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EPPING FOREST DISTRICT COUNCIL HOME ENERGY CONSERVATION ACT 1995 (AS AMENDED) PROGRESS REPORT 2023

The Home Energy Conservation Act 1995 ('HECA') requires Local Authorities to submit reports to the Secretary of State demonstrating what energy conservation measures they have adopted to improve the energy efficiency of residential accommodation within that area. Attached is the 2023 progress report for the Department for Energy Security and Net Zero as requested. This covers measures to improve properties in the owner-occupier, private rented sector, and social rented sector.

Methodology

New guidance was published by the Department for Energy Security and Net Zero in December 2023. The format and focus for this HECA report remain as for previous years but also incorporates the requirements of this new guidance.

1.0 HEADLINE AND OVERVIEW

Local authorities have responsibilities under the Home Energy Conservation Act 1995, in respect of improving the energy efficiency of all residential accommodation. The Department for Energy Security and Net Zero have updated the guidance for reporting and this report sets out the strategic and operational actions being taken in Epping Forest District, or that are planned, to meet the Council's objectives in terms of home energy conservation.

1.1 Background

Epping Forest District Council (EFDC) is in the south-west of Essex. The district covers an area of approximately 130 square miles. The 2021 Census recorded a population of 135,000 people living in 54,600 dwellings. Approximately 70% of households are owner-occupiers, 15% privately rented and 14% of households live in social rented housing. The Council is the largest social landlord in the district providing homes for 11% of households. The Council's portfolio of approximately 6,600 properties includes general needs houses and flats, disability adapted properties, sheltered accommodation for older and vulnerable people and hostels for homeless households. Housing Associations provide just over 3% of residential premises in the district.

The latest data from SCATTER Cities shows that nearly 18% of carbon emissions in the district come from domestic sources¹. This report sets out the strategies and schemes that Council currently have to promote carbon reduction and energy efficiency in the domestic sector. With the aim of achieving associated cobenefits such as alleviation of fuel poverty, improving indoor air quality and protecting the health of residents.

1.2 Strategy and policy

The Council's Housing Strategy 2023-2027 includes a priority to "Protect and Enhance the Environment" with a project task within this to ensure retrofitting of council housing is covered in the Asset Management Strategy by the end of 2023/24. Furthermore, within the priority area "economic growth and regeneration" there is the aim to administer short-term financial assistance for a limited number of people facing urgent hardship, while investing in energy efficient technologies for newbuild and retrofit dwellings for longer term solutions.

The Council have produced a Climate Change Action Plan, which includes actions to reduce energy use, increase energy efficiency and decarbonise energy sources in Council owned housing and in all tenures throughout the district.

To continue to reduce our carbon emissions for the district, the Council has carried out the following actions:

- Information is shared on the website for landlords that explains landlord's obligations to comply with the minimum energy efficiency standard (MEES). Since 1 April 2020, landlords can no longer let or continue to let properties covered by the MEES Regulations if they have an EPC rating below E, unless they have a valid exemption in place.
- Information is included in the cost-of-living webpages on how to apply for financial assistance to make homes more energy efficient and reduce energy bills.
- The climate change webpages also contain information on free, low cost and more extensive measures to reduce energy use.
- Continued improvement to the energy efficiency of our own housing stock within the resources we have available.
- The Council made a successful bid for £1.6m from the Social Housing Decarbonisation Fund Wave 2.1 to retrofit over 100 properties by March 2025.
- Delivery of the previous Local Authority Delivery Scheme Phase 2 and Sustainable Warmth schemes. Enabling upgrades of low income and low efficiency homes both on and off the gas grid.
- Current delivery of the Home Upgrade Grant Phase 2 through a successful consortium bid with the Greater South East Net Zero Hub.

¹ SCATTER Cities, Anthesis Group

 Statement of Intent published for ECO 4 Flex funded works to allow for energy efficiency installations to take place.

2.0 COMMUNICATION

EFDC provides energy saving advice for homeowners and landlords on the Council's website, for example energy saving tips and links to advice on energy efficiency works through the organisation's climate change webpages.

Grant funding opportunities such as the Home Upgrade Scheme and the Great British Insulation Scheme are also publicised through a variety of channels including news updates, social media, local events and resident mailouts.

Private Sector Housing Officers are all aware of the health impacts caused by cold homes and are trained to advise customers on low-cost, no-cost ways to reduce energy, information on where to turn for larger projects, and where funding may be available.

3.0 SOCIAL HOUSING DECARBONISATION

3.1 Social Housing Decarbonisation Fund

The Social Housing Decarbonisation Fund (SHDF) aims to improve the energy performance of socially rented homes. EFDC made a successful bid to wave 2.1 for funding to retrofit over 100 properties by March 2025.

This funding helps the Council to work towards the expectations of future energy performance regulations while also helping to alleviate fuel poverty, improve indoor air quality and protect the health of tenants.

3.2 Social Housing In-house Retrofit

Throughout the period of April 2021 to March 2023 the Council have also used internal funding to carry out retrofit works. The tables below show the measures completed in this timeframe split by financial year (FY).

