

Affordable Warmth Strategy



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C O N T E N T S

Introduction / strategy statement _____	1
Background and external environment _____	2
Aims and objectives _____	6
Operational plans _____	7
Tenants' survey _____	8
Statistical analysis of properties _____	9
Bibliography _____	10
Financial implications _____	11
People and resources _____	11
Responsibilities _____	11
Our achievements to date _____	12
Equality and diversity _____	14
Resident involvement _____	14
Glossary _____	15
Action plan _____	16

1. INTRODUCTION / STRATEGY STATEMENT

Purpose of this strategy

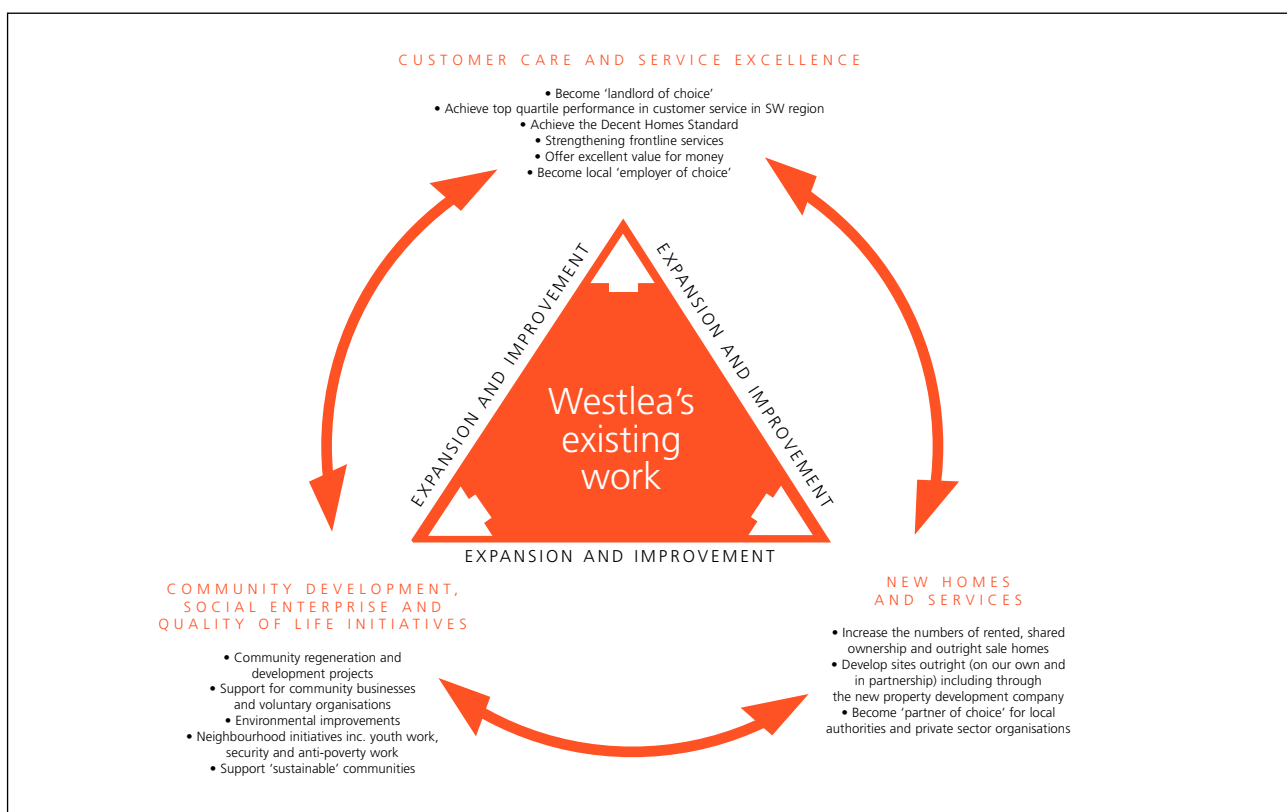
To set out Westlea's aims in relation to achieving "affordable warmth" for all its tenants. It will detail the current position and the excellent work Westlea has already carried out as well as outlining the actions that will be taken to achieve the overall aims.

