



DALE & VALLEY HOMES

AFFORDABLE WARMTH STRATEGY

JANUARY 2009

Dale & Valley Homes Asset Management Strategy

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SECTION 1 INTRODUCTION:

This Strategy is our first approach to set out how we will achieve Affordable Warmth. We intend to ensure all of our customers have a warm home that is affordable to maintain in relation to energy and thermal comfort.

The Affordable Warmth Strategy provides a framework for how we will work to ensure that all our homes are brought up to a standard where they maintain a healthy and comfortable temperature at a cost they can afford.

SECTION 2 FUEL POVERTY:

The term “Affordable Warmth” can be described as “to heat your home to an adequate level for household comfort and health without developing debt as a result”. Lack of affordable warmth is known as “fuel poverty”. Government advice is that any household which spends more than 10% of disposable income to achieve affordable warmth and comfort is experiencing fuel poverty.

Fuel poverty is linked to general poverty and deprivation but it has distinct characteristics and causes which include:-

- Low household income and low levels of occupancy
- Inefficient or expensive heating systems and high fuel costs
- Poor insulation standards and draughts
- Poor energy efficiency in the home

Whilst the causes of fuel poverty are widely known the impacts are harder to define and go beyond basic socioeconomic factors.

The main impacts of fuel poverty include:-

- Health related problem and excess winter deaths
- Accidents in the home
- Social Exclusion
- Increase in damp and condensation resulting in damage to building fabric

Vulnerable groups affected by fuel poverty include:-

- People at home due to unemployment, disability or a caring commitment.
- Older People
- Households with babies and young children
- People with chronic illnesses

Every household will have different heating requirements depending on the number of people and size of the dwelling. However, whilst many households tend to be on low incomes, they may not necessarily receive any benefits and do not have the capital to improve their homes or replace inefficient appliances. Typically these groups may also be less able to ask for assistance or know how to access energy efficiency measures.

These customers are typically spending more than 10% of their income on fuel. They are defined as being 'fuel poor', living without access to affordable warmth. Fuel poverty impacts upon quality of life and also places increasing demands upon health, housing and other services.

Energy Efficiency of dwellings is measured by a Standard Assessment Procedure (SAP), on a rating of 1 to 120, the higher the number the more efficient the house.

To ensure a property is heated satisfactory and is affordable for customers a heating regime is where:

- The main living area is constant at 21^oC (70F)
- Other occupied rooms at 18^oC (65F)
- The whole house is heated except where the household is under occupied
- Heating is available for 16 hours per day for those where someone is at home all day

The Decent Homes Standard that Dale & Valley Homes have to meet by 2012 sets out a minimum requirement in that every home must have a degree of thermal comfort. Achievement of this standard and access to funding was an initial bid to Government where following the awarding of 2 stars from the Audit Commission we were successful in unlocking £40 million of funding for works to commence our Decent Homes Programme. This commenced in November 2007.

The minimum heating and insulation standards required the government for compliance with thermal comfort criteria are set so low that a property could meet this energy efficient standard but still be a threat to health and well being of the occupants. An analysis of the English House Condition Survey suggested that around 1 million homes passed the Thermal Comfort Criteria whilst being rated below SAP 35. The Government has stressed landlords should exceed this standard but have not provided additional financial assistance to do so.

The British Research Establishment suggested that most local authorities should exceed this standard and to ensure Dale & Valley Homes exceed this standard we have in agreement with our customers set a target that all our homes will reach a SAP of 70 by the end of the Decent Homes Programme.

As Managers of the Council's housing portfolio we have a duty not only to ensure that it meets the Decent Homes Standard but that we tackle climate change. We need to work together to change the behaviour and offer assistance to our customers through energy efficiency, renewable energy, and low carbon measures.

Policy Context

Fuel poverty is a national priority and this is reflected in the Government's Energy White Paper and the UK Fuel Poverty Strategy. As part of the annual Home Energy Conservation Act reports to Government local authorities have been required to report on their actions to tackle fuel poverty. The production and delivery of this strategy will therefore provide a framework for reporting in future years.

The Energy White Paper also aims to improve co-ordination of government messages and actions that have an impact on fuel poverty. The Government will provide Benefit Entitlement Checks to all households that require one, who come through Go Warm. It will also require suppliers to report on actions to assist vulnerable customers and if necessary consider introducing legislation to force more action from suppliers in this area.

