



**Energy Efficiency Measures
to Address Fuel Poverty
Energy Company Obligation (ECO Flex)
Statement of Intent**

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Introduction

This Statement of Intent is published on the website of Eden District Council ('the Council') to inform both residents and energy companies, of the Council's intention and proposals to tackle high levels of fuel poverty within Eden District ('the District'). This shall be done by creating a local scheme for energy companies to assess and address Eden households' energy related needs. Although a national scheme currently exists, which is funded by the energy companies, (and is known as ECO from 'Energy Company Obligation' with the current funding round being called EC03), this only provides assistance to households in receipt of benefits administered by the Department for Work and Pensions¹, Ministry of Justice and HMRC. In contrast, the introduction of a local scheme for Eden (to be known as ECO Flex) will allow the Council to enable a scheme for Energy Companies to offer energy related assistance to Eden residents, that would not be covered by the national scheme.

The local scheme shall look to assist (1) households with both a low income and high fuel costs or (2) households with a low income and a person suffering from ill health due to having a medically diagnosed chronic health condition, making that person vulnerable to the effects of living in a cold home.

The nature of Fuel Poverty within the District of Eden

The Government has defined households as being in fuel poverty, if the household has a low income and high fuel costs.

The District is characterised by rural geography and an ageing demographic profile. In 2017 the county of Cumbria was estimated to have almost one quarter of its population over the age of 65, compared to just 18% for England as a whole.² During the same year, it was recorded that just under 3,000 residents of the District were in receipt of unemployment benefit, whilst weekly wages within the District were just £417 compared to the national average of £539. Also some two out of every five hourly paid jobs within the District were under the level for national living wage, compared with just 23% across the country.³ Taken together these characteristics make the District is particularly susceptible to the problem of fuel poverty.

In 2016, two out of every three properties within the District did not have access to mains gas. This means that these properties tend to use electric as a source of

¹ Income based Job Seekers Allowance, Income based Employment and Support Allowance, Income based Income Support, Pension Guarantee Credit, Working Tax Credit, Child Tax Credits, Universal Credit, Disability Living Allowance, Personal Independence Payment, Attendance Allowance, Carers Allowance, Severe Disablement Allowance, Industrial Injuries Disablement Benefit, Child Benefit below certain income thresholds, War Pensions Mobility Supplement, Constant Attendance Allowance and Armed Forces Independence Payment

² Cumbria Intelligence Observatory (2017)

³ Joint Strategic Needs Assessment, published by the Cumbria Health and Wellbeing Board (2017)

heating, which typically means increased cost. Over 1000 properties across the District did not have any form of central heating system.

The tendency towards high costs, especially those for hard to heat dwellings, are often combined with problems of low income. In 2015, some two thousand households across the District had an annual income of less than £10,000.⁴ These factors combined are likely to have contributed towards a situation in 2016, whereby 16 out of 30 wards within the District had fuel poverty measured at over 20%.

The Council Response to Fuel Poverty

The Council considered the issue of fuel poverty within the District and to this intent the Executive resolved on 5 March 2019 to work with partners to tackle the problem. The result is the creation of the Affordable Warmth Partnership ('the Partnership'), providing a single point of contact for people (which will operate under the brand of 'Warm Homes Eden' and be run by Cumbria Action for Sustainability), with a view to directing those in fuel poverty to the most appropriate source of assistance. The intention is that the single point of contact operates as a one stop shop, providing advice and assistance not just on the core issues of fuel provision and energy costs, but on associated matters such as income maximisation and benefit entitlement, with a view to securing maximum improvement in health and wellbeing. The streamlined administration that the single point of contact will offer, should enable an increased take up of energy efficiency measures, thereby tackling the problem of fuel poverty. This will be aided by the introduction of the local scheme (ECO Flex), which will enable households that meet eligibility criteria such as having a low income and proven health need to access assistance that would otherwise be denied to them through the national scheme.

The Council is keen to work with partners to tackle the problem of fuel poverty, because doing so in a comprehensive way is likely to bring long term sustainable benefits to the District in terms of tackling the wider determinants of health. Provision of appropriate solutions to fuel poverty should improve the quality of housing stock within the District, as well as helping people at risk of ill health (due to the effect of living in a cold home), so they can and are able to work longer, thereby improving the performance of the local economy over the longer term. Accordingly the reduction of fuel poverty is in accordance with the corporate objectives of the Council to ensure a Decent Home for All and to ensure that there are Thriving Communities.

The Creation of The Affordable Warmth Partnership and the relationship with Energy Delivery Organisations

The Partnership works across sectors with partners in healthcare and the County Council, as well as energy Distribution bodies. The Partnership has developed an Action Plan designed to reduce levels of fuel poverty and increase the provision of energy efficient homes across the District.

