

Nottingham City Council's **FUEL POVERTY STRATEGY** 2018 – 2025



A COLLABORATIVE APPROACH
TO A COMPLEX PROBLEM

CONTENTS

| | |
|--|-----------|
| Abbreviations and glossary of terms | 4 |
| Introduction | 5 |
| Vision | 5 |
| The Health Impact | 6 |
| The Solution to Fuel Poverty | 7 |
| Strategic Objectives | 8 |
| Current Constraints | 8 |
| Achievements and Progress | 8 |
| Consultation | 8 |
| Nottingham's Past Success | 9 |
| Maximise Household Income | 10 |
| Subsidies and Grants | 11 |
| Communication/Signposting Services | 11 |
| Funding | 12 |
| Energy Prices | 13 |
| Switching and Increasing Competition | 13 |
| Robinhood Energy | 13 |
| New Technology | 14 |
| Energy Efficiency | 15 |
| Case Study - Remourban | 15 |
| Dwelling and Occupier Characteristics | 16 |
| Targeted Approach | 17 |
| Legal Requirement and Enforcement | 17 |
| Attitudes and Behaviour Change | 18 |
| Communication, Evaluation, Monitoring And Review | 19 |
| Signatures | 19 |
| Contributor's Credit | 20 |



EMPOWERED TO TACKLE FUEL POVERTY CHALLENGES IN A LOW-CARBON, EMBEDDED AND SUSTAINABLE APPROACH

ABBREVIATIONS AND GLOSSARY OF TERMS

BEIS – UK government department of Business, Energy and Industrial Strategy

BRE – Building Research Establishment

BME – Black and Minority Ethnic (used to refer to members of non-white communities in the UK)

Core Cities – Ten UK cities, who work collaboratively with Government and its agencies to unlock their full potential¹.

DEEFP – Domestic Energy Efficiency and Fuel Poverty subgroup

D2N2 – The Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire².

DNO – Distribution Network Operators

EPC – Energy Performance Certificate

ECO – Energy Company Obligation

Fuel Poverty – Being unable to afford to adequately heat one's home

LED – Light-Emitting Diode, energy efficiency lightbulbs

LIHC – Low Income High Cost, current fuel poverty indicator in England³

MEES – Minimum Energy Efficiency Standard regulation

NCC – Nottingham City Council

NCH – Nottingham City Homes

NEP – Nottingham Energy Partnership

NHS – National Health Service

NICE – National Institute for health and care excellence

NVQ – National Vocational Qualification

Ofgem – Office of Gas and Electricity Markets⁴

REMOURBAN – REgeneration MOdel for smart URBAN transformation

Retrofit – Adding new technology or features to older systems and buildings

RHE – RobinHood Energy

Smart meter – Display screen monitor that shows the energy consumed, exact cost and updated meter readings



¹ <https://www.corecities.com/about-us/what-core-cities>

² <http://www.d2n2lep.org/>

³ <https://www.gov.uk/government/collections/fuel-poverty-statistics>

⁴ <https://www.ofgem.gov.uk/about-us/who-we-are>

INTRODUCTION

The government measurement of fuel poverty is the Low Income High Costs (LIHC) indicator, which considers a household to be fuel poor if:⁵

It has required fuel costs that are above the national median level;

Were they to spend that amount, they would be left with a residual income below the official poverty line.

Fuel Poverty affected the lives of 18,980 Nottingham households in 2016/17 and is one of the top five priorities of the current Nottingham City Council plan (2015–2019). Nottingham City reduced its fuel poverty rate from 21.7% to 12.6% in four years (2011/12–

2014/15). However, the fuel poverty rate has risen to 14.6% in 2016/17, in line with a marginal rise in the national average. This is the most up to date information as the data has a two-year time delay. Rising deprivation, higher than average vulnerable or at risk groups, austerity measures and rising energy prices could collectively account for the rise, in conjunction with a change in government methodology for measuring fuel poverty

The Domestic Energy Efficiency Fuel Poverty Subgroup (DEEFP), established in 2016, has formulated the strategy framework and objectives and, will produce an associated action plan. It consists of council officers from different directorates, third sector organisations and local academics.

VISION:

The long-term vision is for Nottingham City Council, its partners and citizens to be empowered to tackle fuel poverty challenges in a low-carbon, embedded and sustainable approach. Through coordinated and distributed actions across the city using a range of partnerships at local, regional and national levels, the city will build on past success.

Nottingham aims to deliver a range of integrated measures that are at the forefront of best practice and enhancing wider award-winning work on making Nottingham the most self-sufficient energy city in the UK. It is our intention that Nottingham become a beacon city for innovation in tackling fuel-poverty and improving domestic energy efficiency. This will reinforce our status as a trusted partner for developing interventions that helps both those in, or at risk of fuel-poverty.

