

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 30 JANUARY 2002

**HOME ENERGY CONSERVATION ACT 1995
SECOND PROGRESS REPORT 2001**

Report by Director of Homes and Technical Services

1. PURPOSE OF REPORT

To update members on the implementation of the Council's response to its obligations under the terms of the Home Energy Conservation Act 1995 (HECA) prior to the submission of the Second Progress Report 2001.

2. BACKGROUND

It is a requirement of the Act that Authorities submit progress reports, on a regular basis, on energy efficiency improvements carried out on all housing. The second progress report covers the period 1 April 1999 to 31 March 2001.

The date for submission of this report to the Scottish Executive has been set as 31 January 2002. Guidance on the presentation has been issued and the Act requires that the Council publish the report.

The third progress report will be called for by 31 December 2003 and will cover the period 1 April 2001 to 31 March 2003.

3. GENERALLY

In East Ayrshire Council's first report entitled "Bridging the Gap" submitted on 31 December 1997, an energy strategy was outlined by which it was intended that energy improvements could be achieved by 2007. A target of a 30% improvement in home energy efficiency was set and received the agreement of the Secretary of State. In the first four years, an improvement of 11.3% has been achieved.

4. FINANCIAL IMPLICATIONS

Nil

5. LEGAL AUTHORITY / IMPLICATIONS

Implements the Home Energy Conservation Act, 1995.

6. POLICY IMPLICATIONS

Nil

7. RECOMMENDATIONS

To note the contents of the report.

James Lavery
Director of Home and Technical Services

GM/
24 January 2002

LIST OF BACKGROUND PAPERS

1. Home Energy Conservation Act 1995 - Second Progress Report 2001
2. Home Energy Conservation Act 1995 - First Progress Report 1999
3. Home Energy Conservation Act 1995 - Energy Strategy 1997/2007 "Bridging the Gap"

Any member requiring further information should contact George Malone, Principal Engineer (Tel: 01563 555233)

**HOME ENERGY CONSERVATION ACT 1995
SECOND PROGRESS REPORT**

**James Lavery
Director of Homes & Technical Services
East Ayrshire Council
Council Headquarters
KILMARNOCK
KA1 7BJ**

January 2002

EAST AYRSHIRE COUNCIL
THE HOME ENERGY CONSERVATION ACT 1995
SECOND PROGRESS REPORT 2001

1. BACKGROUND INFORMATION
2. AIMS AND ORGANISATION
 - 2.1 POLICY
 - 2.2 COUNCIL STRATEGY
 - 2.3 INTERNAL ORGANISATION
 - 2.4 PARTNERSHIPS
 - 2.5 MONITORING
3. PROGRESS TO DATE
 - 3.1 WORKS
 - 3.2 GRANTS AND LOANS
 - 3.3 INFORMATION, ADVICE, EDUCATION AND PUBLICITY
 - 3.4 COSTS OF MEASURES
 - 3.5 OUTPUTS FROM THE MEASURES
 - 3.6 NUMBER OF JOBS CREATED
4. PERSONAL CIRCUMSTANCES/FUEL POVERTY
5. LOOKING FORWARD
 - 5.1 WORKS
 - 5.2 GRANTS AND LOANS
 - 5.3 INFORMATION, ADVICE, EDUCATION AND PUBLICITY
6. **SUMMARY**
7. **LOCAL AUTHORITY CONTACT**

EAST AYRSHIRE COUNCIL

THE HOME ENERGY CONSERVATION ACT 1995 SECOND PROGRESS REPORT 2001

1. BACKGROUND INFORMATION

The council, as an energy conservation authority, is fully committed to implementing the requirements of the Home Energy Conservation Act 1995, (HECA) supports its aims and objectives and agrees that the issues that it raises must be addressed.

The Act requires that, from time to time, authorities must publish reports on progress and submit these to the Scottish Executive Development Department. The first progress report was submitted on 31 January 2000 and covered the period 1 April 1997 to 31 March 1999.

This second progress report covers the period 1 April 1999 to 31 March 2001 and must be submitted by 31 January 2002.

