

Energy Company Obligation Local Authority Flexible Eligibility

Statement of Intent

Local authorities	Boston Borough Council City of Lincoln Council East Lindsey District Council Lincolnshire County Council North East Lincolnshire Borough Council North Kesteven District Council North Lincolnshire Borough Council South Holland District Council South Kesteven District Council West Lindsey District Council
Date of publication	6 October 2020
Version number	V1.0
Publication on website(s)	
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This Statement of Intent (SOI) is made under Article 17 of The Electricity and Gas (Energy Company Obligation) Order 2018. The purpose of this is to extend eligibility for Energy Company Obligation (ECO) funding from people who are in receipt of qualifying means tested and disability benefits to:

1. People who are fuel poor (FP) – living on a low income and in a home with high heating costs; and
2. People who are living on a low income and are vulnerable to the effects of living in a cold home.

The heating and insulation measures that are eligible for ECO are not affected by this SOI. Final decisions on household eligibility are not made by Lincs 4 Warmer Homes (L4WH) or the local authorities but remain with obligated energy suppliers or their representatives.

1. INTRODUCTION

- 1.1 The Energy Company Obligation (ECO) is an obligation placed upon larger energy companies by the Government to help households reduce their energy bills and associated carbon emissions. Recent changes to ECO have enabled obligated energy companies to achieve up to a quarter of their affordable warmth targets working in conjunction with local authorities through ECO flexible eligibility.
- 1.2 The Greater Lincolnshire Energy Efficiency Network (GLEEN) is a partnership of the seven district and two unitary councils and Lincolnshire County Council under which domestic energy efficiency schemes are delivered across the Greater Lincolnshire area. GLEEN projects aim to maximise government Energy Company Obligation (ECO) and other grant opportunities that are available for energy efficiency and heating measures for residents. Our response has been to create Lincs 4 Warmer Homes (L4WH).
- 1.3 GLEEN will maintain a framework of installers and managing agents who have access to ECO funding from the obligated energy supplier(s). Installers who sign up to the framework will enter in to a concession contract with North East Lincolnshire Council and need to have demonstrated that they meet certain quality criteria and agree to undertake work in prescribed timescales dependent upon the measure being installed and the household circumstances. Greater Lincolnshire authorities shall only promote the use of installers who are signed up to this framework.
- 1.4 GLEEN recognises that a considerable number of people are adversely affected by living in a cold home – both households in fuel poverty and those who are on low-income and are susceptible to living in a cold home. ECO has a set of national eligibility criteria based upon receipt of a qualifying means tested or disability benefit.
- 1.5 This Statement of Intent (SOI) has been developed to enable GLEEN to participate in ECO flexible eligibility. It sets out the criteria participating Greater Lincolnshire authorities will use in making declarations under flexible eligibility and the delivery arrangements in place, in line with the guidance to local authorities issued by the Department for Business, Energy & Industrial strategy (BEIS) in February 2019. Declarations are required by the energy suppliers in order for them to claim the measure(s) as eligible for ECO.
- 1.6 When the local Authority makes a declaration it is not a guarantee that particular measure(s) will be installed. The final decision will rest with the energy suppliers or their managing agents and installers who will take into account a number of factors:
 - Survey carried out by energy suppliers' installers and installation costs calculated
 - The energy savings that can be achieved for a property, and
 - Whether energy suppliers have achieved their targets or require further measures to meet their ECO targets.
- 1.7 The final decision on whether a household is successful in receiving an ECO measure(s) is made by the energy company, their agents or installers. The local authorities are not responsible for making any final decisions on which households receive measures. By utilising the range of installers and managing agents on the L4WH framework GLEEN hopes to maximise the chance that measures can be installed.
- 1.8 Where homes are rented from a private sector landlord the ECO measures the household may qualify for depends on the (EPC) rating:
 - a) Properties with an EPC rating from A to E, where a household is deemed to be living in fuel poverty (FP) or living on a low income and vulnerable to the cold (LIVC), may

qualify for insulation measures, first-time heating installation and heating upgrades in conjunction with an insulation measure other than loft insulation, but not for replacing or repairing broken heating systems.

- b) EPC F or G rated properties or those without a valid EPC, where a household is deemed to be living in FP or living on a LIVC may qualify for solid wall insulation, first-time heating installation and or a renewable heating measure only.

