

ADDRESSING FUEL POVERTY

A PLACE-BASED STRATEGY FRAMEWORK

onenorthern**devon**

361 
COMMUNITY ENERGY

OND FUEL POVERTY GROUP

Developed as a cross-functional, multi-organisational team effort:-

- One Northern Devon (Andrea Beacham, Hannah McDonald)
- North Devon Healthcare NHS Trust (Sarah Winfield-Davies)
- North Devon District Council (Jeremy Mann and Wendy Slate)
- Torridge District Council (Janet Williams)
- 361 Energy (Rob Passmore & Nicola Corrigan)
- North Devon Homes (Marc Rostock)



FUEL POVERTY – WHAT IS IT?

FUEL POVERTY DEFINITION

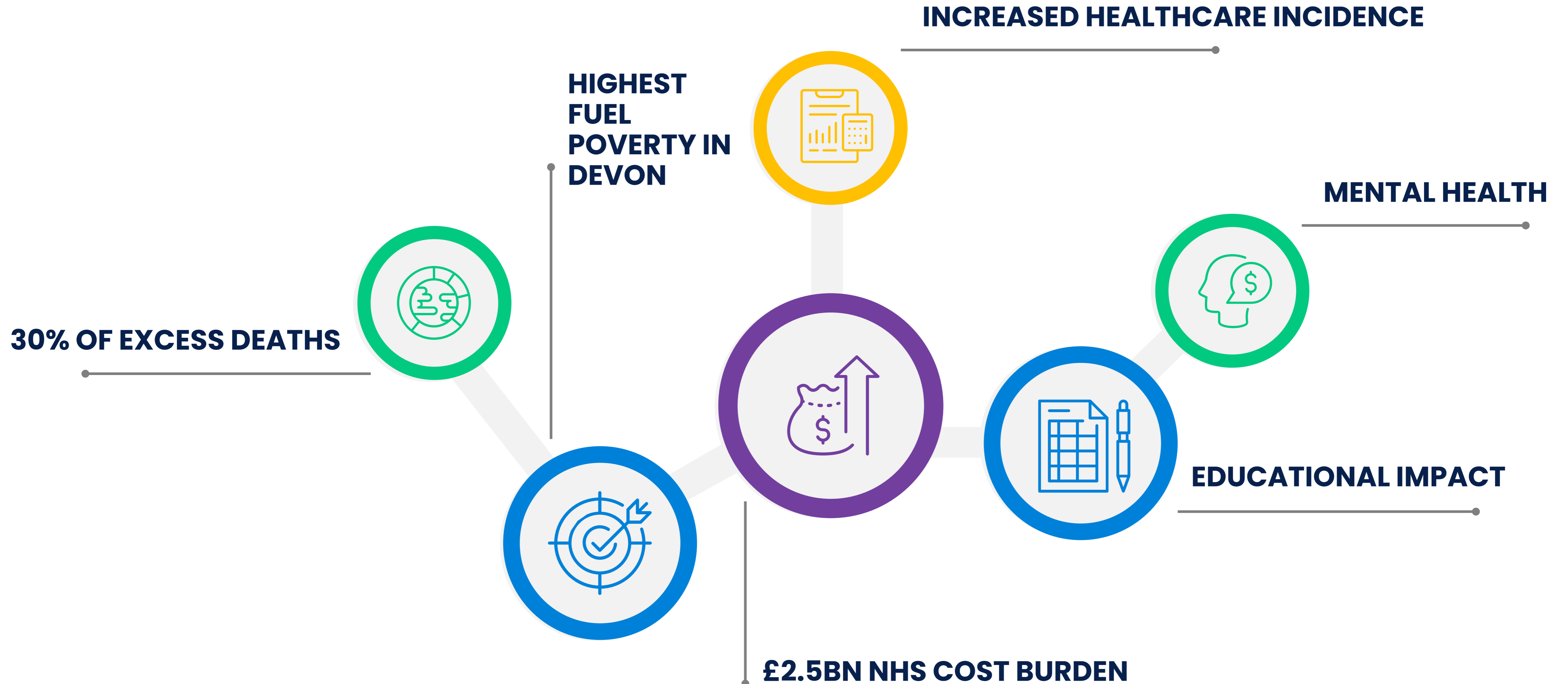
Households that have required fuel costs that are above average (the national median level) and were they to spend that amount, they would be left with a residual income below the official poverty line

ON THE GROUND MEANING

Residents need to make day-to-day decisions about heating their homes adequately OR paying rent, feed their families and other basic needs

FUEL POVERTY'S WIDER IMPACT

MORE THAT JUST FINANCIAL



COVID & FUEL POVERTY

- Increased domestic energy use, due to more people spending more time at home
- Reduced income, as many jobs lost or furloughed
- Increased affordability issues and debt, leading to energy rationing
- Reduced smart meter/ECO installs & accessing support, especially digitally excluded households
- In August, estimated that 2.8 million UK adults had fallen behind on their energy bills (Citizens Advice)
- Over winter, families in cold, leaky homes would face heating bills elevated on average to £124 per month, compared with £76 per month for those in well-insulated homes*
- Economic hardship is highly correlated with poor health. The current downturn – the deepest since the Great Depression – threatens individual and family wellbeing, especially for the unemployed and those experiencing wage and benefit cuts.
- Carbon reduction programs don't always address underlying fuel poverty

NORTH DEVON FUEL POVERTY

OUR RURAL SETTING DEEPENS THE ISSUE

2. OFF MAINS GAS GRID

Rural homes are more likely to be off the mains gas grid. The rural premium on living costs is 10-20%, and energy is the largest element

1. OLDER HOMES AND OLDER PEOPLE

High proportion of older houses which are harder to insulate. Older population than national average

3. PRIVATE RENTAL

Greater risk of severe fuel poverty – lower average income than owner-occupiers, and homes tend to be less energy efficient

4. HIDDEN

Regional averages and the dispersed nature of rural fuel-poor households means the problem is hidden

