

Lichfield District Council  
Statement of Intent for ECO Flexible Eligibility  
ECO2t: April 2017 – September 2018  
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This Statement of Intent (SoI) sets out Lichfield District Council's (LDC) Flexible Eligibility criteria and is based on the guidance set out by the Government's Department for Business, Energy and Industrial Strategy (BEIS).

### 1. Introduction - What is Flexible Eligibility?

Through a scheme called the Energy Company Obligation (ECO), BEIS requires larger energy companies (obligated suppliers) to set aside some of their profits to support the cost of installing energy efficiency measures in poor and vulnerable households in Great Britain. Qualifying residents from across the district have benefitted from ECO funding since the scheme began in 2013.

The recent update to ECO, ECO2t: Help to Heat, introduces a new transitional element called Flexible Eligibility (FE). This provides local authorities with the ability to set their own qualifying criteria for ECO assistance and thereby help additional households in their area to receive energy efficiency measures to their homes than would be the case under the normal Affordable Warmth criteria<sup>1</sup>. This FE criteria is available to private tenure households only, which includes private rented and owner occupied.

Lichfield District Council's (LDC) qualifying criteria are based on the guidance set out by BEIS. The criteria aims to target private tenure households deemed to be fuel poor, or which are classified as being low income households and where at least one full time occupant has a qualifying health condition making them vulnerable to the effects of living in cold homes.

FE will help the Council achieve a number of its strategic and policy objectives. For example, the evidence base<sup>2</sup> for the Strategic Plan 2016-2020 has identified that<sup>3</sup>:

- 11.5% of children in the district live in income deprived households;
- 4% of the population (nearly 4,000 people) live in areas of relative deprivation;
- 1 in 10, nearly 4,600, households are in fuel poverty;
- The district has a significant rural population of nearly twice the national average, with limited access to the mains gas network.

FE will help to address these issues and increase the number of people able to live comfortably, safely and independently at home, and also bring additional investment into the district. Additional benefits could also be a reduction in avoidable hospital admissions, improved health outcomes for vulnerable patients and a reduction in greenhouse gas emissions.

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<sup>1</sup> For more information on how to qualify for ECO under the Affordable Warmth criteria visit: <https://www.gov.uk/energy-company-obligation>

<sup>2</sup> Lichfield District Council, A focus on Lichfield 2015, <https://www.lichfielddc.gov.uk/Council/Performance-efficiency/Downloads/Focus-on-Lichfield-evidence-base.PDF>, October 2015

<sup>3</sup> Lichfield District Council, Strategic Plan 2016-2020, <https://www.lichfielddc.gov.uk/Council/Performance-efficiency/Downloads/Strategic-plan-2016-2020.pdf>

Assessment of eligibility will be done through the Warmer Homes Greener District (WHGD) advice line<sup>4</sup>. Advisors will be able to guide residents through the FE referral process and answer any questions about this scheme or other queries relating to domestic energy and fuel poverty. The referral mechanism is set out in more detail in Section 6.

## 2. How we identify eligible households

Our FE eligibility criteria seeks to identify households that may benefit from energy saving measures and are:

- Fuel poor and are either not in receipt of Affordable Warmth eligible benefits<sup>5</sup> or not in receipt of any benefits; and/or
- Low income and are vulnerable to the effects of living in a cold home, referred to as LIVC homes.

Additionally, non-fuel poor households may qualify for solid wall insulation if they are part of a project including fuel poor and LIVC homes.

Once a household has been found to meet the criteria below it will be included in a declaration<sup>6</sup> issued by the Council to permit measures to be installed. Inclusion in a declaration does not guarantee that a household will receive a measure subsidised through ECO. The final decision will be made by the obligated supplier and will depend on the results of a home survey, projected carbon savings, and whether the supplier has met their current carbon target obligation.

### How we will identify fuel poor households

Households living in fuel poverty will be considered eligible for FE if they have both a low income and high costs relating to energy use, as determined below.