2. AIMS AND ORGANISATION

2.1 POLICY

In East Ayrshire Council's First Report entitled "Bridging the Gap" submitted on 31 December 1997, an energy strategy was outlined by which it was intended that energy efficiency improvements could be achieved by 2007. A target of 30% improvement in home energy efficiency was set and received the agreement of the Secretary of State.

2.2 COUNCIL STRATEGY

The six aims of the Council Strategy are:-

- To bring public awareness to the whole field of environmental issues.
- To improve healthcare through warm, dry and healthy living conditions
- To reduce poverty by providing assistance to the fuel poor, releasing their disposable income to alleviate other hardship problems and therefore increase their standard of living.
- To enhance the field of employment by initiating further job creation prospects through intakes of funding created by partnership and European Social Funding.

- To reduce fuel bills
- To reduce harmful emissions associated with the burning of fuels in domestic housing stock in order to make substantial progress towards achieving a 30% improvement in energy efficiency over the ten-year period of the Strategy.

2.3 INTERNAL ORGANISATION

Responsibility for promoting HECA within this authority is taken by the Energy Advice Unit, within Technical Services Division of the Department of Homes and Technical Services. The Unit comprises of two staff members who report to the Principal Engineer, who is the designated HECA Officer.

The Council Committee responsible for HECA is the Housing Committee.

Although there is no formal “mission statement” for delivering HECA the Council sees it as an integral part of our Strategy. (2.2)

This authority continues to recognise the need for a corporate approach to be taken and there has been communication between several functions within the council in the compilation of this report.

2.4 PARTNERSHIPS

Since the time of the first progress report on HECA the Council has increased its involvement in partnerships with external organisations.

Heatwise (now the Wise Group) (East Ayrshire)

This project which was established in April 1997 has gone from strength to strength, by increasing the number of trainees and by providing greater numbers of energy efficiency improvements to council housing stock.

Energy Advice is also given to private householders as required.

Further information on the organisation and outputs of this project is provided under Appendix 1.

HECAAction – Warm Homes

In April 2000 a partnership was entered into with South Ayrshire, North Ayrshire, and Dumfries and Galloway councils for the purpose of submitting a combined bid for HECAAction funding.

This bid was successful and resulted in funding being available for the provision of £250 grant and £1,000 interest free loan towards the cost of supply and installation of a condensing boiler. Further details can be found under Appendix 2.

South West Scotland Energy Efficiency and Advice Centre (SWSEEC)

Since the establishment of the above EEAC, East Ayrshire Council, through the Energy Advice team has maintained contact with and supported the efforts of this very worthwhile project.

Scottish Power

This Council has supported the Standards of Performance (SoP) "Education in Schools" Project, which resulted in 8 primary schools being the recipient of energy efficiency presentations.

Scottish Gas

In the financial year 2000-2001 East Ayrshire Council entered a successful project with Scottish Gas's SoP scheme for cavity wall insulation. This resulted in additional funding of £75,000 being made available to carry out cavity wall insulation in 375 houses in addition to those in the Capital Programme.

Energy Action Grants Agency (EAGA)

Under the auspices of EAGA, 13,000 recipients of Council Tax Benefit were targeted through their notices of payment for 2001-2002. An advisory leaflet was included with these notices, pointing out the various EAGA grants available to householders on a qualifying benefit.

This resulted in a take up of 6% (780 householders) which is commendable.

Energy Saving Trust (EST)

The council continues to support the various initiatives of the EST.

Warm Deal

The council continues to work closely with Warm Deal installers for the area and provided referrals for loft insulation, draughtproofing and cavity wall insulation.

2.5

MONITORING

A database is being developed through our relationships with the

Wise Group for the purposes of identifying the construction, thermal properties, potential for energy conservation measures and possibly a base of information for monitoring purposes.

3.

PROGRESS TO DATE

3.1 WORKS

Financial Year 1999/2000 was the second and final year of East Ayrshire Council's "Housewarming 2000" Project.

This initiative would ensure that

- Upvc double glazed windows would be installed in all local authority housing in which window replacement had not previously been carried out.
- Tenants who had no central heating system, or who had solid fuel or electric heating systems, would be offered a central heating system of their choice.

