

Wirral Council's HECA Progress Report 2021

- Name of Local Authority - Wirral Council
- Type of Local Authority – Metropolitan Borough
- Name, job title and email address of official submitting report – Ed Kingsley, Principal Strategic Housing & Investment Officer, edwardkingsley@wirral.gov.uk

Headline and Overview

- 1. Does your Local Authority have a current strategy on carbon reduction and/or energy efficiency for domestic or non-domestic properties?**

Yes

- 2. If yes, please provide a link**

<https://www.wirral.gov.uk/sites/default/files/all/About%20the%20council/climate%20change/Cool2-Strategy-2020.pdf>

- 3. If no, are you planning to develop one**

n/a

- 4. What scheme(s) is your Local Authority planning to implement in support of energy saving/carbon reduction in residential accommodation properties in the next two years?**

Wirral Council is part of the consortia of local authorities within the Liverpool City Region that has been awarded funding under Green Homes Grant Local Authority Delivery (LAD) 2. Wirral has been allocated £2.3m capital which will equate to around 250 privately-owned properties being improved. Once the procurement structure has been put in place for delivery, it will be available for future schemes, making bids for any future LAD funds or partnerships under ECO over the next two years more likely.

- 5. What has been, or will be, the cost(s) of running and administering the scheme(s), such as the value of grants and other support made available, plus any other costs incurred (such as administration) as desired.**

LAD2 – the majority of the administration costs will be borne by the NW Local Energy Hub and the Liverpool City Region Combined Authority which is acting as accountable body. For Wirral these will equate to approximately £300,000.

With regards to non-domestic properties owned by Wirral Council, the LA has set itself an ambitious, but achievable, target of achieving net zero carbon emissions by 2030. Recent developments include:

- A £1m budget has been allocated to improve energy efficiency through physical improvements to Council buildings. The project plan is under development.
- From 1 April 2021, all the electricity used by Council Assets will be certified as coming from renewable generation assets. Initially this will increase unit costs by 0.3% which will be offset by efficiency improvements.
- The Council's Public Sector Low Carbon Skills Fund application was successful and is being used to develop decarbonisation plans at high energy using sites. A Public Sector Decarbonisation Scheme application for capital funding was unsuccessful, but we understand that a second bidding round might be run in the relatively near future. Both schemes are administered by Salix and funded by BEIS.
- We continue to actively explore potential opportunities for a heat network at Wirral Waters and Birkenhead that will hopefully be supported by BEIS and would initially include new residential developments.

6. What businesses, charities, third sector organisations or other stakeholders do you work with to deliver the scheme(s)?

LAD2 – Procure Plus has recently been awarded a contract by the NW Local Energy Hub to manage a Dynamic Purchasing System (DPS) on behalf of NW LAs, which will be used by the Liverpool City Region Combined Authority for mini-competitions to procure delivery partners. Wirral Council will also work with third sector organisations such as Energy Projects Plus and Involve Northwest to ensure the scheme is widely promoted and households are encouraged to participate.

7. What has been, or will be, the outcome of the scheme(s)? These outcomes could include energy savings, carbon savings, economic impacts such as job creation and/or increased business competitiveness or societal impacts such as alleviation of fuel poverty and/or improved health outcomes etc.

LAD2 - Energy and carbon savings cannot be quantified at this stage as the homes partaking in the scheme have yet to be identified and therefore the exact improvements required are unknown. We have though selected 20 priority LSOAs in which to target the scheme, based on high numbers of Energy Performance Certificate Bands E, F and G-rated properties, high fuel poverty rates, high rates of income and health deprivation and high number of uninsulated solid walls in privately owned properties. We will also aim, in line with the objectives of Green Homes Grant LAD, to improve the 250 homes towards EPC C and above. It is also the aim of all LAs in the City Region to ensure that contractors selected through the DPS support local economic growth and regeneration objectives.

Communications

1. Does your Local Authority provide any advisory services to customers on how to save energy?

Yes

2. If yes, please briefly outline how this is undertaken.

As part of our Fuel Poverty & Energy Efficiency Programme contract, we part-fund Energy Projects Plus's Save Energy Advice Line for households. It provides a free and impartial advice line for Merseyside residents, staffed by trained energy advisors. The advisors offer advice on domestic energy efficiency and renewable energy as well as information on grants and discounts available to residents to help make their homes more energy efficient.

