

REPORT TO: POLICY COMMITTEE ON 5 MARCH 2008

SUBJECT: HOME ENERGY CONSERVATION ACT 1995 SUBMISSION OF FIFTH PROGRESS REPORT APRIL 2005 to MARCH 2007

BY: DIRECTOR OF COMMUNITY SERVICES

1. REASON FOR REPORT

- 1.1 This report seeks Committee approval of the 'Home Energy Conservation Act 1995' (HECA) – 'Fifth Progress Report', which has been submitted in draft form to Communities Scotland.
- 1.2 This report is submitted to Committee in terms of section A (63) of the Council's Administrative Scheme relating to dealing with Capital and Revenue Budgeting and long term financial planning in the discharge of the Council's Housing Function, and also Section A (70) of the Council's Administrative Scheme relating to strategic housing matters.

2. RECOMMENDATION

- 2.1 **It is recommended that Policy Committee notes the content of the 'Home Energy Conservation Act 1995 – Fifth Progress Report', and approves its submission to Communities Scotland.**

3. BACKGROUND

- 3.1 The Moray Council submitted its original 'Home Energy Conservation Act 1995' report to the Scottish Executive in 1997, and was required to submit periodic progress reports. The first progress report was submitted in January 2000, the second in January 2002, the third in July 2004, and the fourth in March 2006. The final report covers the period 1 April 2005 to 31 March 2007, and outlines the progress that The Moray Council has made in relation to the agreed HECA Strategy.
- 3.2 A summary of the main points within the progress report are contained in **APPENDIX I**. Copies of the full report have been placed in the Member's library, and will be available on the Council's internet site.
- 3.3 The Scottish Government has yet to decide on the future direction of home energy conservation legislation in Scotland, however draft proposals are likely to be issued for consultation later this year.
- 3.4 The Committee is asked to approve the 'Home Energy Conservation Act 1995' (HECA) – 'Fifth Progress Report', which has already been submitted in the current draft form to Communities Scotland in order to meet the submission deadline of 31 January 2008.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

The aims stated within the HECA Strategy will assist the Council in the achievement of its objectives in relation to the Social Programme, enhancing the quality of life for residents within Moray by dealing with fuel poverty and providing decent housing.

The fuel poverty strategy seeks to promote the use of renewable technology in existing housing and new housing developments.

The HECA progress report also contains statements on environmental issue relating to energy use, and the implementation of the strategy will have beneficial effects on the environment, reducing CO2 emissions and improving the energy efficiency of housing stock within all tenures in Moray.

(b) Policy and Legal

There are no direct policy or legal implications arising from this report. Maintenance and Improvement works are carried out to the Council's own stock in order to meet statutory legal requirements and in accordance with current policies.

(c) Resources (Financial, Staffing and Property)

There are no direct financial or staffing issues associated with this report. Energy Efficiency works to the Council's own stock are funded from the Investment Strategy. The improvement and ongoing maintenance of all sectors of the housing stock within Moray will ensure that it remains sustainable in the longer term, both physically and environmentally.

(d) Consultations

The Chief Housing Officer, the Housing Programmes Manager, the Private Sector Housing Grants Officer, the Property Manager and the SCARF General Manager have been consulted and their comments incorporated into this report.

5. CONCLUSION

The agreement and submission of the 'Home Energy Conservation Act 1995' Fifth Progress Report to Communities Scotland will allow Moray Council to comply with legislation relating to this Act.

Author of Report: John Macdonald, Capital Programmes Manager
Background Papers: held by the author
Ref: Committee – HECA Fifth Progress Report – 29 January 2008

HOME ENERGY CONSERVATION ACT 1995 – FIFTH PROGRESS REPORT COVERING THE PERIOD 1 APRIL 2005 TO 31 MARCH 2007 - SUMMARY

During the period April 2005 to March 2007, the main achievements of the HECA strategy included :-

Improvements in Energy Efficiency and Reduction in CO² Emissions

In overall terms, energy use within Moray has reduced by 20.58%, and CO² emissions by 21.60%. In terms of the revised energy efficiency target agreed by the Scottish Executive as part of the Council's First Progress Report, Moray Council has attained energy savings in relation to the baseline assessment as shown in the table below.