In order to meet our aspirations we are seeking to address the city's challenges. We will prioritize the most acute cases and areas first, in a targeted and holistic manner due to the multidimensional nature of fuel poverty. We seek to develop adaptive whole-house and person-centred approaches, using the latest data analytics, business models, behaviour change interventions and smart technologies.

TARGET:

To eliminate E, F and G EPC rated homes occupied by fuel poor households by 2025, where practicable.



Nottingham City Council is determined to create a city that is fair for everyone and where we all have an equal and positive chance to succeed. Tackling fuel poverty will be a key step towards achieving this.

We seek to drive forwards efforts to tackle fuel poverty as a partnership and achieve ambitious goals through:

BUILDING ON SUCCESS

We want to provide targeted advice and assistance to help the most vulnerable to reduce their energy bills, manage debt and improve the energy efficiency of their homes. To do this we will maximise any future opportunities. This includes working with energy suppliers, installers and Energy Company Obligation providers; directing them to spend their obligation in Nottingham and on the householders we deem most in need.

BEING SMART AND INNOVATING

We will build on existing data to target hard-to-treat homes and the most vulnerable people with all available funding, and seek to demonstrate the full benefits of energy efficiency measures to society to encourage smarter decisions in the future.

We will look to secure funding from opportunities such as Horizon 2020, Innovate UK and other sources to pilot methods of improving energy efficiency in a cost effective way, and/or help householders to manage energy and budgets better. We will roll out over 100 homes of the “EnergieSprong” retrofitting methodology to reduce the energy, resource and carbon footprint of hard-to-treat-homes. In collaboration with partners, we want to ensure all future work on fuel poverty aligns positively with these broader agendas.

EMPOWERING

We will collectively empower citizens to be more efficient through sign posting and communications. We will promote home energy efficiency measures and maximise household income by providing information on available subsidies, grants and benefits. Additionally, we will advocate behavioural change measures to reduce energy use and increase potential savings.

THE HEALTH IMPACT

There is a significant amount of evidence that shows a correlation between fuel poverty and consequences for physical, mental and social wellbeing⁶ and increasing demands on the NHS. NCC support NICE guidance⁷ on ‘Excess Winter Deaths and illness and the health risks associated with cold homes’.

Fuel poverty is estimated to cause nearly half of excess winter deaths; it follows that its alleviation should increase the health of Nottingham citizens. Ratio of excess winter deaths to average of non-winter deaths in 2013-2016 was 22.9%, higher than the national rate at 17.9%. This period equates to nearly 500 excess deaths in Nottingham.

The occurrence of certain conditions in relation to low temperature:

- Below 16°C – respiratory problems
- Below 12°C – circulatory problems
- Below 6°C – risk of hypothermia

The current healthy household temperature is 18°C and 21°C for the living room.

A wide range of organisations operating across the health, social care and housing sectors have signed-up to the document ‘Improving Health and Care through the Home: A National Memorandum of Understanding’⁸ to commit to joint working to reduce health inequalities.



Living in excess cold leads to a higher risk of poor health outcomes, as well as increased morbidity and mortality. Reports suggest children living in cold homes are more than twice as likely to suffer from a range of respiratory problems compared to those living in warm homes and can suffer indirect negative effects on their educational attainment, emotional wellbeing and resilience.

More than one in four adolescents living in cold homes is at risk of multiple mental health problems, compared to one in 20 living in warm housing⁹.

It is estimated that approaches like the NCH ‘Secure Warm Modern’ initiative 2012-2013 could potentially:

- Save two lives a year by protecting vulnerable tenants from the cold
- Improve the respiratory health (e.g. Asthma) of over 1000 children
- Improve the mental health of over 1,400 tenants by relieving excess cold and fuel poverty
- Prevent 144 accidents requiring medical attention

The calculated costs saved as result of addressing these issues total almost £700,000¹⁰.

There are three main groups vulnerable to the impacts of cold homes:

- Elderly people
- During pregnancy and children under five
- People with a long-term sickness or disability

However, it is important to acknowledge situational vulnerabilities; for example Ofgem’s definition of vulnerable people¹¹:

- significantly less able to protect or represent their interests in the energy market
- significantly more likely than a typical consumer to suffer disadvantage.

THE SOLUTION TO FUEL POVERTY

The solution to fuel poverty in theory is simple:

- REDUCE ENERGY BILLS
- IMPROVE ENERGY EFFICIENCY
- MAXIMISE HOUSEHOLD INCOME

However, these factors are complex and often interrelated. Low-income households are commonly in less energy efficient homes and on more expensive payment method. Enhanced awareness of energy efficiency and reduced consumption enables financial saving on energy bills. This strategy aims to demonstrate how Nottingham City Council can create a framework for collective action to tackling fuel poverty.

