

---

**FUEL POVERTY – ADVICE TO TENANTS AND VULNERABLE GROUPS**

---

**SUMMARY REPORT**

**Purpose of the Report**

1. The purpose of the report is to update Adults and Housing Scrutiny on fuel poverty issues and associated advice to tenants and vulnerable groups.

**Summary**

2. The official definition of ‘fuel poverty’ has changed from the ‘10% measure’ to the ‘Low Income High Cost’ measure. Fuel poverty is caused by three main factors: rising energy costs, inadequate heating and insulation and low income, however this is a cross-cutting issue.
3. The Council and partners are working to tackle fuel poverty through a variety of measures (through energy efficiency, cheaper energy bills and increasing/ maximising income) at a range of strategic, delivery and support and advice levels.
4. In response to rising energy costs, the government has launched an annual competition and standards review, a “Green Levy Review” of social and environmental levies on energy bills. Alongside these measures the government also announced proposed changes to streamline, improve and simplify the Green Deal. These policies may go some way to addressing rising energy costs in the short term, however energy costs are still expected to rise over at least the next 17 years in accordance with National Audit Office projections. Under the Energy Bill the government must publish a national fuel poverty strategy soon.
5. Further consideration needs to be given in Darlington to:
  - Impact of government announcements on Warm Up North
  - Links between fuel poverty and other cross-cutting issues e.g. Health & Wellbeing (including food and nutrition); rurality (particularly provision for off-gas properties); community safety (heating fuel theft – to be investigated)
  - aligning, packaging and communicating existing initiatives to Darlington tenants, vulnerable groups and wider residents through different communication channels and with varying levels of support provided depending on need
  - further development of low carbon, renewable energy and community energy projects
  - effective engagement of tenants and vulnerable groups throughout the development process as deployment of technology will only work effectively

when that technology is ‘fit for purpose’ and the householders utilising particular technologies are involved in the choice of technologies, understand how to use them and change their energy use behaviour accordingly.

## Recommendation

6. It is recommended that Members suggest any further actions which could be taken to tackle fuel poverty in the Borough, particularly with regards to supporting tenants and vulnerable groups.

## Reasons

7. The recommendations are supported by the following reasons:
- (a) To enhance the social, economic and environmental well-being of the Borough
  - (b) To support actions arising from the Council’s Housing Strategy, Further Report on the Home Energy Conservation Act (March 2013) and Warm Up North programme looking to address fuel poverty in the Borough
  - (c) To support delivery of the Darlington Partnership’s One Darlington priority Welfare Reform agenda
  - (d) To support actions arising from the Economic Strategy

**Richard Alty**  
**Director of Place**

## Background Papers

No background papers were used in the preparation of this report.  
Elizabeth Goodchild, Green Economy Officer, Extension 2920

S17 Crime and Disorder	There may be a link between fuel poverty and Crime and Disorder in terms of heating fuel theft – however further investigation is required.
Health and Well Being	Fuel Poverty has associated health and wellbeing impacts including psychological stress, worry, social isolation, respiratory and circulatory conditions.
Carbon Impact	Fuel Poverty has no direct impact on the Council’s carbon footprint, however action on energy efficiency has a direct impact on the domestic carbon footprint of the Borough.
Diversity	Fuel Poverty impacts upon vulnerable residents.
Wards Affected	All wards, particularly those Lower Super Output Areas in the top 3% for fuel poverty nationally: <ul style="list-style-type: none"><li>• Heighington &amp; Coniscliffe – Rural</li></ul>

	<ul style="list-style-type: none"> <li>• Northgate – All LSOAs</li> <li>• Central – Town Centre and Town Centre Fringe</li> <li>• Pierremont – East Part (Hopetown) &amp; South Central Part</li> <li>• North Road – South Part</li> </ul>
Groups Affected	<p>Those impacted by fuel poverty include:</p> <ul style="list-style-type: none"> <li>• Older people</li> <li>• People with children under 16</li> <li>• Those on benefits</li> <li>• People with disabilities</li> <li>• People suffering with long term illness</li> </ul>
Budget and Policy Framework	This report does not recommend changes to the Budget and Policy Framework
Key Decision	No
Urgent Decision	No
One Darlington: Perfectly Placed	Fuel Poverty links to the 'One Darlington' priority to tackle deprivation and the 'Prosperous' and 'Healthy Darlington' themes.
Efficiency	No direct efficiencies though tackling fuel poverty issues link to tackling poverty and economic decline and support ability to pay rent and Council tax through reduction of energy costs.

## MAIN REPORT

### Information and Analysis

#### 8. 'Fuel Poverty' Definition & Statistics

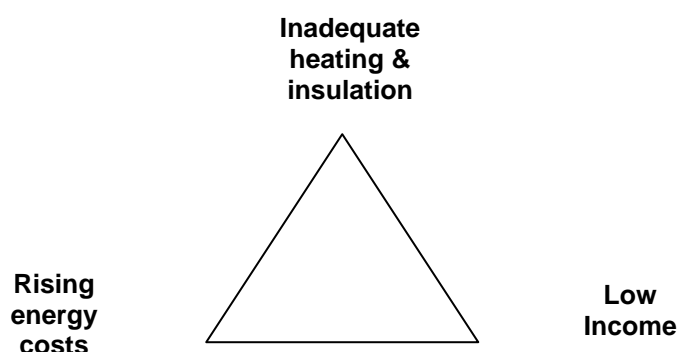
The official definition of 'fuel poverty' has changed from the '10% measure' to the 'Low Income High Cost' measure following the Hills Review. (DECC, 08/08/13).

9. Under the '10% measure', a household is said to be fuel poor if it needs to spend more than 10% of its income on fuel to maintain a satisfactory heating regime (usually 21°C for the main living area and 18°C for other occupied rooms). (DECC, 08/08/13) – i.e. adequate warmth for health and comfort.

10. Under the new 'Low Income High Cost' (LIHC) definition, a household is said to be in fuel poverty if:

- they have required fuel costs that are above average (the national median level)
  - were they to spend that amount they would be left with a residual income below the official poverty line
- (DECC, 08/08/13).

11. Fuel Poverty is caused by three main factors as illustrated in the 'fuel poverty triangle' below:



**Figure 1: The Fuel Poverty Triangle**

12. Those particularly impacted by fuel poverty include:

- Older people
- Children and young people
- Those on benefits
- Disabled people
- People suffering with long-term illness
- People living in rural areas which have many off-gas properties

13. The consequences can vary from stress, worry and social isolation to respiratory and circulatory conditions, energy use rationing and cutting back on food with many people choosing to 'eat or heat'.

