

Energy Company Obligation (ECO3)
Local Authority Flexible Eligibility Statement of Intent

Local Authority: Test Valley Borough Council
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(Housing)

1. Introduction

Fuel poverty can cause low income and vulnerable households to live in unhealthy, cold homes potentially pushing them further into debt. In 2015, the Government launched the Energy Company Obligation (ECO) as an obligation on energy suppliers to assist households to reduce their carbon emissions and to tackle fuel poverty by installing energy saving measures.

Flexible Eligibility under ECO3 enables energy suppliers to achieve up to 25% of their obligation by installing energy saving measures in households declared eligible by Local Authorities (LA Flex). LAs are able to make declarations determining that certain households meet the eligibility criteria for a measure and can refer households to suppliers for support.

The aim is to work in a straightforward way, with a main focus on two documents from LAs; a Statement of Intent (this document) from an LA that they are going to identify households as eligible, and the criteria they are going to use; and a declaration that the LA has been consulted on the installation of measures in a home.

LA Flex is optional and neither energy suppliers nor LAs are mandated to participate.

There are two main categories of private tenure household that the Government intends to be eligible through LA Flex:-

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

(‘In-fill’ properties for the purposes of solid wall insulation are eligible (please refer to 3 (d) for eligibility criteria)).

2. Test Valley Borough Council and Context

Fuel poverty in Test Valley was recorded at 8.4% in 2014. Although this is lower than the national average, the Council is actively working to improve the energy efficiency of our residents’ homes and reduce fuel poverty further through work on county-wide projects like, Hitting the Cold Spots and through partnership working with organisations like the Environment Centre (tEC).

Hitting the Cold Spots is a Hampshire County Council service designed to alleviate fuel poverty focusing on owner occupiers and private tenants in the region. The service is currently delivered by the Environment Centre (tEC) and households are supported through a Freephone advice line, home visits and events, to access help for reducing energy bills and funding for home energy efficiency works.

It should be noted that the final decision on whether any individual household will benefit from energy saving improvements rests with obligated energy suppliers or their contractors. Inclusion in a Declaration of Eligibility issued by the Council to a supplier will not guarantee installation of measures. The final decision will depend on:

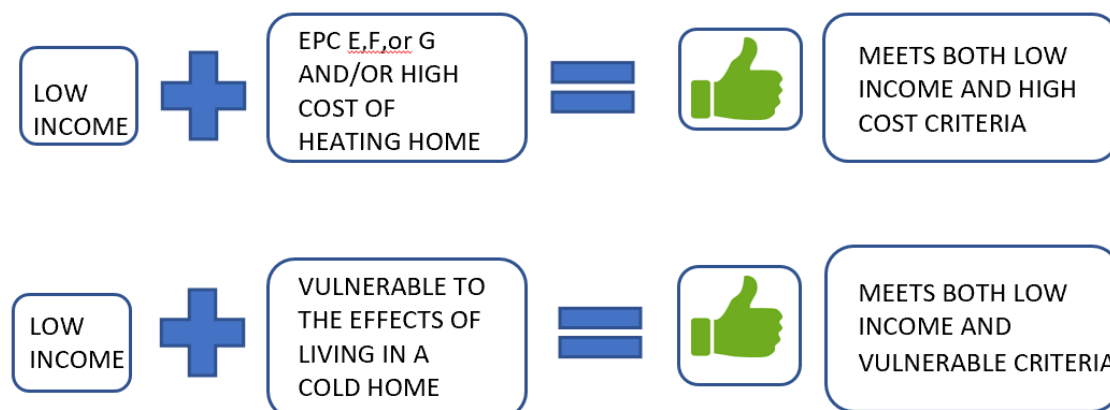
- i) identification of measures eligible under Help to Heat
- ii) the supplier’s assessment of the cost-effectiveness of installing measures in relation to achieving its obligation, and
- iii) whether the supplier has achieved their targets or require further measures to meet their Energy Company Obligation targets.