We do not provide an advisory service to businesses.

3. How do you communicate or encourage energy saving amongst domestic consumers and/or local businesses?

As part of our Fuel Poverty & Energy Efficiency Programme contract, Energy Projects Plus carry out two mailings a year, to around 13,000 households in total, promoting warm homes-related messages. They are also tasked with building up and maintaining the "Warmer Wirral" referral network which they do by meeting with key people within referral or potential referral organisations as well as attending networking-type events. The Programme links into their other area-based and fuel debt related schemes which are funded through other routes, that talk to households virtually, over the telephone or face-to-face, as well as through community advice sessions advertised through postcard drops. At a higher level, the council has advice and signposting on its website, as well as co-ordinating Cool Wirral 2, the council's climate change strategy and its associated promotion.

Local Green Supply Chain

1. Have you made any assessment, or undertaken any analysis of the existing capacity in your local energy efficiency retrofit supply chain to support the decarbonisation of buildings by 2050? If Yes, please summarise the outcomes.

Yes. Liverpool City Region Combined Authority (LCR CA) has undertaken a survey to investigate this. The survey was sent to 67 companies and individuals based in the Liverpool City Region that are currently listed as Trustmark accredited. 13 are registered with Wirral addresses, however most are retrofit co-ordinators and assessors, with only two being installation companies. Across the LCR, 11 companies and installers responded to the questionnaire. A summary of the outcomes is as follows:

- All had capacity to expand to take advantage of future contract opportunities;
- Four respondents stated they had lots of capacity and five stated they had some capacity for Green Homes Grants projects between now and the end of March 2022;
- Eight respondents stated they subcontracted to other companies to work under their Trustmark accreditation;
- Only six had been able to take advantage of the Green Homes Grant Voucher Scheme;
- Two thirds of respondents would like to expand their offering to a greater range of energy efficiency improvements.

In addition to this, the Liverpool City Region Local Enterprise Partnership (LCR LEP) carried out a desktop exercise to find out what energy efficiency measures were provided by TrustMark installers in the City Region. The energy efficiency measures that will be the focus of Green Homes Grant Local Authority Delivery and potentially other schemes going forward is external wall insulation and hybrid wall insulation (a mix of internal and external). There are nine installers accredited for external wall insulation, but none for hybrid wall insulation. The reasons for no companies registering for hybrid wall insulation will be explored further in the coming months.

2. What actions are you taking, if any, to upskill and/or grow the local energy efficiency installer supply chain? This could include the facilitation of training, and local installer networking opportunities.

The LCR CA's intention is to use the Trustmark questionnaire and LEP survey referenced above to understand the challenges faced in upskilling and growing installer supply chains. The outcome of the questionnaire and survey should help the LCR CA and the LAs target initiatives for businesses to improve and bolster the supply chain. The LCR CA is also ideally placed as it facilitates the Kickstart Scheme.

3. What actions are you taking, if any, to promote energy efficiency and the installer supply chain to consumers, and encourage households to consider energy retrofit?

Energy efficiency and retrofit is being promoted through the avenues outlined in the Communications section, with regular reference to Trustmark if households are seeking installers to carry out works.

4. If no action is taking place in either of these two areas, please let us know of any barriers you have encountered.

N/A

5. How effectively is your LA able to engage (Trustmark/PAS2035/PAS2030 certified) installers?

There were a low number of responses to the LCR CA Trustmark Questionnaire, with 84% of accredited companies or individuals not responding. However out of those that did respond, there is a willingness of to engage with local authorities on retrofit schemes. With regards to ECO LA Flex, installers engage regularly and effectively with Wirral Council to process LA Declarations.

6. Do you have any plans to develop policies or initiatives in this space over the next five years as part of supporting your local decarbonisation efforts?

From an LCR CA perspective, a number of initiatives are either under ongoing development or have been developed that will support local decarbonisation methods including;

- LCR Economic Recovery Plan
- LCR Housing Investment Strategy/ LCR Housing Statement
- LCR Local Industrial Strategy (Draft)
- Draft LCR Green Action Plan

Social Housing

1. What action, if any, has your LA taken to install energy efficiency or low carbon heat measures in social housing? Have these been installed to a satisfactory quality? What actions (if any) have your social housing partners taken?