14. As such fuel poverty is a cross-cutting issue with impacts, considerations and links to the following:

- Housing
- Energy efficiency, carbon management and Climate Change
- Health & Wellbeing
- Social Care – Adults & Children
- Equalities & social inclusion
- Poverty, Welfare Benefits & Financial Inclusion
- Rurality

15. Statistics on both the '10% measure' and the 'LIHC measure' have recently been updated; an overall comparison is given in the table below:

**Table 1: Comparison of Average Percentage of Fuel Poor Households (2010-11)**

Average % Fuel Poor Households	10% Measure – 2010	10% Measure - 2011	LIHC Measure - 2011
Darlington	20.7%	19.2%	14.7%
North East	21.2%	19.0%	12.4%
England	16.4%	14.6%	10.9%

(DECC, 08/08/13)

16. **Appendices 1 and 2** provide detail on fuel poverty in Darlington by LSOA (Lower Super Output Area) for 2011 for the 10% and LIHC measures.
17. These statistics show that, according to the 10% measure, fuel poverty in Darlington has marginally decreased from 2010 – 2011.
18. The LIHC measure shows a much lower level of fuel poverty than the 10% measure and this reflects the national decrease in fuel poverty statistics when comparing the two definitions (DECC, 08/08/13).
19. The statistics show that the ranking of LSOAs according to levels of fuel poverty has changed over time and varies according to definition applied.
20. The LIHC definition is considered to be more accurate by DECC as the old measure included richer households that could afford to spend more than 10% of their incomes on energy. The old definition was also dependent on fuel prices. If there was an unexpected jump in the price of gas or electricity, lots of households would suddenly be classed as fuel poor. This made it harder to measure the effect of government policies. (The Carbon Brief, 08/08/13).
21. The LIHC measure is also more detailed. It allows the government to work out how much lower a household's fuel bill would need to be- or how much higher their income would need to be – to no longer be fuel poor. This is known as the 'poverty gap'. (The Carbon Brief, 08/08/13).
22. However the fuel poverty charity National Energy Action (NEA) has criticised the new measure as some households that spend a large amount of their income on fuel costs- up to 30% - are no longer considered fuel poor because they stay just above the poverty line. This creates a new problem, as those households are no longer eligible for government support, despite their incomes being significantly strained by energy costs. (The Carbon Brief, 08/08/13).
23. Under the updated definition however, although less households nationally may be considered to be in fuel poverty, the 'poverty gap' has increased, meaning that the depth/ severity of fuel poverty has increased, this being largely due to rising fuel costs. (The Carbon Brief, 08/08/13).
24. The average poverty gap is projected to increase further from £438 in 2011 to £494 in 2013 (DECC, 08/08/13).
25. The statistical releases also show that:
  - almost 20% of fuel poor households nationally are in rural locations
  - fuel poor households that heat their properties with oil, solid fuel, LPG or electricity typically have individual fuel poverty gaps double the average, typically over £1000
  - households containing larger numbers of people (5 or more) tend to be both more likely to be fuel poor, and be more deeply in fuel poverty (with larger fuel poverty gaps)

- Unemployed households only make up 11% of fuel poor households nationally  
(National Energy Action, 04/11/13)

## 26. Rising Energy Costs

As mentioned above, rising energy costs are a key factor in fuel poverty. Average annual domestic standard electricity price in England increased by between 13.6% to 18.5% (depending on payment method) between 2007 – 2012 in real terms. Average annual domestic gas price in England increased by between 29.9% to 43.1% (depending on payment method) between 2007 -2012 in real terms. This is in the context of total household expenditure on energy (including electricity, gas, solid, liquid and vehicle fuels etc) which has increased by 58.8% between 2000 – 2012. (DECC, 31/10/13).

27. By mid November 2013, the 'Big Six' energy supply companies (i.e. SSE, British Gas, NPower, Scottish Power, EDF Energy and E.ON) had announced price rises of between 3.9% and 11.1% for gas and between 3.9% and 10.4% for electricity. (BBC, 12/11/13).
28. Ofgem data suggests that wholesale electricity and gas prices have risen by just 1.7% over the last year (The Guardian, 28/10/13). Energy supply companies have blamed the additional cost rises on the costs of government social and environmental levies on energy bills as well as the need for infrastructure investment. (BBC, 13/11/13).
29. The Treasury estimates that at least two-thirds of the £310 billion of planned infrastructure investment over the next decade and beyond will come from private companies, ultimately paid for by consumers. (National Audit Office, 13/11/13; BBC, 13/11/13).
30. Whilst infrastructure investment costs account for part of the picture, Ofgem has found that the big six energy suppliers saw profit margins in the supply of gas and electricity rise to 4.3% in 2012, up from 2.8% in 2011, with supplier profit per household customer rising to £53 in 2012, from £30 a year earlier. However the power generation profit margins at the firms fell from 24% in 2011 to 20% in 2012 (BBC, 25/11/13).
31. The National Audit Office (NAO) has warned that energy and water bills will continue to rise above inflation for at least the next 17 years and estimated there would be an 18% average real-terms increase in household energy bills between now and 2030. For water, the figure would be 28%. (National Audit Office, 13/11/13; BBC, 13/11/13).
32. The NAO has expressed concern that gaps in analysis mean that this could be an underestimate as government and regulators do not know the overall impact of planned infrastructure on future utility bills, or whether households, especially those on low incomes, will be able to afford to pay them (National Audit Office, 13/11/13; BBC, 13/11/13).

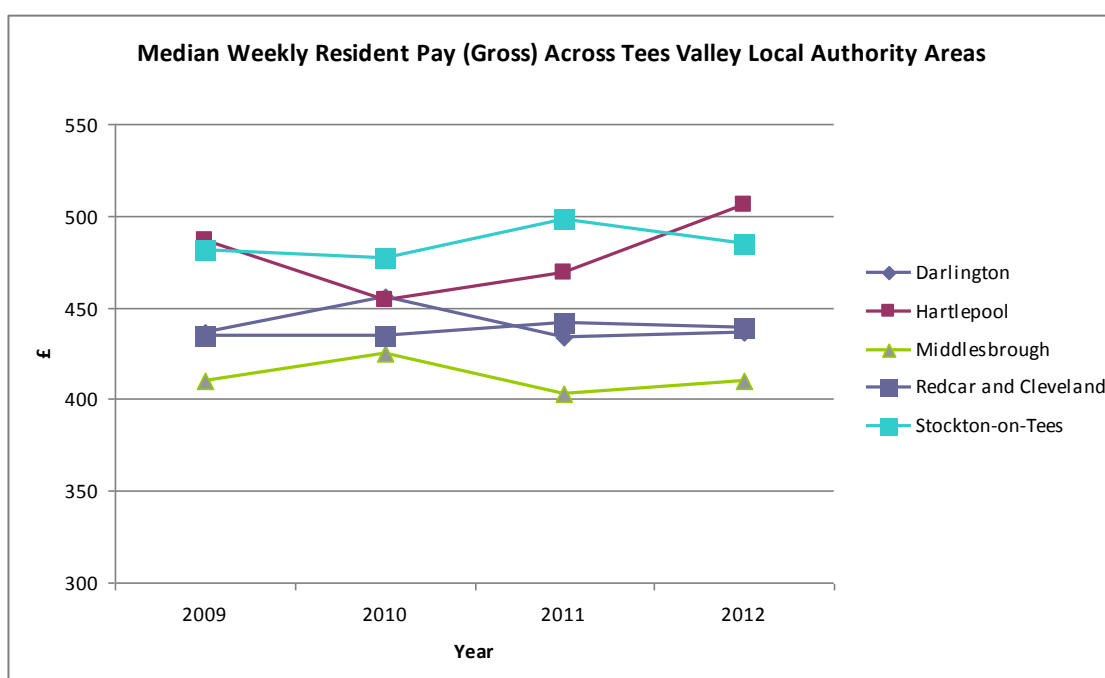
### 33. Heating, Insulation & Energy Efficiency