Test Valley Borough Council (TVBC) welcomes the introduction of LA Flex and intends to utilise it for the purposes of reducing fuel poverty in the borough.

3. How Test Valley Borough Council intends to identify eligible households

TVBC will declare eligible households that may benefit from the installation of measures under LA Flex as either those that are living on a low income **and**:

- living in fuel poverty and/or
- vulnerable to the effects of living in a cold home.



To identify a household as being in fuel poverty, TVBC adopts the following approach and requires that the household must satisfy one of the following criteria:-

- a) Meets the low income threshold and lives in fuel poverty
- b) Meets the low income threshold and the household suffers from vulnerability to cold
- c) Meets the low income threshold and lives in a Park Home
- d) Meets the low income threshold and is on an EPC Band Rating D, E, F or G.

- e) Meets the low income threshold and requires Solid Wall Insulation

For the purposes of low income, a household will have an income below the thresholds in Table 1. Income here is defined as a household's disposable income after they have paid their rent or mortgage.

TABLE 1: After housing costs equivalised income thresholds by household composition (Feb 2017)¹	
Household Composition	Income after payment of rent or mortgage (2019)
1 adult (18 years or over)	£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 or more children	£21,000
2 adults	£15,200
2 adults and 1 child	£18,200
2 adults and 2 children	£21,100
2 adults and 3 children	£24,100
2 adults and 4 or more children	£26,800

The Council will reserve the right to flexibility when determining eligibility around thresholds and criteria set out above, where there is evidence that residents are struggling financially.

a. Criteria for Identifying households in fuel poverty (FP)

To identify a household as being in fuel poverty, TVBC adopts the following approach and requires that the household must satisfy the following criteria:

These are households:

- With an income below the threshold in Table 1 but not ECO Affordable Warmth eligible **AND**
- Living in a property with an EPC band of D, E,F or G **OR**
 - The property is hard to heat
 - The main wall type of the home is uninsulated solid wall or cavity wall
 - The primary heating source for the home is not mains gas network
 - No central heating
 - The property was built before 1964
 - The home is a flat above business premises
 - The household uses a pre-payment meter
 - Through disability, health or other condition the home is occupied for long periods or needs to be heated to abnormally high temperatures. (Note that most residents in this category will also qualify under the LIVC criteria set out below).

¹ BEIS: Energy Company Obligation: ECO3, 2018-22 Flexible Eligibility Guidance February 2017.

Where EPC data is unavailable a household will be asked standardised questions to determine whether the property is likely to be D, E,F or G rated.

b. **Criteria for Identifying low income and vulnerability to cold (LIVC)**

Legislation and guidance states that those households in private housing, combining low income with health, disability, age or other conditions that result in a vulnerability to the effects of living in a cold home should be eligible for FLEXI in this category. The income component of eligibility is set out in Table 1 above. The criteria to be used as indicators of vulnerability to cold reflect the National Institute for Health and Care Excellence (“NICE”) Guidelines NG6 and the NICE Quality Standard on Prevent excess winter deaths and illness associated with cold homes published March 2016².

To identify a household as on a low income and vulnerable to living in a cold home, the Council adopts the following approach and requires that the household must satisfy the following criteria:

These are households:

- With an income below the threshold in Table 1 but not ECO Affordable Warmth eligible **AND**
- Where one or more occupant has one or more of the following vulnerabilities:
 - i. Cardiovascular disease (e.g. ischaemic heart disease, cerebrovascular disease)
 - ii. Respiratory conditions (e.g. Chronic obstructive pulmonary disease and childhood asthma)
 - iii. Mental health conditions
 - iv. Registered or registrable disabilities
 - v. Aged over 65 and older
 - vi. Children aged under 5
 - vii. pregnant women
 - viii. Cancer
 - ix. People with suppressed immune systems (e.g. from cancer treatment or HIV).
 - x. Terminally ill
 - xi. Haemoglobinopathies (sickle cell disease, thalassaemia)
 - xii. Long term disabilities
 - xiii. Autoimmune and immunodeficiency diseases (e.g. lupus, MS, diabetes, HIV)
 - xiv. Addictions (if living in private tenure)
 - xv. Attended hospital due to a fall (if living in private tenure)
 - xvi. Recent immigrants and asylum seekers (if living in private tenure)