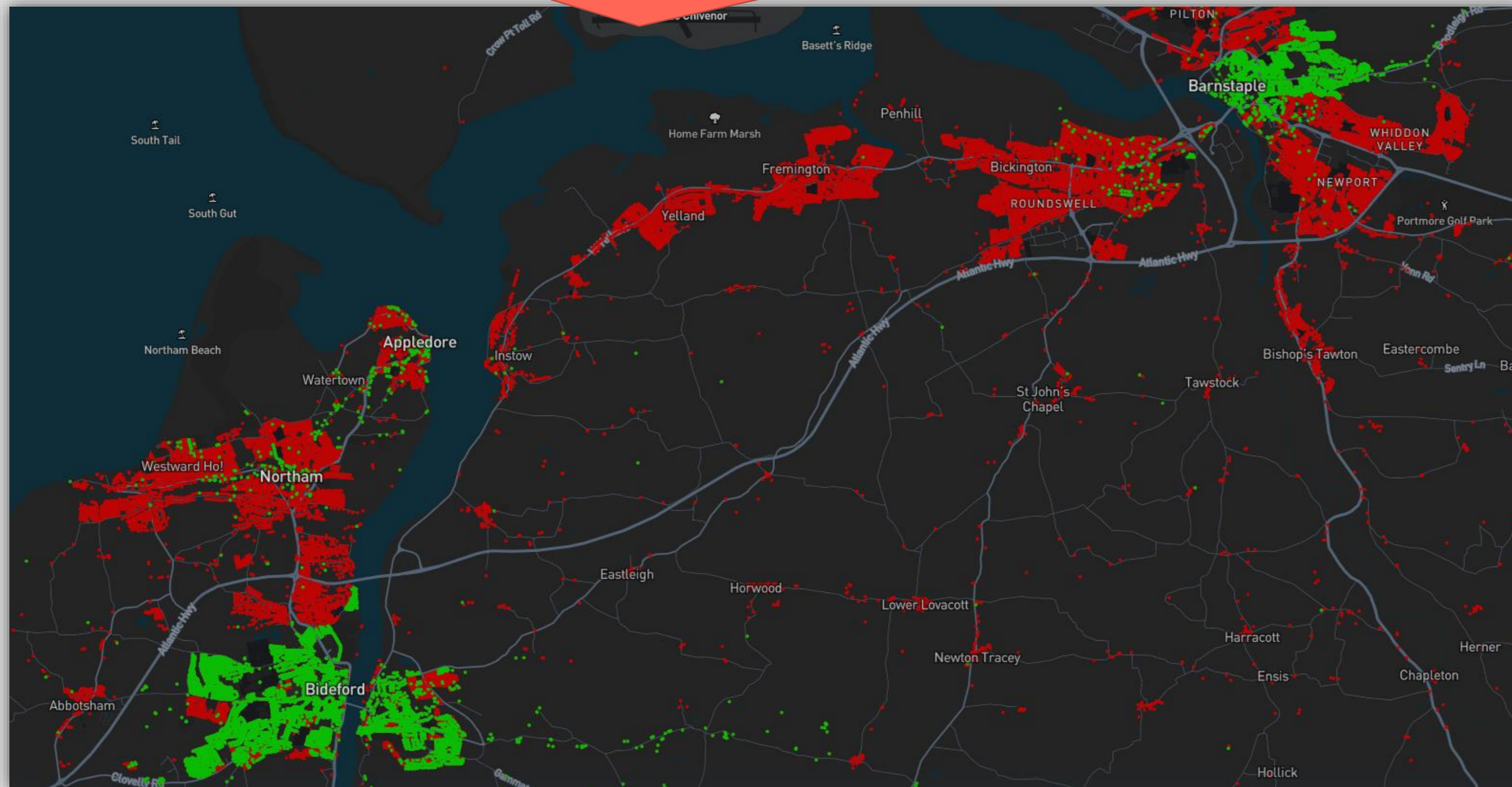
5. LOW INCOME

£5,827 lower annual wage than UK average; £2,561 lower than Devon average



INTERACTIVE LOCAL MAPS

Data Accuracy Note. The following slides are based on Energy Saving Trust's 'Home Analytics Data' from 2018. Consequently, this data is dated and should be used as anecdotal rather than a current analysis (Although the situation is not likely to have improved)