⁶ <http://sticerd.lse.ac.uk/dps/case/cr/CASereport69.pdf>

⁷ <https://www.nice.org.uk/>

⁸ <https://www.gov.uk/government/publications/improving-health-and-care-through-the-home-mou>

⁹ <https://www.bma.org.uk/collective-voice/policy-and-research/public-and-population-health/health-inequalities>

¹⁰ Decent Homes Impact Study: The effects of Secure Warm Modern Homes in Nottingham

¹¹ <https://www.ofgem.gov.uk/about-us/how-we-work/working-consumers/protecting-and-empowering-consumers-vulnerable-situations/consumer-vulnerability-strategy>

STRATEGIC OBJECTIVES

To demonstrate the full benefits of energy efficiency measures to society (including health and wellbeing) the economy, regeneration and environmental impact

To eliminate E, F and G EPC rated homes occupied by fuel poor households by 2025, where practicable, in line with national objectives

To enhance and improve understanding of fuel poverty within Nottingham and educate citizens on how to make low cost improvements and changes to behaviour, so that they may have lower bills and healthier homes

To maintain a strong citizen-centred approach.

CURRENT CONSTRAINTS

The low-carbon agenda has previously had areas of conflict with addressing fuel poverty pressures

Funding has been a significant limitation with the removal of several energy efficiency schemes through the government and energy companies. It is estimated that about £15.4 billion¹² of funds are needed nationally to deliver the UK 2030 target of all fuel-poor properties to have an EPC C-rating

After achieving many simpler and cost effective changes this leaves harder to treat properties

Private Rental Sector legislative framework provision is currently only for improvement to band E EPC and without landlord contribution

Leaving the European Union may jeopardise the continuation of existing funding opportunities.

ACHIEVEMENTS AND PROGRESS

Nottingham City Council works with a number of dedicated organisations in its aim to tackle fuel poverty, such as third sector organisations, grant providers, registered housing associations, energy suppliers, installers, DNO and local universities. There is a strong need for a combined and integrated approach.

These partnerships provide a great opportunity for additional coordination and a collaboration of services. Fuel-poverty is a multi-dimensional problem, and it is vital that it is tackled in a systemic manner.



CONSULTATION

This strategy has been consulted on with internal and external stakeholders across the city. Additionally, the Council ran an online public consultation called Energy Bills, which informed central themes in the strategy. The results found over half of respondents were unable to adequately heat their homes during the winter of 2017/18 and had financial concerns over paying energy bills. Two-thirds of respondents indicated not knowing where to get energy advice. The survey found that over half of the respondents viewed fuel poverty as a NCC priority.

NOTTINGHAM'S PAST SUCCESS



MAXIMISING HOUSEHOLD INCOME

- Age UK Notts help gain an average of £2million in benefits for disabled and elderly people each year. This supports people to get out of fuel poverty and saves over £100,000 in costs to society and over £40,000 to the NHS
- £1m Big Lottery Fund project "Sound as a Pound" helping financial inclusion of all social housing tenants (2013-2018)
- NEP have trained over 3,530 frontline staff in domestic energy saving and provide the Nottinghamshire Healthy Housing Service (NHHS) which includes, tariffs switching, income maximisation and home visits.



REDUCING ENERGY BILLS

- Robin Hood Energy was the first, not-for-profit Energy Company owned by a local authority
- PV solar panels installed in almost 4000 homes
- Fuel Poverty Advisors and Community Champions recruited and trained
- NCH Aspley 'super warm zone' resident survey indicated on average, each household saved £204 a year from their energy bills.