Wear Valley District Council Affordable Warmth Strategy

Historically Wear Valley District Council, (working with Dale & Valley Homes from April 2006) has been very proactive in tackling "fuel poverty". Wear Valley District Council has a strong track record in delivering affordable warmth measures to residents of the area through the work of the Energy Team. We will continue to work with the new unitary authority on the key tasks prioritised by the Wear Valley Energy Team. They are:-

- Establish and update energy profile for the housing portfolio.
- Continue with the energy efficiency programme targeting the vulnerable first.
- Ensure that energy advice is given following the installation of energy measures.
- Promote the take up of available grant aid to households.

SECTION 3

DALE & VALLEY HOMES PROFILE

The district is a mixture of urban and rural areas. It is regarded as one of the most deprived rural districts in England, being the 33rd most deprived district in England in 2007:-

- 44% of the district's residents report that they live in a household where one or more of the occupants are suffering from a limiting long illness.
- 24% of residents are classed as being economically inactive.

In the current economic climate, those households who are working are particularly under threat as a high proportion of local jobs are concentrated in manufacturing or service industries (37.9%).

Dale & Valley Homes is the area's largest landlord. Around 19% of the district's households rent their home from us. Households with disabilities and low incomes are disproportionately represented within Dale & Valley Homes customer profile. Our 2008 Status Survey provides the following picture (drawing on a statistical valid sample of 640 returned questionnaires):-

- We have a very high proportion of lone tenants - 15.2% of households described their household as one adult under 60, 32.3% described their household as one adult over 60.
- The majority of our customers live on a fairly low fixed income – 46.4% respondents receive state pension and income support, 29.6% receive other state benefits; 73.5% receive housing benefit.
- 56.8% respondents live on a net income of less than £10,400 per year.

Current situation – Dale & Valley Homes’ Stock Profile

Dale & Valley Homes manages around 4300 homes. The properties have only recently (since 2001) been the subject of planned maintenance programmes. Between 2001 and 2007, customers benefited from a series of heating system replacements, roofing renewals, door and window replacement within a budget of around £3 million yearly. In April 2007, Dale & Valley Homes was allocated two stars by the Audit Commission and gained access to a further £27 million to upgrade all homes to Decent Homes Standard. This has resulted in the development of a five year Decent Homes Programme – with an annual budget of around £8 million.

Stock improvement measures completed to date by Dale & Valley Homes (and previously the council) include:-

- Installation of UPVC doors and windows to over 3000 homes.
- Renewal of over 1600 central heating systems.
- Replacement of 130 roofs.

The current average SAP rating of our properties is 66.6.

Current initiatives

We are currently delivering or planning a number of initiatives to improve energy efficiency and tackle fuel poverty for our customers. They include:-

Partnership with Go Warm

Go Warm are visiting all Dale & Valley Homes’ customers to collect data about the carbon emissions and fuel costs for each household. They also offer benefit checks and free fitting for those on benefits of energy efficiency measures such as cavity and loft insulation. In the first six months of activity they had completed 649 upgrade measures to 214 (up to September) Dale & Valley Homes’ properties and received 274 requests for benefit checks. Over £ 20 000 additional benefits were paid to Dale & Valley Homes’ customers as a result of Go Warm's benefit checks.

This work will continue until all Dale & Valley Homes’ properties have been visited by the Go Warm Team.

Renewal Energy measures - The Dales

We have during 2008/9 fitted solar panel to 30 properties in rural areas of the Dales where there is no access to a natural gas supply. This system is found to have robust results in reducing fuel costs where solid fuel heating is used. The solar panels heat the domestic water when the solid fuel heating is not being used. This work has been undertaken jointly with the council's Energy Team and attracted additional funding of £ 30,000 to provide further renewal measures. During the remainder of the Decent Homes Programme (up to 2012) we will continue to fund renewal energy measures and explore schemes such as air source heat pumps, which can be funded from external sources.

Completion of Door and Window Renewal Programme

A contractor has been appointed to renewal doors and windows to the 1114 properties which remain to be upgraded. This work will be funded through the Decent Homes programme and will be complete by the end of 2009.

Energy Performance Certificates

In accordance with legislation since October 2008, Energy Performance Certificates have been raised for all re-let properties, identifying how efficient a home is on a rating from A to G. This certificate will also indicate any measures that are necessary to bring the home to be energy efficient and what impact it has on the environment.

Financial Inclusion Strategy

Our staff are trained in welfare benefits so that they can signpost customers to other agencies to maximise their incomes. We offer a free Money and Debt Advice Service to our customers. Demand for this service is rapidly increasing and we have funded a position through Citizens Advice Bureau to provide additional support. This work will continue to be delivered during the course of the current business plan. In addition during 2009 we will explore opportunities to enter into an agreement with a not for profit fuel provider which could give our customers further, cheaper choices of fuel supplier; we will also evaluate the effectiveness of trialing meters in some of our properties.

