

# **Home Energy Conservation Act**

## **Progress report – May 2021**

# 1. Introduction

The Home Energy Conservation Act 1995 (HECA) recognises local authorities' ability to use their position to significantly improve the energy efficiency of all the residential accommodation in their areas. In July 2012 the Department for Energy and Climate Change (DECC) published a requirement under HECA for all local authorities in England to report on the measures they propose to take to achieve this aim.

Croydon submitted the first of these reports (known as a 'further report') in January 2013. DECC requires local authorities to report on progress in implementing measures at two year intervals via 'progress reports'. This document is the second Progress Report and sets out:-

- Updated data and trends in domestic energy use
- Progress against the original actions set out in the 2013 'further report', and the 2015, 2017 and 2019 'progress reports'.

## 2. Where are we now?

This section provides an overview of current trends in Croydon in terms of energy use and CO<sub>2</sub> emissions, fuel poverty and health indicators relating to cold-related illness.

### 2.1. Energy use and CO<sub>2</sub> emissions

Figures 1 show the borough wide CO<sub>2</sub> emissions by sector respectively. The emissions data has been extracted from the BEIS statistics for local authority areas and regions. In 2018 Croydon's homes were responsible for 50.6% of the borough's CO<sub>2</sub> emissions. Total borough emissions had decreased by 39.5% from 2005 to 2018, whereas emissions from the borough's homes had decreased by 35.8%. Across the same period within the domestic sector, emissions due to consumption of gas have decreased by 19.0%, while those due to electricity use have decreased by 60.6%. The reductions are a combination of the decarbonisation of the grid, and for gas milder winters. This general reduction in gas also reflects the general trend of greater energy efficiency in the heat sector (e.g. previous grant funding focused on insulation and efficient boiler systems).

