



## **Mendip ECO Flexible Eligibility Statement of Intent**

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### **1) Background**

1.1 Energy Company Obligation (ECO) - is a requirement placed on energy companies over a certain size to help improve domestic energy performance of the homes of the vulnerable. In the ECO3 phase there is a new additional facility called Flexible Eligibility. This is where the Council can set criteria to direct assistance towards local private sector homes at risk of fuel poverty, but falling outside of the normal rules of ECO (usually qualifying benefits).

1.2 Following broad guidance from the department for Business Energy and Industrial Strategy (BEIS), we can access Flexible Eligibility funds on the production of this Statement of Intent. This allows Mendip District Council to set income levels and guidelines to target local residents at risk of from fuel poverty. Residents meeting these agreed criteria, subject to the council issuing a Declaration for their properties, can be assumed eligible by Energy Companies for ECO funded energy efficiency improvements.

### **2) Introduction**

2.1 Fuel poverty can cause low income households to live in cold homes which have a negative impact on their health and wellbeing. This is particularly the case for vulnerable households with a cold related illness. Fuel poverty in Mendip has risen from 4,354 in 2012 to 6,034 in 2014 (using the Low Income High Costs (LIHC) definition). Currently 12.4% of households in Mendip are fuel poor which is above the national average.

2.2 ECO flexibility will support the delivery of national fuel poverty targets to improve the EPC ratings of households in fuel poverty. The policy will also help deliver the aims of the Somerset Strategic Housing Framework which facilitates a partnership approach to the delivery of sustainable, warm and healthy homes for all Somerset residents. The framework has been developed by the Somerset Strategic Housing Partnership which includes all four district authorities, the county council and the health service i.e. Somerset Clinical Commissioning Group (CCG).

2.3 Local Authorities have a legal duty to improve the health and wellbeing of residents and to reduce the differences in health outcomes between populations they serve. Housing is a key factor that affects people's health. Evidence shows that poor housing conditions cause accidental injury, make existing health conditions worse, make treating health conditions difficult and have a huge social impact upon the ability of individuals to achieve their potential in education or employment.

2.4 The council's HECA report has examined those areas where housing efficiency is poorest, incomes are lowest and health is worst. Whilst the council aims to ensure that advice is available to all residents, these areas have been identified as a priority for advice and financial assistance. The eligibility criteria have been designed to support activity in these areas and ensure the policy dovetails with existing grant and loan programmes.

2.5 Referrals made under ECO flexibility will be subject to the same market conditions as wider ECO energy efficiency work; as such a local authority declaration does not guarantee that the measure will be viable. The final decision will depend upon the survey by the obligated suppliers or their agents/contractors.

### **3) How the LA intends to identify eligible households**

3.1 ECO Flexible eligibility 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 p1). All potentially eligible households will need to apply through the Home Energy Team at the Centre for Sustainable Energy in order to be assessed (0800 082 2234 or <https://www.cse.org.uk/advice/contact-us>).

3.2 The Home Energy Team will check eligibility in their initial conversation with the resident; they will also check that the resident is happy for their data to be stored and shared with a third party. The eligibility information will be recorded on a secure customer record management system (CRM). The Council will issue regular Declarations to its Delivery Partners setting out those households that are eligible. The Delivery Partner will pass this information onto their ECO supplier according to the ECO application process.

3.3 The Council will identify eligible households\* in fuel poverty (FP) as those that:

i) have an income of £30,000 or less AND less than £30,000 in savings of any kind;  
and

ii) score 35 or above in their responses to the following high cost questions:

Does the home use a boiler?	Yes	0
	No	5
Have an unfilled cavity wall	Yes	35
	No	0
Was the home built before 1964?	Yes	25
	No	0
What is the main fuel type?	Gas	0
	Electricity	30
	Other	20

iii) exceptional cases, not meeting the requirements above, will be considered on a case by case basis.

\*Eligibility does not guarantee funding (see paragraph 3.7)

3.4 The Council will also identify eligible households\* on low income and vulnerable to the effects of cold (LIVC), as those that:

i) have an income of £30,000 or less AND less than £30,000 in savings of any kind; and

ii) have one or more members:

- with a limiting long term or terminal illness
- with a disability
- who are 60 years or over
- who are dependent children of 16 or under; or under 20 and in full-time education or approved training

iii) exceptional cases, not meeting the requirements above, will be considered on a case by case basis.

\*Eligibility does not guarantee funding (see paragraph 3.7)

3.5 Where a household does not meet the criteria for fuel poverty 2(a) or low income and vulnerability to cold 2(b), they can be declared as "in-fill" where they are:

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

Table 2 below summarises the minimum percentage thresholds that in-fill schemes must meet.

