



**London Borough  
of Hounslow**

# **Home Energy Conservation Act**

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## **Progress Report March 2015**

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The London Borough of Hounslow

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# Part 1: The Context

## Introduction

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).

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. This is a subsequent report known as a progress report.

## Achievements so far

A range of energy efficiency initiatives aimed at both private and social housing have been successfully implemented.

- High levels of investment in social housing have resulted in significant improvements to the energy efficiency of dwellings. 6,000 council owned properties have benefited from cavity wall insulation and 1,500 from solid wall insulation. Double glazing was installed as part of the council's Decent Homes programme, which was completed in 2006. Windows are now

upgraded on a programmed basis taking into account new energy efficiencies.

- Since 2004, approximately 10,000 homes in the private sector have benefited from energy saving measures as a result of programmes such as Warm Zones and Heatstreets. The schemes, aimed at low income, fuel poor households provided a comprehensive package of energy efficiency measures including heating and insulation improvements and benefits advice.
- In December 2012 Hounslow Council was awarded funding from DECC to boost the energy efficiency of homes in line with new initiatives such as the Green Deal and Energy Company Obligation (ECO). The majority of the funding was used to install efficient central heating systems and insulation in the homes of fuel poor households. A smaller part of the funding was used to help kick start energy efficiency projects that tied in with the launch of the government's Green Deal scheme.

# 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 2012 domestic CO<sub>2</sub> emissions have decreased slowly year on year, rising slightly in 2012. This is consistent with an overall increase in domestic CO<sub>2</sub> emissions in the UK that year, which was due to 2012 being colder than 2011 and an increased use of coal for electricity generation. Overall since 2005 there has been a 5.5% decrease in domestic CO<sub>2</sub> emissions in Hounslow<sup>1</sup>. Hounslow's per capita CO<sub>2</sub> emissions in 2012 was 5.5tCO<sub>2</sub> per person, which is slightly higher than the London per capita average of 5tCO<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.

### Fuel poverty

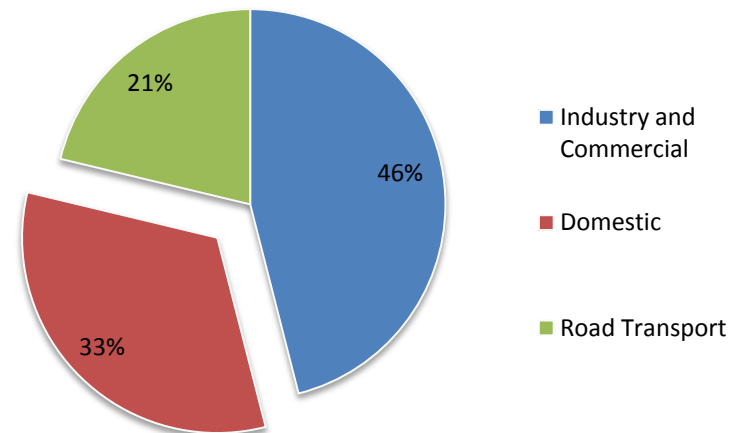
The latest available figures for fuel poverty are those for 2012. Data from the Department of Energy and Climate Change under the recently adopted low income high cost (LIHC) definition indicate that in 2012 10.5% of households (9,536) in Hounslow were fuel poor. This is higher than the London average, which is 8.7%<sup>2</sup>.

<sup>1</sup> <https://www.gov.uk/government/statistics/local-authority-emissions-estimates>

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

Statistics for fuel poverty are available from 2006 using a different methodology, whereby a household is said to be fuel poor if they spend more than 10% of their income on fuel bills to achieve a reasonable level of thermal comfort. Under the 10% indicator fuel poverty has risen in Hounslow since 2006 peaking in 2009 and then decreasing slightly in 2010 and 2012. The increase in fuel poor households is largely due to rises in energy bills during this period.

**Chart 1: Hounslow's CO<sub>2</sub> emissions by sector for 2012**



Source: DECC, 2005-2012 UK local and regional CO<sub>2</sub> emissions: full dataset

