

Perth and Kinross Council



Statement of Intent

Date of Publication:

Published:

1) Introduction

Under the Energy Company Obligation (ECO) Help to Heat Flexible Eligibility, obligated energy suppliers will be able to use the 'Flexible Eligibility' mechanism for up to 25% of their ECO3: 2018-2022 Affordable Warmth obligation, by installing energy saving measures in properties that have been declared eligible by local authorities. Assistance will be available to private tenure households living either in fuel poverty or living on a low income and who are particularly vulnerable to the effects of living in the cold. In addition some non-fuel poor homes will also be considered for solid wall insulation projects, as long as a proportion of the households in the project are in fuel poverty or considered to be vulnerable.

Fuel poverty remains a harsh reality for many households in Perth and Kinross. Such families and individuals face invidious choices in spending money on heating or on other necessities. The links between fuel poverty and physical health problems, stress, mental health problems, debt and condensation dampness are well known.

Perth and Kinross Council welcomes the new Flexible Eligibility powers for Energy Company Obligation (ECO) Affordable Warmth grant funding as a means to help address this issue. (This scheme is sometimes informally referred to as LA flex.) We are committed to tackling fuel poverty and ensuring that low income households (across all housing tenures) achieve affordable warmth. The Flexible Eligibility powers will allow us, as a local authority, to work in partnership with an energy supplier to provide affordable warmth assistance to fuel poor and low income owner occupiers who are vulnerable to the effects of the cold. The work done under this scheme should provide long term solutions to the difficulties such households face in heating their homes and paying for energy.

This Statement of Intent outlines Perth and Kinross' council's approach to maximising ECO funding across the region for those in fuel poverty, on low incomes and vulnerable households that may otherwise not qualify for domestic energy improvements.

Further details about Flexible Eligibility are set out in the Government's Energy Company Obligation (ECO): Help to Heat¹consultation response document.

(<https://www.gov.uk/government/consultations/energy-company-obligation-eco-help-to-heat>)

The most recent figures show that 22.3% of households in Perth and Kinross were in fuel poverty (14,165 households). Over the medium to long term, as fuel prices increase, these figures are very likely to rise.

Perth and Kinross Council is keen to provide support to some of the most vulnerable homes which are located in the bottom 25% of SIMD, and in most cases the bottom 15% of most deprived areas in Scotland. ECO Flexible Eligibility will help us achieve this.

Our 2015 Local House condition survey reported that households in the Private Rented sector are most likely to be living in fuel poverty (33.3%) with properties constructed prior to 14919 contributing to the highest levels of recorded fuel poverty (37.4%).

In the Social rented sector around 951 households are thought to be living in fuel poverty (12.8%), with 101 of these households thought to be in extreme fuel poverty (1.4%)

Specific locations and homes which could benefit from solid wall and hard to treat houses located out with the mains gas network are identified from the Councils own housing property database, information gathered from a Local Housing Condition Survey carried out by David Adamson and Partners (and covered all tenures) in 2014.15 and also by reviewing the Councils own Capital and investment plans.

In addition, research across the UK has shown that houses **of a non-traditional design** are often significantly harder to heat than are other houses which were built around the same time.

Perth and Kinross Council is especially keen to use Flexible Eligibility powers to assist households which fall into these categories.

ECO Flexible Eligibility will contribute towards the aims of the Council's Local Housing Strategy (2016-2021) of assisting residents to live in warm, dry, energy efficient and low carbon homes which they can afford to heat.

2) Eligible households

ECO Flexible Eligibility funding is available to private sector households, including owner occupiers and private tenants, in line with the Government's guidance (ECO: Help to Heat Flexible Eligibility).

Perth and Kinross Council will utilise Flexible Eligibility to assist with current and future HEEPS: ABS programmes delivered through its appointed HEEPS:ABS contractor which aim to reduce fuel poverty in our communities. ECO funding will be maximised to compliment Scottish Government funding and assist the delivery of mixed tenure Solid Wall Insulation programmes in fuel poor areas, improving the energy efficiency of 'hard to treat' domestic dwellings. Such insulation reduces heat demand, lower carbon emissions and regenerate areas of deprivation.

Targeted households within HEEPS: ABS projects will be eligible for Flexible Eligibility. One of the criteria for determining project areas for HEEPS: ABS is that the project is located within the most deprived areas according to the Scottish Index of Multiple Deprivation (SIMD). HEEPS: ABS 2017-18 targets households located within the bottom 25% of SIMD, and in most cases the bottom 15% of most deprived areas in Scotland.

