

Energy Company Obligation: Help to Heat Local Authority Flexible Eligibility Statement of Intent

Local Authority Name: Angus Council

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Status: Angus Council is not acting on behalf of any other local authorities or delegating to any other local authority in relation to Help to Heat Flexible Eligibility.

1. Introduction

Angus Council (“the Council”) welcomes the introduction of Flexible Eligibility (“FE”) in the Help to Heat (also known as “ECO”) obligation. Further details about Flexible Eligibility are set out in the BEIS publication, ‘Energy Company Obligation – ECO3, 2018 – 2022 Flexible Eligibility Guidance, February, 2019. FE has been created to enable local authorities to make declarations determining that certain households, that are not on Affordable Warmth (“AW”) qualifying benefits are still deserving of AW. This is on the basis that they are either in Fuel Poverty (“FP”) or are considered low income and vulnerable to the effects of living in a cold home (“LIVC”). This facility can be used for up to 25% of the Affordable Warmth target, nationally. This Statement of Intent sets out the criteria the Council intends to use to target households under FE, in line with the eligibility criteria set out in the ECO legislation. The Council is keen to utilise the FE mechanism to ensure that deserving households that do not otherwise meet the AW criteria can benefit from energy efficiency measures wherever possible. An additional benefit of using the FE route is the inclusion within it of the in-fill mechanism which allows ineligible properties to attract ECO as long as 50% of adjacent properties DO qualify.

Angus Council regards the implementation of Flexibility Eligibility to be in line with current Angus Council policies, namely:

- Housing Strategy 2017-2022
- Angus Development Plan 2016-2026
- Financial Inclusion Strategy 2015-2018
- Climate Change Strategy 2012-2016 (currently under review)

In particular, the key ambition of Angus Council, which aligns with the implementation of FE is as follows:

- Vision: promote social inclusion & wellbeing

IMPORTANT NOTE: Inclusion in a Declaration of Eligibility issued by the Council will not guarantee installation of measures. The final decision on whether any individual household will receive an offer of funded energy efficiency measures rests with obligated energy suppliers or their contractors. The final decision will depend on identification of eligible measures, the supplier or contractor’s assessment of the cost-effectiveness of installing measures and whether the obligated energy suppliers have achieved their Help to Heat targets.

2. Identification of Eligible Households

This section sets out the criteria that the Council intends to use to identify and target households that may benefit from the installation of measures under FE. The ECO legislation and the BEIS guidance in relation to FE envisage three categories of eligibility:

- FP: Households with low income and high heating costs
- LIVC: Households with low income who, because of health, disability, age or other reason, are vulnerable to the impact of living in a cold home
- Solid wall insulation “in-fill”: Eligibility criteria to facilitate solid wall insulation schemes including households that are not necessarily in fuel poverty or vulnerable.

Since the first two of these eligibility routes both relate to household income, we first set out here the criteria we intend to use to identify and target low income, as part of the identification of FP and LIVC.

The Council notes that, under the ECO legislation and BEIS guidance, FE is only open to those living in owner-occupied or private rented sector housing (collectively “private housing”) and is not open to those in social housing. Furthermore, there is a restriction on private rented properties, to reflect the separate landlord requirements to meet the minimum energy efficiency standards in the private rented sector. As such, only solid wall insulation and renewables will be eligible for EPC Band F and G properties. Declarations will not be made in relation to social housing.

a. Criteria for identifying low income

The Council intends to utilise:

- (a) household gross income levels as self-certified by the householder or estimated by a frontline Council worker being below a threshold; or
- (b) a member of the household receiving certain qualifying benefits; or
- (c) significant and persistent debt problems including energy debt;

as indicators of low income. For private rented sector properties, the income of the resident (tenant) household is considered rather than that of the landlord.

The gross income thresholds we intend to apply in the assessment of low income are set out in the table below. These are taken from the income levels utilised in the ECO Affordable Warmth qualification criteria.

Household	Number of children or young persons under 18 in the household				
	0	1	2	3	4 or more
One adult	£20,000	£24,000	£27,000	£30,000	£32,000
Two adults	£26,000	£29,000	£32,000	£35,000	£39,000

The Council also intends to extend eligibility for FE to all private sector households in receipt of **any** means-tested benefits that do not qualify under the broader AW criteria. Means tested benefits that will be used as indicators of low income for FE will include Housing Benefit, Pension Credit Savings Credit and any tax credits (CTC, WTC, UC) where the households is not HHCRO eligible.

