



**London Borough  
of Hounslow**

# **Home Energy Conservation Act**

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## **Progress Report March 2017**

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# Part 1: The context

## The Home Energy Conservation Act

The Home Energy Conservation Act 1995 (HECA) requires local authorities to publish guidance on plans to improve the energy efficiency of homes in their areas. The Act recognises local authorities' ability to use their position to drive low carbon refurbishment of all types of residential accommodation (such as owner-occupied, private rented and social housing).

The starting point for action by central and local government to significantly improve the energy efficiency of residential accommodation across the country is the legal requirements in the Climate Change Act 2008. This sets specific targets for reductions in carbon emissions.

A number of new initiatives, backed by legislation, have been developed by Government to improve the energy efficiency of homes. This document describes how the Council plans to take advantage of these initiatives to meet local priorities.

The first Hounslow HECA Further Report was published on 31<sup>st</sup> March 2013, with a subsequent progress report published on 31<sup>st</sup> March 2015. This is a subsequent progress report – and outlines the Council's ambitions for the next two years.

Copies of these previous reports can be found at:  
<https://www.hounslow.gov.uk/info/20000/housing/1514/home-energy-conservation-act-1995-heca-reports>

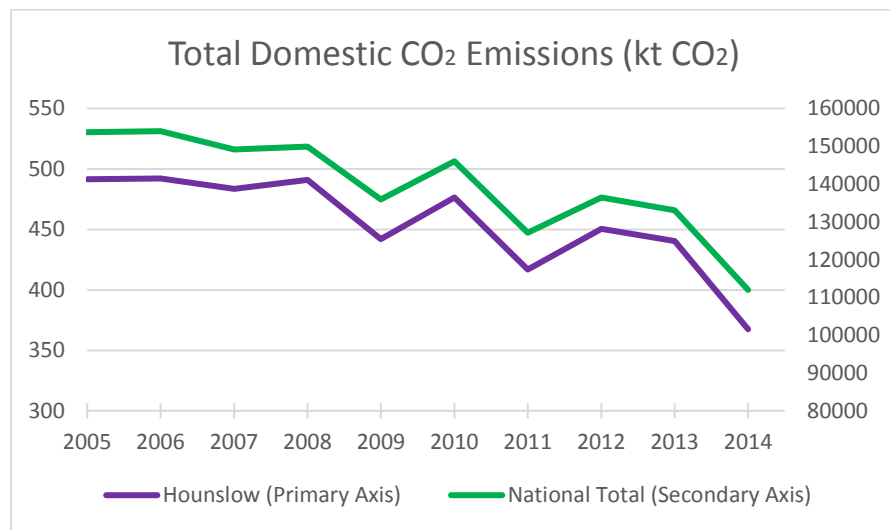
# Part 2: Our Local Energy Efficiency Ambitions

## Where are we now?

### Energy use

The residential sector accounts for a third of carbon dioxide (CO<sub>2</sub>) emissions in Hounslow. Between 2005 and 2014 domestic CO<sub>2</sub> emissions have decreased year on year, rising slightly in 2012. 2005 (491.6 kt CO<sub>2</sub>) to 2014 (367.5 kt CO<sub>2</sub>) saw a 25% decrease in domestic CO<sub>2</sub> emissions in Hounslow<sup>1</sup>.

