
AFFORDABLE WARMTH STRATEGY

TACKLING FUEL POVERTY 2008 - 2011

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AFFORDABLE WARMTH STRATEGY

TACKLING FUEL POVERTY

1. Introduction

One of the key priorities for Herefordshire Housing (HHL) in our overall approach to sustainability is to set out how we will address the impact of fuel poverty on our customers. The most significant consequence of fuel poverty is the effect that this has on people's health and well-being. In extreme cases, people may die from living in cold, damp homes.

In England and Wales in the winter of 2006-07 (December to March) there were an estimated 23,900 more deaths compared to the average level in the non-winter period.¹ Although influenza, respiratory infections and other seasonal factors may account for part of the winter excess in mortality, around 60% of it can be attributed to the effects of cold. This winter excess is greater than in most other countries of northern Europe and Scandinavia, despite Britain's comparatively milder winters. A partial explanation for this lies in the quality of our housing stock, which is less thermally efficient than that in most other European countries and therefore provides less protection against the cold.²

2. What is fuel poverty?

In the UK Fuel Poverty Strategy 2001, the Government defines households as being fuel poor if,

'The household needs to spend more than 10% of its income on all fuel use and to heat the home to an adequate standard of warmth'

This assumes a satisfactory heating regime to be one where:

- The main living area is at 21°C (70° F)
- Other occupied rooms are at 18°C (65°)
- Heating is available for 16 hours per day for households likely to be at home all day, and 9 hours per day on weekdays for households in work or full-time education
- The whole house is heated, except where the household is under-occupied, when it is assumed that half of the house is heated. In this case, the household is under-occupied when it is considered to have surplus bedrooms and excessive floor space

Affordable warmth, therefore, relates to the ability to heat the home to an adequate level for household comfort without resulting fuel debt. The commonly applied definition of a fuel poor household is one that needs to spend in excess of 10% of disposable income (after meeting housing costs) to maintain satisfactory levels of warmth and comfort.

¹ Office for National Statistics

² Joseph Rowntree Foundation, The impact of housing conditions on excess winter deaths, 2001

3. What are the main causes of fuel poverty?

There are four main causes of fuel poverty:

- Low household income
- Energy inefficient properties (difficult to heat) properties
- Expensive to run heating systems i.e. systems that use expensive fuel or are inefficient such as open solid fuel fires, peak electric heaters and portable bottled gas/paraffin heaters
- High fuel costs

Fuel poverty disproportionately affects specific groups of people, most notably older people, lone parents, disabled people and those who are long-term sick. The factors which contribute to fuel poverty often reinforce each other. People experiencing fuel poverty are, for example, also more likely to spend long periods of time in the home and, therefore, need to consume more fuel.

In addition, low income households, either as a consequence of fuel debt to utility companies, or as a means to avoid it, are far more likely to pay for fuel by prepayment meters. Tariffs for prepayment customers are higher than those for other customers, which further perpetuates fuel poverty.

The latest estimates, taken from the 5th Annual Progress Report (2007) on the UK Fuel Poverty Strategy, indicate that in 2005, there were approximately 2.5 million households in fuel poverty in the UK, of which 2 million were vulnerable households. This is an increase of 0.5 million since 2004, reflecting the impact of rising energy prices on fuel poverty levels.

Age Concern claim that the average fuel bill for someone aged 65-74 years, now represents 15% of average income for a single pensioner and 13% of the average income for a single pensioner over the age of 75 years.³

Fuel poverty has an impact on quality of life, places increasing demands on health and housing services and causes marginalisation of households on low incomes.

As a result of action already taken to improve energy efficiency by social landlords, it is now estimated that almost three-quarters of fuel poor households nationally are in the private sector.

Rising energy costs during 2008 are dramatically increasing the incidence of fuel poverty.

4. National policy background

The Government's aim and that of the Devolved Administrations, as set down in the UK Fuel Poverty Strategy (November, 2001), was to seek an end to the problem of fuel poverty for vulnerable households by 2010 and other households by 2016.

