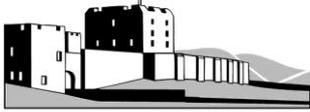


**CARLISLE
CITY COUNCIL**



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COMMUNITY OVERVIEW AND SCRUTINY PANEL

Panel Report

Public

Date of Meeting: 22nd March 2012

Title: Cumbria Cumbria Affordable Warmth Project - Update

Report of: Director (Community Engagement)

Report reference: CD 29/12

Summary:

This report updates members on the work of the Cumbria Affordable Warmth Project, strategy and the governments 'Green Deal' initiative.

Questions for / input required from Scrutiny:

Input relating to the information within the report.

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1 Background

The Cumbria Affordable Warmth Project commenced in May 2010 with the appointment of the project development officer, who's primary role was to establish a county wide insulation schemes which would combine the reduction of CO2 emissions from Cumbrian homes with the reduction of Fuel Poor households in the county.

2 Current Progress

Cumbria Warm Homes Project

The project launched in October 2011 in all six districts of Cumbria.

Despite significant operational challenges the project has managed to stay true to its original intentions of providing a Warm Homes Energy Audit Report on request for for all owner occupiers across the county.

The main area of activity is around the Door Drop Program; over 81,000 homes will have Warm Homes information packs dropped through their letter box by the end of March 2012.

Referral networks have been established through links with the Affordable Warmth Partnership Group (Officer Group), and though the Healthy Communities Group (Strategy Group), along with membership of the Cumbria Advice Network which links into the main third sector. In addition joint working with Action for Sustainability in Cumbria (ACT) and the Cumbria Rural Enterprise Agency (CREA) is developing opportunities for access

Referrals can be made simply by calling the free phone number 0800 328 8419 or practitioners can log onto the Website www.cumbria.warmhomes.org.uk and make a referral on line.

Funding

The Warm Homes project operates with marketing Carbon Energy Reduction Target (CERT) funding from EON, supported through a framework Memorandum of Understanding (MOU).

This document makes available £ 20,000 for marketing purposes to promote the scheme, and runs until the end of July 2012.

So far the funding has contributed to the printing of offer letters, and leaflets for each district, and the purchase of clear pouches to retain the documents when they are delivered to the households.

In addition the funding paid for the building of a website from scratch, and maintenance and updating of the site until the end of the project.

The charges to date are as shown: -

Supplier	Invoice No	Date	Nett	VAT	Gross
Cloud Station	3005	06/10/2011	2,625.70	525.14	3,150.84
Print & Packaging	8843	30/11/2011	4,309.09	861.82	5,170.91
H&H Reed	117342	31/10/2011	3,498.00	0.00	3,498.00
H&H Reed	117343	01/11/2011	2,503.00	500.60	3,003.60
		<u>Total</u>	<u>12,935.79</u>	<u>1,887.56</u>	<u>14,823.35</u>

Outcomes

Across the County the target for referrals is 2,000 by end July 2012.

As of the 31st of January referrals stand at 1,750.

By district the target is divided in equal 6ths, as such the overall target for Carlisle is 333 referrals.

- Referrals Numbers
 - 3500 Door Drops
 - 377 Referrals
 - 154 Measures Installed

As such Carlisle has already attained its own target numbers but momentum needs to be maintained not just to meet lower returns elsewhere but in order to ensure that the project is a successful as possible and installs measures into as many homes as possible.

At the time of reporting the company were unable to provide details of the breakdown of these numbers in order to identify how many of the measures installed were priority group homes, which accessed free measures.

However the project is required to ensure that no less than 50% of all work undertaken is delivered into priority homes, as such at least 77 should be priority.

Challenges

There are though significant challenges to the project, in previous years Carlisle, under the effective supervision of the Cumbria Energy Efficiency Advice Centre (CEEAC) has seen a

thorough and methodical approach to the delivery of insulation schemes across the city, this means that the pickings are no longer as easy as they once were, this is also compounded by the activities of other companies across the region.