The Council will reserve the right to exercise discretion when determining eligibility around the thresholds and criteria set out above, where the Council has evidence that residents are struggling financially.

b. Criteria for identifying FP households

The legislation and guidance state that those households in private housing, combining low income with high home heating costs should be eligible for FE in this category. The income component of eligibility is set out in (a) above. The criteria to be used as indicators of high heating costs are:

- The house has an EPC with an E, F or G energy efficiency rating
- The primary heating source for the home is not mains natural gas
- The home is large – with four or more bedrooms
- The main wall type of the property is uninsulated solid wall or cavity wall
- The home is a park home or mobile home
- Through disability, health or other condition the home is occupied for long periods or needs to be heated to abnormally high temperatures. Note that most residents in this category will also qualify under the LIVC criteria set out below
- The resident family has small children below school age (under the age of 5).

c. Criteria for identifying LIVC households

The legislation and guidance state that those households in private housing, combining low income with health, disability, age or other conditions that result in a vulnerability to the effects of living in a cold home should be eligible for FE in this category. The income component of eligibility is set out in (a) above. The criteria to be used as indicators of vulnerability to cold are sub-divided into:

- Health-related criteria (long-term health conditions), which reflect the National Institute for Health and Care Excellence (NICE) 2015 guidance on excess winter deaths and illness caused by cold homes
- Benefits-related criteria
- Other vulnerability indicators.

These are set out below.

Long-Term Health Conditions:

- Cardiovascular condition (incl. coronary heart disease, stroke, hypertension, transient ischemic attack)
- Respiratory condition (incl. COPD, asthma)

- Neurological or neurobiological condition (incl. dementia, Parkinson's disease, MS, epilepsy, fibromyalgia, ME)
- Musculoskeletal conditions (incl. arthritis, limited mobility, recently attended hospital due to a fall)
- Blood conditions (incl. Sickle cell disease, thalassemia)
- Cancer
- Moderate to severe mental illness (incl. schizophrenia, bipolar disorder and depression, where receiving regular treatment)
- Severe learning disabilities
- Autoimmune or immunodeficiency diseases (incl. lupus, diabetes, HIV)
- Terminal illness
- Other illness exacerbated by cold (confirmed by GP)

Benefits-related criteria:

- Pensions Saving Credit
- Carer's Allowance
- Housing Benefit or Council Tax Reduction
- A Disability Benefit (incl. Attendance Allowance, DLA, PIP)

Other Vulnerability Indicators:

- On the Priority Services Register of utility company
- Core Group Warm Home Discount recipient
- Victim of domestic violence
- Recent bereavement
- Moving in and out of homelessness
- Recent immigrant or asylum seeker
- Physical or sensory disability

d. Additional eligibility routes for FP/LIVC

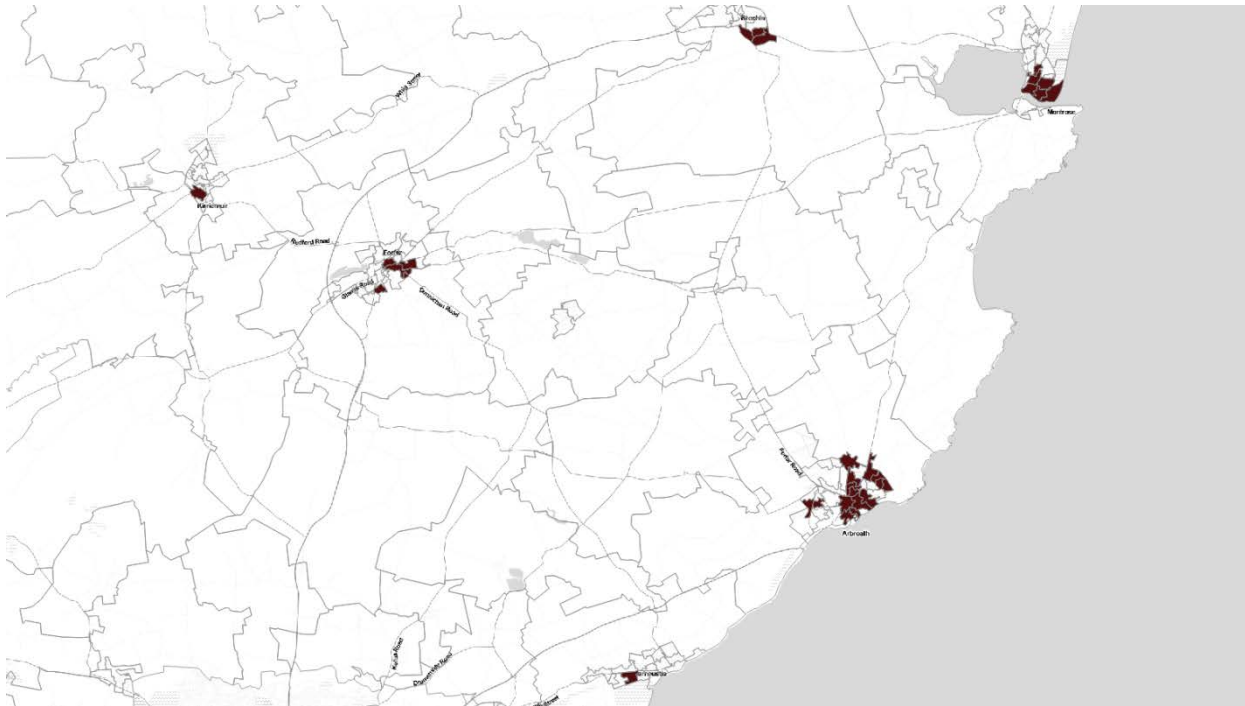
The Council recognises that the intention of flexible eligibility was to enable Councils to be flexible in approach, to reach those in need. The Council is therefore adopting two additional eligibility categories for FE Declarations, area-based and individual circumstances.