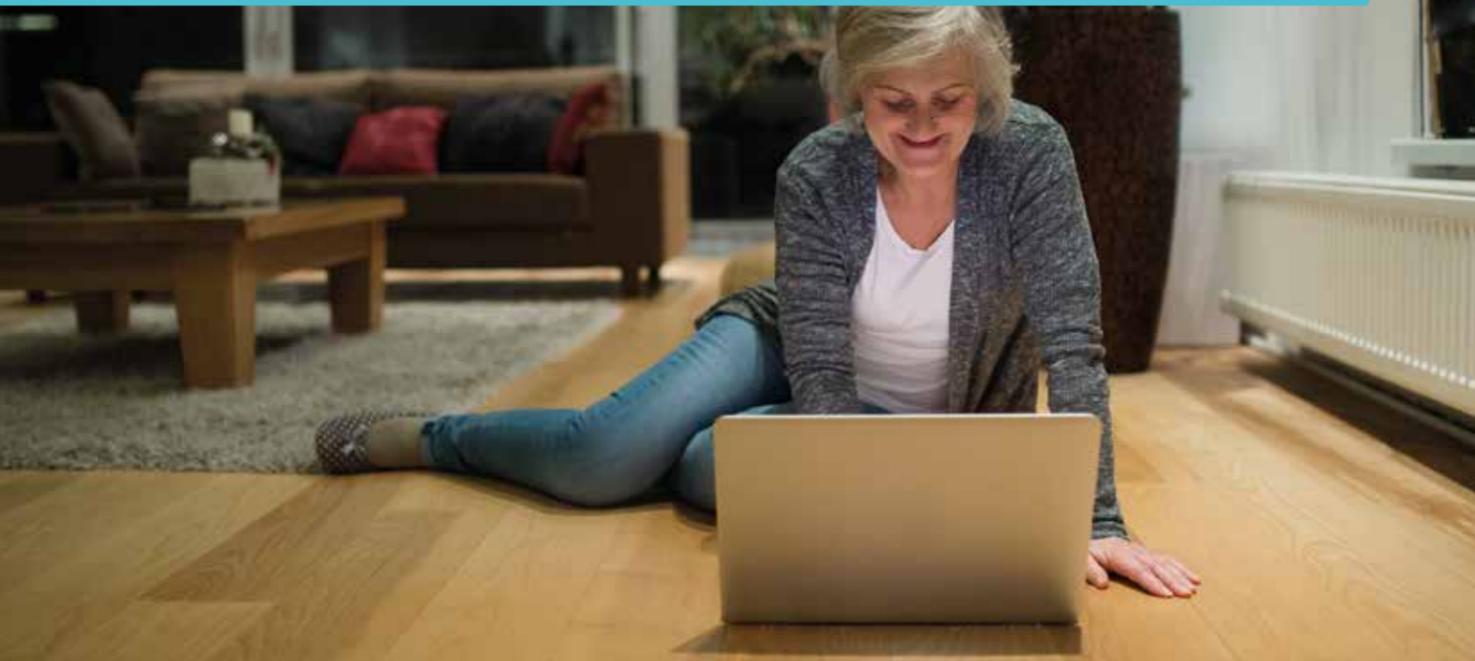


IMPROVING ENERGY EFFICIENCY

- NEP have installed more than 21,000 energy efficiency measures
- 2nd highest installation of ECO measures per household of English Core Cities (Jan 2016-Sept 2017) (BEIS data)
- Over 40,000 energy efficiency measures 8,096 Solid Wall Insulations from 2010/11-2016/7 have been installed across the city
- In 2010, Nottingham City Council was in the top 8% of Local Authorities for domestic energy efficiency improvements
- NCH installation of 14,221 boilers, 4140 loft insulation and 12,588 cavity wall measures
- Small proactive test collaboration between Safer Housing and NEP led to the improvement of eight homes
- Whole house retrofit to Bentinck, Manvers and Kingston 270 high-rise flats, including district heating from waste.

¹² <https://www.nea.org.uk/wp-content/uploads/2017/02/National-Energy-Action-NEA-briefing-for-PAC-State-of-the-Nation-inquiry.pdf>

MAXIMISE HOUSEHOLD INCOME



Income is a significant factor in fuel poverty, with low income contributing to half of the current indicator. The median household income in fuel poverty is £10,000 lower than the average national household income, while median fuel costs are £200 higher. A decline in wages, increasing housing costs and austerity could collectively have a negative impact on the fuel poverty rates.

Nottingham is subject to a number of low-income indicators and vulnerable demographic characteristics, which may explain the persistence of fuel poverty. Four of the top five Mosaic Groups in Nottingham (52.8% of its population¹³), have characteristics which make them at risk of fuel poverty. Nottingham is the eighth most deprived district in England (a decline from 20th in 2010¹⁴) and 30% of residents who

work full time earn less than £20,000.

Nottingham City in 2015 had the lowest gross disposable household income in England at £12,779 (33% lower than UK average¹⁵). However, this means high rates of eligibility for many national energy efficiency schemes.

Income inequality leads to inequalities in other areas such as health impacts, engagement levels and quality of housing. These inequalities all inadvertently increase the chances of an individual on low income to be fuel poor. Income is often not a central focus, in approaches to tackle fuel poverty. Therefore, it is important to target income maximisation through welfare advice signposting and to quantify the impact of debt management. In addition, there is a need to provide advice to increase employment and raise wages for those experiencing in-work poverty.

