverty increases.

#### Causes of fuel poverty

- 56. There are a number of factors that lead to fuel poverty of which many are linked to the wider problem of poverty and social exclusion. The three main causes of fuel poverty are:
  - A low household income

<sup>&</sup>lt;sup>5</sup> www.energywatch.org.uk

<sup>&</sup>lt;sup>6</sup> Information quoted in energy shouldn't cost the earth – National consumer Council, 2008. Data is based on Data is based on statistics from Department of Trade and Industry (DTI) and Department for Environment, Food and Rural Affairs (Defra), *Detailed Breakdown of Fuel Poverty in England in 2004*, 2006 and estimates from *The UK Fuel Poverty Strategy: 4th Annual Progress Report*, 2006.

<sup>&</sup>lt;sup>7</sup> Source:DTI/Defra The UK Fuel Poverty Strategy:4<sup>th</sup> Annual Progress Report, 2006

<sup>&</sup>lt;sup>8</sup> House of Commons Business and Enterprise committee 'Energy prices, fuel poverty and Ofgem - report dated 28<sup>th</sup> July 2008

- High energy prices (or inefficient heating systems)
- Poor energy efficiency of the home.9

In many cases fuel poverty comes about through the inter-play of the above factors. These are compounded by a lack of awareness, education and information.

- 57. In addition factors such as the size of the house in relation to the number of people occupying it, and the temperature of the external environment impact on fuel poverty.
- 58. To help gauge the relative contribution that each of the main causes of fuel poverty makes analysis was undertaken of the reduction in the number of households in fuel poverty in 2003. As this report has previously highlighted between 1996 and 2003 significant progress was being made toward meeting fuel poverty targets. Analysis attributed this progress to:
  - Increase in household income 61%
  - Falling fuel prices 22%
  - Improvements in the energy efficiency of the housing stock 17%<sup>10</sup>
- 59. Energy costs have increased substantially since 2003 and average gas and electricity costs now total more than £1,000 a year<sup>11</sup> compared with only £572 in 2003<sup>12</sup>. It is this increase in fuel costs that has been the major reason why fuel poverty has more than doubled since 2003.

#### The prevalence and impact of fuel poverty – Housing tenure

- The age of a property has an influence on fuel poverty and housing has a major 60. influence on health. Houses built in the last thirty years or so have better levels of insulation and thermal efficiency and householders spend much more money on heating bills in older thermally inefficient houses.
- The household's type of tenure also affects the likelihood of fuel poverty, with 61. 80% of fuel poor households living in private sector housing. Approximately 65% are in owner occupied properties and the remainder are in the private rented sector<sup>13</sup>. It has been found that indoor temperature measurements are highest in housing association dwellings and lowest in privately rented accommodation.<sup>14</sup>
- 62. The chart in figure 2 from the English House Conditions Survey reinforces this point and clearly identifies that nationally fuel poverty is most common among those living in private rented accommodation. The requirement that all social sector homes in England must meet the decent homes standard for thermal

<sup>&</sup>lt;sup>9</sup> Energy shouldn't cost the earth – National Consumer Council, 2008

<sup>&</sup>lt;sup>10</sup> UK Fuel Poverty Strategy 3<sup>rd</sup> Annual Progress Report, 2005

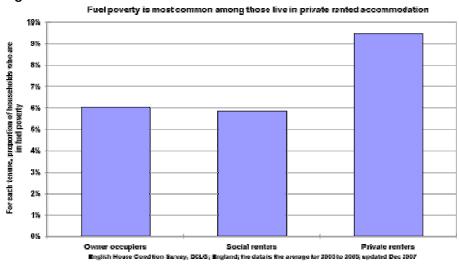
www.bbc.co.uk – Battling Bills, what help is there?, 25 July 2008 energywatch, A social responsibility?

<sup>&</sup>lt;sup>13</sup> Detailed breakdowns of fuel poverty in England in 2003. Version 1, July 2005. (Annex to UK fuel Poverty Strategy. 3rd Annual Progress Report 2005. Department of Trade and Industry, Department for Environment Food and Rural Affairs

<sup>&</sup>lt;sup>14</sup> Fuel Poverty and Older People, West Midlands Public Health Observatory, 2005

efficiency by 2010 has raised the level of thermal efficiency in social housing and has helped to reduce the extent of fuel poverty for households living in social sector housing.

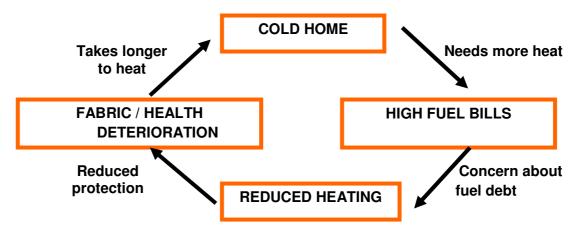
Figure 2:



#### Fuel poverty, low temperatures and health

63. Fuel poverty affects health in numerous ways. People in fuel poverty spend a bigger slice of their income on energy bills than the rest of us and for many it is a simple question of heat or food? The 'heat or eat' dilemma has been known since the 1960's. In order to keep the house warm people may be left with inadequate nutrition. Alternatively they may have to compromise by heating only part of the house, or to tolerate lower indoor temperatures. This can lead to condensation, damp and mould which also affect health.<sup>15</sup> This dilemma is demonstrated in figure 3.

Figure 3: Fuel Poverty – The Trap<sup>16</sup>



64. Dr Graham Watkinson, Consultant in Public Health at Southampton City PCT identified a number of diseases and conditions related to cold homes in his presentation to the Environment and Sustainability Scrutiny Panel on 3<sup>rd</sup> September 2008. The diseases and conditions included:

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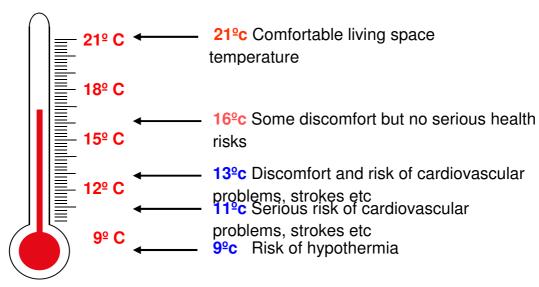
<sup>&</sup>lt;sup>15</sup> Fuel Poverty and Older People, West Midlands Public Health Observatory, 2005 f

<sup>&</sup>lt;sup>16</sup> Information presented to the Environment and Sustainability Scrutiny Panel by Dr Watkinson, Southampton City PCT, 3<sup>rd</sup> September 2008

- Asthma
- Chronic bronchitis or emphysema
- Coronary heart disease
- Stroke
- Worsening of long term conditions in the winter
- Falls and accidents
- Slow recovery from illness
- Depression and poor mental health

Figure 4 shows how the risk of serious illness increases as room temperatures decrease.

Figure 4:<sup>17</sup>



#### **Excess Winter Mortality**

- 65. There is also a clear link between cold indoor temperatures and mortality rates. Excess winter mortality is the increase in numbers dying during the four month winter period of December to March compared with the rest of the year. In the UK on average 40,000 deaths occur in this winter period which cannot be explained by hypothermia or influenza.<sup>18</sup>
- 66. Indeed it is possible to predict when excess winter deaths occur after a cold day:
  - heart attacks after 2 days
  - strokes after 5 days
  - respiratory disease after 12 days<sup>19</sup>
- 67. The excess winter mortality rate is three times as high in the UK as in some other, colder countries. Compared to other north European countries British

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<sup>&</sup>lt;sup>17</sup> Information presented to the Environment and Sustainability Scrutiny Panel by Dr Watkinson, southampton City PCT, 3<sup>rd</sup> September 2008 f

Fuel Poverty and Older People, West Midlands Public Health Observatory, 2005

<sup>&</sup>lt;sup>19</sup> Southampton Warmth for All Partnership (SWAP), Fuel Poverty and Health Strategy, May 2004,p3

housing also has low thermal efficiency<sup>20</sup> and there is a 20% difference in excess winter deaths between the coldest and warmest homes.<sup>21</sup>

#### Fuel poverty, low temperature and other impacts

- 68. Fuel poverty does not just impact upon an individuals health. Fuel poverty is an issue that impacts upon:
  - health
  - housing
  - social inclusion
  - education
  - general individual and community quality of life<sup>22</sup>
- 69. People living in cold homes are less likely to invite friends and family round to their house and are likely to become more isolated as a result<sup>23</sup>. Only heating one room can affect children's ability to do their homework which in turn affects their life chances and health,<sup>24</sup> and as the fuel poverty trap diagram in figure 3 demonstrates, reducing thermal levels in properties can lead to a deterioration of the fabric of a property through the effects of mould and condensation.
- 70. Ian Tanner, Operations Manager for National Energy Action (NEA) informed members of the Scrutiny Panel of an experiment in Plymouth where energy efficiency measures were installed into each house on a housing estate suffering from high levels of anti-social behaviour. An outcome of the homes being warmer was an increase in the amount of time young people spent in their own homes rather than congregating on the streets of the estate. This helped to reduce levels of anti-social behaviour within the estate.
- 71. In addition the inability to pay rising energy bills can lead to debt for vulnerable people who choose to keep their house warm despite their inability to pay the forthcoming bill.

#### The impact of fuel poverty on public service providers

- 72. The consequences of fuel poverty have a significant impact on public service providers. Dr Watkinson informed members of the Scrutiny Panel that fuel poverty, through the associated impacts on health, costs the NHS in excess of £1 billion per annum. This is derived from the thousands of hospital beds occupied and the increased waiting times for treatments and other ailments.
- 73. Fuel poverty must also impact on the services provided by local authorities through among other things:
  - caring for people recovering from falls and accidents caused by cold homes

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<sup>&</sup>lt;sup>20</sup> Fuel Poverty and Older People, West Midlands Public Health Observatory, 2005

Southampton Warmth for All Partnership (SWAP), Fuel Poverty and Health Strategy, May 2004,p4 Presentation from Ian Tanner, Operations Manager for National Energy Action to the Environment and Sustainability Scrutiny Panel, 11<sup>th</sup> August 2008

<sup>&</sup>lt;sup>23</sup> UK Fuel Poverty Strategy, November 2001, DTI/DEFRA

<sup>&</sup>lt;sup>24</sup> V.Press, Fuel poverty and health. National Heart Forum. Wordworks, London, 2003

- damage to the condition of social housing stock
- managing the impact of social exclusion, anti-social behaviour and debt.

