

# Home Energy Conservation Act Further Report 2013

Approved version  
15<sup>th</sup> January 2013

**CROYDON**  
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# 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.

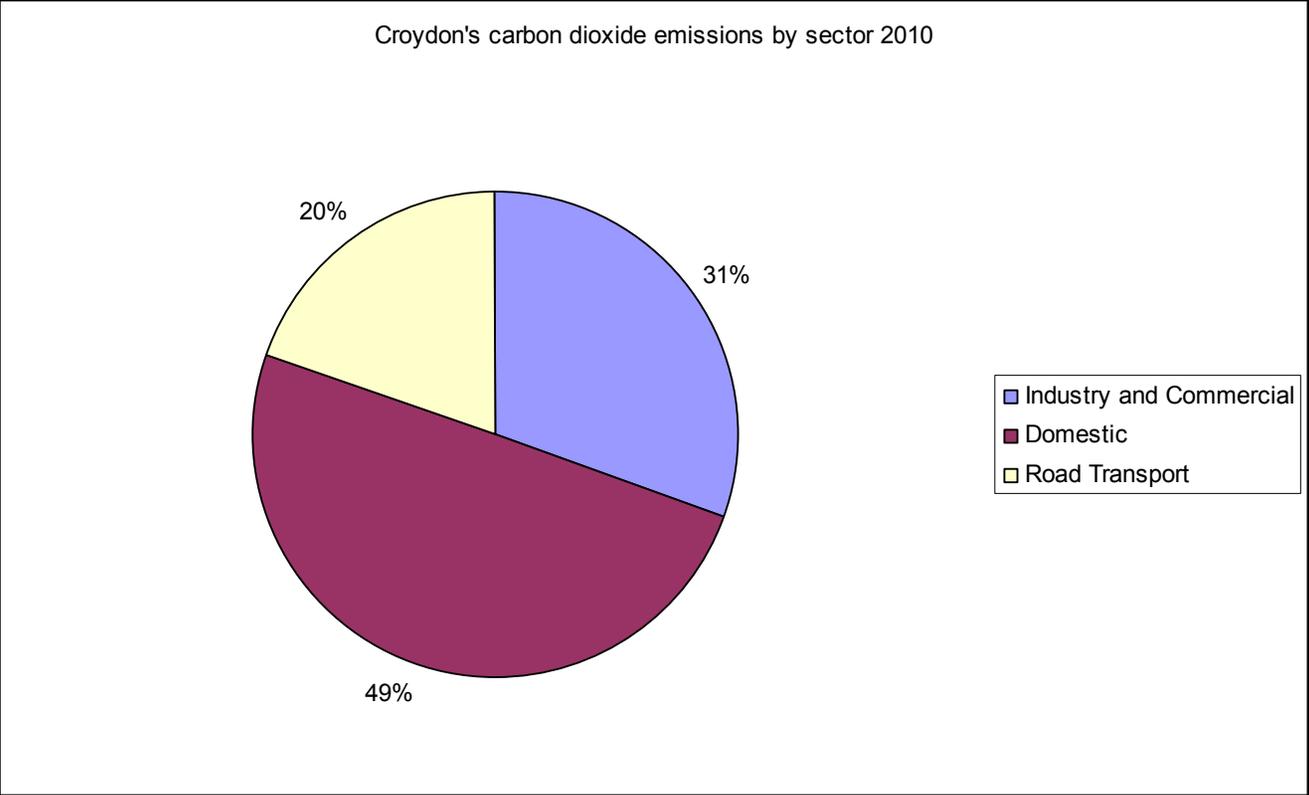
DECC has set a deadline of 31<sup>st</sup> March 2013 to publish the first of these reports, known as a "further report". Subsequent reports known as progress reports must be published at two-year intervals following this date. This document sets out, current trends in energy use, Croydon Council's strategic objectives in improving the energy efficiency of homes in the borough and the actions the Council will take to help achieve its objectives.

