

Warm homes Oldham



Delivering warm and healthy homes *Case Study: Warm Homes Oldham*

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1. Why Warm Homes Oldham was set up



Fuel Poverty in Oldham



- In 2012, 15% of Oldham's residents were in fuel poverty, approximately 13,500 households
- Rises in fuel bills, recession and welfare reform mean the problem is likely to get worse
- Oldham has a lot of older homes (harder to insulate) and a high number of residents on low incomes/benefits
- Fuel poverty is caused by:
 - **Poor housing:** low energy efficiency standards, hard to treat housing, high heating costs
 - **Energy prices:** unfair payment methods, rising energy prices
 - **Low income:** fuel costs represent a higher proportion of income

Energy Bills are unaffordable

MONTHLY HEATING BILL TO HEAT A HOME ADEQUATELY	Gas heated		Electrically heated	
	<i>Insulated (filled) cavity</i>	Un-insulated solid wall	<i>Insulated (filled) cavity</i>	Un-insulated solid wall
1 bed flat	£ 16.26	£ 27.55	£ 52.20	£ 88.46
2 bed flat	£ 19.59	£ 33.20	£ 62.91	£ 106.60
2 bed mid terrace	£ 20.73	£ 35.12	£ 66.57	£ 112.78
3 bed mid terrace	£ 23.21	£ 39.33	£ 74.55	£ 126.28
2 bed end terrace	£ 36.39	£ 61.65	£ 116.85	£ 197.97
3 bed end terrace	£ 40.75	£ 69.04	£ 130.84	£ 221.68
2 bed semi-detached	£ 39.70	£ 67.26	£ 127.47	£ 215.97
3 bed semi-detached	£ 42.68	£ 72.31	£ 137.05	£ 232.19
2 bed semi bungalow	£ 27.82	£ 47.14	£ 89.34	£ 151.36
3 bed semi bungalow	£ 30.04	£ 50.89	£ 96.45	£ 163.40

Plus DHW & Elec:

