



**Falkirk Council**

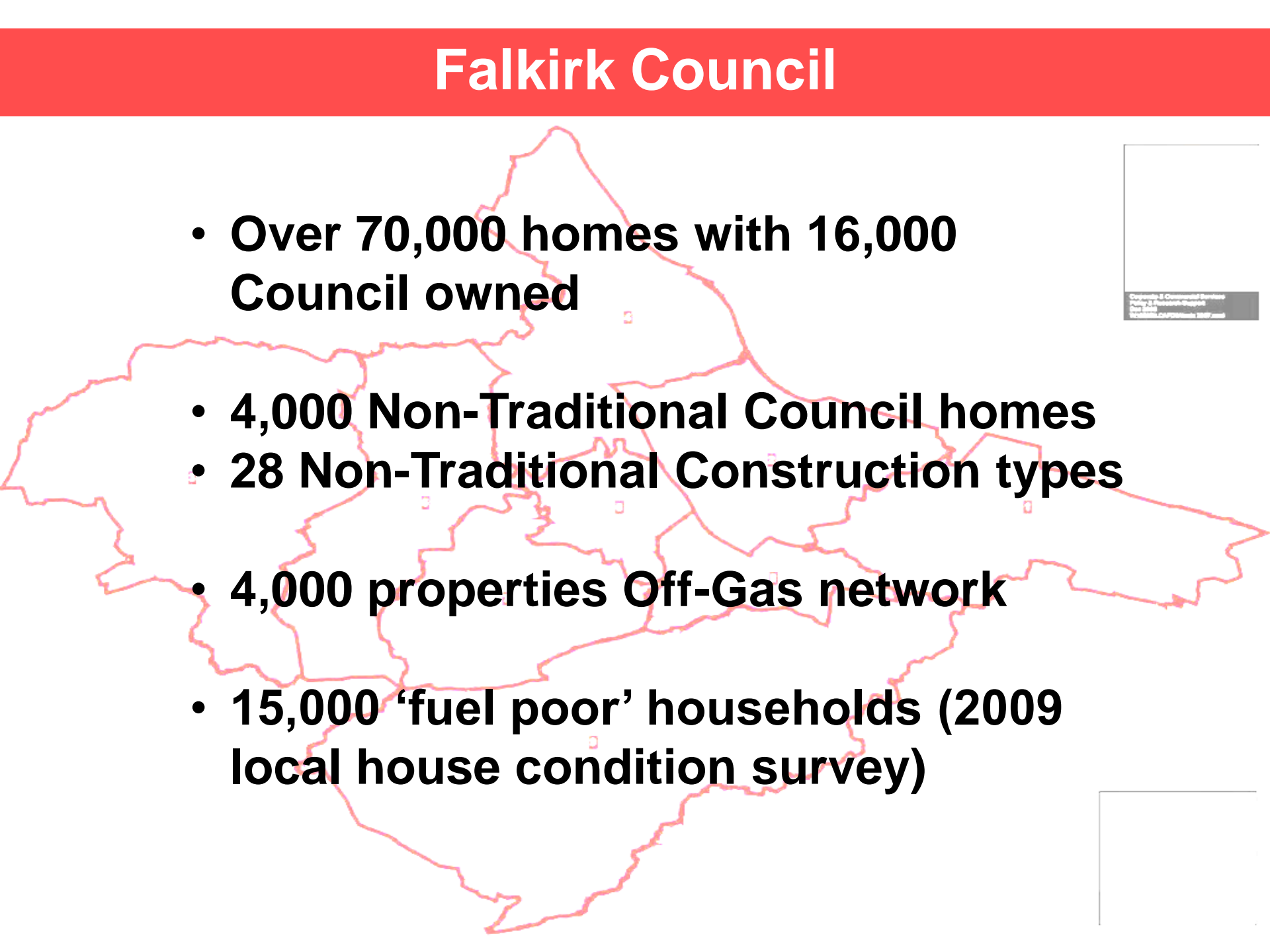
# **Maximising Home Energy Funding for Council & Mixed Tenure Stock**

**20 February 2014**

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**Home Energy Strategy Officer**

# Falkirk Council

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- **Over 70,000 homes with 16,000 Council owned**
  - **4,000 Non-Traditional Council homes**
  - **28 Non-Traditional Construction types**
  - **4,000 properties Off-Gas network**
  - **15,000 'fuel poor' households (2009 local house condition survey)**

# Falkirk Council



# Why maximise energy funding?

**Housing Standards – SHQS**

**Climate Change Act**

**Fuel Poverty**

**Stock Condition**

# The Journey

**Corporate Plan**

**Past and present funding regimes**

**Energy Company Obligation (ECO)**

**Home Energy Efficiency  
Programmes Scotland (HEEPS)**



# Falkirk Council Corporate Plan

## **Priorities:**

- **Address Fuel Poverty**
- **Tackle Disadvantage**
- **Improve our Built Environment**
- **Be Greener**