## Part 2: Our Local Energy Efficiency Ambitions

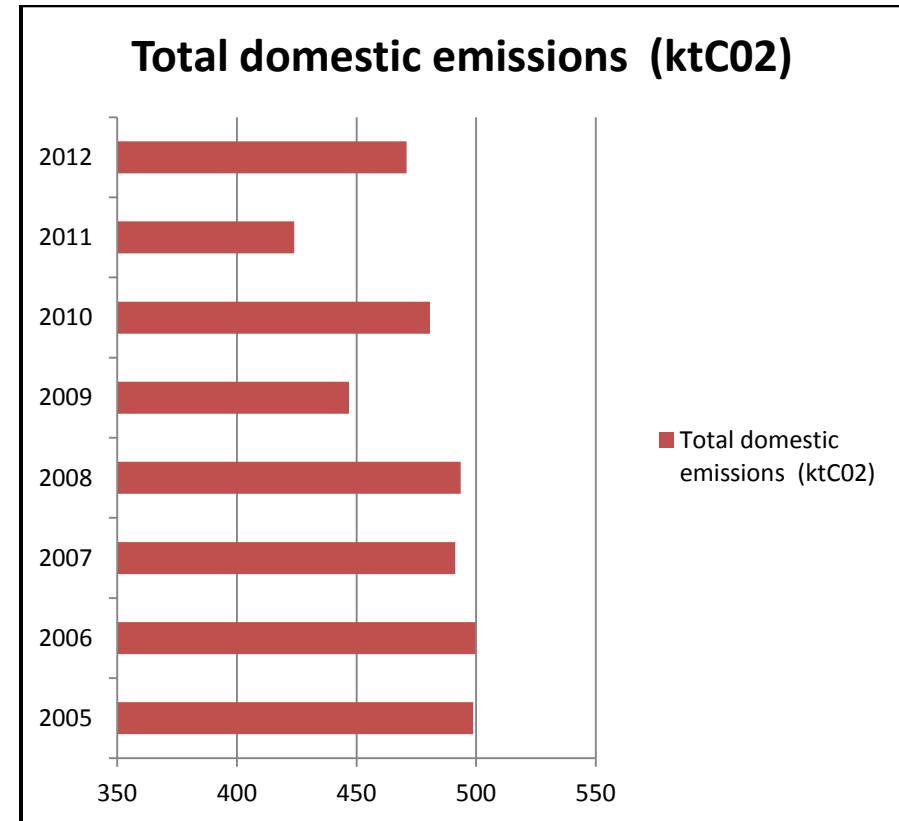
Our priority continues to be to improve the energy efficiency of homes for low income, vulnerable households at risk of fuel poverty and ill health. We recognise the council can play a positive role in advancing sustainability generally and we have a wider ambition to help reduce energy consumption across 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 solid wall insulation for households in private sector housing.

For 2015-18 the council's priorities are:

- Creating a Sustainable Homes Plan that sets out the Housing Division's response to tackling fuel poverty and reducing carbon emissions
- Delivering insulation schemes, including solid wall insulation (subject to funding availability) for council properties, and encouraging uptake of ECO offers for private sector households
- Exploring the expansion of renewable energy generation, including solar photovoltaics and district heating
- Continue to develop and strengthen partnerships

Figure 2: Domestic CO<sub>2</sub> emissions in Hounslow, 2005-2012



Source: DECC, 2005-2012 UK local and regional CO<sub>2</sub> emissions: full dataset

## 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.

<i>Energy efficiency drivers</i>	<i>Measures we are taking to result in significant energy efficiency improvements of our residential accommodation</i>	<i>Timing</i>
Energy Performance Certificates (EPCs)	<ul style="list-style-type: none"> <li>➤ We have created an energy housing database, 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 will be used to identify where significant opportunities lie across the borough for retrofitting activity.</li> <li>➤ A detailed analysis of the council's own housing stock is being undertaken 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.</li> <li>➤ In 15/16 we will use this data to support the development of a pipeline of energy efficiency projects, which will focus on the worst performing properties.</li> </ul>	<p>Complete</p> <p>August 2015</p> <p>Ongoing</p>

## Part 3: Action Plan

<p>Minimum Energy Efficiency Standards in the private rental sector</p>	<ul style="list-style-type: none"> <li>➤ The council has promoted energy efficiency to private landlords through the council's own private rental schemes, landlord forums and enforcement action by providing information on future regulatory reform (Minimum Energy Efficiency Standards) and financial incentives available to improve properties. We are currently partnering with the Mayor of London to produce a set of local case studies that will demonstrate to private landlords what can be achieved in terms of energy efficiency improvements and how it can be done cost effectively.</li>   <li>➤ It is estimated that approximately 1900 private rented sector properties have an EPC rating of below E in Hounslow. The council's housing enforcement team will continue to proactively identify category 1 hazards under the Housing Act 2004 Health and Safety Rating System including those relating to the hazard of Excess Cold to improve the worst performing private rented properties in the borough. Between March 2012 and March 2015, 118 category 1 cold hazards were removed in private rented properties as a result of enforcement action.</li>   <li>➤ In 15/16 and future years we will continue to provide targeted information to landlords on energy efficiency, and explore the development of a 'bespoke' landlord incentive package, that makes use of existing grant schemes such as ECO.</li> </ul>	<p>July 2015</p> <p>Ongoing</p> <p>2015-16</p>
<p>The Green Deal and Energy Company Obligation (ECO)</p>	<ul style="list-style-type: none"> <li>➤ In 2012 the council successfully competed for funding to trial innovative approaches to delivering the Green Deal and ECO across five boroughs in West London. The Green Deal Pioneer Places project helped generate local demand and supply by delivering subsidised Green Deal assessments, and exemplar housing retrofits. The majority of the funding was used to deliver free boiler replacements, and loft and cavity wall insulation for fuel poor households. The scheme, which incorporated lessons from previous sub-</li> </ul>	<p>January 2012 – May 2012</p>