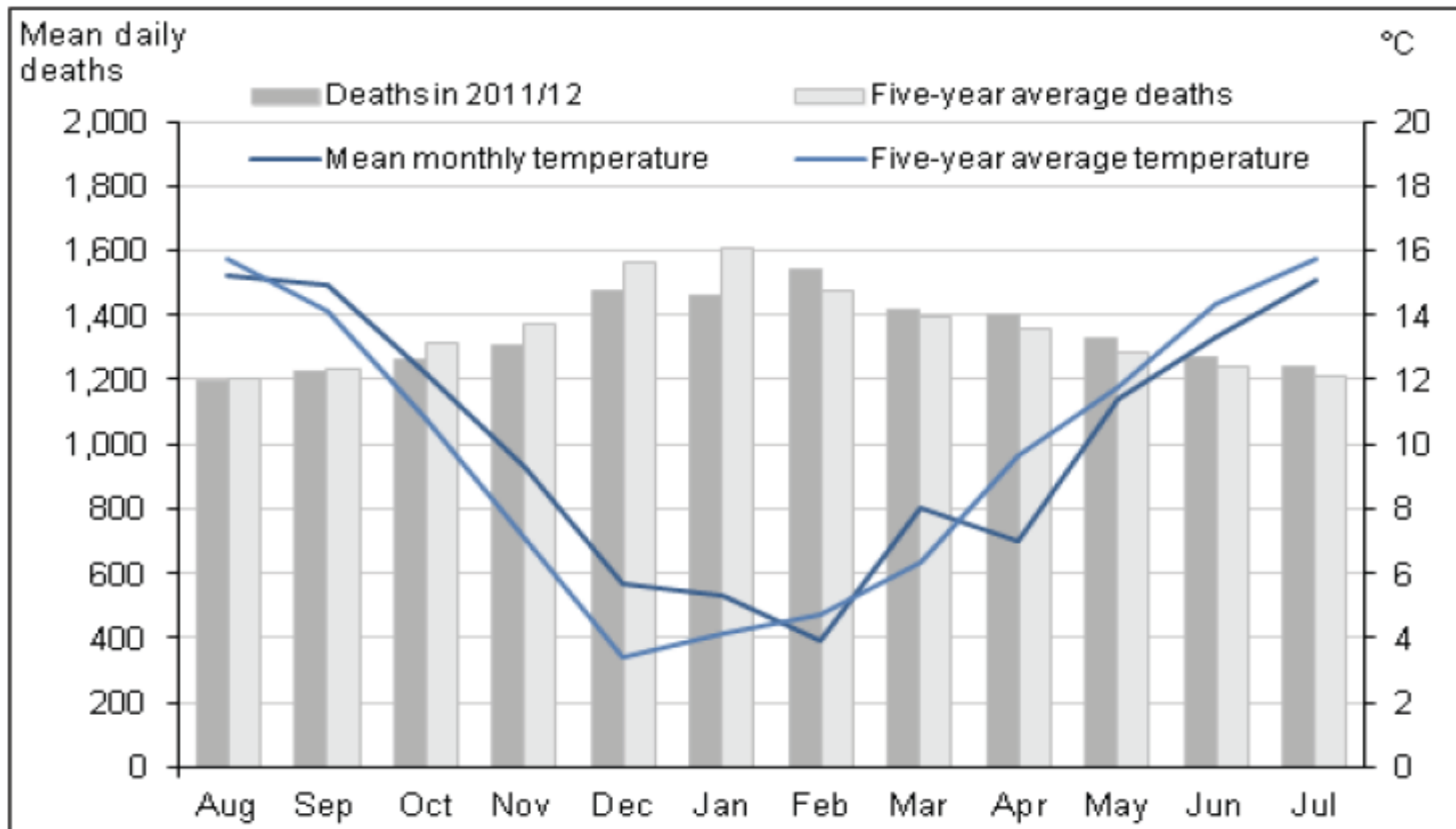
£63/month

£100/ month

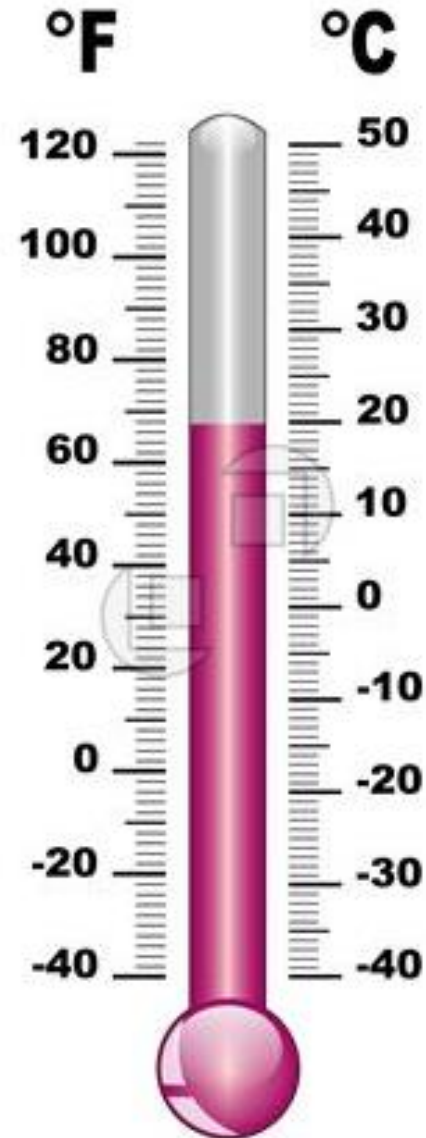


Excess winter deaths and illnesses

- There are around 100 excess winter deaths in Oldham each year, 75% of which are due to cold related illnesses.