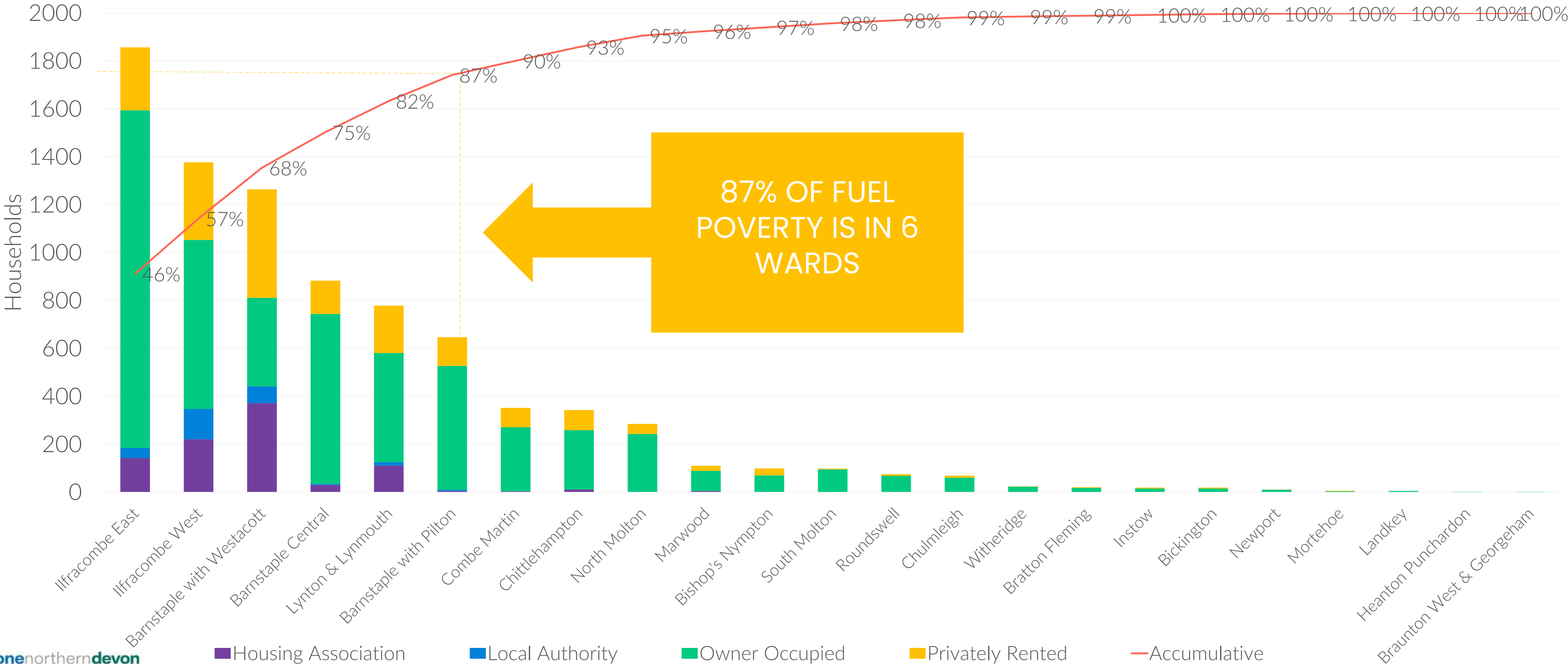
FUEL POVERTY MAP

EPC RATING (E-G) MAP

OFF MAINS GAS MAP

FUEL POVERTY BY WARD

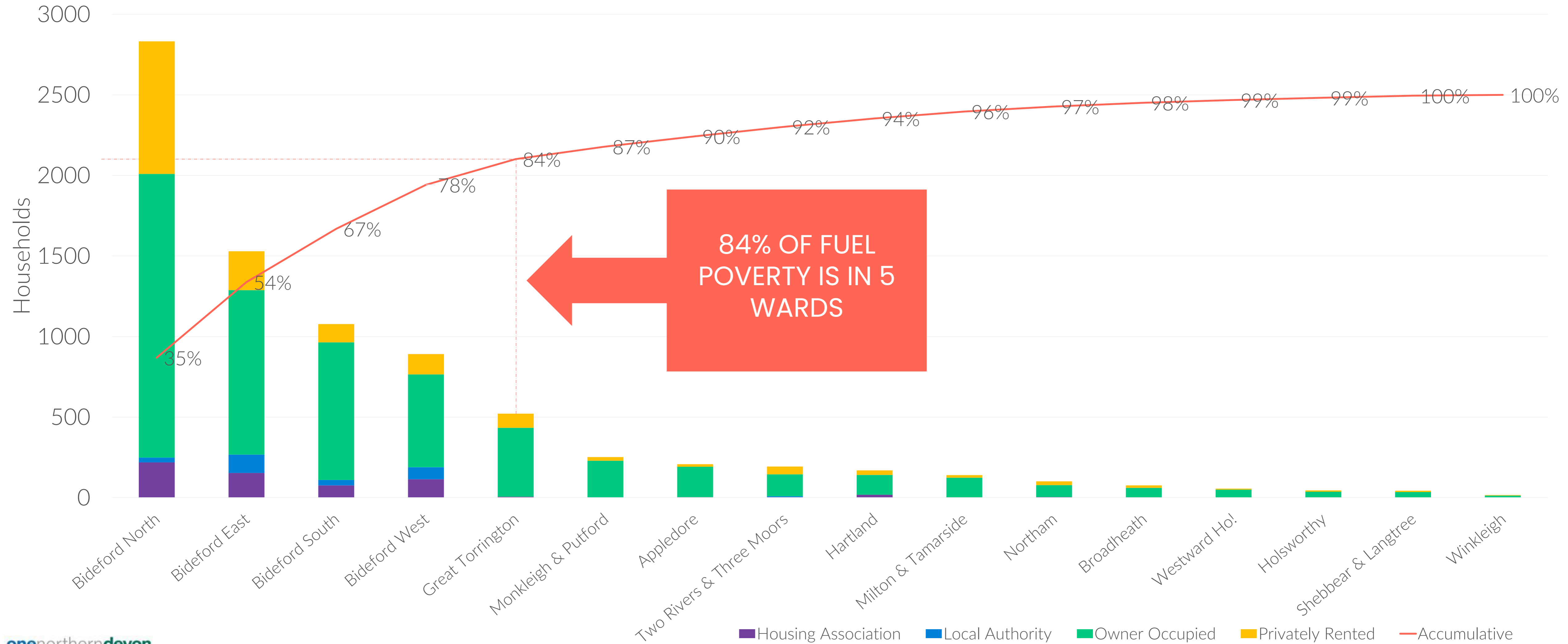
NORTH DEVON COUNCIL



87% OF FUEL POVERTY IS IN 6 WARDS

FUEL POVERTY BY WARD

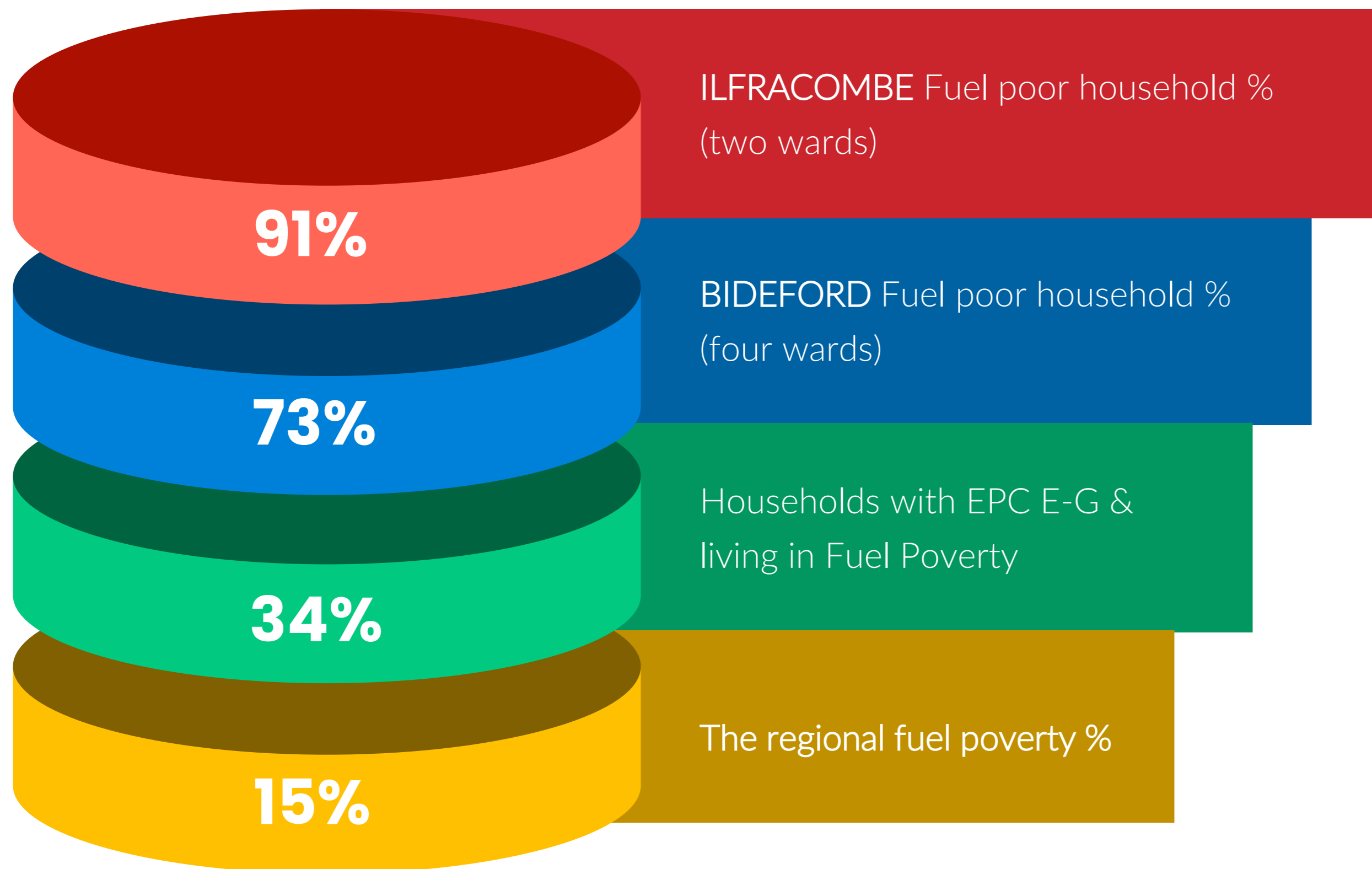
TORRIDGE DISTRICT COUNCIL



84% OF FUEL POVERTY IS IN 5 WARDS

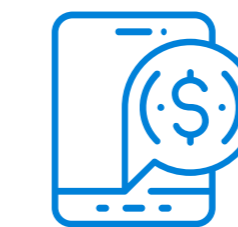
KEY PERCENTAGES

THE SCALE OF THE ADDRESSABLE ISSUE



ILFRACOMBE

91% of households in East & West Ilfracombe are in the 4th quartile of fuel poverty