This has again resulted in large numbers of gas central heating systems being installed, complete with programmer, thermostatic radiator valves, new well insulated hot water cylinder, loft insulation and in some instances cavity wall insulation.

In Financial Year 2000/2001, with virtually all council housing stock now being centrally heated, the council's efforts were directed at the replacement of inefficient, obsolete gas fired systems which were about 20 years old.

Once again a follow up programme to these installations was carried out by our partner Heatwise (East Ayrshire), now The Wise Group, which involved the provision of energy advice, loft insulation and draughtproofing to all recipients of new heating installations, in order to the maximise the benefits derived from them.

Over the period of this report, the council also carried out programmes of

- Cavity Wall insulation
- Replacement of timber doors (and screens) with PVC double glazed versions
- Re-roofing with upgraded loft insulation

Further details and costs of the above measures can be found under Paragraph 3.4 "Outputs from the measures".

There is insufficient information to assess improvements in energy efficiency in the private sector or housing association stock. This

report therefore gives information for the local authority sector only and the total figures are those provided by the spreadsheet.

3.2 GRANTS AND LOANS

Warm Deal

East Ayrshire Council actively promotes the Scottish Executive's Warm Deal Initiative. In February 2001 the council in partnership with EAGA targeted 13,000 recipients of Council Tax Benefit, especially in an attempt to make the private householder aware of their possible entitlements under this Scheme. The take up of enquiries for an EAGA grant was 6%.

Warm Homes Initiative

In this initiative a £250 grant and a £1,000 interest free loan is offered towards the cost of the installation of a condensing boiler.

This Scheme is advertised through all of the Ayrshire and Dumfries and Galloway Authorities. (Appendix 2)

Promotion has also been given to various Standards of Performance (SoP) Schemes such as "Fridgesavers" and low energy lightbulb offers together with Energy Saving Trust (EST) "Cashback" deals on cavity wall insulation and condensing boilers.

3.3 INFORMATION, ADVICE, EDUCATION AND PUBLICITY

The provision of information, advice, education and publicity are seen as very important criteria for "getting across" the message of energy efficiency to all sectors and age groups within the community.

The promotional work associated with these aspects has principally been initiated or implemented by the council's Energy Advice Unit.

7,000 leaflets have been delivered to owner occupied houses by The Wise Group, offering an energy efficiency survey to be done by the local EEAC.

The Council has supported the SoP "Education in Schools" project with 8 Primary Schools having received energy efficiency talks.

Additional funding has been provided for the Wise Group partnership project, allowing for more insulation, draughtproofing and advice work to be done.

There is a weekly advert regarding the Energy Advice Unit in a local newspaper.

Energy Advice home visits were provided by both the Council's Energy Advisor and The Wise Group trainees.

Energy Advice is featured in East Ayrshire Council's Web page.

3.4 COSTS OF MEASURES

Cost of measures carried out on Local Authority Housing Stock over the period of this report:-

Housing Capital Programme

Measures Applied	Number Completed	Cost per Measure	Total Cost of Measures
Gas Central Heating Installations	2091	1761	3,682,251
Electric Central Heating Installations	213	2680	570,840
Solid Fuel Central Heating Installations	90	2812	253,080
Doubleglazing	803	2441	1,960,123
Cavity Wall Insulation	1143	206	235,458
Door Replacement	1270	562	713,740

Partnership Working

Loft Insulation Wise Group	699	245	171,255
Draughtproofing Wise Group	1,473	100	147,300
Cavity Wall Insulation Wise Group	185	350	64,750
Energy Advice Wise Group	3475	50	173,750
Advice Monitoring Wise Group	187	11	2,057
Radiator Panels Wise Group	71	50	3,550
Cavity Wall Insulation Scottish Gas SoP	375	206	77,250
Condensing Boilers HECAAction (Grant Assistance)	14	250	3,500

3.5

OUTPUTS FROM THE MEASURES

The total percentage improvement in the home energy efficiency across all sectors of the stock between 1 April 1997 and 31 March 2001 is 11.3%, with an associated reduction in CO₂ emissions of 8.3%.

