

# **Brighton & Hove HECA Progress Report 2017**



**Brighton & Hove  
City Council**

## Local energy efficiency ambitions and priorities

### Local context

Brighton & Hove faces a number of challenges and opportunities in increasing the energy efficiency of its housing stock.

- Homes contribute the most significant source of carbon dioxide in the City at 40% of Brighton & Hove's measured carbon footprint, or 419 Kt CO<sub>2</sub> per year, compared to 31% nationally.
- According to the most recent Brighton & Hove House Condition Survey the age profile of the total private stock in Brighton & Hove differs from the average for England in that the stock profile contains a substantially higher proportion of pre 1919 stock at 39.8% compared to the national average of 24.9%. There are also slightly higher levels in the 1919 to 1945 age group (25.9% compared to 18.5%). There are however, significantly fewer built in the post 1944 age groups. This shows a stock profile that is older than the national picture with 65.7% built before 1945 compared to 43.4% in England as a whole.
- It has been estimated that 35% of the private sector housing stock fails to meet the decent homes standard, significantly higher than the national average, largely driven by poor standards of thermal comfort arising from the age and nature of housing in the City hindering energy efficiency improvement.
- According to the 2011 Census housing data the size of the private rented sector in Brighton & Hove increased by 37% from 2001 with an extra 10,691 homes. 34,081 homes are rented from a private landlord representing 33% of the 103,353 private sector homes in the city, 2 out of every 7 households in the city are now renting from a private landlord, Brighton & Hove has the 9<sup>th</sup> largest private rented sector in England & Wales.
- The average EPC rating for private sector housing in Brighton and Hove is estimated to be an E rating, with 5% of the private sector stock estimated to be below this standard.
- In 2014 fuel poverty in the city was estimated to be 12.3% of households higher than the South East average.

### Local ambition for CO<sub>2</sub> reduction

The [City Sustainability Action Plan](#) presents a broad set of actions and initiatives that support sustainability and that are being delivered by the council, city partners and individuals across the city. The zero carbon element of the plan sets out some high level objectives, actions around energy efficiency of housing feed into this plan.

The development of an Energy Plan is currently being explored by the city council. This would address affordable, secure and low carbon energy, and develop actions to achieve city carbon targets.

[The Brighton and Hove Renewable and Sustainable Energy study](#) carried out in 2012 identified opportunities to support carbon reduction through energy efficiency, renewable energy solutions and district heating networks in the city. The study was commissioned as background evidence for the Local Development Framework Findings. Findings have informed planning policy, influencing the development of energy standards for the City Plan. The overarching City Plan city carbon target is for an 80% reduction of CO2 emissions by 2050.

The Renewable and Sustainable Energy study identified 14 'heat priority areas' with enhanced opportunities for district heat networks in the city. These 14 areas have been allocated in planning policy under City Plan Part One where heat networks are prioritised.

Through funding from the DECC Heat Network Delivery Unit, four feasibility studies for city heat networks have been undertaken (in heat priority areas) to explore techno-economic feasibility. These place affordable warmth as a key priority.

- Eastern Road and Clarendon Road studies have been completed with the aim to further develop the opportunities & potentially produce robust business cases and models for the installation of heat networks in these areas. Further work on exploring and developing the technical options and engaging with stakeholders for the Clarendon Road site will be carried out throughout 2017 in order to build a potential business case.
- A heat network study for Toads Hole Valley has been completed identifying a viable scheme in the Hangleton area. Planning policy with heat network design guidance has been published for consultation. This will be explored further subject to engagement with the developer.
- A study for a heat network for Shoreham Harbour has been completed but the project has now been handed over to Adur & Worthing Councils as the scheme will not have capacity to supply heat into the Brighton & Hove Authority area.

Improving the quality and energy efficiency of our housing is highlighted and reflected in the following strategic documents;

- The [Housing Strategy](#) has 'Improving Housing Quality' as a key priority and specifically sets out a desire to create 'Decent Warm & Healthy Homes'
- The HRA [Asset Management Strategy](#) sets out our commitment to 'improving energy efficiency, health & wellbeing'
- The [Fuel Poverty & Affordable Warmth Strategy](#) sets out the risks to health and wellbeing from cold, energy inefficient housing and outlines key objectives to assist in tackling this issue.

The value of improvements to our housing is something we are keen to capture and demonstrate more clearly. At a national level it is estimated that cold homes cost the NHS £1.36bn per annum and that an estimated 40% of all excess winter deaths are attributable to inadequate housing.

A 'Brighton & Hove Eco Open Houses' event is planned for October 2017. The event promotes carbon reduction, energy efficiency, and renewables in existing and new homes and buildings. It provides a peer to peer learning space where the public can visit houses and buildings where energy bills have been reduced successfully. This will be the 10th annual event to take place in Brighton & Hove.