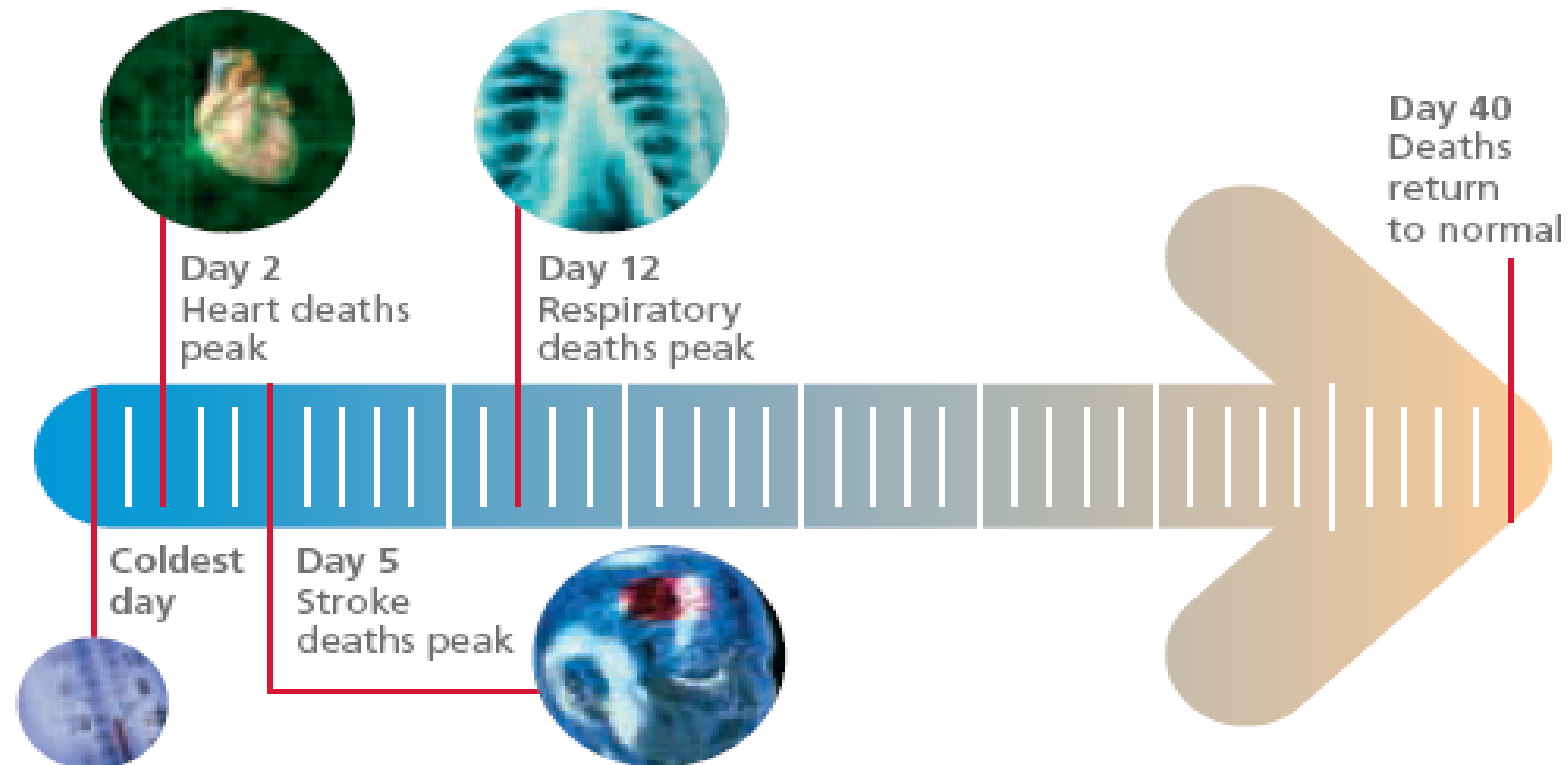
Indoor temperature & your health



- 18-24°C, no risk to sedentary, healthy people
- Below 16°C, diminished resistance to respiratory infections
- Below 12°C, increased blood pressure and viscosity
- Below 9°C, after 2 or more hours, deep body temperature falls