#### Who are the most vulnerable to fuel poverty?

- 74. The people that are most at risk from fuel poverty are older people, low-income families with children and those who are disabled or have a long-term illness<sup>25</sup>. Households with older people (aged 60+) make up the largest proportion of the fuel poor (around half). Households with someone who has a disability account for over 40% of the fuel poor. Families with children under 16 account for 10% of fuel poor households. 26
- People over 65 account for 93% of winter excess mortality deaths<sup>27</sup> whilst it is 75. usually households with children that are in debt to energy companies.<sup>28</sup>

#### Why are these groups of people most at risk of being in fuel poverty?

- 76. A number of factors, often shared by people from within the vulnerable groups identified above make them susceptible to fuel poverty.
  - Low and fixed incomes 93.9% of fuel poor fall within the lowest income guartile<sup>29</sup>. Fixed incomes, such as pensions, have not been able to rise at the same rate as the increase in fuel prices. Fuel costs therefore take up an increased percentage of a fixed income.
  - Spend more time at home Older people, people with young children and people with a disability are less likely to go to work and are therefore more likely to have to heat their homes throughout the whole day.30 This results in higher fuel bills.
  - Pre-payment meters There are nearly six million pre-payment meters in use in Great Britain concentrated among low income and vulnerable households.31 One in four households living in fuel poverty uses a pre-payment meter<sup>32</sup> but the tariffs associated with this type of payment method are often more expensive than standard credit tariffs – up to £173 a year for gas and up to £113 a year more for electricity.33

Many pre-payment customers are aware that they are paying more, but they value the certainty, control and flexibility of pre-payment meters (which prevent them being tipped into debt). However, many low income households are limited

<sup>&</sup>lt;sup>25</sup> The UK Fuel Poverty Strategy, 2001, DTI/Defra

<sup>&</sup>lt;sup>26</sup> Detailed Breakdown of Fuel Poverty in England in 2004, 2006, DTI/Defra quoted in energy shouldn't cost the earth, National Consumer Council, 2008, p3

<sup>&</sup>lt;sup>27</sup> Presentation from Ian Tanner, Operations Manager for National Energy Action to the Environment and Sustainability Scrutiny Panel, 11<sup>th</sup> August 2008
<sup>28</sup> Brenda Boardman, Fuel Poverty, Bellhaven Press, London, 1991

<sup>&</sup>lt;sup>29</sup> Detailed Breakdown of Fuel Poverty in England in 2003, Version 1, July 2005, DTI/Defra

<sup>&</sup>lt;sup>30</sup> Brenda Boardman, Fuel Poverty, Bellhaven Press, London, 1991

an energywatch, press release: Stop penalising the poor, energy suppliers urged, September 2006 <sup>32</sup> Detailed Breakdown of Fuel Poverty in England in 2004, 2006, DTI/Defra quoted in energy shouldn't cost the earth, National Consumer Council, 2008, p4

energywatch, press release: Stop penalising the poor, energy suppliers urged, September 2006 <sup>34</sup> Information paraphrased from energy shouldn't cost the earth, National Consumer Council, 2008,

to the pre-payment meter and cannot take advantage of the more favourable tariffs offered to people who pay by direct debit, often because they, along with three million people in the UK, do not have bank accounts.<sup>34</sup>

#### Why are older people particularly affected?

- 77. The number of older people living in fuel poverty and unable to heat their home properly last winter is likely to have doubled in only 2 years.<sup>35</sup> Why are older people particularly likely to be suffering from fuel poverty?
  - Older people are less able to judge if they are warm or cold, meaning they
    may not put on an extra jumper or put on the heating before they get too
    cold
  - Many older people tend to live in older houses with inefficient heating systems and/or no insulation with the worst conditions in the private sector. This makes it harder to heat their homes
  - Older people often try to cut their energy bills by reducing the amount of heating they use or choosing to wrap up warm instead
  - Older people on low incomes spend up to 30 per cent less on food than is needed for a healthy balanced diet. This puts their physical and mental well-being at risk and could make them more vulnerable to the cold
  - Older people are more likely to live alone and are heating houses that are large and to a large extent under-used
  - It is estimated that by actively switching between energy suppliers a consumer can save approximately 10% on their fuel bills. The primary mechanism for doing this is via the comparison sites on the internet. With an estimated 70% of people over 65 not having internet experience older people are not benefitting from this innovation.<sup>36</sup>

 $<sup>^{35}</sup>$  Information presented to the Environment and Sustainability Scrutiny Panel by Dr Watkinson, Southampton City PCT,  $3^{rd}$  September 2008

<sup>&</sup>lt;sup>36</sup> Information obtained from the presentation to the Environment and Sustainability Scrutiny Panel by Dr Watkinson, Southampton City PCT, and evidence presented to the inquiry by the Later Years Partnership, 3<sup>rd</sup> September 2008

#### **Background to Fuel Poverty – Southampton**

#### The level of fuel poverty in Southampton

- 78. Fuel poverty is a significant problem within Southampton. The 2002 Private Sector Housing Condition Survey suggested that 9,900 households were in fuel poverty. This represents 14% of all private sector households in the City.
- 79. The 2008 Private Sector Housing Condition Survey is scheduled to be published in November 2008 and this survey will provide more up to date information regarding the levels of fuel poverty experienced by households in Southampton. With the increase in fuel prices rising substantially faster than average household income in Southampton it is safe to assume that the number of households in fuel poverty across Southampton will have increased since the 2002 survey. Indeed, information from a Health and Lifestyle Survey commissioned in 2006 by Southampton City Council and Southampton City PCT gave an indication of this when 19% of respondents described the usual temperature of their home as too cold.<sup>37</sup>

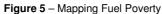
# The prevalence and impact of fuel poverty – Where are the fuel poor in Southampton?

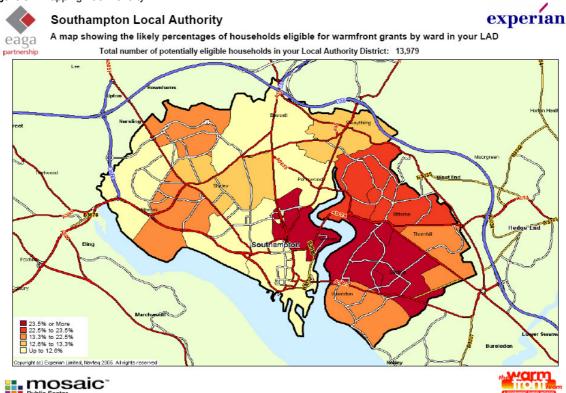
- 80. The situation within Southampton tends to mirror the national position. Fuel poverty is more prevalent within households who live in privately owned and privately rented accommodation and the impact is felt hardest amongst older people.
- 81. The 2002 Private Sector Housing Condition Survey identified that:
  - 14% (9,900) of households are in fuel poverty
  - 13% (7,100) of owner-occupiers experience fuel poverty
  - 21% (2,500) of tenants in privately rented homes experience fuel poverty
  - 29% (2,200) of tenants in HMOs experience fuel poverty
- 82. It has been identified that there are distinct areas in the city where fuel poverty may be more prevalent. The 2002 Private Sector Housing Condition Survey indicated that the Central area of the city comprising the wards of Bevois, Bargate and Freemantle had in 2002 the highest levels with 24% of households possibly suffering from fuel poverty. The majority of fuel poor households in Southampton are owner-occupiers but in 2002 there were high proportions of households who privately rent their homes (21%) or are tenants in Houses in Multiple Occupation (HMO's 29%) who were suffering from fuel poverty. In the Central area 39% of private homes were being rented in 2002 and this area also had the oldest dwellings in the city with 64% of privately owned dwellings having been constructed before 1919.

Figure 5 shows a map of the City incorporating the likely percentage of households eligible for Warm Front funding. This is an indicator of fuel poverty.

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<sup>&</sup>lt;sup>37</sup> Health and Lifestyle Survey, 2006, Southampton City Council and Southampton PCT, p15





83. Southampton has a higher than average number of people living in privately rented accommodation. The breakdown of housing tenure within Southampton is shown in Figure 6.

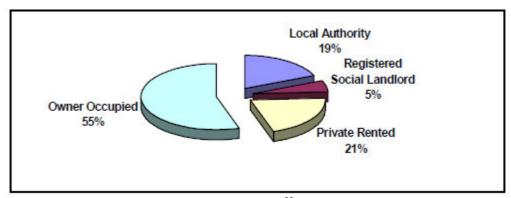


Figure 6: Properties in Southampton by tenure<sup>38</sup>

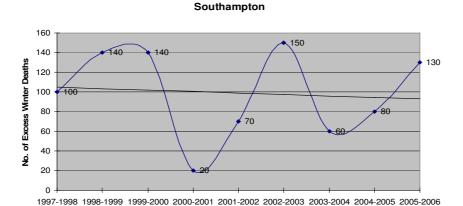
#### Who are the most vulnerable to fuel poverty in Southampton?

84. There is no evidence that indicates that Southampton does not replicate the national profile with regards to the people most vulnerable to fuel poverty. It is likely that the impact of the lack of affordable warmth is felt hardest by older people within Southampton. Information provided to the Scrutiny Panel from Southampton Pensioners' Forum re-affirmed this belief when at a meeting in August of the Pensioners' Forum there were nearly eighty people in attendance. When given the definition of fuel poverty and the present annual fuel costs over 95% of members said that they expected to be in fuel poverty this year if they did not alter their heating usage.

<sup>&</sup>lt;sup>38</sup> Southampton City Council Fuel Poverty Strategy, 2003-2007, p12

85. The chart in figure 8 shows the number of excess winter deaths in Southampton from 1997/98 to 2005/06. In 2005/06 130 additional deaths occurred during the winter months. If Southampton mirrors the national average then 121 of these deaths will be of people over the age of 65. The number of excess winter deaths has been on the increase in Southampton since 2003/04.

Figure 7: Excess winter deaths in Southampton



Source: ONS Excess Winter Mortality statistics 1997-2006

86. The problem of fuel poverty amongst older people in Southampton is exacerbated by a lack of adequate heating within the home. According to the 2001 Census 11% of households in Southampton were without central heating. The table below identifies, using information from the 2001 Census, the location of people who are most at risk from fuel poverty. These are older people who live in privately owned and privately rented accommodation that have no central heating.

**Table 1**: Total number and percentage of pensioner only households that are owner occupied or privately rented, with no central heating, by ward in Southampton

Ward	Total Number of Pensioner-Only Households that are Owner Occupied & have no Central Heating	% of Pensioner- Only Households that are Owner Occupied & have no Central Heating	Total Number of Pensioner-Only Households that are Privately Renting & have no Central Heating	% of Pensioner- Only Households that are Privately Renting & have no Central Heating
Bargate	27	2.9	24	2.6
Bassett	60	4.1	17	1.2
Bevois	81	11.7	25	3.6
Bitterne	56	3.8	22	1.5
Bitterne Park	81	6.6	63	5.2
Coxford	34	2.7	10	0.8
Freemantle	108	9.1	41	3.4
Harefield	103	6.0	36	2.1
Millbrook	138	9.4	58	4.0
Peartree	135	11.6	35	3.0
Portswood	87	6.5	62	4.6
Redbridge	87	5.8	18	1.2
Shirley	100	7.1	49	3.5
Sholing	111	8.0	34	2.5
Swaythling	66	6.0	44	4.0
Woolston	97	8.6	30	2.7

Source: 2001 Census

- 87. Extreme fuel poverty is not just experienced by older people within Southampton. Feedback to the Scrutiny Panel gave an insight into the impact that fuel poverty is having on people with disabilities and families on low incomes.
- 88. The Federation of Southampton's Tenants and Residents Associations invited tenants to provide feedback to the inquiry at the meeting on 26 August 2008. The following comments were made:

"If I used my heating as I would wish then I believe I would have a problem financially but like a lot of people I turn heating off until I have to put it on. As I am not mobile this can be a problem but it's about choices as to what I can afford".