## Brighton & Hove Housing Stock/Housing Revenue Account (HRA)

Significant spend has been carried out to improve the energy efficiency of our housing stock, the figures below show the level of investment relating to improving energy efficiency from financial year 2010/11 until 2015/16, continued investment continues within this financial year;

<b>Summary of spend 2010-2017</b>	
Windows	10,145,623
Solar PV City-Wide	1,638,689
Communal Boilers	3,330,308
Domestic Boiler and system installation	16,890,756
Cladding	13,556,111
Insulation	121,974
Other Energy Efficiency Projects	603,030
<b>Total</b>	<b>46,286,492</b>

Building on the above we are developing an HRA Energy Strategy, alongside tenants and leaseholders, throughout 2017. This will set out how we can improve the energy efficiency of our housing stock, focussing on the benefits this can generate for tenants, leaseholders and the city more widely. A key ambition will be to meet the Fuel Poverty Regulations (England 2014). Through the strategy we will also look at how we can better capture and report the full benefits of our investment. The strategy will work alongside and complement both the wider HRA Asset Management Strategy and the Fuel Poverty and Affordable Warmth Strategy. The aims of the HRA Energy Strategy will be to set out how we can 'future proof' housing, specifically aiming to;

- reduce energy use and costs for residents;
- increase health & well-being;
- and improve, high-quality housing stock that lowers carbon emissions.

There has been some good work and some success in the past using individual measures across our housing stock, but a growing number of challenges have impacted on our ability to take a more holistic and strategic approach, the strategy will attempt to address this.

The HRA has EPC data for its property – this is both from surveys and from modelled estimates, including data on the heating systems installed. At the end of June 2016 the average SAP rating of HRA property was 65.2– which is in Band D (55-68). The average for England & Wales at this time was 60 (also Band D). Improvements in SAP rating are largely down to a history of upgrading the property with measures such as:

- Cavity wall insulation, loft insulation and double-glazing;
- Installing more efficient gas condensing boilers. The HRA capital programme has invested significantly in upgrading heating across our properties. The strategy in place since 2007 is for all properties with a gas supply to have "A-rated" appliances by 2021/22, there are approximately 2,500 systems left to be

upgraded. The impact of this programme is significant as the effect of upgrading from a “D” to “A” rated boiler can save on **average £105 per household per annum** (based on estimates from the Energy Savings Trust).

For properties not on the gas network or technically not suitable for gas boilers the energy strategy will set out alternative options to be considered such as heat networks and other low-carbon technologies.

There have been larger projects to:

- Overcladding at Bristol Estate; and high rise blocks such Essex Place, Warwick Mount, Kingfisher Court; Hereford Court, Wiltshire House, saving an estimated 525 tCO<sub>2</sub> p.a.;
- Upgrading lifts and switching to LED lighting systems that are more efficient;
- Solar PV – including new build, we now have around 400 arrays on our own housing stock, through investing £1.6M, with estimated savings of 1176 tCO<sub>2</sub> to date. Although difficult to accurately calculate the energy bill savings to residents the benefits of this programme have been demonstrated through a joint study with the University of Sussex who followed the experience of seven of our households <https://www.youtube.com/watch?v=Ew1aYAzRlz0>

Overall carbon emissions from our own housing stock have been reducing due to above actions – estimates are that emissions have reduced from 46,000tCO<sub>2</sub> per annum to 30,000tCO<sub>2</sub>.

The HRA capital programme up to 2020 includes significant investment to increase the energy efficiency of our housing stock, and reduce CO<sub>2</sub> emissions, this is primarily focussed on domestic and communal heating improvements, insulation (incl. over-cladding) and some investment in renewable technologies.

In addition to the above capital improvements we have been successful in securing EU funding for the SHINE project to tackle carbon emissions and fuel poverty in the city. SHINE stands for Sustainable Houses in Inclusive Neighbourhoods and is made up of 14 Flemish, Dutch, French and British partners who are working together to explore different ways to speed up renovation and behaviour change for residents in the partner areas. The project receives European funding from the Interreg 2 Seas programme and will run until 2020.

In Brighton & Hove the aims of SHINE are to;

- carry out targeted work with residents in council housing properties to monitor the impact of maintenance and capital works programmes and behaviour change on energy efficiency and fuel costs
- provide a rolling programme of energy efficiency/fuel poverty awareness training for staff, contractors and residents
- train and support a cohort of volunteer resident energy experts to provide advice, support and signposting to residents
- provide energy saving kits and energy advice visits for residents and test new technology to track and reduce energy use

A key element of this project will be to capture the benefits to resident’s health and wellbeing from improving the energy efficiency of their homes, and help inform future

capital investment.