**Figure 1: Hounslow and National total CO<sub>2</sub> emissions**

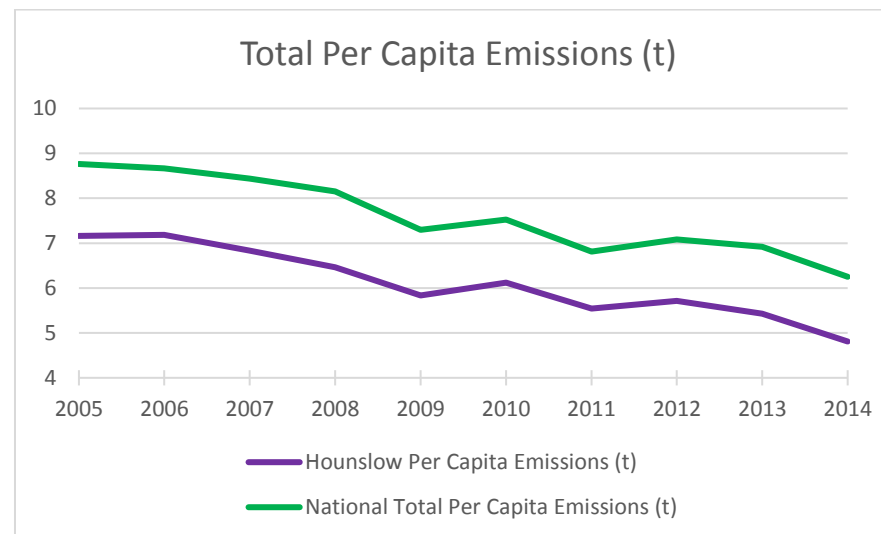


Source: National Statistics - UK local authority and regional carbon dioxide emissions national statistics: 2005-2014

<sup>1</sup> <https://www.gov.uk/government/statistics/uk-local-authority-and-regional-carbon-dioxide-emissions-national-statistics-2005-2014>

Hounslow's per capita CO<sub>2</sub> emissions in 2014 was 4.8 tCO<sub>2</sub> per person, which is slightly higher than the Greater London per capita average of 4.2 tCO<sub>2</sub>. Heating is the major energy requirement of homes and there are significant opportunities to reduce CO<sub>2</sub> emissions by improving the thermal efficiency of buildings.

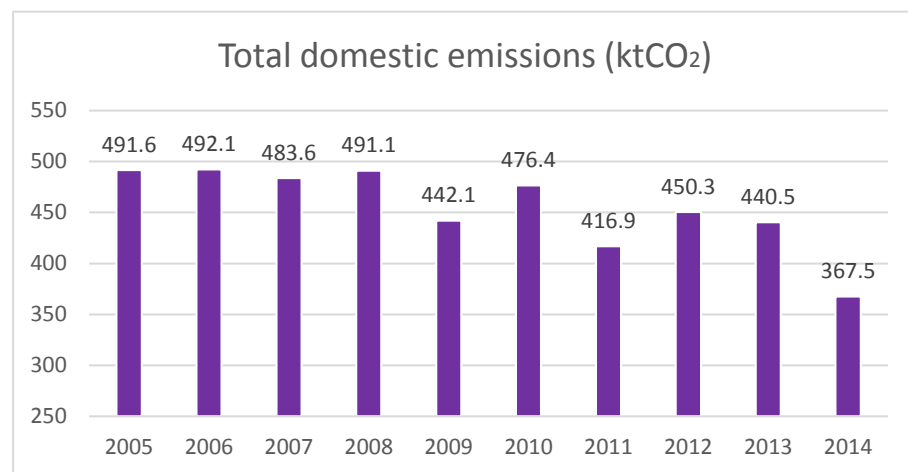
**Figure 2: Hounslow and National total per capita emissions**



Source: National Statistics - UK local authority and regional carbon dioxide emissions national statistics: 2005-2014

# Part 2: Our Local Energy Efficiency Ambitions

**Figure 3: Domestic CO<sub>2</sub> emissions in Hounslow**



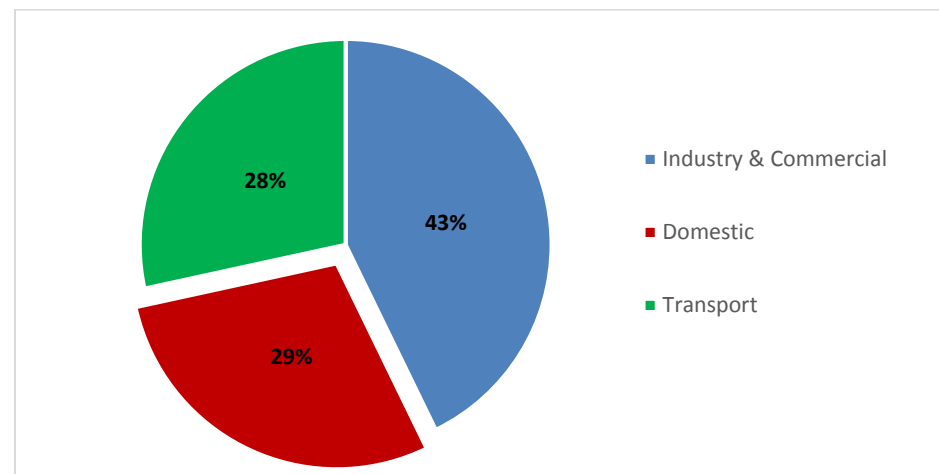
Source: National Statistics - UK local authority and regional carbon dioxide emissions national statistics: 2005-2014

## Fuel poverty

A person is regarded to be living in fuel poverty if they are a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost. Under the Hills Low Income High Costs (LIHC) definition, a fuel poor household is one in which:

- A household has required fuel costs that are above the median level; and
- Were the household to spend that amount, they would be left with a residual income below the official poverty line.