² <https://www.nice.org.uk/guidance/qs117/chapter/Quality-statement-2-Identifying-people-vulnerable-to-health-problems-associated-with-a-cold-home>

- xvii. Other illness exacerbated by cold
- xviii. Has acute or long term debt

TVBC reserves the right to flexibility when determining eligibility around the above criteria, this includes exercising discretion where a resident or households may be struggling due to unforeseen circumstances not covered in the above criteria and these exceptional cases will be considered on a case by case basis. For example, living in a cold home can cause or exacerbate mental or physical health problems. A household that cannot afford to heat its home is likely to be under stress, for example if they are forced to live in the only heated room.

c. Park Homes

Park Homes are renowned for being difficult and costly to heat, with their occupants likely to be in fuel poverty. Park home residents have been excluded from many past grant schemes and financial assistance initiatives, such as the Warm Homes Discount (WHD). The government has recently addressed some of these issues and it is now possible for park homes to have Energy Performance Certificates and residents to claim WHD. The Fuel Poverty Strategy for England: 'Cutting the Cost of Keeping Warm' (DECC, 2015) identified park homes as "high-cost homes" and those living in them as "badly affected by fuel poverty". The Government's provision of ECO Flexible-Eligibility is a further opportunity to deliver assistance.

Accordingly, TVBC intends to support projects which improve the energy efficiency of residential park homes and which will benefit the wellbeing of residents living in park homes.

d. Criteria for Solid Wall Insulation (SWI) "in-fill" projects

Where potential works have been identified, households who do not qualify under a. or b. above, may be able to qualify for funding for solid wall insulation under the in-fill category as set out in the Guidance issued by BEIS in February 2019, and subject to the rules and restrictions set out in those, or any subsequent guidance.

The Council intends to support projects where solid wall insulation is feasible, permitted under Planning legislation and can attract funding. The LA Flex criteria allow for households that are not in fuel poverty or vulnerable to be funded in these types of projects.

These households will be eligible if they are in the same terrace, in an immediately adjacent building or are in the same building as an eligible household.

The in-fill eligibility criteria must meet the minimum percentages as follows:-

Property Type	LA Declaration Requirements	In-Fill
<ul style="list-style-type: none"> • Semi-detached or pair or properties. • Building containing no more than 2 domestic properties. 	<p>50% of properties must be in FP or LIVC.</p> <p>(i.e. at least one in two properties)</p>	<p>Adjacent property is eligible for solid wall insulation under in-fill criteria.</p>
<ul style="list-style-type: none"> • Terrace properties • Building containing multiple properties/flats • Building immediately adjacent 	<p>66% of properties must be in FP or LIVC.</p> <p>(i.e. at least two in three properties).</p>	<p>Up to one third of properties can be declared as eligible.</p>

e. Privately Rented properties with an EPC rating of D, E, F or G

The private rented sector is well documented as being the hardest sector to improve in energy efficiency terms. “Amongst EPC F and G rated properties in the sector 45% of households are classified as fuel poor” (The Domestic Private Rented Property Minimum Standard – BEIS, 2019). This is being addressed by the implementation of the Minimum Energy Efficiency Standard, but further help is required. Accordingly, and in line with national targets to raise EPC ratings, the tenant of any privately rented property with an EPC rating of D, E, F or G is eligible for Declarations under this SOI.

4. Acting on Behalf of Another Local Authority

TVBC will not issue declarations on behalf of another local authority.

