

# **Home Energy Conservation Act**

## **Progress report – March 2017**



# 1. Introduction

The Home Energy Conservation Act 1995 (HECA) recognises local authorities' ability to use their position to significantly improve the energy efficiency of all the residential accommodation in their areas. In July 2012 the Department for Energy and Climate Change (DECC) published a requirement under HECA for all local authorities in England to report on the measures they propose to take to achieve this aim.

Croydon submitted the first of these reports (known as a 'further report') in January 2013. DECC requires local authorities to report on progress in implementing measures at two year intervals via 'progress reports'. This document is the second Progress Report and sets out:-

- Updated data and trends in domestic energy use
- Progress against the original actions set out in the 2013 'further report', and the 2015 'progress report'.

## 2. Where are we now?

This section provides an overview of current trends in Croydon in terms of energy use and CO<sub>2</sub> emissions, fuel poverty and health indicators relating to cold-related illness.

### 2.1. Energy use and CO<sub>2</sub> emissions

Figures 1 and 2 show the borough wide absolute and per capita CO<sub>2</sub> emissions by sector respectively. The emissions data has been extracted from the DECC statistics for local authority areas and regions. In 2014 Croydon's homes were responsible for 49% of the borough's CO<sub>2</sub> emissions. Total borough emissions had decreased by just over 30% from 2005 to 2014, whereas emissions from the borough's homes had decreased by 27%. Across the same period within the domestic sector, emissions due to consumption of gas have decreased by 27%, while those due to electricity use have decreased by 26%. The reductions are a combination of the decarbonisation of the grid, and for gas milder winters. This general reduction in gas also reflects the general trend of greater energy efficiency in the heat sector (e.g. previous grant funding focused on insulation and efficient boiler systems).