These come in the form of aggressive door knocking and telemarketing undertaken by other energy companies and their agents working in Cumbria but in particular in targeting Carlisle.

All the major energy companies made voluntary agreements with Ofgem that they would not undertake this activity, in particular in relation to door step selling of fuel switching products.

However energy companies are now under real pressure now to meet their CO2 targets by the end of this year, failure to do so will see some of the companies facing significant fines, hence the flurry of activity in particular in around areas where elderly and vulnerable demographics exist.

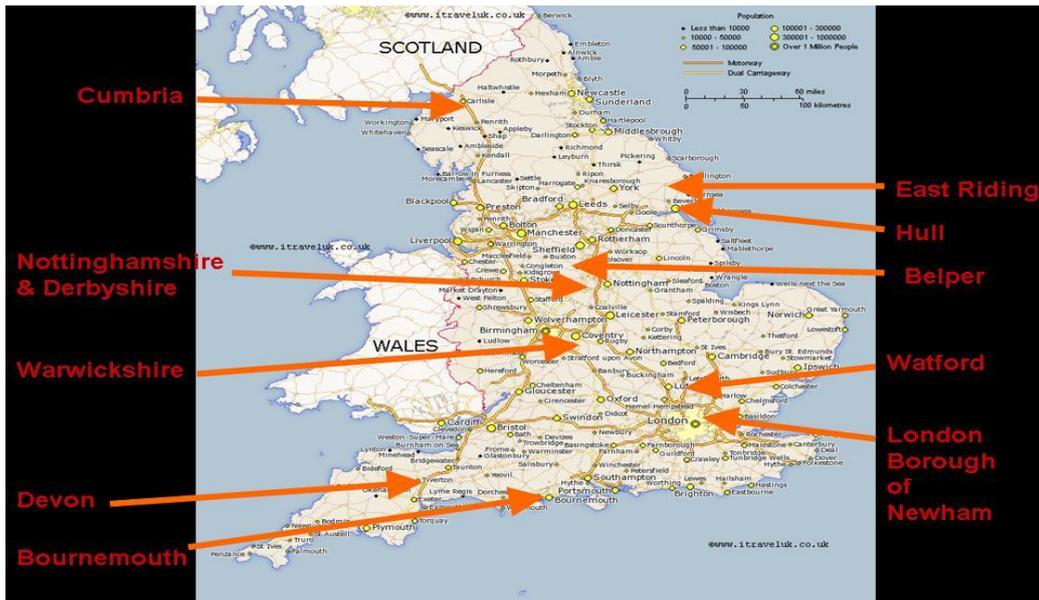
Sterling work by Cumbria Trading Standards has seen activity on the ground to combat this type of activity, and they have issued several press releases since the start of the year encouraging homeowners' to resist buying from telemarketing companies or door step sales people.

The Governments Green Deal

The Cumbria Affordable Warmth Partnership was successful in being chosen to work with nine other organisations across England (Fig 1) as parts of National Energy Action's practical assistance program, a project aim at providing local authorities with guidance regarding the Green Deal.

This work ends in March this year, and will result in a Green Deal Guidance Document for Cumbria and a wider document produced by NEA based on the findings taken from all areas.

As part of the process a Green Deal workshop was held in January 2012 to discuss the issues concerning Green Deal and identify the opportunities that for Cumbria that Green Deal may offer. The results of the workshop are being built into the guidance document, which will be evaluated at a final Green Deal Dissemination Event to be held at CREA Penrith on Monday 26th March.



(Fig 1)

The Cumbria Affordable Warmth Strategy

The development of the strategy has been stalled, in the main due to the introduction of the Green Deal and the implications that this holds for various organisations across Cumbria not least the County and District Authorities.

Our work on the NEA project may help in identifying and taking forward the opportunities that the Green Deal may present, but this is in many ways a distraction from defining a strategy for the future, which will help our most vulnerable households.