<https://beta.gov.scot/policies/home-energy-and-fuel-poverty/energy-saving-home-improvements/>

Perth and Kinross Council will continue its focus on targeting households in the lowest SIMD data zones in the region. The SIMD data zone rankings are a key source of data for determining a household's risk of fuel poverty. The overall rankings are calculated by assessing seven categories, four of which are linked to fuel poverty: household income, employment levels, health data and geographic access.

SCARF the Council appointed agent will be engaged to assist with the LA flex programme. LA flex guidance makes clear they will be responsible for promoting the scheme to vulnerable householders in the region and collecting household data on behalf of the Council to determine Flexible Eligibility.

Households will be targeted by SCARF and appointed agent during the sign-up process for programmes. They will also check that the householder is happy for their data to be shared with partners in the scheme.

(a) Criteria for identifying households in fuel poverty FP

Fuel poor eligible households will be identified as those that:

- have an income of £29,500 or less; AND
- score 8 or above in their responses to the following high cost questions:

Question	Response	Score
Was the home built before 1983?	Yes	10
	No	-5
Is the home of a non-traditional construction e.g. solid wall?	Yes	8
	No	-4
What type of home is it?	Detached	4
	Semi-detached	2
	End terrace	2
	Mid terrace	0
What is the main heating fuel?	Gas	-10
	Electricity	0
	Oil or other fuel	8
Does the property have three or less bedrooms?	Yes	6
	No	-2
Does at least one member of the household spend most of the day in the home?	Yes	4
	No	0

Eligibility does not guarantee funding.

Exceptional cases not meeting the above criteria will be considered on a case by case basis.

(b) Criteria for identifying low income and vulnerability to cold LVC

The Council will identify eligible households on low income and vulnerable to the effects of living in a cold home as those that have one or members of the household receiving:

Armed Forces Independence Payment

Attendance Allowance

Carer's Allowance

Child Benefit

Child tax Credit

Constant Attendance Allowance

Disability Living Allowance

Guarantee Credit

Income-related employment and Support Allowance

Income based Jobseekers Allowance

Income Support

Industrial Injuries Disablement Benefit

Personal Independence Payment

Severe Disablement Allowance

Universal Credit

War Pensions Mobility Supplement

Working Tax Credit

Note: Eligibility does not guarantee funding.

Exceptional cases not meeting the above criteria will be considered on a case by case basis.

3) Solid Wall in-fill scheme requirements

The Council intends to support energy efficiency improvement projects for vulnerable households in the area where external solid wall insulation is technically feasible, permitted under planning legislation and can attract funding. Many of these houses are of a non-traditional construction and are unsuitable for conventional forms of insulation, such as cavity wall insulation. The Flexible Eligibility powers allows for homes in these targeted areas that are not in fuel poverty or vulnerable to be funded. This means that:

(a) external solid wall insulation will have as attractive an appearance as possible; and

(b) the economies of scale from working in localised areas can be realised.

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

- in the same terrace as; OR
- in an immediately adjacent building to; OR
- 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 i.e. 50% of the properties must be fuel poor	The other properties to which it is directly adjoined is eligible for solid wall insulation
Project consisting of any premises that are contained in the same building (e.g. flats), immediately adjacent buildings (e.g. neighbouring detached properties) or in the same terrace	At least two in three properties on the list must be declared by the Council as fuel poor i.e. at least 66% of the properties are fuel poor and if BEIS proposals on solid wall infill through flexible eligibility for ECO3 are adopted after September 2018, then 50% of properties must be declared by the Council as fuel poor after September 30 th 2018.	The other (i.e. up to one third) 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 or up to 50% after September 30 th 2018, if BEIS proposals on solid wall infill through flexible eligibility are adopted after September 2018.

(c) Any details of scheme requirements for SWI "in-fill" projects

Contained within Perth and Kinross councils stock are a number of tenement block owners, within these blocks using LA Flex infill will ensure that everyone in each block are treated fairly and will be eligible for the same ECO funding levels as their neighbour, ensuring each development has maximum impact within these low income fuel poor areas.

4) Eligibility Routes for FP LVC and Infill

Perth and Kinross Council will utilise Flexible Eligibility to assist with current and future Scottish Government Home Energy Efficiency Programmes Scotland: Area Based Schemes (HEEPS: ABS) and Energy Efficient Scotland programmes which aim to reduce fuel poverty throughout Scotland.