**Figure 4: Hounslow's CO<sub>2</sub> emissions by sector for 2014**



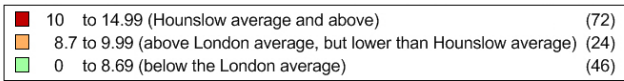
Source: National Statistics - UK local authority and regional carbon dioxide emissions national statistics: 2005-2014

The latest available figures for fuel poverty are those for 2014. The Department for Business, Energy and Industrial Strategy (BEIS) publishes annual statistics on the number and proportion of households that are fuel poor in local authorities and regions. According to the 2014 sub-regional fuel poverty data (low income high costs indicator), in 2014 10% of households (9,513 out of 95,342) in Hounslow were fuel poor. This is higher than the London average, which is 8.7%<sup>2</sup>.

<sup>2</sup> <https://www.gov.uk/government/statistics/2012-sub-regional-fuel-poverty-data-low-income-high-costs-indicator>

# Part 2: Our Local Energy Efficiency Ambitions

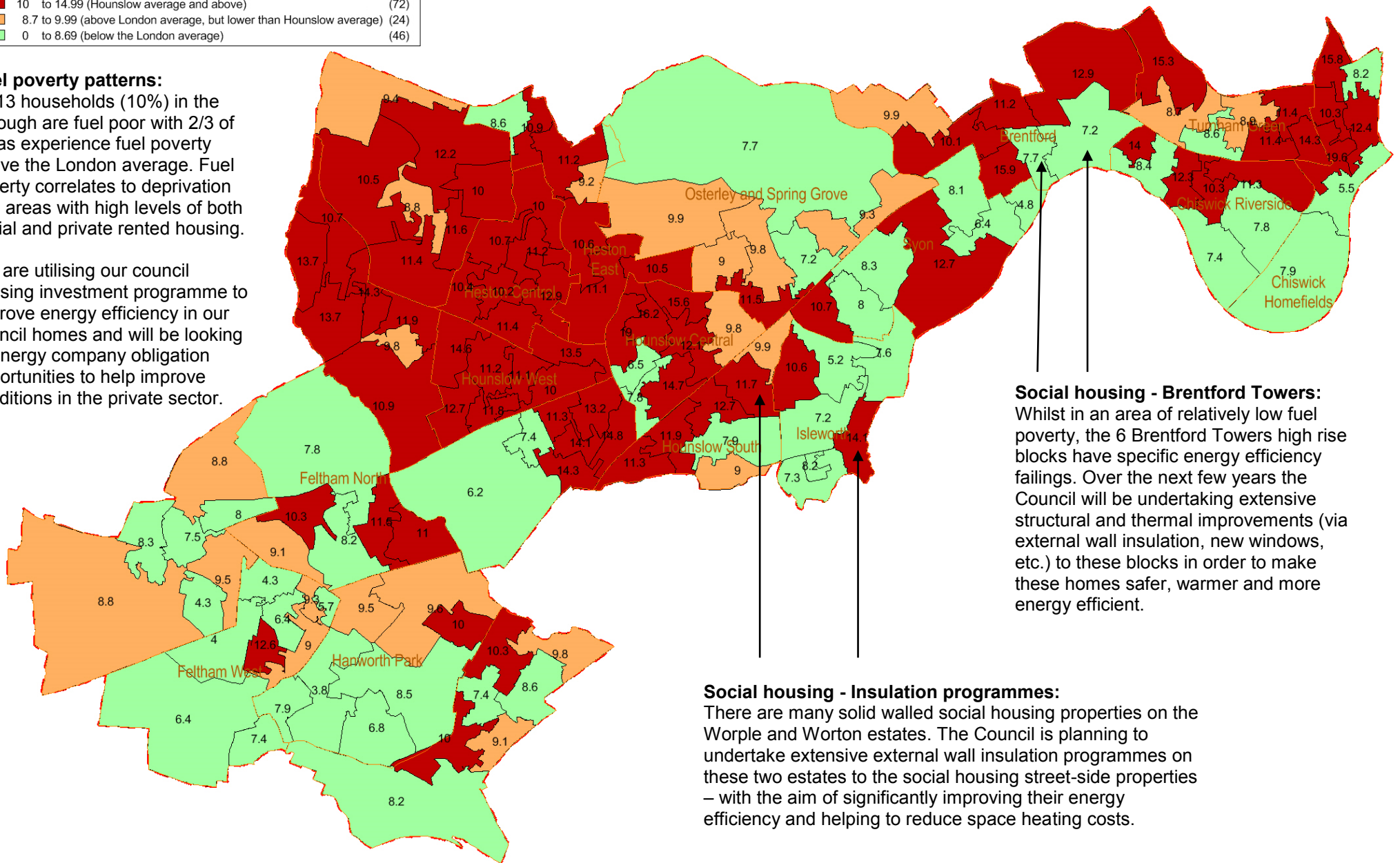
Figure 4: Hounslow's Fuel Poverty Map - Proportion of households fuel poor (%)