Energy Delivery Organisations who will actually install energy efficiency measures under the scheme (once approved by the Council and the energy companies who

⁴ Paycheck Data, CACI (2015)

will provide funding⁵) will be required to enter into a Memorandum of Understanding with the Council imposing obligations to operate under a Code of Conduct (to avoid conduct such as cold calling, door-step enquiries and similar unsolicited approaches to householders and residents) and abide by the terms of an Information Sharing Protocol, in order to ensure that data is securely held and processed according to law.

Energy Efficiency measures: the type of help that may be available

The specific energy efficiency measures available to households who qualify are essentially the same under both the national and local schemes. The purpose of the local scheme is to widen the people who may be eligible for assistance, rather than to alter the measures available.

In both cases, the primary energy efficiency measure available to households is insulation. This is important in terms of reducing carbon emissions, increasing energy efficiency and reducing fuel costs. Insulation measures therefore form the basis of all assistance under the schemes, although this may on occasion be supplemented by other measures. The insulation measures on offer would include:

- Cavity wall insulation
- Loft insulation
- Solid wall insulation - external

Other measures such as replacement of broken heating systems (boiler replacements etc), are classified as secondary measures and may only be available alongside a primary insulation measure.

The local scheme (ECO Flex) shall also provide access to renewable heating systems such as Air or Ground Source Heat Pumps and to a District Heating system, if one is available in the neighbourhood. This would be subject to meeting relevant eligibility criteria and a completion of a satisfactory technical survey by an approved ECO installer recommending the installation of such measures.

Restrictions on assistance to some households under the Local Scheme

There is a restriction on the assistance available for tenants of private rented properties, owing to legal obligations placed on private landlords to meet certain minimum energy efficiency standards. As such the only measures available will be solid wall insulation and renewables and these will only be for those properties rated with an Energy Performance Certificate ('EPC') as Band F or Band G. Private rented properties with an EPC rated at Bands A to E, would however also qualify for low cost insulation measures.

Social housing, is excluded from the Local Scheme. (Occupants of social housing are advised to contact their landlord in the first instance and if necessary seek advice from the Citizens Advice Bureau in the event of difficulties - although general energy advice/guidance may be available from Warm Homes Eden).

⁵ Please note that a financial contribution may be required – depending on personal circumstances.

Direct referrals from a health practitioner

The Partnership is working towards the provision of direct referrals from Health Practitioners. GPs and other medical practitioners will be able to refer patients with health conditions made worse by living in a cold home (for instance Chronic Obstructive Pulmonary Disease) directly to Warm Homes Eden.

Eligibility Criteria under the Local Scheme

The Local Scheme is intended to provide assistance to the following:

- private sector owner occupier households
- certain private rented premises
- certain Energy Performance Certificate (unrated) premises, in line with the
- guidance issued by the Department for Business Energy and Industrial Strategy.⁶

To receive ECO Flex grant assistance under the Local Scheme a household must be experiencing Fuel Poverty by having either one of the following combinations;

- a) households with a low income and high fuel costs, or
- b) households with a low income and a person suffering from ill health due to having a medically diagnosed chronic health condition, making that person vulnerable to the effects of living in a cold home.

The eligibility criteria is more particularly set out in the Schedule attached to this statement.

All applications for energy efficiency assistance support should be directed to Warm Homes Eden on: 01768 593240 warmhomes@cafs.org.uk so that an assessment of needs can take place, and appropriate advice and assistance can be given.

All applications for assistance under the Local Scheme shall be processed by Warm Homes Eden - the single point of contact operated by Cumbria Action for Sustainability and they should be contacted in the first instance for an application pack.

If you are uncertain or have any queries about whether or not you may be eligible for assistance under either the national or local schemes, you should contact Warm Homes Eden in the first instance, as they should be able to provide clarification and answer any questions that you may have.

Administration of the Local Scheme

Following an appropriate reference from Warm Homes Eden (or otherwise) ECO Flex Declarations shall be processed on behalf of the Council by Health and Wellbeing Officer who may be contacted by telephone on 01768 817817 or by email at housing.services@eden.gov.uk. Declarations will be signed and authorised by Assistant Director Community Services on behalf of the Council once they have been processed.

⁶Energy Company Obligation: EC03,2018-2022 Flexible Eligibility Guidance' (Department of Business, Energy and Industrial Strategy) (February 2019).

A copy of this Statement of Intent can be found on the Council website located at <https://www.eden.gov.uk>

The Statement of Intent will be reviewed and republished as necessary.

Information Governance: Evidence, Monitoring and Reporting

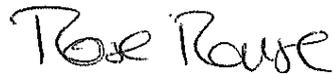
The Council will retain evidence that a household meets the criteria outlined above and shall review anonymised data from the Energy Companies

The data processed shall include details of numbers of households supported and how many received heating and insulation improvements.