SECTION 4

OBJECTIVES OF THE AFFORDABLE WARMTH STRATEGY

This strategy sets out the context to what is currently being done to achieve the objective of Affordable Warmth and the work we plan to eradicate fuel poverty within our customers' homes.

The strategy draws together our current activities and sets priorities for the life of the Decent Homes programme.

In setting this strategy it is key to delivering the Government's objective of sustainable communities and bringing up all homes to the Decent Homes Standard. It has been highlighted in our Asset Management Strategy and is detailed as an objective in our Business plan and directorate plans to ensure we deliver our mission of 'to providing homes that customers want to live in and are proud to live in'.

Our objectives within this strategy to delivering Affordable Warmth is as follows:

- To ensure that every customer can live in their home at an affordable cost and heat it to a reasonable degree of thermal comfort.
- To ensure that every home is brought up to the Decent Homes Standard by 2012; including the provision of energy efficient heating systems and new doors and windows.
- Tackle fuel poverty by maximising the income available to individual customers.
- Promote energy efficiency measures to reduce customers' fuel costs.

SECTION 5

ACTION PLAN

Key Actions	Milestones	Timescales	Responsible
Objective 1 To ensure that every customer can live in their home at an affordable cost and heat it to a reasonable degree of thermal comfort.			
To ensure that all customers have an opportunity to benefit from the Go Warm initiative.	Assess take up of benefit checks and energy efficiency measures report to Investment Committee.	May 2009	Assistant Director of Development
	Implement no access plan for those households who have not responded to Go Warm.	May – July 2009	Resident Liaison Officers
Maximise access to alternative funding streams and resources to deliver Affordable Warmth.	Ensure that we have appropriate energy performance software to identify priorities and inform funding bids.	March 2009	Assistant Director of Development
	Develop a long term partnership with key players within the Unitary Authority.	Feb 2009 onwards	Assistant Director of Development

Objective 2 Every home is brought up to the Decent Homes Standard by 2012 (including provision energy efficient heating systems).			
Improve the energy efficiency of all homes managed by Dale & Valley Homes.	Complete the door and window renewal programme for the remaining 1114 properties	December 2009	Assistant Director Development Dunelm Property Services
Develop a 30 year heating renewal programme.	Affordability and Delivery Plan agreed based on Stock Condition Survey	March 2009	Assistant Director of Development Decent Homes Manager
Develop a 30 year roofing programme	Affordability and Delivery Plan agreed based on Stock Condition Survey	March 2009	Assistant Director of Development Decent Homes Manager
Objective 3 Tackle fuel poverty by maximising the income available to customers and by reducing fuel charges			
Complete the Go Warm Assessment of all Dale & Valley Homes' properties including benefit checks	Assessment of the number of customers whose income has been increased through Go Warm's benefits checks.	May 2009	Assistant Director of Development
Continue to offer money advice to those customers who may experience fuel poverty	Yearly assessment of the additional resources made available to our customers through the benefit system as a result of our work.	Yearly report to Board	Assistant Director of Housing Operations

Explore opportunities to attract a non profit making fuel supplier to provide services to Dale & Valley Homes' customers.	Feasibility report as part of Financial Inclusion Strategy	July 2009	Assistant Director of Housing Operations
Continue to offer Money Advice to those who are referred to this service	Meet and exceed the key performance indicator (LPI 75) – number of clients who have gained financially through this service	Ongoing	Assistant Director of Housing Operations
Objective 4 Promote Energy Efficiency Measures to the benefit of our customers			
Develop advice to our customers on how to save energy	Production of plain English leaflets. Inclusion of leaflets within a new tenancy starter pack and annual delivery programme to all other tenants.	Ongoing	Performance and Information Officer
	Inclusion of energy efficiency advice on new website	Late 2009	Performance and Information Officer
Work with other stakeholders to develop a programme of roadshows to residents' groups to raise awareness of energy efficiency measures	All residents groups receive a training/information session	July 2009 – Rolling annual programme	Customer Panel Performance and Information Officer

<p>Continue to implement a renewable energy programme using Decent Homes. Continue to seek match funding for this initiative and to expand the programme over the next five years.</p>	<p>Delivery of new energy efficient heating systems to customers who live beyond the natural gas network</p>	<p>2009 - 2012</p>	<p>Assistant Director of Development Council Energy Team</p>
	<p>Explore alternative uses of energy to be used in our properties. Assessment of options – report to Investment Committee</p>	<p>May – October 2009</p>	<p>Assistant Director of Development Decent Homes Manager</p>