5. Housing Corporation Expectations

The Housing Corporation's 'Building on Success 2001-2004' strategy requires RSLs, such as HHL to have an Affordable Warmth Strategy in place. This sets part of the framework to ensure that RSLs meet the Housing Corporation's aims of providing decent homes by 2010.

³ Age Concern Press Release 22.04.08

The Decent Homes Standard requires that all properties have a reasonable degree of thermal comfort. This criterion is judged by assessing the type of heating in a property together with the type of roof and wall insulation

The Housing Corporation guidance 'Fit for the Future,' (June 2008) is intended to encourage and support social housing providers who wish to improve the environmental performance of their housing stock. Improving performance not only impacts positively on the environment, but also contributes to a reduction in the fuel poverty of occupants.

The guidance quotes a report for the Managed Housing Strategy Group of the Energy Efficiency Partnership for Homes (EEOfH), 2008, which indicates that fuel poverty in the RSL sector had increased from approximately 4% in 2004 to approximately 13% by the end of 2006. This is seen as a consequence of the fact that fuel price rises are increasing tenants' energy bills faster than RSLs have been able to reduce them by energy-efficiency improvements.

6. Fuel poverty in Herefordshire

The following data is identified in Herefordshire Council's Affordable Warmth Strategy, 2007:

- In 2005 there were an estimated 8,540 (10.7%) dwellings in fuel poverty in Herefordshire compared to approximately 11% in England based on the 2001 English Housing Condition Survey data, although the figure is likely to have reduced in England since 2001.
- The highest rate of fuel poverty is found in the private rented sector, where 17.3% of dwellings are in fuel poverty, compared to the 9.6% in housing association and Registered Social landlord stock.
- Fuel poverty is not strongly associated with the rural stock. This is due to the fact that the poorest households, particularly those in receipt of means tested benefit, predominate in the urban areas of the district.
- The highest incidence of fuel poverty is in the Ross and South and Leominster and North areas.
- No dwellings were found to be in fuel poverty where household incomes were above £15,000 per annum, only 310 dwellings where income was above £10,000 per annum and the remaining 8,230 (96.4%) were found where household incomes are below £10,000 per annum. Clearly a caveat here would be the high level of the recent fuel price increases.

7. What are the Benefits of Tackling Fuel Poverty?

- a) **Health** – Providing affordable warmth can have a significant impact in reducing cold and damp related illnesses and deaths, resulting in a better quality of life for households and a potential reduction in costs to the NHS.
- b) **Community** – Providing affordable warmth can contribute to the Government's aim of social inclusion. A warm and dry home protects the building fabric and is easier to let, thereby contributing to a reduction in voids. Homes that are more comfortable and welcoming lead to an increase in household satisfaction and the potential for enhanced neighbour and community sustainability.

- c) **Economic** – Providing affordable warmth can make homes cheaper and easier to heat and contribute to tenants' being less likely to get into arrears with rent payments
- d) **Environmental** – Providing affordable warmth means better use of energy and reduced emissions of CO2.

8. Herefordshire Council's Affordable Warmth Strategy

Herefordshire Housing has been involved in the development of the Council's Affordable Warmth Strategy and will continue to play a key role through our membership of the Herefordshire Affordable Warmth Steering Group.

The Council's Affordable Warmth Strategy Action Plan identifies the following key areas:

- To raise awareness of affordable warmth and its related issues.
- To effectively coordinate affordable warmth activity between partners to establish a joined-up approach.
- To maximise efficiency in the use of resources and secure funding to implement the Action Plan.
- To apply new solutions in implementing the Action Plan.
- To ensure consideration of issues relating to all housing tenures in the implementation of the Action Plan.
- To establish an integrated system of high quality energy efficiency and income maximisation advice.

9. Herefordshire Housing's Affordable Warmth Strategy

This Strategy covers the period 2008-2011. It will, however, be reviewed and, where necessary, updated annually to ensure that its objectives remain current and continue to reflect best practice, and existing and emerging legislation and regulatory requirements.

The Strategy recognises that fuel poverty is not simply a housing issue, but one which impacts significantly on health and social exclusion and that a corporate and multi-agency approach is necessary if the issues that give rise to fuel poverty are to be effectively addressed.