Residents living in private rented homes where the property has an EPC rating of F or G who require measures other than solid wall insulation should contact their local housing authority to discuss taking action under other regulations.

2. ELIGIBLE HOUSEHOLDS

- 2.1 GLEEN intends to identify households that may benefit from the installation of measures under ECO and ECO flexible eligibility, i.e. households living in FP or living on a LIVC.
- 2.2 GLEEN will undertake general promotion and marketing of the L4WH scheme across the Greater Lincolnshire area. Enquiries from householders or others on their behalf shall be directed to L4WH through North East Lincolnshire Borough Council's regeneration partner, ENGIE Ltd.
- 2.3 Participating local authorities may also undertake mailings or use other means to contact households that they believe might be eligible direct. This could be followed up by one of the installers or managing agents on the L4WH framework visiting homes.
- 2.4 Fuel Poverty (FP) - Low Income High Cost (LIHC)
 - 2.4.1 Households in receipt of qualifying income or disability related benefits are deemed to be on low income and eligible for ECO. For those who are not on the right benefits, GLEEN will use the income levels for different household compositions in the Department of Business, Energy and Industrial Strategy (BEIS) guidance¹ below to determine if they are nevertheless in fuel poverty (FP) according to the Low Income High Cost (LIHC) definition and, therefore, eligible for the local authority flexible eligibility element of ECO. Residents may also be separately referred for a benefit entitlement assessment.

Household Composition	Income (2019)
1 Adult	£9,300
1 Adult and 1 Child	£12,200
1 Adult and 2 Children	£15,000
1 Adult and 3 Children	£18,000
1 Adult and 4+ Children	£21,000
2 Adults	£15,200
2 Adults and 1 Child	£18,200
2 Adults and 2 Children	£21,000
2 Adults and 3 Children	£24,100
2 Adults and 4+ Children	£26,800

- 2.4.2 Household income is defined as income from all household members less housing costs. Income is from all sources including net earnings (after tax), income from

¹ Energy Company Obligation: ECO3, 2018-22 Flexible Eligibility Guidance (BEIS, 2019).

savings and investments, pensions, all benefits (including housing benefit). Housing costs are defined as rent or mortgage, including ground rent and any reasonable service charges (e.g. for flats) and council tax payments.

- 2.4.3 Properties for which an Energy Performance Certificate (EPC) exists shall be deemed to high cost if the EPC is rated E, F or G. In the absence of an EPC or of it is rated D, then basic details about the household and the property shall be used to 'score' against the BEIS preferred questionnaire. Based on the information properties scoring 25 or more will be deemed to be high cost.

	Score
At least one household member at home for most of the day	
Yes	1
No	0
Number of bedrooms	
1	0
2	6
3	12
4	21
5+	27
Property type	
Purpose-built flat	0
Converted flat	4
Non-residential building	4
Mid-terrace house	4
End-terrace house	10
Semi-detached house	10
Detached house	20
Year of construction	
Post 2002	0
1991-2002	3
1981-1990	4
1975-1980	7
1965-1964	12
1945-1964	13
1919-1944	18
1850-1918	24
Pre 1850	27
Main heating fuel type	
Gas	0
Electric	20
Other	5
Central heating	
Central heating working	0
Other	11
Electricity bill – method of payment	
Direct Debit	0
Pre-payment	6
Standard credit	7

2.5 Low Income Vulnerable to the Cold (LIVC)

2.5.1 Low income will be determined from the table above. If the home is also a high cost property the household will be eligible for ECO under the LIHC criteria. However, GLEEN recognises that certain individuals living in the household might have a requirement for higher heat levels or longer heating periods. This might be as a result of age, mobility restrictions or having a long term health condition or disability that makes them more susceptible to the cold than others. GLEEN has considered the BEIS ECO flexible eligibility guidance. Therefore, if the assessment tool determines that the home has a low (energy) cost, there might nevertheless be measure(s) eligible under ECO that can still be installed.

2.5.2 Measures will be covered through ECO flexible eligibility if one or more members of the household are in one of the following categories:

- a) people with cardiovascular conditions
- b) people with respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma)
- c) people with mental health conditions
- d) people with disabilities
- e) people who are terminally ill
- f) people with suppressed immune systems (e.g. from cancer treatment or HIV)
- g) people who move in and out of homelessness
- h) people with addictions
- i) people who have attended hospital due to a fall
- j) recent immigrants, asylum seekers and refugees (if living in private tenure)
- k) people aged 70 or above
- l) children aged below 5
- m) pregnant women

2.6 Solid wall "in-fill" projects

2.6.1 To increase economies of scale, solid wall insulation projects that include some households not eligible for ECO will be enabled to go ahead. Households not deemed to be in Fuel Poverty (FP) will be deemed eligible for support where they are co-located with a minimum percentage of households that are deemed to be or are on a low income and vulnerable to the cold (LIVC).