Energy Efficiency Works	Measures Completed FY 2021-22	Actual Expenditure 2021-22 (£)
Cavity Wall Insulation	17	29,708
Loft Insulation	8	2,400
Total	25	32,108

Energy Efficiency Works	Measures Completed FY 2022-23	Actual Expenditure 2022-23 (£)
Renewable Technology Air Source Heating	5	50,799
Cavity Wall Insulation	12	16,317
Loft Insulation	32	27,495
Total Measures	49	94,611

4.0 MINIMUM ENERGY EFFICIENCY STANDARDS IN THE PRIVATE RENTED SECTOR

The Minimum Energy Efficiency Standards regulations (the Regulations) apply to all privately rented properties in England and Wales. The Regulations are designed to ensure that those tenants who most need more thermally efficient homes, particularly vulnerable people, and the fuel poor can enjoy a more comfortable living environment and lower energy bills.

Since 01 April 2018, landlords of relevant domestic private rented properties must not grant a tenancy to new or existing tenants if their property has an EPC rating of F or G and from 01 April 2020 the rules apply to all tenancies. Where a property is sub-standard, landlords must normally make energy efficiency improvements which raise the EPC rate to minimum E before they let the property. In certain circumstances, they may be able to claim an exemption and the Government has also introduced a maximum cap of £3,500 that landlords are expected to spend towards energy efficiency improvements.

Local authorities have enforcement powers to ensure that landlords meet their legal obligations under these Regulations and the Housing Act 2004, that assesses a range of potential hazards, including damp and excess cold. While some landlords of F and G rated rental properties may be able to claim valid exemptions from the requirement to improve a property to EPC E, this exemption will not excuse them from meeting the existing obligation to keep their property free from serious hazards. Officers in the Private Sector Housing team will use both enforcement powers to ensure that substandard properties are improved to a satisfactory level as soon as possible.

Since an initial exercise to map and target the landlords of properties likely to be failing the Regulations, no further enforcement action has been taken.

5.0 FUEL POVERTY

Upgrading the energy efficiency of homes is the most sustainable means of tackling fuel poverty. The Government has a statutory target to raise as many fuel poor homes in England as reasonably practicable to energy efficiency Band C by 2030, with an interim milestone of as many fuel poor homes in England as reasonably practicable to Band D by 2025.

Fuel poverty in England is measured using the Low Income, Low Energy Efficiency (LILEE) metric. A household's fuel poverty status depends on three key aspects, energy efficiency of the home, household income and energy prices.

The table below, shows data from the latest Sub Regional Fuel Poverty Statistics² from 2020, with Epping District in context with the nearest sub regions. Whilst the data suggests that the proportion of fuel poor households in the Epping District is lower in comparison to the East region and London, there remains a significant number of households that struggle to keep their homes warm at an affordable cost. To note, with the latest figures coming from 2020 the proportion of households now in fuel poverty is likely to be greater due to the steep rise in energy costs over the past 2 years.

Region	Number of households	Proportion of households' fuel poor (%)
Epping District	56,756	11.1
East	2,638,892	13.2
London	3,520,281	11.5
South East	3,952,000	8.6

Fuel poor households that are likely to be eligible for finance such as the previous Sustainable Warmth Scheme and the Home Upgrade Grant scheme, are identified using Parity Projects data and mailouts sent to alert them of funding opportunities.

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² Fuel poverty sub-regional statistics - GOV.UK (www.gov.uk)

6.0 GOVERNMENT FUNDED SCHEMES

6.1 LAD and HUG

Over the period of April 2021 to March 2023, EFDC have applied for the Local Authority Delivery Phase 2, Sustainable Warmth and Home Upgrade Grant schemes. These government funded schemes provide grant funding for energy efficiency and low carbon heating projects for low-income, low efficiency households across England.

The Local Authority Delivery Phase 2 scheme ran until March 2022. For this round of the scheme Local Authorities were allocated funding through the local energy hubs. Using this funding EFDC installed measures in 17 homes to a value of £70,597.

Sustainable Warmth was a scheme that ran from January 2022 to March 2023, it brought together two fuel poverty schemes (Local Authority Delivery Phase 3 and Home Upgrade Grant Phase 1) into a single funding opportunity for Local Authorities. LAD3 focused on on-gas properties and HUG1 on off-gas properties. EFDC took part in a successful funding bid through the Greater South East Net Zero Hub Consortium. Finalised figures for the number of installations that took place are yet to be published.

EFDC are also in the process of delivering the second phase of the Home Upgrade Grant following a further successful bid for funding through the Greater South East Net Zero Hub Consortium.

6.3 The Energy Company Obligation (ECO)

The Energy Company Obligation (ECO) is a UK Government scheme where energy suppliers are required to fund the installation of energy efficiency measures in qualifying households. Under the flexible eligibility criteria for ECO funding, local authorities can target fuel poor households not in receipt of eligible benefits and low-income households that are vulnerable to the effects of living in a cold home.

For the previous ECO3 flex scheme that ran until July 2022. EFDC had a Statement of Intent published detailing the methodology and criteria for identifying eligible customers, this included a household earnings cap at £30,000. In the period from April 2021 to July 2022, 1 energy efficiency measure for a private sector household was installed.

The replacement ECO4 Flex scheme started in July 2022 and EFDC have published a <u>Statement of Intent</u> enabling residents to access this element of the funding. The statement of intent sets out the referral routes that can be used to access funding these include, having a household income under £31,000, being in receipt of certain benefits, area-based criteria, and health-based criteria.

7.0 SMART METERS

While the Smart Meter roll out is being managed by utility companies, EFDC recognises that it has a part to play to ensure that residents are fully acquainted with the facts so that they can decide if to have a Smart Meter installed.

The Council is currently looking at ways to provide the necessary information to support residents including the information that Smart Energy GB has made available.