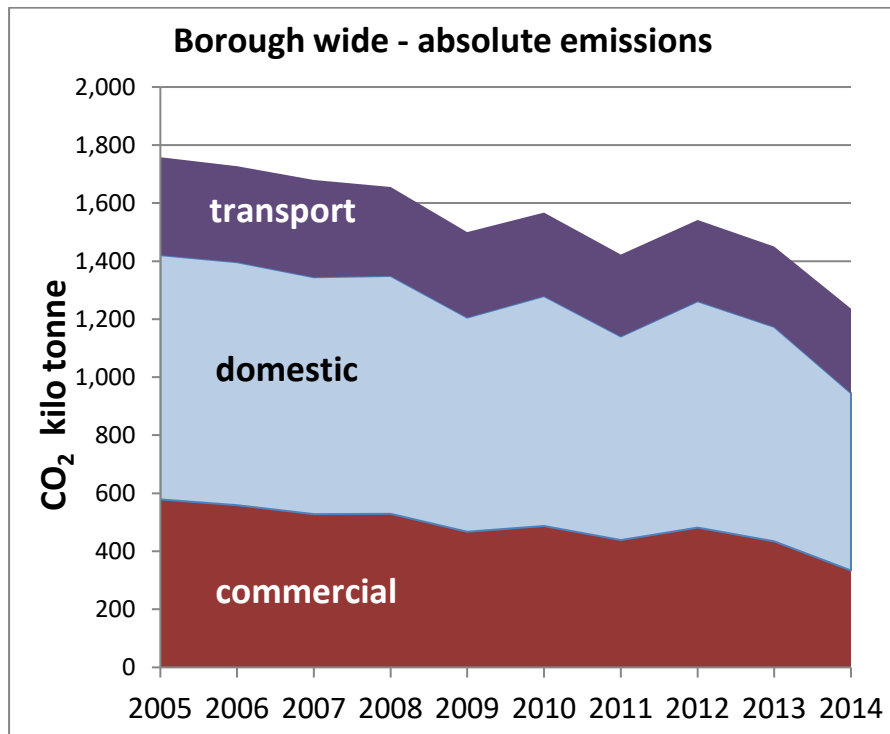


Figure 1

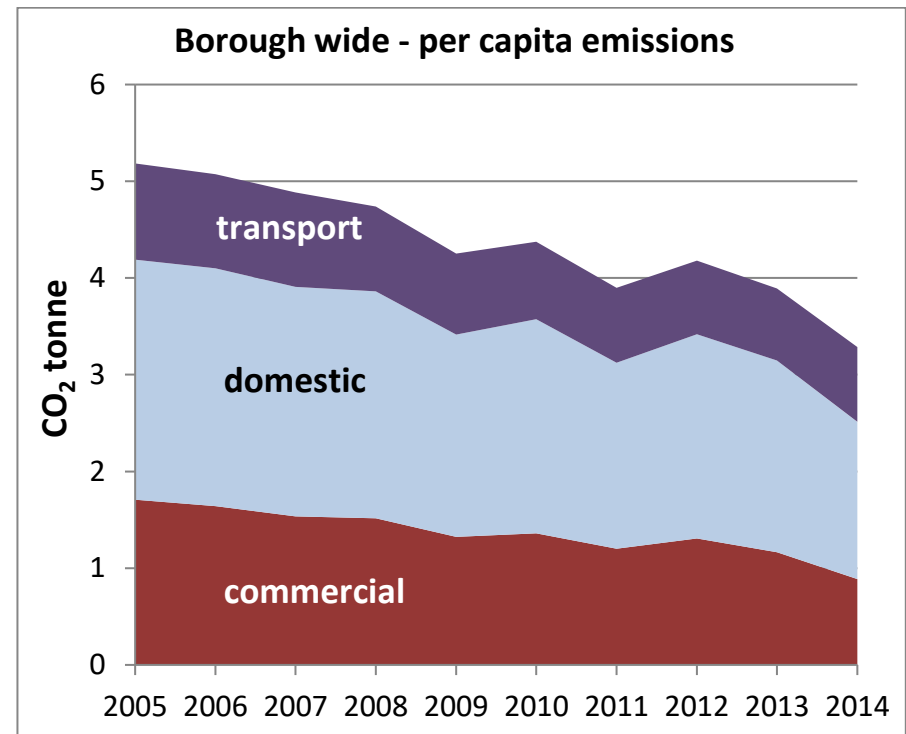


Figure 2

## 2.2. Fuel poverty

The 2013 Further Report highlighted DECC statistics for 2010 which indicated that 15,627 or 11.3% of households in Croydon were in fuel poverty. This represented an increase of 6.2% over estimates for 2009. These statistics were based on the previous definition of fuel poverty – i.e. households that spend over 10% of their income on fuel. The government has since changed the definition of fuel poverty based on the more complex “low income, high costs” measure. Based on this new definition, the DECC statistics for 2014 indicate that there are 14,085 (9.7%) households in fuel poverty.

## 3. Where do we want to get to?

### 3.1. National targets

The requirement to improve the energy efficiency of homes stems from the legal requirements to reduce carbon dioxide (CO<sub>2</sub>) emissions set out in the Climate Change Act 2008 and the government's Carbon Plan, published in 2011. The Carbon Plan sets the following targets in relation to housing:

- to reduce greenhouse gas CO<sub>2</sub> emissions by 29% by 2017, 35% by 2022, and 50% by 2027 – for buildings this means a reduction between 24% and 39% lower than 2009 levels by 2027;
- to insulate all cavities and lofts, where practical, by 2020;
- By 2030, between 1 – 3.7m additional solid wall installations and between 1.9 - 7.2m other energy efficiency installations;
- By 2030, 1.6m - 8.6m building level low carbon heat installations such as heat pumps (Government modelling suggests that 21 - 45% of heat supplies to buildings will need to be low carbon); and
- By 2050 emissions from UK buildings to be “close to zero”.

The government had originally set a target for eradicating fuel poverty in England, as far as reasonably possible, by 2016. Following the review of fuel poverty undertaken by Professor Hills, the government adopted the new targets on fuel poverty as follow:-

- Ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of EPC Band C, by 2030
- Interim milestone targets for (i) as many fuel poor homes as is reasonably practicable to Band E by 2020 and (ii) as many fuel poor homes as is reasonably practicable to Band D by 2025

### 3.2. Local targets

Croydon's Climate Change Mitigation Action Plan 2010 sets a target for a 34% reduction in local CO<sub>2</sub> emissions by 2025 (based on the 2005 baseline).

If the borough wide target is extrapolated as a straight-line reduction, then the 2014 emissions level (1,236 kilo tonne) met the target for that year (1,489 kilo tonne). However, the decrease in emissions for the commercial/industrial sector (42%) is greater than that for the domestic sector (27%). The recessionary period is highly likely to have driven this decline with increased office and retail vacancy rates. As the economy recovers, this indicator may increase above the target levels. Hence, there is every need for Croydon's domestic sector to continue to contribute to emissions reduction through greater energy efficiency.

## 4. How will we get there?

The 2013 Further Report set out a number of actions that the council planned to take. Those actions are set out in the table below, along with progress to date. The table also highlights new actions that were not originally set out in the 2013 report.

### 4.1. Action plan

Objective	Actions	Responsible	Completion due	2017 progress update
<b>Strategic commitment</b>				
Climate Local	Sign up to Climate Local – Climate Local is the Local Government Association's initiative to help inspire action on climate change and share best practice.	<ul style="list-style-type: none"><li>• Croydon Council</li></ul>	June 2013	The council has not signed the Climate Local agreement.