"I experienced it (fuel poverty) after having a young baby and living in a private flat with no heating supplied, so relied on electric convectors and a paraffin heater – not good for my asthma and very expensive, especially to keep baby warm".

- 89. As fuel poverty is dependent on the inter-play between household income, fuel prices and the energy efficiency of your home the impact of increased energy prices is having a big impact on people in Southampton who are on low incomes.
- 90. The number of people claiming out of work benefits in Southampton was 20,130 in February 2008, this equates to 12.9% of the population<sup>39</sup>. This figure includes amongst others Job Seekers Allowance, Incapacity Benefit, Lone Parents Allowance and Carers Allowance.
- 91. It has been estimated that 'as much as 20% of all means-tested benefits, from the government and local authorities, was unclaimed in 2004/05.<sup>40</sup>

#### The financial impact of fuel poverty on the NHS in Southampton

92. As this report has previously highlighted Dr Watkinson, Consultant in Public Health at Southampton City PCT, informed the Scrutiny Panel that fuel poverty costs the NHS in excess of £1 billion per annum. Dr Watkinson when pressed by members of the Scrutiny Panel estimated that the cost to the NHS in Southampton of the impact of fuel poverty would exceed £4 million per annum.

#### Summary of the current position regarding fuel poverty

93. Following the recent increases in energy prices, fuel poverty has become an increasing problem nationally and locally. Thousands of people die each year from cold-related illnesses in the winter months. If temperatures are cold this winter there is an increased risk that the number of people dying will rise, particularly amongst vulnerable groups living in thermally inefficient properties.

<sup>&</sup>lt;sup>39</sup> http://www.nomisweb.co.uk/reports/lmp/la/2038431790/report.aspx

 $<sup>^{40}</sup>$  Figures published by the Department for Work & Pensions show that between £4.8bn and £8bn was uncollected. The money was a combination of income support, housing benefit, council tax benefit, job-seeker's allowance and pension credit. Earlier this year, the government estimated that about £5bn of tax credits also went unclaimed that year.

#### What is being done to alleviate fuel poverty at a national level?

- 94. The Environment and Sustainability Scrutiny Panel recognises that a number of the fundamental causes of fuel poverty are beyond the influence of Southampton City Council and local partners.
- 95. The dramatic increase in the level of fuel poverty experienced within the UK since 2003 is primarily due to the increase in energy costs that have risen from an average of £572 in 2003 to more than £1,000 in 2008.<sup>41</sup>
- 96. Fuel prices have risen so rapidly predominantly due to the increase in international oil prices reflecting increasing demand and concerns relating to levels of reserves.
- 97. In addition the income levels of the people of Southampton are largely influenced by national and international factors beyond the control of Southampton City Council. For example the level of welfare benefits are set nationally.
- 98. To address the underlying causes of fuel poverty the lead must come from the Government.

#### **National Fuel Poverty Strategy**

- 99. The UK became the first country in the world to recognise the issue of fuel poverty and implement a strategy to address this problem. <sup>42</sup> The UK Fuel Poverty Strategy was launched in 2001 and targets the eradication of fuel poverty in vulnerable households by 2010 and in all households by 2016.
- 100. The UK Fuel Poverty Strategy recognises that there are many aspects to fuel poverty. The Government has put in place various initiatives related to improving the energy efficiency of homes, improving household income for the most vulnerable and reducing fuel bills for those in extreme fuel poverty in an attempt to eradicate fuel poverty.

#### Improving energy efficiency – The private sector

101. The Government, with financial contributions from the energy suppliers, has invested significant resources into improving the energy efficiency of privately owned and privately rented homes. Schemes that exist to improve the energy efficiency of privately owned and privately rented properties include:

#### **Warm Front**

102. A government funded scheme, managed by eaga plc, which provides grants of up to £2,700 to make homes more energy efficient. The grants are for people who are on certain benefits and own their own home or rent it from a private landlord.

<sup>41</sup> www.bbc.co.uk - Battling Bills, what help is there?, 25 July 2008

<sup>&</sup>lt;sup>42</sup> NEA's View On, Fuel Poverty Annual Progress Report 2006/7 – Response from NEA, Dec 2007

From the Scheme's inception in June 2000 to the end of April 2008, over 1.7 million households in England had received assistance with a range of heating, insulation and other energy efficiency measures. In 2007/8, Warm Front received  $\mathfrak{L}350$  million funding, allowing the Scheme to assist almost 270,000 households. 43

#### **CERT (Carbon Emissions Reduction Target)**

- 103. In April 2008, the Government launched the third phase of the energy supplier energy efficiency programme, now known as the Carbon Emissions Reduction Target (CERT). The Scheme applies across Great Britain.
- 104. CERT's primary aim is reductions in carbon dioxide emissions in the domestic sector, but as it brings about a general improvement of the housing stock, it can also help to future proof homes against fuel poverty. The target for CERT for the next three years represents roughly a doubling of CO2 savings under the previous Energy Efficiency Commitment in 2005-8. Suppliers are required to deliver at least 40% of their carbon savings from energy efficiency measures in households of low income consumers, known as the priority group, or those over 70.
- 105. It is expected that about twice as much resource, equal to about £1.5 billion over 2008/11, is directed at priority group customers compared to earlier schemes. The Government estimates that about 1.23 million homes in the priority group will receive cavity wall insulation during the lifetime of CERT (out of 2.9 million with unfilled cavities).
- 106. In addition, the Government is proposing an increase in the existing CERT target by 20 per cent in the present period up to March 2011. This will require additional expenditure by the energy suppliers of an estimated £560 million of which an estimated £300m will go to the priority group of low income and elderly customers.

#### Home Information Packs and Energy Performance Certificates (EPC)

107. The Government introduced the need to have a valid Energy Performance Certificate whenever a property is sold or rented, either privately or in the social sector when a tenancy changes. The requirement to provide an assessment of the energy efficiency levels of a property can act as incentive to improve the energy efficiency level of a property as it may help an owner sell a property or increase rent levels.

#### The Housing Health and Safety Rating System (HHSRS)

108. The Housing Health and Safety Rating System (HHSRS) replaced the housing fitness standard and became the statutory way of assessing housing conditions in April 2006. HHSRS gives local authorities power to deal with significant housing hazards, which include a "new" hazard of 'excess cold'. Where a private landlord persistently fails to improve standards of insulation and heating,

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<sup>&</sup>lt;sup>43</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p9 f

the local authority can serve an enforcement notice, which requires the work to be completed within a certain time. The HHSRS also applies to privately owned properties. At present however, private sector landlords cannot be prosecuted if a tenants death is directly related to the energy inefficiency of the property.

#### Improving energy efficiency – Social sector housing

109. National schemes that exist to improve the energy efficiency of social sector housing include:

#### **Decent Homes Programme**

- 110. A key target within the UK Fuel Poverty Strategy is that all social housing is to be decent by 2010, which includes ensuring homes provide a reasonable degree of thermal comfort.
- 111. Between 2001 and 2007, over 910,000 local authority dwellings have received work to improve their central heating, and over 750,000 local authority dwellings have received work to improve their insulation under the Decent Homes programme or as part of wider local authority work to update the stock.<sup>44</sup>
- 112. Progress is being made on thermal comfort at a faster rate than the other components of the Decent Homes Standard, and the number of social sector homes in England failing on that criterion has more than halved since 1996 from nearly 2 million down to 700,000 in 2006.<sup>45</sup>
- 113. The condition of social housing stock has been improved through the Decent Homes Standard in England and in general social sector homes are now substantially more energy efficient than private homes. Indeed the average energy efficiency rating (SAP) of social homes was 57 in 2006. This compares to the average energy efficiency rating of 49. 46SAP (Standard Assessment Procedure) is a standard method of assessing the energy efficiency of a dwelling on a scale of 1-100, with 1 being the worst.

#### <u>Improving Energy Efficiency - General Improvements</u>

#### **Community Energy Saving Programme**

114. On 11 September the Government announced that it is proposing a new community-based programme to install energy efficiency measures, targeted at the country's poorest communities. It is intended to support new and existing partnerships of local councils, voluntary organisations and energy suppliers to go street-by-street through communities offering free and discounted central heating, energy efficiency measures and benefit checks. This programme proposes putting a new obligation on energy suppliers and electricity generators. It is envisaged that around 100 new community schemes might be created.<sup>47</sup>

<sup>&</sup>lt;sup>44</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p12 <sup>45</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p12 <sup>46</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p12 <sup>47</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p14

- 115. This will contribute to the government's newly stated aim to insulate every home in Britain by 2020.
- 116. Information on the action proposed by the Government to help alleviate fuel poverty in September 2008 is shown in Appendix 4.

#### **Code for Sustainable Homes**

- 117. In April 2008 the Government introduced the Code for Sustainable Homes as a national building standard for all new residential development. The aim of the Code is to work progressively towards achieving zero carbon residential development by 2016.
- 118. Energy is a key element of the Code and will be dealt with through national building regulations. Energy use is measured through carbon emissions reduction and the percentage improvement over current building regulations.
- 119. From April 2008 all schemes funded through the Housing Corporations National Affordable Housing Programme (2008-11) will be compliant with Code Level 3 (25% carbon reduction).
- 120. The Code for Sustainable Homes will largely have an impact on reducing fuel poverty in the future housing stock. Homes built to the Code standard will have lower running costs through greater energy and water efficiency, and will therefore help to reduce fuel poverty.

#### **Reducing Fuel Bills**

121. Through working with suppliers and Ofgem the Government has sought to mitigate against the impact of energy price rises for the most vulnerable in society. This has been done through:

#### **Social Assistance Programmes**

122. The Government has worked with the six largest energy suppliers to reach individual agreements to increase their collective expenditure on social assistance to a level of at least £150 million by the financial year 2010-11 – an increase of £225 million over the next three years. These programmes are targeted at those most at risk of fuel poverty.

#### 123. Tackling Tariff Differentials

The Government announced in the Budget 2008 that the Secretary of State for BERR was prepared to use his existing statutory powers with a view to reducing any unjustifiable differential between the price of energy paid by prepayment customers and other forms of payment. Since then a number of suppliers have reduced the differential between their pre-payment meter and direct debit tariffs.<sup>48</sup>

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<sup>&</sup>lt;sup>48</sup> The UK Fuel Poverty Strategy – 6<sup>th</sup> Annual Progress report 2008, Defra/BERR, p19 f

#### Increasing household income

- 124. Low income is the third contributor to fuel poverty. Action has been taken across Government to tackle poverty by increasing incomes. General initiatives include (amongst others):
  - The introduction of the minimum wage
  - Working Family Tax Credits
  - Pension Credit

#### Initiatives directly related to alleviating Fuel Poverty include:

- Winter Fuel Payments Last winter around 12 million people across the UK aged 60 and over received Winter Fuel Payments. The current rate is up to £200, with those over 80 (over 2.4 million people) receiving up to an extra £100. For winter 2008/09 this will rise to £250 for households with someone aged 60-79 and up to £400 for households with someone aged 80 or over.<sup>49</sup>
  - Cold Weather Payments These are payable by the Government to poorer pensioner and other eligible households in weeks of extremely cold weather. Over the last five years the number of annual payments made has averaged around 500,000. The Government has committed to tripling the payments from £8.50 a week to £25 for this coming winter.<sup>50</sup>
- 126. Despite these initiatives it seems inevitable that the Government is going to fail to meet the target set in the UK Fuel Poverty Strategy of eradicating fuel poverty in vulnerable households by 2010.

