



NORWICH
City Council

Norwich City Council Affordable Warmth Strategy 2018-2021



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1 Foreword

Our affordable warmth strategy provides a framework for our different council activities to reduce fuel poverty. Helping people escape fuel poverty helps meet the new corporate priorities of 'people living well', 'great neighbourhoods, housing and environment', as well as our existing priority to 'make Norwich a fair city'.

Improving energy efficiency in communities, especially fuel poor households, is vital to improving the health outcomes of the local area, but also enhances prosperity locally through reducing utility bills for citizens and creating local employment opportunities.

We have a number of citizens on fixed incomes, who may be suffering from fuel poverty due to the rise in fuel costs. Low incomes and rising costs generally results in some difficult financial choices. More than two million households in the UK cannot afford to heat their homes sufficiently even though a member of the household is in work¹.

In Norwich, 12.3 per cent of households are experiencing fuel poverty. That equates to 7,804 households². Thanks to the hard work of Norwich City Council, fuel poverty in Norwich has not increased since 2011 despite the perfect storm of increasing fuel prices and reducing support for home improvements from the central government. Nationally there has been an increase in fuel poverty, and regrettably in 2016/17 34,300 excess winter deaths were recorded in England and Wales³.

Since our strategy was first published in 2012 we have helped more than 9,000 people switch to a better energy deal and made improvements to in excess of 1,800 properties, helping reduce the cost of living in and heating the home. This strategy will set out our vision and help us to achieve our aspiration to reduce fuel poverty and the harm it causes the most vulnerable in society.

Councillor Karen Davis
Cabinet member for social inclusion

¹ Annual Fuel Poverty Statistics Report (BEIS, 2018)

² Sub-regional fuel poverty, 2016 data (BEIS, 2018)

³ Excess Winter Mortality in England and Wales (ONS, 2017)

2 Context and Purpose

A fuel-poor household cannot afford to keep the home adequately warm at a reasonable cost. This is defined by the government using the low income high cost (LIHC) indicator. This means that a household is fuel poor if their fuel costs are above average to be able to heat their home to an adequate standard and if they were to spend that amount they would be left with a residual income below the poverty line. Public Health England defines an adequate standard of warmth to be 18°C⁴.

The proportion of English households in fuel poverty in 2012 was 10.4 per cent or around 2.28 million. This had risen to 2.55 million, or 11.1 per cent, by 2016⁵.

Fuel poverty is caused by a combination of factors including:

- low household income
- homes with poor energy efficiency
- under-occupancy
- fuel prices

The ongoing issues of inflationary prices and static wages, coupled with impending changes to the welfare system, will inevitably be exacerbating the problems of fuel poverty. In addition, cuts in energy-efficiency home-improvement funding, such as a 34 per cent cut in the Energy Company Obligation (ECO), and the end of the Green Deal /Green Deal Community Fund, with no replacement funding, makes it more difficult for householders to access support to reduce their energy costs. Norwich City Council is working hard to continue to leverage funding for affordable warmth projects and use the funding we have appropriately.

The government has prioritised the reduction of fuel poverty as a component of its broader strategy for emissions reductions. The Clean Growth Strategy reaffirmed the government's statutory target to ensure as many fuel poor homes as practicable in England achieved a minimum energy efficiency rating of C or better by 2030. The government also recently passed the Domestic Gas and Electricity (Tariff Cap) Bill, committing energy regulator, Ofgem, to cap standard variable and default energy tariffs by autumn 2018.

New legislation means that EPC ratings in the private rented sector must now be E or above, which may mean we see an increasing number of private sector landlords accessing ECO funding to improve their properties. However, the amount which private sector landlords have to pay to improve their properties is capped, with the worst-performing houses likely to need significantly more investment.

⁴ Preventing Avoidable Deaths This Winter (Public Health England, 2014)

⁵Annual Fuel Poverty Statistics Report (BEIS, 2018)

The government has set a target of all fuel poor homes to be upgraded to EPC band C by 2030 and for as many homes as possible to be EPC band C by 2035 where practicable, cost-effective and affordable. According to Norwich City Council SAP data 76% of our households are in bands D and E.