Objective	Actions	Responsible	Completion due	2017 progress update
<b>Energy Performance Certificates and data</b>				
Improve quality and scope of data held by Croydon to support delivery of energy efficiency programmes	Continuous improvement of quantity and quality of data held on Croydon properties	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> </ul>	December 2017	Collate all data from Energy Efficiency projects into a single database
	Purchase energy performance certificate (EPC) data for Croydon	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> </ul>	December 2017	EPC data purchased 2013. Open access EPC data to be downloaded for analysis
	Load data on to corporate GIS to improve understanding of domestic energy efficiency and aid targeting of projects	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> <li>Corporate GIS</li> </ul>	April 2013	Layers added to corporate GIS:- <ul style="list-style-type: none"> <li>CSCO areas</li> <li>Gas and electricity (DECC) data</li> <li>Socio-economic indicators</li> <li>Total measures per ward</li> </ul>
	Commission private sector stock condition survey (assess HHSRS risks and energy efficiency)	<ul style="list-style-type: none"> <li>Housing Strategy &amp; Commissioning</li> </ul>	December 2014	BRE final model and report complete.
<b>Social housing</b>				
Improve energy efficiency of social housing through accessing funding and installing measures	Carry out analysis of housing stock and planned investment to determine potential CO <sub>2</sub> savings and level of Energy Company Obligation (ECO) funding available	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Sustainable Development and Energy Team</li> </ul>	May 2015	Parity Projects commissioned in 2014 via RE:NEW for a detailed CROHM analysis of all Council stock using a combination of RDSAP and EPC data. Low cost quick wins identified including unfilled cavity walls, loft installations and lighting improvements. An improved understanding of boilers and their efficiencies contributed to a redesign of the existing boiler replacement programme, allowing the prioritisation of boilers based on factors

Objective	Actions	Responsible	Completion due	2017 progress update
				other than just their age. Insulation is fitted when boilers are replaced.
	Upgrade lighting of communal areas in Croydon's housing stock through invest-to-save projects	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy team</li> <li>• Homes and Schools Improvement</li> </ul>	December 2015	LED lighting upgrade in communal area of 14 housing blocks (656 flats) delivered through the GLA RE:FIT energy performance contract model.
	Carry out programme of solid wall insulation on hard to treat.	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Homes and Schools Improvement</li> </ul>	March 2019	<p>2017-2019 Internal wall insulation programme for a hard to treat solid wall properties. Programme includes using Matilda's blanket technique to treat 91 properties. Properties with known mould/damp issues are being targeted.</p> <p>Ongoing programme of insulating void properties.</p>
	Replace approx 200 back boilers with high efficiency boilers	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Homes and Schools Improvement</li> </ul>	March 2015	<p>The boilers were replaced between 2012 and 2015. Majority were replaced in CESP areas of Shrublands and Ashburton. Back boilers were replaced with energy-efficient condensing combi-boilers.</p> <p>All boilers where resident consent was obtained have been replaced, the remaining boilers will be replaced when the properties are void.</p>



Objective	Actions	Responsible	Completion due	2017 progress update
	Develop business case to support investment programme in solar PV in social housing	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Sustainable Development and Energy Team</li> </ul>	May 2013	<p>In April 2013 an analysis was completed of the potential for PV generation across the council's housing stock. An outline business case was produced setting out several investment options. The CROHM stock analysis included the application of solar PV as part of the range a measures applied.</p> <p>Rather than being viewed as a standalone project, the viability and benefits of solar PV was evaluated as part of an integrated strategy for improving the energy efficiency of the stock.</p> <p>No programme of installing PV on social housing blocks (for landlord's supply) is currently being considered</p>
	Additional actions not set out in the original 2013 report.	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Homes and Schools Improvement</li> </ul>	March 2019	<p>Thermal imaging pilot completed with analysis of data. Programme not progressed due to resources required to analyse thermal images.</p> <p>Cyclical programme of works including</p> <ul style="list-style-type: none"> <li>• windows upgrade (specifically targeting single glazed or aluminium framed windows). Programme to complete March 2018</li> <li>• Ongoing programme of installing controls and TRV's as standard with central heating upgrades and boiler upgrades (with lagging and insulation jackets)</li> </ul>