Wirral Council owns 23 social housing properties which are all EPC Band B, therefore our priority is focussed on private properties in the Borough with lower EPC ratings. Our largest social housing stock holder, Magenta Living, has recently completed a scheme to install external wall insulation on 81 of their properties, utilising the European Regional Development Fund, lifting them to an EPC Band C.

2. Do you have easy access to the information/knowledge within your organisation that you would expect to need for social housing retrofit projects? (e.g. stock condition; property data; approach to procurement; alignment with existing internal maintenance/upgrade plans; tenant engagement and management plans; costings)

As all our properties are EPC Band B, we don't require any further information or knowledge at the moment. However, in our non-stock holding role, we act as a strategic body guiding low carbon retrofit across all tenures and as such have data from Energy Saving Trust Home Analytics which provides energy efficiency-related information on social housing in the Borough.

3. If no, would it be easy/difficult to obtain this information?

N/a

4. Have you experienced any challenges to retrofit, including during any previous government schemes you have taken part in (e.g. supply chain, funding, tenant cooperation, mixed tenure, split incentive, policy clarity, etc)? Please provide some detail. Have social housing partners reported any challenges to retrofit?

Following a limited number of responses from social housing providers with stock in the borough, the only challenge they have faced is in relation to the stop-start nature of government funding which makes it difficult to plan retrofit programmes with any certainty.

5. How does your LA currently/how will your LA in future plan to go about identifying suitable housing stock and measures for retrofit? How do social housing partners identify suitable stock? By the same measures or via a different method?

Wirral Council is embarking on a co-ordinated approach to encourage social housing partners to retrofit properties in areas of not only poor EPC ratings but also where fuel poverty rates are above average and where income and health deprivation is higher. It intends to be a multi-tenure, area-based approach. Social housing partners currently select stock for retrofit based on EPC ratings, fuel poverty levels and long-term sustainability of the housing stock.

6. What considerations would make you more or less likely to apply for government funding? If known, what is the opinion of your social housing partners?

Wirral Council is partaking in LAD2 funding focusing on privately-owned properties as social housing partners are reluctant to join this programme because of the very tight delivery timescales. The opinion of social housing partners again refers to short-termism of government funding schemes plus tight deadlines and narrow funding criteria leading to difficulties in programming retrofit schemes. A further comments were:

- where funds had been managed at a local authority level schemes had generally worked quite well;
- funding application processes need to be simplified;
- funding needs to be made available for a wider range of measures.

With regards to the Social Housing Decarbonisation Fund, the requirement for the local authority to bid and be the accountable body on behalf of social housing providers is a challenge due to stretched local authority officer resource. Fortunately, our Liverpool City Region Combined Authority was willing to take on this role for a consortium of RPs which included Magenta Living for their unsuccessful SHDF bid last year. However, it is unlikely that the CA would take on this role for separate RP projects for RPs which are not part of a consortium bid.

7. To what extent are social housing tenants willing or unwilling to undergo retrofit, and what are the barriers and facilitators to their participation? If known, is this the same opinion across all social housing tenants or is it different with HA and ALMO tenants?

One social housing provider with experience of installing air source heat pumps stated that customers were reluctant to engage with the technology with many tenants preferring not to have the disruption. Others stated that on the whole, tenants were willing to have the investment in their properties, but there were issues in schemes with mixed tenures which created mixed needs of occupiers, mixed funding required and accessibility issues. A facilitator that has been suggested is a national campaign to educate people on the newer forms of heating systems that are based around passive heating, e.g. heat pumps.

There are no ALMO tenants in Wirral.