BIDEFORD

73% across the house wards of Bideford are in the 4th quartile of fuel poverty



ENERGY PERFORMANCE

34% of fuel poor households also have an EPC rating of E-G

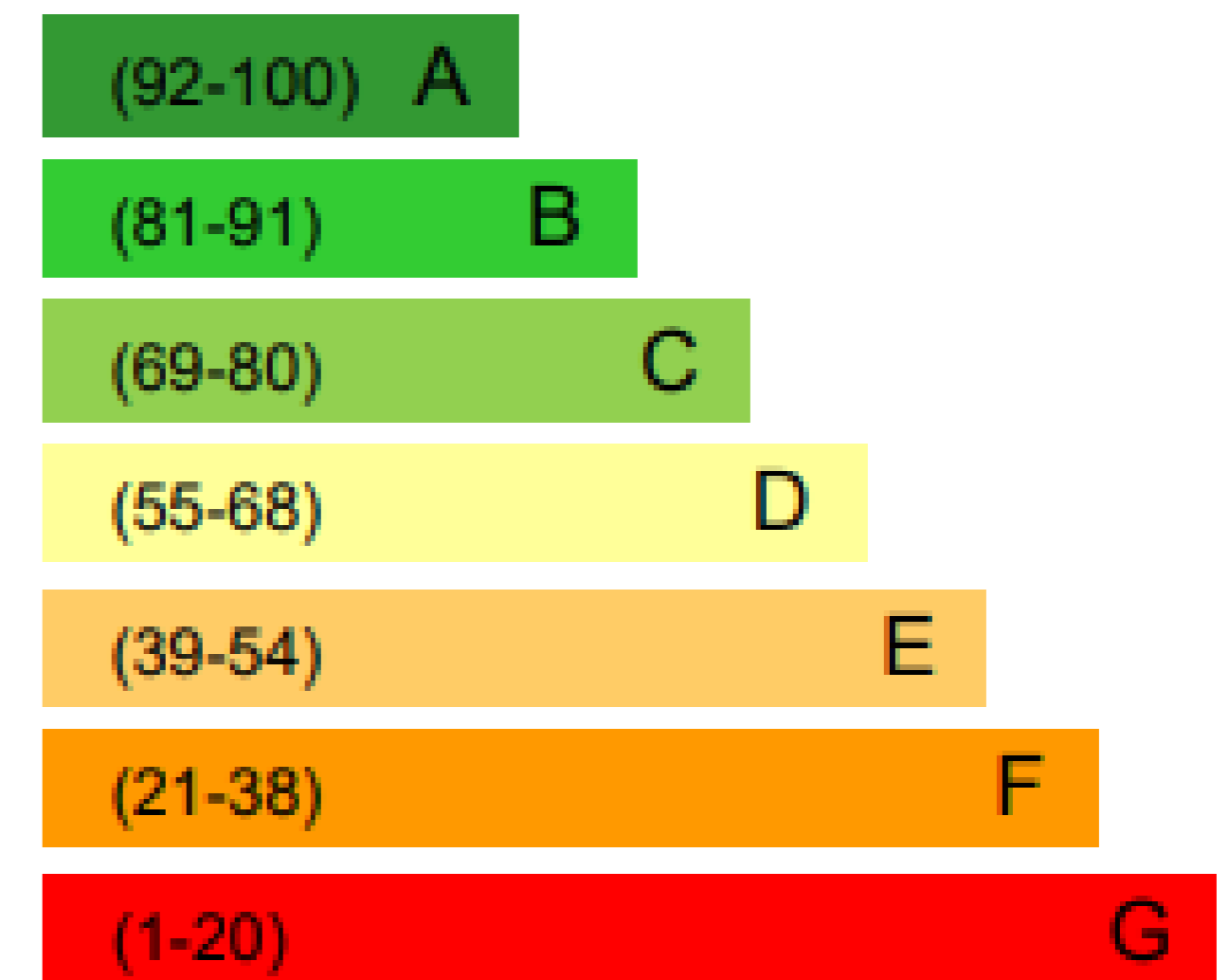


REGIONAL AVERAGE

The regional average is worse than national and masks how clustered the impact of fuel poverty is on certain communities