This strategy aims to provide a continuing framework for HHL, its colleagues, customers and stakeholders to understand the direction in which the organisation is working, with regard to Affordable Warmth, why it is doing so and what the anticipated outcomes will be.

Through this Strategy, we will:

- Make funding of £1.3 million available to achieve a minimum SAP rating of 65 for those 1,436 units that are currently below this rating and we aim to have achieved this by the end of the 2012-13 financial year.
- Immediately address the energy efficiency of those 26 homes that have a SAP rating of below 35 and as such fail the current Decent Homes Standard.

- Be the leading RSL partner within the county on Herefordshire Council's Affordable Warmth Steering Group.
- Investigate our purchasing power as a large scale energy consumer to provide better 'deals' for our customers.
- Continue to promote sustainable design methods in all our major projects.
- Implement 'take up' campaigns based around energy efficiency and fuel poverty and ensure that we maximise any available grant income.
- Address 'off gas' network issues by piloting modern heating solutions.

10. Key Strategic Objectives

We have identified the following key strategic aims, to be achieved through our Affordable Warmth Strategy:

- To improve the energy efficiency of all HHL properties to comply with the Decent Homes Standard and ensure acceptable levels of thermal insulation are achieved.
- To prioritise resources and target poorly insulated housing with expensive to run or inadequate heating systems.
- To raise the profile of energy awareness amongst tenants and HHL leaseholders and promote the benefits of reducing energy consumption through a better understanding of how to get the best out of their homes and heating systems.
- To reduce the number of households suffering from fuel poverty through property improvement, the provision of information and signposting to specialist advice.
- To reduce the number of households suffering from fuel poverty by ensuring that fuel poverty is addressed as a priority within our Financial Inclusion Strategy
- To work with partner organisations, particularly Herefordshire Council, in the implementation of their overarching Affordable Warmth Strategy for the county.

These Key Objectives do not exist in isolation but have important strategic links with the following documents:

- Corporate Plan 2008-2011 and the associated Service Plans
- Long Term Financial Forecast
- Asset Management Strategy
- Equality and Diversity Framework
- Procurement Strategy
- Value for Money Strategy

- Financial Inclusion Strategy

11. Scope

This Strategy applies to all areas of HHL's business and to service planning, provision and delivery, whether provided directly by HHL, or through contractors. It, therefore, has relevance to all of the following:

- HHL's Board of Management
- HHL colleagues
- Tenants, leaseholders and others living in the communities in which HHL works
- Contractors employed by HHL
- Herefordshire Council
- Partners and other stakeholders

12. Background Information

HHL is a social landlord, owning 5,395 homes in Herefordshire. It was established in November 2002 in response to tenants of Herefordshire Council voting in favour of a stock transfer.

HHL's stock is currently comprised of 5,395 properties, with the highest concentration being within Hereford City and the market town of Ross-on-Wye. The remaining properties are dispersed over 74 rural areas, predominantly to the south and west of Hereford City. Around 20% of properties are designated for elderly or disabled tenants.

The majority of properties are traditionally built of brick and block under a pitched tiled roof. However, there are approximately 1,300 properties that are of a non-traditional construction. The ages of properties range from the early 1900's through to recently built properties.

The following table provides a breakdown of stock type:

Type	Supported (Sheltered)	General Needs	Totals
Flats / Maisonettes	472	1803	2,275
Bungalows	576	301	877
Houses	0	2,243	2,243
Totals	1,048	4,347	5,395

In the 5-year Major Property Improvements Programme (the 'Promises'), following transfer HHL had, as at March 2008, completed the following:

- 2,015 Central heating systems fitted or upgraded
- 165 external wall insulation fitted
- 2,570 kitchens replaced
- 1,683 bathrooms replaced
- 2,133 homes rewired
- 4,432 external doors replaced

13. Measuring Energy Efficiency

One of the root causes of fuel poverty is the existence of dwellings with poor energy efficiency. The Housing Corporation's accepted measure of a dwelling's energy efficiency is by using the Standard Assessment Procedure (SAP) rating.