We are also part of an emerging partnership of housing providers within the Local Enterprise Partnership area looking to explore models for self funding large scale retrofit to near zero carbon standards. A potential funding stream to 'kick start' this has been identified and is being pursued over the coming months. If successful this will allow for the development of an innovative pilot project on properties in the region with an aim to move to large scale in the future.

We have recently met with the BEIS Local Energy Team and are keen to explore further how we can work together to progress local priorities and ambitions.

### **Devolution**

Following on from the Greater Brighton City Deal (2014), the Coast to Capital Local Enterprise Partnership (C2C LEP), and the Growth Deal (2014), the Greater Brighton Economic Board submitted in 2015 the City Region's Devolution Prospectus 'Platforms for Productivity', to the Secretary of State DCLG (approved October 2015). Amongst proposals, the bid seeks to bring forward surplus public sites and to establish an investment fund with the Homes and Communities Agency and other funding, and to accelerate housing delivery with calls for significant local flexibilities, including Right to Buy receipts and HRA borrowing.

### **Tackling Fuel Poverty**

The council has developed a [Fuel Poverty & Affordable Warmth strategy](#) in response to both the National Institute for Health and Care Excellence(NICE) guidance 'Excess winter deaths and morbidity and the health risks associated with cold homes' and the national fuel poverty strategy for England, 'Cutting the cost of keeping warm'.

The strategy, alongside the Brighton & Hove [Joint Strategic Needs Assessment](#), identifies the relationship between poor housing and poor health outcomes, in particular fuel poverty and poor thermal comfort. It outlines six key objectives for the city;

1. Increase the energy efficiency of the city's housing stock
2. Support residents struggling to pay their energy bills
3. Improve awareness and understanding of fuel poverty
4. Work together to tackle fuel poverty through partnership and learning
5. Increase effective targeting of vulnerable fuel poor households and those most at risk of the health impacts of cold homes
6. Maximise resources and opportunities for tackling the causes fuel poverty

A cross sector steering group has been established to progress this work, recognising the need for, and benefit of a multi-agency response to tackling fuel poverty and its impacts.

The annual Warm Homes Healthy People programme delivered jointly between housing and public health for the council continues to run programmes of support, advice and assistance to city residents affected by fuel poverty and the impacts of living in cold homes.

To support the recommendations within the NICE guidelines and subsequent objectives in the Brighton & Hove Fuel Poverty & Affordable Warmth strategy, along with partners across the city, we continue to look for possible funding streams to support and escalate work (such as that delivered through the annual Warm Homes Health People programme) to support vulnerable householders across the city. A successful bid, co-ordinated by Brighton & Hove Citizens Advice Bureau, to the British Gas Energy Trust Warm Homes Fund, secured £395,000 for work in this area throughout 2016 and into the 2017. The Council supported this bid, and by working with partners ensured it fits with the local context and challenges. The Warmth for Wellbeing programme is based on a partnership of 14 local partners and has delivered a number of interventions and support for local residents, targeting those most at risk as identified in the NICE guidelines, the 'interventions' include;

- Financial advice
- Hardship payments
- Training to front-line professionals
- Development of an on-line e-learning module
- Home energy advice visits
- Energy advice desks

The HRA Energy Strategy referred to in the previous section will also set out how we will address fuel poverty for those residents living in council housing, including outlining how we will aim to meet the targets in the 2014 Fuel Poverty Regulations.

### ECO Affordable Warmth Scheme

As an 'Affiliate' member of the Your Energy Sussex (YES) partnership we promote the availability of the YES Affordable Warmth scheme for vulnerable households on low incomes. The scheme re-opened to new referrals in January 2017 and provides financial support through the Energy Company Obligation towards replacement heating systems, as well as loft and cavity wall insulation. Full details of the scheme including the eligibility criteria are on the Your Energy Sussex [website](#).

Following the Government's Help to Heat consultation about the future of ECO funding, we will be working with partners within YES to identify new opportunities to support households at risk of fuel poverty. With the increased emphasis in the new funding round on supporting fuel poor households and changes to qualifying criteria we are conscious that this may enable us to extend our work, such as through 'flexible eligibility', beyond the scope of the current scheme.

In addition to the above we continue to signpost residents over the phone and through our own [web pages](#) to further advice and support such as the Energy Saving Advice Service and individual energy supplier's schemes. Specifically a number of residents have been able to benefit from the advice and support of [Brighton & Hove Energy Services Co-operative](#) (BHESCO) who we continue to work

with on a range of projects, including the Warmth for Wellbeing project detailed above.