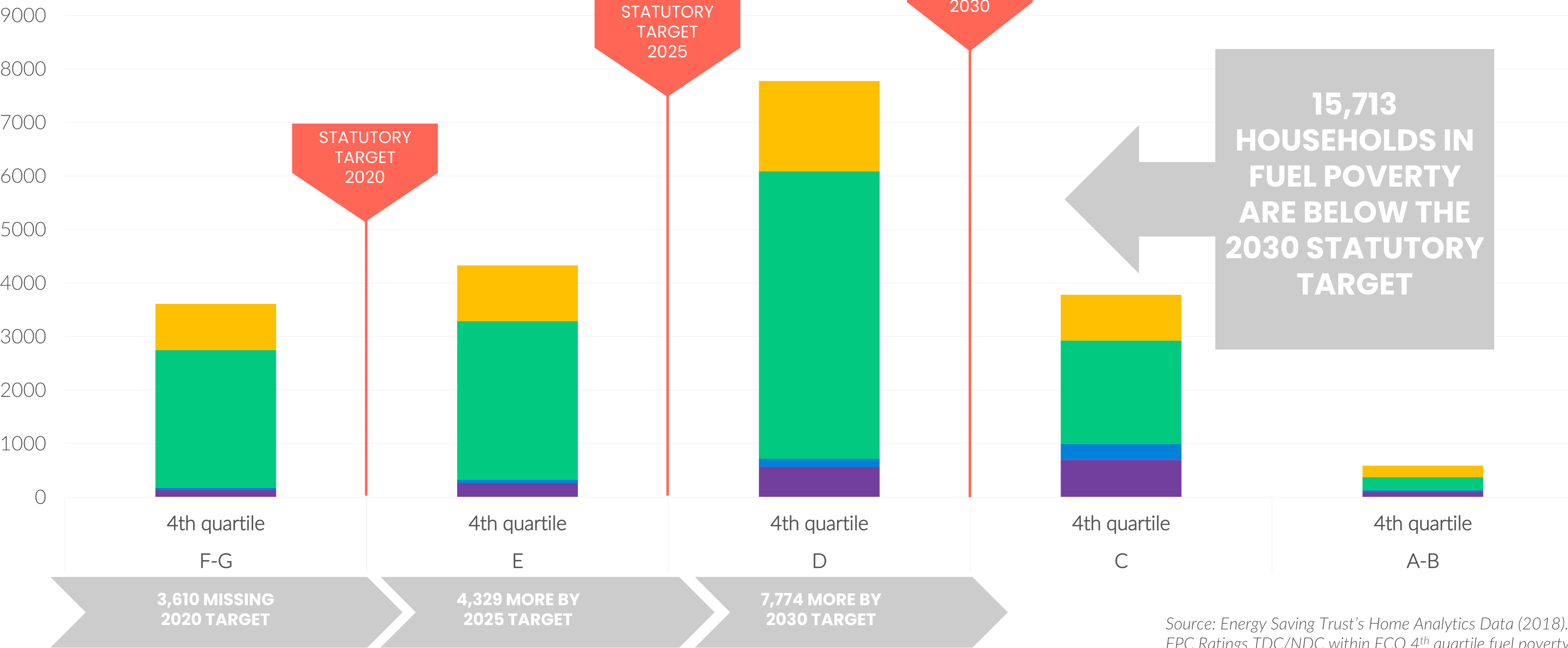
STATUTORY TARGET

- The Clean Growth Strategy set a target to upgrade as many houses to EPC Band C by 2035 “where practical, cost-effective and affordable”, and **for all fuel poor households**, and as many rented homes as possible, to reach the same standard by 2030.
- HM Government’s Statutory Target for all fuel poor households to reach:-
 - EPC C by 2030
 - EPC D by 2025
 - EPC E by 2020
- EPC rating is important, but addressing EPC alone will not adequately address the area’s fuel poverty



ND FUEL POOR'S EPC RATINGS

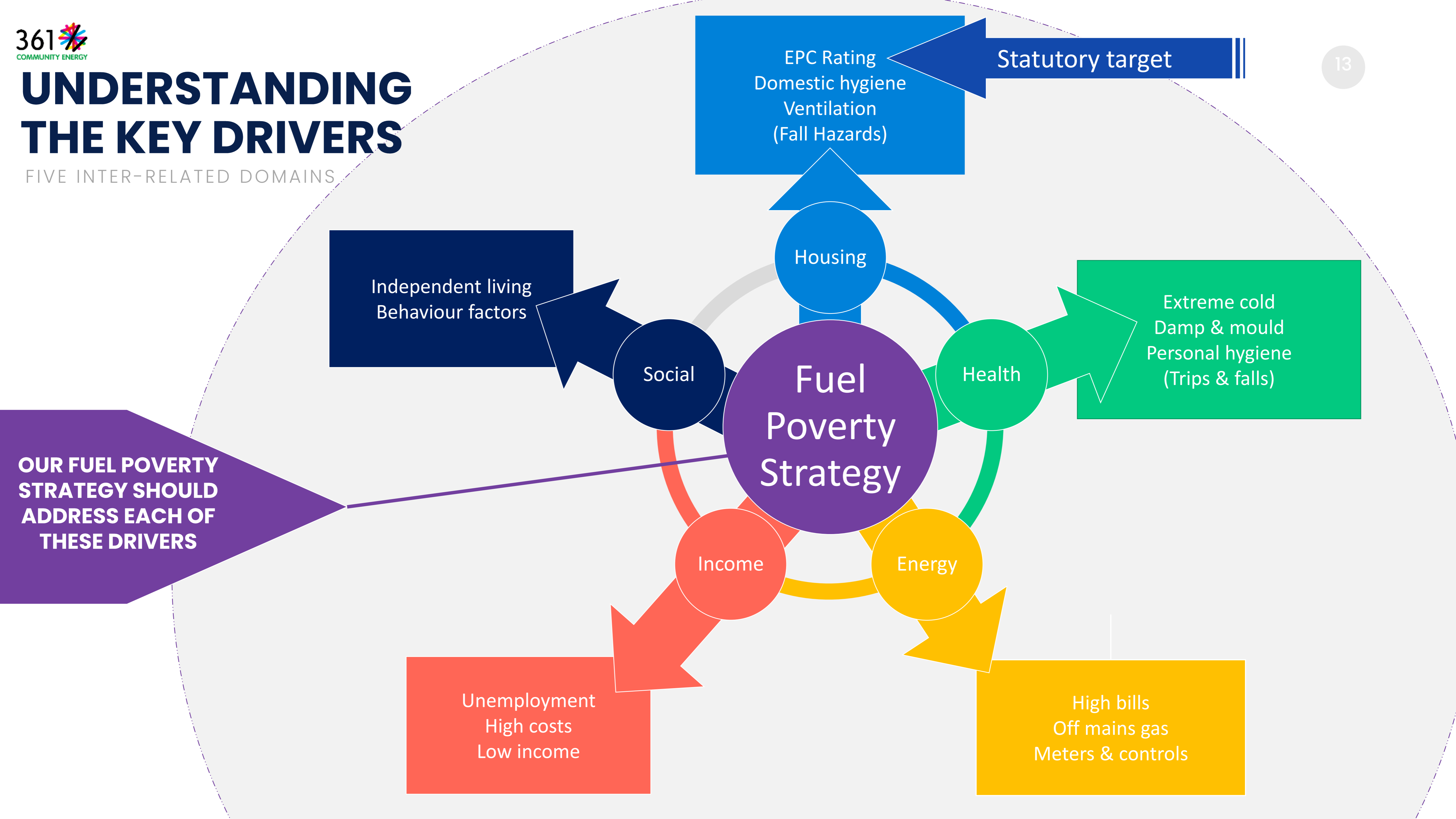
- Housing Association
- Local Authority
- Owner Occupied
- Privately Rented



Source: Energy Saving Trust's Home Analytics Data (2018). EPC Ratings TDC/NDC within ECO 4th quartile fuel poverty