In order to meet government targets, we would need to put in over 2,000 measures a year. Therefore in order to meet these targets we would need a 100 per cent increase in uptake, which would be impracticable to achieve, particularly with a continued decrease in central government funding for installation measures. It therefore appears that government targets seem incompatible with the scale required to improve the housing stock to acceptable standards due in most part to lack of funding.

In Norwich more than 7,000 households are experiencing fuel poverty. This is 12.3 per cent of households and compares with 11.1 per cent of households in England as a whole⁶.

Fuel poverty statistics have shown that social housing has higher SAP ratings than other sectors, and lower levels of fuel poverty than the private rented sector⁷. This suggests that work done by the council is helping keep vulnerable people out of fuel poverty, in particular our work to decrease costs associated with heating social housing. As a landlord we work hard to decrease costs for our residents, with 98 per cent of our stock now meeting the Norwich Standard. This compares with private sector landlords who see a high level of fuel poverty, where almost 20 per cent of residents are fuel-poor.

Norwich City Council has done a breadth of work to help people overcome fuel poverty for example via the collective switching scheme –Norwich Switch and Save. The scheme has helped more than 9,000 Norwich residents save money through switching. Money advice is also available and opportunities to clear fuel debt via charitable trusts. In addition there is also an ongoing maintenance programme that updates council housing stock. We also install energy-saving measures through our Cosy City scheme and small scale improvements through our Winter Wellbeing programme.

This activity takes practical steps to relieve residents of fuel poverty, without which we may have seen the same increase in fuel poverty since 2011 that has occurred nationally.

In May 2018, local authorities and housing associations in Norfolk were awarded more than £3 million in Warm Homes funding to help homes without gas central heating. We aim to work with this fund to install central heating systems in fuel-poor homes and hopefully connect any remaining properties in Norwich that are not on the gas network.

Regretfully the latest fuel poverty data has shown an increase for the first time in four years. Norwich has moved from 9.9 per cent fuel poor households to 12.3 per cent.

⁶ Annual Fuel Poverty Statistics Report (BEIS, 2018)

⁷ Fuel Poverty Detailed Statistics (BEIS, 2018)

Fuel poverty has returned to levels seen in 2011. Although disheartening, it must be noted this is against a backdrop of ever-rising energy costs.

Electricity prices have increased by over a third since 2010, and gas prices by almost a quarter. In 2017, electricity prices alone, increased by six per cent, disproportionately affecting fuel-poor households and households who are often only just above the fuel poverty line. Major energy suppliers have forecasted further increases in domestic energy prices in 2018.

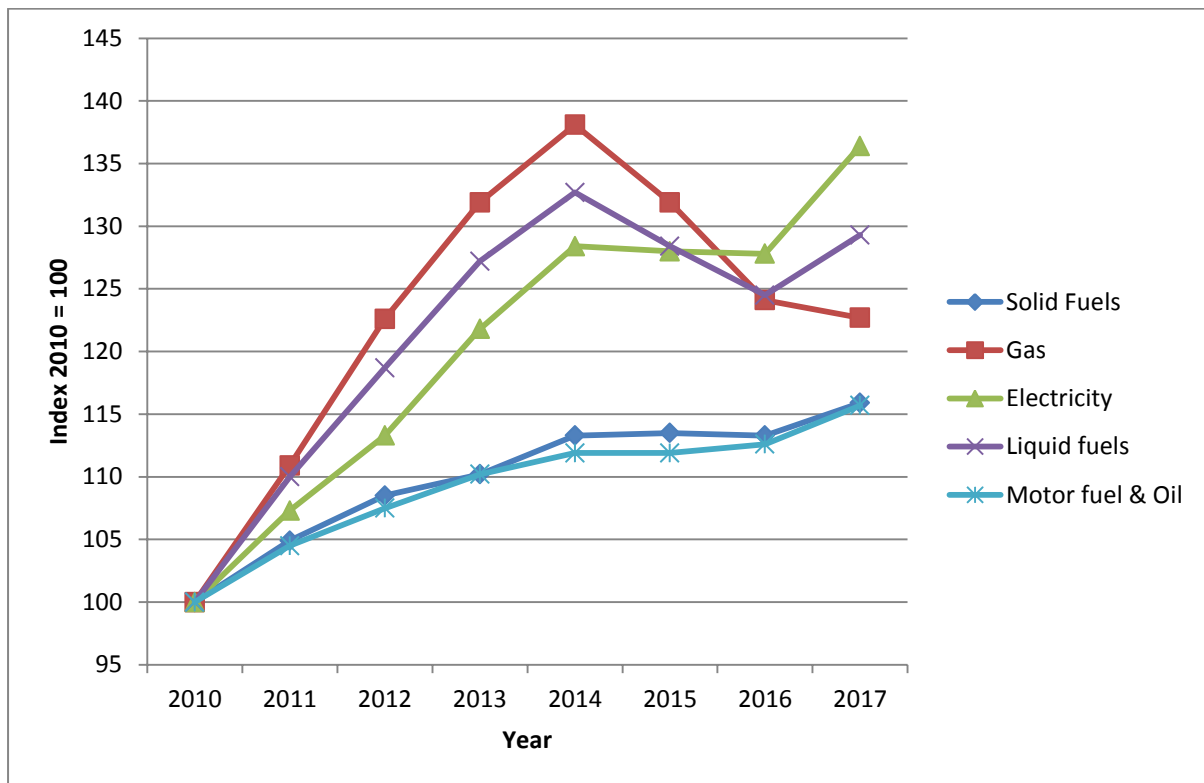
National fuel poverty statistics show an increase in the number of SAP band C and above houses in fuel poverty in 2016, which suggests that the increase in fuel poverty is linked to low income and high costs due to ongoing year-on-year price rises.

