



**Economic & City Development
Overview & Scrutiny Committee**

25 March 2014

Report from City and Environmental Services

Addressing fuel poverty, rising fuel bills and generating and selling localised sustainable energy in York**Summary**

1. This report outlines the current on-going work happening across CYC and the city to help mitigate against fuel poverty and rising fuel bills. It also illustrates the on-going work relating to the generation of localised sustainable energy and highlights that additional capacity will be needed to develop new programmes of work such as a new CYC bulk energy buying schemes.

Background**Current work**

2. City of York Council (CYC) is taking a proactive approach in tackling tough carbon emission targets and social issues such as rising fuel bills and fuel.
3. The following work illustrates some of these current proactive approaches to reducing: 1) fuel poverty 2) energy bills and to increasing 3) localised sustainable energy generation:
 - a. 570 free cavity and loft insulation measures in Tang Hall area-wide scheme
 - b. 1600 free cavity and loft insulation measures across York
 - c. A new Home Energy Coordinator is now in post and working in certain areas of the city to provide practical money saving and energy saving advice.
 - d. Helped just under 330 people consider switching energy tariffs via a DECC funded pilot collective energy switching scheme.

- e. Help just under 750 people consider switching energy tariffs through a new Save Money by Switching Energy scheme. Estimated average savings that could be made through this scheme is £158. This scheme is run by iChoosr and it will run for 3 years.
- f. Subsidised new energy efficient boilers to private households in receipt of benefits.
- g. Subsidised solid wall insulation.
- h. Smart meter trial in 75 homes in York (via 2 schools).
- i. The Leeds City Region (LCR) Green Deal (and ECO) Provider procurement is ongoing and is expected to be completed in 2014 with work commencing in York from early 2015. This will help residents create warm low energy homes.
- j. Installed photovoltaic (PV) arrays in over 500 social housing homes, which provide free electricity to tenants.
- k. Currently drawing down regular Salix funding to support energy efficiency projects across the Council's estates.
- l. Developing a draft Local Plan that encourages renewable energy generation and maximises energy efficiency in new developments.

Future work

- 4. In addition to the above, CYC has been exploring opportunities to generate localised sustainable energy across its estate, and the wider city. A study by Amec drawing out these opportunities is just being completed, and CYC has drafted a Sustainable Energy Road Map to accelerate appropriate localised, sustainable energy generation in the city.
- 5. We now aim to carry out further exploratory studies on potential sites identified in the Amec report, and then to begin exploring development of projects, partnerships, finance and the right delivery models i.e Energy Service Company (ESCo), Joint Ventures, Energy Coops.
- 6. Combined, this work may lead to new structures/ bodies that generate and sell energy. Some thought has already been given to structures to manage the increased generation and sale of the energy generated in York. It is possible that this company and the energy generated could then be sold to local residents / businesses to help reduce fuel poverty/ bills across the city. However, this work will not start in earnest until CYC / partners have sufficiently developed projects.

7. To support this work, the council has also formally expressed an interest in signing up (with other local authorities across the country) to APSE's Local Authority Energy Collaboration. The goal is to deliver the local municipalisation of energy services and in doing so will address social objectives such as a reduction in fuel poverty, and will save and make money for local authorities. The collaboration will ensure a greater amount of low carbon energy projects come into fruition.
8. The council is also considering what may arise from future changes to the Building Regulations Part L (Conservation and Energy). In particular the role of off-site Allowable Solutions that may accelerate local low carbon projects. Such projects would be funded in part by developers wishing to meet their zero carbon requirements.
9. It is noted that the Committee specifically asked about bulk buying energy maximising receipts from carbon credits and using council land for planting trees and or solar farming or wind. As seen above, some early work has commenced that could support this work, generate energy and sell energy via bodies such as ESCos. However, to further explore and progress the bulk buying of energy (not generated in York) and then sale of this energy, additional capacity within CYC is needed.

Consultation

10. At this early stage, only Housing Officers working in the area of Fuel Poverty have been consulted on this report.

Options

11. CYC to continue to proceed with the current work above.
12. If Economic & City Development Overview & Scrutiny Committee wish to consider and develop new streams of work in this area, including a new bulk buying scheme, this will require additional resources to carry out the work.

Council Plan

13. Protect the environment – The programme will ensure the council continues to addressing fuel poverty, rising fuel bills and sustainable energy generation. It will offer energy efficiency measures that will reduce city-wide carbon emissions and fuel / energy bills. It will also

promote and increase small scale and large scale renewable energy generation across the city.

Implications

14. The following implications have been considered:

Not applicable as this is a report outlining current work.

- (a) **Financial**
- (b) **Human Resources (HR)**
- (c) **Equalities**
- (d) **Legal**
- (e) **Crime and Disorder**
- (f) **Information Technology (IT)**
- (g) **Property**
- (h) **Other**

Risk Management

15. Not applicable at this stage

Recommendations

- 16. To note progress being made to address fuel poverty, rising fuel bills and generate localised sustainable energy generation and to note the future work being considered.
- 17. To explore views and ideas of the Committee surrounding innovative bulk energy buying scheme.
- 18. Should the Committee wish to consider further work in this area including looking at bulk buying and selling of energy to residents additional resources will need to be indentified.

Reason: To report on the work ongoing in the area of addressing fuel poverty, rising fuel bills and generation of localised sustainable renewable energy.

Contact Details

Author:	Chief Officer Responsible for the report:		
Jacqui Warren Sustainability Officer DCSD 1666	Martin Grainger Head of PEM CES		
	Report Approved	√	Date 14 March 2014
Specialist Implications Officer(s) <i>List information for all</i>			

Abbreviations

APSE – Association for Public Service Excellence
 DECC – Department of Energy & Climate Change
 EScO – Energy Service Company
 LCR – Leeds City Region
 PV - Photovoltaic