Area-based:

The Council recognises that widespread area-based eligibility for targeting FE would not be in line with the intent that FE is targeted specifically on FP and LIVC, given that most geographical areas will be home to both FP/LIVC and more well off residents. However, we have identified a small number of geographical areas where the extent of deprivation is extreme, and the Council believes that there will be a very high proportion of FP/LIVC households. By including all residents in these areas as eligible for Declarations (where suitable energy efficiency measures are identified), it will be possible for the Council to take action on an area-based, community level to increase the impact of schemes and the benefit to residents. This will also enable FE to work more closely with other area-based activities in Scotland such as HEEPS ABS.

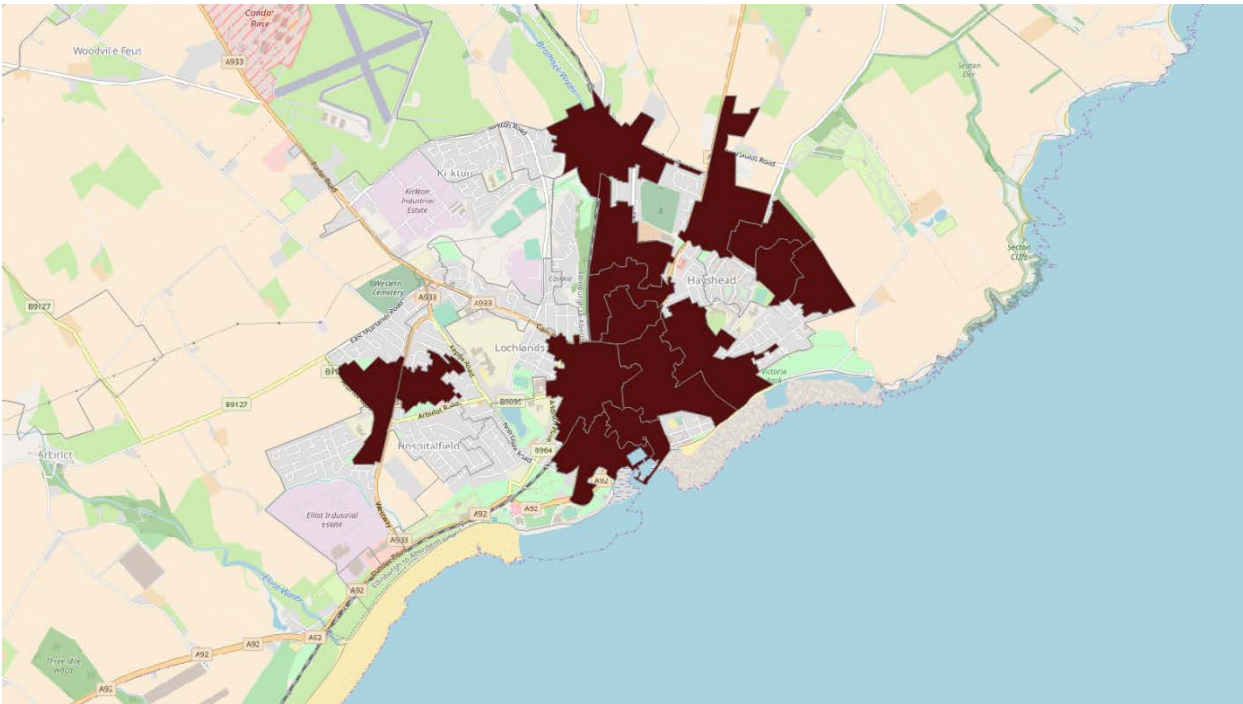
In order to determine areas that are most suitable for area-based approaches, the Council has utilised data from the Scottish Index of Multiple Deprivation dataset

