

Energy Company Obligation: Flexible Eligibility Statement of Intent

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1. Introduction and Policy Context

Under the Energy Company Obligation Regulations 2017-2018 (ECO2t) local authorities can set their own criteria for eligibility for the funding of domestic energy efficiency measures. This funding is aimed at households most likely to be in fuel poverty. Energy companies can spend up to a maximum of 10% of their full obligation under these criteria.

The Leeds City Region is adopting a city region-wide approach to implementing the Flexible Eligibility policy within the 2017/18 Energy Company Obligation regulations, through the Better Homes Yorkshire programme.

Harrogate Borough Council's Statement of Intent fits within this framework.

Focusing ECO funding on the most vulnerable supports the following Council and Leeds City Region Plans and Strategies:

Harrogate Borough Council Corporate Plan 2015-2017

The Corporate Plan aims to work to reduce our impact on the natural environment by reducing carbon emissions and adapting to climate change; and by seeking to ensure the district is a place where people's housing needs are addressed, people are as healthy and active as possible, and services and support are targeted to those who need them the most.

Harrogate Borough Council Housing Strategy 2015-2020

Strategic Aim 4 of our Housing Strategy states that we will improve the condition, energy efficiency and suitability of homes and create attractive, sustainable neighbourhoods.

Home Energy Conservation Action Plan 2017-2019

Our HECA Action Plan sets out how we intend to cost-effectively implement energy efficiency improvements within the district, including making use of available funding such as ECO.

Leeds City Region Strategic Economic Plan 2016-2036

The Leeds City Region SEP sets out a long term ambition to become a resilient zero carbon energy economy underpinned by high quality infrastructure. Priority 3 (Clean Energy and Environmental Resilience) particularly emphasises the ambitions to:

- Deliver improvements that make homes across the Leeds City Region warmer and reduce fuel poverty.
- Develop partnership and funding models with the health sector to deliver collaborative interventions that reduce extreme cold and damp and improve health.

2. Principles of the policy

Leeds City Region councils have agreed a policy approach based on the following principles:

- Eligibility criteria are to be as streamlined and simple as possible
- The policy focuses on attracting ECO funding to support Local Growth Fund schemes
- Early engagement with energy suppliers
- Early engagement with local Members and partners
- Eligibility will be via 2 routes:
 - Geographical areas based on priority communities; and
 - Eligibility for funding due to individual circumstances (based on criteria developed and refined already for the Central Heating Fund programme).

This approach has been taken to maximise the potential for funding. However, meeting the criteria within this Statement of Intent does not guarantee that any individual household will receive energy saving improvements as the final decision on funding rests with energy suppliers and will depend on:

- The survey carried out and installation costs calculated
- The energy savings that can be achieved for a property, and
- Whether suppliers have met their ECO targets or need further measures to meet them.

3. Identifying eligible households

Three categories of household are deemed by the council to be in fuel poverty for the purposes of the flexible ECO scheme:

- Low-income households, with energy inefficient or hard-to-treat home (3.1 below)
- Low-income households in one of the priority wards or areas identified in our Home Energy Conservation Action Plan (3.2. below)
- Low-income households with a resident vulnerable to the adverse effects of cold either through age or ill-health (3.3 below)

3.1 Low Income, High Cost

Households will be considered at risk of fuel poverty if they are determined to be a low-income household, living in a high cost home in relation to energy use.

Households need to meet Stage 1 (Low Income) criteria and one of the Stage 2 (High Cost) criteria in table 1 below, based on the March 2015 government fuel poverty strategy.

Stage	Criteria	Definition
Stage 1	Low Income	Gross household income of <£21,000
Stage 2	a) High Cost	Property EPC rating of E, F or G
	b) High Cost	Property EPC rating of D; and living in a hard to treat home, i.e. the property is primarily constructed with the following: <ul style="list-style-type: none">• Solid walls• Non-standard cavity walls• System built walls• No connection to mains gas• No loft

3.2 Priority areas

Households will be considered at risk of fuel poverty if they are a low-income household, located in one of the priority wards or areas identified in the Home Energy Conservation Action Plan. The priority areas have been named based on analysis of factors including income levels, and typical energy efficiency ratings, alongside localised government statistics on fuel poverty.