Cold weather impact on heart & respiratory illness

Box 3: Cold weather death sequence

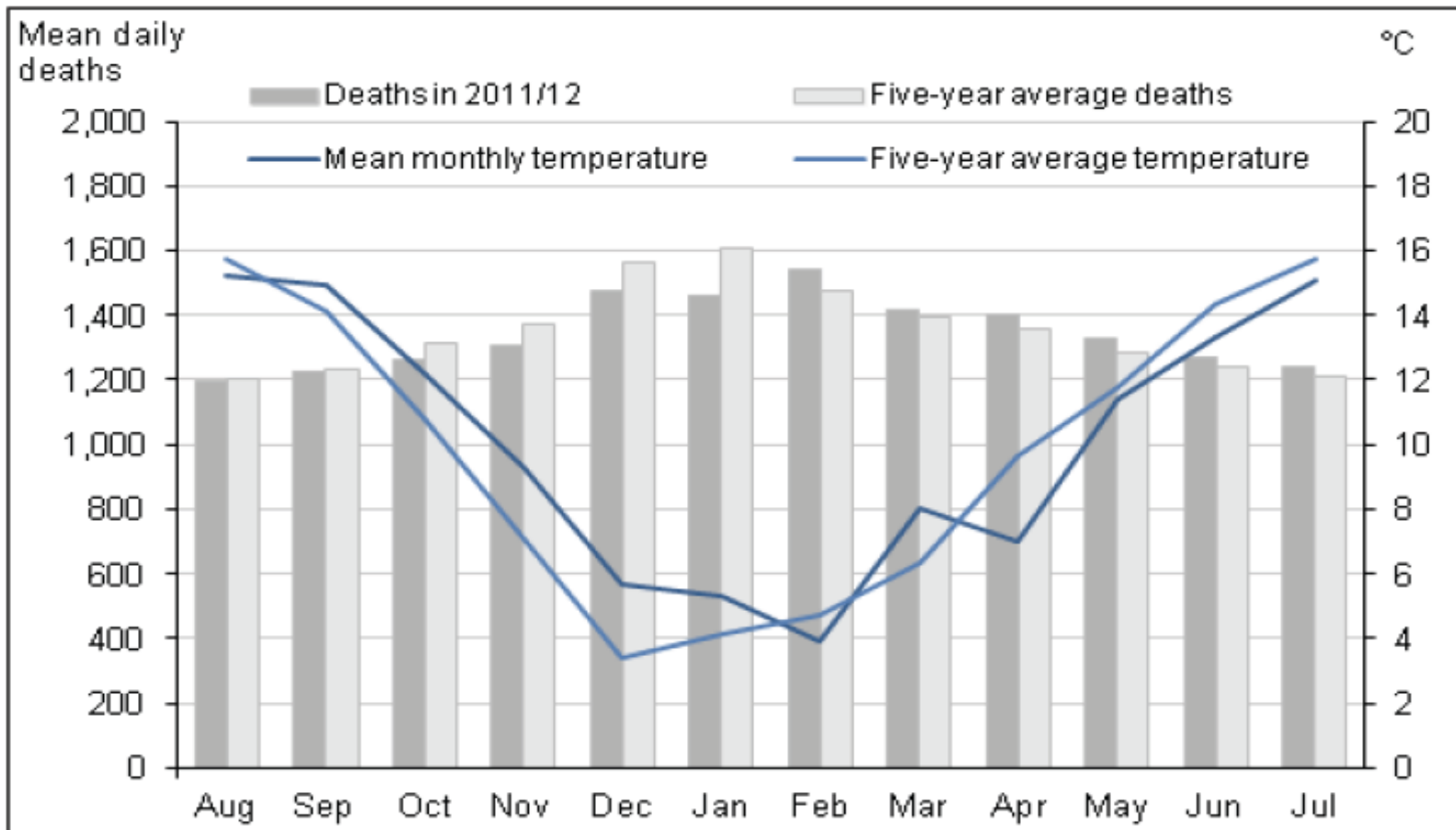


Source: Adapted from Donaldson GC, Keatinge WR. Early increases in ischaemic heart disease mortality dissociated from and later changes associated with respiratory mortality after cold weather in south east England. *Journal of Epidemiology and Community Health* 1997; 51(6): 643-8



Excess Winter Deaths & Illnesses

- There are around 100 excess winter deaths on average in Oldham each year, 75% of which are due to cold related illnesses. Mainly in those aged 65 +



Aim of Warm Homes Oldham



The service aims to help households out of fuel poverty by offering them a wide range of support.



