Haringey's action plan for low-carbon council homes

London Borough of Haringey
Tuesday 29 November 2022

Summary

We have developed a housing energy action plan to deliver our Net Zero ambition for Haringey's social housing stock. The plan builds on the Haringey Climate Change Action Plan. It has developed the business case – with its robust measures and actions in a house-by-house approach – to ensure our tenants are living in warm, comfortable, low-carbon homes by 2035.

Cllr Mike Hakata, Deputy Leader of Haringey Council and Cabinet Member for Climate Action, Environment and Transport, says: "By setting out a clear set of measures, deliverable actions, and known costs for every home, we have been able to start the decarbonisation of our social housing stock. We will see the co-benefits of reducing fuel poverty, creating new jobs in our community, improving local air quality, and increasing the amount of income our tenants can spend in the economy. Energy efficiency is a win-win-win."

The problem

The Haringey Climate Change Action Plan aims for our social housing stock to have an average Energy Performance Certificate (EPC) rating of B by 2035. The plan aims to raise this average to EPC A, where technically feasible, by 2041. Our ambitious carbon reduction targets will:

- reduce fuel poverty
- create new jobs for our community
- improve local air quality
- increase the amount of income our residents can spend in the economy

For CO2, the average emissions per home in Haringey are 2.60tC02 per year. This gives the council housing stock a carbon baseline of 40,193.25tCO2, about 6% of the borough's total carbon footprint. The average EPC rating in the council's social housing stock is band C, with an average Standard Assessment Procedure (SAP) score of 69.38. This means the average household will be spending £1,949 on heating, cooking, and lighting (October 2022, price cap included).

One of the challenges in decarbonising our social housing stock is property and homeowner diversity. Haringey Council manages a total of 20,259 dwellings, comprising 15,325 tenanted and 4,934 leasehold homes. This includes a variety of house sizes, ages, and styles, including high-rise blocks, flatted estates, scattered houses, and house conversions.

The second challenge is tenants who would need support to use new technologies. Indeed, some residents may not welcome the disruption from installing internal insulation. Alongside this, a growing waiting list for housing means we cannot afford to take a house out of the system while we deliver deep retrofits.

These challenges mean that a single approach does not work. Haringey, like many councils, has delivered successful pilot projects and several hundred retrofits. However, this scale of ambition to meet our climate responsibilities has never been delivered before. And the associated costs will change depending on many factors.

It's vital therefore that the council knows and addresses these issues and the parameters we would have to work within. We need to be able to cost the finance required to build the business case and deliver.

The solution

To deliver the ambition for our social housing stock in the climate change action plan, and support our Affordable Energy Strategy 2020-2025, we needed more data. Although we have headline data, such as EPC bands and tenant types, we needed to know more about the measures we require to achieve our targets. Across over 20,000 properties, we had to understand:

- how the measures would be implemented
- who would install them
- what would they cost to deliver

Using our energy data (drawn from existing EPCs), stock data to model current performance, and Parity Projects' Portfolio modelling software, we developed a retrofitting plan for every home.

This process broke down our social housing into groups that were then easier to deliver, including homes that needed:

- loft insulation
- efficient boilers
- new glazing
- external wall insulation

We also overlaid homes likely to be in fuel poverty, or in conservation areas, which would then influence our approach to appropriate measures.

Our unit-by-unit approach means we can feed this into our planned maintenance programme. This ensures energy works are considered and included in all works taking place and reduces the overall cost of delivery.

These models allowed us to set out clearer targets for delivery partners, and for the council to adopt clearer principles for delivery. These include:

- ensuring each house has a retrofit plan with a fabric-first approach: all works must strive for this
- installing measures to improve the worst performing properties first
- installing the highest levels of insulation first – in homes where decarbonised heating systems are replacing gas boilers – to ensure running costs remain low (this will mean training maintenance staff and local installers)
- ensuring projects are eligible for government funding by aligning them with government standards: this will also reduce unintended consequences like damp, mould, and overheating
- working more in partnership with tenants – vital before, during, and after works – to bring residents with us and ensure new technologies are used correctly
- using council funding to lever in external funding streams – for example, the Social Housing Decarbonisation Fund (SHDF) – to cover the shortfall

The result of all this work is our housing energy action plan. It has allowed us to build the business case for investment to start delivering the measures, and secure external confidence and funding.