The latest statistics relating to heating, insulation and energy efficiency in Darlington are as given below:

- In 2009, the mean SAP (energy rating on a scale of 0 (poor) to 100 (good) was 51 in Darlington, which was higher than that found nationally (49) (Darlington Borough Council, 2009, p.11)
- In 2009, the less energy efficient dwellings were older dwellings (pre 1919); small terraced houses and privately rented dwellings (Darlington Borough Council, 2009, p.11)
- By 2011, Darlington had an average domestic electricity usage of 3,620 kWh/ consumer (570 less than the GB mean of 4190 kWh/ consumer) (DECC, 2011).
- By 2011, Darlington had an average domestic gas usage of 14,600 kWh/ consumer (460 more than the GB mean of 14,140 kWh/ consumer) (DECC, 2011).
- By 2012/13, Darlington had 552 cavity wall insulation installations/ 10,000 households (352 less than the GB mean of 904 cavity wall insulation installations/ 10,000 households) (DECC, 2012/13).
- By 2012/13, Darlington had 1,486 loft insulation installations/ 10,000 households (121 more than the GB mean of 1,365 loft insulation installations/ 10,000 households) (DECC, 2012/13).
- By March 2013, Darlington had 65 domestic solar PV installations/ 10,000 households (70 less than the GB mean of 135 installations / 10,000 households) (DECC, March 2013).

### 34. Low Income

According to the latest statistics, *median* weekly (gross) pay for Darlington residents in 2012 was £436.50 (Office National Statistics, 2009-2012). This is amongst the lowest level of weekly (gross) pay across the Tees Valley (see Figure 2 below).



**Figure 2** (Source: Office National Statistics, 2009 – 2012)

35. Indeed, Darlington has the lowest workplace and residence based earnings in the whole of the Tees Valley (Darlington Borough Council and Darlington Partnership, 2012, p.10)
36. 5.7% of Darlington's working age population (aged 16-64) were claiming Job Seekers Allowance in February 2013 (compared to 3.8% nationally). (Darlington Borough Council, February 2013).

### Tackling Fuel Poverty in Darlington – Current Action

37. The Council and partners are working to tackle fuel poverty in Darlington through a variety of measures at a range of strategic, delivery and support and advice levels—these are summarised in the table below:

**Table 2: Current Action on Fuel Poverty in Darlington**

<b>Fuel Poverty Factor</b>	<i>Inadequate Heating &amp; Insulation</i>	<i>Rising Energy Costs</i>	<i>Low Income</i>
<b>Solution</b>	<i>Energy Efficiency</i>	<i>Cheaper Energy Bills</i>	<i>Increasing/ Maximising Income</i>
<b>Strategy &amp; Action Plans</b>	Darlington Housing Strategy 2012-2017 Home Energy Conservation Act (HECA) Further Report 2013		Economic Strategy for Darlington – 2012 - 2026
<b>Council Delivery</b>	Darlington Borough Council Housing Investment Programme	Collective Energy Switching - Darlington's Big Community Switch	<ul style="list-style-type: none"> <li>• Business Engagement</li> <li>• Apprenticeship</li> </ul>



	2013/14		Promotion • Providers Network
	Warm Up North	Social Fund – includes awards for gas and electricity top ups.	Social Fund
<b>Other Local Support &amp; Advice</b>	Age UK Darlington HE-AT project (part funded by Public Health)	Age UK Darlington HE-AT project (part funded by Public Health)– switching advice	Darlington Partnership Poverty Action – Council and partners: • Employability programme (to be developed) Areas for further investigation: • Impact of Payday Loans • Mental Health
		Darlington Citizens Advice Bureau Energy Best Deal Sessions	Financial Capability advice / advocacy– Council and partners
		Support to access energy related benefits/ discounts/ support schemes – Council and partners e.g.: • Cold Weather Payment • Priority Services Register • Warm Homes Discount • Winter Fuel Payments	Darlington Partnership Welfare Reform Action Group- Council and Partners: • Support to access Welfare Benefits • Guide to support providers • Advice agency shared booking system • Supporting VCS to deliver mobile advice in community settings • Thrifty Living Campaign

38. Darlington Housing Strategy 2012-2017

Darlington's Housing Strategy 2012-2017 recognises fuel poverty and increasing energy efficiency of the housing stock as a key challenge with an objective to 'improve the sustainability of housing', and priority actions including 'working in partnership to deliver energy efficiency measures as part of the Green Deal from 2013'; other measures addressing energy efficiency are also included under other priority actions. (Darlington Borough Council, July 2012).

39. HECA Further Report 2013

The Home Energy Conservation Act (HECA, 1995) required Local Authorities to publish a report by 31 March 2013 setting out the energy conservation measures that the authority considers practicable, cost effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area.

40. Darlington's report outlines detail on our local energy efficiency ambitions and priorities, energy efficiency improvements planned for Housing, area based/ street by street roll out, delivery timeframe and national and local partners. (Darlington Borough Council, March 2013).

