

Lichfield District Council

Statement of Intent for ECO Flexible Eligibility

Version 3.0 03/12/2018

Current version¹ published at: <https://www.lichfielddc.gov.uk/Residents/Housing/Home-improvements-and-repairs/Downloads/Statement-of-intent-for-ECO-flexible-eligibility.pdf>

This Statement of Intent (Sol) 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.

In 2018 ECO2t: Help to Heat, introduced 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 criteria². 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 base³ for the Strategic Plan 2016-2020 has identified that⁴:

- 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

¹ Previous versions active between:

12/09/17-15/02/18: <https://www.lichfielddc.gov.uk/Residents/Housing/Home-improvements-and-repairs/Downloads/Statement-of-intent-for-ECO-flexible-eligibility-12-September-2017.pdf>

15/02/18-15/10/18: <https://www.lichfielddc.gov.uk/Residents/Housing/Home-improvements-and-repairs/Downloads/Statement-of-intent-for-ECO-flexible-eligibility-15-February-2018.pdf>

15/10/18-03/12/2018: <https://www.lichfielddc.gov.uk/Residents/Housing/Home-improvements-and-repairs/Downloads/Statement-of-intent-for-ECO-flexible-eligibility-15-October-2018.pdf>

² For more information on how to qualify for ECO under the Affordable Warmth criteria visit: <https://www.gov.uk/energy-company-obligation>

³ 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

⁴ Lichfield District Council, Strategic Plan 2016-2020, <https://www.lichfielddc.gov.uk/Council/Performance-efficiency/Downloads/Strategic-plan-2016-2020.pdf>

a reduction in avoidable hospital admissions, improved health outcomes for vulnerable patients and a reduction in greenhouse gas emissions.

Assessment of eligibility will be done through the Warmer Homes Greener District (WHGD) advice line⁵. 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 benefits⁶ 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 LVC homes.

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

Once a household has been found to meet the criteria below it will be included in a declaration⁷ 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

The latest Annual Fuel Poverty Statistics Report 2017⁸, published by BEIS states that the median (average) income after housing costs (AHC), identified as the **net** household income after mortgage or rent has been deducted, was £21,333 in 2015.

For the same period, the Local Government Association suggests that average rental costs for a 2 bedroom property in Lichfield District is approximately 11.5% higher than for our geographical neighbours, and approximately 4% higher than the average for our CIPFA near neighbours⁹.

Therefore the Council will identify eligible households if they have a disposable income of £22,000 or less after housing costs have been accounted for.

⁵ 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**

⁶ 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.

⁷ 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>

⁸ BEIS, Annual fuel poverty statistics report 2017, <https://www.gov.uk/government/statistics/annual-fuel-poverty-statistics-report-2017>, published 29 June 2017

⁹ LGA, Average monthly private sector rent for a 2 bedroom property (gross) in Lichfield, http://lginform.local.gov.uk/reports/lgastandard?mod-metric=3477&mod-period=4&mod-area=E07000194&mod-group=CIPFA_Near_Neighbours&mod-type=comparisonGroupType

High costs

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 1, 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 1: Scoring methodology for calculating high energy costs¹⁰

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.

¹⁰ 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>

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^{11,12}:

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

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.

¹¹ 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,

¹² 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

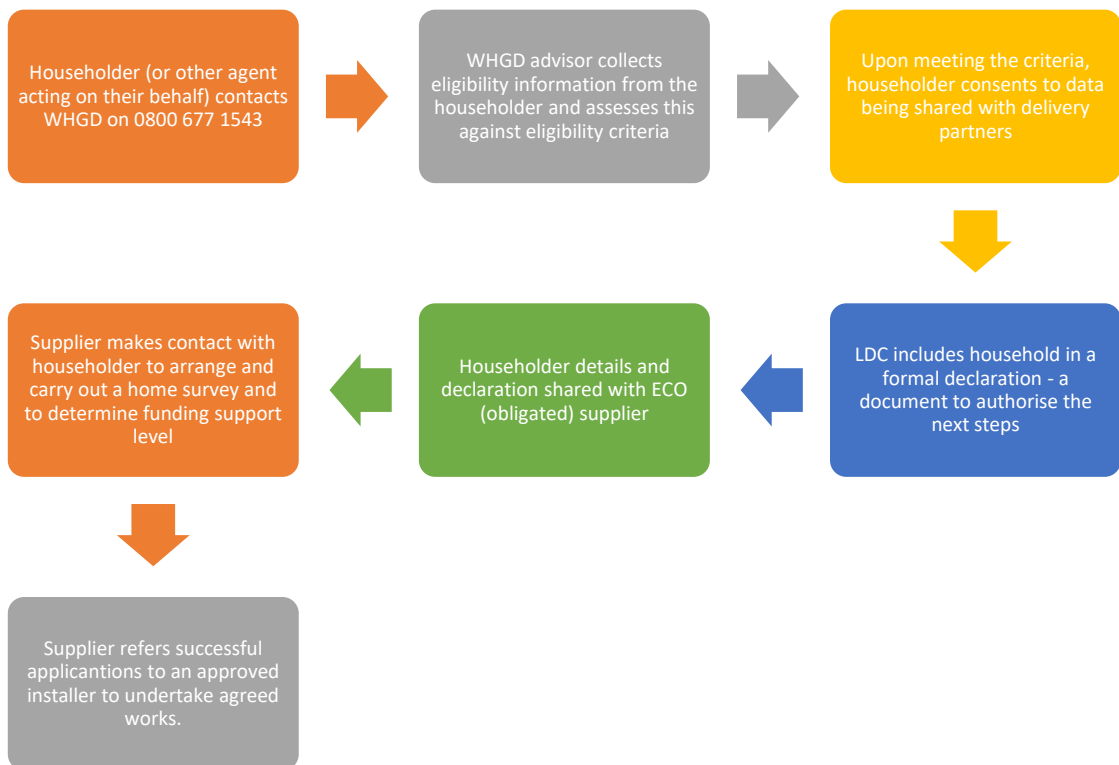
6. Referrals

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 initials 'R K' followed by a stylized flourish.

Date: 19 October 2018

Richard King
Director of Place and Community
Lichfield District Council