1.1 The 'Decent Homes Standard' (stipulated by the Office of the Deputy Prime Minister) requires that we provide a "reasonable degree of thermal comfort by use of efficient heating and effective insulation" by 2010.

1.2 The Housing Corporation's three year corporate strategy (2002-2004) "Building on success" contained two targets in relation to affordable warmth. The first was that 40% of housing associations should have an affordable warmth strategy and action plan by April 2003, the second was that 70% of housing associations should have an affordable warmth strategy and action plan by April 2004. While having been at the forefront of taking action to improve affordable warmth (see 'Our Achievements To Date', at Section 11), Westlea has not, until now, published a comprehensive strategy and action plan.

1.3 This document will detail the current position against a selection of affordable warmth indicators and consider the appropriateness of each in deciding upon an action plan for achieving affordable warmth within Westlea properties to assist in supporting two of Westlea's key objectives.

- Become a landlord of choice
- Promote community regeneration and quality of life



2. BACKGROUND & EXTERNAL ENVIRONMENT

2.1 Affordable warmth is very much the term now used (replacing the negative and somewhat stigmatized term “fuel poverty”) to define whether someone is able to properly heat their home at a cost that is within the means of the individual or family concerned.

2.2 Formerly ‘fuel poverty’ was defined by Government as follows: “Any home is fuel poor if, in order to maintain a satisfactory heating regime, they are required to spend more than 10% (national average is 5-6%) of their income on all household fuel use.”

2.3 The income referred to can be either inclusive of all benefits received, or exclude housing benefits. The Government and most organisations addressing affordable warmth tend to use the figure inclusive of benefits.

2.4 Given that the definition above is partly based on the occupants, fuel poverty is a potentially transient state depending on an individual or family’s income as well as the state of repair of the property they inhabit.

2.5 The ‘Decent Homes Standard’ additionally requires us to ‘provide a reasonable degree of thermal comfort’ as specified in criteria ‘d’ of the standard. The revised definition requires a dwelling to have both:

- Efficient heating
- Effective insulation

Efficient heating is defined as any gas or oil programmable central heating or electric storage heating or electric storage heaters or programmable LPG/solid fuel central heating or similar efficient heating systems.

Because of the differences in efficiency between gas/oil heating systems and the other heating systems listed, the level of insulation that is appropriate also differs:

- For dwellings with gas/oil programmable heating, cavity wall insulation (if there are walls that can be insulated effectively) or at least 50mm loft insulation (if there is loft space) is an effective package of insulation; and
- For dwellings heated by electric storage heaters/LPG/programmable solid fuel central heating a higher specification of insulation is required: at least 200mm of loft insulation (if there is a loft) and cavity wall insulation (if there are cavity walls that can be insulated effectively).

Loft insulation thickness of 50mm is a minimum designed to trigger action on the worst housing.

The Asset Management Strategy currently in operation is targeted to meet all DHS criteria.

2.6 Another major factor in the definition above is the cost of fuel. In recent years fuel prices were pegged by industry competition and that has acted as a subsidy and inflated our success in achieving affordable warmth. In recent months fuel prices have risen out of

proportion to increases in income and benefits, thus reversing the effect and this has resulted in many of those who had escaped fuel poverty regressing into it.

2.7 As Westlea will generally be unable to affect either individual incomes or fuel costs, it is essential that actions taken should be focused on maximizing the achievement of affordable warmth not only for the current resident, but also for all future residents.

2.8 The Government target is to eliminate fuel poverty by 2010 for vulnerable groups (primarily the elderly and families with young children) and to eradicate it by 2018.