## 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.

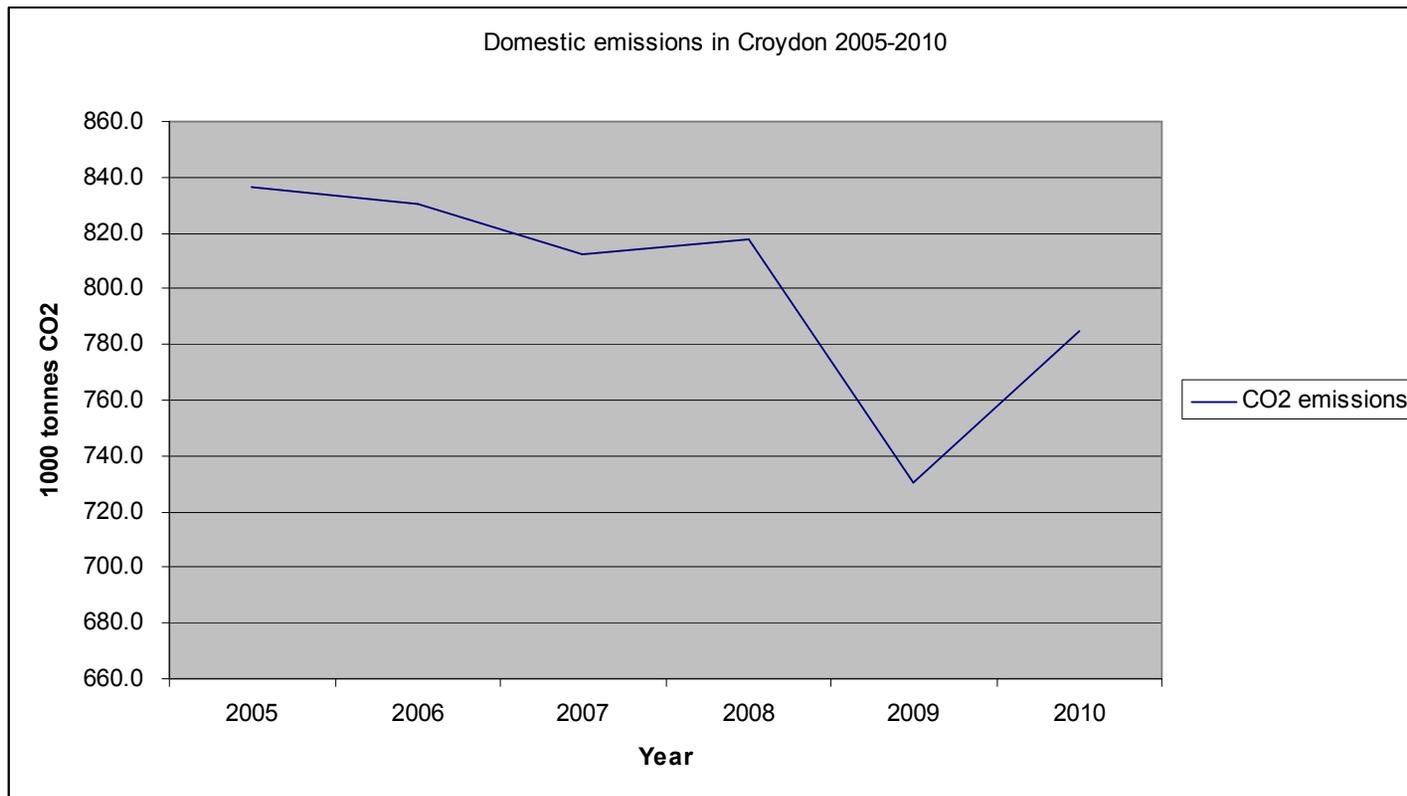
### 2.1. Energy use and CO<sub>2</sub> emissions

Energy consumption in housing is currently the largest source of CO<sub>2</sub> emissions in Croydon at 48% of the total. There has been a 6.2% decrease in domestic CO<sub>2</sub> emissions since 2005 compared with an overall reduction of 10.4%. While Croydon's overall per capita emissions is lower than the London average, its domestic per capita emissions are greater (see diagram below).



Energy Performance Certificate (EPC) data for Croydon shows that private rented and owner occupied housing is much less energy efficient on average than social housing. As might be expected, detached and semi detached houses and bungalows have the lowest average energy ratings of types of housing in the borough and larger houses typically have a lower energy performance. These trends go some way to explaining why energy use and CO<sub>2</sub> emissions are lower on average in the south of the borough where development is less dense.

On average, only 34.4% of light fittings in Croydon are energy efficient according to the EPC data held by Croydon Council. Data from the Energy Saving Trust and Climate Energy indicates that there are still a large number of lofts and cavity walls without insulation in the borough. If only low cost measures such as these were installed across Croydon's housing stock, then the estimated annual energy bill savings would amount to over £27m. However, in order to meet Croydon's local strategic targets and achieve even wider socioeconomic benefits, harder measures such as solid wall insulation must be installed where possible.



## **2.2. Fuel poverty**

Fuel poverty data from 2010 compiled by DECC indicates that 15,627 or 11.3% of households in Croydon are fuel poor, an increase of 6.2% over estimates for 2009. As energy costs have risen at a greater rate than inflation and wage increases in the intervening two years, it is reasonable to assume that this rate has increased.

## **2.3. Health**

Data provided by the Public Health Observatory indicates that there are approximately 146 excess winter deaths each year in Croydon, over 10 times the rate of road traffic deaths in the borough. During 2011, there were also 217 excess hospital admissions for respiratory illnesses that can be linked to living in cold and damp conditions. The cost of excess hospital admissions was £417,781. Both the Hills Fuel Poverty Review and the London Assembly's report on fuel poverty, "In from the Cold?", clearly set out the links between fuel poverty and health deprivation and it is evident that energy efficiency programmes can help reduce health inequalities and the likelihood of excess winter deaths as well as generating savings.