8. Does the approach to retrofit change for leaseholders in mixed tenure blocks? What encourages them to co-operate?

Social housing providers find it difficult to incentivise leaseholders to partake in retrofit schemes if they are required to contribute towards the costs. It is worth however quoting one provider's approach here:

“In our experience, a clear communications plan that involves early engagement with leaseholders, informing them what works are proposed, why they are required, timescales for delivery, estimated costs and payment periods are essential. It is also prudent to inform local political representatives of all planned works at an early juncture. Clear information on what benefits a proposed scheme of works would bring to leaseholders in terms of reduced running costs can also encourage co-operation. To assist leaseholders in being able to manage costs we have developed a Policy allowing payment of sums under £2,000 over a 12-month period, 24 months for sums above £2,000 and incentives for early payment in full. Leaseholders may also be allowed to incorporate costs as a ‘charge against the property’, recoverable when sold, although this option is rarely pursued. In some instances and mainly relating to buildings compliance works, we have taken decisions not to pass costs onto leaseholders where this would have the potential to make schemes untenable or would compromise the safety of other residents.”

Domestic Private Rented Sector (PRS) Minimum Energy Efficiency Standards

- 1. Is your authority aware of the PRS Minimum Efficiency Standards regulations requiring private rentals in England and Wales to meet a minimum energy performance rating of EPC Band E as of April 2020, unless a valid exemption applies?**

Yes

- 2. Which team within your authority is responsible for, leading on enforcement of the PRS minimum standard? Please provide the contact details of the person leading this team.**

Gill Vicary, Senior Manager Trading Standards.

gillvicary@wirral.gov.uk and 0151 691 8377

- 3. What method or methods does your authority use to communicate with landlords and tenants about the standards and other related issues?**

The council has a private landlords newsletter which contains regular articles on the PRS Minimum Energy Efficiency Standards, most recently on the government consultation for strengthening the standards. The newsletter is also used to inform landlords of assistance that may be available to help them improve the energy efficiency of their properties and the help available for their tenants. The council also has a Private Landlords Forum which in June 2019 had a speaker on MEES from Energy Projects Plus.

The council operates Selective Licensing in 10 Lower Super Output Areas and communicates with landlords with properties in these areas through various means (face-to-face, telephone and bespoke newsletters) on the standards.

- 4. What barriers, if any, does your local authority face enforcing these regulations (e.g. identifying non-compliant properties/landlords, budgeting/resourcing, any legal issues)?**

Barriers to enforcement include capacity issues within the Trading Standards Team. The Team currently has three vacancies and is struggling to recruit competent, fully qualified officers. In addition, Wirral Council's priority is still on the COVID-19 response, followed by high-risk statutory inspection programmes. Currently, Trading Standards have a 14-month backlog of statutory inspections due to the pandemic.

5. Do you directly target landlords of EPC F and G rated properties to enforce these regulations? If yes, how? If no, please explain.

No. The council doesn't have the staffing resource to actively target all landlords with sub-standard properties. However, through Selective Licensing in areas where the proportion of F and G rated properties is higher, the MEES is listed as a License Condition and EPCs are requested by officers on demand. In cases where the MEES isn't met, informal advice is provided to improve the EPC rating. If the landlord doesn't comply, formal action is taken under Part 1 of the Housing Act 2004 (enforcement under HHSRS) or under Part 3 of the Housing Act 2004 (non-compliance with Selective Licensing Conditions).

Financial Support for Energy

Where possible, please set out your answers to the following questions by tenure (owner occupied, privately rented, or social housing).

1. What financial programmes, if any, do you have to promote domestic energy efficiency or energy saving? If applicable please outline the budget (and % of the budget that is used), where such funding is sourced and where it is targeted.

The Council's Heating and Renovation financial assistance provided grants and loans to low-income private households that don't qualify for ECO so they can access funds to improve the efficiency of their heating system. The funding covers works up to £4,000. The budget across the two financial years 2019/20 and 2020/21, which includes for all aspects of Heating and Renovation improvements required, was £350,000, of which the council provided financial assistance for heating worth £63,325. Expenditure was lower than anticipated due to an initial change to loans from grants in 2019/20, but also due to COVID-19 in 2020/21 which reduced the Council's ability to process applications. The financial assistance has now reverted back to grants which is leading to an increase in applications once more.

2. What future investment for energy efficiency or low carbon heat measures do you have planned, and when are these investments planned for?

At present, the Council has allocated a budget of £700,000 across the financial years 2021/22 and 2022/23 for the Heating and Renovation financial assistance outlined above.

Fuel Poverty

1. Does your Local Authority have a Fuel Poverty Strategy?

No.

