

ECO2t - Statement of Intent

Local Authority:	Dumfries & Galloway Council
Managing Agent:	Energy Agency
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1.0 Introduction

1.1 Fuel Poverty can cause vulnerable and low income households to live in cold, unhealthy homes that are expensive to keep warm and push them into debt. Dumfries and Galloway Council welcomes the new local authority Flexible Eligibility powers for Energy Company Obligation (ECO) Affordable Warmth grant funding as a means to help address this issue. These powers will allow Dumfries and Galloway Council to provide affordable warmth assistance to fuel poor and low income households that are vulnerable to the effects of the cold. Further details about Flexible Eligibility are set out in the Government's Energy Company Obligation (ECO): Help to Heat¹consultation response document.

1.2 With the ECO 2 Amendment Order, the ECO scheme has been extended to run until 30 September 2018. Under the ECO scheme extension, energy suppliers will be able to achieve up to 10% of their Affordable Warmth obligation by installing energy saving measures in households declared eligible by Local Authorities. This new mechanism, also known as Flexible Eligibility, allows Local Authorities to make declarations determining that certain households meet the eligibility criteria for a measure under the Affordable Warmth element of ECO.

1.3 In Dumfries & Galloway, 45% of households in the district are estimated to be in fuel poverty. This equates to 31,000 homes (based on figures from National Records for Scotland 2015²): a figure that will only increase as fuel prices rise². Research has shown that the highest rates of income deprived households were found in Annandale and Eskdale. The 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.

1.4 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 geographical access.

Research carried out by the Crichton Institute (2015) published in the Dumfries and Galloway Anti-Poverty Strategy³ identified that fuel poverty is more prevalent within Dumfries and Galloway in the following categories:

- 22.7% of people in our region who are income deprived reside in Annandale and Eskdale.
- 41.9% of those who are unemployment deprived reside in Nithside.
- 21.9% of householders who have no qualifications reside in Wigtonshire.
- 20% of householders who have no central heating reside in Stewartry.

¹ Energy Company Obligation (ECO): Help to Heat
<https://www.gov.uk/government/consultations/energy-company-obligation-eco-help-to-heat>

² National Records for Scotland 2015
<https://www.nrscotland.gov.uk/news/2015>

³Dumfries and Galloway Anti-Poverty Strategy 2015-2020
<http://www.dumgal.gov.uk/CHttpHandler.ashx?id=17822&p=0>

1.5 ECO Flexible eligibility will contribute towards the aims of the Councils Anti-Poverty Strategy 2015-2020 and the councils vision is ‘People will be prevented from falling into poverty; supported to escape from poverty; and able to lead independent, safe, happy and fulfilled lives’. It will aim to:

- Listen to people and families experiencing poverty and make sure their voice is heard.
- Support people experiencing poverty to move from dependence to independence.
- Ensure our information and services are easy to access.
- Provide services that meet the needs of people experiencing poverty.

This Statement of Intent outlines Dumfries and Galloway Council’s approach to maximising ECO funding across the region for fuel poor, vulnerable, low income households.

2.0 Flexible Eligibility

2.1 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).

2.2 Dumfries & Galloway Council will utilise Flexible Eligibility to assist with current and future HEEPS: ABS programmes 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. The insulation systems reduce heat demand, lower carbon emissions and regenerate areas of deprivation. The funding will be targeted at fuel poor households and vulnerable people on low incomes with a particular need to live in a warm home.

2.3 Targeted households within HEEPS: ABS projects will be eligible for Flexible Eligibility. This scheme aims to assist property owners and private tenants to reduce fuel poverty, reduce carbon emissions and attract ECO funding. Dumfries and Galloway will continue to focus on targeting households in Council Tax Bands A-C that are of a suitable property type. The Council targets the funding from the Scottish Government at both rural and urban properties through the rural insulation project and whole street projects. Rural fuel poverty is a particular problem in Dumfries and Galloway due to the nature of energy supply, property type and low wage economy.

2.4 The Energy Agency, a local charity, is employed by Dumfries & Galloway Council to deliver the HEEPS: ABS programme. They will be responsible for promoting the scheme to vulnerable householders in the region and collecting household data on behalf of Dumfries & Galloway Council to determine Flexible Eligibility.

2.5 Households will be targeted by the Energy Agency during the sign up process for solid wall insulation programmes. They will also check that the householder is happy for their data to be shared with Scheme Partners.

3.0 Criteria for identifying fuel poor households

3.1 Fuel poor eligible households will be identified as those that:

- Have an income of £22,000 or less AND less than £28,000 in savings of any kind
- Score **25** or above in their responses to the following high cost questions:

Question	Response	Score
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Does the home use a boiler?	Yes	0
	No	5
Was the home built before 1964?	Yes	20
	No	0
What is the main heating fuel?	Gas	0
	Electricity	10
	Oil	20
	Other	0
Does the home have a prepayment meter?	Yes	5
	No	0

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

3.3 Note: Eligibility does not guarantee funding.

4.0 Criteria for identifying low income and vulnerability to the cold

4.1 The Council will identify eligible households on low income and vulnerable to the effects of the cold as those that:

- I. Have an income of £22,000 or less AND less than £28,000 in savings of any kind
- II. Have one or more members:
 - with a limiting long term or terminal illness
 - with a mental illness
 - with a respiratory condition
 - with a disability
 - who are 60 years or over
 - who are dependent children of 18 years or younger

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

4.3 Note: Eligibility does not guarantee funding.

5.0 Solid Wall in-fill scheme requirements

5.1 The Council intends to support energy efficiency improvement projects for vulnerable households in the area where solid wall is technically feasible, permitted under Planning legislation and can attract funding. 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 the aesthetic benefits of external solid wall and the economies of scale from working in localised areas can be realised.

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

- In the same terrace as
- In an immediately adjacent building to, or
- Are in the same building as the household that does meet the criteria

5.3 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	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

6.0 Declaration

6.1 In order to access Flexible Eligibility funding, Dumfries & Galloway 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.

6.2 The final decision will depend on:

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. There is adequate funding to support ECO funding for the installation of the energy efficiency measures
4. Whether ECO obligated parties have achieved their targets to require further measures to meet their ECO targets

7.0 Governance

7.1 The Energy Agency will be responsible for collecting household data on behalf of Dumfries and Galloway 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.

7.2 The Energy Agency 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:

1. Living in fuel poverty (FP)
2. Living on a low income and vulnerable to the effects of a cold home (LIVC)

7.3 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.

7.4 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.

7.5 The LA Declaration and accompanying survey form will then be presented to Jim O'Neill, Housing Manager to approve.

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

8.0 Statement of Intent authorisation

This Statement of Intent has been authorised by the Chief Executive of Dumfries and Galloway Council.