2.9 In assessing the level of affordable warmth/fuel poverty within Westlea properties against the Government definition for fuel poverty the following was found to be the position:

For a typical 2-bed house the following table shows the expected average cost of fuel for the main fuels used in Westlea properties, and the income needed under the Government's definition that fuel costs should be no more than 10% of income to be in affordable warmth:

Fuel type	Annual cost	Income needed
Electricity (storage)	£551	£5,510
Oil	£597	£5,970
Gas (B.Gas)	£420	£4,200
Average	£523	£5,230

(Source of average fuel costs Salkent report May 2005)

2.10 From the survey of tenants in 2004 we know that the average income for Westlea tenants is around £12,000. Only 16% stated their income as below £5200, although 37% stated their income as between £5200 and £8319. Using these figures we would estimate 26% of Westlea tenants are theoretically in fuel poverty. Given the other factors that affect fuel poverty however, it is not necessarily the case that the homes with the lowest income will be those in fuel poverty.

2.11 The following factors are also considered to affect the achievement of affordable warmth for Westlea residents:

Fuel prices/tariff

The use of pre-payment meters and the inability of many tenants to access the best deals from suppliers. Pre-payment meters are more expensive and around 80% of Westlea homes have access to some form of credit meter.

Property structure / location

Exposed rural properties, or properties with poorly designed construction causing cold bridging etc.

Energy inefficiency

Dwellings having poor insulation standards, poor heating controls, or an inability to use the heating system effectively.

Property size

Under occupation e.g. single resident in a 3-bedroom property.

2.11 For the purpose of further defining affordable warmth in this strategy the following Government guidelines will be considered as the optimal heating levels.

- The main living area is at 21°C (70°F)
- Other occupied rooms are at 18°C (65°F)
- Heating is available for 16 hours per day for households likely to be at home all day, and 9 hours for households in full time work or education.
- The whole house is heated except where the household is under occupied, where it is assumed that half the house is heated.

This definition will need to be adjusted to take account of individual special needs as properties are assessed. Ideally the resident should be in 'thermal comfort', which is a state where the person is unaware of their surroundings – neither considering the space is too hot nor too cold.

For more comprehensive tenant survey details see Section 5, but in summary the relatively low dissatisfaction reflected was as follows:

- 14% were dissatisfied with their accommodation
- 1% cited heating as a reason to move
- 13% were dissatisfied with their heating system
- 10% stated that their first choice for future improvement was energy efficiency measures and advice
- 14% stated that their first choice for future improvement was the replacement of electric storage heaters

2.12 Effects of fuel poverty:

If a household in fuel poverty tries to maintain a satisfactory heating regime it will find itself in fuel debt. If a household in fuel poverty tries to minimise its fuel bills, the home will be inadequately heated, with the potential effects being:

On the home

Condensation, damp and mould growth
Increased levels of dust mites
Deterioration of the property
Increased maintenance and repair costs
Reduction in the asset value of the property

On the residents

Health: Cold related illnesses are at increased risk and affect the more vulnerable groups. The primary illnesses are pneumonia, influenza, asthma and bronchitis, but of course in the vulnerable these could add to the risk of heart related problems, strokes or other circulatory problems.

Quality of Life: Social isolation is common among the fuel poor and children can be hampered in learning and developing. The most vulnerable groups are the elderly and

families with young children, both of which have a significant representation in Westlea properties. Nearly half of the properties have residents aged 65 years old or over. Families with at least one child under 16 make up 24% of households.

Affordable warmth can have serious knock on effects for both people and property. It is therefore essential that action is taken to identify where it exists and to minimise, or eliminate the effect it has. Dealing with affordable warmth will have major benefits for Westlea and its tenants.

2.13 Affordable warmth benefits:

From investment in energy efficiency

- Resident gains reduced fuel bills with improved comfort.
- Westlea gains lower maintenance costs, reduced repairs, increased asset value, and achieves key housing standards.
- Environmental gains of reduced energy use.

From income maximisation and lower fuel bills

- Resident has reduced debt, and therefore increased household (disposable) income.
- Westlea benefits from reduced rent arrears and lower turnover.