Between 2015 and 2016, households in lower income deciles saw disproportionate changes in income which will have resulted in these households being worse-off compared to the overall population, which contributes towards shifting these households into fuel poverty.

Due to the relative nature of the LIHC indicator, for any factor to affect the number of households in fuel poverty, it must change by a greater or lesser amount for those in fuel poverty than for those not in fuel poverty. This is what we have seen for the income indicator in 2015-2016.

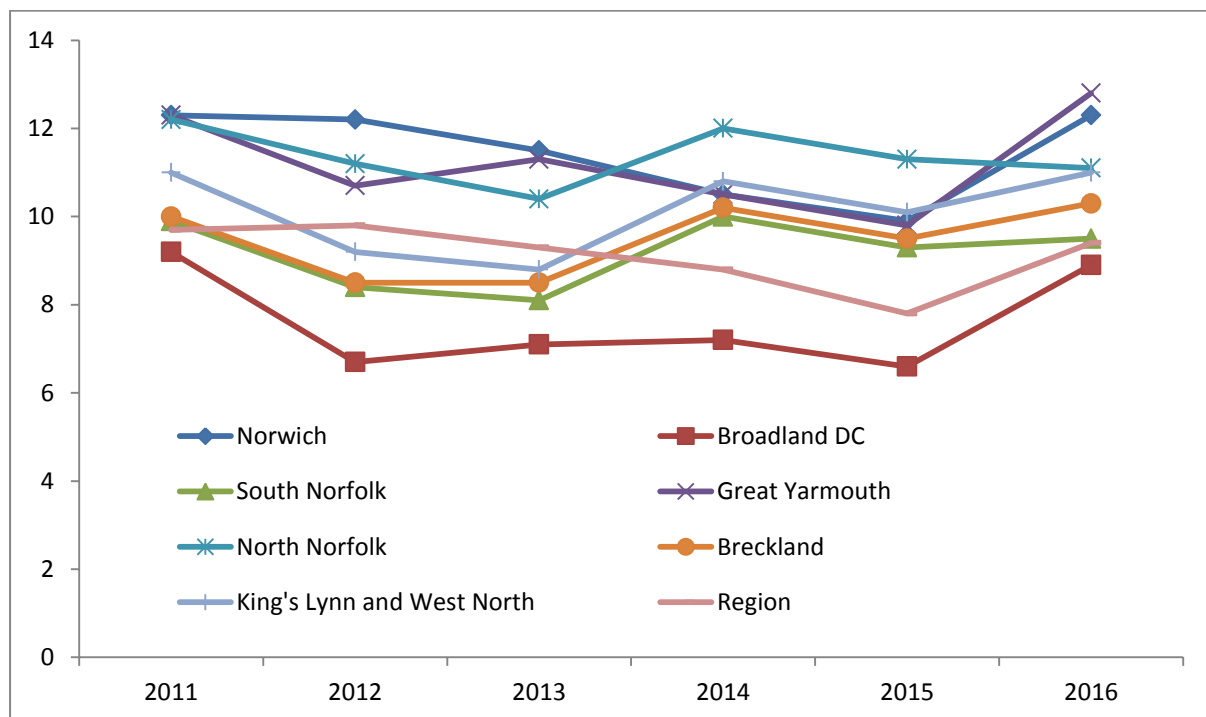
Unfortunately it is difficult for us to impact on the issue of abject poverty other than ensuring citizens are maximising their incomes and minimizing their costs. We will continue to help people access the best deals on their energy bills and install energy efficiency measures which will target both the low income and high costs quantiles of the LIHC calculator.