UNDERSTANDING THE KEY DRIVERS

FIVE INTER-RELATED DOMAINS



THE HEALTH COSTS

Hazard	NATIONAL FIGURES					
	# Cat 1 Hazards	Average repair cost per dwelling (£)	Total cost to repair (£)	Savings to the NHS per annum if hazard fixed (£)	Payback (years)	
Excess Cold	1,325,088	£ 4,575	£ 6,061,192,123	£ 848,398,538	7.1	
Combined Falls	2,214,747	£ 834	£ 1,845,995,931	£ 459,919,694	4.0	
Fire	128,590	£ 3,632	£ 467,038,880	£ 25,082,026	18.6	
Collision & entrapment	74,054	£ 692	£ 51,245,368	£ 15,789,110	3.2	
Dampness	53,349	£ 7,382	£ 393,822,318	£ 15,585,129	25.3	
Hot surfaces	107,168	£ 2,436	£ 261,061,248	£ 15,061,744	17.3	
Sanitation (personal hygiene)	35,222	£ 1,154	£ 40,646,188	£ 4,086,230	9.9	
Domestic hygiene	28,355	£ 1,921	£ 54,469,955	£ 3,401,754	16.0	
Electrical Hazards	9,204	£ 2,360	£ 21,721,440	£ 1,230,900	17.6	

- The costs, and benefits to the NHS, of reducing HHSRS Category 1 hazards to an acceptable level (using median harm proportions and revised cost estimates)
- BRE briefing paper highlights excess cold the top Cat 1 hazard in terms of potential cost savings for NHS



Source: BRE – [The Cost of poor housing to the NHS](#)

NORTHERN DEVON HEALTH COSTS

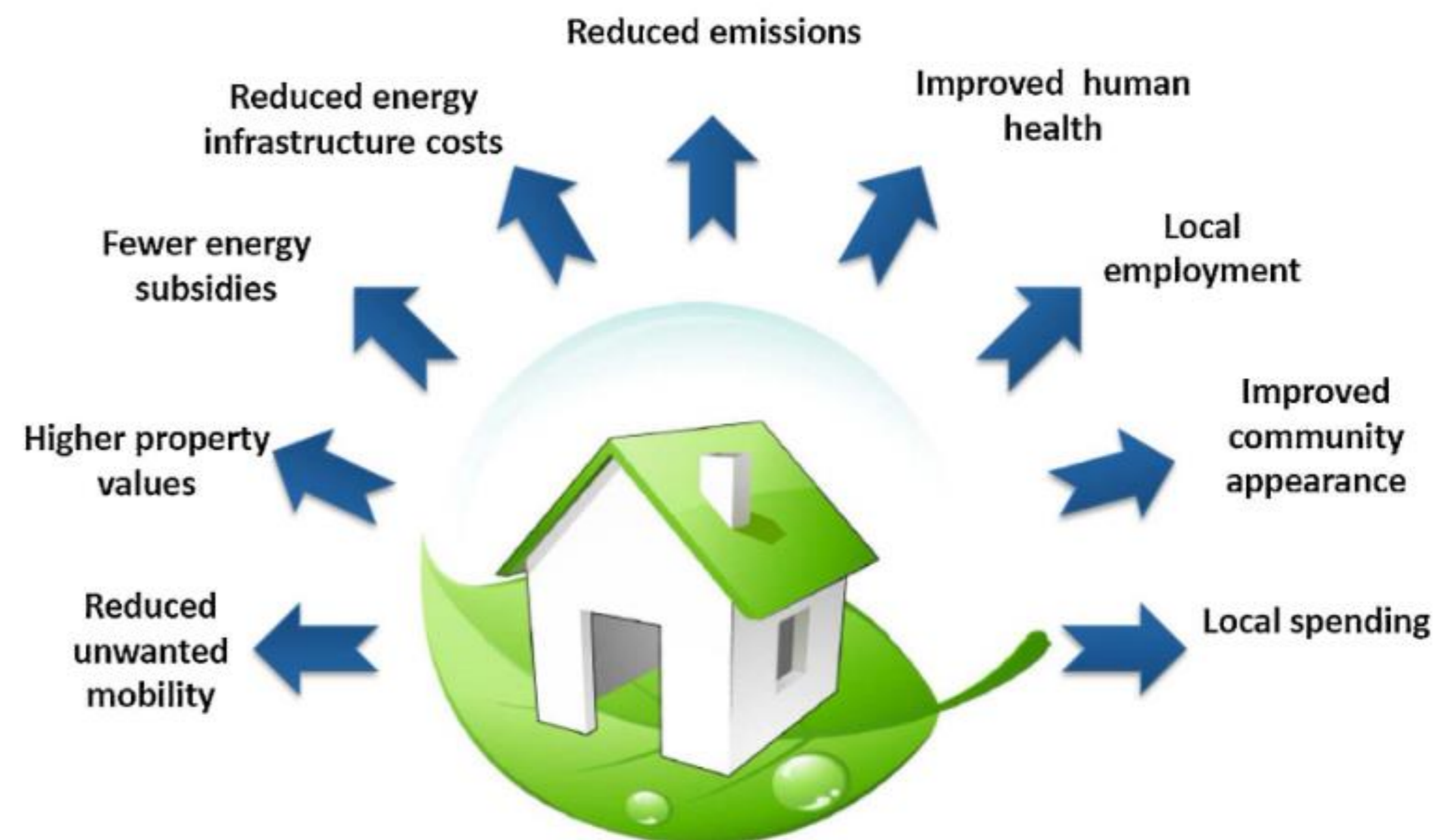
Hazard	NORTH DEVON (TDC+NDC)					
	#Cat 1 Households	Average repair cost per dwelling (£)	Total Cost to rep (£)	Local NHS Saving p/a	Local Payback (years)	
Excess Cold	10,573	£ 4,575	£ 48,369,233	£ 6,769,137	7	
Combined Falls	48,796	£ 834	£ 40,671,728	£ 10,133,136	4	
Fire	185	£ 3,632	£ 673,475	£ 36,169	19	
Collision & entrapment	107	£ 692	£ 73,896	£ 22,768	3	
Dampness	77	£ 7,382	£ 567,896	£ 22,474	25	
Hot surfaces	155	£ 2,436	£ 376,453	£ 21,719	17	
Sanitation (personal hygiene)	51	£ 1,154	£ 58,612	£ 5,892	10	
Domestic hygiene	1,309	£ 1,921	£ 2,514,589	£ 157,041	16	
Electrical Hazards	13	£ 2,360	£ 31,323	£ 1,775	18	

- Application of the BRE modelling to Northern Devon
- Excess cold potential NHS cost reduction of £6.8m p/a (7 year payback)
- Combined falls potential NHS cost reduction of £10.1m p/a (4 year payback)
- Excess cold 10-year NHS net saving potential is £20.3m
- Excess cold 15-year NHS net saving potential is £54.1m
- The payback economics stack up to address this



ENERGY JUSTICE

- Fuel poverty additionally represents a local social injustice that needs to be addressed
- Energy justice views fuel poverty as a fundamentally socio-political injustice, not just one of uneven distribution
- Fuel poverty represents injustices, often faced by three two groups who are regarded by policymakers as being particularly vulnerable to fuel poverty: disabled people and low-income families and older people living alone