(<http://www.gov.scot/Topics/Statistics/SIMD>). Given the significantly higher levels of fuel poverty in Scotland compared to England, currently approximately 35% of the Scottish population compared to 12% in England on the “10% of income” definition (http://www.nea.org.uk/wp-content/uploads/2016/05/FPM_2016_low_res.pdf), the Council has included all “Data Zones” (the Scottish equivalent of Lower Super Output Areas) that are in the bottom 30% in Scotland on income deprivation, employment deprivation and/or health deprivation. These are shown in the following map:

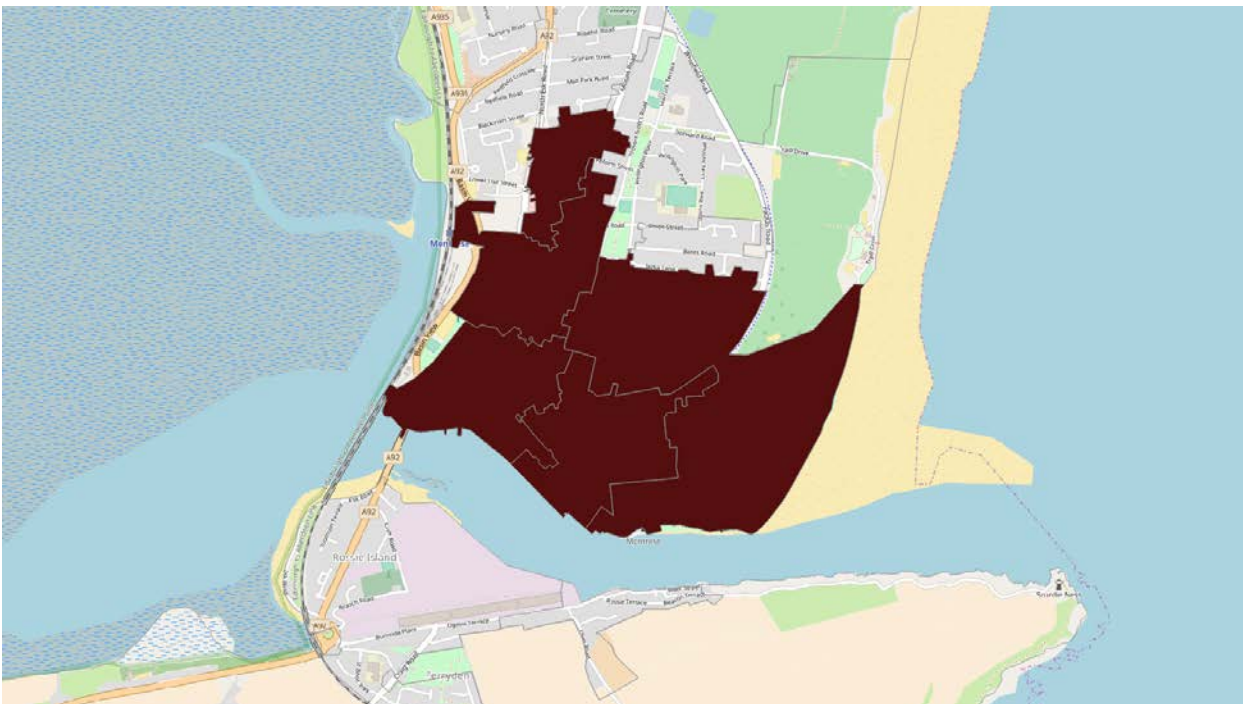


This comprises the following Data Zones: S01007209, S01007210, S01007211, S01007214, S01007177, S01007178, S01007254, S01007255, S01007256, S01007257, S01007184, S01007185, S01007260, S01007186, S01007187, S01007189, S01007192, S01007230, S01007231, S01007194, S01007232, S01007195, S01007196, S01007159, S01007197, S01007272, S01007198, S01007199, S01007202, and S01007208.

On these measures, by far the highest level of deprivation is found in Arbroath. These are shown in more detail below:



A significant proportion of Montrose is also covered:



In order to determine whether a household is within any of these Data Zones, the following tool can be used:

<http://www.gov.scot/Topics/Statistics/SIMD/SIMDPostcodeLookup/ScotlandPostcodeLookup>

The council may also designate further areas as qualifying for Flexible Eligibility under our area-based criteria, where that area is currently part of a HEEPS Area-Based Scheme and the Council has evidence that the area suffers a high incidence of LIHC/LIVC households.