Objective	Actions	Responsible	Completion due	2017 progress update
	Upgrade of communal heating systems	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Homes and Schools Improvement</li> </ul>	March 2019	<p>2016/2017 Refurbishment of plant room, and replacement boilers at sheltered blocks including Laxton Court, The Grange, Bell Court and Aron Court.</p> <p>New TRV controls installed inside flats</p>
	Energiesprong demonstrator project	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Sustainable Development and Energy team</li> <li>Growth Team</li> <li>Commissioning &amp; improvement division</li> </ul>	March 2020	<p>Draft bid submitted to Coast to Capital for match-funding to pilot the Energiesprong approach (whole-house retrofit and renewal energy source) - Croydon to act as lead borough for project (30 homes in all, five LB Croydon homes, four RP homes within Croydon, remainder throughout C2C area).</p> <p>Final bid July 2017, contract signed with CLG December 2017 if bid successful. Procurement commences January 2018 which will be based on near-zero carbon outcomes and tenant energy plan to contribute to cost of investment; work to be completed by March 2020 with contractors responsible for ongoing monitoring through in-built devices.</p>
<b>Private Sector Housing</b>				
Access supplier funding to provide measures for low	Identify delivery partner to refer householders for ECO funding	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> </ul>	June 2017	Publish statement of intent for ECO2(t) by June 2017.

Objective	Actions	Responsible	Completion due	2017 progress update
income households and areas	Identify ECO eligible areas and households through available data and provide referrals to delivery partner where appropriate to deliver measures under ECO.	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy</li> <li>• Asset Management Team</li> </ul>	March 2014	<p>CSCO eligible areas added as a layer in corporate GIS.</p> <p>From April 2017 CSCO programme withdrawn.</p>
	Croydon Healthy Homes Home Visiting pilot project	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	June 2017	<p>Pilot project consisting of 213 home visits to households likely to be in fuel poverty, offering energy efficiency advice, assistance switching energy tariff, fuel debt advice, and survey of properties for potential larger energy efficiency measures. Follow-up visits for 39 households</p> <p>Project evaluation to be completed by June 2017</p>
	Identify potential schemes to support residents improve the energy efficiency of their homes	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	December 2017	Feasibility work commissioned in partnership with LBs Sutton, Merton and Kingston for energy efficiency schemes for “able to pay” homeowners as well as vulnerable residents likely to be in fuel poverty
	Loans for vulnerable homeowners to improve the energy efficiency of their homes	<ul style="list-style-type: none"> <li>• Staying Put Team</li> </ul>	March 2018	Means-tested interest-free loans of up to £6000 for works including insulation and the provision of heating and hot water.
<b>All Sectors</b>				

Objective	Actions	Responsible	Completion due	2017 progress update
Helping residents access lower cost energy savings	Additional actions not set out in the original 2013 report.	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	March 2019	Croydon joined with 22 London Boroughs to establish the “Big London Energy Switch” collective switching scheme. Scheme was established via funding from DECC. The council manages a range of promotion activities leading up to each of the 3 auctions per year. For latest auctions Croydon has consistently achieved over 300 registrations with a 20% switching rate.
	Ensure Council communications channels provide appropriate advice and information to householders	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	June 2017	Create new webpage containing links to information about all energy efficiency advice available to residents.
	Behaviour Change and Energy Advice Campaigns	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Sustainable Development and Energy Team</li> </ul>	March 2019	Work with contractors, and social and voluntary sector organisations to deliver energy efficiency advice and support to residents.
<b>Zero Carbon Homes</b>				
Decide on Council’s approach to allowable solutions and Section 106 contributions	Agree framework for investing in CO <sub>2</sub> reduction projects from S106 contributions and allowable solutions through existing governance processes or by	<ul style="list-style-type: none"> <li>• Planning and Building Control</li> <li>• Corporate Finance</li> <li>• Sustainable Development</li> </ul>	March 2017	S106 policy for offsetting has been established and has been applied to a number of local developments. A Community Energy Fund has been established and S106 CO <sub>2</sub> offset funds are being paid into the fund.

Objective	Actions	Responsible	Completion due	2017 progress update
	setting up a ring-fenced community energy fund.	and Energy Team		
	Identify priorities for investment from community energy fund	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	March 2019	The council will prioritise funding domestic energy efficiency projects aimed at households likely to be in fuel poverty, and for residents with health conditions exacerbated by inadequate heating.
<b>Partnership Working</b>				
Commitment to joint working	Support pan-London energy efficiency and fuel poverty initiatives	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	Ongoing	Work in partnership with the GLA, London Councils and ALEO London to develop pan-London, energy efficiency initiatives.
	Work in partnership with other Local Authorities and social and voluntary sector organisations to deliver energy efficiency and fuel poverty programmes	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	Ongoing	<p>Work in partnership with LBs Sutton, Kingston and Merton to explore joint funding opportunities for PV installation programme and Domestic Retrofit Schemes.</p> <p>Explore opportunities in partnership with other Local Authorities, social landlords, and social and voluntary sector organisations to fund and deliver domestic energy efficiency programmes.</p>

**Review date:** 31<sup>st</sup> March 2018

**Submission of next progress report:** 31<sup>st</sup> March 2019

Signature:

A handwritten signature in black ink, appearing to be 'S. Tate', enclosed in a light grey rectangular box.

Stephen Tate

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