41. Darlington Borough Council Housing Investment Programme 2013/14  
Under the Council's Housing Investment Programme 2013/14, several energy efficiency measures have been planned to a number of tenant's properties including new condensing boiler and heating upgrades and investment in a two year energy efficiency programme including replacement of PVC windows and composite doors to 'hard to treat' properties.  
(Darlington Borough Council, 05/03/13).
42. Warm Up North  
Warm Up North is a consortium of nine Local Authorities (Darlington, Durham, Gateshead, Hartlepool, Newcastle, Northumberland, Redcar & Cleveland, South Tyneside, Sunderland), supported by the Energy Saving Trust, which have procured British Gas as a preferred Green Deal provider to deliver energy efficiency measures to properties across the North East from 2013 -2018 (+ 3 year potential extension).
43. The scheme is funded by the EU's Intelligent Energy Europe Programme and through the government's ECO (Energy Company Obligation) which requires British Gas to install funded energy efficient measures in the homes of eligible people. For everyone else the government-backed Green Deal is available.
44. Darlington residents don't need to be a British Gas customer or take out any British Gas products or services to be able to benefit from the following ECO measures:
- *Home Heating Cost Reduction Obligation (HHCRO) / Affordable Warmth* – provides free insulation and a free energy efficient gas boiler or boiler repair if one person in a household receives certain benefits. To be eligible for repair or replacement the current boiler must be broken or deemed inefficient
  - *Carbon Saving Community Obligation (CSCO)*- provides insulation measures for those living in a specific low income or rural area. Area eligibility criteria apply.
  - *Carbon Emission Reduction Obligation (CERO)*- funding towards to home insulation for "hard to treat" solid-wall property (internal and external wall insulation) and cavity walls. This is not means tested but can be used in conjunction with Green Deal. Detailed "hard to treat" property-based criteria apply.
45. The Green Deal allows householders to benefit from many different types of energy efficiency improvements with help to meet the upfront cost. As long as the energy cost saving over the lifetime of the improvement is greater than the cost of the improvement (The Golden Rule), all upfront costs can be paid back through the household's electricity bill without increasing the amount paid. If the occupants move, the 'loan' remains with the property as the new owners enjoy the improvements installed.
46. Measures available include draught proofing, insulation, replacement windows and doors, new boiler, more efficient heating and hot water and renewable energy. A

Green Deal Assessment of the property by a Green Deal Assessor provides an impartial report on energy efficiency and how the householder uses energy and produces recommendations on how the household could benefit.

47. Council tenants should contact the Council's Housing Department for more information on Warm Up North. All other residents should call Warm Up North on 0800 294 8073 or register at [www.warmupnorth.com](http://www.warmupnorth.com)

(Warm Up North, 2013)

48. Collective Energy Switching – Darlington's Big Community Switch  
Switching energy suppliers can save money however the energy supply market is complex with the majority of households sticking to their supplier rather than switching to a cheaper supplier. Collective energy switching has been recognised as an innovative way for consumers to group together to bulk buy energy. This eases switching and reduces energy costs through market power.
49. The Council has joined the Big Community Switch, a collective energy switching scheme powered by iChoosr, on a one year trial/ pilot basis from September 2013. The Big Community Switch aims to help householders save money on their gas and electricity bills.
50. Householders, including people who live in rented accommodation, can register for free with no obligation to switch. The energy bill must be in the name of the householder or their partner. You can join if you have a prepayment meter. The main six suppliers have agreed with Ofgem to enable prepayment meter customers with a debt of up to £500 to switch supplier if they so choose.
51. An auction is organised and the energy supplier who offers the best tariff will be able to offer the householder a new contract. All national energy suppliers are able to take part in the auction. There is no charge, even if you decide not to accept the offer.
52. Over 650 households registered for Darlington's first round of the Big Community Switch (open from 19 September 2013 until midnight 18 November 2013). In total, around 7 in 10 households who registered for the scheme in Darlington could save on their energy bills if they choose to switch. The highest average saving in Darlington was for dual fuel monthly direct debit paper billing customers who registered for the switch online and stand to save on average £130.
53. Householders can visit [www.darlington.gov.uk/bigcommunityswitch](http://www.darlington.gov.uk/bigcommunityswitch) to register online or if they do not have access to the internet or would like further help and personal 1 to 1 support to register contact Darlington Citizens Advice Bureau on 01325 256999 (ext. 122). Registration for the current switching round is open from 10 December 2013 until midnight 17 February 2014.

(Darlington Borough Council, 03/09/13)

54. Social Fund

The Social Fund, administered by the Council's Revenue and Benefits Team, is a discretionary scheme providing crisis support for people in immediate need and Community Care Support to help people remain in the community or move back into the community after a period in supported or unsettled accommodation. The scheme includes awards for gas and electricity top-ups. 310 gas/ electricity awards were made under the scheme between April – October 2013 totalling £4540. The awards have averaged £500 - £600 over the summer months and have doubled to £1000 - £1100 over the winter months.

55. For more information on the Social Fund visit

[www.darlington.gov.uk/Advice+and+Benefits/benefit/socialfund.htm](http://www.darlington.gov.uk/Advice+and+Benefits/benefit/socialfund.htm) or call 01325 388514.

(Darlington Borough Council, 09/12/13)

56. Age UK Darlington HE-AT project

The Age UK Darlington HE-AT (Health, Energy and Affordability Team) project, part funded by Public Health, provides free information and advice to householders of all ages on saving money on energy and keeping warm.

57. HE-AT support includes:

- Negotiating affordable repayment plans with your fuel company if you have fuel debt
- Checking your eligibility to grant assistance to help meet the cost of fuel debt
- Assisting you to find cheaper energy supplies by comparing all available tariffs
- Helping you access grants available for insulation, central heating and other efficiency improvements
- Offering home energy efficiency checks that will help you to reduce the costs
- Checking your benefit entitlement
- Pointing you in the right direction for money guidance and debt advice

58. For more information about HE-AT call 01325 357 345 or visit

[www.ageuk.org.uk/darlington/information--advice/he-at/](http://www.ageuk.org.uk/darlington/information--advice/he-at/)

59. Darlington Citizens Advice Bureau

Darlington Citizens Advice Bureau supports a wide group of residents affected by debt and Welfare Reform, including those specifically affected by fuel poverty. The Bureau provides a financial capability support service which includes an application to calculate whether someone is in fuel poverty and provides free Energy Best Deal sessions to support people to save money on energy costs.

60. For more information call 01325 256 999 or visit [www.darlingtoncab.co.uk](http://www.darlingtoncab.co.uk)

61. Increasing/ Maximising Income

The Council and partners are carrying out a wide range of measures to increase / maximise resident income within the Borough as per Darlington's Economic Strategy.

62. In particular, the Darlington Partnership Welfare Reform Action Group covers fuel poverty issues and the Council's Green Economy Officer is working with the Group on a guide to thrifty living which will include thrifty top tips to help residents save energy and money on their energy bills – these will range in level of ease/cost from tips for small actions/ behavioural changes that can be made to save energy/ money and information on local support and advice services to suggestions for those who want to take things a step further. Once developed, this guide will be available to download on the Partnership's website and will be used by support providers when providing advice to clients.
63. Further key measures are summarised in the table, however are not discussed in detail herein as these are indirectly related to fuel poverty and are thus beyond the scope of this report.