Individual Circumstances:

The Council will reserve the right to flexibility when determining eligibility FE in both FP and LIVC categories, to take account of other income, fuel cost or vulnerability circumstances not listed above. In the event that the Council intends to include a household in a Declaration based on individual circumstances, it will produce a report to the signatory set out in section 3 below prior to a Declaration being produced.

e. Details of Scheme Requirements for SWI “infill” projects

Where potential works have been identified, households will be supported to take advantage of ECO funding for solid wall insulation under the “in-fill” category as set out in the guidance issued by BEIS in April 2017, and subject to the rules and restrictions set out therein, in particular in relation to the minimum number of FP/LIVC households being met. Further details of the rules and restrictions can be found at:

<https://www.gov.uk/government/publications/energy-company-obligation-eco-help-to-heat-scheme-flexible-eligibility>

Non-fuel poor vulnerable households eligible for solid wall insulation in-fill must be:

- In the same terrace as
- In an immediately adjacent building to, or
- Are in the same building as the household that does meet the criteria.

In-fill eligibility must meet the minimum percentages set out below:

Property Type	LA Declaration Requirements	In-fill Available
Property consisting of a pair of semi-detached houses or bungalows, or a building containing no more than 2 domestic premises.	At least one of the two properties must be declared by the Council as fuel poor/vulnerable according to above criteria i.e. 50% of the properties must be fuel poor/vulnerable.	The other property to which it is directly adjoined is eligible for solid wall insulation.
Project consisting of any premises that are contained in the same building (eg flats), immediately adjacent buildings (eg neighbouring detached properties) or in the same terrace.	At least one in two properties on the list must be declared by the Council as fuel poor/vulnerable according to above criteria i.e at least 50% of the properties are fuel poor/vulnerable.	The other (i.e. up to one half) of properties in the project are eligible for solid wall insulation, provided they are either in the same building, an immediately adjacent building or in the same terrace as the ones identified as fuel poor.

3. Governance

The officer below will be responsible for signing Declarations on behalf of the Council:

Job title: Team Leader Housing Technical

Telephone: 01307 - 492196

Email: MaciverLH@angus.gov.uk

The key governance consideration is confirming that households meet the eligibility criteria set out in this Statement of Intent prior to a Declaration being issued. In issuing Declarations, the officer above will consider eligibility evidence provided to it when requests for Declarations are made (for non-social housing residents), in particular in relation to the key referral routes set out in the next section.

Angus Council will make declarations on behalf of any households served by Energy Efficient Scotland and HEEPS:ABS programmes in which the Council is participating and where the Council has selected partners to deliver these. The Council will not make declarations available to all organisations that have access to ECO funding. The Council will only work with organisations selected or procured to deliver specific programmes in partnership with the Council. There may be instances where ECO flexibility eligibility criteria can be used to help lower income and vulnerable households access support for through the Warm Homes Discount scheme or SGN's assisted gas connection scheme and the Council will provide declarations for such schemes, where agreed with the funder and this could include social tenures as well as private tenures served by these schemes.

4. Referrals

The Council is keen to secure the maximum number of energy efficiency measures, including but not limited to those funded through FE. We see FE as an important component of this, and therefore aim to utilise a number of different strategies to generate referrals.

Our plan at the present time is for all initial FE referrals to be channelled through HES, Scarf, Council frontline staff and trusted third party agencies:

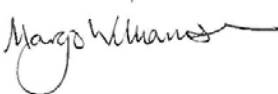
- Referrals from an ECO measure provider in the agent/contractor engagement phase of a HEEPS Area-Based Scheme
- Referrals from NHS Scotland
- Referrals from Home Energy Scotland (HES) and SCARF

5. Evidence, monitoring and reporting

The key elements of our evidence, monitoring and reporting process are set out below:

- i) Prior to any property being included in a Declaration, the Council will require information on the FE criteria that each household meets along with supporting evidence.
- ii) Any party providing such information and supporting evidence to the Council, the referring party needs to ensure that it has received an informed consent from the household, and that it is complying with the Data Protection Act 1998.
- iii) As households, including those included in FE declarations are proceed through the ECO process, the referring party should update the Council through regular reports on the progress of each household.

6. Signature

A handwritten signature in black ink that reads "Margo Williamson". The signature is written in a cursive style with a long horizontal stroke extending to the right from the end of the name.

Margo Williamson
Chief Executive, Angus Council