# **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 has also set a target of eradicating fuel poverty in England, as far as reasonably possible, by 2016. The government defines fuel poor households as those that need a household which needs to spend more than 10 percent of their income on home energy (including heating the home to 21 degrees for the main living area, and 18 degrees for other occupied rooms).

### 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. The Action Plan recognises that Croydon has high a high proportion of properties with low energy efficiency standards, meaning there is great potential to reduce carbon emissions from these dwellings. There are a further 48,701 potential installations of cavity wall, loft and top up loft insulation in the borough.

Croydon’s Community Strategy sets out a number of priorities for developing and maintaining Croydon as an attractive place to live, including the following objectives that are relevant to improving the energy performance of housing:

- **Diversifying the economy and reducing worklessness** – housing retrofit can contribute towards these goals by creating jobs, diversifying and increasing the skills of SMEs
- **Improving health and wellbeing and encouraging independence** – energy efficiency retrofit can have several health benefits, including reducing risk of cold-related diseases, reducing hospital admissions and creating a healthier, more comfortable home environment which can have a positive impact on mental as well as physical health
- **Integrated, safe, high quality services** – previous energy efficiency programmes such as RE:NEW and Warm Homes, Healthy People have demonstrated the potential to link together a number of front line services to provide integrated advice and support on issues such as fire safety and welfare rights as well as energy.
- **Low carbon economy** – as well as the creation of local jobs, housing retrofit can save householders substantial amounts on energy bills, which can have a positive effect on the wider local economy

- **Retrofitting existing buildings** – this will reduce the borough’s CO<sub>2</sub> emissions as well as helping householders save money.
- **Decent Homes** – one of the requirements of the Decent Homes standards is that homes have adequate insulation

## 4. How will we get there?

The trends outlined above highlight the scale of the challenge of retrofitting Croydon’s homes to help the borough meet its strategic objectives. The action plan set out below details how Croydon will begin to address this challenge through improving data, accessing funding and working with partners to provide value for money and facilitate delivery of energy efficiency projects

### 4.1. Action plan

Objective	Actions	Responsible	Completion due	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.	• Croydon Council	June 2013	
<b>Energy Performance Certificates and data</b>				
Improve quality and scope of data held by Croydon to support delivery of energy efficiency programmes	Purchase energy performance certificate (EPC) data for Croydon	• Sustainable Development and Energy Team	April 2013	EPC data purchased
	Compile and analyse existing data from DECC and energy efficiency	• Sustainable	April 2013	

Objective	Actions	Responsible	Completion due	Progress update
	projects	Development and Energy Team		
	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	
<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	<ul style="list-style-type: none"> <li>• Housing Stock investment</li> <li>• Sustainable Development and Energy Team</li> </ul>	March 2013	
	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>• Croydon Landlord Services</li> </ul>	March 2015	Survey for pilot project completed
	Carry out 200 installations of solid wall insulation per year	<ul style="list-style-type: none"> <li>• Housing Stock investment</li> <li>• Croydon Landlord Services</li> </ul>	March 2018	

Objective	Actions	Responsible	Completion due	Progress update
	Replace approx 200 back boilers with high efficiency boilers	<ul style="list-style-type: none"> <li>• Housing Stock investment</li> <li>• Croydon Landlord Services</li> </ul>	March 2015	
Install solar PV systems in social housing	Develop business case to support investment programme in solar PV in social housing	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> <li>• Housing Stock investment</li> </ul>	May 2013	
<b>Private Housing</b>				
Access funding to provide measures for low income households and areas	Identify delivery partner to refer householders for ECO funding		June 2013	Croydon is currently working with Climate Energy to deliver energy efficiency measures through the Coldbusters programme
	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 Team</li> <li>• Housing Assets and Strategy</li> <li>• External stakeholders</li> </ul>	Review in March 2014	
Promote uptake of energy efficiency measures through	Identify preferred approach to delivering Green Deal in Croydon		May 2013	
	Ensure Council communications	<ul style="list-style-type: none"> <li>• Sustainable</li> </ul>	Review in	

Objective	Actions	Responsible	Completion due	Progress update
Green Deal and ECO	channels provide appropriate advice and information to householders	Development and Energy Team <ul style="list-style-type: none"> <li>• Contact Centre</li> <li>• Corporate Communications</li> </ul>	March 2014	
	Work with private landlords to raise awareness of funding routes and measures for housing.		Review in March 2014	
<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 setting up a ring-fenced community energy fund.	<ul style="list-style-type: none"> <li>• Planning and Building Control</li> <li>• Corporate Finance</li> </ul>	October 2013	
	Identify priorities for investment from community energy fund	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	December 2013	
<b>Low Carbon Economy</b>				
Ensure that approach to Green Deal delivery in Croydon includes SMEs and local businesses in supply chain.		<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>		

**Review date:** 31<sup>st</sup> March 2014

**Submission of next progress report:** 31<sup>st</sup> March 2015

A handwritten signature in black ink, appearing to read 'JRouse'.

Signature:

Name: Jon Rouse

Position: Chief Executive, Croydon Council

Date: 21<sup>st</sup> January 2013

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