¹³ <http://www.nottinghaminsight.org.uk/research-areas/mosaic-and-customer-insight/area-profiles/customer-insight-socio-economic-demographic-information>

¹⁴ <http://jsna.nottinghamcity.gov.uk/insight/Strategic-Framework/Nottingham-JSNA/Related-documents/Demography-2016.aspx>

¹⁵ <https://www.ons.gov.uk/economy/regionalaccounts/grossdisposablehouseholdincome/bulletins/regionalgrossdisposablehouseholdincomegdhi/2015>

SUBSIDIES AND GRANTS

Nottingham City Council welcomes and will work to promote government assistance to help subsidise the cost of energy i.e. Winter Fuel Payment, Warm Homes Discount and Cold Weather Payment. It is estimated that over £1,000,000 annually goes unclaimed in Nottingham in Warm Home Discount affecting over 9,500 Nottingham children and a third of eligible pensioners. Additionally, energy companies offer grants and schemes, some of which are offered to non-customers and include access to white goods or to pay off fuel debt.

Nottingham supports the Committee on Fuel Poverty's recommendation that all fuel poor households should receive the same level of support to pay their fuel bills and emphasis on the importance of households in fuel poverty also receiving energy efficiency upgrades to their homes¹⁶.

When funding is available Nottingham City Council provides Greener Housing¹⁷, an area based scheme. The Greener Housing brand has been developed to support a variety of domestic energy efficiency interventions for both social and private housing. The brand provides an umbrella message for citizens concerning energy efficiency schemes and can encompass a variety of intervention



¹⁶ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/652701/CFP_report_formatted_-_final.pdf

types, funding streams and delivery partners. Having the Greener Housing brand ensures consistent communication, which helps to develop trust and increase uptake.

By securing a variety of funding streams, we can enable energy efficiency projects for Nottingham's social and private homes at reduced rates. Funding from Green Deal Communities, Community Energy Saving Programme, Energy Company Obligation and The European Commission has been used to help pay for the works, reducing cost to both the Council and the private homeowner. Private landlords are signposted to funding schemes where appropriate.



COMMUNICATION/ SIGNPOSTING SERVICES

The Council offers online behaviour-change advice on saving energy in the home¹⁸. Many stakeholders throughout the city also offer their own citizens advice. Safer Housing have now trained 12 officers to NVQ level 2 in Fuel Debt Advice in the Community from National Energy Action national funding. This allows officers to offer information on-site and advice to those in the Private Rental Sector struggling to afford their energy bills as well as the practical aspect of using regulatory powers to improve their home.

RobinHoodEnergy provide energy saving tips on their website. The NCH Energy Team offer support to vulnerable customers who have

¹⁷ <http://www.nottinghamcity.gov.uk/housing/greener-housing/>

¹⁸ <https://www.nottinghamcity.gov.uk/housing/greener-housing/>

fuel debt and help with energy switching as well as offering energy-saving advice; saving residents on average £197 on their energy bills. NEP offers advice on grants available for energy upgrades and fuel poverty advice. Advice Nottingham is one of many local initiatives, which offers tailored advice. Age UK Notts each year gain an average of £2 million in benefits for disabled and older people, supporting people to get out of fuel poverty.

For the winter of 2017/18, NCC and multiple stakeholders created a getting-ready-for-winter campaign, 'Save money on your energy bills', which provided residents with information on available discounts, fuel debt and advice services, behaviour-change tips and the benefits of switching.

FUNDING

We acknowledge the Committee for Fuel Poverty finding that there is a significant national funding gap for energy efficiency measures in fuel poor homes. Nottingham City Council has been involved in multiple funding opportunities and is currently part of an EU Horizon 2020 project, REMOURBAN. Additional finance will be required for Nottingham to meet the national targets for fuel-poverty alleviation and domestic energy efficiency.

To deliver this, the strategy sets out the following aims:

- Liaise with the D2N2 Local Enterprise Partnership (LEP), Derbyshire and Nottinghamshire Local Authority Energy Partnership, local Health and Wellbeing Boards, Energy and Water suppliers and, Electricity and Gas Network Operators to form more partnerships that are effective, identify local co-funding sources and develop new business models for action

- Create a project pipeline of ready to go schemes that can be delivered when funding is available

- Identify more sustainable approaches that enable vulnerable people to carry out energy efficiency improvements

- Identify, work with and promote Energy Trusts and charitable sources

- Utilise Energy Company Obligation, particularly LAFlex which allows locally tailored eligibility¹⁹

- Work with research partners to explore innovations in fuel poverty and energy efficiency approaches, interventions, business models, financing and planning



ENERGY PRICES



In 2012, there had been a 55% rise for household energy bills on the 2002 monthly spend, after accounting for inflation. This is despite a decline in average energy usage²⁰. A threat to the fuel poor is the cost of energy rising faster than wages.

While the average energy bill is falling due to falls in consumption, the most vulnerable are missing out as many are disengaged from the energy market and on more expensive tariffs/payment methods²¹.

SWITCHING AND INCREASING COMPETITION

A significant issue with energy prices is that only a third of domestic customers are believed to be active in making the most of the energy market, e.g. through switching tariffs.

