

Statement of Intent

The Highland Council

30/09/2020

THC - 2020 - 01 - Version 4¹

Introduction

<u>The Energy Company Obligation Flexible Eligibility</u> (hereafter referred to as ECO Flex) allows local authorities to tackle fuel poverty and householders vulnerable to the effects of living in cold homes by working with energy suppliers to access ECO funding. This programme will be focused across the Highlands in conjunction with the Energy Efficiency Scotland area based programme. Where possible this scheme will aim to blend both ECO and Energy Efficient Scotland funding streams.

The Highland Council is committed to tackling fuel poverty which is prevalent across the Highlands due to the rural geography and lack of gas connection. The 2018 Scottish Housing Conditions Survey (2020) shows Highland fuel poverty levels to be at 32%, which is above the Scottish average of 25%. This commitment to tackling fuel poverty is set out in the Local Housing Strategy and the Highland Outcome Improvement Plan. Additionally The Highland Council has declared a climate and ecological emergency, and the outcomes of ECO Flex and Energy Efficient Scotland will also positively impact on carbon emissions.

Private tenure households are eligible for ECO Flex funding if they are:

- a) Fuel poor households, especially those that are not in receipt of ECO eligible benefits, or any other benefits.
- b) Low income households that are vulnerable to the effects of living in a cold home

¹ Version 1 superseded 09/05/2019

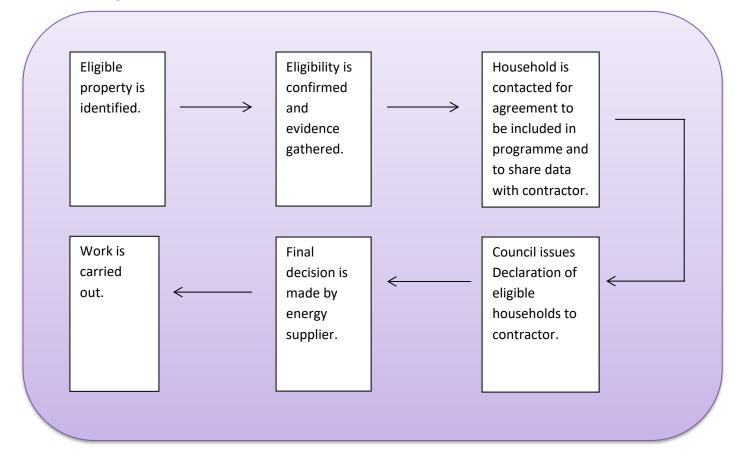
Version 2 superseded 26/06/2020

Version 3 superseded 30/09/2020

The Highland Council, in partnership with Eon, will contact households in this area who may be eligible for funding under ECO Flex. Referrals to this programme will also be taken through households contacting Home Energy Scotland or other referral partners directly.

The Highland Council will work in partnership with Eon and/or their agents/contractors to deliver this programme. As such the final decision on whether a household receives an ECO measure rests with the supplier. **Meeting the above eligibility or being included in a Declaration issued by The Highland Council does not guarantee installation of measures**. Final decision is dependent on i) surveys carried out by Eon's agent/contractors and installation costs calculated; ii) the energy savings that can be achieved for a property; and iii) whether Eon have achieved their targets or require further measures to meet their ECO targets.

Please note that due to COVID-19, procedures relating to this scheme may change to reflect current government advice and to protect vulnerable households. For more information and up to date guidance, please see 'Energy Efficiency Works and COVID-19 Guidance', available alongside this Statement of Intent.



The Highland Council ECO Flex Process

Eligibility

Flexible Eligibility allows The Highland Council to set its own criteria of identifying households that are fuel poor or living on a low income and vulnerable to the effects of living in a cold home. ECO Flex aims to tackle private tenure housing, which includes privately rented and owner occupied

properties. Due to separate landlord requirements to meet minimum energy efficiency standards there are restrictions on private rented properties. Only solid wall and renewables will be eligible for EPC Band F & G. Social housing is not eligible for ECO Flex; however The Highland Council will strive to include social housing (including council and housing association properties) under other funding streams where possible. The following criteria only apply to the ECO Flex programme.

To access declarations of eligibility, householders would first have to meet various income threshold criteria:

Income thresholds to access the scheme are based on net equivalised income thresholds recommended by BEIS and will be taken as incomes after housing costs (incl. council tax payments), childcare costs and tax/national insurance deductions by household composition. These figures have been adjusted upwards by 15% to take account of colder than average climate in The Highland Council area compared to the rest of GB.

Household Composition	After housing costs threshold recommended by BEIS	plus 15% local colder climate adjustment	After housing costs threshold applied for THC ECO Flexible Eligibility scheme.
1 Adult	£ 9,300.00	£1,395.00	£10,695
and 1 child	£ 12,200.00	£1,830.00	£14,030
and 2 child	£ 15,000.00	£2,250.00	£17,250
and 3 child	£ 18,000.00	£2,700.00	£20,700
and 4+ child	£ 21,000.00	£3,150.00	£24,150
2 Adults	£ 15,200.00	£2,280.00	£17,480
and 1 child	£ 18,200.00	£2,730.00	£20,930
and 2 child	£ 21,100.00	£3,165.00	£24,265
and 3 child	£ 24,100.00	£3,615.00	£27,715
and 4+ child	£ 26,800.00	£4,020.00	£30,820

Households in receipt of pension credit guarantee or savings element will also be regarded as meeting the income threshold. Households who have been financially impacted by COVID-19 will be considered for inclusion as 'low-income'.

