

Appendix 3

Home Energy Conservation Act (1995)

Gateshead Council

Revised Further Report - March 2017

Introduction

The Department of Energy & Climate Change (DECC), under the Home Energy Conservation Act (HECA) 1995, required all English authorities to prepare reports by 31 March 2013 setting out the home energy conservation measures that the authority considers practicable and cost-effective in its area. There is also a requirement to publish a biennial update showing progress achieved on planned action. The first HECA further report was approved by Cabinet on 12 March 2013, the second further report was approved on 24 March 2015, and this third report was approved in March 2017. The previous further reports are available on Gateshead Council's website.

The revised further report draws on and updates Gateshead Council's existing strategies and action plans for energy efficiency and carbon reduction (Climate Change Strategy, Sustainable Energy Action Plan) and outlines the Council's local energy efficiency ambitions and priorities.

Context

This revised further report should be read and viewed in the context of and in conjunction with Vision 2030, the Council Plan, the Sustainable Energy Action Plan and the Council's prevailing Housing Strategy for complementary and related activity.

ACTION	EXAMPLE	TIMING																						
i) LOCAL ENERGY EFFICIENCY CHALLENGES, AMBITIONS AND PRIORITIES																								
Challenges	<ul style="list-style-type: none"> ▪ The Gateshead population has increased slightly from 199,998 to 200,996 (ONS Mid 2015 Population Estimates). ▪ There has been a small net decrease in residential properties from 92,594 to 92,583. ▪ SAP ratings by tenure (shown below) have remained largely unchanged, with the exception of the Privately Rented sector where average SAP ratings have increased from 61 to 62. <table border="1" data-bbox="981 600 1469 833" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Tenure</th> <th>Average SAP Rating 2017</th> </tr> </thead> <tbody> <tr> <td>Housing Association</td> <td>68</td> </tr> <tr> <td>Local Authority</td> <td>71</td> </tr> <tr> <td>Owner Occupied</td> <td>60</td> </tr> <tr> <td>Privately Rented</td> <td>62</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ▪ SAP ratings by geographical location (shown over the page) have increased by 1 in each Neighbourhood Management Area apart from the Inner West which was unchanged. The East continues to be the best performing area of the borough and the West (which is largely rural) continues to have to lowest average SAP rating. <table border="1" data-bbox="999 1037 1451 1334" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Neighbourhood Management Areas</th> <th>Average SAP Rating 2017</th> </tr> </thead> <tbody> <tr> <td>Central</td> <td>63</td> </tr> <tr> <td>East</td> <td>65</td> </tr> <tr> <td>Inner West</td> <td>62</td> </tr> <tr> <td>South</td> <td>64</td> </tr> <tr> <td>West</td> <td>60</td> </tr> </tbody> </table>	Tenure	Average SAP Rating 2017	Housing Association	68	Local Authority	71	Owner Occupied	60	Privately Rented	62	Neighbourhood Management Areas	Average SAP Rating 2017	Central	63	East	65	Inner West	62	South	64	West	60	
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	<ul style="list-style-type: none"> ▪ By Ward, Chopwell & Rowlands Gill (59), Low Fell (58), and Saltwell (59) continue to exhibit the lowest SAP ratings although these have all increased by 1. Dunston Hill & Whickham (59) is also in the lowest range but has not seen an increase. Although the average SAP ratings for these Wards are relatively low they are rated EPC Band D and near the Council target of >65. ▪ Dunston & Teams (68) remains the best performing Ward but there are 4 others that meet the >65 target: Bridges (67), Chowdene (66), Felling (67), and High Fell. Furthermore, 3 Wards are at 65: Deckham, Lamesley, and Windy Nook & Whitehills. ▪ Gateshead still has c.7,000 solid wall properties. This is a slight reduction due to demolition programmes. ▪ The Gateshead Housing Company has undertaken a comprehensive data cleansing and validation exercise which has confirmed the number of solid wall properties in their management portfolio as 2,391 (against the 2,200 previously reported). ▪ Furthermore, they also manage 1,732 properties of 'non-traditional' construction, comprised of a variety of archetypes. ▪ The changing funding landscape is also detrimental to progressing capital schemes. 	
Ambitions & Priorities	<ul style="list-style-type: none"> ▪ Gateshead continues to work towards achieving its public commitments. <ul style="list-style-type: none"> ○ Nottingham Declaration on Climate Change ○ Eurocities Declaration on Climate Change ○ Signatory of the EU Covenant of Mayors: 20% by 2020 ○ UK Low Carbon Transition Plan 34% by 2020 ○ Gateshead's Climate Change Strategy 40% by 2020 	
ii) THE MEASURES THAT TAKE ADVANTAGE OF FINANCIAL ASSISTANCE AND OTHER BENEFITS OFFERED FROM CENTRAL GOVERNMENT INITIATIVES, TO HELP RESULT IN SIGNIFICANT ENERGY EFFICIENCY IMPROVEMENTS OF RESIDENTIAL ACOMMODATION		
<u>The Energy Company Obligation</u>	<u>All Tenures</u> The Council is closely following the consultation and developments in relation to the ECO transition from 1 st April 2017. Of particular interest are the elements of the scheme relating to Social Housing, and the Local Authority flexible eligibility, and discussions have already started with The Gateshead Housing Company to understand how we can make best use of the data we	April 2019