Ambitions



'Community Budget' pilot: 1,000 people out of Fuel Poverty

- First of its kind nationally*
- Involves local partners coming together to fund a preventative service, they will then share the savings (through reduced health and social care demand)*
- Detailed analysis of health and social care demands impacts*
- Results of the project will be reported back to Government who are looking at this as a flagship scheme.*

How is it funded?

- *Payment by results mechanism*
 - *NHS Oldham CCG and Oldham Council provide funding for every house that will be lifted out of fuel poverty*
- *Energy Company Obligation (ECO) funding*
 - *Initially focused on HHCRO (Affordable Warmth) and target areas most at risk of fuel poverty (from data mapping)*
 - *Promoted to all homes across Oldham in second phase*

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2. NHS Business Case for investment

Oldham: Cost Benefit Analysis



- There is a positive benefit cost ratio of 1.5:1 due to the savings anticipated through reducing demand on the health and social care sectors
- Total costs in 2013/14 were estimated at £200k and total benefits at £300k
- From a healthcare perspective, the following measures could be considered:
 - Hospital admissions attributed to cold and damp homes
 - Mental health cases attributed to cold and damp homes
 - Cases of falls and injuries attributed to cold and damp homes

Oldham: Cost Benefit Analysis

Hospital Admissions

Measure	Numbers	Source
Avg. EWD per annum	100	Local data – NHS Oldham
Avg. hospital admissions pre-death	8	DOH Winter warmth fact sheet
Avg. admissions per annum	800	Calculated from above
10% attribution to cold homes	80	21.5% referenced in The Marmot review. Reduced for pessimism based on Hill's report

Falls & Injuries

Measure	Numbers	Source
Avg. falls admissions per annum	333	Local data – NHS Oldham
10% attribution to cold homes	33	Assumed similar as EWD. 21.5% referenced in The Marmot review. Reduced for pessimism based on Hill's report

Oldham: Cost Benefit Analysis

Mental Health

Measure	Numbers	Source
No. of residents suffering from MH depression/anxiety	15692	Local data – NHS Oldham
<i>No. of cases linked to fuel poverty</i>	6322	MH symptoms 4 times more likely in fuel poverty homes - DOH Winter Warmth fact sheet

Residents in fuel poverty

Measure	Numbers	Source
Total number of Oldham homes in fuel poverty	13597	Local housing data
Average family size (adults)	1.84	National statistics
<i>No. of fuel poor residents</i>	25018	Calculated from the above

Oldham: Cost Benefit Analysis



Measure	Nos.	Intervention cost	Cost per person £	Calculation
Hospital admissions EWD	80	£1630	£5.21	(Number of cases / fuel poverty population) X (intervention cost)
Hospital admissions - Falls	33	£1630	£2.15	
Mental health service contact	6322	£942	£238	
Health cost saving per person out of fuel poverty			£245.36	

*Please note the unit intervention costs are extracted from the cost database developed by New Economy Manchester (supporting the Troubled Families programme).

Thus, if each vulnerable resident of Oldham is lifted out of fuel poverty, the total estimated healthcare cost saving would be of the tune of £245 X 25018 = ~£6.1 million per annum which may be unrealistic in the near term.

If instead a modest 2000 Oldham residents (10% of the fuel poor) are lifted out of fuel poverty, it still presents the opportunity of saving £245 X 2000 = £490K of healthcare costs. Given our target of 1000 residents a year, we are looking at an estimated £245K healthcare savings a year.

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3. What the Service Offers



What Warm Homes Oldham offers



Property Improvements

- Insulation
- Heating Improvements
- Smart Meters

Energy Advice

- Behavioural Advice
- Tariff Switching
- Meter Advice: Pre-pay & incorrect meter readings

Income Maximisation

- Warm Homes Discount eligibility
- Benefits Checks
- Emergency Credit, Debt Issues, Trust Fund Applications

Other Support

- Temporary Heating, Age UK winter warmth pack
- Priority Services Register
- Referrals to Other Preventative Services

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4. Measured impacts of the service