#### Low income

Households living on a **low income** will be identified as having a **net** household income, after mortgage or rent has been deducted, as shown in Table 1 below.

| Household composition               | Annual household income | Monthly household income Equivalent |
|-------------------------------------|-------------------------|-------------------------------------|
| <b>1 adult (18 years and over)</b>  | £8,900                  | £740                                |
| and 1 child                         | £11,700                 | £980                                |
| and 2 children                      | £14,400                 | £1,200                              |
| and three children                  | £17,300                 | £1,440                              |
| and four or more children           | £20,100                 | £1,680                              |
| <b>2 adults (18 years and over)</b> | £14,600                 | £1,220                              |
| and 1 child                         | £17,400                 | £1,450                              |
| and 2 children                      | £20,200                 | £1,680                              |
| and three children                  | £23,100                 | £1,930                              |
| and four or more children           | £25,700                 | £2,140                              |

Table 1: Net household income after rent or mortgage have been deducted<sup>7</sup>

#### High costs

<sup>4</sup> Since 2007 the Council has operated and funded the Warmer Homes Greener District (WHGD) initiative. Residents across the District have been able to access this service for free to receive advice and assistance towards energy efficient measures for their home. WHGD is delivered on the Council's behalf by Marches Energy Agency and Beat the Cold. For advice and referrals contact phone **0800 677 1543**

<sup>5</sup> Affordable Warmth benefits are: Guaranteed Pension Credit; Child Tax Credit; Working Tax Credit; Income Support; Income-Related Employment & Support Allowance (ESA); Income-Based Job Seekers Allowance (JSA); Universal Credit.

<sup>6</sup> A declaration is a statement that demonstrates that the Council is satisfied that a household meets the eligibility criteria, and therefore enables the next steps of the process to begin. An example declaration form can be found here: <https://www.lichfielddc.gov.uk/Residents/Housing/Home-improvements-and-repairs/Downloads/Statement-of-intent-for-ECO-flexible-eligibility.pdf>

<sup>7</sup> Income thresholds have been taken from Table 1 of 'Annex 6: Identifying fuel poor households', ECO Help to Heat FE guidance for local authorities, issued by BEIS. <https://www.gov.uk/government/publications/energy-company-obligation-eco-help-to-heat-scheme-flexible-eligibility>

The Council identify eligible households as those that have an Energy Performance Certificate (EPC) rating of **E**, **F** or **G**. This will be determined either from an existing EPC for the property, or using a modelled result from the recent Building Research Establishment (BRE) Stock Modelling Survey for the District.

If this information is unavailable for a particular household then then a score will be calculated using Table 2, below. Scores of **5** or above will qualify a household as having high energy costs.

| Question   | Response                      | Score |
|--|-------------------------------|-------|
| How many bedrooms are there in the home?                                     | 1                             | 0     |
|  | 2                             | 10    |
|  | 3                             | 17    |
|  | 4                             | 27    |
|  | 5 or more                     | 36    |
|  | No response                   | 17    |
| Are energy payments made by Direct Debit?                                    | Yes                           | -7    |
|  | No                            | 0     |
|  | No response                   | -7    |
| What type of house is it?  | Semi detached                 | -4    |
|  | Detached                      | 6     |
|  | Mid terrace                   | -10   |
|  | End terrace                   | -4    |
|  | Converted flat                | -9    |
|  | Purpose built flat, high rise | -20   |
|  | Purpose built flat, low rise  | -34   |
|  | Bungalow                      | 0     |
| No response  | -4                            |       |
| Was the home built before 1964?  | Yes                           | 17    |
|  | No                            | 0     |
|  | No response                   | 17    |
| What is the main heating fuel?   | Gas                           | -14   |
|  | Electricity                   | 0     |
|  | Oil                           | 12    |
|  | Other                         | -10   |
|  | No response                   | -14   |
| Does at least one member of the household spend most of the day in the home? | Yes                           | 1     |
|  | No                            | 0     |
|  | No response                   | 0     |

Table 2: Scoring methodology for calculating high energy costs<sup>8</sup>

#### *How we will identify 'low income and vulnerability to cold homes' households*

A large number of health conditions are made worse by living in a cold home and certain illnesses or groups of people are recognised as being particularly vulnerable. This is particularly evident in households which also have a low income and are unable to adequately fund necessary improvements themselves.