### Fuel poverty patterns:

9,513 households (10%) in the borough are fuel poor with 2/3 of areas experience fuel poverty above the London average. Fuel poverty correlates to deprivation and areas with high levels of both social and private rented housing.

We are utilising our council housing investment programme to improve energy efficiency in our council homes and will be looking to energy company obligation opportunities to help improve conditions in the private sector.



**Social housing - Brentford Towers:** Whilst in an area of relatively low fuel poverty, the 6 Brentford Towers high rise blocks have specific energy efficiency failings. Over the next few years the Council will be undertaking extensive structural and thermal improvements (via external wall insulation, new windows, etc.) to these blocks in order to make these homes safer, warmer and more energy efficient.

**Social housing - Insulation programmes:** There are many solid walled social housing properties on the Worple and Worton estates. The Council is planning to undertake extensive external wall insulation programmes on these two estates to the social housing street-side properties – with the aim of significantly improving their energy efficiency and helping to reduce space heating costs.

## Part 2: Our Local Energy Efficiency Ambitions

The Council's priority continues to be to improve the energy efficiency of homes for low income, vulnerable households at risk of fuel poverty and ill health. We recognise the Council can play a positive role in advancing sustainability generally and we have a wider ambition to help reduce energy consumption across all homes in Hounslow regardless of tenure.

The challenge moving forward will be to secure investment to address some of the more difficult and costly to treat homes in the Council housing stock and incentivising uptake of energy efficient measures (such as solid wall insulation and solar photovoltaic installations) for households in private sector housing.

**For 2017-19 the Council's priorities are:**

Developing the Council's first Climate Change Strategy.

Effective management of the Hounslow Carbon Offset Fund.

Delivering the 2017/18 'Better Homes, Better Health' scheme.

Delivering insulation schemes, including solid wall insulation for council properties (taking advantage of supplementary funding where available), and encouraging uptake of ECO offers for private sector households.

Delivering domestic and district / communal boiler upgrades for council properties.

Developing a heat metering strategy for the billing of units connected to Council owned district and communal heating networks.

Providing information, advice and promotions to individuals and Landlords on energy efficient measures, behavioural change and available sources of funding.

Work in partnership with other London Councils to undertake a more coordinated approach to energy efficient works across residential accommodation and create a London-wide referral network.

Exploring the expansion of low carbon and renewable energy generation (i.e. solar photovoltaics).

## Part 3: Action Plan

A range of drivers exist to help improve the energy efficiency of homes in Hounslow. This section sets out how the council will take advantage of existing financial assistance and schemes to help deliver energy efficiency improvements in homes across the borough.