The incremental improvement for the period between 1 April 1999 and 31 March 2001 is 4.5%, with associated reduction in carbon dioxide emissions of 3.7%

The comparison figures are more fully illustrated in Appendix 3.

3.6

NUMBER OF JOBS CREATED

The Heatwise (East Ayrshire) ILM Partnership continues to have a significant influence on job creation within this authority. This project has the combined effect of creating employment opportunities and providing energy efficiency improvements to Council housing stock.

Since its formation in August 1997, with an initial complement of 24 trainees and 5 permanent staff, this unit has now expanded to 61 trainees and 10 permanent members of staff.

Over the period of this report 92 trainees, from an intake of 159, have succeeded in finding permanent employment within industry and commerce.

In conjunction with these numbers, this report uses the multipliers of 1 direct job created for £40,000 of investment and 1 indirect job for every £70,000 of investment.

Based on this assumption, the employment created by this authority's expenditure over the period of this report would be 201 direct job years, and 115 indirect job years.

This authority supports the Warm Deal initiative.

3.7

SAVINGS IN FUEL USE AND FUEL BILLS

An estimate of average savings in fuel bills and kilowatt – hours of fuel used has been made and these figures are included in 6.0 Summary.

4.0

PERSONAL CIRCUMSTANCES

East Ayrshire Council as part of its Council Plan for 1999-2002 states that "Our overall aim is to ensure that poverty levels in all

East Ayrshire Communities reduce year on year and are at or below the Scottish average by the year 2010.”

In previous years the former “Areas of Priority Treatment” have been targeted for the provision of energy advice, loft insulation and draughtproofing measures. Sheltered housing complexes have already been subject to this approach and 2,600 low energy lightbulbs have been distributed to low income families.

4.1 FUEL POVERTY

There is presently no strategy for linking energy efficiency initiatives to low income households, since over the past few years the quality of council housing has been significantly improved through the measures carried out in various capital programmes.

However the Council Plan 1999-2002 does indicate that poverty will be fought on other fronts:-

Increasing Income

We will deliver a co-ordinated approach to addressing many of the factors that contribute to poverty and we will help people to maximise their income.

The council will continue to promote income maximisation throughout East Ayrshire. In particular, we will offer a full income maximisation assessment to all those people who are in receipt of home care services and we will work with our partners to provide information and support on maximising benefit take up throughout East Ayrshire. We aim to secure an additional £5 million in additional benefit take up for local residents by 2002. We will work with two major employers per year to promote benefit maximisation, in particular the Working Families Tax Credit.

Increasing Access and Opportunity

We will always ensure that there is equal access to council services for everyone, regardless of levels of income.

The council offers a concessionary rate for fees and charges for a number of council services. We will continue to offer these concessionary rates and seek to extend the range of services subject to concessionary charges.

Preventing Poverty

We recognise how easy it can be for people to fall into the poverty trap. We will devise and deliver a range of support measures for people on low incomes to prevent their position from worsening.

In the year 2000/2001, we will promote a one-stop approach to money advice and debt counselling. The skills and resources of our Social Inclusion Partnership teams, Consumer and Trading Standards Section, and Welfare Rights Service, along with other specialist partners will be maximised to secure a year-on-year increase in the uptake of advice/counselling sessions.

We will help to establish credit unions throughout the whole of East Ayrshire with an initial target of securing a new credit union within the coalfield communities area in the year 2000/2001. Thereafter, we will target communities with the greatest need for new credit unions while continuing to support and promote existing unions.

We will secure improvements in the speed with which housing and council tax benefit applications are processed. We aim to ensure that East Ayrshire Council provides a service that is faster than the Scottish average by financial year 2001/2002 with a year-on-year increase thereafter.

We will integrate our council tax and housing benefit assessment arrangements with our assessments for free school meals and footwear and clothing grants to ensure that people have efficient access to entitlements.

Rural Poverty

We know that poverty can be compounded by living in rural areas. We want to make sure that people are not more economically disadvantaged because they live away from our main towns or transport routes.

We will work with Strathclyde Passenger Transport Executive to secure a year-on-year increase in funding for uneconomic public transport routes in remote areas.