## Part 3: Action Plan

	<p>regional projects, delivered a holistic package of interventions to address the dual causes of fuel poverty; low income and energy inefficient housing.</p> <ul style="list-style-type: none"> <li>➤ In 15/16 the council will be exploring how ECO, the Renewable Heat Incentive and Feed-in-Tariffs can support investment in its housing stock to improve energy efficiency, using intelligence from the housing energy database. As part of this, we will explore the possibility of delivering works to properties that are most in need – with schemes that encompass private as well as social housing.</li> <li>➤ Since 13/14 the council has been helping residents at risk of fuel poverty obtain support through ECO affordable warmth through its Better Homes, Better Health scheme. 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 ECO. Since 2013 the service has helped over 1200 residents improve the warmth of their properties and save money on fuel bills. This service will continue in 15/16.</li> </ul>	<p>Ongoing</p> <p>2015-16</p>
<p>Zero Carbon Homes &amp; Allowable Solutions</p>	<ul style="list-style-type: none"> <li>➤ The council has been developing policy with regards to sustainability standards for new homes in the emerging Local Plan, and carbon offsetting in the emerging Planning Obligations SPD. We are currently identifying a suite of projects that could be delivered to mitigate on site carbon emissions using offset funding.</li> <li>➤ Catalyst Housing delivered a zero carbon development in Hounslow, which was the first scheme in London to simultaneously meet the highest standards in three key sustainability measures: the Mayor of London’s housing design guidelines, the new ‘code 6’ level of the Code for Sustainable Homes standard and the recently updated Lifetime Homes Standard.</li> </ul>	<p>Ongoing</p> <p>Ongoing</p>



## Part 3: Action Plan

Smart meters	<ul style="list-style-type: none"> <li>➤ The Government sponsored scheme for smart meters will not be delivered on time on current form, due to a series of technical and other issues that have resulted in delays. We are willing to work with Government and utilities to address outstanding issues - such as dealing with multiple occupancy buildings, the compatibility of technology from different suppliers, and improving public enthusiasm for the new meters.</li> </ul>	Ongoing
Renewable and low carbon technologies (Feed-in-Tariffs and Renewable Heat Incentive)	<ul style="list-style-type: none"> <li>➤ We are currently exploring the business case for wider investment in renewable technologies, and in particular solar PV, across the council housing stock</li> <li>➤ Existing district heating schemes for the social housing stock are in a programme for upgrades and renewals – which considers energy efficiency and low carbon solutions amongst other aspects prior to undertaking works.</li> <li>➤ Decentralised heat networks will be investigated further during the planning process, for example, during the development of Area Actions Plans.</li> </ul>	<p>2013 – 2014</p> <p>Ongoing</p> <p>Ongoing</p>

Signed off by Peter Matthew:  
Position: Assistant Director – Housing



## Appendix A: Glossary of Terms

Decent Homes	All property owned and managed by the council must meet the Decent Homes standard. To meet the standard, property must have reasonably modern facilities, be warm and weatherproof.
Energy Company Obligation (ECO)	The Energy Company Obligation (ECO) provides financial help for energy efficiency improvements from national energy companies. ECO is aimed at funding measures for hard to treat properties and low income households for whom free energy improvements will help them heat their homes more affordably.
Green Deal	The Green Deal is a financing mechanism that lets people pay for energy-efficiency improvements through savings on their energy bills.
Fuel Poverty	In England, the definition of fuel poverty was recently changed following the Hills review (Department of Energy and Climate Change 2012). Someone is now said to be in fuel poverty if heating their home adequately costs more than average and paying the bill would leave them below the official poverty line <sup>3</sup> .
Energy Performance Certificate	Energy Performance Certificates (EPCs) are needed whenever a property is built, sold or rented. An EPC contains: <ul style="list-style-type: none"><li>• information about a property's energy use and typical energy costs</li><li>• recommendations about how to reduce energy use and save money</li></ul>

<sup>3</sup> <https://www.nice.org.uk/guidance/gid-phg70/resources/excess-winter-deaths-and-illnesses-guideline-consultation-draft-guideline-2>