Property type	Local authority 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 (i.e. 50% of the properties are FP or LIVC).	The other private property to which it is directly adjoined is eligible for solid wall insulation. This is known as the in-fill property.
Project consisting of any premises that are contained in the same building (e.g. flats), immediately adjacent buildings (eg neighbouring properties) or in the same terrace.	All properties that are receiving a LA Flex measure must be covered by a declaration. This applies to LIVC, FP and infill properties. Up to 50% of total FP or LIVC combined properties within the project can receive a measure.	The in-fill 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. ACTING ON BEHALF OF ANOTHER LOCAL AUTHORITY

3.2 The following local authorities may delegate to one or both of North East Lincolnshire Borough Council and North Lincolnshire Borough Council to provide declarations for households in their respective administrative area:

- Boston Borough Council
- City of Lincoln Council
- East Lindsey District Council
- North Kesteven District Council
- South Holland District Council
- South Kesteven District Council
- West Lindsey District Council

North East Lincolnshire Borough Council may delegate to North Lincolnshire Borough Council to provide declarations for households in their administrative area

North Lincolnshire Borough Council may delegate to North East Lincolnshire Borough Council to provide declarations for households in their administrative area

Each participating local authority has signed the SOI to this effect.

This does not preclude energy conservation authorities issuing declarations under this SOI themselves. Where an installer has not been approved to work on the L4WH scheme the right to not issue a declaration is reserved.

4. JOINT STATEMENT OF INTENT

4.1 This is a joint Statement of Intent (SOI) developed by GLEEN to have effect across Greater Lincolnshire. The local authorities listed below are signatories and will be using the criteria set out to declare flexible eligibility in their district area:

- Boston Borough Council
- City of Lincoln Council
- East Lindsey District Council
- North East Lincolnshire Borough Council
- North Kesteven District Council
- North Lincolnshire Borough Council
- South Holland District Council
- South Kesteven District Council
- West Lindsey District Council

4.2 Lincolnshire County Council is a signatory supporting the partnership and party to the Partnership Agreement overseeing the L4WH framework and concession contracts; but it is not an energy conservation authority and so would not be providing declarations.

4.3 Individual local authorities may develop and publish separate SOIs for bespoke schemes local to their area.

5. GOVERNANCE

- 5.1 There is central administration of L4WH that provides a single point of contact for residents providing the reassurance and certainty to apply for measures from a trustworthy source. This function is provided by North East Lincolnshire Borough Council's delivery partner, ENGIE Ltd., who will process all applications for L4WH initiatives whether they are using ECO funding or other funding sources secured by GLEEN.
- 5.2 L4WH manages all referrals received, carries out eligibility checks, completes the required ECO paperwork and manages relationships with a range of funders and installers appointed to work on L4WH projects. L4WH will gather evidence collected by installers to demonstrate eligibility for ECO through the SOI and prepare declarations for issue by the relevant local authority. Declarations will be signed by an authorised officer on behalf of the participating local authorities.
- 5.4 All projects are overseen by GLEEN which meets on a quarterly basis and it shall review this SOI as necessary. The L4WH framework is led by North East Lincolnshire Borough Council. It has put in place a Partnership Agreement with Lincolnshire County Council and North Lincolnshire Borough Council to oversee the framework and concession contracts entered in to through the framework, including data ownership and protection arrangements. An operational group made up of a key officer from each of the two unitary authorities and the county council shall work closely to oversee and direct day to day activities.

6. REFERRALS

- 6.1 All potentially eligible households will apply through L4WH. Householders can apply directly by contacting ENGIE Ltd, or can be referred for an assessment.
- 6.2 L4WH advisors will check eligibility and householders will be asked to agree to a verbal statement, to confirm they meet qualification criteria and give permission for their data to be shared as needed with the local authorities and contractors, in line with the General Data Protection Regulations (GDPR).
- 6.3 GLEEN facilitates a referral network of agencies such as charities, health care providers and community groups in order make those who need the support most aware of the funding and how to apply.
- 6.4 Heating and insulation installers can submit households they believe to be eligible under local authority flexible eligibility for an assessment which will be undertaken by ENGIE Ltd. There is a secure referral process to enable this.
- 6.5 Once the declaration has been signed, it will be passed from ENGIE Ltd to the installer undertaking the works.