We will support the voluntary sector to develop community transport initiatives and aim to have a pilot initiative in place in the coalfield communities by the end of 2001.

5.0 LOOKING FORWARD

The Council within the remit of the Housing Capital Programme will continue to place a high priority on the condition of the housing stock, particularly in relation to tackling dampness, poor insulation, heating and energy advice.

5.1 WORKS

It should be noted that since the completion of the Council's "Housewarming 2000" initiative, some 98% of the Council's own stock has full central heating systems, being gas, solid fuel or electric.

It is the Council's intention in 2001/2002 to set about the replacement of old gas central heating systems (15-20 years of age) with new more efficient versions.

Also, subsequent to the "Housewarming 2000 Initiative" all council houses have had replacement UPVC windows fitted (single or double glazed).

This being the case the emphasis has now been placed on the replacement of doors (and screens) with UPVC double glazed units.

It is East Ayrshire Council's intention to continue the very successful partnership with Scottish Gas, which will hopefully allow additional cavity wall insulation works to be carried out.

We will endeavour to expand upon existing partnership arrangements and to foster new partnerships. The partnership with the Wise Group is financed through to 2002/2003.

Full Support will be given to the Scottish Executive's Central Heating Programme, but will be minimal benefit due to the high percentage of local authority houses which are already centrally heated.

5.2 GRANTS AND LOANS

This Council will continue to promote and support the various government led initiatives such as Warm Deal, SoP initiatives, and schemes such as "Fridgesavers", low energy light bulbs offers and "Cashback" offers.

East Ayrshire Council in partnership with South Ayrshire and North Ayrshire Councils and the local Health Authority has recently been successful in a second HECAction bid. This finance will enable the establishment of a "Healthy Warm Homes" initiative directed at improving the health of people suffering from respiratory problems by the provision of insulation measures.

5.3 INFORMATION, ADVICE, EDUCATION AND PUBLICITY

The Council's Energy Advice Unit will continue to promote the concept of providing information, advice, education and publicity

throughout the authority.

The Unit will also direct and monitor the efforts of the Wise Group and will continue to provide information and publicise special initiatives through our Intranet Site and distribute Energy Advice literature throughout our libraries and local offices.

East Ayrshire Council will work closely with other authorities and the South West Scotland Energy Efficiency and Advice Centre (SWSEEAC) in the submission of HECAction bids and the formulation of strategies.

Preliminary meetings have been held with SWSEEAC and various other local Councils to consider the preparation of a Fuel Poverty Strategy.

It is proposed to continue with the distribution of energy efficiency information to the private sector. This work will be done in partnership with the Wise Group and a local EEAC.

6.0 **SUMMARY: 1 April 1999 – 31 March 2001**

Reduction in CO ₂ emissions	3.7%
Reduction in CO ₂ emissions	13.98 Kilotonnes
Energy efficiency improvement	4.5%
Cost of Works	£8,058,904
Number of dwellings improved	12,089
Number of jobs created	316
Average savings in fuel bills per household	£3.42
Average savings in kilowatt hours per household	118
Average improvement in NHER rating	N/A
Average improvement in SAP rating	N/A

This Second progress report for East Ayrshire Council indicates the energy efficiency improvements and strategies for the period 1 April 1999 to 31 March 2001.

We are committed to achieving the targets set, in the belief that many benefits will be gained:

- Improvement in health
- Reduction in fuel bills
- Reduction in pollution
- Improved quality of life for the low income or elderly
- The creation of jobs

7.0 The East Ayrshire Council Contact Officer responsible for this Report is

Mr George Malone
Principal Engineer
Department of Home & Technical Services
Technical Service Division
Council Offices
Lugar
Cumnock
KA18 3JQ
Telephone 01563 555233

APPENDIX 1

Since April 1997 East Ayrshire Council has been in partnership with Heatwise Limited (now the Wise Group).

The project has the double objective of giving the long-term unemployed the opportunity to train and gain work experience in a variety of activities. Most of the work outputs from the project are directed at the provision of energy efficiency measures for Council tenants and consequently the Council reaps significant benefits from this aspect, as outlined in 3.4.