The Energy Bills consultation indicated a higher rate with two thirds of respondents switching in the last 5 years. NEP have a campaign to improve this in Nottingham; switch, save and smile. There is a fear of switching due to lack of knowledge. It is important to raise awareness that the simple process of changing supplier can often save money as over 60% where consumers are on standard tariffs, which are expensive compared to dual or fixed rates. It is important to check to see if there are exit fees and if consumers are on the best deal, which the law dictates must be stated on the bill by providers.

Ofgem has introduced a safeguard tariff, which offers an energy price cap on the amount of money suppliers can charge domestic prepayment meter customers per unit of energy. This tariff had been extended in February 2018 to cover those in receipt of warm homes discount. However, the tariff "doesn't cap the total cost of a bill. That's

because the amount customers pay also depends on how much gas or electricity they've used".²²

ROBIN HOOD ENERGY

Energy price is not often a targeted solution for tackling fuel poverty other than supporting switching. Nottingham City Council have taken an innovative approach with the creation of Robin Hood Energy (RHE).

RHE is a Not-for-Profit entity, which aims to help tackle fuel poverty by offering low pay-as-you-go rates. RHE is a useful asset to tackling fuel poverty in Nottingham and potential areas of collaboration between RHE and Nottingham partners are being looked into.



¹⁹ <http://www.nottinghamcity.gov.uk/housing/greener-housing/>

²⁰ <http://webarchive.nationalarchives.gov.uk/20160105200123/http://www.ons.gov.uk/ons/rel/household-income/expenditure-on-household-fuels/2002---2012/full-report--household-energy-spending-in-the-uk--2002--2012.html>

²¹ https://eciu.net/assets/ECIU_Energy_Bills_Untold_Story.pdf

²² <https://www.ofgem.gov.uk/gas/retail-market/market-review-and-reform/implementation-cma-remedies/safeguard-tariff-or-price-cap>

ENERGY EFFICIENCY



NEW TECHNOLOGY

Technologies can offer smart solutions to fuel poverty; for example simple mechanisms such as tailored or automatic controls and heating programmes. However, these are only useful with the knowledge of how to use them effectively. Energy suppliers are offering smart meters to all households, enabling greater control of spending and energy usage. Additional support will be needed for fuel poor to maximise their benefit. BEIS estimate a typical household saving of £26 saving by 2020 per household and £43 saving by 2030 through Smart Meters. The survey, Energy Bills, showed that a third of respondents had a smart meter installed. While there is no localised data of the smart meter roll out, nationally over 8.5 million

smart and advanced meters are in operation across homes and small businesses.

There is a risk that the fuel poor will be left behind with the development of new technologies. In the next ten years, there is likely to be fuel poverty extended to transport with a mass switch to Electric Vehicles. Vulnerabilities today will not be the same for the fuel poor by 2050; instead, the ability to interact with the new types of energy systems will be critical for the fuel poor to prevent growing inequality. For example, energy storage and solar power may reduce reliance on the grid. There are other issues to innovation: attitudes to risk, Local Authority resources for investment, technical failure and human error.

Nottingham City Council and partners have collectively championed the importance of energy efficiency. Domestic energy efficiency improvements are a vital part of the puzzle to tackling fuel poverty, as there is often a correlation between tenants on a low income living in housing that is inefficient and poorly maintained. “The oldest dwellings (pre-1850) have an average fuel poverty gap of £899 compared to £182 for the newest dwellings (post-1990)”²³. Therefore, the combination of low income and poor energy efficiency leads to under-heating.

National milestones have already been set for energy ratings of fuel poor households wherever practicable and minimum standards for private rented sector were introduced from April 2018. In Nottingham, 22.1% of homes would need to shift EPC band rating by 2025. Flexibility and localized implementation increases uptake of energy efficiency measures, offers a more targeted response²⁴ and has been a strong driver for more innovative approaches.



CASE STUDY – REMOURBAN

Sneinton has been identified as one of three demonstration areas for a European wide Smart Cities project called REMOURBAN. The project is developing a model to show how sustainability can be integrated into the regeneration of our towns and cities. The project has had a particular focus on retrofitting older housing to become more energy efficient.

With a high instance of fuel poverty Sneinton was selected to be Nottingham’s demonstrator area as the interventions would be able to have a significant impact on these households.