MANY TACTICAL OPTIONS AVAILABLE ¹⁷

HOUSEHOLD OPTIONS

- Loft insulation
- Cavity wall insulation
- Whole house retrofit
- Ventilation improvements
- Draft proofing
- Secondary/double glazing
- Solid wall insulation
- Loft room insulation
- Radiator reflectors
- Lighting efficiency
- Chimney balloons
- Landlord EPC enforcement

ENERGY OPTIONS

- Energy advice
- Switching energy supplier
- Change boiler
- Heating fuel type
- Heating controls
- Heating method
- Air source heat pumps
- Ground source heat pumps
- Community heating systems
- Solar PV
- Solar thermal

HEALTH OPTIONS

- Healthy Homes Service
- Ventilation
- Damp & mould checks
- Fire hazards
- Safeguarding
- Trips/falls prevention
- Occupational health
- Priority Services Register WPD
- Community support

INCOME OPTIONS

- Green homes grant
- ECO 3
- PPM top up vouchers
- Warm homes discount
- Winter fuel payment
- Cold weather payment
- Energy debt relief
- Fall risk
- Income Maximisation
- Priority Services Register
- Water debt support
- Loans
- Energy efficient appliances
- Water debt support

IT IS OUR JOB TO BRING THESE TOGETHER INTO AN EFFECTIVE, COORDINATED STRATEGY FRAMEWORK

THE STRATEGY FRAMEWORK

A REGIONALISED STRATEGY TO REACH NET ZERO FUEL POVERTY

6-POINT STRATEGY FRAMEWORK

OUR INTEGRATED STRATEGY TO NET-ZERO FUEL POVERTY



MULTI-ORGANISATION COORDINATION

01



LEVERAGE EXISTING OPTIONS

02



CREATE NEW HEALTH HOMES SERVICE

03



CREATE COORDINATED LOCAL RETROFIT SERVICE

04



CREATE HEALTHY RETROFIT PILOT

05



LOCAL PLAN & FUEL POVERTY

06

1. MULTI-ORGANISATIONAL RESPONSE

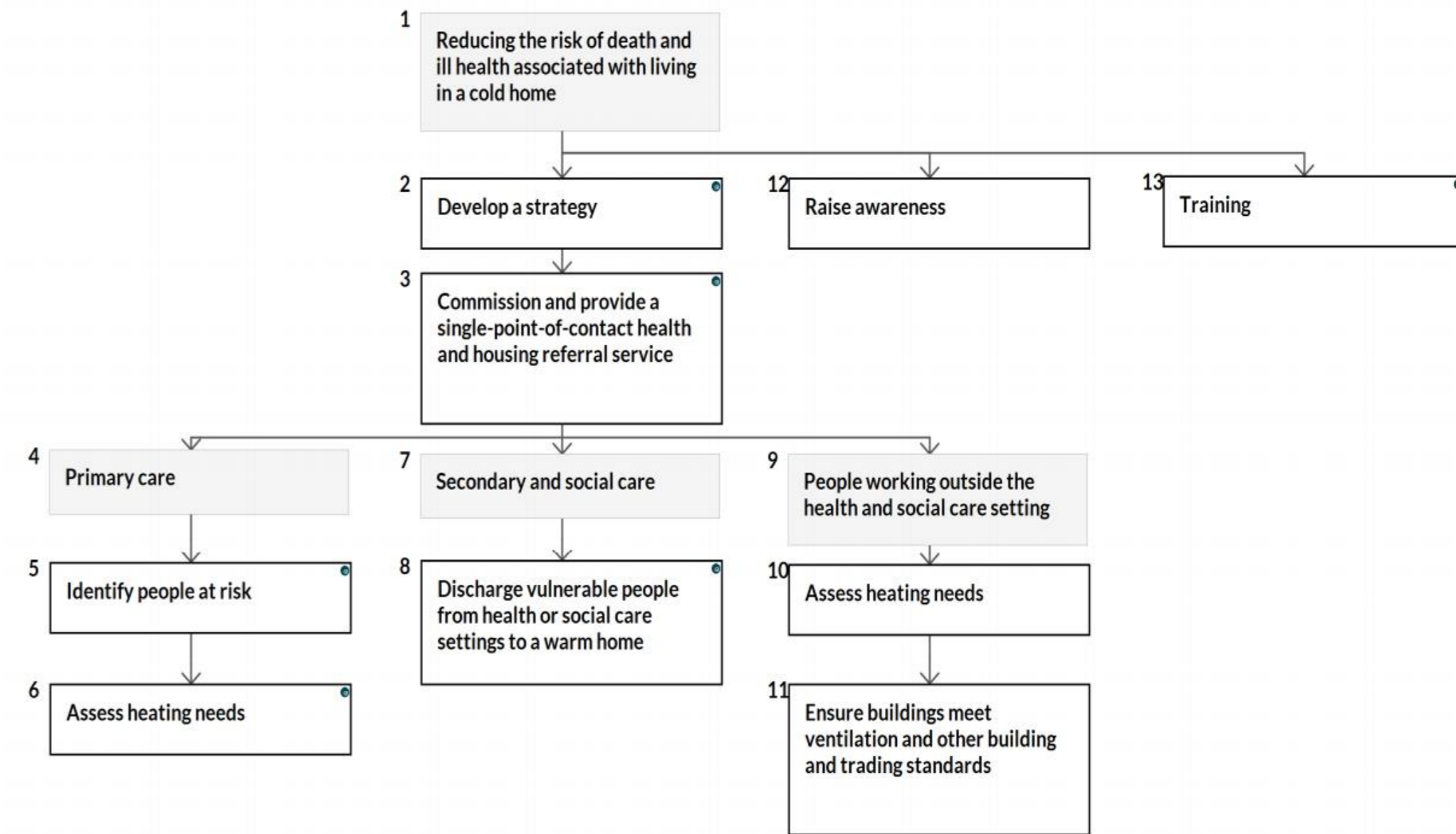
- Fuel poverty's complex drivers mean it cuts across multiple organisational agendas
- We have formed a multi-organisational group, under the OND Fuel Poverty priority, to coordinate and work as a single, unified team
- The group has representation from NDDH, GPs, Social Services, OND, 361 Energy, Community nursing, North Devon Homes, Torrington District Council and North Devon Council. We need to engage the voluntary sector as well.
- Outcome tracking is vital; both in terms of baselining programs as well as change
- **ACTION:** Confirm group as steering committee locally for Fuel poverty work and decisions to expedite implementation

2. LEVERAGE EXISTING OPTIONS

- We have an immediate need to help residents with Fuel Poverty
- Therefore we need to promote existing options concurrently to developing more strategic solutions
- 361 Energy offers free Home Energy Visits
- Ecoflex, Better care funding referrals
- We are working to generate awareness and support through multiple channels
- **ACTION:** Create communication, training and referral system with frontline workers to maximise level of support with existing options