5. Governance

The Statement of Intent has been signed by TVBC’s Corporate Director, Andrew Ferrier.

Obligated Energy Company Suppliers will identify households who approach them who are eligible for funding through LA Flex and submit evidence to the Council’s Private Sector Housing Team to consider. If evidence provided demonstrates meeting the criteria for LA Flex, the declaration will be signed by the Principal Environmental Health Officer (Housing) or the Housing Development Manager or the Head of Housing & Environmental Health and returned to the Supplier to carry out the work.

Responsible Officer

The Officer below will be responsible for signing Declarations on behalf of the local authority.

Job title: Principal Environmental Health Officer (Housing) / Housing Development Manager / Head of Housing & Environmental Health
Address: Test Valley Borough Council
Beech Hurst
Weyhill Road,
Andover,
Hampshire, SP10 3AJ
Telephone: 01264 368000
Email: phousing@testvalley.gov.uk

6. Referrals

TVBC will identify eligible households through:

- a. Direct referral through on line registration
- b. Marketing activities such as articles in Test Valley News, local newspapers and newsletters; tweets and Facebook feeds by the Council.
- c. Direct contact with households
- d. Canvassing from installers to properties close to where installations are being carried out
- e. Targeted canvassing and marketing from obligated energy supplier
- f. Briefings to Council's frontline staff and internal teams
- g. Briefings to external agencies and local groups i.e. Citizen's Advice Bureau.

7. Evidence, Monitoring and Reporting

In identifying households as eligible under LA Flex, TVBC is seeking to enable residents to benefit from funding and the obligated energy supplier will seek the consent of households to include them in a declaration.

Data will be collected from residents by the obligated energy supplier in order to confirm eligibility and for TVBC to monitor effective targeting of the scheme. This may include proof of identity, evidence of household income and official letters in order to prevent fraud.

TVBC expects any obligated energy supplier, or contractor working on their behalf, to comply with the Data Protection Act and General Data Protection Regulations, to fully follow Ofgem requirements for the Energy Company Obligation Help to Heat, and to act in accordance with industry best practice in relation to consumer care and quality standards of any works that may take place. These are covered in a separate memorandum of understanding between TVBC and the obligated party.(Annex 1).

Households who have received a measure will be recorded for monitoring purposes, and any information stored will be done so securely and confidentially as detailed in the Council's retention schedule. Overall numbers of households who have benefitted will be reported to BEIS as required, currently biennially.

Signature

Andrew Ferrier
Corporate Director
Test Valley Borough Council

ANNEX 1

ANNEX – SAMPLE INFORMATION SHARING AGREEMENT

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BETWEEN

Local Authority (the "*Local Authority*")

&

Energy Supplier ("*Energy Supplier*")

INFORMATION SHARING AGREEMENT

This document requires the following approvals:

Date	Version	Name	Role

PREAMBLE

[The local authority carries out a wide range of statutory functions to safeguard and promote the welfare and wellbeing of local authority residents. Under this agreement Energy Supplier will work with the Local Authority in assisting the wellbeing of residents in the borough...]

CONTENTS

1. *Purpose of the agreement*
2. *Specific purpose for sharing information*
3. *Legal basis for sharing*
4. *Description of arrangements including security matters*
5. *Agreement*

PURPOSE OF THE AGREEMENT

This agreement has been developed to:

- a. *Define the specific purposes for which the parties have agreed to share information,*
- b. *Describe the roles and structures that will support the exchange of information between the parties.*
- c. *Set out the legal gateway through which the information is shared.*
- d. *Describe the security procedures necessary to ensure compliance with responsibilities under the Data Protection Act 1998 (the "DPA") and the specific security requirements of both parties.*
- e. *Describe how this arrangement will be monitored and reviewed.*