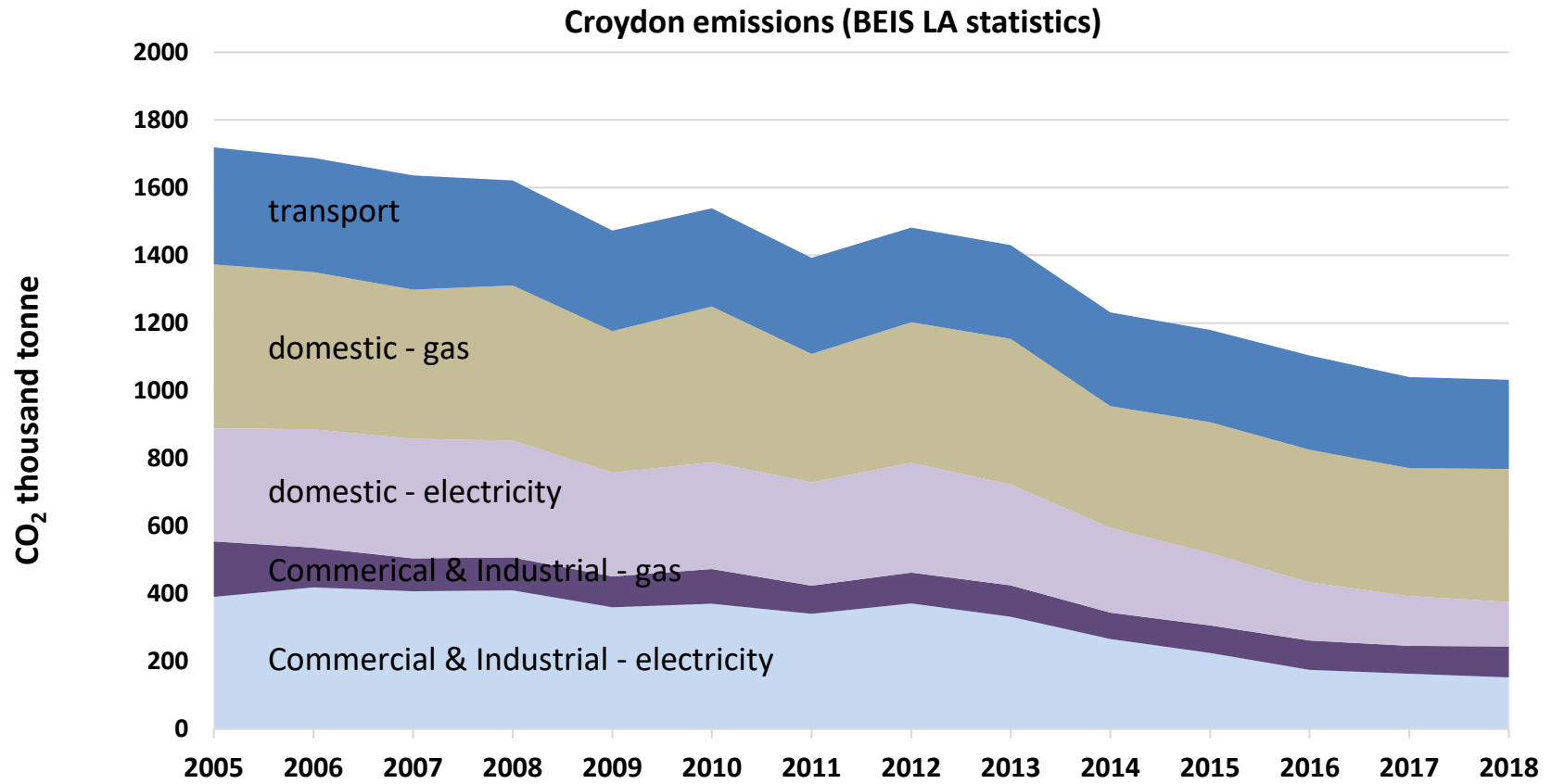


Figure 1

## 2.2. Fuel poverty

The 2013 Further Report highlighted DECC statistics for 2010 which indicated that 15,627 or 11.3% of households in Croydon were in fuel poverty. This represented an increase of 6.2% over estimates for 2009. These statistics were based on the previous definition of fuel poverty – i.e. households that spend over 10% of their income on fuel. In 2013 the government changed the definition of fuel poverty based to the more complex “low income, high costs” measure, and in 2021 changed the definition again to the low income, low energy efficiency measure, with low energy efficiency defined living in a home with an EPC rating of D or below. Based on this new definition, the BEIS statistics for 2019 indicate that there are 25,443 (16.4%) households in fuel poverty.

## **3. Where do we want to get to?**

### **3.1. National targets**

The requirement to improve the energy efficiency of homes stems from the legal requirements to reduce carbon dioxide (CO<sub>2</sub>) emissions set out in the Climate Change Act 2008 and the government’s Carbon Plan, published in 2011. The Carbon Plan sets the following targets in relation to housing:

- to reduce greenhouse gas CO<sub>2</sub> emissions by 29% by 2017, 35% by 2022, and 50% by 2027 – for buildings this means a reduction between 24% and 39% lower than 2009 levels by 2027;
- to insulate all cavities and lofts, where practical, by 2020;
- By 2030, between 1 – 3.7m additional solid wall installations and between 1.9 - 7.2m other energy efficiency installations;
- By 2030, 1.6m - 8.6m building level low carbon heat installations such as heat pumps (Government modelling suggests that 21 - 45% of heat supplies to buildings will need to be low carbon); and
- By 2050 emissions from UK buildings to be “close to zero”.

The government had originally set a target for eradicating fuel poverty in England, as far as reasonably possible, by 2016. Following the review of fuel poverty undertaken by Professor Hills, the government adopted the new targets on fuel poverty as follow:-

- Ensure that all fuel poor homes to be upgraded to Energy Performance Certificate (EPC) Band C by 2030 and an aspiration for as many homes as possible to be EPC Band C by 2035 where practical, cost-effective and affordable

- Interim milestone targets for (i) as many fuel poor homes as is reasonably practicable to Band E by 2020 and (ii) as many fuel poor homes as is reasonably practicable to Band D by 2025

### **3.2. Local targets**

Croydon's Climate Change Mitigation Action Plan 2010 sets a target for a 34% reduction in local CO<sub>2</sub> emissions by 2025 (based on the 2005 baseline).

If the borough wide target is extrapolated as a straight-line reduction, then the 2016 emissions level (1,050 kilo tonne) met the target for that year (1,369 kilo tonne). However, the decrease in emissions for the commercial/industrial sector (55.3%) is greater than that for the domestic sector (35.8%). The recessionary period is highly likely to have driven this decline with increased office and retail vacancy rates. As the economy recovers, this indicator may increase above the target levels. Hence, there is every need for Croydon's domestic sector to continue to contribute to emissions reduction through greater energy efficiency.