A household will qualify for FE if it is on a low income (section 2.5) and if evidence can be provided that one or more occupants has a condition in the list below, as identified in NICE Guidance NG6<sup>9,10</sup>:

- a) Cardiovascular disorders;
- b) Respiratory conditions, such as COPD and childhood asthma;

<sup>8</sup> The high-costs methodology has been taken from Table 3 of 'Annex 6: Identifying fuel poor households', ECO Help to Heat FE guidance for local authorities, issued by BEIS. <https://www.gov.uk/government/publications/energy-company-obligation-eco-help-to-heat-scheme-flexible-eligibility>

<sup>9</sup> NICE Guidance, *Excess winter deaths and illnesses associated with cold homes*, <https://www.nice.org.uk/guidance/ng6/resources/excess-winter-deaths-and-illness-and-the-health-risks-associated-with-cold-homes-51043484869>, published March 2015,

<sup>10</sup> NICE Pathways, *Excess winter deaths and illnesses associated with cold homes overview*, <https://pathways.nice.org.uk/pathways/excess-winter-deaths-and-illnesses-associated-with-cold-homes#content=view-info-category%3Aview-about-menu-responsibilities>, updated November 2016

- c) Mental health condition;
- d) Physical disabilities;
- e) Older people (over 65);
- f) Households with pre-school aged children; and
- g) Pregnant women.

BEIS have listed two further health conditions which will qualify a household as being vulnerable to living in a cold home:

- h) People who are terminally ill; and
- i) People with suppressed immune systems (e.g. from cancer treatment or HIV).

#### *Solid Wall Insulation (SWI) and in-fill properties*

We propose to extend the FE criteria to facilitate the installation of solid wall insulation for hard-to-treat private-tenure homes. This criteria will also support solid wall insulation in-fill measures, whereby households that are not in fuel poverty or categorised as vulnerable are:

- in the same terrace as; or
- in an immediately adjacent building to; or
- are in the same building as a household that does meet the criteria

Where FE assistance is sought for solid wall insulation in-fill projects they will need to meet the conditions detailed in Appendix 8 (page 48) of the BEIS Flexible Eligibility guidance:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/608042/ECO\\_Help\\_to\\_Heat\\_flexible\\_eligibility\\_guidance\\_for\\_LAs.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/608042/ECO_Help_to_Heat_flexible_eligibility_guidance_for_LAs.pdf)

### 3. Acting on behalf of other authorities

Lichfield District Council does not act on behalf of other local authorities for flexible eligibility.

### 4. Joint Statement of Intent

Lichfield District Council is not participating a joint Statement of Intent with another local authority.

### 5. Governance

Flexible Eligibility applications for Lichfield District are assessed by Marches Energy Agency (MEA) and Beat the Cold (BtC) through their advisors on WHGD advice line. The performance of the service is monitored by the Housing Strategy Team at Lichfield District Council.

Households meeting the criteria set out above and wishing to progress their FE application further will be included in a declaration, which will authorise the next steps of the application process with an obligated energy supplier active in this area. The declaration will be signed off by the Housing and Wellbeing Manager, Lucy Robinson, based at Lichfield District Council, District Council House, Frog Lane, Lichfield, Staffordshire, WS13 6ZE.

In the event that Lucy Robinson is unavailable then the declaration will be signed off by Gareth Davies, Head of Regulatory Services, Housing and Wellbeing at the same address.