<b>Energy efficiency drivers</b>	<b>Measures we are taking to result in significant energy efficiency improvements of our residential accommodation</b>	<b>Timing</b>
Fuel Poverty	<p><b>Housing Strategy 2014-18</b>            In the Council’s ‘Housing Strategy 2014 –2018’, objective 5 is “to create a cleaner, safer and greener living environment for our communities”. One of the priorities identified under this objective states that ‘Fuel poverty is a concern with both the economic downturn and rising fuel costs resulting in cold homes. Pensioners aged 65+ are particularly vulnerable to health risks associated with fuel poverty and cold homes’. The Strategy outlines that it planned to ‘work innovatively with existing and new partners to tackle the causes and effects of fuel poverty, including making residents aware of sources of help, such as Winter Fuel Payments and potential access to Energy Company Obligation and Green Deal funding’.</p> <p><b>Better Homes, Better Health</b>            The resource overseeing the Council’s fuel poverty work currently resides within the Housing Strategy, Investment and Performance Team (and this work only makes up part of their overall remit). The Housing, Public Health and Social Services Departments work collaboratively to improve health and wellbeing through warm and healthy housing and reducing energy costs for vulnerable households through the “Better Homes, Better Health” scheme which started in 2013/14.</p> <p>This scheme is funded by a grant from Hounslow’s Public Health Team and coordinated by the resource within Hounslow’s Housing Team. The service takes a one-stop holistic approach to tackling fuel poverty with one referral leading to an assessment for a number of services, including subsidised energy efficient boilers and insulation through the various options available. Since 2013 the service has helped many cross-tenure residents improve the warmth of their properties and save money on fuel bills.</p> <p>Highlights from the 2015/16 scheme included:</p>	<p>Approved 2014</p> <p>Ongoing since 2013/14</p>



## Part 3: Action Plan

- 660 home energy visits - leading to 2,624 interventions including measures, warm packs, grants, energy tariff switching, referrals to external services.
- 1,505 free energy efficiency measures provided to vulnerable households.
- 120 vulnerable clients were helped to access the Warm Homes Discount, providing ~£17k worth of financial help.
- 663 onward referrals made to other services (including Hounslow Citizens Advice Bureau, London Fire Brigade, etc).
- 34 vulnerable households had their energy tariff switched during the visit, and a further 626 households received information regarding switching, identifying potential savings of up to ~£88k a year (combined total).
- Estimated 3million litres of water saved p/a by installed water saving measures.
- Estimated £5.5k p/a saved on energy bills through installation of small measures.

The scheme costs £60k p/a to deliver. The total carbon and cost savings from interventions installed during the 2015/16 visits were 22,332 kg and £5,473 respectively. In addition to this, the amount of carbon and money saved from pledges made to change behaviour related to energy use could potentially add a further 123,710 kg and £32,297 per year of savings. The Council has no access to savings made from onward referrals for larger measures but recognise that these additional savings will increase the total carbon saved as a result of the project. This service will continue in 2017/18 and is being funded by Hounslow's Public Health Team.

### **Green Deal & ECO Schemes**

In the Council's 'Housing Strategy 2014 –2018', it states 'an overwhelming majority of responses to the consultation supported the Council's plans to take advantage of available funding to improve the energy efficiency of homes. We will develop an energy efficiency programme through the government's Green Deal and ECO schemes that will secure investment to improve some of the more difficult and costly to treat homes for, in particular, low income, vulnerable households at risk of fuel poverty'. Subsequent to the publication of this strategy, a succession of environmental policies were stopped (ranging from curbs on solar subsidies, the dropping of regulations to make all new homes 'zero carbon', and the cancelling of Green Deal), and the amount of funding and finance available to undertake develop these programmes has been significantly limited. We are still committed to action where possible and will explore the potential of all funding options that arise.