# Energy Efficiency Funding Background

## Previous Funding Regimes 2002 – 2012

- **Energy Efficiency Commitment – EEC**
- **Carbon Emission Reduction Target – CERT**
- **Simple, straightforward and familiar**
- **Easy to treat cavities and lofts were done**
- **£3.2m secured during these regimes**

## Funding Eligibility:

**70% of tenants on benefits**

**30% of the above - most at risk of Fuel Poverty**

# Present Funding Regime

- **Energy Company Obligation (ECO) - legal obligations on larger energy suppliers to deliver energy efficiency measures to domestic energy users (OFGEM)**
- **Operates alongside Green Deal**
- **Targets vulnerable consumers (people) and non-trad / hard-to-treat homes (properties) and disadvantaged areas (places)**
- **Home Energy Efficiency Programmes Scotland (HEEPS) – Scottish Government fund for L.A's & RSL' to 'lever in' ECO**

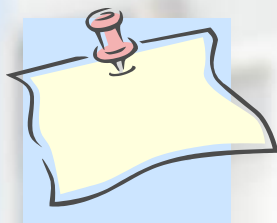


# ECO STRANDS



**60%**     *Property*

**Carbon Emissions Reduction Obligation - CERO**



**15%**     *Place*

**Carbon Saving Community Obligation - CSCO**



**25%**     *People*

**Home Heating Cost Reduction Obligation -  
HHCRO**

# WHO IS ELIGIBLE?

**Measures must be recommended by a Green Deal Advice Report (includes an Energy Performance Certificate (EPC) and occupancy assessment); or a chartered surveyor's report**

- **External Wall Insulation (funded by CERO) – an end U- Value of  $0.3 \text{ W/m}^2\text{K}$  or less required for measure to qualify**

*U-value is the rate of heat transmission through a material, measured in  $\text{W/m}^2\text{K}$*

# WHO IS ELIGIBLE? Cont'd

- **CSCO – households must fall within areas/adjoining areas of low Income**
- **HHCRO - Householder must be within the Affordable Warmth Group (AWG) or reside with such a member – receiving one of a combination of child/tax/pension credits, and or income related support**

# ECO MEASURES TABLE

Energy Companies Obligation (ECO): Measures Table

Version 1.4

This table provides information on the energy efficiency measures which suppliers can use to meet their ECO obligations. Energy efficiency measures exist in an innovative and changing environment. Because of this, some of the information in this table may need to be updated from time to time. Furthermore, we will add new columns when new information which we think will assist suppliers becomes available. Please see additional notes and information on amendments at the bottom of this table.

**Using this Table:** It is the responsibility of each person using this table to read the provisions of the Electricity and Gas (Energy Companies Obligation) Order 2012 and understand how those provisions apply to them. This table is not intended to be a definitive guide to provisions.