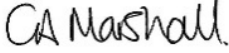
7. EVIDENCE, MONITORING AND REPORTING

- 7.1 Information that is required to confirm eligibility is set out on a L4WH enquiry or referral form. Evidence will be sought, obtained wherever possible by the installer with support from the participating local authority where needed. Each applicant will be required to sign a declaration stating that the information they have supplied is correct.


- 7.2 L4WH will hold paper and electronic copies of all documents relating to each application including any evidence supplied by the applicant. All applications will be recorded on a secure system in line with data protection rules. Each local authority will have access to the data relating to their area. The L4WH operational group will review ten per cent of applications for accuracy and compliance with the qualifying criteria. A high level of non-compliance will trigger a review of the Flexible Eligibility process.
- 7.3 Data will be collected on each potential applicant through the governance processes described above and in line with a privacy notice and an information sharing agreement between all participating local authorities.
- 7.4 GLEEN's approved installers to deliver its L4WH scheme will be required to collate information on behalf of GLEEN for monitoring, evaluation, evidence and reporting on a quarterly basis. An annual report will be submitted to BEIS detailing the success of the programme including:
- Targeted households
 - Number of referrals
 - Referral routes
 - Eligibility criteria
 - Number of successful outcomes
 - Barriers
 - Energy efficiency measures supported

The information detailed in the report will assist BEIS to review the success of flexible eligibility, if it is achieving its objectives of targeting households living in fuel poverty or who are living on a low income and are vulnerable to the effects of living in a cold home.

8. SIGNATURES

	Signature	Name and Title	Date
Boston Borough Council		Michelle Sacks Deputy Chief Executive (Places)	17 August 2020
City of Lincoln Council		Angela Andrews Chief Executive	28 July 2020
East Lindsey District Council		Alison Penn Deputy Chief Executive (People)	6 October 2020
North East Lincolnshire Borough Council		Clive Tritton Interim Director for Economy and Growth	23 September 2020
North Kesteven District Council		Philip Roberts Deputy Chief Executive	29 September 2020
North Lincolnshire Borough Council		Simon Green Deputy Chief Executive and Executive Director of Commercial	14 September 2020
South Holland District Council		Christine Marshall Executive Director Growth and Commercialisation	1 October 2020
South Kesteven District Council		Paul Thomas Strategic Director for Growth	11 August 2020
West Lindsey District Council		Ian Knowles Chief Executive	6 August 2020

Lincolnshire County Council is not an energy conservation authority issuing declarations under this SOI and has signed it in support and in its capacity on the L4WH partnership through the GLEEN Partnership Agreement between itself, North East Lincolnshire Borough Council and North Lincolnshire Borough Council.

Lincolnshire County Council		Glen Garrod Executive Director of Adult Care and Community Wellbeing	14 August 2020
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9. CONTACT DETAILS

Residents that wish to apply or to make general enquiries should contact L4WH:

Telephone: 01472 326434

Write to: L4WH, New Oxford House, 2 George Street, Grimsby, DN31 1HB

Email: l4wh@nelincs.gov.uk

Website: www.l4wh.co.uk

10. DOCUMENT CONTROL

Version	Revision date	Summary of changes
V0.3	1 October 2019	Initial circulated draft.
V0.6	7 November 2019	Use of Fuel Poverty Assessment Tool replaced with household income and home energy efficiency assessment from BEIS guidance.
V0.7	14 February 2020	Delegation to issue declarations extended to North Lincolnshire Council. Clarified that Lincolnshire County Council is a signatory to the SOI supporting the partnership, not to delegate powers as it is not an energy conservation authority.
V0.8	4 June 2020	Specific names of officers signing declarations removed (old Para 5.3 deleted) and Para 3.1 amended accordingly. Minor amendment to Para 7.1 – installers obtaining evidence with support from participating local authority where needed.
V0.9	22 July 2020	Further amendments following comments from North East Lincolnshire Borough Council's Legal team to update changes to ECO regulations and clarify the position on delegation to provide declarations acting on behalf of another local authority.
V1.0	6 October 2020	Final signed version.