A SAP (2001) rating is generated from an energy audit of an individual dwelling and is a numerical indication on a scale of 0 (very inefficient) to 120 (very efficient) of the energy efficiency of that dwelling. It reflects, amongst other things, the heating and insulation standards, but not household income. These are the ratings included in this Strategy and currently used within HHL.

The Housing Corporation Scheme Development Standards require that any new build or rehabilitation of existing properties should include cost effective energy efficient measures. It also specifies the minimum SAP levels that must be achieved (ranging from 71 to 85 for new-build and 70 for rehabilitation). The Corporation encourages these minimum standards to be exceeded whenever possible.

A new SAP (2005) rating simplified the indicator range to a 1 to 100 scale whilst revising the technical standard to, for example, to incorporate renewable and energy saving technologies.

14. Current Position within HHL stock

HHL has delivered significant improvements in terms of energy efficiency over the last five years, with the average SAP rating increasing from 65 at March 2005 to 72.5 as at March 2008.

This has been achieved by both insulation and heating installation / replacement programmes and the prudent accessing of energy grant funding. We have been replacing outdated and expensive electric storage heating systems with gas condensing boilers with modern controls, which are easily maintainable, cut emissions and reduce energy costs for tenants.

We are now taking this further with the evaluation of ground source heating and other forms of renewable energy to reduce energy consumption. Subject to the evaluation of potential trial installations, we plan to introduce this as part of the specification for future 'off gas' schemes.

A SAP rating of 65 is the Department of Environment, Food and Rural Affairs (DEFRA) indicator of the level of energy efficiency where there is minimal risk of fuel poverty.

Our current rating places us in the top quartile for both the Housing Corporation's national Performance Indicators and our Housemark peer group. A target of 73 has been set for 2008-09, which has been derived by projecting the impact of the 2008/09 planned programme.

Currently HHL, like most other RSL's, is still using the 2001 SAP rating. This is because of delays with release, of the software upgrades that incorporated the 2005 changes. We have highlighted this as an issue both in completing the RSR return and with Housemark in terms of benchmarking. As a consequence of this, Housemark will be allowing participants the option of entering either '2001' or 2005 data.

We will have upgraded to SAP 2005 by the 1st October 2008 when our IT provider will have made available the relevant software. This will enable HHL to use this data in the production of the new Energy Performance Certificates that must be made available to all new tenants from this date.

HHL recognises that for fuel poverty the average is much less important than the numbers of homes with low SAP ratings. We aim to address the issue of homes with a low SAP rating as a priority within our Affordable Warmth Strategy.

We have included a detailed SAP analysis of all HHL stock by grouped SAP ratings which set out our current position under SAP (2001). This table shows a breakdown under the separate headings of Traditional and Non-Traditional construction types as at March 2008:

SAP Rating	No. of Traditional Dwellings	No. of Non-Traditional Dwellings	Total
0 - 4	0	0	0
5 - 9	0	1	1
10 - 14	2	0	2
15 - 19	1	0	1
20 - 24	3	0	3
25 - 29	5	0	5
30 - 34	12	1	13
Sub Totals 0 - 34	23	2	25
35 - 39	24	21	45
40 - 44	37	13	50
45 - 49	72	1	73
50 - 54	250	37	287
55 - 59	270	207	477
60 - 64	268	213	481
Sub Totals 0 - 65	944	494	1438
65 - 69	411	88	499
70 - 74	515	178	693
75 - 79	622	131	753
80 - 84	740	282	1022
85 - 89	432	95	527
90 - 94	223	71	294
95 - 99	69	40	109
100 - 104	7	15	22
105 - 109	0	0	0
110 - 114	0	0	0
115 - 120	0	0	0
Grand Totals 0 - 120	3963	1394	5357⁴

⁴ Herefordshire Housing declared ownership of 5395 'general needs' properties as at March 2008. The difference here is 38 properties that are being demolished as part of the Archenfield and Woodedge re-development programme.

As highlighted earlier, this analysis details the individual bandings for those properties rated as below 35 and for those rated both below and above 65. This will assist with our initial aims in uplifting the SAP rating, and thus the energy efficiency, of those properties deemed most at risk

Additionally, it should be noted that within the non-traditional stock, provision has already been made in the Long Term Financial Forecast for the application of an insulated over-cladding to approximately 220 of these properties to protect the fabric of the building. This will in itself lead to some increase in the SAP rating for all these properties. This work is planned for completion during the next five years.