 $<sup>^{49}</sup>$  The UK Fuel Poverty Strategy –  $6^{th}$  Annual Progress report 2008, Defra/BERR, p23  $^{50}$  The UK Fuel Poverty Strategy –  $6^{th}$  Annual Progress report 2008, Defra/BERR, p24

#### What is being done to alleviate fuel poverty within Southampton?

- 127. This report has stipulated that to address the underlying causes of fuel poverty the lead must come from the Government. However, it is now widely recognised that local authorities and local partners within the health and voluntary sector can play a key role in alleviating fuel poverty within a community.
- 128. The UK Fuel Poverty Strategy recognises that local authorities are the most important agencies in the eradication of fuel poverty. It is has been identified in this report that fuel poverty not only damages the well-being of individual households, but also imposes additional costs on the wider community in treating poor health, financial disadvantage and social exclusion.
- 129. It is clear that housing issues will be paramount in any programme of fuel poverty reduction but finding solutions to fuel poverty also cuts across many other areas of social policy; for example the promotion of better health and well-being, environmental policy, economic regeneration and the redevelopment of communities. According to 'Tackling Fuel Poverty' A Beacon Toolkit', Local authorities are well placed to broker the kind of partnerships that can act strategically and have significant impact in these areas.<sup>51</sup>
- 130. Within Southampton a significant number of initiatives are being implemented by numerous organisations that directly, or indirectly, seek to alleviate fuel poverty. These initiatives are a reflection of the commitment to tackle fuel poverty that is evident in key city wide partnerships.

#### Fuel Poverty - Partnerships, strategies and targets

- 131. The Southampton Warmth for All Partnership (SWAP) is a key partnership comprising representatives from Southampton City PCT, Southampton City Council, Age Concern, Department for Work and Pensions, eaga plc (the organisation that manages the Warm Front scheme), Solent Energy Efficiency Advice Centre and the Department for Children's Schools and Families. SWAP aims to:
  - specifically reduce health inequalities associated with fuel poverty and improve the quality of life of people living in fuel poverty
  - target older people who live in private rented accommodation with no central heating and older people who live in owner occupied accommodation with no central heating
  - target vulnerable families with young children
  - eliminate fuel poverty in Southampton by 2010 a target we are unlikely to meet
- 132. SWAP is playing a vital role in raising awareness of fuel poverty and is striving to develop the co-ordination of work being undertaken by various agencies to reduce fuel poverty in Southampton.
- 133. Within the 2007 2010 Local Area Agreement for Southampton, the Local Strategic Partnership agreed a number of areas where improvements needed to

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<sup>&</sup>lt;sup>51</sup> Tackling fuel poverty, A Beacon Council Toolkit for Local Authorities

be made. A number of the agreed improvement targets directly impact on fuel poverty. These include the following:-

- To increase the number of Pension Credit beneficiaries
- To increase the take up of Warm Front Grants by 20% annually
- To increase the number of Home Energy Check (HEC) forms and phone calls to the Energy Efficiency Advice Centre.
- 134. The updated Southampton Local Area Agreement includes NI 186 Per Capita reduction in CO2 emissions in the local authority area. In addition the City Council's Corporate Improve Plan is monitoring NI 187 Tackling fuel poverty % of people receiving income based benefits living in homes with a low energy efficiency rating and NI 188 Planning to adapt to climate change.
- 135. Alleviating fuel poverty can also be clearly linked to Southampton City Council's key priorities. Addressing fuel poverty will assist with the corporate priority to tackle deprivation and inequalities.

#### **Southampton City Council's Fuel Poverty Strategy**

- 136. To guide Southampton City Council's approach to eradicating fuel poverty within the City, and to help focus the work of organisations tackling fuel poverty in Southampton, a Fuel Poverty Strategy for 2003-2007 was developed.
- 137. The Fuel Poverty Strategy reflected the national agenda on the alleviation of fuel poverty and six priorities were identified to focus efforts to tackle fuel poverty. The priorities were:
  - To remove all households from fuel poverty by 2016
  - To ensure that all public sector homes meet decency standards of thermal comfort by 2010, with a third by 2004
  - Work with local landlords to address the high proportion of tenants in the private rental sector, particularly within HMO's who are experiencing fuel poverty
  - Aim to target those areas within the City that have been identified as having high levels of fuel poverty. Of particular concern is the Central area of the city, which has a level of fuel poverty double that in other areas
  - Identify methods to target fuel poor households who currently do not qualify for or require works not funded by current grant assistance
  - To access all opportunities to draw in additional resources to tackle fuel poverty in Southampton.
- 138. The Scrutiny Panel was informed that the Fuel Poverty Strategy could not be seen in isolation and that strategies produced by Southampton City Council and local partners also had a significant impact on fuel poverty. These include, amongst others, the:-
  - Sustainable Community Strategy
  - Medium Term Service and Financial Plan
  - Housing Strategy

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- HRA Business Plan
- Private Sector Housing Strategy
- Housing Strategy for Older People
- Southampton Health and Well-being Strategy
- Joint Strategic Needs Assessment.
- 139. Having established the strategic context behind the drive to reduce fuel poverty the Scrutiny Panel have been informed of numerous initiatives that are being delivered, or are proposed, that could impact on the level of fuel poverty experienced within Southampton. The initiatives encompass the various complex causes that contribute to fuel poverty and include projects that help to increase the energy efficiency of homes, increase the incomes of vulnerable people, and reduce fuel costs.

#### Improving energy efficiency - Private Housing

140. Information provided to the Scrutiny Panel has highlighted the prevalence of fuel poverty amongst people living in privately owned and privately rented accommodation in the City. Southampton City Council's Private Sector Housing Manager outlined at a meeting of the Scrutiny Panel the work that the City Council is undertaking, and has planned, to improve energy efficiency in existing privately owned and privately rented properties in Southampton.

#### **Current initiatives**

- 141. Current initiatives can be divided into giving advice and information aimed at raising awareness of energy efficiency and assistance available, and giving financial assistance to install insulation, central heating or renewable energy.
- 142. A full list of the current initiatives presented to the Scrutiny Panel by the Private Sector Housing Manager is shown in Appendix 5. Examples of giving advice and information include:
  - Working with partners to write to every household in Southampton likely to be eligible for a Warm Front Grant. In September 2008, the Council wrote to 10,000 households. The previous year's mailing significantly contributed to the 1,105 referrals to Warm Front made during 2007/08 (up from 464 in 2006/07)
  - Publishing articles in City View; in landlords' newsletters; in the Echo and broadcasting the message via local radio
  - Training staff (for example, those who commission care and home nursing services, to ensure they can spot the signs of fuel poverty and how to refer clients for assistance)
  - Working with the Southampton Warmth for All Partnership (SWAP) to improve links with the Primary Care Trust and other partners. The focus has been on identifying and training staff who visit clients at home
  - Training at landlords events, including giving information on tax incentives and, with the regional HECA forum, developing a booklet
  - Key delivery partners for the Council are the local home improvement agency, provided by In Touch, and the local energy efficiency advice centre, currently provided by the Environment Centre in Southampton, but this service will soon be provided from Milton Keynes.

- 143. Examples of giving "financial assistance" include:
  - Referring clients to Warm Front whenever appropriate (over £1m of Warm Front funded work was completed during 2007)
  - The City Council has developed an innovative home improvement loan, using the flexible approach to private housing renewal that was introduced in 2003 and funding from the Regional Housing Board. Interest-free loans are given, which do not have to be repaid until a property is sold. This assistance is targeted at vulnerable residents and those on low incomes. The loan can be awarded to improve energy efficiency where grants from Warm Front or energy companies are not available and to install renewable technology, which can also reduce fuel bills. The first loan funded renewable energy (solar water heating) has recently been installed in an owner occupied property in Millbrook
  - Residents are routinely and regularly referred to the energy efficiency advice centre to obtain the best deal on installing cavity wall and loft insulation. This is free for all residents who are aged 70 and above (this age is expected to come down to 60 following a recent Government announcement on fuel poverty).

#### **Proposed initiatives**

- 144. PUSH 4 Safer Homes is a new partnership for private housing renewal, made up of seven local authorities in the Partnership for Urban South Hampshire (PUSH) sub-region and led by Southampton City Council. As well as improving the marketing of home improvement loans and offering these across South Hampshire, the Regional Housing Board is also funding a Warm Home Grant, which will be used to top-up Warm Front Grants from April 2009. The partnership aims to award 82 of these grants in Southampton during 2009/10, at a value of £82k. This development was strongly supported by members of the Scrutiny Panel.
- 145. The stock condition survey is expected to report that the energy efficiency of privately rented properties in Southampton is disproportionately low. As vulnerable people often live in these properties the risk of fuel poverty is high. Southampton City Council is working towards introducing loans for landlords to fund improvements (under PUSH 4 Safer Loans) and to offer free energy performance certificates for landlords who improve the energy efficiency of their properties.
- 146. The City Council is exploring how the success of an insulation scheme for private landlords in Bournemouth could be replicated in Southampton. The Dorset Energy Advice Centre reports that it has completed the insulation of over 7,000 flats and houses for some 700 landlords and the Council is pursing an opportunity of integrating this in the PUSH 4 Safer Homes programme. The Scrutiny Panel welcomed this initiative.

#### Powers to Improve energy efficiency (enforcement)

147. The Housing Health and Safety Rating System (HHSRS) replaced the housing

fitness standard and became the statutory way of assessing housing conditions in April 2006. Since then, City Council officers routinely use HHSRS to deal with significant housing hazards, which include a new hazard of 'excess cold'. However, limited formal enforcement action has been taken by Southampton City Council against landlords under the HHSRS hazard of 'excess cold'.

#### Attracting external funding

- 148. The Regional Housing Board awarded PUSH 4 Safer Homes £9.2m to fund a three year renewal programme for private housing (2008-2011), which includes energy efficiency improvements and installation of renewable energy.
- 149. As part of the PUSH 4 Safer Homes, the Council has been negotiating with Scottish and Southern Energy to fund a package of energy efficiency improvements and fuel poverty measures, such as discounts on energy efficient white goods, for every client who is awarded a home improvement loan or disabled facilities grant.