Baseline Assessment as at 1 April 1997	100.00%
Less	
% improvement April 1997 to March 2007	20.58%
	79.42%
Target (100% – 24% as agreed by SE)	76.00%
% improvement not achieved (target shortfall)	3.42%

TENURE / LANDLORD	YEAR	NUMBER OF HOUSES	ENERGY USE	CO ² EMISSIONS
Owner Occupier	2007	22539	2,417,076	167,539
	1997	22539	2,905,008	203,353
		Reduction %	16.79	17.61
Local Authority	2007	8582	451,362	33,479
	1997	8582	786,965	60,704
		Reduction %	42.64	44.84
Private Rented	2007	2771	400,678	32,365
	1997	2771	440,290	35,799
		Reduction %	8.99	9.59
Other	2007	1644	139,883	10,704
	1997	1644	149,064	11,472
		Reduction %	6.15	6.69

It can be seen from the table above that the major contributor to these reductions is the Councils' own stock, where Capital and Planned Maintenance Programmes have realised direct reductions of over 42% in energy use, and 44% in CO² emissions during the period of the act to date.

Other residential sectors have also shown improvements over the course of the Act, however it is clear these gains are not at the same levels as those in the Council's own stock due in the main to other sectors reluctance to self finance the installation of energy saving measures.

Although Moray Council has failed to reach the agreed target of a 24% reduction in energy use and CO₂ emissions over the period of the act, the final level of reductions achieved are similar to savings indicated in other local authority areas.

Other Achievements

The Council aimed to raise the average NHER rating of its own stock to a minimum of **5.0** by 2007. This was to be attained by continuing programmes of insulation, draughtproofing, heating replacements and other related energy efficiency measures such as the fitting of energy efficient windows and doors. A survey of Council Housing Stock carried out in 2005 in connection with the Scottish Housing Quality Standard Delivery Plan, established that the average NHER had reached a level of **6.7**.

The Moray Care & Repair scheme, operated by Castlehill Housing Association in partnership with the Council, targets PSHG funding at those who require assistance to maintain or improve their homes. This initiative involves a close working relationship with the Moray Energy efficiency Advice Project to investigate and promote other grant funded energy efficiency measures to client groups to give added value to the level of grant funding offered.

Moray Council obtained funding from the Energy Saving Trust to install a small scale trial of a range of renewable heating installations during 2006/2007. The properties chosen were in 'off-gas' areas and a total of four installations were carried out. The installations consisted of 2 Air Source Heat Pumps and 2 Ground Source Heat Pumps. Prior to this initiative, Moray Council had already fitted an Air Source Heat Pump in one property in the Council's stock as a trial. The outcome of these initial trials have been impressive, and a report submitted to Council on energy savings in the first Council funded installation indicate that fuel savings of up to 40% were attained.

In conjunction with SCARF (Save Cash and Reduce Fuel), the Council provides an Energy Efficiency Advice Officer covering the Moray Area. This officer is accommodated within Moray Council offices at Mosstodloch, and travels throughout the Local Authority area. The advice officer participates in the yearly Moray Science Festival, provides advice sessions in local Housing Offices, provides energy efficiency talks to a wide range of bodies, and carries out some home visits to discuss individual energy efficiency issues. This energy efficiency work is supported by the SCARF energy advice team based at the North East Energy Efficiency Advice Centre in Aberdeen. The Council continues to provide funding for this initiative through the Public Sector Housing Grant.

Aims set for the future

Local Authority Stock

- Maximum number of energy efficient heating systems and energy measures installed for the funding available.
- Continued targeting of public sector low-income households within Moray for improvements to the energy efficiency of their homes.
- Access to a wide range of Advice and Information
- Investigate the use of renewable energy sources, including air sources heat pumps
- Investigate a preferred supplier agreement with a fuel supplier.

Private Sector Stock

- Access to a wide range of Advice and Information
- Develop further initiatives for the private sector and promote energy efficiency information and grant funding available to this sector.
- Encouragement to access energy efficiency funding available by way of grants and other incentives
- Improvement and Repairs Grants, particularly as satisfactory insulation is now included in the statutory Tolerable Standard.
- Promotion of The Scottish Executive Central Heating Initiative

General Initiatives

- Targeting of all low-income households for access to grants, energy utility initiatives, other energy efficiency schemes, and a range of other low cost or no cost measures, using data from the Moray Fuel Poverty Map to target specific areas.
- Liaison with organisations and agencies who care for the elderly and disabled within the Moray area, in order to raise awareness of available energy efficiency initiatives, including the Scottish Government Central Heating and 'Warm Deal' programmes.