Apr 17 to  
Mar 18

## Part 3: Action Plan

<p>Boilers and heat networks</p>	<p>In a typical UK household, more than half the money spent on fuel bills goes towards providing heating and hot water. As fuel costs rise, having an efficient and cost effective heating system is vital, and it's one of the main measures the Council has identified to reducing carbon emissions across the social housing stock.</p> <p>Domestic boilers replacements (to high efficiency boilers) across social housing: 15/16 saw ~650 boiler replacements (£2m) and 16/17 saw ~580 boiler replacements (£1.75m). Just under £3.5m has been identified for the following two years (17/18 and 18/19) to deliver further domestic boiler replacements.</p> <p>District and communal heating network upgrades across social housing: The Council has 60 sites connected to around 4500 domestic units. Over £4m has been identified across 17/18 and 18/19 to improve these networks (as part of larger estate programmes of works and in line with recommendations from the boiler house replacement programme).</p> <p>The Heat Network (Metering and Billing) Regulations 2014 are UK-wide regulations implementing some of the requirements of the EU's 2012 Energy Efficiency Directive, and apply to the Council as a 'heat supplier' at their district heat networks and communal heating systems. The aim of the regulations is to allow users of heating, cooling and hot water supplies to be aware of the level of their consumption and as a result be incentivised to reduce that consumption. The Council is currently assessing its stock to comply with these legislative requirements and - if necessary - will submit a response directly or in partnership with others to the BEIS public consultation on the revised methodology for assessing the cost effectiveness of metering for district and communal heat networks.</p> <p>Where the Council requires for its own development schemes to have efficient boilers installed, then so long as the Council's Building Control Department are appointed, there is an assurance internally that the Council's heightened standards can be met on site. Hounslow is confident that there is no dilution in standard where its constructor partners appoint their preferred inspectors for checks under Building Regulations.</p> <p>Decentralised heat networks are investigated further during the planning process, for example, during the development of Area Actions Plans.</p>	<p>Apr 17 to Mar 19</p> <p>Apr 17 to Mar 19</p> <p>[Pending BEIS update]</p>
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## Part 3: Action Plan

Smart meters	<p>If resources were identified to support the authority, the Council can see themselves playing a key role in the successful rollout of smart metering - providing local leadership, offering support to vulnerable householders or those being supported by council services, and partnering with energy companies or delivery agencies to develop a local plan for deployment.</p>	
Enforcing the Minimum Energy Efficiency Standards in the private rental sector	<p>The Government has not prescribed the function within a Local Authority responsible for enforcing the Private Rented Sector Energy Efficiency Regulations (Domestic), but will instead allow Local Authorities the discretion to determine which is most appropriate for them. The Council's Housing Enforcement Team primarily deal with complaints from tenants in the private rented sector – largely focusing upon excess cold hazards where this will require works such as new boilers, additional heating, provision of loft insulation etc.</p> <p>The Team require new works to be in accordance with current Building Regulations and minimum energy efficiency requirements where appropriate.</p>	Ongoing
Cost effective implementation of energy efficiency improvements in residential accommodation	<p>In 2015, the Council created an energy housing database (cross tenure), which makes use of existing property information, Energy Performance Certificates (EPCs) and socio-economic statistics to provide information on the borough's housing stock. The database can be used to identify where significant opportunities lie across the borough for retrofitting activity.</p> <p>A detailed analysis of the council's own housing stock is currently being undertaken (in partnership with the GLAs RE:NEW Support Team) to understand how energy efficiency improvements can be most cost effectively integrated into asset management plans. This assessment will establish the baseline energy efficiency position for the stock, determine realistic targets, produce scenarios for the implementation of the most cost-effective energy efficiency measures, and monitor progress towards achieving targets.</p> <p>As part of the Council's investment in the housing stock that it owns, measures have been identified to make sure that all council owned homes are safe, warm and energy efficient. These works will entail such things as carrying out any required structural repairs; filling empty cavity walls or installing external</p>	<p>2016-2017</p> <p>May 2017</p>

## Part 3: Action Plan

	<p>wall insulation to the outside of homes which will then be covered either with render or cladding; where necessary replacing windows and doors; installing roof insulation, etc.</p> <p>The Council has undertaken 7 external wall insulation pilots which have been monitored and reviewed by the Building Research Establishment (BRE) – with the aim of developing a specification that is robust and has roll-out applicability to the vast majority of the Council’s housing archetypes. Over the next three years (17/18 to 19/20) there is ~£7m available for identified external wall insulation programmes across the social housing solid walled portfolio.</p> <p>It is widely recognised that delivering energy efficiency projects street by street across whole communities has many benefits including economies of scale, increased demand driven by seeing the work being carried out and what can be achieved on neighbouring properties, and the resulting benefits from and opportunities to link with other planned works. It should be noted that where the Council is undertaking work streams (such as external wall insulation installations) on an area based rollout - private tenants and owner occupiers who may like to have their homes improved can make private (separate from the Council) arrangements with the Council’s appointed Contractor (i.e. so that they can benefit from a reduction in the costs associated with prelims). This will be suitably communicated in line with programmed work roll outs. However, the Council is not prepared to take specification liability for these measures on non-Council owned properties nor risk funding commitments by including stock which isn’t directly owned by the Council.</p> <p>For owner occupied housing, the Council has resources on its website which provides information, advice and promotion of energy efficient behaviour and measures.</p>	<p>Apr 17 to Mar 19</p>
<p>National and local partnering</p>	<p>Hounslow Council affirm its commitment to working in partnership with other London Councils to undertake a more coordinated approach to energy efficient works across residential accommodation and create a London-wide referral network. The Association of Local Energy Officers London (ALEO London) for example is looking to develop multi-borough partnerships to increase resources in areas where capacity is constrained and enable an active fuel poverty referral network that covers the whole of London – as well as identifying funding that can be used more flexibly to support this activity. Multi-borough partnerships are a way of developing this further and working in sub-regions offers the chance</p>	<p>Ongoing</p>