2. What steps have you taken to identify residents/properties in fuel poverty? What blockers, if any, have there been in identifying households in fuel poverty?

Each programme or activity the council operates to reduce fuel poverty uses different methods of identification.

Warm Home Discount campaigns – use of council benefit data to identify those households most likely to qualify and the use of BEIS fuel poverty estimates at LSOA level to target LSOAs highest for fuel poverty.

Heating & Renovation financial assistance – the eligibility criterion is to be in receipt of Council Tax Support, which the Council has deemed to be on the lowest incomes.

Fuel Poverty & Energy Efficiency Programme – the use of the referral network is the prime method for identifying households in fuel poverty. The additional programmes operated by Energy Projects Plus target households in deprived areas, on low incomes or having health / age vulnerability.

ECO LA Flexible Eligibility – the council has a published Statement of Intent which includes the method by which households in fuel poverty are identified through a maximum income threshold and high energy costs.

3. How does fuel poverty interlink with your local authority's overall Carbon Reduction Strategy?

The Council's Carbon Reduction Strategy, "Cool 2", aims to make sure all homes currently below Energy Performance Certificate Band C that can be upgraded are improved to this level or better by around 2030. It is acknowledged in the Strategy that by doing so, it will help tackle fuel poverty. There is a high level of overlap between areas in the Borough with poor energy ratings and above average levels of fuel poverty.

4. Please highlight any fuel poverty issues specific to your area.

Wirral had a higher estimated rate of fuel poverty (12.2%) than the national average (10.3%) in 2018 but apart from this, there are no issues specific to Wirral.

5. What measures or initiatives have you taken to promote fuel cost reduction for those in fuel poverty? Include information on partnerships with local businesses or energy providers you have.

Wirral Council sends 6,500 letters to promote the Warm Home Discount each year to those households who are unlikely to be part of the "Core Group" but likely to be in the "Broader Group". Households are prompted to telephone Energy Projects Plus where the advisors apply on their behalf. The most recent campaign in autumn 2020 led to 1,057 successful applications. However, it generated 1,494 telephone calls from households, all of which were offered advice wider than just the Warm Home Discount, including on energy efficiency, grants and energy switching.

The council funds a Fuel Poverty & Energy Efficiency Programme, as described in answers to previous questions. The main aim of the programme is to promote fuel cost reduction for those in fuel poverty.

Wirral Council fully supports the Merseyside Collective Switch and "Switch Now" campaigns, co-ordinated locally by Energy Projects Plus but managed nationally by Energy Helpline. These campaigns are promoted through the Fuel Poverty & Energy Efficiency programme and by the council's front-line officers including the Healthy Homes Team. Since the beginning of the partnership with Energy Projects Plus and Energy Helpline in 2013, there have been 1,688 energy switches in Wirral.

Green Homes Grant Local Authority Delivery

Of the £2bn Green Homes Grant scheme introduced in summer 2020, £500m was assigned for Local Authority Delivery (LAD). LAD enables Local Authorities to bid for grant funding to support low income

households in their area with energy efficiency and low carbon heating upgrades. £200m was made available through Local Authority grant competitions in 2020, known as phases 1A and 1B and £300m was allocated under Phase 2 between the five regional Local Energy Hubs.

1. Has your Local Authority Participated in GHG: LAD?

- i. If yes, please indicate which phase you participated in and briefly outline the project.
- ii. If no, please indicate what barriers prevented you from participation in the scheme.

Yes. Wirral is participating in LAD2 as part of the Liverpool City Region project led by the Combined Authority. The project aims to improve around 250 owner-occupied and privately rented properties, focusing on 20 lower super output areas with high numbers of EFG rated properties, high rates of fuel poverty and high income and health deprivation.

2. Would your Local Authority be in a position to manage the delivery of upgrades through a scheme such as LAD in 2022?

- i. If yes, please indicate the anticipated number of homes that could be upgraded per year.
- ii. If no, please indicate what barriers would prevent you from delivering upgrades in your area.

Yes, however Wirral Council would outsource management of the delivery of upgrades as is being done for LAD2 along with three other LAs in the City Region. Numbers would depend on the success of delivery under LAD2, but it is hoped that at least the same again could be upgraded (around 250), but potentially more if social housing providers are able to participate.