#### Improving energy efficiency – Local partners

- 150. The information provided above references some of the work that local partners are undertaking in conjunction with the City Council to improve energy efficiency levels in private homes.
- 151. The Scrutiny Panel have been informed of numerous invaluable activities undertaken by the Environment Centre (including providing training for Southampton Community Psychiatric Nurses on fuel poverty and the signs to look out for), SWAP, Age Concern, the Department for Work and Pensions, Later Years Partnership, Sure Start and Southampton City PCT that are contributing to the collective efforts to improve levels of energy efficiency. The Scrutiny Panel have also been made aware that numerous agencies and organisations across the City have actively referred vulnerable people to the Warm Front Scheme.
- 152. As well as being the driving force behind SWAP, Southampton City PCT has been active in promoting the energy efficiency message. Examples of PCT led activities include:
  - The Director of Public Health has co-written a letter with GP's that will be sent out with the invitation to attend the surgery for a flu jab. This letter, that goes out to all pensioners, will include information about Warm Front and keeping warm
  - Community nurses have carried out a fuel poverty awareness and Warm Front promotion in GP practices
  - GP's, and other health workers who have direct contact with patients are being provided with information on the importance of keeping homes warm and the support that is available. GP's are now aware that a warm home is essential and the social tariff information from Scottish and Southern Energy has been sent to all GP practices
  - NHS employees who visit the homes of patients now have a checklist of items to look out for regarding fuel poverty.

#### Improving energy efficiency – Social Sector Housing

- 153. Members of the Scrutiny Panel were informed that in general the energy efficiency levels within Southampton's Registered Social Landlord accommodation were higher than Southampton City Council housing stock due to the age of the properties. Accommodation built since the 1980's has to meet stricter building regulations. In recognition of this the Scrutiny Panel received information relating to Southampton City Council's housing stock and the work being undertaken to improve energy efficiency levels.
- 154. At present 81% of Southampton City Council 's own stock meet the decent homes insulation and heating standards and the average reported SAP rating (Standard Assessment Procedure) is 66 across the Council stock with a target of 75 being set for the end of 2010.
- 155. Southampton City Council has undertaken a number of different initiatives to improve the energy efficiency levels of its properties and to help alleviate fuel poverty. This has consisted of cavity wall insulation, loft insulation, solid wall external insulation and the use of gas condensing boilers.
- 156. The Decent Homes Division is progressing towards meeting or exceeding the Thermal Comfort criteria of the Decent Homes Standard by 2010 by providing effective insulation to homes and efficient heating systems. This criteria identifies gas heated properties that should have at least 50mm insulation to lofts and cavity wall insulation to walls where appropriate. Electrically heated properties should have 200mm insulation where appropriate, cavity wall insulation and a thermostat to control the heat provided.
- 157. The Scrutiny Panel were informed that it will be difficult for the Council to improve energy ratings beyond the set target due to the type of properties the Council owns and the fact that most of the City Council's houses are electrically heated. Electric heating does not achieve high values for a SAP rating as opposed to gas condensing boilers which achieve much higher levels.

#### Improving energy efficiency – Planning

- 158. PUSH authorities (Partnership for Urban South Hampshire) have agreed to progress minimum standards of the Code for Sustainable Homes in advance of the Building Regulations requirements. When adopted in 2009, the Core Strategy will require Code Level 3 on all new residential development. There will also be a "Merton style policy" requiring up to 20% reduction in carbon emissions from renewable or sustainable energy.
- 159. The Code advocates a sequential approach of energy efficiency first then renewables. It will largely have an impact on reducing fuel poverty in the future housing stock as homes built to the Code standard will have lower running costs through greater energy and water efficiency, so helping to reduce fuel poverty. However, other planning policies will contribute to addressing fuel poverty in the existing housing stock.

160. In 2012 a Carbon Offset fund will be introduced to ensure all development can be carbon neutral. Financial contributions will be invested in energy efficiency retro-fit projects in fuel poor homes and off-site district sustainable energy schemes.

#### **Reducing Fuel Bills**

#### Combined Heat and Power (CHP) and Community Heating

- 161. The Scrutiny Panel was given a presentation on Southampton's community heating scheme. Southampton City Council is deemed to be a best practice authority with regards to sustainable energy generation and currently 40+ city centre customers, including housing and many publicly accessible buildings, benefit from affordable heat provision from the existing combined heat and power plant.
- 162. The sustainable energy vision for the City includes an expansion in community heating/cooling/power throughout the City. This will help to maximise the use of CHP to provide heating at an affordable price to householders and a competitive price for businesses.
- 163. Members of the Scrutiny Panel supported the vision to expand the community heating/cooling/power throughout the City and recognised that this could be a valuable tool to help alleviate fuel poverty in the future.

#### **Actively switching suppliers**

164. Within Southampton the Environment Centre (tEC) has combined forces with Energylinx to help people find the best deal available for their home electricity and gas supply. In addition the Home Advisory Service, a private company based in the City advises customers on how they can reduce their energy bills.

#### Social assistance programmes

- 165. A number of voluntary organisations across Southampton are now providing referrals to the social tariffs offered by the energy suppliers. Representatives from Scottish and Southern Energy (SSE) attended a meeting of the Scrutiny Panel to inform Councillors of the social tariff that they provide.
- 166. Scottish and Southern Energy supply energy to approximately 60% of Southampton's population. SSE have a social tariff called energyplus Care that is available to customers who are in fuel poverty. This tariff offers a 20% discount on current prices to customers in addition to a number of other advantages.
- 167. SSE is actively encouraging its customers who are in fuel poverty to apply for the social tariff and is seeking to increase the number of people on the tariff from 48,000 to 100,000 by March 2009. Members of the Scrutiny Panel recognised that this presented a big opportunity to reduce fuel poverty within Southampton.

#### **Increasing household Income**

#### **Welfare Benefits**

- 168. Welfare benefits have been designed to help provide financial assistance to those most in need. Low levels of take-up have hidden costs to the individual, families and local economy. In not claiming the benefits that they are entitled to, people in Southampton are struggling on lower incomes and missing out on the support that is available to them. It has been estimated that as much as 20% of all means-tested benefits, from the government and local authorities, was unclaimed in 2004/05.<sup>52</sup>
- 169. The welfare benefit system is complex, and benefits are administered by several agencies. These include the Pension Service, Jobcentre Plus and local authorities. There are currently consultations underway to look at ways to modernise and improve the welfare benefit system.
- 170. Department for Work and Pensions data from the Family Resources Survey identifies that for many benefits low take-up is due to a lack of awareness of the benefit, eligibility, or how to apply. For some benefits, people regard the amount they might receive as not worth the effort of claiming. Some people may be concerned that a claim may effect entitlement to other benefits they are receiving, or do not want the 'stigma' of living on, or receiving a benefit. Some people need extra help and support to make applications whilst others need independent advice on how to appeal against decisions.<sup>53</sup>

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- 171. Southampton City Council has multiple roles in terms of Welfare Benefits. For example, it acts as:
  - An administrator of benefits
  - An advice provider
  - A grant funder of independent advice agencies
  - A commissioner of advice provision in the city.<sup>54</sup>
- 172. The council has three teams whose key role is to provide Welfare Benefit advice; Housing Advice Service, Welfare Rights Unit and Neighbourhood Advice Service.
- 173. Southampton City Council also grant funds several key advice agencies in the city, these include:
  - Southampton Citizens Advice Bureau
  - Southampton Advice and Representation Centre (SARC)
  - No Limits
  - Southampton Centre for Independent Living.

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<sup>&</sup>lt;sup>52</sup> Figures published by the DWP show that between £4.8bn and £8bn was uncollected. The money was a combination of income support, housing benefit, council tax benefit, job-seeker's allowance and pension credit. Earlier this year, the government estimated that about £5bn of tax credits also went unclaimed that year.

<sup>&</sup>lt;sup>53</sup> Bf n it Takf-up rat f and thf Rf a onf or Unflaimf d Entitl mf nt. Sfl t Commfitt f on Publi Af ount f. 26<sup>th</sup> f Rf port. Houf of Commfonf. f

<sup>&</sup>lt;sup>54</sup> Information relating to benefits in Southampton and planned take up work obtained from a report from the Head of Communities and Regeneration to Chief Officers Management Team on 26 Aug 2008 f

- 174. Southampton City Council also commissions advice services from a range of organisations in the city these include:
  - Age Concern Southampton Advice and Information Service
  - CAB Southampton Advice on Self Funding routes for Care Homes
  - Disability Advice and Information Network (DAIN)
  - Southampton Centre for Independent Living (SCIL)
  - SCA Community Care Services HomeSafe Service
  - Charlotte Jackson Trust The Ribbons Centre Support and Service. HIV/AIDS.

#### Recent and planned take-up work in Southampton

#### Take Up of Council Tax Benefit and Local Housing Allowance

175. There is a 'Housing Benefit and Council Tax Benefit Take-up Strategy' for Southampton which outlines the commitment to actions to be taken to improve take-up. Benefit Services attend events to promote take-up including Sure Start Children Centres, open days and community events.

#### **Job Centre Plus: Signposting Folder**

176. The Hampshire and Isle of Wight District of Job Centre Plus, in partnership with local councils, including Southampton, have produced a guide for practitioners to enable them to 'signpost' more effectively on a whole range of welfare benefits. This been circulated to a whole range of frontline staff.

#### Take-Up of benefits by older people

- 177. During 2008 the Welfare Rights and Money Advice Unit in partnership with the Pension Service and the Neighbourhood Advice Centre (NAC) has been running a city-wide benefits campaign aimed specifically at older people. The main aim of the campaign is to make people aware of the social security benefits that they are entitled to and encourage and assist them to make a claim. The campaign has involved running a series of presentations and advice surgeries at sheltered accommodation schemes across the City. The Unit has also produced an information pack outlining all the benefits that older people can claim.
- 178. The Later Years Partnership and Pension Service are developing a multi-agency working group to focus on poverty issues, and the new post of Seniors Information Officer will have a role in improving access to information in the City including take-up of benefits.

#### Take-up of benefits by families

179. There is an ongoing take-up campaign to promote affordable childcare and Tax Credits. The campaign involves Children's Information Service, Regeneration and Renewal, Sure Start Children's Centres, Job Centre Plus, Southampton Advice and Representation Centre, Southampton Citizens Advice Bureau, Welfare Rights Unit and Neighbourhood Advice Centre. 55

 $<sup>^{55}</sup>$  Information obtained from a report from the Head of Communities and Regeneration to Chief Officers Management Team on 26 August 2008

#### Take up of benefits by people leaving hospital

- 180. The Scrutiny Panel was informed of the huge effort that is ongoing between the Department for Work and Pensions and the NHS to decrease the number of people that leave hospital without the benefits that they are entitled to.
- 181. Southampton City Council is looking to co-ordinate benefit take-up in order to maximise people's incomes. Members of the Scrutiny Panel supported this initiative.

#### Tackling fuel poverty – A recent development

- 182. At a recently convened meeting chaired by Southampton City Council's Executive Director for Communities, Health and Care it was agreed that the work of the Environment and Sustainability Scrutiny Panel's fuel poverty inquiry would have a beneficial impact on the approach to tackling fuel poverty in Southampton. However, due to the timescales relating to the potential implementation of the Scrutiny Panel's recommendations there needed to be assistance available to those who might be vulnerable this winter. It was agreed that this should cover the availability of benefits, clear information about fuel deals and tariffs, use of heat, and keeping warm, and that people should be able to ring for help if necessary.
- 183. To help deliver this short term commitment £20,000 was made available from a variety of sources to appoint a fuel poverty co-ordinator for a six month period. Members of the Scrutiny Panel supported this initiative.
- 184. Despite the numerous initiatives being undertaken it is inevitable that the 2008 Private Sector Housing Condition Survey will indicate that fuel poverty has been rising in Southampton. Unless fuel prices are substantially reduced it seems unlikely that the target within Southampton City Council's Fuel Poverty Strategy to remove all households from fuel poverty by 2016 will be met.