	<p>have (EPCs, etc.) to effectively target properties in the borough and ensure any potential ECO schemes will deliver value for money.. We await the guidance from BEIS on how to target eligible households, as this will determine the scope and scale of potential schemes.</p> <p>At a sub/regional level, the Council is awaiting the options for a prevailing Warm Up North partnership. At the time of writing, this is not known. The Council is engaged in the process and intends to participate in any similar scheme that can demonstrate it will deliver real benefits to residents in Gateshead. Any replacement scheme, or lack thereof, will have a direct impact on the ability to deliver energy efficiency measures in private sector housing and in the housing stock of other Registered Providers; as with previous years the fundamental issue is the funding of the measures which historically has been supported/driven by the availability of grant funding.</p> <p>It is not possible at this stage to outline number of properties, etc. until the full ECO guidance is published and understood.</p> <p>Where the Local Authority has influence on where funds are targeted the intention is to prioritise those who are in fuel poverty and target properties with the lowest energy efficiency first.</p>	
<p>Town Centre District Energy Scheme</p>	<ul style="list-style-type: none"> ▪ The District Energy Scheme which will serve the Town Centre and quays area of Gateshead has capacity to provide low carbon heat to further Council owned high rise residential properties in the town Centre. The Gateshead HEIGHTS scheme outlined below will target one block. Feasibility studies have been commissioned to investigate the business case to connect further properties to the scheme. These have utilised funds from the Heat Network Delivery Unit BEIS. 	<p>April 2019</p>
<p>Tower Block – Retrofit Schemes</p>	<ul style="list-style-type: none"> ▪ A large-scale project in development comprising 7 high-rise blocks of flats, the Gateshead HEIGHTs project is currently at the design stage and aims to deliver energy efficiency improvements in each block through a variety of measures – these vary by block/pair of blocks – including: <ul style="list-style-type: none"> ○ connecting to the District Energy scheme; ○ installing a communal borehole ground source heat pump system; ○ installing a communal combined heat and power (CHP) system; and 	<p>April 2019</p>

	<ul style="list-style-type: none"> ○ Upgrades to the electricity supply network, where required, to accommodate the new heat and/or power plant. <p>The scheme is estimated to cost £11.6m with £4.5m of this coming from grant income.</p>	
Asset Management – The Gateshead Housing Company	<ul style="list-style-type: none"> ▪ In 2017/18 209 Boiler replacements are planned. In 2018/19 362 have been identified. Those installed will be SEDBUK “A” rated Combi Condensing boilers. This investment will help maintain decency of homes, and improve the average SAP rating. ▪ Housing Revenue Accounts funds will provide installation of energy efficient glazing over the next two years in 500 low rise properties. 	April 2019
Acquisition of Voids – Keelman Homes	<ul style="list-style-type: none"> ▪ Keelman Homes plans to acquire 26 ex “right to buy” properties over the next two years. These will be improved to the Gateshead Standard, which includes thermal comfort elements. Properties have been void but are being bought back into use. 	April 2019
New Build – Gateshead Regeneration Partnership	<ul style="list-style-type: none"> ▪ The 10 year aim of Gateshead Regeneration Partnership remains unchanged: to build 2,400 properties across 19 sites in Gateshead. ▪ The progress report states that 123 properties have been completed at 3 sites. Therefore, the current target is to build another 2,277 properties by the deadline. 	April 2025
New Build – Keelman Homes	<ul style="list-style-type: none"> ▪ Keelman Homes have a target to build 40 new build energy efficient properties over the next two years. 	April 2019
Feed in Tariffs Scheme	<ul style="list-style-type: none"> ▪ The reduction in FITs has rendered all previously planned schemes not financially viable. The Council will maintain a watching brief to ensure we are aware of any changes and can re-evaluate schemes for viability; there are no changes anticipated at the time of writing. 	April 2019
EPCs & Energy Data	<ul style="list-style-type: none"> ▪ The council continues to maintain and update its Corporate UNO Energy Efficiency database which helps us to identify eligible properties and facilitate targeting for delivery of any further fabric improvements. 	April 2019