15. Areas to Address

i. EcoHomes XB (eXisting Buildings) and Building Regulations

EcoHomes for eXisting Buildings (XB) is, currently, a voluntary environmental assessment method for existing managed stock. It was developed using a similar format to EcoHomes for new build in recognition that, as with new build, there is a need to improve the environmental performance of the existing housing stock.

The assessment measures the environmental value of work that is undertaken under planned and responsive maintenance programmes. The credit system within EcoHomes XB can give RSL's information on specific additional measures they can implement to improve the environmental performance of their stock.

The score is unique to the stock being assessed and enables the identification of parts of the stock that have poor environmental performance thus allowing the prioritisation of investment to improve overall environmental performance. It also facilitates the setting of benchmarks and targets to demonstrate improvements over time. The whole stock can be assessed at once, or can be assessed in smaller sections down to an individual street or property. Improvements can then be completed incrementally. An example here would be to use the void (empty property) management process to complete 'disruptive' upgrading works.

Building Regulations are also regularly revised in the light of improved technologies and constitute a legal requirement. As part of the Affordable Warmth Strategy, HHL will investigate the impact of such measures in existing properties and work to incorporate the associated measures.

HHL will

- Investigate using EcoHomes XB assessments. This will enable more informed decisions to be made regarding the future measures necessary to ensure a combination of sustainability and the provision of affordable warmth.
- Develop a process for completing incremental works to void properties that improves the energy efficiency of the property and thus benefits the incoming customer.

ii. Fuel Poverty

We are currently in the process of collecting census data from our tenants so that we can tailor our services more effectively to meet their needs.

As at September 2008, 48% of tenants had returned a completed Tenant Census Form. Whilst we are still some way off achieving our target of census information for 90% of our tenants by November 2008, the information received to date does point to the potential for fuel poverty to be an issue for a significant number of HHL tenants. Clearly this will have been exacerbated by the recent round of price increases.

The following information, which is taken from the census forms that have been returned, is illustrative:

- 18.5% of tenants have said that they are currently suffering problems relating to debt
- 38% of households contain someone who have a disability
- 11.9% of tenants have a Carer
- 34% of tenants are over the age of 65 years

Currently, 17% of HHL dwellings are not currently connected to gas and therefore, these households may potentially be at greater risk of fuel poverty as a consequence of the requirement to use inefficient or expensive fuel heating systems such as open solid fuel fires and peak electric meters.

All of the actions in this Strategy are targeted towards reducing the effects of fuel poverty on HHL tenants and leaseholders and are not, therefore, repeated here.

iii. Advice and Information

The importance of advice and information in reducing household fuel bills is evidenced by the Energy Savings Trust's claim that it is possible for the average household to cut fuel consumption by 20% per annum by not wasting energy. It is further claimed that the average household wastes £300 worth of energy per year, this does not include, however, the possible savings that can be made from switching energy suppliers. Access to good quality advice and information is, therefore, fundamental in any strategic approach to tackling fuel poverty.

Energywatch, the gas and electricity watchdog provides free and independent help and advice on all gas and electricity matter. Domestic consumers can choose from a selection of free services if they are:

- Of pensionable age
- Disabled
- Chronically sick
- Hearing and/or visually impaired

The free services include the following:

- Password protection scheme
- Information and help on switching to the cheapest energy supplier
- Accessing prepayment meters

- Bill nominee scheme – a copy is also sent to a relative or Carer
- Alternative cooking and heating facilities if the gas supply is disrupted
- Provision of consumer information in Braille, large print, on audio tape, or via textphone or typetalk.