The Council shall measure progress of the Local Scheme and this shall form part of the key performance indicators of the Council which are recorded and reported under the Home Energy Conservation Act 1995.

Rose Rouse
Chief Executive

Eden District Council



Schedule to Statement of Intent - Eligibility Criteria under the Local Scheme

To receive ECO Flex grant assistance under the Local Scheme a household must be experiencing Fuel Poverty by having either one of the following combinations;

- a) low income and high fuel costs,
- b) households with a low income and a person suffering from ill health due to having a medically diagnosed chronic health condition, making that person vulnerable to the effects of living in a cold home.

Evidence of a) low income shall be confirmed on Customer Verification Form A and evidence of high fuel costs shall be by way of an EPC with a rating E, F or G, or evidence of living in a hard to heat home).

Evidence of b) low income shall be confirmed on Customer Verification Form A and Health Verification Form B. (These forms are available from the Council upon request).

Eden's median gross annual household income in 2018 was £30,797⁷

Eden District Council have decided to use an gross household income not in excess of £26,000 per annum before tax, for households with no benefits and high fuel costs. And gross household income not in excess of £32,000 per annum for households where someone is also vulnerable to the effects of living in a cold home, reflecting their need for more heating. The Council follows guidance from BEIS in its use of Gross household income, which is income before tax and housing costs (either mortgage payments or rent) have been deducted.

Customers must match one or more of the 3 options below	Qualifying Category Low income and/or high costs	Qualifying Criteria
Option A	Low household income, and high costs	Households who are not in receipt of Benefits must have a Total Gross household income not exceeding £26,000 pa (Employed, Investment, or Pensionable income)

⁷ Paycheck Data (CACI) 2018.

Customers must match one or more of the 3 options below	Qualifying Category Low income and/or high costs	Qualifying Criteria
		<p>AND; either one of the following high costs</p> <ul style="list-style-type: none"> a) An EPC Band E, F or G, or unrated b) Hard to treat – solid walls c) No mains gas central heating (including rural non-gas properties and properties without mains gas central heating)
		<p>Note; All Option A applications must be accompanied by Eden's Verification Form A</p>

Customers must match one or more of the 3 options below	Qualifying Category Low income and/or high costs	Qualifying Criteria
Option B	Low income and vulnerable to the effects of living in a cold home, because of a chronic Health Condition	<p>Households not in receipt of any benefits with a gross Household Income not in excess of £32,000 pa</p> <p>Note: All Option B applications must be accompanied by Verification Form A and an Eden Health Verification Form B</p> <p>*All privately rented households with an energy performance certificate (EPC) rating of F or G, are only permitted to receive Solid Wall Insulation, Renewable Heating or First time Central Heating (FTCH) Measures. For FTCH the property must also meet the relevant pre-conditions outlined in paragraph 4.84-4.109 Ofgem’s delivery guidance.</p> <p>https://www.ofgem.gov.uk/system/files/docs/2020/02/energy_company_obligation_2018-22_eco3_guidance_delivery_v1.4_1.pdf</p>

Customers must match one or more of the 3 options below	Qualifying Category Low income and/or high costs	Qualifying Criteria
		<p>AND a member of the household diagnosed with one of the following Health Conditions / Disabilities</p> <ul style="list-style-type: none"> <input type="checkbox"/> Respiratory disease (COPD, asthma) <input type="checkbox"/> Cardiovascular conditions <input type="checkbox"/> Moderate to severe mental health conditions <input type="checkbox"/> Substance misusers <input type="checkbox"/> Dementia <input type="checkbox"/> Neurobiological and related diseases <input type="checkbox"/> People with suppressed immune systems, eg from Cancer treatment or HIV <input type="checkbox"/> Limited mobility <input type="checkbox"/> Haemoglobinopathies <input type="checkbox"/> Severe learning

Customers must match one or more of the 3 options below	Qualifying Category Low income and/or high costs	Qualifying Criteria
		<p>disabilities</p> <ul style="list-style-type: none"> <input type="checkbox"/> Autoimmune and immunodeficiency diseases <input type="checkbox"/> People with disabilities <input type="checkbox"/> People who are terminally ill <input type="checkbox"/> Over 65 years <input type="checkbox"/> Child under 5, <input type="checkbox"/> or pregnant
Option C	Exception Applications	<p>Eden District Council reserve the right to approve applications where in exceptional circumstances the household total gross income slightly exceeds the total income thresholds in Options A and B or where a resident is in need of assistance, but does not meet the eligibility routes outlined within the Statement of Intent.</p> <p>Each Exception Application must be accompanied by a letter explaining why an Exception is being sought.</p>