

Herefordshire Council

Flexible Eligibility Statement of Intent

Version 5

Published May 2022

Published on Herefordshire Council website [‘Home Energy’](#) page

1. Introduction

1.1 Herefordshire Council welcomes the local authority Flexible Eligibility element of the Energy Company Obligation and believe that Flexible Eligibility offers greater opportunities for Herefordshire Council and its associated partners to support and assist fuel poor households and those at risk from cold homes.

Fuel Poverty remains a major issue in Herefordshire. According to the latest statistics, 16.7% of households live in Fuel Poverty, equating to around 14,145 homes. Fuel Poverty is prevalent across much of the county, particularly in rural areas such as the Golden Valley, Weobley and Mortimer. The larger city and town areas within the county also have significant numbers of fuel poor households, including Hereford, Leominster and Kington.

1.2 The Flexible Eligibility scheme will contribute towards the following local and regional strategic priorities, targets and legislation:

- Herefordshire Council County Plan (2020-24)
 - Environment - Protect and enhance our environment and keep Herefordshire a great place to live
 - Improve the energy efficiency of homes;
 - Community - Strengthen communities to ensure that everyone lives well and safely together;
 - Reduce the number of households living in fuel poverty.
 - Economy - Support an economy which builds on the County’s strengths and resources
 - Spend public money in the local economy wherever possible.
- Executive Response to the Climate Emergency;
 - Air Quality Strategy for Herefordshire and Worcestershire.

1.3 Flexible Eligibility, the Energy Company Obligation and current activity to support fuel poor households contributes towards the following Herefordshire Health & Wellbeing strategic priorities:

- Priority Three- For older people – quality of life, social isolation, fuel poverty;
- Priority Four- Impact of housing – fuel poverty and poverty and the impact on health and wellbeing

In addition, Herefordshire Council's Corporate Plan 2020-2024 seeks to;

- Strengthen communities to ensure that everyone lives well and safely together;
- Reduce the number of people living in fuel poverty;
- Protect and enhance our environment and keep Herefordshire a great place to live;
- Support an economy which builds on the county's strengths and resources;

1.4 Herefordshire Council continues to operate an energy efficiency and affordable warmth service called Keep Herefordshire Warm (KHW), in partnership with Severn Wye Energy Agency (SWEA).

1.5 Herefordshire Council's ambitions for Flexible Eligibility (FE) are:

- To maximise the uptake of cavity wall and loft insulation measures;
- To maximise the uptake of measures for off-gas properties especially electrically heated, oil and LPG and solid fuelled properties;
- To develop schemes to support off-gas park home residents;
- To develop schemes targeting hard-to-treat and in particular, solid walled properties;
- To develop other schemes as opportunities arise;
- Provide a route for the use of council capital funding contributions where, from time to time, these might be eligible.

2. Household eligibility

2.1 Keep Herefordshire Warm and the council will identify households that may benefit from the installation of measures under "flexible eligibility", i.e. households that are living in fuel poverty or living on a low income and vulnerable to the effects of living in a cold home as follows:

2.1.1 The ECO Flexible eligibility scheme 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 p1).

2.1.2 The council will assess eligibility based upon household income thresholds, house type and likely energy costs and health conditions (particularly those conditions exacerbated by living in a cold home).

Residents who are owner occupiers or private tenants will be eligible for Flexible Eligibility where they meet the following criteria:

- I. Low income, High Costs but not in receipt of benefits
- II. Low income and Vulnerability to Cold
- III. Solid Wall insulation (SWI) 'in-fill'
- IV. Sustainable Warmth

I. LOW INCOME + HIGH COSTS

Households must have an annual income under these thresholds **AND** an EPC rating of E, F, G (or equivalent) to be eligible.

Definition: Low Income thresholds (disposable income after paid rent or mortgage. All income from all sources savings and investments, pensions, all benefits incl. housing benefit).

Household composition		Number of Dependants				
		0	1	2	3	4
One Adult	Annual Net income	£10,000	£12,500	£15,000	£17,500	£20,000
	<i>Monthly equivalent</i>	<i>£833.00</i>	<i>£1,042.00</i>	<i>£1,250.00</i>	<i>£1,458.00</i>	<i>£1,667.00</i>
Two or more Adults	Annual Net income	£16,000	£18,500	£21,000	£23,500	£26,000
	<i>Monthly equivalent</i>	<i>£1,333.00</i>	<i>£1,542.00</i>	<i>£1,750.00</i>	<i>£1,958.00</i>	<i>£2,167.00</i>

AND

An **EPC OF E,F,G** (where there is no EPC rating for the property then use guidance below). Households that reach or exceed a score of **6** points will be deemed to be high cost.