Note: Other household compositions not listed here but living on low income will still be considered for inclusion.

Criteria for identifying households in fuel poverty

For the purposes of inclusion in ECO Flex, The Highland Council will define fuel poverty as a household, which in order to maintain a healthy indoor environment, would be required to spend more than 10% of its net income after housing costs on household fuel. A household eligible for inclusion under the fuel poverty criteria must have high energy costs and a low income, as defined by thresholds in the table above.

In order to identify households living in fuel poverty indicators of high energy cost will be

used, taken from the Highland Council's HERO Map and HEAT Database. Indicators will be weighted and include: no gas connection, EPC ratings of D-G, the age and type of property. Scoring these indicators will allow The Highland Council to identify properties to be targeted for work. Properties which do not currently have a working central heating system will also be eligible.

Information on household income will be gathered by referral partners (see section '*Referrals*' below).

Criteria for identifying low income and vulnerable to cold

Households on a low income who are also vulnerable to the effects of living in a cold home are also eligible under ECO Flex. Criteria and thresholds for low income households are outlined above.

Householders with health conditions can become vulnerable to the effects of living in a cold home. People with the following health conditions may be particularly vulnerable to the cold, and therefore eligible for support:

- People with cardiovascular conditions
- People with respiratory conditions
- People with mental health conditions
- People who are terminally ill
- People with supressed immune systems
- People with disabilities or long term illness
- People with severe learning difficulties

Other criteria for households vulnerable to cold can include properties where a member is:

- Over the age of 70
- Under the age of 5
- Pregnant
- In acute or long-term debt
- Suffering from addiction or substance abuse
- A recent immigrant, asylum seek or refugee

Additionally, people who have moved in and out of homelessness will be considered for inclusion under this criteria. These households will be identified through referrals from partners (see section '*Referrals'* below). Other households not meeting the above criteria may be considered on a case by case basis at the discretion of The Highland Council.

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

ECO Flex aims to tackle private tenure housing, which the below criteria applies to. Social housing is not eligible as an "in-fill".

In order to encourage multi-property solid wall insulation projects, properties that do not meet the above criteria of being in fuel poverty or low income and vulnerable to cold, may

be included in certain circumstances. These properties will be referred to as "in-fill".

In-fill is only allowed for solid wall insulation (SWI). These properties may be included when they are: in the same terrace; in the immediately adjacent building or; in the same building as households that meet the standard eligibility criteria.

A minimum percentage of households which meet the standard eligibility (fuel poor or low income and vulnerable to cold) must be included in SWI projects before in-fill can be considered, as shown in table 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 Highland 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 50% of properties must be declared by the Council as fuel poor.	The other 50%

Governance

The Highland Council or its referral partners will identify potential households using the above outlined eligibility criteria. These properties will be included in a local authority declaration signed by the Energy & Sustainability Manager at The Highland Council or other delegated Highland Council officer. With permission of the householders, the details of the property will then be passed to Eon and their agents/contractors.

As specific information on eligibility criteria may be sensitive, this does not need to be disclosed for inclusion in the scheme. Instead householders will be asked to sign a self-declaration, stating that they meet the eligibility criteria and to indicate whether their inclusion is due to fuel poverty or LIVC. **However, due to the current situation with COVID-19 households will be asked to disclose to Eon if they are considered vulnerable to coronavirus** (list of high risk categories can be found <u>here</u>).

There may be instances where ECO Flexible eligibility criteria can be used to help lower income and vulnerable households access support through other energy company obligations or schemes and the Council will provide declarations for such schemes, where agreed with the funder and an arrangement is put in place to do this. This could include where schemes covered social tenures and well as private tenures.

Referrals

Referrals for ECO funding will be primarily from Home Energy Scotland and Eon and/or their agents/contractors. For information and inclusion in this programme, please call HES on 0808 808 2282.

All referral information will be handled in accordance with Data Protection Act and retained for purposes of evidence, monitoring and reporting.

Evidence, monitoring and reporting

Data will be collected to aid in the monitoring and evaluation of the programme. Evidence of the household eligibility will be gathered through The Highland Council databases or by referral partners. This will be held by The Highland Council alongside the number of households eligible for ECO Flex and will be stored following data protection and sharing policies.

Follow up questionnaires and feedback forms will be sent to households after the installation to monitor the impact on their ability to heat their home and householder health. Post-install inspections will be required to ensure satisfactory levels of quality of work. In some cases EPCs may be carried out by the supplier and/or their agents or contractors as part of the monitoring of the programme.

Information gathered by The Highland Council and referral partners will be shared with Eon and their agent/contractor only with the permission of the householder and in accordance with data protection and sharing policies. The number and type of measures installed will be recorded by Eon or their agent/contractor.

An annual report will be provided by The Highland Council to the Department of Business, Energy & Industrial Strategy in order to allow monitoring and evaluation of the ECO programme. This report will contain details of the number of installations, information on the methodology for identifying eligible households and evaluation outcomes.

Authorised by:

Malcolm MacLeod

Executive Chief Officer – Infrastructure and Environment

The Highland Council