## 4. How will we get there?

The 2019 Progress Report set out a number of actions that the council planned to take. Those actions are set out in the table below, along with progress to date. The table also highlights new actions that were not originally set out in the 2019 report.

### 4.1. Action plan

Objective	Actions	Responsible	Completion due	2021 progress update
<b>Energy Performance Certificates and data</b>				
Improve quality and scope of data held by Croydon to support delivery of energy efficiency programmes	Energy Performance Certificate (EPC) data for Croydon	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> </ul>	Ongoing	Up to date open access EPC data downloaded and analysed
<b>Social housing</b>				
Improve energy efficiency of social housing through business as usual asset improvement measures funded by existing capital programme	Installation of ground source heat pumps (GSHP) at various blocks in the borough & removal of storage heaters /gas central heating.	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Capital Delivery for Homes &amp; Schools</li> </ul>	March 2022 & ongoing	<p>Programme of installations at 3 Council blocks, Chertsey Crescent, College Green and Dartmouth House</p> <p>Temperature sensors also installed to demonstrate the performance of the GSHPs.</p>

Objective	Actions	Responsible	Completion due	2021 progress update
(replacement of old inefficient boilers with condensing or replacing windows) or by accessing funding (RHI & ECO) and installing measures	Upgrade of 250-300 gas central heating systems	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Capital Delivery for Homes &amp; Schools</li> </ul>	May 2023 & ongoing	Ongoing programme of upgrading 250-300 gas central heating systems and where radiators are replaced, installing TRV's
	Upgrade of communal heating systems	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Capital Delivery for Homes &amp; Schools</li> </ul>	May 2021	Refurbishment of plant room, and replacement boilers at sheltered blocks and new controls including TRVs inside flats
	Croydon Solar Energy Scheme	<ul style="list-style-type: none"> <li>Asset Management Team</li> <li>Sustainable Development and Energy team</li> </ul>	Feasibility stage - March 2022	A detailed feasibility assessment for a pilot project will be submitted in March 2022, looking at options to install solar PV panels with battery storage on up to 500 Council street properties and/or blocks.
	Window Upgrades	<ul style="list-style-type: none"> <li>Asset Management Team</li> </ul>	May 2023 & ongoing	Ongoing programme to upgrade windows at approximately 300 homes per year

Objective	Actions	Responsible	Completion due	2021 progress update
<b>Private Sector Housing</b>				
Access supplier funding to provide measures for low income households and areas	Identify delivery partners to refer householders for ECO funding	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023	<p>ECO Flex statement of intent published in November 2017, and updated in July 2019. The SOI will be reviewed in line with guidance for ECO 4</p> <p>70 declarations were signed between July 2019 and April 2021.</p> <p>Pilot project with HEAT London (Happy Energy Solutions Ltd) which targeting Croydon Households for ECO funding, which received 85 applications from Croydon residents</p> <p>185 Croydon households applied to the 2020 Mayor of London's Warmer Homes scheme</p>
	Green Homes Grant Local Authority Delivery (LAD) programmes	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	December 2020	<p>Successful Mayor of London consortia bid for LAD rounds 1A and 1B to provide up to £10k grant funding per property for air source heat pumps in electrically heated solid wall properties for owner occupiers</p> <p>Successful consortia bid with Portsmouth City Council and Agility ECO in round 1B to provide up to £10k grant funding per</p>



Objective	Actions	Responsible	Completion due	2021 progress update
				property to deliver solid wall insulation, air source heat pumps and solar PV installations
	Croydon Healthy Homes Home programme	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	March 2020	Programme consisting of 828 home visits to households likely to be in fuel poverty, offering energy efficiency advice, assistance switching energy tariff, fuel debt advice, and survey of properties for potential larger energy efficiency measures between July 2018 and March 2020
	Croydon Healthy Homes Service	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023	New Croydon Healthy Homes team started in October 2020, offering bespoke one to one support for Croydon residents, including ongoing support where appropriate. Support through telephone consultations, home visits, outreach work and training sessions.
	Croydon Healthy Homes Partnership	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023	Partnership work with local voluntary and community sector to ensure consistent high quality advice across all organisations and a joined up approach to resident engagement around fuel poverty.  Healthy Homes for all Project – partner project with the Croydon BME Forum to