From warmer homes

- Resident has improved health and comfort.
- Westlea improves performance in customer satisfaction.

3. AIMS AND OBJECTIVES

3.1 Westlea's agreed mission statement is:

"As well as taking care of the 'bricks and mortar' of around 6000 homes in North and West Wiltshire and Swindon, Westlea is committed to working in partnership with others to develop new homes and services to make our neighbourhoods good places to live."

We have a strategy based on the seven key objectives, but these will encompass the improvement to the social and health aspects of the residents, an improvement in financial stability, an awareness on how to minimise impact on the environment, and the overall care and continuous improvement of our stock assets.

3.2 The key objectives of this affordable warmth strategy therefore are to:

(i) Eradicate fuel poverty:

- By 2008 for those identified as vulnerable (Government target 2010)
- By 2010 for all our residents (Government target 2016)

(ii) Assess and resolve all homes identified as below the national average SAP of 53.5 (120 homes) within one year.

(iii) Assess and resolve within three years all homes identified as falling below the Housing Corporation refurbishment target SAP of 65 (1046 homes).

(iv) Conduct a separate review to be completed over one year to assess and recommend courses of action for dealing with the issues of achieving affordable warmth targets for properties with electric heating systems (853 homes).

(v) Conduct a review of communal heating and charging regimes within one year.

(vi) Continue to carry out and evaluate 'renewable energy' schemes and establish any potential to help achieving affordable warmth targets.

(vii) Raise resident, employee and partner awareness of affordable warmth issues.

4. OPERATIONAL PLANS

A comprehensive operational plan is set out at section 15. This will be used as the basis for implementing the strategy under the following headings:

A – Establish a mechanism to oversee the implementation and monitoring of the strategy

B – Use the allocations policy to prevent fuel poverty

C – Provide help and advice to prevent fuel poverty

D – Carry out improvements in stock to maximize energy efficiency

E – Develop and maintain a cross sector partnership to achieve affordable warmth

F – Help residents to take advantage of the competitive supply market

5. TENANTS' SURVEY 2004

Significant factors relating to affordable warmth

The results of the 2004 tenant survey show the following in relation to satisfaction with properties and heating systems.

Overall satisfaction with accommodation

Base: all answering 3,266. Non response (60) 2%.

Very Dissatisfied	Fairly Dissatisfied	Neither	Fairly Satisfied	Very Satisfied
9%	5%	4%	39%	44%

Therefore 83% are satisfied with their homes.

An open-ended question gave respondents the opportunity to mention other reasons for considering moving home. One response was:

Affordable heating 1%

General condition of the property

Base – All answering. Variable. Condition of the property.

Base: all answering 3,075; non-response: (251), 8%, no opinion: (13), -%

Very Poor	Fairly Poor	Neither	Fairly Good	Very Good
2%	5%	10%	50%	32%

General Condition of heating system

Base: all answering 3,128; non-response: (198), 6%, no opinion: (21), 1%

Very Poor	Fairly Poor	Neither	Fairly Good	Very Good
7%	6%	9%	34%	44%

Future improvements to the property

Energy efficiency measures and advice

Top priority	2nd priority	3rd priority
10%	4%	3%

Replacement of storage heaters

Top priority	2nd priority	3rd priority
14%	3%	2%

6. STATISTICAL ANALYSIS OF PROPERTIES

Statistical analysis of Westlea properties by SAP rating and fuel type

(Data based on stock totals and data generated as at August 2005)

- The SAP rating measures energy efficiency (on a scale of 1-120 with 120 being highest efficiency)
- The national average SAP rating is 53.5
- The Housing Corporation's refurbishment target is 65.
- The Westlea average is 73.64.
- 2801 properties are below average SAP.
- 1046 properties are below the refurbishment target.
- Westlea's lowest SAP is 29.
- Westlea's highest SAP is 120.