**Table 2 - Summary of the requirements for property types under in-fill**

Property Type	LA declaration requirements	In-fill available
Project consisting of a pair of semi-detached houses or bungalows, or a building containing no more than two domestic premises	At least one of the two-properties must be declared by the LA as FP or LIVC (ie 50% of the properties are FP or LIVC).	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 two in three properties on the list must be declared by the LA as Fuel Poor or LIVC (ie at least 66% of the properties are FP or LIVC)	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 FP or LIVC

3.6 Park home residents are at risk from fuel poverty for a range of reasons including high heating costs and limited insulation. Park homes located on an authorised residential park home site, without access to mains gas, will be eligible regardless of income or receipt of benefit subject to a cost effectiveness assessment.

3.7 The final decision on whether any individual household can benefit from energy saving improvements under Affordable Warmth will be made by the obligated ECO suppliers or their agents/contractors. Inclusion in a Declaration, issued by the Council to a supplier, will not guarantee installation of measures, as the final decision will depend on: i) survey carried out by suppliers agents/contractors and installation costs calculated; ii) the energy savings that can be achieved for a property; and iii) whether suppliers have achieved their targets or require further measures to meet their ECO targets.

#### **4) Contractor requirements**

4.1 Contractors will need to demonstrate that they have a direct contractual relationship with an energy supplier to deliver the ECO. Furthermore they will need to be PAS 2035 or Trustmark certified.

4.2 Upon approval (see 7.2) contractors will be required to purchase credit for their future declarations. A minimum balance of £100 is required with an opening purchase of £500.

## **5) Acting on behalf of another local authority**

5.1 Not applicable.

## **6) Governance**

6.1 At Mendip District Council, The Private Sector Housing Team sits within Housing Services. The Declaration of households who meet the Council's Flexible Eligibility criteria will be signed off by the Env. Health and Private Sector Housing Team Leader.

## **7) Referrals**

7.1 All potentially eligible households will need to apply for ECO Flex through the Home Energy Team at the Centre for Sustainable Energy. There is an administration fee of £50 for a single measure and £100 for a dual measure per property for all ECO Flex declarations (to be paid by the installer or energy supplier installing the measure) at no cost to the householder.

7.2 If you are an installer or managing agent and you wish to process ECO Flex declarations then you will need to contact the Centre for Sustainable Energy and sign their code of conduct ([installers@cse.org.uk](mailto:installers@cse.org.uk)). They will then process the applications in line with the BEIS guidance including contacting the household to check their eligibility and then preparing the declarations for sign-off. The information will be passed to their ECO supplier according to the ECO application process.

7.3 Householders who believe may be eligible for ECO Flex should contact the Home Energy Team directly (0800 082 2234 or <https://www.cse.org.uk/advice/contact-us>). The Home Energy Team will check eligibility in their initial conversation with the resident; they will also check that the resident is happy for their data to be stored and shared with a third party for the purposes of the scheme. The eligibility information will be recorded on a secure CRM. A referral will then be made to an obligated supplier or installer who's signed the code of conduct.

7.4 Households that are eligible under flexible eligibility may be identified through a number of referral routes and partners. The Home Energy Team provides impartial energy advice to residents of Mendip. Organisations who work with vulnerable low income households will be able to refer households to the service for assessment. The following details the types of organisations and front line staff who actively make referrals in Mendip:

- Housing associations

- Wessex Resolutions CIC
- Third sector organisations i.e. the voluntary and community sector. Including Community Council for Somerset, Age UK
- Somerset Independence Plus (SIP)
- Mendip Citizens Advice
- Red Cross Home from Hospital and handy man services
- Mendip Community Credit Union
- GP practices and frontline health staff
- Local Home Improvement Agency
- Fire Service
- Town Councils
- Village agents

## **8) Evidence, monitoring and reporting**

8.1 The Home Energy Team will use its secure CRM to collate information on households which are eligible for ECO flexibility. The service will provide the Council with a monthly report detailing eligible householders and the reasons for approval. The following summarises the information to be collated to confirm eligibility:

- The EPC if already present for the householder
- A self-declaration form signed by the householder confirming their income

8.2 The self-declaration form will be designed to prevent fraud. The data protection authority form will inform applicants that the Council may carry out further checks with HMRC to confirm their eligibility. Medical prescriptions use a similar system of self-declaration.

8.3 The energy supplier that provides ECO funding is still required to collect all evidence associated with the necessity for a measure e.g. that the cavity wall is appropriate, the boiler is broken etc. The declaration of eligibility is not a substitute for this evidence and the Council would expect this information to be collected and made available to Ofgem on request.

## **9) Signature**



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**Mendip District Council**