The Energy Company Obligation (ECO)

The Energy Company Obligation (ECO) is an obligation on energy suppliers aimed at helping households cut their energy bills and reduce carbon emissions by installing energy saving measures. Following the Spring 2018 consultation, the Government set out in its response that ECO3 will fully focus on Affordable Warmth – low income, vulnerable and fuel poor households. The ECO “Local Authority flexible eligibility” (LA Flex) programme allows LAs to make declarations determining that certain households in fuel poverty or with occupants on low incomes and vulnerable to the effects of cold homes, are referred to ECO obligated suppliers for support under the Affordable Warmth element of ECO. LAs involved in the LA Flex programme are required to issue a Statement of Intent that they are going to identify households as eligible, and the criteria they are going to use; and a declaration that the LA has been consulted on the installation of measures in a home.

- 1. Has your local authority published a Statement of Intent (Sol) for ECO flexibility eligibility? (Y/N) Yes. Please answer the following questions to help us to understand LA Flex delivery in more detail:**
- 2. How many declarations were issued for low income vulnerable households?**

In the financial years 2019-20 and 2020-21, declarations were issued for 422 low income vulnerable households.

- 3. How many declarations were issued for Fuel Poor households?**

In the financial years 2019-20 and 2020-21, declarations were issued for 169 fuel poor households.

4. How many declarations were issued for in-fill?

None.

5. What is the highest income cap published in your Sol?

The Liverpool City Region local authorities use the Joseph Rowntree Foundation Minimum Income Standard (MIS) with varied income across different household types.

6. If you have used an income over £30k gross, what reason have you given?

Incomes higher than £30k are rarely encountered and the vast majority of declarations are for pensioner households (the income cap is £14,764 p.a. for single pensioner households and £20,965 p.a. for households with two pensioners). However the LAs believe that using the MIS makes justifiable allowances for larger households with very young children where both parents are working, due to very high childcare costs.

7. Do you charge for declarations to be signed? If so, please state how much?

No.

Smart Metering

1. Please provide a brief statement outlining your current or planned approach to promote smart meter take up and supporting residents to achieve benefits.

Wirral Council does not directly engage with residents on Smart Meters. It has however supported Energy Projects Plus in its applications and delivery of promotional activity through Smart Energy GB in Communities funding which allowed their activity to seamlessly link to the council funded Fuel Poverty & Energy Efficiency Programme. Energy Projects Plus has been successful in all its bids for funding to publicise Smart Meters to Wirral households, targeting different households such as those aged 65+ and those aged 60+ and without internet access.

2. Please provide further information on activities relating to smart metering, including but not limited to:

a. Integrating approaches to delivering energy efficiency improvements in residential accommodation One social housing provider is currently delivering a programme of 450 smart meters in another area of the City Region which will be used to inform retrofit investment decisions.

b. Arranging for smart meters to be installed by energy suppliers in vacant social housing premises A social housing provider with stock in the borough, as part of their carbon reduction action plan, is looking promote greater uptake of smart meters within their stock for existing customers, in all new builds and as part of the affinity arrangements we have with energy company providers for replacement meters in void properties.

c. Using social landlords to promote smart meter uptake

The social landlords who responded to the council's questions are not currently doing this (but one has intentions to, as in point c above).

d. Including smart meters in landlord licencing schemes

Smart meters cannot be included in licensing conditions for landlords as selective licensing schemes can only include existing legislation in licensing conditions and it is not compulsory nationally for private landlords to install smart meters.

e. Supporting residents who have had appliances condemned for safety reasons

The council, as previously detailed, has financial assistance available for low-income residents for replacement boilers and can link into local and national welfare assistance schemes to assist with the replacement of other appliances such as gas cookers. Should a resident have an appliance condemned and they contact the council or any organisation linked into the Warmer Wirral referral network, they will be assisted in finding the best solution for their circumstances.

No household has required a replacement boiler funded by the council as a result of a boiler being condemned through the smart meter installation process.

f. Other supporting activities

Future Schemes and Wider Incentives

- 1. Please outline any further schemes or wider initiatives not covered above that your local authority has carried out or is planning to undertake to improve energy efficiency in residential accommodation**

We have nothing further to add.