

<b>DECISION-MAKER:</b>		COUNCIL	
<b>SUBJECT:</b>		SCRUTINY INQUIRY INTO FUEL POVERTY	
<b>DATE OF DECISION:</b>		19 <sup>TH</sup> NOVEMBER 2008	
<b>REPORT OF:</b>		CHAIR OF THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE	
<b>AUTHOR:</b>	Name:	Mark Pirnie	Tel  023 8083 3886
	E-mail:	mark.pirnie@southampton.gov.uk	

**STATEMENT OF CONFIDENTIALITY**

None.

**SUMMARY**

From August to October 2008 the Environment and Sustainability Scrutiny Panel undertook an inquiry into fuel poverty in Southampton. The Overview and Scrutiny Management Committee (OSMC) considered the final draft of the attached inquiry report on 6<sup>th</sup> November 2008 and approved it for submission to Cabinet on the 24<sup>th</sup> November 2008.

In addition the OSMC determined that given the significance of this issue to the health and social well being of city residents that the findings and draft recommendations from the review should be submitted to Full Council to enable all members to debate this issue prior to the inquiry report being formally considered by the Executive.

**RECOMMENDATION:**

- (i) That Council considers the proposals outlined in the attached Fuel Poverty Inquiry report and submits any further comments on the review's findings to the Executive to enable it to formulate an appropriate response to the inquiry recommendations.

**REASONS FOR REPORT RECOMMENDATIONS**

1. To give Full Council the opportunity to debate the issue of fuel poverty in Southampton under Council procedure rule 19 as set out in the Constitution in order to enable members to provide any further comments or observations on this issue, prior to the inquiry report being considered by the Executive.

**CONSULTATION**

2. Appendix 3 of the attached inquiry report lists the individuals and organisations that have contributed to the review.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

3. Not to submit the inquiry findings to Full Council prior to their consideration by

the executive. However, this option was rejected by the Overview and Scrutiny Management Committee in order to provide all members with an opportunity to consider this issue particularly given its significance to vulnerable city residents, recent increases in energy prices and the cross organisational nature of the work being undertaken by different agencies in this area.

## **DETAIL**

4. The nationally recognised definition of a fuel poor household agreed by the former Department of Environment, Transport and Regions (DETR) in 1999 and incorporated into the UK Fuel Poverty Strategy is 'one which needs to spend more than 10% of household income to achieve a satisfactory heating regime (21<sup>o</sup>c in the living room and 18<sup>o</sup>c in the other occupied rooms)'.
5. On 10<sup>th</sup> July 2008 the Overview and Scrutiny Management Committee agreed the terms of reference for an inquiry into fuel poverty in Southampton. The Environment and Sustainability Scrutiny Panel undertook this inquiry between August and October 2008 over the course of 7 meetings and considered a wide range of evidence from local agencies, companies and service users. The Scrutiny Panel unanimously agreed the recommendations set out in the final draft of the inquiry report on 22<sup>nd</sup> October 2008.
6. The Overview and Scrutiny Management Committee considered the attached inquiry report on 6<sup>th</sup> November 2008 and agreed that it should be submitted to Full Council by the Chair of the Committee to enable all members to consider the inquiry findings prior to it being formally considered by the Executive.
7. The attached inquiry report contains 14 recommendations which the Executive will need to formally respond to in due course. These recommendations outline a number of proposals to address the following issues:-
  - Raising the awareness of fuel poverty and improving the co-ordination of services to city residents.
  - Reducing fuel poverty amongst households living in private housing within Southampton
  - Reducing fuel poverty amongst households living in social housing within Southampton
  - Implementing initiatives to reduce fuel bills in the city.

## **FINANCIAL/RESOURCE IMPLICATIONS**

### **Capital**

8. **Recommendation 9** within the attached report relates to an initiative to improve the energy efficiency of privately rented properties in Southampton. The implementation of this recommendation will require additional capital expenditure. However, funding to improve the energy efficiency levels of privately rented properties within the urban South Hampshire area is currently being pursued through the PUSH 4 Safer Homes Programme and the Cabinet Member for Housing and Local Services will need to take into account progress on this initiative when formulating his response.