## Part 3: Action Plan

	<p>to strengthen existing relationships and address common issues that covers London as a whole.</p> <p>Hounslow Council are currently developing the boroughs first Climate Change Strategy. The strategy will aim to mitigate the effect of climate change by cutting CO<sub>2</sub> emissions across the Council's corporate estate and throughout the borough, as well as learning to adapt to climate change through implementing behavioral change and improving service delivery. The strategy will aim to 1. Achieve a reduction in greenhouse gas emissions, 2. Embed behavior change by raising awareness of the impacts of climate change as well as implement the initiatives that can help the borough tackle the issue, 3. Provide community leadership and promote sustainable as well as to 4. Adapt to climate change i.e. become more resilient.</p>	2017/18																																								
Energy Company Obligation (ECO)	<p>Hounslow Housing (the Council Department managing the social housing stock) could not access HHRCO (Home Heating Cost Reduction Obligation) funding as this was ring-fenced for private households. Hounslow Housing also has not delivered any schemes to date that have been able to access any ECO funding in the form of CSCO (Carbon Saving Community Obligation) funding [intended to deliver insulation and other measures to homes that are in specially targeted locations] or CERO (Community Emission Reduction Obligation) funding [primarily aimed at hard-to-treat homes that cannot use the standard methods of insulation].</p> <p>See BEIS published data on the Energy Company Obligation:</p> <p style="text-align: center;"><b>ECO measures by ECO obligation by administrative area, up to end September 2016</b></p> <table border="1" data-bbox="535 1078 1776 1342"> <thead> <tr> <th>Area Codes</th> <th>Area names</th> <th>Carbon Saving Target (CERO)</th> <th>Carbon Savings Community (CSCO)</th> <th>Affordable Warmth (HHCRO)</th> <th>ECO measures installed</th> <th>Percentage of ECO measures installed</th> <th>ECO measures per 1,000 households</th> </tr> </thead> <tbody> <tr> <td>E12000007</td> <td>LONDON</td> <td>65,305</td> <td>48,525</td> <td>23,131</td> <td>136,961</td> <td>6.9</td> <td>39.9</td> </tr> <tr> <td>E13000001</td> <td>Inner London</td> <td>20,497</td> <td>25,781</td> <td>5,731</td> <td>52,009</td> <td>2.6</td> <td>36.2</td> </tr> <tr> <td>E13000002</td> <td>Outer London</td> <td>44,808</td> <td>22,744</td> <td>17,400</td> <td>84,952</td> <td>4.3</td> <td>42.5</td> </tr> <tr> <td>E09000018</td> <td>Hounslow</td> <td>1,921</td> <td>602</td> <td>605</td> <td>3,128</td> <td>0.2</td> <td>30.8</td> </tr> </tbody> </table>	Area Codes	Area names	Carbon Saving Target (CERO)	Carbon Savings Community (CSCO)	Affordable Warmth (HHCRO)	ECO measures installed	Percentage of ECO measures installed	ECO measures per 1,000 households	E12000007	LONDON	65,305	48,525	23,131	136,961	6.9	39.9	E13000001	Inner London	20,497	25,781	5,731	52,009	2.6	36.2	E13000002	Outer London	44,808	22,744	17,400	84,952	4.3	42.5	E09000018	Hounslow	1,921	602	605	3,128	0.2	30.8	
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## Part 3: Action Plan