Fuel prices 2011-2017



This graph shows that, without exception, fuel prices have risen dramatically since 2010, with electricity showing the highest price rise of 36 per cent. Overall energy bills have risen 16 per cent.

Fuel poverty in Norfolk 2011-2016



Norwich has remained in a static position since 2011. Nationally the fuel poverty picture is a rising one.

There is no one size fits all solution to fuel poverty. It is clear that there are different variances between each fuel-poor household as to why they are fuel-poor. This is why a holistic and comprehensive strategy combining energy-efficiency measures, income maximisation and energy and debt advice is paramount.

Fuel poverty can have a range of effects including:

- **Worsening health** – Cold homes can increase the risks of strokes and heart attacks. Cold conditions are also thought to lower resistance to respiratory infections and exacerbate asthma and chronic obstructive and pulmonary disease (COPD).
- **Excess winter deaths** – During the months of December to March, the number of deaths recorded nationally well exceeds the average death rate for the remainder of the year. A significant number of these are thought to be linked to cold conditions particularly amongst the elderly.
- **Increased accidents** – Mobility and dexterity lessen when people are cold which can increase the risk of falls and injury as well as potentially affect arthritis.
- **Social exclusion** – People can be reluctant to invite friends to their homes when they are cold, which can result in an increased sense of social isolation.

Out of 30 major European countries, the UK has the sixth-worst long-term rate of excess winter deaths. 10 per cent of these excess winter deaths are directly attributable to fuel poverty⁸. In 2016-2017 this represented almost 3,500 excess deaths nationally over the winter period⁹.