The project will include²⁵:

- Treating over 400 Nottingham City Homes properties and private houses in the Windmill Lane area with energy saving measures such as insulation and LED lighting to make them warmer and reduce energy bills
- Piloting the UK’s first Energiesprong retrofit on 10 homes, upgrading them with new outside walls and windows, a solar roof, and a state of the art heating system extending the district heating network to 94 homes



This project has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement No 646511

²³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf

²⁴ Gillard, Ross, Snell, Carolyn Jane and Bevan, Mark Alistair (2017) Advancing an energy justice perspective of fuel poverty: Household vulnerability and domestic retrofit policy in the United Kingdom. Energy Research and Social Science. pp. 53-61. ISSN 2214-6296



DWELLING, TENURE AND OCCUPIER CHARACTERISTICS

Tackling excess cold as a hazard and reducing the prevalence of category one hazards for excess cold²⁶ (a statutory duty for local authorities) offers the greatest potential savings to society and NHS²⁷.

Dwelling characteristics such as fuel type used, heating system and level of insulation or glazing all impact upon household fuel bills.

The highest level of fuel poverty is in the Private Rental Sector²⁸ with over a third of fuel poverty occurring in rented accommodation. Those in the private rented sector also tend to be deeper in fuel poverty, with an average fuel poverty gap of £410, compared to £175 for those in social housing²⁹. This is of particular importance as there is comparatively a higher proportion privately rented properties

in Nottingham City than nationally, at 32%³⁰ of its total housing stock. There is a split incentive in private rented accommodation as landlords only have financial motivation to install energy efficiency measures if bills are included within the rent. Additionally, fuel poverty is more prevalent among owner-occupier than social housing tenants, as demonstrated in the table below.

| BRE ENERGY INFORMATION FOR NOTTINGHAM CITY | | | | |
|--|----------------------------|-------------|--------------------|------------------------------|
| Tenure | Average annual energy cost | Average SAP | Average EPC rating | No. F and G rated properties |
| Private Owned | £962 | 58 | D | 3000 |
| Private Rented | £840 | 60 | D | 2880 |
| Social Rented | £678 | 65 | D | 770 |

²⁵ <http://www.nottinghamcity.gov.uk/community/remourban/>

²⁶ A category 1 hazard is a hazard that poses a serious threat to the health or safety of people living in or visiting your home. https://england.shelter.org.uk/housing_advice/repairs/health_and_safety_standards_for_rented_homes_hhrs

²⁷ https://www.bre.co.uk/filelibrary/Briefing%20papers/92993_BRE_Poor-Housing_in_-Europe.pdf

²⁸ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf

²⁹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf

³⁰ BRE data

Households with uninsulated solid walls are significantly more likely to be fuel poor. Older dwellings have a higher proportion of households in fuel poverty and have a much larger fuel poverty gap. In Nottingham, half of the private rented houses and over 50,000 properties have solid wall.

Not having easy access to the internet, or feeling confident in using it, can be a barrier to accessing advice and the best energy deals. A number of demographics are more likely to be 'off-line'³¹, and several of those groups are more likely to be at risk of being in fuel poverty. The overlap between fuel poverty and off-line households is something to be explored further. This will help shape the support people need.

Black and Minority Ethnic (BME) communities have higher levels of fuel poverty according to the BEIS 2017 Annual Fuel Poverty Statistics Report.

It suggests fuel poverty levels were 57.7% higher within BME households in 2015 than in white households. This is highly significant as the 2011 census stated that 35% of Nottingham City's population were from BME groups.



TARGETED APPROACH

Once key dwelling and household characteristics are identified, an approach to effectively target and engage with these

³¹ <https://www.ons.gov.uk/businessindustryandtrade/itandinternetindustry/bulletins/internetusers/2018>

³² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/652701/CFP_report_formatted_-_final.pdf

households is needed. Monitoring is important and is a statutory requirement but direct targeting of fuel poor households is difficult.

Certain adjustments are often seen as 'common sense' can be indicators of fuel poverty such as additional heating sources i.e. hot water bottles and extra clothing as well as changes in routine such as going to bed early. Many people may not be aware of fuel poverty and/or resist help. Our own consultation found that people did not know where to go to get advice. It will therefore be important to understand why take-up of assistance is low, and where/how, people might better access information.

The aim is to use knowledge of ward level areas of high fuel poverty, wider deprivation and poor housing, to target delivery at groups that are in most need.

In line with the Committee for Fuel Poverty, Nottingham also recognise the importance for the health sector, social services and charities working together to identify the 'hard to find' fuel poor households³². The Digital Economy Act 2017 consultation proposed greater access to data offering a potential opportunity for more effective targeting and research.

For example, improving local and regional datasets that can be combined and compared, as well as monitoring local uptake of key government measures. There will be support for improvements to monitoring i.e. to identify how many category 1 hazards for excess cold are removed from enforcement. Additionally, due to the impact of climate change, NCC acknowledge overheating will become an increasing part of the fuel poverty debate in future years³³.