9. **Recommendation 12** in the attached report includes the proposed implementation of smart meters within the City Council's housing stock. Although the Environment and Sustainability Scrutiny Panel inquired about costs associated with the purchase and installation of smart meters this information was not made available to the panel within the timescale of the review. If the executive decide to progress this initiative then further work will need to be undertaken to identify the estimated cost and phasing of introducing such a programme with appropriate costs being reflected within the Housing Revenue Account capital programme.

## Revenue

10. Future revenue implications for the Council will be dependent upon:
- a) How the individual recommendations within the attached report are progressed by the executive.
  - b) The level of external funding that can be obtained.
11. The scrutiny panel were of the opinion that a significant proportion of the recommendations made in the inquiry report could be progressed by re-focussing officer and partner time as well as existing work programmes within the city. The following paragraphs therefore only provide information relating to potential additional costs associated with the implementation of the inquiry recommendations in order to assist the executive in formulating its response. Where additional costs have not been specifically identified in connection with the recommendations it is the view of the Scrutiny Panel that the proposed actions could be contained within existing Housing Revenue Account or General Fund revenue budgets subject to more detailed work being undertaken by the executive in considering its response to these matters.
12. **Recommendation 2** in the attached inquiry report relates to the proposed introduction of an integrated fuel poverty referral system. It should be noted that the Luton Borough Council referral scheme outlined within the inquiry report costs approximately £86,500 per annum in mainstream funding. There is currently no funding for the provision of a similar scheme within the Council's 2008/09 General Fund Revenue budget and if such a scheme were to be introduced in subsequent years it would need to be identified as a pressure within the draft budget. It should also be noted that during the course of the inquiry members of the panel considered that external funding could be secured from energy suppliers and local partners to help fund such a service if the executive were minded to progress this initiative.
13. **Recommendation 3** in the inquiry report concerns the proposed introduction of a Fuel Poverty Conference in the city. Although there is no provision within the 2008/09 General Fund Revenue budget to progress this, the panel members formed the view from the evidence submitted to them that there is a clear opportunity to obtain funding from energy suppliers to help finance such a conference.
14. **Recommendation 7** relates to the implementation of a proposed Infra-Red Thermal Survey to assess the energy efficiency of older properties within the city. Information provided to the Panel indicated that this type of survey would cost in the region of £20,000. There is currently no provision for such

a survey within the 2008/09 General Fund Revenue budget and if the executive were minded to progress this work then appropriate provision would need to be made within the Council's budget.

15. **Recommendation 8** of the inquiry report relates to ensuring that all necessary preparations are made to enable energy efficiency works to be carried out in vulnerable residents' homes. The implementation of this proposal would require additional officer and partner support. During the course of the inquiry it was not possible to quantify the potential demand for such a service locally in order to identify the appropriate level of budget that might be required. However, the Warm Homes Grant from the Regional Housing Board, distributed through the Push 4 Safer Homes programme, is a potential means of providing financial support to help progress this recommendation.

### **Property**

16. The establishment of a fuel poverty referral system as set out in **Recommendation 2** of the inquiry report could potentially require the creation of an additional post(s) which would need to be located within the Council's existing office accommodation.

### **Other**

17. None.

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

18. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

### **Other Legal Implications:**

19. Council Procedure Rule 19 states that, 'The Chair of the Overview and Scrutiny Management Committee or another Member in his/her place, may move a motion relating to the business of Overview and Scrutiny and/or of the findings of a Panel, or a matter that Overview and Scrutiny consider should be debated by Full Council. This report is submitted in line with this procedure.'

## **POLICY FRAMEWORK IMPLICATIONS**

20. The proposals contained within the appended report are in accordance with the Council's Policy Framework and, if implemented, the recommendations will help to deliver Priority 3 of the Housing Strategy 2007-2011 which specifically relates to "Improving energy efficiency and fuel poverty" in the city.

**SUPPORTING DOCUMENTATION**

**Appendices**

1.	Fuel Poverty Inquiry – Final Draft Report

**Documents In Members’ Rooms**

	None.

**Background Documents**

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

	None.	

**Background documents available for inspection at:** Not applicable

**FORWARD PLAN No:** None

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	All wards would be affected by the executive’s implementation of the recommendations contained within the inquiry report.
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