### **Further Considerations**

64. National Policy Update

Rising energy prices have become an increasing focus of national political debate with Labour promising they would freeze gas and electricity prices until 2017 and scrap the 'failing' Green Deal if they win the next election. (BBC, 24/09/13; The Guardian, 25/09/13).

65. In response to an escalation of rhetoric over the issue, the government has launched an annual competition and standards review and a "Green Levy Review" of social and environmental levies on energy bills. (The Telegraph, 23/10/13; BBC, 13/11/13).
66. On 2 December 2013, just prior to the Autumn Statement, the coalition announced proposals to roll back some of the social and environmental levies on energy bills, shifting these to general taxation – this being part funded by extra tax money from cracking down on tax avoidance.
67. Under the proposals (still to be consulted on by government) households will see an average saving of £50 a year, including VAT, through:
- A rebate saving the average customer £12 on their bill for the next two years, worth a total of £600 million. The Warm Homes Discount will continue to help vulnerable households receive a £135 rebate off their energy bill
  - Reducing the cost of the Energy Company Obligation (ECO), an insulation scheme delivered by major energy suppliers. This will result in £30 - £35 off bills, on average, in 2014. The existing dedicated support in ECO for low income and vulnerable households will be maintained and extended from March 2015 until March 2017.
  - Electricity Distribution Network Operators (DNOs) voluntarily reducing network costs in 2014/15 allowing a further one-off reduction of an average of £5 on electricity bills (actual savings will vary by DNO)

68. All major energy suppliers have confirmed they will pass the benefits of this package to their customers. Actual savings on individual household bills will vary by energy supplier.
69. Energy companies will also be required to be more transparent about how much they spend on social and environmental measures, either through voluntary agreements or through legislation.
70. In addition, the following new energy efficiency measures worth £450 million over three years will be introduced for households:
- Up to £1000 to spend on energy saving measures when buying a new home – equivalent to half the stamp duty on the average house – or up to £4000 for particularly expensive measures. The scheme will be available to all people moving house including those who don't pay stamp duty, helping around 60,000 homes a year, over three years.
  - Support to private landlords in improving the energy efficiency of their properties, which will improve around 15,000 of the least energy efficient rental properties each year for three years. (Plans were already in place to introduce minimum energy efficiency standards for private rental properties in 2018 which will be consulted upon in January 2014).
71. Levies providing support for existing low carbon energy projects such as the Renewables Obligation (RO), Contracts for Difference (CfDs) and Feed in Tariffs (FITs) will not change; this will provide investor certainty and support energy security.
72. Alongside these measures, on 2 December the government also announced proposed changes to streamline, improve and simplify the Green Deal starting from January 2014 with more planned through the first half of 2014 onwards:

*Making the Green Deal easier for consumers:*

- Introducing a new on-line tool that will give consumers straightforward advice on the steps they can take to improve the energy efficiency of their homes, and how they can get help
- Improving the Green Deal Advice Report that gives householders important information on what an assessment is telling them. The Report will be clearer and easier to understand and better signpost the range of Government support available
- Giving consumers better signposting to the companies that can provide the services they want, both through the Energy Saving Advice Service and the GOV.UK website

*Making the Green Deal easier for companies operating in the market:*

- Opening up access to Energy Performance Certificate data, so that companies can more easily identify properties which will benefit most from energy efficiency improvements

- Adding more measures to the list of those that can be supported under the Green Deal, and allowing more flexibility over the exact specification to which companies install
- Working with industry to find ways to reduce the cost of insurance requirements attached to Green Deal measures

*Working with the Green Deal Finance Company (GDFC) to make sure the finance offer gives customers what they need by:*

- GDFC offering customers the opportunity, if they choose, to move from quote to a Green Deal Plan in a single day – this will reduce the need to make separate visits to homes
- Seeking Parliament's approval to change legislation to make it clearer that landlords and tenants can benefit from the Green Deal and encouraging industry to offer finance in the rented sector
- Working towards increasing the range and availability of "top up loans" that customers can put alongside Green Deal finance if they wish

*Further planned improvements:*

- Ensuring that the Green Deal can work better in combination with the Energy Company Obligation (ECO) with more companies offering a "blend" of these products so that customers get the best possible deal.
- Look at how the "golden rule" controls what can be borrowed under the Green Deal – and consider what adjustments make sense for consumers
- Minimisation of the number of visits to a home for assessments, work and inspections
- Ensuring companies give customers the best possible support throughout the Green Deal process, right from initial expression of interest through to care after installation
- Clear joined up information for consumers about different Government Schemes (including Green Deal, renewable heat and feed-in tariffs) and how they can be used to make their homes warmer and more efficient at lower cost)

(DECC, 02/12/13 (2)).

73. These policies may go some way to addressing rising energy costs in the short term, however energy costs are still expected to rise over the medium to long term in accordance with National Audit Office projections.

74. National Fuel Poverty Strategy

On 9 July Baroness Verma proposed amendments to the Energy Bill in the House of Lords. Within six months of the regulations being implemented, the Government must publish a new strategy setting out how the objectives for fuel poverty will be realised. It remains to be seen what the impact of the government's proposals around energy will have to the strategy.

## **Tackling Fuel Poverty in Darlington – Future Considerations**

75. Whilst the Council and partners are working to tackle the three main factors of fuel poverty in Darlington, as outlined herein, we recognise that there is more that needs to be done.
76. In the short term, response to the government's proposed changes to ECO and the Green Deal, the current financial model of the Warm Up North Green Deal programme will have to be reviewed.
77. As fuel poverty is a cross-cutting issue, further actions will need to be considered with impacts, considerations and links to the following:
  - Housing
  - Energy efficiency, carbon management and Climate Change
  - Health & Wellbeing
  - Social Care – Adults & Children
  - Equalities & social inclusion
  - Poverty, Welfare Benefits & Financial Inclusion
  - Rurality
78. Indeed, Darlington's Health & Wellbeing Board, with support from (Public Health, Programmes & Projects and Green Economy) has recently applied for and been successful in securing up to twelve days of National Energy Action consultancy report to make further links between fuel poverty and the Health and Wellbeing agendas, review actions and consider development of further projects to tackle fuel poverty in the Borough.
79. The Health and Partnerships Scrutiny Committee is reviewing food and nutrition and there are links between this issue and fuel poverty with people choosing whether to 'eat or heat' and the need for adequate nutrition to keep warm.
80. More needs to be done to support residents living in rural parts of the Borough. For example our Collective Energy Switching scheme, 'Darlington's Big Community Switch' provided by iChoosr, does not currently provide switching options for alternative fuel sources for use by off-gas properties in rural areas such as oil or LPG. The Green Economy Officer is currently exploring potential options for such alternative fuel sources.
81. Consideration may need to be given to prevention of heating fuel theft in rural areas and links with community safety—this has been an issue in other parts of the country and the Green Economy Officer is currently investigating whether this is a significant issue in Darlington and has asked Durham Constabulary for statistics and further information.
82. Whilst the Council and partners are already providing support and advice for those affected by fuel poverty, further work needs to be undertaken in aligning, packaging and communicating these existing initiatives. The Darlington Partnership Welfare Reform Action Group guide to Thrifty Living will go some way towards developing this with several initiatives grouped together under an 'Energy' heading. However



this is just one communication medium and messages on fuel poverty from both local and national organisations need to be consistently packaged and communicated to Darlington tenants, vulnerable groups and wider residents through different communication channels and with varying levels of support provided depending on need (e.g. ranging from online information to home visits). For example, consideration may need to be given to providing training for frontline staff/ key visiting Officers to identify vulnerable fuel poor households which require support and assistance.