Households in receipt of ECO measures by administrative area, up to end September 2016				
Area Codes	Area names	Households in receipt of ECO measures	Percentage of households in receipt of ECO measures	Households in receipt of ECO measures per 1,000 households
E12000007	LONDON	120570	7.6	35.1
E13000001	Inner London	47214	3	32.9
E13000002	Outer London	73356	4.6	36.7
E09000018	Hounslow	2,653	0.2	26.1

Source: BEIS Household Energy Efficiency National Statistic Headline Release (Table 2.2.1 and Table 2.2.4) - <https://www.gov.uk/government/collections/household-energy-efficiency-national-statistics#headline-releases>

In November 2015, the Government announced that from April 2017 the Energy Company Obligation (ECO) scheme will be replaced with a new supplier obligation to reduce carbon emissions and focus on the fuel poor. This will run for five years. The Government consulted on the shape of ECO 3 -considering scrapping CSCO; placing a greater emphasis on Affordable Warmth; deemed scores rather than EPCs; putting a limit on boiler replacements; allowing social housing properties rated E, F or G to qualify for measures (other than boilers); making eligibility more flexible (i.e. for households in fuel poverty but not in receipt of benefits). The Council is waiting for further details on ECO – as the flexible element in particular may create opportunities for the Council and is potentially something that it could collectively work with other London Councils to help all London Boroughs benefit from the opportunity.

2017/18

Renewable and low carbon technologies

In May 2016, Hounslow Council unveiled its £2m solar pv scheme at Western International Market (a non-residential project), the biggest solar scheme by any local authority, which also used batteries to store energy. The Council is confident that solar can still provide an attractive investment in certain circumstances and it is hoped that the market will recalibrate by selling solar as a package with other smart technology to increase onsite / self-consumption of the solar electricity.

## Part 3: Action Plan

	<p>Following the cuts to subsidies (feed in tariffs) and also pending the results of the analysis of the Council's own housing stock (referred to above), the Council has put on hold exploring the business case for wider investment in renewable technologies, and in particular solar PV across the Council housing stock.</p>	<p>On hold</p>
<p>Carbon offset fund</p>	<p>The Hounslow Carbon Offset Fund has been set up to assist new developments to comply with the planning policies outlined in the National Planning Policy Framework, the London Plan (Policy 5.2) and the Hounslow Local Plan (Policy EQ1 and EQ2) whilst contributing towards the funding of carbon saving projects which will ultimately result in reduction of carbon dioxide (CO<sub>2</sub>) emissions and an increase in the sustainability of existing Council owned building stock.</p> <p>The carbon dioxide reduction targets set out in the Local Plan policy EQ1 are expected to be met through on-site design measures. However, where it is clearly demonstrated that the required carbon dioxide reduction standards cannot be fully achieved on-site, any shortfall in carbon dioxide emissions may be provided off-site through an associated financial contribution to the Hounslow Carbon Offset Fund, in accordance with the Planning Obligations and CIL SPD 2015. This requirement came within a rapidly changing policy environment around the use of offset funds following the change of Government in 2015, which resulted in the removal of many national drivers towards zero carbon homes, the effective abandonment of allowable solutions, and the changes to s106 and Community Infrastructure Levy Regulations.</p> <p>The London Borough of Hounslow carries out a full review of all energy strategies in order to encourage all developments to secure carbon compliance with the London Plan at the outset.</p> <p>The adopted Planning Obligations SPD emphasises that the contribution to the Carbon Offset Fund will only be accepted if the applicant's justification for not fully achieving the carbon reduction targets onsite is considered acceptable. In no circumstances will a contribution to the Carbon Offset Fund be accepted by the Council if the onsite carbon performance could reasonably be further improved. This approach is supported by the Greater London Authority (GLA).</p> <p>The effective management of the Hounslow Carbon Offset Fund will also help to address additional</p>	<p>Ongoing</p>

## Part 3: Action Plan

	environmental issues relevant to the community in Hounslow, including fuel poverty, improved energy efficiency of council owned residential properties as well as the objectives outlined within the emerging Hounslow Climate Change Strategy. The approval mechanism for utilizing the funds accumulated in the Carbon Offset Fund will be outlined and adopted as part of the Hounslow Climate Change Strategy.	
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Signed off by Peter Matthew:



Position: Director of Housing