#### Best Practice – What is required to successfully reduce fuel poverty?

- 185. As the inquiry developed evidence presented to the Scrutiny Panel enabled a picture to emerge regarding the causes of fuel poverty, where it is most prevalent and the initiatives that are being undertaken within Southampton to alleviate fuel poverty.
- 186. Through contributions from National Energy Action (NEA), Luton Borough Council and other organisations, aspects of best practice regarding tackling fuel poverty have emerged. Indeed, although there is no one set of solutions that will prove entirely replicable and effective in all settings it is possible to identify certain common elements of best practice that can be adopted and modified according to local circumstances.
- 187. Evidence has demonstrated that fuel poverty is a complex, multi-dimensional issue and it **requires a multi-disciplinary**, **multi-agency response**. This relies on the development of a strategic partnership between key stakeholders across the community to co-ordinate policy and service developments at a local level.
- 188. These strategic partners should aim to co-ordinate the range of different types of activity that will be necessary to tackle fuel poverty.<sup>56</sup>
- 189. Tackling Fuel Poverty was a Beacon Programme in 2002/03. Five local authorities were awarded Beacon status and a best practice toolkit was developed. 'Tackling Fuel Poverty A Beacon Toolkit for Local Authorities' states that:

'The experience of the Beacon councils has highlighted the importance of several key requirements that can help to support the development of a strategic response. These include:

- Corporate commitment
- A lead officer within the local authority to manage the development process
- Involvement of key stakeholder agencies
- Community consultation
- Allocated time to develop a strategic approach
- Resources'<sup>57</sup>.
- 190. The Beacon Toolkit also identifies the role that an effective referral mechanism can play in identifying, and maximising the take-up of energy efficiency grants and welfare benefits for the most vulnerable members of the community.<sup>58</sup>

<sup>&</sup>lt;sup>56</sup> Information paraphrased from 'Tackling Fuel Poverty – A Beacon Toolkit for Local Authorities, p23

Tackling Fuel Poverty – A Beacon Toolkit for Local Authorities, p23
 Information paraphrased from 'Tackling Fuel Poverty – A Beacon Toolkit for Local Authorities, p49

#### **Best Practice Case Study – Luton Borough Council**

- 191. In 2003 Luton Borough Council was awarded Beacon Status for the action they have taken to tackle fuel poverty. To share best practice Luton's Social Inclusion Manager attended a meeting of the fuel poverty inquiry. At the meeting information was given on the Warmer Luton Referral Scheme. The referral scheme was established in 2001 with the aim to provide practical steps to assist people out of fuel poverty and towards affordable warmth.
- 192. The referral scheme stemmed from frustration experienced by front-line staff who were unable to meet all client needs when on home visits.
- 193. Luton Borough Council's Affordable Warmth Strategy has benefited from a close working relationship between the Chief Executive's Department, where the key co-ordination work is undertaken, and the Housing Department, leading to a strong anti-poverty focus.
- 194. At the heart of Luton's approach has been the development of a one-stop-shop referral network, which aims to make homes more energy efficient, maximise income and ensure social support. Referrals are made by some 40 local organizations, mainly front-line outreach workers who have regular contact with the most vulnerable households in Luton. For example, these may be home carers, housing benefit review officers, district nurses or health visitors. Seniors organisations and Tenants Forums are encouraged to spread the word. This has been particularly successful in reaching vulnerable householders aged over 70.
- 195. All referral agents receive free energy awareness training and guidance on completion of postal or electronic referral forms, which use a tick box system to identify various types of need. Incoming referrals are co-ordinated centrally through a referral desk by the Affordable Warmth Team located in the Chief Executive's Department, which logs each referral on an access-based referral system. These are then forwarded to one or more of five partner agencies for action. In 2007/08 there were 787 referrals to the Scheme.
- 196. **Income maximisation** 53% of referrals go to a specialist outreach worker within Luton Citizens Advice Bureau who contacts clients to complete a full benefits check and helps them to access available benefits. The worker advocates on behalf of clients from initial meetings through to benefit tribunals where necessary. In 2007/08 more than £230,000 of annual benefits was accessed for clients.
- 197. **Social support** A specialist outreach officer based in Social Services contacts clients, assesses need and can access care packages, home help, aids, adaptations, social welfare advice and information. The worker is an advocate for vulnerable clients and can arrange household improvements on their behalf.
- 198. **Making homes more energy efficient** To date, some £378,000 worth of Warm Front grants has been accessed for clients, part of more than £2 million that residents of Luton access annually. The Referral Scheme Co-ordinator has a good working relationship with the Regional Warm Front Manager and helps to follow up any problems with Warm Front contractors. This has helped reduce

- number of vulnerable people who do not have work undertaken through the Warm Front Scheme.
- 199. For those not eligible for Warm Front in the private sector, but with an annual income of less than about £12,000, the local Cosy Homes scheme provides home insulation. The borough's Healthy Heating scheme provides heating improvements for those at risk of cold-related illness. Bedfordshire EEAC also provides a complementary energy advice service for householders not requiring any other form of assistance.
- 200. **Safety** Around 28% of all referrals made to the Affordable Warmth Scheme included a home fire safety check from Bedfordshire Fire and Rescue Services. Fire Fighters are also trained referrers to the Scheme and the trust that vulnerable people have in the Fire and Rescue Service is a valuable tool.
- 201. The Luton referral system includes a mechanism to ensure that feedback from each of the five provider agencies is logged and can be tracked to provide specific feedback to referral agents on the status of any job at any given time.
- 202. Overall, the Luton referral scheme costs the authority about £86,000 per year in mainstream funding. This principally covers administration, training and coordination costs (£40,000), funding of the part-time support worker from Social Services (£10,000), and mainstream funding from Citizens Advice Bureau services (£36,000). However, this expenditure has resulted in a net gain of significantly more than £1.5m in benefits and grant aid since its inception in April 2001.
- 203. Key delivery partners are the local Citizens Advice Bureau, Luton PCT (formerly the Health Action Zone), Warm Front, Working Luton, the Chief Executive's Department, Social Services, Housing Services, and the Luton Against Poverty Forum. Clear roles are drawn up and agreed. These include responsibilities for the Affordable Warmth Strategy Steering Group and the Referral Network Working Group. All partnership members sign up to this agreement. A multiagency working group meets monthly to review cases and ensure that the scheme is operating smoothly. The sum of their efforts is raising awareness right across the borough and many more households have access to affordable warmth.
- 204. The Affordable Warmth Referral Scheme is considered to be successful because it:
  - Is well co-ordinated and is located within the Chief Executive's Department aiding multi-agency and multi-disciplinary working
  - Avoids duplication
  - Is simple with just one form to fill in
  - Is supported by free training (Luton has been successful in acquiring funding through Personal and Community Development Learning (PCDL))
  - Recognises the need for multi-agency support for individuals and a personal approach
  - Has commitment from partners.

#### **Findings - General**

- 205. The evidence presented to the Scrutiny Panel identified a number of key findings regarding fuel poverty within Southampton which include:-
- 206. Following the recent increases in energy prices, fuel poverty has become an increasing problem nationally and locally. Thousands of people die each year from cold-related illnesses in the winter months. If temperatures are cold this winter there is an increased risk that the number of people dying will rise, particularly amongst vulnerable groups living in thermally inefficient properties.
- 207. Fuel poverty is a complex problem caused by many inter-related factors. To address fuel poverty therefore requires a multi-disciplinary and multi-agency response.
- 208. A number of factors that contribute to fuel poverty within Southampton are influenced by national and international pressures and are beyond the influence of Southampton City Council and local partners.
- 209. As a result of these external factors Southampton City Council and local partners cannot eliminate fuel poverty. However, collectively it is possible for local partnerships to alleviate the impact of fuel poverty on the most vulnerable members of society.
- 210. Nationally there are increased resources, initiatives and opportunities available to:
  - Improve the energy efficiency levels of properties
  - Decrease the fuel bills of the most vulnerable
  - Increase household income through benefit maximisation and winter fuel payments.
- 211. Within Southampton a number of the elements recommended as best practice with regards to tackling fuel poverty are in place. For example Southampton Warmth for All Partnership (SWAP) is a partnership between key stakeholders across the community that seeks to co-ordinate policy and service developments at a local level.
- 212. Across Southampton numerous innovative initiatives are being delivered or are proposed that aim to tackle, directly or indirectly, the causes of fuel poverty in the City. These initiatives involve a large number of organisations across all sectors within Southampton and many have been able to make significant inroads into the causes of fuel poverty. This will grow further when the new initiatives planned within Private Sector Housing, Planning and Sustainability, Decent Homes, Communities and Regeneration and local partners are implemented.
- 213. The inquiry has however, identified a number of areas where improvements can be made in the collective efforts to tackle fuel poverty in Southampton.

#### **Findings - Co-ordination and Awareness**

214. In the evidence provided to the Scrutiny Panel by the Later Years Partnership the following paragraph made an impression on the Panel:

'It is vital that the city now takes local action both to protect its people from the effects of fuel poverty, particularly during the coming winter; and makes sure that the benefits of any national programme are fully captured locally; and that the variety of factors – whether income, housing, energy efficiency, are addressed in a co-ordinated way. <sup>59</sup>

- 215. Evidence provided by consultees indicates that there are many different initiatives being delivered by many different organisations in the City. As a result it can be confusing for vulnerable people to know how to access the support that is available. SWAP is working with key stakeholders to help co-ordinate action and raise awareness but more must be done to improve co-ordination and awareness.
- 216. The Panel noted that the Council's Senior Citizens Charter invites the Seniors Council to comment on its progress under the Charter. In its feedback this year, the Seniors Council reported that it thought the Council ought to be doing more and taking a lead in addressing fuel poverty in the City. This view was endorsed by the Scrutiny Panel.
- 217. Fuel poverty is a cross-cutting issue that impacts on the work of at least three directorates (Neighbourhoods, Communities, Health and Care and Environment) and four Cabinet Members (Housing and Local Services, Adult Social Care and Health, Environment and Transport, Economic Development). Southampton City Council's ability to take a more pro-active role in co-ordinating activity to address fuel poverty is hindered by the lack of an identifiable lead Cabinet Member or lead officer.
- 218. Having studied the impact that Luton's referral scheme is having on the coordination and awareness of fuel poverty activity within Luton, members of the Scrutiny Panel believe that the implementation of an effective referral mechanism within Southampton could help to maximise the take-up of energy efficiency grants and welfare benefits for the most vulnerable members of the community.
- 219. The lead officer responsible for co-ordinating Luton's approach to tackling fuel poverty attributes part of their success to the fact that the lead officer is located within the Chief Executives Department. Working from the corporate centre has helped to secure greater multi-agency and multi-disciplinary working in Luton.