Objective	Actions	Responsible	Completion due	2021 progress update
				engage with harder to reach BME communities.
	Loans for vulnerable home-owners to improve the energy efficiency of their homes	• Staying Put Team	November 2020	Means-tested interest-free loans of up to £6000 for works including insulation and the provision of heating and hot water.
	Raise awareness of Minimum Energy Efficiency Standards to Private Sector Landlords and tenants	Private Sector Housing Team	May 2023 & ongoing	<p>All landlords registered through Croydon's Landlord Licencing Scheme written to in late 2017, and 2019. Regular communication about MEES and grant funding opportunities through landlord forums and newsletters, and fact sheets. Action taken on individual properties with low EPC following receipt of a complaint and or selective licensing inspection</p> <p>Use of financial penalties under the Energy Efficiency in the Private Rented Sector (England and Wales) Regulations 2015 was given Cabinet approval on the 18<sup>th</sup> January 2021</p>
<b>All Sectors</b>				
Helping residents access lower cost energy savings	Promote Collective Energy Switching Scheme	• Sustainable Development	Ongoing	Croydon joined with 22 London Boroughs to establish the "Big London Energy Switch" collective switching scheme. Scheme was established via funding from DECC. The

Objective	Actions	Responsible	Completion due	2021 progress update
		and Energy Team		<p>council manages a range of promotion activities leading up to each of the 3 auctions per year. Since 2015 Croydon has consistently achieved over 300 registrations each auction</p> <p>In January 2021 all Croydon households were sent a letter about the scheme leading to 6800 registrations</p>
	Ensure Council communications channels provide appropriate advice and information to householders	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023 & ongoing	<p>Webpage containing links to information about all energy efficiency advice available to residents.</p> <p>Additional webpage kept with information about outreach events.</p>
	Behaviour Change and Energy Advice Campaigns	<ul style="list-style-type: none"> <li>• Asset Management Team</li> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023	<p>Work with contractors, and social and voluntary sector organisations to deliver energy efficiency advice and support to residents.</p> <p>Regular training sessions by the Croydon Healthy Homes team for Council staff, healthcare professionals and the voluntary and community sector. Additional face to face and online training by National Energy Action.</p>

Objective	Actions	Responsible	Completion due	2021 progress update
				Outreach and training sessions for residents to recommence in late 2021
<b>Zero Carbon Homes</b>				
Decide on Council's approach to allowable solutions and Section 106 contributions	Framework for investing in CO <sub>2</sub> reduction projects from S106 Zero Carbon Homes offset fund contributions and through existing governance processes.	<ul style="list-style-type: none"> <li>• Planning and Building Control</li> <li>• Corporate Finance Sustainable Development and Energy Team</li> </ul>	May 2023 & Ongoing	S106 policy for offsetting has been established and has been applied to a number of local developments. A Community Energy Fund has been established and S106 CO <sub>2</sub> offset funds are being paid into the fund.
	Identify priorities for investment from community energy fund	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023	The council will prioritise funding domestic energy efficiency projects aimed at households likely to be in fuel poverty, and for residents with health conditions exacerbated by inadequate heating. To explore using Zero Carbon Homes funding to support residents where there is a funding gap with ECO or Green Homes Grant funding
<b>Partnership Working</b>				
Commitment to joint working	Support pan-London energy efficiency and fuel poverty initiatives	<ul style="list-style-type: none"> <li>• Sustainable Development and Energy Team</li> </ul>	May 2023 & Ongoing	Work in partnership with the GLA, London Councils and ALEO London to develop pan-London, energy efficiency initiatives.

Objective	Actions	Responsible	Completion due	2021 progress update
	Work in partnership with other Local Authorities and social and voluntary sector organisations to deliver energy efficiency and fuel poverty programmes	<ul style="list-style-type: none"> <li>Sustainable Development and Energy Team</li> </ul>	May 2023 & Ongoing	<p>Work in partnership with other Local Authorities to explore joint funding and delivery opportunities.</p> <p>Explore opportunities in partnership with other Local Authorities, social landlords, and social and voluntary sector organisations to deliver domestic energy efficiency programmes</p>

**Review date:** 31<sup>st</sup> May 2022

**Submission of next progress report:** 31<sup>st</sup> May 2023

Signature:



Bob Fiddik

**Sustainable Development and Energy Team Leader**

For further information, please contact:

Malcolm Bell

Energy Projects Manager

Telephone: 0208 726 6000 ext. 61432

E-mail: [malcolm.bell@croydon.gov.uk](mailto:malcolm.bell@croydon.gov.uk)