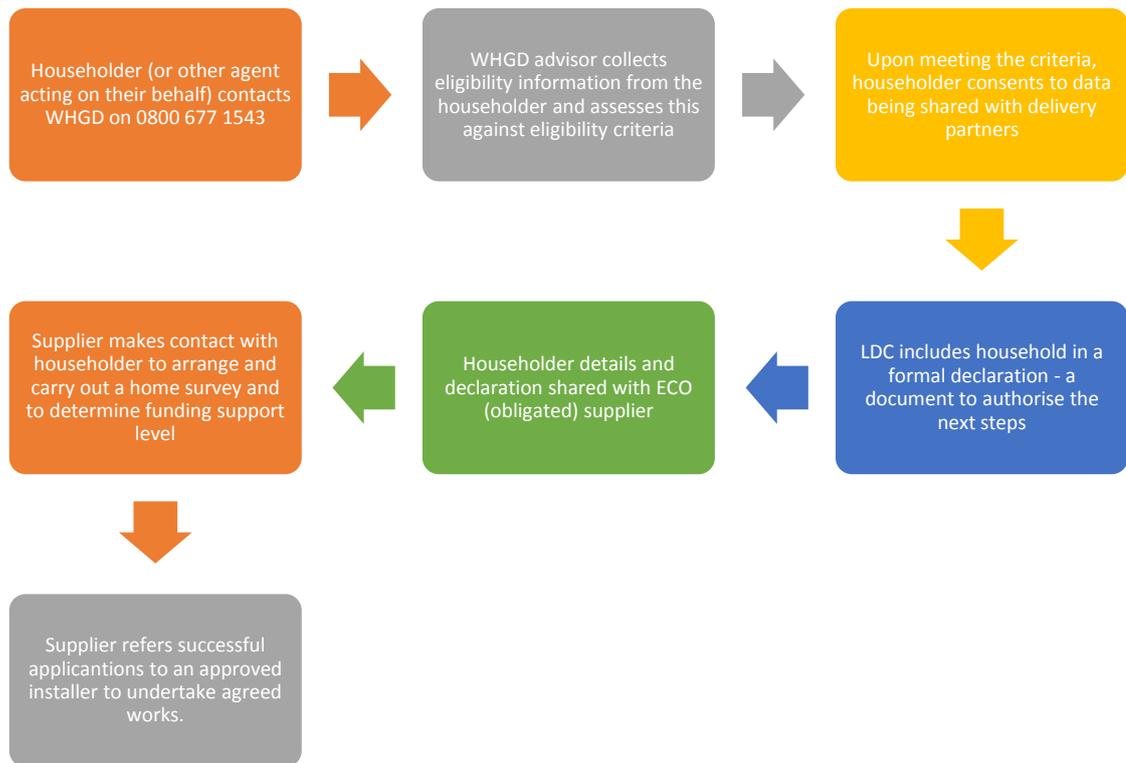
### 6. Referrals

WHGD operates in collaboration with local Councillors, the Council's customer services, housing and benefits teams, as well as external colleagues from Revival Home Improvement Agency, the health sector, energy suppliers, members of Support Staffordshire's 'Let's Work Together' programme and other non-governmental organisations.

Marketing of flexible eligibility for the District will be done by:

- Direct and indirect liaison with colleagues in the network listed above
- Promotion in the Council’s newsletter and telephone switchboard
- Targeted promotion to households who have been asked to be kept informed of news and offers through WHGD
- WHGD energy advice line promotion
- Social media
- Promotion to parish councils and District Councillors, and leaflets to community venues
- WHGD attendance at workshops, training sessions and other events

Referrals may be made directly from householders by contacting the WHGD by phone or email, or indirectly through the collaborators listed above. Referrals will follow the steps shown below when applying for flexible eligibility:



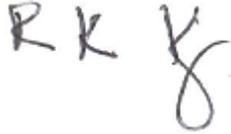
## 7 Evidence, monitoring and reporting

Information will be recorded on the number of unique contacts/referrals made to WHGD for FE and will be included in their quarterly performance reports to the Housing Strategy Team. This information will be split into those who are ineligible for assistance, and those who are eligible under the criteria for fuel poverty or for qualifying as low income and vulnerable to living in a cold home.

Information will also be recorded on the type and number of measures funded and installed to eligible households under this scheme, the value of those measures and estimates of the anticipated financial and/or carbon savings they are expected to make.

8 Authorisation

Signed by:

Handwritten signature consisting of the letters 'R' and 'K' followed by a large, stylized flourish.

Date:

12 September 2017.

Richard King  
Director of Place and Community  
Lichfield District Council