Timeline

In 2020, we started developing the council's housing energy action plan and securing wider buy-in for the significant funding we required.

It then took 2 years to:

- develop the modelling software and embed its use across the council
- secure funding within the council's capital programme
- adopt the action plan for delivery, planned for early 2023

Stakeholders

The development of the action plan involved officers from across the council. Teams from housing policy, finance, housing repairs, tenants liaison, procurement, carbon management, and customer services came together.

Most importantly, we involved all borough residents in setting the borough-wide strategic ambition. We ran community events and pop-up stalls, as well as house visits to talk through the works and benefits with residents. This ensured we reached everyone and that they have the details and confidence to be involved. We'll be running more neighbourhood engagement like this as we design projects and move to delivery.

As we decarbonise our social housing portfolio, the key influencers to the successful delivery of this work stream will continue to be the tenants. For example, as we remove gas boilers, we should also remove gas cookers. This will create significant savings as we would remove annual gas checks on our properties.

However, some tenants may want to keep their gas cookers for convenience or for cultural reasons. We need to work with them to understand and overcome these challenges and maximise the savings to the council in our low-carbon future.

Impact

By 2041, the plan will deliver a carbon reduction of 39,482tCO2, or 98.23%. With further grid decarbonisation by 2050, the fully retrofitted homes will reduce carbon emissions by 39,915.00tCO2, or 99.31%,

By 2035 we want all of our tenants to be living in more comfortable homes with an average reduction in energy bills of 28% based on current costs.

There are several co-benefits too, including:

- reducing fuel poverty
- creating new jobs for our community
- improving local air quality
- increasing the amount of income our residents can spend in the economy
- supporting them in the management of their finances

All this will ensure that energy efficiency is proven to be a win-win-win.

Lessons learned

In developing the housing energy action plan, we've identified 3 steps that are critical to its delivery.

Work closely with planned maintenance teams

The biggest challenge was developing the modelling software, in partnership with Parity Projects, and aligning this with our assets management records and planned works. The challenge was around large data sets and the many routes we could choose to deliver the targets. And it was around working out how to deliver those targets in line with planned works. Here the aim is to be delivering works in one rather than multiple visits to tenants.

This process included:

- collating all the data
- designing the models
- overlaying the models against planned maintenance programmes
- ‘designing in’ elements that address the delivery teams’ practical concerns and views

We will continue to work with our planned maintenance teams to ensure they understand the retrofit plans for each property. At every opportunity, we will aim to deliver the appropriate measures.

Grow the local workforce

Through the models, we have identified the number and type of jobs we will need to carry out to deliver the decarbonisation of our social housing stock. If we overlay this data onto private housing, we can see at a local level the volume and new skills we will need. In Haringey there is the potential for 1,100 new jobs and in North London 7,600 new jobs – both public and private – to deliver our domestic retrofit ambition. We need to develop this skilled workforce and are now working with our colleagues to ensure the right courses are in place.

Secure capital funding

At a national level, we need access to capital funding to deliver these measures. We know that this capital investment in energy efficiency will pay back to the UK in the long term. It will be seen as a saving to our country through things like reduced reliance on international energy markets.

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The modelling within the housing energy action plan has given the council a modelled and scrutinised cost for achieving the borough's Net Zero carbon targets. This is costed at £400 million to retrofit our social housing stock. We have set out the amount of help expected from external parties such as national and regional government and energy companies. However, we have earmarked up to £300 million of our own funding to provide match funding to secure this, and to show our own commitment to this work. We believe that with the plan and this financial commitment, we will deliver our ambition.

Next steps

We are busy finalising the housing energy action plan. We have significant agreed funding in place, clear targets and standards set out, acceptable measures and approaches, and costs. We know what we must deliver at the individual house level, and we are in a strong position to deliver.

Most of these works we will deliver through the new housing delivery partnering contracts, which will be in place later in 2023. In the meantime, an interim procurement is underway to appoint a multi-disciplinary design consultant to complete medium-term retrofit and construction plans. This approach will support us to deliver any successful bid within the SHDF timeframe.

Contacts and credits

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