

**LOCAL GOVERNMENT NATIONAL INDICATOR SET NOV 2007 –
UK HECA RESPONSE TO CONSULTATION DOCUMENT**

NI Number: NI 187 Tackling fuel poverty – people receiving income based benefits living in homes with a low energy

1. Is the Technical Definition of this indicator clear? NO

a. What aspects of the technical definition of the indicator are unclear?

- How is the SAP to be calculated? SAP can be calculated at various levels which affect cost and the level of accuracy eg -a full SAP assessment, a reduced 'RDSAP' assessment, or 'stock profiling' methods using NHER software at either 'NHER level 0' or enhanced 'NHER level 0'
- The collection method is ambiguous – under the 'Collection Interval' heading it is stated, 'Done as a desktop exercise following completion of all surveys as part of a desk top exercise at the LA'. Does this indicator require new surveys specific for this purpose? How is Government expecting these to be carried out - using trained surveyors, self-completion surveys by households? Will a standardised format be developed?

b. Please suggest how the template can be clarified/improved.

- Clarify the SAP methodology and develop a standardised survey

2. Does the Technical Definition for this indicator have any unintended consequences? YES

a. What are the unintended consequences on this national indicator?

The NI 187 indicator is an example of 'right issue/wrong approach'. Fuel poverty is an important and complex issue and local authorities are best placed to lead on co-ordinated approaches to its alleviation. However, there are a number of significant flaws with the proposed approach:

- Poor outcomes-focus - it is a very poor proxy for fuel poverty as it relates to only 20% of fuel poor households.
- Excessive cost – only 10.2% of dwellings nationally have with a SAP < 30 (EHCS Survey Report, 2005). A survey even at NHER enhanced Level 0 would cost at least £100 per dwelling. This approach would obviously cost an authority with 100,000 homes roughly £100,000 per annum. This money would be better spent on measures to tackle the problem. Furthermore, the sampling regime could result in 2/3rds of surveys being redundant according to the worked example (only 500 out of 1500 surveys would be useful for the prescribed purpose). Income data is difficult/costly to collect.
- Driving the wrong actions – the indicator would only drive actions to improve homes < SAP 30 – only 10.2% of homes nationally. There would be a perverse incentive for local authorities not to encourage take-up of benefits in their area.

b. Can the unintended consequence be avoided? YES - by adopting a different indicator and collection method as described below:

- The following indicator should be adopted instead, with no link to income-based benefits:
 - the proportion of all dwellings below SAP65, and
 - the proportion of all dwellings below SAP30

- The rationale for this approach is that SAP65 is the best proxy available for affordable warmth and adding a lower threshold or floor SAP would encourage LAs to also focus on improving the worst properties. Over time, the lower threshold SAP target could be raised as the worst homes are improved.
- The data should be collected at the national rather than at the local level. The data could be collected as part of an extended EHCS (the cost increase would still be cheaper to the public purse than requiring individual LA surveys) or via a national property database (using HEED, the fuel poverty database, EPC, LA data etc.)
- This approach would be aligned with Government's proposals re domestic energy efficiency - ie repeal of HECA and introduction of NI 186 (per capita CO2 emissions in whole area) instead as a better, outcome-focused indicator collected at the national level, thereby freeing up LA resources to tackle the problem.

3. Will the Technical Definitions for this indicator work in practice? NO

a. Why would this technical definition not work in practice?

- This represents a significant additional resource.
- The survey would not yield much useful information.

4. Is this indicator defined at the right spatial level? NO

a) If not, what level should it be defined at?

- Should be reported as part of English House Condition Survey or via a national property database so that a standardised method is used with considerable economies of scale to the public purse.

5. Should data for this indicator be provided for any or all of the different equalities strands (please tick the relevant box)?

- No – too costly

6. Further comments on the questions above and/or any other comments that are not covered above questions. None