| Measure Type | Measure Name <sup>1</sup>   | Eligibility by Obligation <sup>1</sup> |      |       | Additional Eligibility Information <sup>3</sup>                 | In-Use Factor <sup>2</sup> | Lifetimes <sup>4</sup> | Relevant PAS Annex <sup>5</sup> | Measure name: format for notification to Ofgem | Measure Category                     |
|--------------|---|--|------|-------|---|----------------------------|------------------------|---------------------------------|--|--------------------------------------|
|              |   | CERO                                   | CSCO | HHCR0 |   |                            |                        |                                 |  |                                      |
| Insulation   | Internal Wall Insulation Systems, for: a solid brick wall built before + 1967 (England and Wales) + 1965 (Scotland) | ✓                                      | ✓    | ✓     |   | 33%                        | 36                     | Annex B8                        | IWI_solid_pre1967_E&W_pre1965_S                | Solid Wall Insulation                |
|              | Internal Wall Insulation Systems, for: a solid brick wall built after + 1967 (England and Wales) + 1965 (Scotland)  | ✓                                      | ✓    | ✓     |   | 25%                        | 36                     | Annex B8                        | IWI_solid_from1967_E&W_from1965_S              |                                      |
|              | External Wall Insulation Systems, for: a solid brick wall built before + 1967 (England and Wales) + 1965 (Scotland) | ✓                                      | ✓    | ✓     |   | 33%                        | 36                     | Annex B4                        | EWI_solid_pre1967_E&W_pre1965_S                |                                      |
|              | External Wall Insulation Systems, for: a solid brick wall built after + 1967 (England and Wales) + 1965 (Scotland)  | ✓                                      | ✓    | ✓     |   | 25%                        | 36                     | Annex B4                        | EWI_solid_from1967_E&W_from1965_S              |                                      |
|              | Internal non-brick solid wall insulation  | ✓                                      | ✓    | ✓     |   | 25%                        | 36                     | Annex B8                        | IWI_non_solid                                  |                                      |
|              | External non-brick solid wall insulation  | ✓                                      | ✓    | ✓     |   | 25%                        | 36                     | Annex B4                        | EWI_non_solid                                  |                                      |
|              | Park Home External Wall Insulation Systems  | ✓                                      | ✓    | ✓     |   | 25%                        | 30                     | Annex B4                        | EWI_Parkhomes                                  | Park Home External Wall Insulation   |
|              | Cavity Wall Insulation  | ✓                                      | ✓    | ✓     |   | 35%                        | 42                     | Annex B1                        | Standard_CWI                                   | Cavity Wall Insulation               |
|              | Hard-to-treat Cavity Wall Insulation (CWI solution)   | ✓                                      | ✓    | ✓     |   | 35%                        | 42                     | Annex B1                        | HTTC_CWI_solution                              | Hard to Treat Cavity Wall Insulation |
|              | Hard-to-treat Cavity Wall Insulation (SWI solution)   | ✓                                      | ✓    | ✓     |   | 35%                        | 36                     | Annex B8 or B4                  | HTTC_SWI_solution                              |                                      |
|              | Loft Insulation Ceiling : Virgin Level  | ✓                                      | ✓    | ✓     |   | 35%                        | 42                     | Annex B9                        | LI_ceiling_level_virgin                        | Loft Insulation                      |
|              | Loft Insulation Ceiling : Top-up  | ✓                                      | ✓    | ✓     |   | 35%                        | 42                     | Annex B9                        | LI_ceiling_level_topup                         |                                      |
|              | Loft Insulation (rafter)  | ✓                                      | ✓    | ✓     |   | 35%                        | 42                     | Annex B9                        | LI_rafter                                      |                                      |
|              | Room in Roof Insulation   | ✓                                      | ✓    | ✓     |   | 25%                        | 42                     | Annex B10                       | RIRI   |                                      |
|              | Flat Roof Insulation  | ✓                                      | ✓    | ✓     |   | 15%                        | 20                     | Annex B5                        | FRI  | Other Insulation                     |
|              | Under Floor Insulation  | ✓                                      | ✓    | ✓     |   | 15%                        | 42                     | Annex B6                        | UFI  |                                      |
|              | Hot Water Cylinder Insulation   | ✓                                      | ✓    |       |   | 15%                        | 10                     | Annex C5                        | HWCI   |                                      |
|              | Insulation to all primary pipework  | ✓                                      | ✓    | ✓     |   | 15%                        | 15                     | Annex C5                        | PWI  |                                      |
|              | Draught Proofing  | ✓                                      | ✓    | ✓     |   | 15%                        | 10                     | Annex B2                        | DP   |                                      |
|              | Window Glazing  | ✓                                      | ✓    | ✓     |   | 15%                        | 20                     | Annex B3                        | WG   |                                      |
|              | Passageway Walk-through Doors   | ✓                                      | ✓    | ✓     |   | 15%                        | 15                     | Annex B3                        | PWWD   |                                      |
| Heating      | Qualifying boiler replacement   |  |      | ✓     |   | N/A                        | 12                     | Annex C2 or C3                  | QB_Replacement                                 | Boiler                               |
|              | Non-qualifying boiler installation  |  |      | ✓     |   | N/A                        | 12                     | Annex C2 or C3                  | Non_QB_installation                            |                                      |
|              | Qualifying boiler Repair (1 year warranty)  |  |      | ✓     |   | N/A                        | 1                      | Not included                    | QB_Repair_1_year                               |                                      |
|              | Qualifying boiler Repair (2 year warranty)  |  |      | ✓     |   | N/A                        | 2                      | Not included                    | QB_Repair_2_year                               |                                      |
|              | Electric Storage Heaters  |  |      | ✓     |   | N/A                        | 20                     | Annex D1                        | Electric_storage_heaters                       | Other Heating                        |
|              | Warm Air Units  |  |      | ✓     |   | N/A                        | 20                     | Annex C11                       | Warm_air_units                                 |                                      |
|              | Heating Controls  |  |      | ✓     |   | N/A                        | 12                     | Annex C6                        | Heating_controls                               |                                      |
|              | Flue Gas Heat Recovery Devices  |  |      | ✓     |   | N/A                        | 12                     | Annex C4                        | Heat_recovery_flue_gas                         |                                      |
|              | Heat Recovery Ventilation   |  |      | ✓     |   | N/A                        | 10                     | Annex C8                        | Heat_recovery_ventilation                      |                                      |
|              | Radiator Panels   |  |      | ✓     |   | N/A                        | 10                     | Not included                    | Radiator_panels                                | System                               |
|              | District Heating Connections + Upgrades (Biomass boiler)  | ✓                                      | ✓    | ✓     | See Ofgem guidance for eligibility criteria under CERO and CSCO | 10%                        | 30                     | Not included                    | DHS_biomass_upgrade                            |                                      |
|              | District Heating Connections + New Connections (Biomass boiler)   | ✓                                      | ✓    | ✓     | See Ofgem guidance for eligibility criteria under CERO and CSCO | 10%                        | 30                     | Not included                    | DHS_biomass_new_connection                     |                                      |
|              | District Heating Connections + Upgrades (Gas/oil boiler)  | ✓                                      | ✓    | ✓     | See Ofgem guidance for eligibility criteria under CERO and CSCO | 10%                        | 25                     | Not included                    | DHS_gas/oil_upgrade                            |                                      |