83. In the medium to long term, effective insulation of properties, and development of low carbon, renewable energy and community energy projects in relation to fuel poverty will not only provide cheaper energy but could also generate an income for tenants, vulnerable groups and residents. Such projects would address all three of the main factors of fuel poverty as well as reducing Borough domestic Carbon emissions.
84. However, it is important that tenants, vulnerable groups and residents are effectively engaged throughout the development process as deployment of technology will only work effectively when that technology is 'fit for purpose' and the householders utilising particular technologies are involved in the choice of technologies, understand how to use them and change their energy use behaviour accordingly.
85. For example, a national report by Consumer Focus found that problems in using home heating controls are widespread with a range of problems encountered including: difficult to read displays; difficult to use buttons; lack of intuitive design; poor positioning of controls; and a lack of effective supporting information and advice. As a result, many users do not use their heating controls effectively or at all. In addition, people who are elderly or in local authority housing are more likely to find their controls difficult to use, whilst privately rented properties are less likely than owner-occupied properties to have fully controlled systems. (Consumer Focus, 2012).
86. Such issues could be overcome with use of existing technologies in Council properties through:
  - Provision of simplified technology instructions for tenants
  - Training of key visiting officers/ front-line staff on using these technologies which could be passed on to tenants (there are organisations and agencies which provide such training for front line staff on technologies such as Solar PV and Air Source Heat Pumps)
  - Provision of information in a welcome pack when tenants move into a property

## **Recommendations**

87. Adults and Housing Scrutiny Committee is recommended to suggest any further actions which could be taken to tackle fuel poverty in the Borough, particularly with regards to supporting tenants and vulnerable groups

## Conclusion

88. Tackling fuel poverty in Darlington will support tenants and vulnerable groups to save energy, save money, improve thermal comfort and health and wellbeing and reduce carbon emissions in the Borough.
89. The Council and partners are already delivering existing initiatives linked to fuel poverty, however these need to be effectively, aligned, packaged and communicated in delivery of advice to tenants, vulnerable groups and wider residents through different communication channels and with varying levels of support provided depending on need.
90. Further development of low carbon, renewable and community energy projects in relation to fuel poverty will not only provide cheaper energy but could also generate an income for tenants, vulnerable groups and residents. However, it is important that these groups are effectively engaged throughout the development process to effect positive change.

## References

BBC, 24/09/13. *Ed Miliband: Labour would freeze energy prices*. Accessed 15/11/13:  
<<http://www.bbc.co.uk/news/uk-politics-24213366>>

BBC, 12/11/13. EDF Energy prices 'to rise 3.9%'. Accessed 14/11/13:  
<<http://www.bbc.co.uk/news/business-24909251>>

BBC, 13/11/13. Energy bill hikes to last 17 more years- watchdog. Accessed 14/11/13:  
<<http://www.bbc.co.uk/news/uk-politics-24920026>>

BBC, 25/11/13. *Big six energy firms see supply profit margins grow*. Accessed 02/12/13: <<http://www.bbc.co.uk/news/business-25092169>>

Consumer Focus, 2012. *Consumers and domestic heating controls: a literature review*. Accessed 09/12/13:  
<<http://www.consumerfutures.org.uk/reports/consumers-and-domestic-heating-controls-a-literature-review>>

Darlington Borough Council, 2009. *Private Sector House Condition Survey*. Accessed 04/12/13:  
<<http://www.darlington.gov.uk/Housing/privatesectorhousing/privatesectorhousing.htm>>

Darlington Borough Council and Darlington Partnership, 2012. *Economic Strategy for Darlington: 2012-2026*. Accessed 04/12/13:  
<<http://www.darlington.gov.uk/Business/EconomicStrategy.htm>>

Darlington Borough Council, July 2012. *Darlington Housing Strategy 2012-2017*. Accessed 06/12/13:  
<<http://www.darlington.gov.uk/Living/Planning/Planning+Policy/DarlingtonHousingStrategy.htm>>

Darlington Borough Council, February 2013. *Darlington Local Information System: JSA Claimants*. Accessed 04/12/13:  
<<http://lis.darlington.gov.uk/dataviews/view?viewId=227>>

Darlington Borough Council, 05/03/13. *Cabinet: Item 7d - Housing Investment Programme 2013/14*. Accessed 06/12/13:  
<<http://www.darlington.gov.uk/democracy/democraticinvolvement/politicalmanagement/Meeting.htm?id=1549>>

Darlington Borough Council, March 2013. *Home Energy Conservation Act Further Report 2013*. Accessed 06/12/13:  
<<http://www.darlington.gov.uk/Housing/documents.htm>>

Darlington Borough Council, 03/09/13. *Cabinet: Item 7b – Collective Energy Switching*. Accessed 06/12/13:  
<<http://www.darlington.gov.uk/democracy/democraticinvolvement/politicalmanagement/Meeting.htm?id=1574>>

Darlington Borough Council, September 2013. *Big Community Switch*. Accessed 06/12/13: <[www.darlington.gov.uk/bigcommunityswitch](http://www.darlington.gov.uk/bigcommunityswitch)>

Darlington Borough Council, 09/12/13. Social Fund. Accessed 09/12/13: <<http://www.darlington.gov.uk/Advice+and+Benefits/benefit/socialfund.htm>>

DECC, 2011. *Interactive Charts and Maps: Gas and Electricity Consumption*. Accessed 04/12/13: <[http://tools.decc.gov.uk/en/content/cms/statistics/local\\_auth/interactive/domestic\\_ge/index.html](http://tools.decc.gov.uk/en/content/cms/statistics/local_auth/interactive/domestic_ge/index.html)>

DECC, 2012/13. *Interactive Charts and Maps: Cavity Wall and Loft Insulation*. Accessed 04/12/13: <[http://tools.decc.gov.uk/en/content/cms/statistics/local\\_auth/interactive/insulation/index.html](http://tools.decc.gov.uk/en/content/cms/statistics/local_auth/interactive/insulation/index.html)>