#### Findings - Private Sector Housing

220. Evidence presented to the inquiry highlighted that the highest concentration of fuel poverty occurs within privately owned and privately rented accommodation within Southampton.

<sup>&</sup>lt;sup>59</sup> Later Years Partnership – Fuel Poverty Inquiry, September 2008, p3

221. A number of factors limiting the effectiveness of the efforts to redress this problem were identified during the inquiry. These include:-

#### **Accurate information**

222. The lack of up to date information indicating where fuel poverty is concentrated is impacting on partners' ability to target resources and support. It is recognised that the publication of the 2008 Private Sector Housing Condition Survey will help to rectify this problem. This is scheduled to be published in November 2008.

#### **Trust and Support**

- 223. Age Concern, Southampton Seniors Council and Southampton Pensioners' Forum identified the problems that exist regarding trust and support that are preventing funded energy efficiency work from being undertaken to homes occupied by vulnerable people in Southampton.
- 224. A number of energy efficiency improvements scheduled to be undertaken by Warm Front contractors or through the CERT (Carbon Emissions Reduction Target) Scheme are not undertaken because residents are afraid to open the door, or there is a difficulty accessing lofts and outside walls because the resident is unable to clear them.
- 225. Luton's referral scheme has helped to increase the trust and confidence of vulnerable people who have been referred to Warm Front through the referral scheme. This has been achieved by liaising with the customer and keeping them informed of any developments regarding the energy efficiency work, thereby preventing any unexpected visits by contractors.
- 226. Trust in 'Warm Front' contractors locally may also be enhanced if the proposed move by Warm Front contractors who are working within Southampton to seek accreditation with the Council's 'Buy with Confidence' Scheme comes to fruition.
- 227. However, these developments will not address the problems relating to vulnerable people being incapable of clearing lofts and outside walls to enable contractors to install much needed loft and cavity wall insulation. Further action/proposals are required to address this.

#### Private rented accommodation

- 228. The 2008 Private Sector Housing Condition Survey is expected to report that the energy efficiency of privately rented properties in Southampton is disproportionately low. As vulnerable people often live in these properties, the risk of fuel poverty is high. More needs to be done to improve the energy efficiency levels of privately rented accommodation in the City.
- 229. The Scrutiny Panel were informed of a scheme in Bournemouth managed by Dorset Energy Advice Centre that has been successful in improving the energy efficiency of over 7,000 flats and houses for some 700 landlords in

Bournemouth. This initiative could be undertaken in Southampton.

230. Under the Housing Health and Safety Rating System (HHSRS) where a private landlord persistently fails to improve standards of insulation and heating local authorities now have powers to serve an enforcement notice, which requires the work to be completed within a certain time. Limited formal enforcement action has been taken by Southampton City Council against landlords under the HHSRS hazard of 'excess cold'.

#### **Findings - Social Housing**

231. Through the Decent Homes programme the average energy efficiency levels of the City Council's and RSL housing stock is higher than within the private sector. Continued investment will increase this still further.

#### **Smart Meters**

- 232. The proposals by Southampton City Council to amend the system for charging tenants for their heating is likely to mean the installation of new energy meters within the housing stock.
- 233. Modern forms of smart meter technology now exist that could offer consumers clearer information and so greater control over their energy use. According to energywatch, smarter meters could reduce consumption by between 3% and 15%. A number of countries including Italy and Northern Ireland have pioneered smart meters and last year the Government and energy suppliers began to pilot their usage in the UK.<sup>60</sup>
- 234. The introduction of smart meters to Southampton City Council's housing stock could help to reduce fuel costs for Southampton residents.

#### Findings - General Cost Saving Initiatives

#### **Switching Suppliers**

235. It is estimated that by actively switching between suppliers a consumer can save approximately 10% on their fuel bills. More can be done by Southampton City Council and local partners to promote and facilitate this practice, particularly amongst those who have limited internet access and experience.

#### **Social Tariffs**

236. This report makes reference to the low take up of social tariffs offered by energy suppliers. Scottish and Southern Energy supplies around 60% of the customers in the Southern Electric Distribution area (this corresponds to the old preprivatisation Southern Electricity Board area). The energyplus Care social tariff offers a 20% discount on current prices to existing customers of Scottish and Southern Energy who are in fuel poverty.

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 $<sup>^{\</sup>rm 60}$  Energy shouldn't cost the earth – National Consumer Council, 2008, p6 f

- 237. All energy supply companies are under pressure to do more for their vulnerable customers. Scottish and Southern Energy have undertaken to increase the number of customers on energyplus Care, its social tariff. This offers a real opportunity to reduce fuel poverty in Southampton.
- 238. In addition all energy supply companies have an obligation under CERT to target funding for energy saving initiatives at their most vulnerable customers.

#### Recommendations

239. To help alleviate fuel poverty within Southampton the Environment and Sustainability Scrutiny Panel have identified the following recommendations:

## 240. To improve co-ordination & awareness of fuel poverty it is recommended that:

- 1) Southampton City Council takes a visible lead in the drive to reduce fuel poverty and identifies a lead Cabinet Member and a lead officer to drive this forward within the City Council. The lead officer should ideally be located within the Chief Executive's Department.
- 2) A fuel poverty referral system, similar to Luton Borough Council's, is developed to co-ordinate the activities undertaken by Southampton City Council and partners to alleviate fuel poverty. This referral system must:
  - a) Work closely with SWAP
  - b) Help to co-ordinate available grants to ensure that maximum value is obtained by residents
  - c) Work with partners to improve trust amongst vulnerable groups
  - d) Seek to maximise the uptake of benefits for residents in fuel poverty, including energy suppliers social tariffs.
- 3) Southampton City Council organises a conference to discuss fuel poverty and brings together key partners to raise awareness of available support. This conference is used as the platform to publicly launch the referral system. The Environment and Sustainability Scrutiny Panel recommends that external funding is sought from private sector organisations to help finance the event.
- 4) Fuel poverty training continues to be rolled out across Southampton City Council and key partners who visit people at home. Training should include identifying the signs of fuel poverty and knowledge of the referral mechanisms. The proposed conference should be a platform to help address this need.
- 5) The findings of this inquiry are incorporated into the revised older persons housing strategy and an updated fuel poverty strategy (affordable warmth strategy), to bring it up to date with the new initiatives and the shifting influences on fuel poverty. The affordable warmth strategy should be updated bi-annually.
- 6) Work to alleviate fuel poverty is co-ordinated with the emerging programme designed to co-ordinate promotion of benefits take up.

## 241. To reduce fuel poverty amongst households living in private housing within Southampton it is recommended that:

7) The information contained within the 2008 Private Sector Housing Condition Survey is used to help identify those in fuel poverty. Infra-red technology should then be used to identify homes that are energy inefficient. Contact should be made with the occupants advising them of

- the findings and the help that is available to improve the energy efficiency levels of the property.
- 8) The support offered to people in receipt of funding from Warm Front / CERT is developed to ensure that necessary preparations are made to enable energy efficiency work to be undertaken.
- 9) Southampton City Council works with partners to replicate the success of a scheme in Bournemouth that has improved the energy efficiency levels of 7,000 privately rented properties.
- 10) Southampton City Council use powers under the Housing Health and Safety Rating System (HHSRS) to take enforcement action against landlords who, following warnings, fail to improve the energy efficiency levels of their properties.
- 11) The Cabinet Member for Housing and Local Services writes to the appropriate Government Minister to request that the law be amended to enable landlords, whose tenants die due to the energy inefficiency of the property, to be prosecuted.

## 242. To reduce fuel poverty amongst households living in social housing within Southampton it is recommended that:

- 12) In principle the Environment and Sustainability Scrutiny Panel would welcome the introduction of smart meters across all housing in the City. The Panel recognises that this is beyond the influence of the City Council but the Scrutiny Panel does recommend that, taking into consideration the cost and reliability of available technology, the use of smart meters should be introduced within the City Council's housing stock.
- 243. **General initiatives to reduce fuel bills:** The Environment and Sustainability Scrutiny Panel welcomes the actions proposed by the Government to reduce any unjustified tariff differentials being paid by some pre-payment customers. In addition it is recommended that:
  - 13) Southampton City Council and local partners, to include all partners on SWAP, increase awareness amongst vulnerable groups of social tariffs provided by energy suppliers.
  - 14) Southampton City Council and local partners develop methods to proactively promote actively switching between suppliers to vulnerable groups. The Environment and Sustainability Scrutiny Panel is not advocating the use of cold calling.

#### **Appendices**

Appendix 1 - Terms of Reference
 Appendix 2 - Outline Project Plan
 Appendix 3 - Consultation
 Appendix 4 - Government Announcement on measures to combat fuel poverty
 Appendix 5 - Current Initiatives undertaken by Southampton City Council to improve energy efficiency in existing privately owned and privately rented properties in Southampton

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#### **Appendix 1 - Overview and Scrutiny Draft Inquiry Plan**

#### **Terms of Reference - Inquiry into Fuel Poverty**

#### **Project Brief**

#### 1. Purpose of the Inquiry

Fuel Poverty is a major problem that affects at least 2.2 million households in England, the majority of whom are vulnerable households including the elderly, families with children or those living with long term illness or disability.

Rising energy prices are increasing the likeliness and impact of fuel poverty and hinder Southampton City Council's ability to address the corporate policy of tackling deprivation and inequalities.

This inquiry will seek to identify the extent and impact of fuel poverty in the city, review the actions that are being taken by Southampton City Council and partners to help alleviate fuel poverty, and recommend areas where improvements can be made in combating fuel poverty.

#### 2. Objectives of the Inquiry

- To identify the causes, extent and impact of fuel poverty within Southampton
- To identify what Southampton City Council and its partners are doing to alleviate fuel poverty
- To compare Southampton's approach with other public and private organisations
- To learn from examples of good practice and develop recommendations to help alleviate fuel poverty

#### 3. Inquiry Methodology

Extensive consultation will be undertaken with a variety of key stakeholders. Consultees may include:

- Neighbourhoods Directorate
- Environment Directorate
- Communities. Health and Care Directorate
- Southampton PCT
- Citizens Advice Bureau
- Energy Smart Campaign
- Energy Suppliers / OFGEM
- Registered Social Landlords
- Tenants and Residents Associations
- Older Persons' and Disability Network Forum / Seniors Council
- Age Concern / Help The Aged
- Residents
- Local MP's
- Friends of the Earth
- Southampton Environment Centre

- Southampton Advice and Representation Centre
- Other local authorities

#### 4. Outline Consultation Plan

- Prepare a plan including a balance of written and oral views of those groups and individuals outlined above
- Develop further understanding by members of the Scrutiny Panel through a series of interviews with expert witnesses

#### 5. Outline Project Plan – July 2008 to October 2008

#### Meeting 1

- Background and introduction to the issues from:
- Neighbourhoods Directorate (definitions, scale of problem and national & local strategies)

#### Meeting 2:

- The impact of fuel poverty: Residents perspective (community location)
- Older Persons' and Disability Network Forum / Seniors Council
- Age Concern / Help the Aged
- Service Users
- Tenants and Residents Associations

#### Meeting 3:

- The impact of fuel poverty: Impact on providers
- Communities, Health and Care Directorate
- Neighbourhoods Directorate (Debt)
- Southampton PCT / Southampton Universities Hospitals Trust