Initially the programme comprised of 24 trainees and 5 permanent staff and has since, through the benefit of additional funding by the Council, expanded to 61 trainees and 10 permanent members of staff.

The principal aim is to get people into work and in so doing, reduce the incidence of social exclusion within areas of high unemployment. This results in an improvement in their personal economies which has a knock on effect on the local economy.

The project also provides energy efficiency measures which create improved comfort levels within houses, combined with reduced running costs and improved health and living conditions.

Much of the efforts of the project have been concentrated on the elderly and low income groups.

APPENDIX 2

“Warm Homes”

A successful bid for HECAction funding resulted in the establishment of the “Warm Homes” initiative.

This project is operated by South Ayrshire Energy Agency and is supported by South Ayrshire, East Ayrshire, North Ayrshire and Dumfries & Galloway Councils, together with the HECAction programme of the Energy Saving Trust.

The aim of the project is to improve heating systems in privately owned houses in each Council area.

“Warm Homes” provides a grant of £250 and an interest free loan of up to £1,000 to enable private households to:

- Install a new fully controllable central heating system (gas, LPG or oil) fired by a condensing boiler, or
- Upgrade an existing central heating system (gas, LPG or oil) by replacing the boiler with a condensing boiler and upgrading the heating controls, or
- Upgrade an existing solid fuel open fire, by installing a closed fire.

APPENDIX 3

HECA Progress Spreadsheet

Comparison: April 1997 to April 2001

	April 1997 Base Data		31 March 1999 Results		31 March 2001 Results	
Total number of dwellings	56518		56518		56518	
Summary of Current State	Potential	% of potential to which measure applied	Potential	% of potential to which measure applied	Potential	% of potential to which measure applied
Hot water tank insulation	53690	58%	53690	96%	53712	96%
Draught stripping (>39%)	56518		56518	59%	56518	79%
Cavity wall insulation	42807	51%	42807	48%	43526	54%
Loft insulation (100mm or more)	42445	97%	42445	77%	46314	83%
Double glazing	56518		56518		56518	
Full House		40%		51%		54%
Half House		12%		12%		14%
Heating systems (total number)	56518		56518		56518	
Condensing Boilers		0%		0%		1%
Central heating (<=12 years old)		24%		56%		63%
Central heating (>12 years old)		57%		28%		23%
Room Heaters		18%		16%		13%
Improvement Summary: Tenure	Nominal energy use (GJ)	Nominal CO₂ emissions (tonnes)	Nominal energy use (GJ)	Nominal CO₂ emissions (tonnes)	Nominal energy use (GJ)	Nominal CO₂ emissions (tonnes)
Owner Occupied	3,840,000	266,000	3,566,889	243855	3,435,078	236,594
Local Authority	1,640,000	109,000	1,510,502	112448	1,408,786	105,906
Private rented	0	0	0	0	0	0
Other (inc. Housing Associations)	250,000	18,000	246,192	17888	239,661	17,710
Total	5,730,000	393,000	5,323,583	374,191	5083524	360210
					Change in Nominal energy use (GJ)	Change in Nominal CO₂ emissions (tonnes)
Total Change (1997 - 2001)					-646,476	-32,790
Total Percentage Change (1997 - 2001)					-11.28%	-8.34%
Incremental Change (1999 - 2001)					-240,059	-13,981
Incremental Percentage Change (1999 - 2001)					-4.5%	-3.7%

APPENDIX 4

Acknowledgements

East Ayrshire Council is grateful to all individuals who have contributed to the preparation of this second progress report including:

- Various Departments within the council
- Energy Action Grants Agency (EAGA)
- Energy Action Scotland (EAS)
- Energy Saving Trust (EST)
- Strathclyde and Central Energy Efficiency and Advice Centre (EEAC)
- South Ayrshire Energy Agency
- Lothian and Edinburgh Environmental Partnership (LEEP)
- Scottish HECA officers Network (SHON)
- Heatwise Limited (The Wise Group)
- Scottish Power
- Scottish Gas
- Local Network Installers

AGENDA