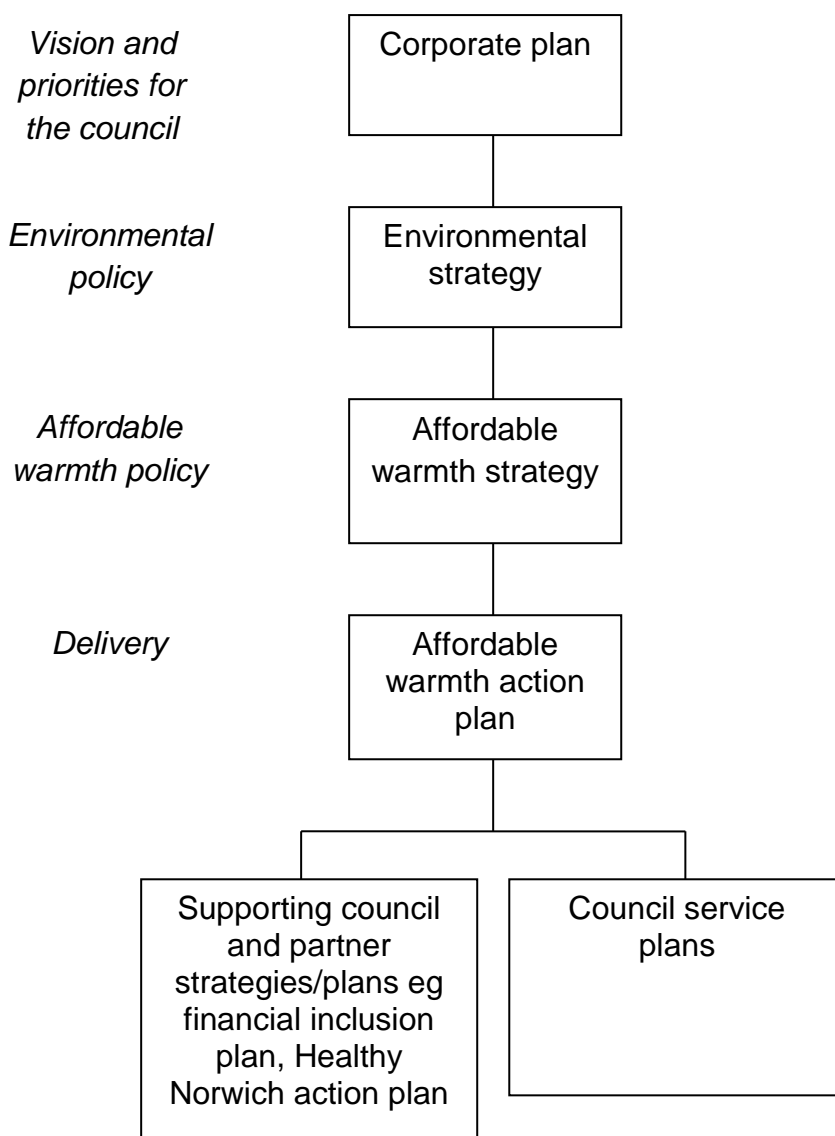
Many of the effects of fuel poverty set out above are potentially preventable and, in addition to the benefits to the individuals themselves, could result in significant savings in health-care costs. Working with health partners, including through the Healthy Norwich partnership (involving Norwich City Council, Norfolk County Council's public health service and the Norwich Clinical Commissioning Group), is an important part of this strategy.

The purpose of this affordable warmth strategy is to provide overall direction and a co-ordinated framework for council services, contractors and partners in their activities to reduce fuel poverty in Norwich. These activities are set out in service plans and other council strategies, along with those of partners and contractors. This approach is summarised in the diagram below.

⁸ Local action on health inequalities: Fuel poverty and cold home-related health problems (Public Health England, 2014)

⁹ Excess Winter Mortality in England and Wales (ONS, 2017)

Strategic framework for affordable warmth strategy



3. Development of this strategy

- review of the policy context and economic climate and opportunities provided by upcoming legislation
- review of existing activities and assessment of the likely resources the council will have in the future to carry out affordable warmth work given its ongoing financial pressures as set out in the medium-term financial strategy
- discussions with elected members and key stakeholders via our Winter Wellbeing event
- looking at good practice from other areas.

4. **Where do we want to be?**

Affordable warmth priority	Key performance measures
<p>Priority 1 – To help people in the city to reduce their fuel bills</p>	<ul style="list-style-type: none"> • Percentage of people saying their fuel bills have reduced following advice. • Number of private households where council activity helped to improve the energy-efficiency of their homes. • Number of privately-owned homes made safe (including cold hazards). • Amount of external funding secured for affordable warmth activity. • Number of council properties meeting the Norwich standard. • SAP rating of council homes.
<p>Priority 2 – To improve the energy-efficiency of housing in the city</p>	<ul style="list-style-type: none"> • Number of private households where council activity helped to improve the energy-efficiency of their homes. • Number of privately-owned homes made safe (including cold hazards). • Amount of external funding secured for affordable warmth activity. • Number of council properties meeting the Norwich standard. • SAP rating of council homes.
<p>Priority 3 – To assist people in the city to maximise their income.</p>	<ul style="list-style-type: none"> • Percentage of people saying that debt issues had become manageable following face-to-face advice. • Amount of external funding secured for affordable warmth activity.

5. How will we get there?

The council will achieve its affordable warmth priorities through delivery of an affordable warmth action plan that co-ordinates the different activities of the council.