Table of properties and numbers of systems

SAP	Qty	Average	Coal	Electric	Gas	GFIH	Oil	PKHS	PK	PKIH	RB	OFBBIH	Calor
<65/>60	345	62.41	15	291	30	3	6						
<60/>55	517	57.4		473	36	7		1					
<55/>50	120	53.59		68	29	18			1	3	1		
<50/>45	26	48.38		11	8		3	1		3			
<45/>40	7	43		5								2	
<40	31	32.77	1	5								23	2
<65 = 1046 by types =			16	853	103	28	9	2	1	6	1	25	2
AVSAP by heating type =			61.7	58.4	57.87	54.87	57.44	54.5	52	50.83	55	32.8	32.5

7. BIBLIOGRAPHY

Information sources for this strategy include:

Energy Saving Trust	www.est.org.co.uk/practicalhelp www.saveenergy.co.uk
The Carbon Trust	www.carbontrust.co.uk
Building Research Establishment Clear Skies (managed by BRE)	www.bre.co.uk www.clear-skies.org
National Energy Action <i>'The fall and rise of fuel prices'</i> <i>'Affordable warmth & sustainable energy'</i> <i>'Under occupancy & fuel poverty'</i>	www.nea.org.uk
National Grid Affordable Warmth Programme	www.affordablewarmth.co.uk
Energy Office (EU based)	www.energyoffice.org
Boiler Efficiency Database	www.boilers.org.uk
The Housing Corporation <i>'Delivering Affordable Warmth'</i>	
Salkent – Comparative Domestic Heating Costs	
Vale Housing Association	
The Guinness Trust	
Sustainable Energy Partnership	
Solar Energy Society	
Fuel Poverty Advisory Group	

8. FINANCIAL IMPLICATIONS

8.1 The costs of implementing the affordable warmth strategy will mostly be met within existing budgets for repairs and improvements by slight adjustments in priorities and specifications.

8.2 Extra resources will be needed to continue to fund energy conservation which is included in the business plan at £200,000 per year up to 2008/09. This is likely to be enough to deal with the initial aims of the strategy; however, the position may need to be revisited after the reviews proposed in the first year of the implementation. Any further financial requirements will be dealt with in future updates of the strategy.

9. PEOPLE AND RESOURCES

The operational aspects will be delivered within current resources for the first year, and reappraised at first review. The promotion of the strategy and its progress is intended to be of a high profile and some media resource will be required to support this but primarily within current publications and media.

10. RESPONSIBILITIES

We now have appointed a Maintenance Services Coordinator with responsibility for the drafting and application of the strategy.

Action responsibilities are detailed separately.

11. OUR ACHIEVEMENTS TO DATE

Westlea Housing Association has been innovative not only in new technologies and renewable projects, but also both historically and currently in proactive planned projects to maximize energy value supported by progressive asset investment.

Windows

Windows are almost 100% double glazed, using low E glass and argon filled units. This specification was agreed as far back as 1995, 10 years ahead of building regulation requirements.

Doors

Initial conservation measures agreed between North Wiltshire District Council and Westlea resulted in a programme of draught strip installation for all front and back doors, and loft hatches. Within one year all external front doors will have been replaced with hardwood double glazed and draught-stripped doors. External rear doors are also being replaced with new double glazed insulated panel doors, or refurbished where the door is in good condition and is suitable to increase its insulation to more effective levels.

Roof insulation

Due to a project of works commenced in 2003 all properties have a minimum of 100mm of insulation, with ongoing works to prioritise electric heated properties to 200mm plus, with other fuel types also in planned progress.

Wall insulation

All cavity walls were insulated to maximum capacity within two years of transfer in 1995 (1997). All Pre-cast Reinforced Concrete (PRC) properties were insulated by cladding or cavity insulation within five years of transfer (2000). The majority of solid wall properties have benefited from dry lining or external cladding.