3. CREATE HEALTHY HOMES SERVICE

- National Institute for Health and Care Excellence (NICE) have created Guidance and a [NICE pathway for Cold Homes](#) (NG6).
- We are currently not meeting NG6
- A roadmap to develop and operate an effective single-point-of-contact service for cold homes
- [Multiple examples](#) of successful implementation across the country (Yorkshire, Leeds, Wigan, Liverpool, Manchester, Knowsley)
- 361 as a local CIC already operating in the market an ideal vehicle to deliver the service in partnership with OND



NICE PATHWAY: COLD HOMES

- **ACTION:** Confirm NG6 goal. Decide program team to plan service, secure funding and implement

4. CREATE LOCAL RETROFIT SERVICE

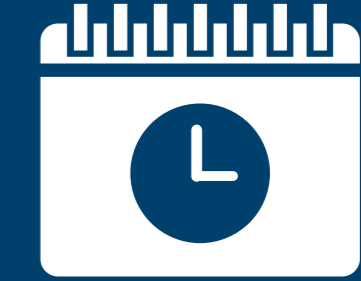


EXAMPLAR BASED

Based on blue print 'People Powered Retrofit' from [Carbon Coop](#) in Manchester

5 WORK PACKAGES

Builds retrofit infrastructure for finance; supply chain, technical expertise and householder engagement & quality assurance

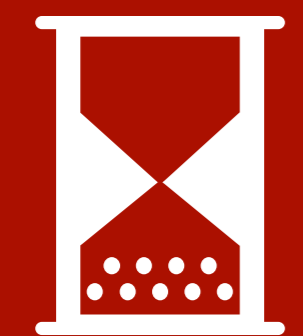


(FUNDED) FREE ADVICE

Set up a free advice on energy efficiency, retrofit options, renewable energy and EVs

MY HOME ENERGY PLANNER

Paid assessment of home, including options, ROI, carbon saving and more

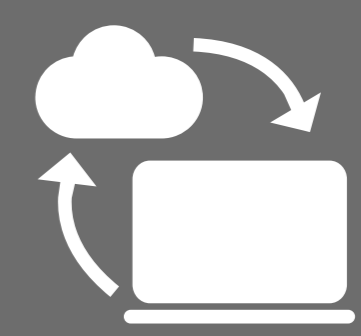


0% APR RETROFIT LOANS

Managed by Local Authority, potentially using Section 106 funds

END-TO-END QUALITY

Household supported through whole retrofit process including quality assurance



4. A LOCAL RETROFIT SERVICE

- EPC ratings and renewable energy options require a 'whole home' local approach
- We face considerable local supply chain issues with retrofit work
- Large-scale retrofit will not only address fuel poverty, but also create jobs and economic stimulus
- Can link to PAS2030 training for installers with local training institutions

- **ACTION:** 1. Confirm works group to oversee full Business Case creation.
2. Assign resources to enable this

5. HEALTHY HOMES RETROFIT

- Our approach to retrofit should be viewed as a piece of democratic, community infrastructure, not just for those that can afford it
- There is a risk of an 'energy justice divide' if the vulnerable are left behind
- Based on the significant NHS potential cost savings from reduced excess cold, create a program to retrofit the vulnerable on a 'worst first' basis
- Potential to establish a Social Impact Bond to finance roll out

- **ACTION:** 1. Confirm works group to create pilot Business Case and secure funding
2. Assign resources to enable this

6. LOCAL PLAN & FUEL POVERTY

- Fuel poverty is mentioned twice in the joint Local Plan:-
 - “3.35 Carbon dioxide reduction and fuel poverty are key issues for northern Devon”
 - “3.36 Fuel poverty levels in northern Devon are very high compared to local authorities in Devon, the South West and England”
 - There is no policy, recommendations or actions in the Local Plan regarding fuel poverty, especially in the light of the Clean Growth Strategy to ensure all fuel poor households reach EPC C by 2030
 - We would like to recommend this is reviewed, especially given the scale of the issue locally
 - This could strengthen landlord EPC compliance and housing standards
-
- **ACTION:** Ask if this can be opened up in the Local Plan or as an addition guidance for the Local Authority

THE BENEFITS

1. Significant reduction on local healthcare provision with related cost burden – as high as £6.8m per year based on BRE modelling
2. Improved health outcomes for residents
3. Improved social justice and reduction in hardship
4. Reduce costs for those living in poverty
5. Creates large-scale retrofit local jobs
6. Ensure income maximisation in the face of complex systems
7. Meet statutory targets set out in Clean Growth Strategy
8. Reduced carbon dioxide emissions, assisting with the climate emergency
9. Ensures Northern Devon is ‘levelled up’
10. The potential to create a healthy retrofit pilot that could be exported nationally
11. Supports the most vulnerable in our community – disabled, low income families and the elderly who live alone
12. Is the morally right thing to do

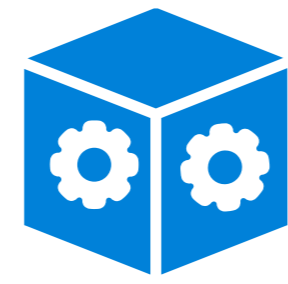
THE VISION

SIGNIFICANT BENEFITS FOR NORTHERN DEVON



DEMOCRATIC

An approach that views fuel poverty as a social and energy justice, not just for those that can afford it.



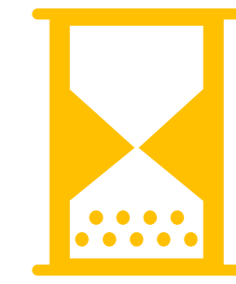
TRIPLE WHAMMY

Locally rooted fuel poverty solutions offers a triple whammy of health benefits, economic benefit for local businesses opportunities for local construction firms; reduced energy costs for low income households, and a carbon reduction towards our climate net-zero goals.



NEW JOBS

A recent report by the UK Energy Efficiency Group estimated that upgrading home insulation across the UK could translate into 150,000 new skilled and semi-skilled jobs in the UK by 2030 and reduce household expenditure by £7.5bn per year



LOCAL ROLE

Local authorities have a critical role in growing and shaping their local retrofit sectors to ensure that national investment flows through local economies, creating social and economic benefits beyond a reduction in carbon emissions

REQUESTED DECISIONS

1. Confirm OND Fuel Poverty group as forum to manage the issue locally
2. Create communication, training and referral system with frontline workers to maximise level of support with existing service offering.
3. Healthy Homes Scheme: Confirm service need & 'Go' decision. Decide program team to plan service, secure funding and implement. Assign resources to enable this.
4. Local Retrofit Service: Confirm service need & 'Go' decision. Confirm program team to oversee full Business Case creation. Assign resources to enable this.
5. Healthy Retrofit Service: Confirm pilot need & 'Go' decision. Confirm program team to create pilot Business Case and secure funding. Assign resources to enable this.
6. Seek decision on Fuel Poverty inclusion in Local Plan from the Local Authorities

THANK YOU