This sets out the key activities and actions the council will progress within the following key themes:

- **Awareness** – By increasing awareness among council employees, partners, contractors and the public of fuel poverty and how advice and support can be accessed.
- **Advice** – By ensuring that effective advice is available for households to ensure they are on the cheapest energy tariffs; making efficient lifestyle choices; maximising their income; and are accessing grants that can improve their homes.
- **Landlord** – By improving the energy-efficiency of council homes through our stock improvement work.
- **Partnership** – By working collaboratively with partners in Norwich to make the best use of existing resources and to attract further funding to address fuel poverty.
- **Service** – By providing a service to residents which makes them less likely to be in fuel poverty, or suffer adverse health impacts.

The council's affordable warmth action plan can be found in section seven. Responsibility for the overall delivery of the affordable warmth action plan rests with the corporate leadership team and is co-ordinated and managed by the environmental strategy team. Specific actions within the programme will be the responsibility of different heads of service and operational managers.

6. Progress so far

The council's ongoing work has seen many results including; 9,695 Big Switch and Save registrants, with 2,453 confirmed switchers; 1,802 measures delivered through our Cosy City programme and 207 private homes made safe (including cold hazards). Norwich City Council has received hundreds of thousands of pounds in external grants for private sector home improvements.

We have also secured external funding to deliver our Warm and Well and Fuelling Connections campaigns. We continue to look for appropriate sources of external funding to complement our Affordable Warmth activities, including working with public health to provide a handyman service over the winter of 2017-18.

We have worked closely with external partners to reach the most vulnerable residents of Norwich and have successfully ran our Winter Wellbeing conference for several years, giving key partners the chance to network and understand local schemes better.

We have provided training at our Winter Wellbeing conferences, in partnership with National Energy Action (NEA) and Community Action Norfolk (CAN) and are in regular contact with internal partners such as the digital inclusion and customer contact teams to make sure they are aware of our schemes and can cascade this information to relevant team members.

98 per cent of council homes are now meeting the Norwich Standard. The SAP rating of council stock is 70.2. The estimated SAP target for end of 2018-2019 is 70.3, and the estimated target SAP for end of 2019-2020 is 70.6.

However we are aware that the funding landscape is likely to continue to diminish, with further energy price increases forecast. Increasingly, sustainable energy solutions are becoming a viable option for local authorities seeking to reduce fuel poverty; therefore we are planning to launch our own white label energy company, which will allow residents of Norwich to access long-term affordable tariffs.

7. Measuring our progress

Overall progress on the affordable warmth action plan will be monitored through the council's performance management framework. This includes overall progress reporting to scrutiny and cabinet through the council's quarterly performance report and through an annual environmental statement.

To assess the success of our affordable warmth strategy the council will, in particular, monitor the following key performance measures:

- Number of private households where council activity helped to improve the energy efficiency of their homes.
- Number of privately-owned homes made safe (including cold hazards).
- Number of council properties meeting the Norwich Standard.
- SAP rating of council homes.

Regular progress reports will also be provided as part of monitoring of the delivery of the wider environmental strategy to the council's sustainable development panel, which is a cross party working group chaired by the cabinet member with responsibility for sustainable development. They will provide additional monitoring, challenge and scrutiny.

Progress will be communicated regularly to staff through a range of internal communications. This strategy and our annual environmental statement, which will include overall progress on our affordable warmth work, will be publicly available through our website www.norwich.gov.uk and supported by external communications to support awareness-raising on these issues in the wider city.

Risks to the non-delivery of this strategy have been considered. However, from time to time, activities within this strategy may be adversely affected by factors which may fall out of the control of the authority.

7. Action plan

No	Key action/projects	Priority	Theme (s)	Key performance measure(s)	Responsibility	Delivery (Timescale)
1	To carry out appropriate housing energy advice and support activities on how to achieve affordable warmth through lifestyles changes, accessing cheaper energy tariffs such as through collective switching and taking advantage of government grants to improve the energy efficiency of people's homes.	<p>Priority 1 - To help people in the city to reduce their fuel bills</p> <p>Priority 2 - To improve the energy efficiency of housing in the city</p>	<p>Advice</p> <p>Partnership</p>	<ul style="list-style-type: none"> To improve the energy efficiency of 165 homes through council activity 	Environmental strategy team	Ongoing throughout the strategy.
2	To develop and carry out a focused external and internal communications campaign leading up to each winter to make the public, employees, and contractors more aware of fuel poverty issues and how advice and support can be accessed through different communication methods eg articles in council publications (Citizen/ TLC)	<p>Priority 1 - To help people in the city to reduce their fuel bills</p> <p>Priority 2 - To improve the energy efficiency of housing in the city</p>	<p>Awareness</p> <p>Partnership</p>	<ul style="list-style-type: none"> To deliver a three month winter wellbeing campaign 	Environmental strategy team and communications team	Ongoing throughout the strategy.