Households need to meet Stage 1 (Low Income) criteria and one of the Stage 2 (Location) criteria in table 2 below.

Stage	Criteria	Definition
Stage 1	Low Income	Gross household income of <£21,000
Stage 2	Location	Household is located in: <ul style="list-style-type: none"> • Granby ward • High Harrogate ward • Low Harrogate ward • New Park ward • Ripon Minster ward • Starbeck ward • Saltergate ward • Woodfield ward • Pateley Bridge & Nidderdale area

3.3 Low Income and Vulnerable to Cold

Households will be eligible if they meet Stage 1 (Low Income) criteria and someone in the household meets one of the Stage 2 (High Cost) criteria, in table 3 below. These are based on NICE guideline NG6 on “Excess winter deaths and illness and the health risks associated with cold homes”.

Stage	Criteria	Definition
Stage 1	Low Income	Gross household income of <£21,000
Stage 2	a) High Cost and vulnerable to cold due to illness	Property EPC rating of D; and Has a health condition made worse by cold: Chronic respiratory, cardio vascular, or musculoskeletal illness, or mental health condition.
	b) High Cost and vulnerable to cold due to age	Property EPC rating of D; and Has a vulnerable resident: Over 70 years of age or a child under 16 resident in the household

4. Delivering Flexible ECO

All LCR Flexible Eligibility ECO measures will be delivered by Better Homes Yorkshire.

The Better Homes Yorkshire programme was procured at the end of December 2014, and was launched in March 2015, to respond to the challenge of cold homes and fuel poverty. The West Yorkshire Combined Authority (WYCA) and all 10 Leeds City Region Local Authorities contracted with Keepmoat and Fortem to deliver domestic energy efficiency measures, secure ECO and Green Deal funding (including successor schemes).

5. Governance

Local Authority Declarations will be valid when signed by the Housing Renewal Manager, Head of Housing, or a Harrogate Borough Council Director.

Harrogate Borough Council jointly funds a Home Energy Project Manager with Craven District Council, Selby District Council and City of York Council where the post is hosted. Approaches by energy suppliers (or other organisations with ECO funding available) for Local Authority Declarations will be screened initially by the Home Energy Project Manager before being considered for approval by the council.

6. Referrals

If a Flexible ECO scheme is set up, referrals may be received from front line staff within the council; health and social care sectors; and trusted partner agencies such as AgeUK and Citizens' Advice. Referrals will also be accepted from Better Homes Yorkshire.

7. Evidence, monitoring and reporting

Data will be reported on a project basis as follows:

7.1 Local Growth Fund Energy Efficiency Grant and Loan Scheme

Declarations which form part of Local Growth Fund Energy Efficiency Grant and Loan Scheme (LGF) are subject to monthly and quarterly monitoring to track progress against forecast delivery and progress to achieving outputs. The project level district monitoring reports are completed by the Home Energy Project Manager and sent to the WYCA Tackling Fuel Poverty Programme Manager. A monitoring report for the Programme is completed by the Programme Manager and submitted to the WYCA Growth Deal monitoring team. The Growth Deal monitoring team meet regularly with colleagues at BEIS to discuss progress, risks and issues.

The WYCA Programme Manager also reports regularly to the Better Homes Yorkshire Programme Board which is made up of senior representatives from each participating Council, and is chaired by the City of Bradford Metropolitan District Council.

All LGF recipients provide evidence of their income and energy efficiency/property location which is scanned and retained by the Council

7.2 Schemes with Local Authority Declarations Proposed by Outside Organisations

Where a scheme has been proposed by an organisation outside of the Better Homes Yorkshire partnership, progress will be monitored through the Better Homes Officers Group with reporting to the Better Homes Yorkshire Programme Board. Qualification evidence for such Declared schemes will be required by the Council for audit and anti-fraud purposes.

8. Signature

Paul Campbell
Director of Community