We will:

- Ensure the new HHL tenants are provided with advice and information on how to use their heating systems effectively to achieve optimum comfort at minimum cost.
- Make use of the tenant census data in order to identify those HHL tenants most vulnerable to fuel poverty and develop a targeted approach aimed at its reduction.
- Identify the most efficient and cost-effective methods of ensuring that all HHL tenants and leaseholders have access to energy saving information that can contribute to a reduction in fuel bills
- Send out Herefordshire Energy Action Team leaflets including 'room temperature advice' thermometers to all HHL leaseholders in the October 2008 edition of our leaseholders' newsletter. This is a targeted campaign by this team to highlight those grants available to home owners.
- Signpost tenants and HHL leaseholders to specialist energy advice providers, including the Energy Saving Trust.

iv. Planned Programme

As previously identified, HHL has carried out extensive programmes of 'energy works' as part of the 'Promises' made to tenants at the time of transfer.

97.4% of HHL properties currently meet the Decent Homes Standard. We intend to bring 100% of properties up to this standard by March 2009 – one year ahead of the government's target of 2010.

These measures, however, have been implemented on the basis of delivering its 'promises' to customers and within the drive to meet the DHS rather than in delivering 'affordable warmth'. The intention within this Strategy is to ensure the focus on affordable warmth is in itself a priority.

We will

- Establish Affordable Warmth targets for schemes and archetypes as a driver to delivering higher energy efficiency.
- Produce an Action Plan detailing further energy improvements to be carried out to achieve these targets.
- Evaluate measures being implemented systematically in the light of the Affordable Warmth targets, to ensure they are aimed correctly and are achieving Value for Money.

v. New Build Homes

HHL intends to continue with a modest new build programme over the next 30 years. Currently the development brief suggests SAP ratings should be to Scheme Development Standards (SDS) recommended levels, but this will be reviewed in the light of the Affordable Warmth Strategy and Housing Corporation requirements. In the meantime, however, HHL also recognises that better insulation levels, passive solar design etc, will have on-going long-term benefit whatever the main future fuel source for heating, and should be put in place wherever possible.

The Code for Sustainable Homes originated out of the Sustainable Buildings Task Group of November 2004, which identified the need for a stronger, unified national standard. Originally to have the broader remit of all buildings (newbuild and existing), it was amended and finally launched as the 'Code for Sustainable Homes' in December 2006. Simultaneously with its launch, the Government announced the target for all new homes to be zero carbon by 2016, with the Code forming one of the main tools to deliver this.

By redesigning our homes and how we live in them there is a significant opportunity to reduce the damage we do to the environment. In reducing this damage the Code assists Government to meet national and international objectives. These include the Kyoto Protocol which requires a 20% reduction in CO₂ by 2010 and the Energy White Paper target of a 60% reduction in CO₂ by 2050.

From April 2008 the mandatory environmental standard, for all schemes funded through the Housing Corporation's National Affordable Housing Programme 2008-11 will be compliance with the Code for Sustainable Homes level three. English Partnerships is also requiring Code level three as a minimum for some schemes. As with EcoHomes, it is intended that there will be an increase to the next Code level with each funding round, dovetailing to the Government's zero-carbon target in 2016.

Code Level 3 requires a 25% improvement on energy usage compared with current Building Regulations, Level 4 is a 44% improvement, Level 5 a 100% improvement and Level 6 zero-carbon. We are currently exploring implementing Level 4 on some properties in our redevelopment program as a trial.

We will

- We will construct new properties at least in line with level 3 of the Code for Sustainable Homes⁵.
- Establish Affordable Warmth targets for new-build homes in terms of maximum annual fuel costs for different sizes of dwelling.
- Investigate Best Practice case studies for new-build properties in terms of energy efficiency and environmental sustainability.
- Review standard briefs in the light of Affordable Warmth to identify any desirable improvements.
- Prefer passive solar design for all new developments, and require developers, and architects to justify where this is not achieved.

⁵ Code for Sustainable Homes: A step change in sustainable home building practice. Communities and Local Government publication. December 2006

- Assess suitability of micro-CHP for new developments.

vi. Partnership Working

A fundamental part of HHL's Affordable Warmth Strategy is to work with key partners such as Herefordshire Council and the major energy providers in ensuring that we are in a well position to programme works in the most applicable manner, maximise available funding, and tackle the problems associated with fuel poverty to the ultimate benefit of the tenants.