#### Meeting 4:

- Tackling fuel poverty: Sources of advice
- Neighbourhoods Directorate
- Environment Directorate
- Citizens Advice Bureau
- Southampton Advice and Representation Centre
- Energy Smart Campaign
- Friends of the Earth
- Southampton Environment Centre

#### Meeting 5:

- Tackling fuel poverty: Improving energy efficiency
- Neighbourhoods Directorate
- Registered Social Landlords
- Site Visit or a presentation from another local authority

#### Meeting 6:

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- Energy providers: What can they do? Alternative sources of energy
- Energy providers
- Ofgem

#### Meeting 7: Overview

Agree recommendations

### Appendix 2 – Outline Project Plan

DATE	MEETING THEME	INDICATIVE TOPIC DETAIL	EVIDENCE TO BE PROVIDED BY
11/08/07	Introduction to inquiry	Background to national and local position regarding fuel poverty	<ul> <li>National context - National Energy Action</li> <li>Southampton context - Introduction from Cabinet Member for Housing and Local Services</li> <li>Southampton City Council Head of Housing Solutions</li> </ul>
26/08/08	The impact of fuel poverty	Feedback from people who have suffered from, and are suffering from, fuel poverty	Representatives from organisations such as:
03/09/08	The impact of fuel poverty	Further evidence relating to the health and social impacts of fuel poverty	Representatives from Southampton PCT, Neighbourhoods Directorate
16/09/08	Tackling fuel poverty – Sources of advice	Luton BC best practice  Discussion with organisations that provide advice to individuals regarding tackling fuel poverty (debt / benefits advice / energy efficiency)	Representatives from organisations such as: <ul> <li>Sarah Allen, Social Inclusion manager, Luton Borough Council</li> <li>Later Years Partnership</li> <li>Citizens Advice Bureau</li> <li>Environment Centre</li> <li>SARC</li> <li>DWP</li> <li>Home Advisory Service</li> <li>Private Sector Housing Manager</li> <li>Welfare Rights</li> <li>Sure Start</li> </ul>

DATE	MEETING THEME	INDICATIVE TOPIC DETAIL	EVIDENCE TO BE PROVIDED BY
02/10/08	Tackling fuel poverty – improving energy efficiency	Improving the energy efficiency of social housing, private housing, and houses yet to be constructed.	Representatives from the Neighbourhoods Directorate, Environment Directorate
08/10/08	Energy Providers / Alternatives Sources of Energy	What are the energy providers doing to alleviate fuel poverty? Can alternative sources of energy be developed or can new technology be implemented that will help reduce reliance on world oil and gas prices?	Representatives from organisations such as:
22/10/08	Agree final report	Approve report for submission to Overview and Scrutiny Management Committee	

#### **Appendix 3 – Consultation:** The following people gave evidence to the inquiry

#### Oral evidence:

#### Meeting 1 –

- lan Tanner, Operations Manager (London), National Energy Action
- Councillor Phil Williams, Cabinet Member for Housing and Local Services, Southampton City Council
- Barbara Compton, Head of Housing Solutions, Southampton City Council

#### Meeting 2 -

- Sandra Smith, Chief Officer Age Concern Southampton
- **Don Harper** Secretary, Southampton Pensioners Forum
- Mark Humphries Chair, Southampton Tenants Federation
- Edna Long, John Nixon, Dot Vickers Southampton Seniors Council

#### Meeting 3 -

- Dr Graham Watkinson, Consultant in Public Health Southampton City PCT
- Charlie Hislop / Julie Williams Later Years Partnership, Southampton City Council
- William Bickers-Jones Energy Efficiency Officer, Southampton City Council

#### Meeting 4 -

- Sarah Allen -Luton Borough Council
- Gary Edwards Southampton Advice and Representation Centre
- Christine Watkins The Environment Centre
- Alan Laney –Southampton Local Pension Service, Department for Work and Pensions
- Charlie Hislop Partnership Co-ordinator, Later Years Partnership
- Eileen Downes / Gill Bennett Millbrook, Redbridge, Maybush Sure Start
- Clair Higgins Welfare Rights Service, Southampton City Council
- Paul Juan Private Sector Housing Manager, Southampton City Council
- Sara Crawford –Development Officer, Regeneration and Renewal, Southampton City Council
- Bill Clark Sustainability Policy Manager, Southampton City Council
- **Simon Thompson** Project Officer, Supporting People, Southampton City Council

#### Meeting 5 -

- Paul Juan Private Sector Housing Manager, Southampton City Council
- Keith Meredith Project Manager, Decent Homes, Southampton City Council
- **Helen Krzanowski** Sustainable Development Advisor, Southampton City Council

#### Meeting 6 -

- Tony Rose Energy Efficiency Adviser, Scottish and Southern Energy
- **Jerry Exell** Energy Advice Manager, Scottish and Southern Energy
- Jason Taylor Energy Manager, Southampton City Council

#### Written evidence:

- Later Years Partnership report
- Age Concern Southampton
- Southampton Pensioners Forum
- Southampton Tenants Federation
- Southampton Seniors Council
- Shida Bassiti, Regional Manager, Warm Front Warm Front Information
- Dr Alan Whitehead MP Southampton Test
- Sandra Gidley MP Romsey
- Charlie Hislop, Later Years Partnership Co-ordinator Outcomes of winter fuel poverty crisis meeting

#### Appendix 4 - Government announcement on measures to combat fuel poverty

Thursday 11 September 2008 10:27

#### **Department for Environment, Food And Rural Affairs (National)**

#### Save money, save energy: Government takes action on family fuel bills

The Government today announced a £1 billion package, which will enable households to take advantage of help that could save them over £300 every year on their energy bills.

The Home Energy Saving Programme provides assistance to householders to make their homes more energy efficient, and for households most vulnerable to fuel poverty, including all pensioner households, gives help with their bills this winter through the winter fuel payments and lower energy company tariffs. In achieving this, the Government will comply with its legal obligation to engage with all interested parties.

The Government will propose legislation to require an estimated £910 million commitment from energy companies including, for the first time, electricity generating companies, to invest in making homes more energy efficient. This will be in addition to the existing obligation on companies to spend £2.8 billion over the next three years helping customers save energy. Together with the Government's own spending programmes, this will create a £6.5 billion programme of improvement to the nation's housing stock - the largest since the introduction of North Sea gas. The Government's aim is the insulation of all Britain's homes, where practical, by 2020.

Around £560 million of this £910 million will add to the existing energy efficiency programme CERT (Carbon Emissions Reduction Target) - which funds subsidised improvements such as loft and cavity wall insulation. Eleven million elderly and low income households qualify for these measures at no cost. This extra funding could benefit up to two million households.

The remaining £350 million of the £910 million from energy suppliers and electricity generators will go towards a new Community Energy Saving Programme. Throughout the country, local councils, voluntary organisations and energy companies will carry out house-to-house calls to offer help in some of the most deprived areas of the UK. This could result in as many as 100 schemes across the country.

To make sure people get the most help the Government is launching a nationwide advertising campaign informing people about the support available. To further help them save money it will also encourage people to compare suppliers to get the best energy deals, use direct debit, and take advantage of money off deals on energy efficient products. Adverts will appear in national newspapers tomorrow, followed by television adverts later this month. For advice on help available ring the helpline 0800 512 012.

In addition to measures announced previously in the Budget the package also includes further, new support for those most at risk of fuel poverty:

- \* We will increase Cold Weather Payments from £8.50 to £25 per week for winter 2008/09.
- \* Around 40,000 households could see their fuel bills reduce by £180 per year on average, thanks to an extra £74 million of public money over the next two years to the Government's Warm Front scheme. This offers up to £2,700 worth of central heating and energy efficiency measures to low income and pensioner households.

This is in addition to the measures announced in the Budget which were:

- \* For this winter, households with someone over 60 will receive an extra £50 on their Winter Fuel Payment (up from £200 to £250) with an extra £100 for over-80s households (up from £300 to £400).
- \* Around 600,000 customers' accounts could benefit from discounted tariffs by the end of the year and around three quarters of these will be benefiting from a price freeze this winter.
- \* If analysis shows that pre-payment users face unjustifiably high charges and no solution is offered by the energy suppliers and the regulator, we will consult on legislation to reduce any unjustified tariff differentials.

# Appendix 5 - Current Initiatives undertaken by Southampton City Council to improve energy efficiency in existing privately owned and privately rented properties in Southampton

- 1. Examples of giving "advice and information" include:
- Working with partners to write to every household in Southampton likely to be eligible for a Warm Front Grant. In September 2008, the council wrote to 10,000 households. The previous year's mailing significantly contributed to the 1,105 referrals to Warm Front made during 2007/08 (up from 464 in 2006/07)
- Hosting quarterly, free, face-to-face energy advice surgeries at the Civic Centre, giving tailored and specialised advice
- Publishing articles in City View (for example on page 6 of the current October 2008 issue); in landlords' newsletters; and in the Echo
- Attending community events and road shows with free light bulbs and information displays (for example at the St. Mary's Community festival)
- Training staff (for example, those who commission care and home nursing services, to ensure they can spot the signs of fuel poverty and how to refer clients for assistance)
- Identifying community groups who have, or could have, an interest in fuel poverty (for example, through the existing Anti Poverty Network, which has identified several new people for training)
- Broadcasting the message via local radio and in particular, two recent broadcasts on Unity 101 – including an hour long programme hosted by the council's energy efficiency advisor – and on Ocean FM
- Working with the Southampton Warmth for All Partnership (SWAP) to improve links with the Primary Care Trust and other partners – focus has been on identifying and training staff who visit clients at home
- Promoting energy efficiency advice on the council's internet pages a brand has been developed around a bundle of money set on fire. This has recently been updated to include information on Energy Performance Certificates.
- Completing a Home Energy Check questionnaire following every visit by an officer from the private sector housing team, which generates an individual report on eligibility for financial assistance and practical ideas for improving energy efficiency
- Training at landlords events including giving information on tax incentives and, with the regional HECA forum, developing a booklet
- Key delivery partners for the council are the local home improvement agency, provided by In Touch, and the local energy efficiency advice centre, currently provided by the Environment Centre in Southampton, but this service will soon be provided from Milton Keynes

- 2. Examples of giving "financial assistance" include:
- Referring clients to Warm Front whenever appropriate (over £1m of Warm Front funded work was completed during 2007)
- The council has developed an innovative home improvement loan, using the flexible approach to private housing renewal that was introduced in 2003 and funding from the Regional Housing Board. Interest-free loans are given, which do not have to be repaid until a property is sold. This assistance is targeted at vulnerable residents and those on low incomes. The loan can be awarded to improve energy efficiency where grants from Warm Front or energy companies are not available and to install renewable technology, which can also reduce fuel bills. The first loan funded renewable energy (solar water heating) has recently been installed in an owner occupied property in Millbrook.
- Residents are routinely and regularly referred to the energy efficiency advice centre to obtain the best deal on installing cavity wall and loft insulation. This is free for all residents who are aged 70 and above (this age is expected to come down to 60 following a recent government announcement on fuel poverty).