DECC, March 2013. *Interactive Charts and Maps: Domestic Solar Photovoltaic Installation*. Accessed 04/12/13: <[http://tools.decc.gov.uk/en/content/cms/statistics/local\\_auth/interactive/domestic\\_solar/index.html](http://tools.decc.gov.uk/en/content/cms/statistics/local_auth/interactive/domestic_solar/index.html)>

DECC, 08/08/13. *Fuel Poverty, England 2011: statistical press release*. Accessed 15/11/13: <<https://www.gov.uk/government/news/fuel-poverty-england-2011-statistical-press-release>>

DECC, 31/10/13. *Statistical data set. Annual domestic energy bills: Average annual domestic electricity bills for UK countries (QEP 2.2.2); Average annual domestic gas bills for UK countries (QEP 2.3.2); Total household expenditure on energy in the UK (QEP 2.6.1)*. Accessed 14/11/13: <<https://www.gov.uk/government/statistical-data-sets/annual-domestic-energy-price-statistics>>

DECC, 02/12/13 (2). *Streamlining and improving the Green Deal*. Accessed 04/12/13: <<https://www.gov.uk/government/news/streamlining-and-improving-the-green-deal>>

National Audit Office, 13/11/13. *Infrastructure investment: the impact on consumer bills*. Accessed 14/11/13: <<http://www.nao.org.uk/press-releases/infrastructure-investment-impact-consumer-bills/>>

National Energy Action, 04/11/13. North East Forum NEA Policy Update. Accessed 15/11/13: <<http://www.nea.org.uk/campaigns-events/forums/fpf-ne>>

Office National Statistics (ONS), 2009-2012. *Annual Survey of Hours and Earnings – Resident Analysis*. Accessed 04/12/13: <<http://www.nomisweb.co.uk/articles/341.aspx>>

The Carbon Brief, 08/08/13. *How a definition change lifts two million households out of fuel poverty*. Accessed 15/11/13:

<<http://www.carbonbrief.org/blog/2013/08/how-a-definition-change-lifts-two-million-households-out-of-fuel-poverty/>>

The Guardian, 25/09/13. *Labour promises to scrap the 'failing' green deal*. Accessed 15/11/13:

<<http://www.theguardian.com/environment/2013/sep/25/labour-scrap-green-deal-ed-miliband>>

The Guardian, 28/10/13. Ofgem puts energy suppliers' price claims under fire.

<<http://www.theguardian.com/business/2013/oct/28/energy-suppliers-price-claims-consumers>>

The Telegraph, 23/10/13. *Suppliers welcome David Cameron's energy competition and green tax reviews*. Accessed 15/11/13:

<<http://www.telegraph.co.uk/finance/newsbysector/energy/10400510/Suppliers-welcome-David-Camersons-energy-competition-and-green-tax-reviews.html>>

The Telegraph, 09/11/13. *New Green tax threat in energy bills 'deal'*. Accessed

15/11/13: <<http://www.telegraph.co.uk/earth/energy/10438528/New-Green-tax-threat-in-energy-bills-deal.html>>

Warm Up North, 2013. *Warm Up North: Save Energy, Save Money. Making homes more comfortable*. Accessed 016/12/13: <<http://warmupnorth.com/>>

## Appendix 1 – Estimated Fuel Poverty Levels, 10% Measure, 2011

LSOA Code	LSOA	All Households	Fuel Poor Households	Percent Fuel Poor	National Rank (1= worst)
E01012334	Heigh & Coni- Rural	1,004	343	34.2%	173
E01012354	Northgate- East part	731	207	28.3%	637
E01012308	Central- Town centre and TCF	1,246	338	27.1%	847
E01012349	North Road- S part	780	198	25.4%	1296
E01012338	Hurworth- Rockcliffe, mid Hurworth on Tees	808	199	24.6%	1601
E01012360	Park West- Inner (NE) part	794	188	23.7%	2036
E01012362	Pierremont- East part (Hopetown)	693	164	23.7%	2037
E01012307	Central- Albert Hill	875	204	23.3%	2273
E01012361	Park West- Outer part	810	188	23.2%	2347
E01012318	Eastbourne- Central/SE part	1,045	239	22.9%	2551
E01012353	Northgate- North part (Denes)	786	177	22.5%	2856
E01012359	Park East- S/SE part	704	158	22.4%	2935
E01012317	Eastbourne- SW part	587	131	22.3%	3017
E01012357	Park East- E/NE part	638	142	22.3%	3018
E01012306	Bank Top- E part	663	147	22.2%	3093
E01012355	Northgate- South/West part	637	140	22.0%	3261
E01012364	Pierremont- South central part	749	163	21.8%	3454
E01012341	Lascelles- E part	773	168	21.7%	3551
E01012356	Park East- N/NW part	719	155	21.6%	3650
E01012366	Sadberge & Whessoe	856	185	21.6%	3651
E01012305	Bank Top- SW part	606	130	21.5%	3756
E01012310	Cockerton East- West part	901	192	21.3%	3977
E01012339	Hurworth- rest of ward	765	163	21.3%	3978
E01012313	Cockerton West- East/Central part	669	142	21.2%	4068
E01012315	College- W part	706	148	21.0%	4274
E01012348	Mowden- W part	956	198	20.7%	4606
E01012332	Haughton West- SE/central part	659	135	20.5%	4865
E01012365	Pierremont- West part	563	115	20.4%	4998
E01012319	Eastbourne- NE part	1,103	224	20.3%	5124
E01012326	Haughton East- W/Central part	516	105	20.3%	5125
E01012321	Harrowgate Hill- NE part	672	133	19.8%	5807
E01012340	Lascelles- W part	1,093	216	19.8%	5808
E01012324	Harrowgate Hill- SE part	646	127	19.7%	5944
E01012342	Lingfield- W part (Hundens Lane area)	774	152	19.6%	6083
E01012316	College- E/N part	1,129	220	19.5%	6247
E01012343	Lingfield- E and S part	885	171	19.3%	6547
E01012352	North Road- W part (Rise Carr)	789	152	19.3%	6548
E01012363	Pierremont- North central part	709	134	18.9%	7185
E01012350	North Road- Central part (Rockwell to Crosby Street)	722	136	18.8%	7343
E01012304	Bank Top- NW part	688	127	18.5%	7884
E01012311	Cockerton East- Central part	656	119	18.1%	8598
E01012335	Heigh & Coni- Heighington village	631	112	17.7%	9355
E01012312	Cockerton West- North part	635	111	17.5%	9718
E01012358	Park East- Central/SW part	721	125	17.3%	10128
E01012344	MSG- Mid MSG, Low Dinsdale	578	99	17.1%	10511