At present the Affordable Warmth Strategy is represented within certain profile documents, most of the district authorities, including Carlisle City Council have strategy documents and action plans that recognise for the time being that they will support the Cumbria Warm Homes Project as the principle approach to tackling Fuel Poverty.

Cumbria County Councils Anti-Poverty Strategy states: -

The council undertakes as part of this Anti-Poverty Strategy, to lead partnership action on the following areas to address poverty related issues:

- Fuel Poverty / Affordable Warmth
- Child Poverty
- Financial Exclusion
- Work & Skills

Each of these ‘pillars’ of the Council’s approach to addressing poverty are supported by detailed plans already in place or being developed by partnerships driven by the Council.

Well intentioned as these statements are, the current funding situation has a different reality, with little or no capital budget allocation for Fuel Poverty interventions and even less revenue funding for staff resources to take this work forward.

Fuel Poverty by Definition

The review of the definition of Fuel Poverty by Professor John Hill of the London School of Economics is due to be released on the 15th of March, any change in the definition could substantially alter how we identify fuel poor homes and as a result any approach/strategy to resolving the issue.

Short Term Strategy

In the short term the strategy must be to take best advantage of what funding is available now and use it to best effect, this is what the Cumbria Warm Homes Project seeks to accomplish.

Longer Term Strategy and Detail Plans

In the longer term with Green Deal strategic planning becomes much more difficult, due to the lack of detail relating to Green Deal and its possible effects on fuel poor households.

Within Green Deal is the Energy Company Obligation (ECO), which is split into two parts CO2 savings and Affordable Warmth, of the funding committed to ECO only 25% will be allocated by the energy companies towards Affordable Warmth, effectively a substantial reduction in funding compared to previous years and the current allocations for CERT, CESP and Warm Front.

Commenting on Green Deal the latest edition of the NEA newsletter states: -

At the current proposed level, the Affordable Warmth element of the ECO - the part of the Green Deal programme providing upfront support to financially disadvantaged households - is totally inadequate and represents a significant reduction in funding for fuel poverty programmes compared with previous practice. The overall scale of resources to be directed at fuel-poor households remains uncertain.

The Government needs to clarify how hard-to-heat properties in low-income communities will be targeted for priority assistance.

From the start of the programme in 2012, the overwhelming majority of low-income and vulnerable households will only be able to access support through a funding mechanism that is both untested and entirely inappropriate to their circumstances.

Governance

The Cumbria Affordable Warmth Project is due to end in March 2013.

There are no plans in place to continue with the project, no funding or resources to develop the work into the mainstream of service provision in either the districts or across the county.

It is likely that the responsibility for Affordable Warmth across the County will lie either with the Cumbria Health & Wellbeing Board, and or within the Public Health remit of the councils, future strategy needs to determine where this function is best placed.

Strategy Summary

Regardless of Green Deal the principles of affordable warmth remain the same: -

1. Housing Condition

As it stands it is unlikely that Green Deal will deliver any significant improvements to the worst fuel poor households who often live in the most poorly maintained properties.

2. Household Income

With changes to the benefits systems and a change in the fuel poverty definition, it is very possible that achieving improvements in household incomes will become even more challenging.

3. Energy Prices

The levy charges that are being applied to all energy bills to pay for ECO, and for future renewable technologies, means that even the poorest families will be contributing to a range of initiatives that they will never be able to access.

It is becoming increasingly clear that Fuel Poverty and Saving CO2 although linked are not good bedfellows, and that there is a need for more progressive thinking in relation to the delivery approach, if we are to take homes out of fuel poverty.

Warm Front

Since it's re-launch in April 2011, and the takeover of EGA by Carillion PLC, WF has continued to struggle and at present has over £30 millions of unallocated funding.

In February this year 640,000 letters were sent out to households but despite such large scale mailings the new requirement for a Standard Assessment Procedure (SAP) rating of less than 55, is making finding eligible clients more than difficult, as such conversions from enquires have dropped off the scale, leaving a trail of disappointed home owners with no heating and a frustrated company who can't delivery there remit.