SPECIFIC PURPOSE FOR SHARING INFORMATION

Summary

- 1.1 *This agreement deals with the sharing of personal information between the parties following referrals of residents [to]/[by] the Local authority through the ECO Flexible Eligibility Scheme.*
- 1.2 *The success of the ECO Flexible Eligibility Scheme relies on the sharing of information about individual local authority residents who are referred to the ECO Flexible Eligibility Scheme... The parties are data controllers under the DPA and are committed to ensuring that information processed under this agreement complies with the provisions of the DPA.*

1.3 The local authority will provide energy supplier with information including addresses and basic information of local authority residents for the determination of such measures as may potentially be installed pursuant to flexible eligibility at the premises of eligible residents so referred. Energy supplier or its intermediary may then contact those residents to offer relevant services and will confirm to the local authority the outcome...The parties agree to share the information in accordance with the procedure set out in this Agreement.

Objectives

The objectives of the Local Authority's energy efficiency/fuel poor scheme...adopting ECO flexible eligibility...are as follows:

- Offering a single point referral system enabling energy suppliers to provide residents with specified measures under... the Affordable Warmth and Flexible Eligibility schemes...
- Meeting objectives set out in the Local Authority's Statement of Intent and Affordable Warmth Strategy....

The scheme delivers the following benefits:

-

Resident benefits

-

How this information sharing arrangement will further those objectives:

- Due to the nature of the project, a single point referral system, the success of the scheme is down to the single point of contact and the sharing of relevant information that is necessary to deliver effective interventions for local authority residents...
- The data will be shared on a 'need-to-know' basis...
- The data collected and shared enables appropriate services to be identified and enables energy supplier to offer appropriate measures to local authority residents...

Information to be Shared

The following information about local authority residents will be sent by the local authority to the energy supplier...[How]...using [eg,a secure method of electronic transfer]:

[Identify information to be shared. Note if the customer has consented to the information being shared. In addition note confirmatory action and method of confirmation required of the energy supplier/installer]

Does this include personal data under the Data Protection Act 1998?

Yes

[LEGAL BASIS FOR SHARING

1. *The resident [will approve]/[has given their consent to] the use of the data and it [will be]/[has been] made clear the purpose of the referral and the services to be provided.*
- 1.2 *The data shall be used for no other purpose.*
- 1.3 *Personal data shall be obtained only for the specified and lawful purpose, and shall not be further processed in any manner incompatible with that purpose or those purposes...*
- 1.4 *The purpose of the processing of the data is to ...*
2. *Personal data shall be adequate, relevant and not excessive in relation to the purpose or purposes for which they are processed.*
- 2.2 *Only relevant information will be shared.*
- 2.3 *Personal data shall be accurate and, where necessary, kept up to date.*
- 2.4 *The local authority will use its best endeavours to provide energy supplier with accurate data and any inaccuracies should be notified to the energy supplier promptly.*
- 2.5 *Personal data processed for any purpose or purposes shall not be kept for longer than is necessary for that purpose or those purposes.*
- 2.6 *Personal data shall be processed in accordance with the rights of data subjects under this Act.*
- 2.7 *Appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data.*
3. *The local authority reserves the right to withdraw from data sharing on giving energy supplier reasonable notice.*
4. *The parties to this agreement will respond to any notices from the Information Commissioner that impose requirements to cease or change the way in which data is processed and will comply with subject access requests as defined by the DPA 1998.*

DESCRIPTION OF ARRANGEMENTS INCLUDING SECURITY MATTERS.

5. *Information about residents will be delivered via a secure online database.*
6. *All data shared will be recorded and held securely.*
7. *Should a security incident occur it must be notified to ...*

AGREEMENT

The parties signing this agreement accept that the procedures provide a secure framework for the sharing of information between them in a manner compliant with their statutory and professional responsibilities.

We the undersigned agree that we will adopt and adhere to this information sharing agreement:

<i>Agency</i>	<i>Post Held</i>	<i>Name</i>	<i>Signature</i>	<i>Date</i>
<i>Energy Supplier</i>				
<i>Local Authority</i>				