Heating – Gas

All gas systems installed within the original installation programme (1992-1997) include the dual benefits of individual thermostat radiator controls in all rooms, plus a supplementary central thermostat. Independent hot water controls are incorporated in all new systems. Replacement gas heating systems comply with part L of building regulations, with all controls upgraded as opportunities for work present themselves. In partnership with a proactive local contractor, a comprehensive service and maintenance contract is in operation to ensure efficient and safe systems are in operation.

Heating – Electric

Westlea has piloted many innovative schemes to maximize energy value:

- Heat recovery and ventilation systems
- Combination heater systems with thermostatic controls
- Central control zonal systems
- High efficiency hot water cylinders with high performance integral insulation

Most properties with electric heating have a two-immersion heater system to optimize efficiency.

Heating – Communal

All radiators and communal heating systems utilise thermostatic valves. All boiler houses have weather compensating controls fitted.

A survey carried out in Sept 2002 by GTC consultants reviewed all communal heating systems. Works have been carried out since to reinsulate all pipework in boiler houses, and a comprehensive refit of all types of controls. Other items in the report included a Controlled Heating and Power (CHP) feasibility study, reduced boiler numbers, and potential energy savings by use of a revised charging mechanism.

New Technologies / Renewables

We are in process of installing 150 solar thermal panels as part of several innovative grant-funded projects, where parameters are suitable to fully utilise benefits. One communal solar panel project has been completed, with two further projects planned.

A Photovoltaic system installation is now completed subject to final inspection. This will reduce the generated energy use for the site and further supplement external demand as surplus energy is produced with the added benefit to the tenants of reduced cost.

Voids

Whilst we proactively seek to improve homes, some residents will refuse access to carry out works, and therefore when a vacancy occurs the opportunity is sought to upgrade during the interim period between tenancies.

New build

Most properties built under Westlea since transfer, have exceeded the relevant building regulations requirements on energy efficiency. Westlea set a precedent by building the first Integer homes for general use at Cherhill. Additional Integer homes have been developed at Swindon in partnership with Jephson Housing Association and Swindon Borough Council.

Energy advice

We have a comprehensive advice system to assist our residents, and have restructured to focus on the customer to a higher level than at any previous time.

We supply periodic articles and information for the resident to assist in awareness and energy management to reduce cost and enhance via HOME magazine, the tenant repairs book and initial tenant pack leaflets.

We have for several years provided a link to the 'Warm Hearted Homes' service that provides free independent and impartial energy efficiency advice to residents through a free telephone helpline. Follow up consultancy is provided at Westlea's expense to ensure residents are offered comprehensive support on all energy related issues.

Westlea has either corporate or representative individual membership of several organisations including the International Solar Energy Society; BRE Housing Group; Institute of Housing; and the Energy Saving Trust. We accept regular updates and advice from these and Carbon Trust, National Energy Agency, Clear Skies, and several others as well as representation at seminars and in co-operative projects with other similar organisations.

Training and awareness

Many tenants and key staff are regularly offered, and attend, energy awareness seminars and other courses provided by Warm Hearted Homes, the Energy Saving Trust etc.

Training and awareness has been developed on a fairly ad hoc basis to date, though the strategy will encourage a more structured programme thus ensuring continuous improvement.

12. EQUALITY AND DIVERSITY

This strategy is a key mechanism to deliver both the equality and diversity and anti-poverty strategies. It is wholly based around people and their special and individual circumstances. It will require a 'personal' approach in respect of all the residents implicated.

13. RESIDENT INVOLVEMENT

The key objectives take consideration of the tenant survey findings as well as national standards. The enhancement of the assets and residents' standards of comfort are intrinsic to this strategy and detailed in the key objectives and operational plans. All actions will be carried out in consultation with those affected, whether in current or revised structures and plans.

14. GLOSSARY

Affordable warmth

The ability to heat the home without incurring excessive fuel bills or debt as a result.

Decent Homes Standard

In 2000, the Government made a commitment to bring all public sector homes up to a decent standard, establishing a 10 year target and an interim target to “ensure that all social housing meets set standards of decency by 2010, by reducing the number of households living in housing that does not meet these standards by a third between 2001 and 2004, with most of the improvement taking place in the most deprived local authority areas”.