Other Schemes

Carlisle Boiler Replacement Scheme 2011/12 (£45,000 complete)

This is the second year that Carlisle has managed to provide an alternative replacement heating scheme. Funding generated through previous insulation schemes referral fees and under spend/carryover of Housing Renewal Funding has undertaken either the installation of new boiler systems or essential repairs to existing systems, in the most vulnerable Carlisle households who also demonstrate health issues that are linked to winter mortality rates.

Warm Homes ~ Health People (£ 500,000 - Ends March 2012)

Cumbria County Council successfully bid for 500,000 of Department of Health funding aimed at interventions which will aim to reduce the numbers of excess winter deaths. The Cumbria Community Foundations, the Cumbria Affordable Warmth Partnership and a wide range of other health and third sector organisations, have worked in unison to forge working relationship that are seeing the fulfilment of the aims of the bid.

The delivery came in two parts, part one the CCF - Winter Warmth Program has been delivering monetary assistance to vulnerable households across the county.

Part two the Cumbria Hot Spots project has provided essential heating repairs along with the provision of 12month boiler maintenance contracts.

Applications were accepted from vulnerable households who again had health issues related to winter mortalities.

The project funding included resources that will ensure that the project is both properly audited, and documented so that lessons for the future can be used should funding become available in the future.

Other Insulation Schemes

EON is by no means the only funding provider and our MOU does not restrict the project from using alternative funding to promote the installation of measures across other households. As such two new funding streams have brought about the following supported schemes.

Cumbria Warm Homes - Plus

This follows exactly the format of the current Warm Homes Project, which currently provides free insulation to priority households.

Warm Homes Plus now allows the project to include the following group's access to **free** insulation measures.

Any Household with: -

- A household with resident who is over 60 years of age, if this is their only residence
- Households whose joint net income is below 22,000 per year
- Any household that is occupied by a person with a disability

(Some property restrictions apply, base on maximum overall sq meters)

Cumbria Warm Rented Homes

Offers **free** insulation measures to Landlords who are registered with the local councils, NLA, or RLA Accreditation schemes.

A marketing campaign promoting this scheme and aimed at local letting agencies will commence in April 2012.

Impact assessments

Does the change have an impact on the following?

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	Yes	Positive
Disability	Yes	Positive
Race	Yes	Positive
Gender/ Transgender	Yes	Positive
Sexual Orientation	Yes	Positive
Religion or belief	Yes	Positive
Human Rights	Yes	Positive
Health inequalities	Yes	Positive
Rurality	Yes	Positive

If you consider there is either no impact or no negative impact, please give reasons:

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If an equality Impact is necessary, please contact the P&P team.

Appendix 1

Energy Saving Trust – Home Energy efficiency Database – Areas of High Insulation Potential May 2011

Local Authority	Total Homes	Estimated Private Homes	% total homes needing measures				Number of measures			
			Virgin Loft	Loft Top-Up	Cavity Wall	Solid Wall	Virgin Loft	Loft Top-Up	Cavity Wall	Solid Wall
Allerdale	45,184	35,893	11.5	14.9	20.8	26.8	4,112	5,350	7,477	9624
Barrow	33,168	30,556	13.8	15.3	16.2	21.5	4,208	4,669	4,948	6580
Carlisle	49,089	41,375	9.3	16.5	12.3	22.2	3,847	6,846	5,101	9199
Copeland	32,568	27,168	9.3	13.2	23.8	15.1	2,528	3,585	6,465	4099
Eden South	24,853	21,593	7.7	12.9	7.7	44.5	1,654	2,786	1,654	9598
Lakeland	51,883	48,413	9.6	12.2	9.6	17.2	4,642	5,928	4,672	8313
	<u>236,745</u>	<u>204,998</u>					20,990	29,165	30,316	47413
							Total Measures		80,472	-
							Conversion		20%	16,094