## **Boilers and Heat Pumps**

As highlighted above the Brighton & Hove City Council housing capital programme has invested significantly in upgrading heating across our properties, including the installation of A-rated boilers and upgrades to communal heating schemes (where feasible, the latter have included Solar Thermal arrays). This is creating significant savings in CO2 emissions and savings to residents on fuel bills.

Heating systems deemed to be Heat Networks will comply with the Heat Network Metering & Billings Regulations (2014) and will make use of heat meters enabling greater transparency and control of use which is known to reduce consumption.

The 2012 [Brighton & Hove Renewable & Sustainable Energy Study](#) shows significant potential capacity for heat pumps in the city with an estimated 863 GWh by 2031 we are keen to explore what role the council can play in examining barriers and accelerating the deployment of heat pumps to assist in meeting carbon reduction targets and in supporting households to achieve affordable warmth.

We are also conscious that the local coastline has been identified in the national [water source heat map](#) as a potential area for deployment of this technology at scale; we are open to further exploration of the viability of these opportunities.

Advice to private householders on energy efficient heating systems is provided through our [website](#) including signposting to sites for further information. Safety elements and regulations relating to replacing boilers and heating systems are detailed through our [webpages](#). From a technical safety perspective local Building Control advise residents that all gas appliances should be installed by a competent installer registered on the Gas Safety Register. The competent person scheme exists so that installers are monitored to ensure that boiler installations satisfy Building Regulations and compliance certificates are issued by Gas Safety when they are notified of installations by their registered installers. Where a boiler is installed as part of other building work in a domestic situation Building Control will require confirmation that the work has been carried out by a registered installer satisfactorily.

Should it come to the attention of Building Control that work is being carried out by a non registered installer an independent safety check would be required on the system by a registered installer, to ensure it satisfies the Building Regulations. From our experience it is very unlikely that unregistered installers would carry out a boiler installation/gas connection, due to the potential risk of prosecution by the Health and Safety Executive.

## Smart Meters

We signpost residents through our home energy efficiency web pages to Smart Energy GB for information and advice about smart meters <https://www.brighton-hove.gov.uk/content/housing/general-housing/are-you-getting-best-value-your-gas-and-electricity>

We will be considering the roll out of smart meters throughout a range of projects and programmes planned or underway, i.e. As part of the Your Energy Sussex partnership we have carried out some soft market testing for a partnership with a licensed energy supplier to offer a local tariff to Brighton & Hove and Sussex residents. The aim of the scheme would be to offer competitive tariffs and excellent customer service, with a particular focus on encouraging the 70% of the market that does not switch suppliers, in particular vulnerable households. A key element of the scheme will be the roll out of smart meters to give people greater control of their energy use, as part of this we would look for a supplier to offer a good value void service for housing providers. The procurement of the energy supply partner will be carried out throughout 2017.

As stated elsewhere we have a close relationship with local community energy groups and aim to work collaboratively wherever we can. Brighton & Hove Energy Services Cooperative were commissioned by SmartEnergy GB, as part of their Partnership Programme, to advise residents and promote the roll out of smart meters. <http://bhesco.co.uk/smart-meters/>

In total, BHESCO reached almost 36,000 people during the campaign speaking directly to over 250 households about the benefits of smart meters. It is reported that some of those people have gone ahead and ordered smart meters to be installed by their energy supplier, however not all energy suppliers are installing Smart meters in Brighton and Hove yet. BHESCO reports that the reactions of residents have been mixed with some residents expressing concerns about how data will be used and perceived health concerns relating to the meters themselves whereas others have been very happy with information that is helping them get and use data to inform their energy consumption decisions.

Through the SHINE project detailed above we will explore and test smart meters, monitors and display units in our own properties to assess the most effective methods of reducing energy use and CO2 emissions.

Through the above, and learning from these projects, with partners we are keen to explore ways we can further support the roll out of smart meters in Brighton & Hove.

**Minimum Energy Efficiency Standards in the Private Rented Sector**

We look to work proactively with private landlords and have positive relationships with both the Southern Landlords and National Landlords Associations through the city's Strategic Housing Partnership. By working through this group we share information to ensure that landlords are aware of the requirements and their duties under the regulations.

Non-compliance with the minimum standards in the private rented sector will be identified through existing teams dealing with private rented accommodation such as the Private Sector Housing Team and Trading Standards, where enforcement action is required this would need to be assessed on a case by case basis as there is currently no identified additional resource to identify and enforce.

Existing activity, such as HMO licensing schemes and general residents enquiries/requests for assistance will highlight where regulations and standards are not met, through these routes we expect to see standards improve across the private rented sector in the city.

Draft policies for inclusion in City Plan Part two, (adoption expected summer 2018) are being explored to require new dwellings created in existing buildings to be built to minimum energy efficiency standards.

**Signed:**



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