Fuel Debt

Where a householder is unable to pay their fuel bills and finds themselves in debt to their energy supplier. This can lead to creation of payment plans, disconnections or even court proceedings.

Fuel Poverty

A fuel poor household is one that needs to spend more than 10% of its income on all fuel use to heat the home to an adequate standard of warmth.

Hard to treat homes

Homes that cannot easily be improved using standard low cost energy efficiency measures. Common features are: older properties, solid wall construction, non-standard roof spaces, lack of connection to gas main, under-occupied homes.

Prepayment meters

Prepayment meters allow householders to pay for energy as they use it with a fixed amount weekly to cover the standing charge. Meters can also collect additional amounts each week to cover any debt owed to the supplier. Often used to help customers in fuel debt, but are an expensive means of fuel payment.

Standard Assessment Procedure (SAP)

The SAP energy rating compares the energy efficiency of homes on a standard basis irrespective of location. It is based on the estimated annual cost of heating and hot water per square metre and is expressed on a scale of 1-120 with 120 being the highest.

Satisfactory heating regime

Taken as 21°C (70°F) in the living room and 18°C (65°F) in the other occupied rooms for nine hours per day during the week and 16 hours at weekends

Thermal comfort

Thermal comfort is the state where a person is entirely unaware of their surroundings, neither considering the space either too hot or too cold.

15. ACTION PLAN

A **Establish a mechanism to oversee the implementation and monitoring of the strategy**

<i>Serial</i>	<i>Objective</i>
1	Establish a steering group with appropriate representation from Westlea, tenants, utilities, PCT, contractors etc
2	Identify resources and finance to implement strategy.
3	Establish tools to assess levels of fuel poverty
4	Develop an evaluation and monitoring system for the strategy
5	Publicise the aims of the strategy
6	Investigate links between cold homes and ill-health
7	Integrate the affordable warmth strategy with other strategies e.g sustainable development and business plan

B **Use the allocations policy to prevent fuel poverty**

<i>Serial</i>	<i>Objective</i>
1	Provide information and choices to prospective tenants
2	Provide information on running costs

C **Provide help and advice to prevent fuel poverty**

<i>Serial</i>	<i>Objective</i>
1	Provide existing advice and information services to tenants
2	Provide information on the safe and efficient use of energy
3	Train front line staff to deliver energy advice
4	Provide energy advice visits at home
5	Provide information on grants for energy efficiency improvements

<i>Serial</i>	<i>Objective</i>
6	Assist residents in fuel debt
7	Produce materials that are accessible to all groups
8	Encourage residents to become 'energy champions' to spread the word
9	Assist residents to maximise their income

D Carry out improvements in stock to maximize energy efficiency

<i>Serial</i>	<i>Objective</i>
1	Carry out energy audit of stock
2	Prioritise energy efficiency improvements
3	Establish targets for improvement of stock
4	Review rents in the light of property running costs
5	Review funding partnerships to carry out improvements
6	Ensure adequate ventilation is installed to provide a healthy indoor environment
7	Review repairs and maintenance specifications and schedules
8	Incorporate sustainable technologies

E Develop and maintain a cross sector partnership to achieve affordable warmth

<i>Serial</i>	<i>Objective</i>
1	Identify a co-ordinating officer to maintain outside relationships
2	Create and maintain a referral network
3	Work with partners to promote strategy and the services available to residents
4	Encourage fuel suppliers to join the partnership
5	Establish links with national organisations
6	Develop partnerships with the health sector

F Help residents to take advantage of the competitive supply market

<i>Serial</i>	<i>Objective</i>
1	Provide advice on suitable tariffs and payment methods
2	Provide advice on services from different fuel suppliers
3	Investigate establishing affinity deals (Preferred Supplier Agreements) with individual fuel suppliers.
4	Investigate the possibility of establishing an Energy Supply Company (ESCO)



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