3	Identify external sources of funding that could be accessed to support affordable warmth work e.g. to pay for winter warmth packs, heating repairs and heating upgrades for the most vulnerable residents etc	Potentially all three priorities	Service	<ul style="list-style-type: none"> To apply for one source of external funding (minimum) per year 	Environmental strategy team	Ongoing throughout period of strategy depending on opportunities.
4	To develop Healthy Homes to become a single point of referral for health professionals for a range of home adaptations including affordable warmth which can then be promoted to a range of health and social care professionals.	Potentially all three priorities	Advice Partnership	<ul style="list-style-type: none"> To annually monitor the referral process to make sure safeguarding requirements have been met 	Environmental strategy team, strategy team and private sector housing.	Ongoing throughout the strategy.
5	To identify privately-owned homes where an excess cold hazard exists and to take appropriate action to remove the hazard. This may include the use of improvement notices in the case of privately-rented accommodation and financial assistance for vulnerable owner-occupiers.	Priority 1 - To help people in the City to reduce their fuel bills Priority 2 - To improve the energy efficiency of housing in the city	Awareness Advice	<ul style="list-style-type: none"> To work with the private sector housing team to reduce cold hazards in Norwich 	Private sector housing team	Ongoing throughout period of strategy

6	To provide appropriate awareness training to employees and contractors to recognise the signs of ill health caused by fuel poverty	Potentially all three priorities	Awareness Advice	<ul style="list-style-type: none"> To provide our multi agency networking event (Winter Wellbeing) annually 	Environmental strategy team	Ongoing throughout the strategy.
7	To work to improve the council's housing stock to support energy efficiency and affordable warmth	Priority 2 - To improve the energy efficiency of housing in the city	Landlord	<ul style="list-style-type: none"> To improve the energy performance of council homes in Norwich as much as practicably possible 	Property team	Ongoing throughout period of strategy
8	To continue to build homes which adopt a collaboration of basic principles, such as fabric first, and todays construction techniques, such as Passivhaus	Priority 2 – To improve the energy efficiency of housing in the city	Landlord	<ul style="list-style-type: none"> To deliver scheduled housing developments 	Property team	Ongoing throughout period of strategy
9	To continue to share appropriate information via the police, MASH (Multi Agency Safeguarding Hub) on children exposed to excess cold in line with safeguarding requirements.	Potentially all 3 priorities	Partnership	<ul style="list-style-type: none"> To continue to share appropriate information via the police, MASH (Multi Agency 	Head of local neighbourhoods	Ongoing throughout period of strategy

				Safeguarding Hub) and Norwich Early Help Hub partners on children exposed to excess cold in line with safeguarding requirements.		
10	To investigate new and emerging micro generation technology and funding for energy efficiency that can support affordable warmth activities	Potentially all 3 priorities	Advice Partnership Landlord	<ul style="list-style-type: none"> 100% of new micro generation installations apply for relevant subsidies (e.g. FIT and HRI) 	Environmental strategy team and property team	Ongoing
11	To set up and run a Norwich based energy company to offer a fair standard variable deal to citizens	Priority 1 - To help people in the city to reduce their fuel bills	Service	<ul style="list-style-type: none"> To launch our white label energy company over the period 2018-19 	Environmental strategy team and property team	2018-19
12	To work with the Warm Homes Fund team to investigate delivering first-	Priority 1 – To help	Partnership	<ul style="list-style-type: none"> To be available to 	Environmental strategy team,	2018-2020

	time central heating to fuel poor residents	people in the city to reduce their fuel bills Priority 2 – To improve the energy efficiency of housing in the city		take referrals and complete eligibility assessments when required (until August 2020)	private sector housing and the Warm Homes team	
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