E01012314	Cocketon West- West part	603	101	16.7%	11292
E01012327	Haughton East- Red Hall	621	104	16.7%	11293
E01012347	Mowden- E part	775	127	16.4%	11912
E01012337	Hummersknott- E/Central part	748	122	16.3%	12121
E01012345	MSG- Middleton One Row, Oak Tree	561	91	16.2%	12311
E01012325	Haughton East- NE/Central part	677	104	15.4%	13859
E01012323	Harrowgate Hill- SW part	667	97	14.5%	15618
E01012336	Hummersknott- W/N part	805	115	14.3%	16035
E01012329	Haughton North- South/East part	812	110	13.5%	17571
E01012331	Haughton West- NE/central part	521	70	13.4%	17763
E01012333	Haughton West- SW part	643	83	12.9%	18777
E01012328	Haughton North- NW/central part (Whinfield)	779	95	12.2%	20164
E01012346	MSG- North MSG	750	82	10.9%	22857
E01012322	Harrowgate Hill- NW part	611	61	10.0%	24766
E01012351	North Road- North-East part	629	52	8.3%	27834
E01012309	Cockerton East- East part	816	55	6.7%	30063
E01012330	Haughton West- NW part	475	31	6.5%	30286
E01012320	Faverdale	1,307	84	6.4%	30383

**Source: DECC, 08/08/13**

**Key:**

In the most deprived 1% nationally
In the most deprived 3% nationally
In the most deprived 10% nationally
In the most deprived 20% nationally
In the least deprived 20% nationally
In the least deprived 10% nationally
In the least deprived 3% nationally
In the least deprived 1% nationally
In the least deprived 0.1% nationally

## Appendix 2 – Estimated Fuel Poverty Levels, LIHC Measure, 2011

LSOA Code	LSOA	All Households	Fuel Poor Households	Percent Fuel Poor	National Rank (1= worst)
E01012354	Northgate- East part	731	236	32.3%	139
E01012353	Northgate- North part (Denes)	786	217	27.6%	332
E01012362	Pierremont- East part (Hopetown)	693	189	27.3%	364
E01012334	Heigh & Coni- Rural	1,004	272	27.1%	372
E01012349	North Road- S part	780	192	24.6%	630
E01012364	Pierremont- South central part	749	171	22.8%	870
E01012308	Central- Town centre and TCF	1,246	281	22.6%	901
E01012355	Northgate- South/West part	637	144	22.6%	913
E01012357	Park East- E/NE part	638	134	21.0%	1269
E01012363	Pierremont- North central part	709	148	20.9%	1289
E01012305	Bank Top- SW part	606	124	20.5%	1404
E01012356	Park East- N/NW part	719	147	20.4%	1424
E01012365	Pierremont- West part	563	111	19.7%	1685
E01012306	Bank Top- E part	663	128	19.3%	1834
E01012361	Park West- Outer part	810	150	18.5%	2191
E01012307	Central- Albert Hill	875	161	18.4%	2248
E01012315	College- W part	706	128	18.1%	2441
E01012340	Lascelles- W part	1,093	192	17.6%	2802
E01012317	Eastbourne- SW part	587	103	17.5%	2941
E01012350	North Road- Central part (Rockwell to Crosby Street)	722	124	17.2%	3145
E01012324	Harrowgate Hill- SE part	646	110	17.0%	3331
E01012310	Cockerton East- West part	901	150	16.6%	3667
E01012360	Park West- Inner (NE) part	794	127	16.0%	4284
E01012304	Bank Top- NW part	688	110	16.0%	4306
E01012338	Hurworth- Rockcliffe, mid Hurworth on Tees	808	127	15.7%	4627
E01012319	Eastbourne- NE part	1,103	169	15.3%	5085



E01012343	Lingfield- E and S part	885	135	15.3%	5096
E01012321	Harrowgate Hill- NE part	672	102	15.2%	5283
E01012316	College- E/N part	1,129	164	14.5%	6255
E01012313	Cockerton West- East/Central part	669	95	14.2%	6825
E01012339	Hurworth- rest of ward	765	108	14.1%	6967
E01012337	Hummersknott- E/Central part	748	102	13.6%	7922
E01012326	Haughton East- W/Central part	516	69	13.4%	8427
E01012366	Sadberge & Whessoe	856	113	13.2%	8674
E01012348	Mowden- W part	956	124	13.0%	9063
E01012335	Heigh & Coni- Heighington village	631	80	12.7%	9846
E01012344	MSG- Mid MSG, Low Dinsdale	578	72	12.5%	10358
E01012347	Mowden- E part	775	96	12.4%	10454
E01012358	Park East- Central/SW part	721	89	12.3%	10703
E01012323	Harrowgate Hill- SW part	667	82	12.3%	10747
E01012311	Cockerton East- Central part	656	80	12.2%	11010
E01012352	North Road- W part (Rise Carr)	789	94	11.9%	11727
E01012345	MSG- Middleton One Row, Oak Tree	561	66	11.8%	12165
E01012331	Haughton West- NE/central part	521	61	11.7%	12447
E01012341	Lascelles- E part	773	86	11.1%	13947
E01012325	Haughton East- NE/Central part	677	72	10.6%	15509
E01012332	Haughton West- SE/central part	659	69	10.5%	15853
E01012342	Lingfield- W part (Hundens Lane area)	774	75	9.7%	18206
E01012333	Haughton West- SW part	643	58	9.0%	20453
E01012314	Cockerton West- West part	603	54	9.0%	20513
E01012322	Harrowgate Hill- NW part	611	53	8.7%	21461
E01012318	Eastbourne- Central/SE part	1,045	88	8.4%	22194
E01012329	Haughton North- South/East part	812	68	8.4%	22236
E01012312	Cockerton West- North part	635	51	8.0%	23458
E01012336	Hummersknott- W/N part	805	60	7.5%	24687

E01012346	MSG- North MSG	750	55	7.3%	25225
E01012351	North Road- North-East part	629	43	6.8%	26569
E01012327	Haughton East- Red Hall	621	42	6.8%	26586
E01012328	Haughton North- NW/central part (Whinfield)	779	51	6.5%	27161
E01012359	Park East- S/SE part	704	39	5.5%	28995
E01012320	Faverdale	1,307	67	5.1%	29507
E01012309	Cockerton East- East part	816	42	5.1%	29528
E01012330	Haughton West- NW part	475	23	4.8%	30022

**Source: DECC, 08/08/13**

**Key:**

In the most deprived 1% nationally
In the most deprived 3% nationally
In the most deprived 10% nationally
In the most deprived 20% nationally
In the least deprived 20% nationally
In the least deprived 10% nationally
In the least deprived 3% nationally
In the least deprived 1% nationally
In the least deprived 0.1% nationally