It is intended that, as HHL's Affordable Warmth Action Plan is formalised and progress made, we will link this, where appropriate, with the objectives as set out in Herefordshire Councils' own affordable Warmth Strategy (July 2007).

We will

- Identify how key stakeholders could contribute to the Affordable Warmth Strategy implementation and development process.
- Identify local and national initiatives to see where opportunities might exist to benefit customers and investigate joint development potential with the local council.
- Continue to be an active member of the Council's Affordable Warmth Strategy Steering Group.
- Continue to investigate best practice and undertake learning visits to other organisations. We have already planned a visit to the Heart of England Housing Group in relation to a joint initiative they are undertaking with E-on to fund ground source heat pumps

vii. Energy Performance Measures

HHL's energy reporting procedures currently focus on quarterly reports to Customer Services Committee and our Board of Management on energy ratings and the percentage of properties meeting the Decent Homes Standard.

We will:

- Identify other useful energy efficiency reports and subsequent targets and the data analysis required to achieve these.
- Use Eco Reports to develop further targets.
- Ensure housing energy outputs generated from the new stock profile surveys continue to meet regulatory requirements.

viii. Renewable Energy and Social Benefits

We recognise that our activity in regard to environmental and social benefits is, at present, limited. Whilst CO₂ emissions are calculated, they are not currently used.

We will:

- Identify possible pilot projects for renewable energy technologies.
- Encourage fuel-switching for electrically and solid fuel heated properties to more efficient modern heating systems such as ground-source heat pumps
- Continue to externally clad non-traditional properties to increase energy efficiency.
- Investigate partnership working with energy suppliers to reduce fuel costs for our tenants.

ix. Energy Management

We are aware of the benefits of a systematic approach to energy management and have held an initial meeting with Sustain. The following outline proposal has been received:

- carry out strategic modelling of our current SAP database, and
- a more detailed Options Appraisal for up to 6 dwellings to identify an alternative sustainable heating solution as a replacement for existing electric and solid fuel heating systems

The purpose of the modelling work will be to analyse data relating to SAP values for up to 5,000 of our properties. Whilst this is in the early stages the intended output of this work would be an understanding of the most appropriate and cost-effective measures, which we could take to further improve the energy efficiency of HHL existing stock.

The purpose of the Options Appraisal would be to identify appropriate methods and technologies for reducing energy consumption and running costs at the nominated properties. This will allow us to make informed strategic decisions on refurbishment/replacement of existing heating equipment.

The report would explore at least three different sustainable energy options, with the aim of identifying potential improvements in heating system condition and performance with consequent fuel bill savings to tenants and a reduction in fuel poverty.

We will:

- Establish a SMART Action Plan based on the objectives set out in this Affordable Warmth Strategy.
- Identify training needs to support the Affordable Warmth Strategy.
- Ensure the Affordable Warmth Strategy complements and is integrated with the Asset Management Strategy, Sustainability Framework and the Financial Inclusion Strategy.
- Reconsider the review of standard specifications to ensure they achieve energy performance requirements.
- Identify monitoring requirements to support the delivery of the Affordable Warmth Strategy.

x. Funding

HHL is committed to working in partnership with other organisations to fund the necessary works to deliver 'affordable warmth' to our customers.

To date HHL has received in the region of £68,343 in grants towards these programmes such as external wall insulation, fuel switching, energy efficient boilers and heating controls.

We have notified the Housing Corporation of our wish to take part in their free energy-efficient light bulbs initiative.

We will

- Assess the cost of delivering Affordable Warmth across HHL's whole housing stock, including dwellings of non traditional structure and ensure that this is met from within the Long Term Financial Forecast.
- Incorporate achievement of the Affordable Warmth Strategy into HHL's Asset Management Plan
- Continue to review funding options available from utility companies and other parties

7.3 Monitoring progress

A Sustainability Working Group will be established, made up of Board representation, customers and colleagues. The Working Group will oversee the implementation of the Strategy and monitor its progress. In doing this the group will recommend amendments and additions to the strategy as they become necessary. They will also continue to work closely the Herefordshire Affordable Warmth Steering Group to reduce fuel poverty and address affordable warmth within the county.