LEGAL REQUIREMENT AND ENFORCEMENT

Evidence has shown a correlation between energy efficiency of properties and fuel poverty. The Private Rental Sector are three times more likely to be living in fuel poverty, and the Environmental Health Safer

³³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf



ATTITUDES AND BEHAVIOUR CHANGE

Housing related factors such as ventilation, individual attitudes and human behaviour affect the internal quality of housing. Indoor air quality is an issue in many buildings, particularly where there is poor ventilation and sources of damp or combustion. Blanket solutions are not always the best response as context is important, for example cultural practices or lifestyle. Trust and appropriate communication channels and media are required for effective intervention amongst the most vulnerable.

Changing attitudes is key to permanent behaviour change. Changing someone's attitude to switching has a more lasting impact than convincing them to switch once.

Households tend to focus more on the upfront costs of technologies and improvements compared to the ongoing operational costs, despite the long-term savings that increased energy efficiency can deliver (also known as the energy efficiency paradox³⁴). This is a key concern as fuel poor and vulnerable households may miss long-term savings. There is a need to promote the extent of savings from energy efficiency measures over time, as well as assistance with identifying ways of financing the upfront costs.

There is a limit to the impact of advice and behaviour change alone. Behaviour change is most effective when combined with the provision of energy efficiency measures, for example, AgeUK, after home checks, offer tailored behaviour-change advice.

NCC aim to look into wider areas of fuel-poverty beyond heating and cooking, to examine the impact of other 'essential' energy uses³⁵. This is likely to also include summer cooling requirements and links to water costs and usage. Fuel poverty considers the cost of the total energy bills, but actions are usually focused on heating. Wider energy issues will be considered in our energy strategy development.

Housing team pledge to tackle this as part of their enforcement responsibilities through Minimum Energy Efficiency Standards (MEES) legislation and the Housing Act 2004 including selective licensing.

Safer Housing will enforce the new regulations which means that, in the long term, all rented accommodation should be an EPC E rating or above. This is in line with the UK government targets of all fuel poor properties reaching an EPC rating of E by 2020, D by 2025 and C by 2030 (where practicable, cost-effective and affordable). Safer Housing will enforce these regulations alongside their work on properties where there is a category 1 hazard of excess cold.

Taking robust enforcement action against property owners who rent out properties that are poorly insulated and poorly heated is an important tool to improve Nottingham's housing stock.

³⁴ Burlinson, Andrew (2017) The energy efficiency paradox, split-incentives and affordability: the elephants in England's residential sector. PhD thesis, University of Warwick <http://wrap.warwick.ac.uk/92146/>

³⁵ <http://www.demand.ac.uk/wp-content/uploads/2016/06/Simcock-Walker-fuel-poverty.pdf>

COMMUNICATION, EVALUATION, MONITORING AND REVIEW

It is important to monitor the progress of the strategy through the collection of timely robust, accurate and reliable data in an ethical and compliant manner.

The strategy will cover the period 2018 to 2025. Associated actions plans will be produced with

quarterly reporting and there will be an annual review to ensure actions contribute to the strategic objective. The DEEP subgroups will meet every two months to assess progress to specific areas of the strategy.



A COLLABORATIVE APPROACH TO A COMPLEX PROBLEM



CONTRIBUTORS

Chair of Domestic Energy Efficiency and Fuel Poverty Subgroup (DEEFP)

Jonathan Ward

NCC Principal Energy Policy Officer

Written By

Ellen Cooper-Tydeman

NCC Energy Policy Officer

DEEFP Subgroup Attendees

Alison Thomas

NCC Principal Environmental Health Officer

Andrew Burlinson

Loughborough University,
Research Associate School of Business
and Economics

Ceri Davis

NCC Housing Strategy Specialist

Duncan Newbutt

NCC Safer Housing Manager

Emily Branham

NCH Head of Sustainable Energy

Graham Demax

NCC Housing Partnership Manager

Gwendoline Williams

NCC Business Support Assistant

Ian Chapman

Newark and Sherwood District Council,
Nottinghamshire Warm Homes on Prescription
Programme Manager

Kat Coggan

Age UK Nottingham & Nottinghamshire,
Service Manager (Housing)

Lorraine Raynor

NCC Head of Environmental Health

Miranda Cumberbatch

NEP Affordable Warmth Programme Manager

Paul Flowers

NCC Policy & Development Officer
Housing Energy

Rachael Blundel

NCC Energy Officer

Rachael Harding

NCC Senior Housing Partnership Officer

Rebecca Hurt

NCC Business Support Officer

Richard Taylor

NCC Environmental Health &
Safer Places Manager

Ruth Stallwood

NCC Communications and Marketing Officer

Sam Preston

NCC Energy Officer

Steven Heales

NCC N2 Skills and Employment
Partnership Manager

Wayne Bexton

NCC Head of Energy Services