Targeted privately owned and rented properties eligible for assistance through HEEPS: ABS projects will be also be deemed eligible for Flexible Eligibility. Criteria for determining project areas for HEEPS: ABS are that they fall within the lowest 25% SIMD or they have low individual SIMD scores relating to household, income, employment and health or are within council tax bandings A-C.

5) Acting on behalf of another local authority

This is not applicable as this application is for the sole purpose of Perth and Kinross Council helping to reduce fuel poverty.

6) Declaration

In order to access Flexible Eligibility funding, Perth and Kinross Council is required to submit a Local Authority Declaration to the ECO supplier. The final decision on whether a household receives ECO measures is made by the energy suppliers and therefore inclusion in a Declaration will not guarantee installation of measures.

The final decision will depend on the following factors:

1. the survey carried out on the property and the installation costs calculated;
2. the energy savings that can be achieved for a property;
3. whether or not there is adequate funding to support ECO funding for the installation of the energy efficiency measures; and
4. whether or not ECO obligated parties have achieved their targets to require further measures to meet their ECO targets

7) Referrals

With the exception of the delivery of Perth and Kinross Council's HEEPS programme, referrals for ECO Flexible Eligibility Affordable Warmth funding will only be accepted from Home Energy Scotland (HES). HES is funded by the Scottish Government and delivered by the Energy Savings Trust. SCARF are their delivery agent for Aberdeen.

Telephone advisors can answer questions about heating and insulating your home, saving money and cutting costs. They can refer on to delivery partners where appropriate.

HES phone number: 0808 8082282
SCARF phone number: 01224 213 005

Referrals for ECO Flexible Eligibility Affordable Warmth funding will be accepted from our HEEPS works contractor.

8) Governance

The ECO order states that the LA must be consulted on the installation of a measure under flexible eligibility by suppliers.

In order to access Flexible Eligibility ECO Affordable Warmth funding the council is required to submit an LA Declaration to the ECO supplier in a form determined by BEIS. The final decision on whether a household receives ECO measures is made by the energy suppliers and therefore inclusion in a declaration will not guarantee installation of measures.

The final decision will depend on:

- The survey carried out on the property and the installation costs calculated;
- The energy savings that can be achieved for a property;
- There is adequate funding to support ECO funding for the installation of the energy efficiency measures;
- Whether ECO obligated parties have achieved their targets to require further measures to meet their ECO targets

The Councils Delivery Partner, SCARF will be responsible for collating household data to determine if the household meets the qualifying criteria.

Otherwise declarations may be accepted if validated through Home Energy Scotland.

All declarations must be submitted to the council and signed by an approved officer. The officers responsible for signing and issuing declarations on behalf of the council are:

Name:

Designation:

Contact:

SCARF will be responsible for collecting household data on behalf of Perth and Kinross Council to determine that the householder meets the Flexible Eligibility Criteria. This data will be collected through the completion of a Household Energy Efficiency Survey form which will be used to determine that the householder meets the Flexible Eligibility criteria.

SCARF will complete an LA Declaration for each household that they have determined eligible for Flexible Eligibility. The declaration clearly states whether the householder meets the Flexible Eligibility criteria through:

(a) living in fuel poverty (FP); or

(b) living on a low income and vulnerable to the effects of a cold home (LIVC)

For Solid Wall 'in-fill' a LA Declaration for in-fill will be completed which will include details of why the home meets the eligibility criteria for in-fill.

An individual file will be created for each household that is requesting assistance. Measures applied will be fed into a monitoring toolkit which would then be available for any party requiring information on progress.

The LA Declaration and accompanying survey form will then be presented to

Once the LA Declaration has been approved, householder details will be securely transferred to the contractor for technical survey and installation.

9) Privacy Notice

All information supplied to Perth and Kinross Council will be transferred and held securely in line with Council policies and procedures. Each household will be provided with the contractor's OFGEM approved, fair privacy notice, detailing how the contractor will process information. The Council are joint controllers of the information that will be collected, for information on how your information will be processed and stored.

Further information about how the Council manages personal information can be found within our privacy policy.

10) Statement of Intent authorisation

Signed: Clare Maitland

Authorised signatory: CLARE MAITLAND

Title: HEAD OF HOUSING

Date: 29.5.19