- Measure type
- Measure name
- Eligibility under each of the three ECO obligations
- In-use factor
- Standard lifetime
- Measure category



# ECO SHOCKS

- **Operate January 2013 – March 2015**
- **13<sup>th</sup> March 2013 - ECO Guidance for Suppliers released (160 pages)**
- **17<sup>th</sup> July 2013 – guidance updated**
- **13<sup>th</sup> October 2013 - supplementary guidance on hard-to-treat cavities**
- **November 2013 - UK Government cut the ECO targets**



# Changes to ECO

- **CERO target reduced by 33%**
- **A minimum of 100,000 solid wall measures must be delivered by 2017 (according to DECC UK, 16,461 solid wall insulation measures were recorded in first 10 months)**
- **More generous subsidy for loft, easy to treat cavities and District Heating if become primary measures under CERO in April 2015**
- **CSCO extended from 15% to 25% of lowest areas of multiple deprivation**
- **ECO extended to March 2017 @ 2015 targets**

# ECO Installation Standards

- **Measures need to be installed in accordance with Publicly Available Specification(PAS) 2030:2012 if referred to or in accordance with Building Regulations**
- **Installers must be PAS certified and complete insulation measures in accordance with PAS 2030**
- **Measures to be installed in adjoining areas of low income, must not exceed 25% of carbon savings of the low income area**

# Funded Schemes 2013/14

- **Total Projected Cost: £9.22m**
- **ECO: £2.4m (down from £4.5m following target cuts; HEEPS: £2.13m; Landlord contribution £4.2m; Owner contributions £600k**
- **Scottish Hydro Heating Replacement Scheme for private homes (158)**
- **All tenure Cavity & Loft Insulation (120)**
- **Falkirk Council mixed tenure estates – External Wall Insulation (432)**
- **Paragon Housing Association External Wall Insulation & narrow cavities (359)**

# Pre - ECO Projects





# **ECO Projects**

## **Falkirk Council: External Wall Insulation**

- 600 properties with varied non- traditional construction**
- Off-Gas Area**
- Driven by SHQS**
- Mixed Tenure residents**
- Grant funded with ECO and HEEPS**
- Building Maintenance Division along with other External Contractors**



# **ECO Projects contd**

## **Paragon Housing Association: External Wall Insulation & Narrow Cavities**

- **Driven by SHQS**
- **Mixed tenure fuel poor areas**
- **Effective partnership with Falkirk Council**
- **Contractor secured ECO**
- **Falkirk Council claimed and passed on HEEPS from Scottish Government**
- **88% Owner uptake, contributions c£1k+VAT @5%**
- **Saving 7.5 MtCO<sub>2</sub>**

# Delivered ECO Projects





# Delivered ECO Projects





# Delivered ECO Projects





# Callendar Park High Flats





# **Our Good Practice Guide**

- **Secure executive commitment /sponsorship**
- **Involve key internal partners from outset**
- **Conduct a robust stock analysis**
- **Promote off-gas areas & non-traditional stock**
- **Efficient communication and reporting with all partners**
- **Procure Chartered Surveyor Reports**
- **Maximise internal resource for booking energy survey appointments**
- **LA's Building Maintenance Division should secure:**
  - I. **PAS2030 accreditation**
  - II. **SWIGA and CIGA membership**

# Corporate Plan

## Priorities:

- **Address Fuel Poverty-** over 1472 could be assisted
- **Tackle Disadvantage – Scottish Hydro Heating scheme** protecting vulnerable groups from further fuel poverty
- **Improve our Infrastructure / Built Environment-** High Rise flats are fit for purpose; External Wall Insulation has improved energy efficiency
- **Be Greener-** 30 MtCO<sub>2</sub> to be saved

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**Thanks for listening...**

**Any questions?**

# Contact

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