Mandatory Housing Standard (HHSRS)	<ul style="list-style-type: none"> ▪ The Council will utilise its enforcement powers under the Housing Act 2004 in relation to the enforcement of Housing Health and Safety Rating System. ▪ This will focus on the removal of Category 1 Hazards in relation to Excess Cold. ▪ Stock Condition Surveys continue on Council owned housing managed by TGHC. Any HHSRS Category 1 hazards identified will be programmed for rectification. 	April 2019
Minimum standards in the private rental sector	<ul style="list-style-type: none"> ▪ The private rented sector voluntary accreditation scheme is coming to an end apart from within Selective Landlord Licensing (SLL) areas. The accreditation scheme will continue to be offered in existing, and possibly future landlord licensing areas. There is currently a proposal to re-designate a smaller area of the Central Bensham scheme (which ends in May 2017) and investigate potential designation of further areas from Summer 2018 onwards. No target has been set. ▪ Gateshead Private Landlord Association will be raising awareness of the new minimum EPC standards required prior to letting with its members. ▪ The Council will utilise its enforcement powers under the Housing Act 2004 in relation to the enforcement of Housing Health and Safety Rating System. 	April 2019
Smart Meters	<ul style="list-style-type: none"> ▪ Gateshead Council is investigating the feasibility of installing prepayment smart meters in selected properties managed by The Gateshead Housing Company but this is at the initial 'scoping' stage at the time of writing. If this passes feasibility, the smart meters would be installed as part of a wider energy efficiency programme to help residents better understand their energy use and it is hoped this would, in turn, lead to behaviour change. ▪ Gateshead Council is closely following the progress of the national smart meter rollout and although there are no plans at present to undertake promotion of smart meters across the borough this may be considered in the future. 	April 2019

iii) THE MEASURES WHICH AN AUTHORITY HAS DEVELOPED TO IMPLEMENT ENERGY EFFICIENCY IMPROVEMENTS COST-EFFECTIVELY IN RESIDENTIAL ACCOMMODATION BY USING AREA BASED/STREET BY STREET ROLL OUT INVOLVING LOCAL COMMUNITIES AND PARTNERSHIP (e.g. social housing partners, voluntary organisations and town/parish councils, wider partnerships/innovation and procurement).

<ul style="list-style-type: none"> ▪ Identification of properties for potential area based fabric insulation schemes will be undertaken utilising the Councils UNO Energy Efficiency Database. ▪ An area based and multi tenure approach has been adopted when progressing the Gateshead HEIGHTS scheme as the blocks have a mixture of Council owned properties and Right to Buys. 	<p>April 2019</p>
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iv) A TIME FRAME FOR DELIVERY AND NATIONAL AND LOCAL PARTNERS – THIS INCLUDES COMBINED AUTHORITIES

- Gateshead continues to work with Warm Up North. Post April 2017 the future of the Warm Up North Partnership is potentially under review. Gateshead and the other local authority partners will undertake an options appraisal about the future of the partnership and direction of travel. This will inform future targeting strategies.
- Our other local partners are The Gateshead Housing Company, Registered Providers, British Gas, Groundwork NE & Cumbria, Age UK, Citizens Advice Bureau, National Energy Action, and Gateshead Private Landlord Association.