Results from first 2 years



- *2,321 people brought out of fuel poverty (Vs target of 2,200)*
- *Over £2.1m of utility grant funding brought to scheme*
- *671 boilers, 151 external wall insulation, 152 cavity/loft installs*
- *£953 average household savings from all interventions*
- *£133,857 extra benefits secured through CAB benefits checks*
- *£72,327 worth of trust fund grants secured for homes who are not on benefits with poor heating systems*



Local Pilot Analysis

Pilot	Count
Total Households included in pilot analysis	381
Total Individuals included in pilot analysis	795

Hospital Activity

Measure	Before	After	Variance
A&E			
Attendances	248	244	-2%
Cost	£ 21,575	£ 20,907	-3%
Emergency Admissions			
Admissions	95	65	-32%
Cost	£ 116,945	£ 78,116	-33%
Total Cost	£ 138,520	£ 99,023	-29%

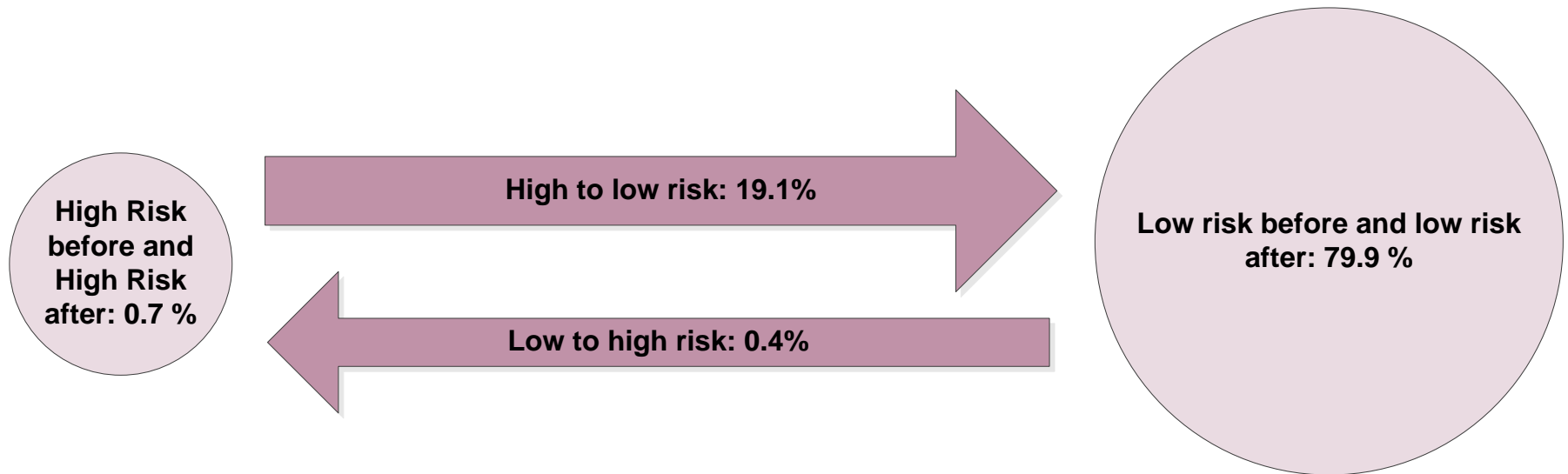
GP Appointments and Drugs Prescribed

Measure	GP Appointments before Warm Homes	GP Appointments after Warms Homes	Variance	Medications issued before Warm Homes	Medications issued after Warms Homes	Variance
Person 1	9	6	-33%	£1,024.7	£689.8	-33%
Person 2	12	12	0%	£526.0	£906.2	72%
Person 3	10	3	-70%	£420.6	£541.5	29%
Person 4	6	8	33%	£9.9	£36.9	272%
Person 5	0	5	0%	£173.0	£279.7	62%
Total	37	34	-8%	£2,154.3	£2,454.0	14%

- From a sample of 5 individuals involved in the scheme, total GP appointments went down by -8% while the cost of drugs prescribed increased by 14%.

Wellbeing

- General Health Questionnaire 12 (GHQ-12)



Life Satisfaction

- Mean up from 6.3 to 6.9 (out of 10)



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5. The Moral Case for investment

Practical examples



Practical examples



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Q&A