Question	Response	Score
How many bedrooms are there in the home?	1	0
	2	1
	3	2
	4	3
What type of property is it?	Flat	1
	Mid Terrace	2
	Semi-detached/ End Terrace	3
	Detached House	4
	Park home	5
Was the home built before 1964?	Yes	1
	No	0
What is the main wall type	Solid - uninsulated	4
	Solid - insulated	0
	Cavity - not filled	4
	Cavity - filled	0
What is the main heating type?	Gas Central Heating	0
	Gas Room Heaters	2
	Oil/LPG	2
	Electricity	3
	Other	3
Heating system completely broken down?	Yes	6
	No	0

II. EXPANDED LOW INCOME + VULNERABILITY

Households must have an annual income under these thresholds **AND** a 'Vulnerability' (listed below) to be eligible.

Definition: Low Income thresholds (disposable income after paid rent or mortgage. All income from all sources savings and investments, pensions, all benefits incl. housing benefit).

The income threshold figures below are based on additional costs required for heating an inefficient property during the day and living with a health condition.

Household composition		Number of Dependants				
		0	1	2	3	4
One Adult	Annual Net income	£16,000	£18,500	£21,000	£23,500	£26,000
	Monthly equivalent	£1,333.00	£1,542.00	£1,750.00	£1,958.00	£2,167.00
Two or more Adults	Annual Net income	£22,000	£24,500	£27,000	£29,500	£32,000
	Monthly equivalent	£1,833.00	£2,042.00	£2,250.00	£2,458.00	£2,667.00

AND

Vulnerability defined as:	Aged over 65
	Children under 5 and pregnant mothers
	Respiratory disease (COPD, asthma)
	Cardiovascular disease (e.g. ischaemic heart disease, cerebrovascular disease)
	Moderate to severe mental illness (e.g. schizophrenia, bipolar disorder)
	Substance misusers
	Dementia
	Neurobiological and related diseases (e.g. fibromyalgia, ME)
	Cancer
	Limited mobility
	Haemoglobinopathies (sickle cell disease, thalassaemia)
	Severe learning disabilities
Autoimmune and immunodeficiency diseases (e.g. lupus, MS, diabetes, HIV)	

Exceptional cases, not meeting the requirements above, will be considered on a case by case basis.

III. SOLID WALL INSULATION (SWI) “IN-FILL” PROJECTS

To increase the economies of scale of SWI projects, solid wall homes which are not ‘fuel poor’ will be eligible for Flexible ECO funding, where they are co-located with a minimum percentage of households assessed to be fuel poor or LIVC.

Criteria will be:

- Semi-detached houses/bungalows – at least 50% of properties in an SWI project must be FP or LIVC
- Same terrace – at least 66% off properties in an SWI project must be FP or LIVC
- Same building – at least 66% off properties in an SWI project must be FP or LIVC
- Adjacent properties - at least 66% off properties in an SWI project must be FP or LIVC

IV. SUSTAINABLE WARMTH

The primary purpose of the Sustainable Warmth Competition is to raise the energy efficiency rating of low-income and low EPC rated homes (those with D, E, F or G) on the gas grid and off the gas grid. This funding will also support low-income households with the transition to low-carbon heating. We expect the Sustainable Warmth Competition to result in the following outcomes:

- a. Tackle fuel poverty by increasing low-income homes’ energy efficiency rating while reducing their energy bills – a key principle of the Sustainable Warmth: Protecting Vulnerable Households in England Strategy 2021.
- b. Deliver cost effective carbon savings to carbon budgets and progress towards the UK’s target for net zero by 2050.
- c. Support clean growth and ensure homes are thermally comfortable, efficient, and well-adapted to climate change.
- d. Support economic resilience and a green recovery in response to the economic impacts of Covid-19.

The Sustainable Warmth Competition will support energy efficiency measures and low carbon heating for off gas grid homes and on gas grid homes, with an aim of upgrading homes to a target energy efficiency rating of EPC C, or EPC D where this is not possible.

Criteria for this element is in Appendix 1.

3. Governance

- 3.1. The Keep Herefordshire Warm service and relevant council officers will work with partners to identify and assess suitable households for inclusion within FE declarations to suppliers;
- 3.2. Herefordshire Council reports progress towards objectives through the Home Energy Conservation Act (HECA) report to the Department of Business, Energy and Industrial Strategy;
- 3.3. The Statement of Intent will be signed by the Corporate Director, Economy and Environment Directorate at Herefordshire Council that oversees the Keep Herefordshire Warm Scheme.
Name: Ross Cook
Job title: Corporate Director, Economy and Environment
- 3.4. The declaration of households who meet the council's agreed Flexible Eligibility criteria will be signed off in accordance with Herefordshire Council's Economy & Environment Directorate scheme of delegation, principally these will be signed off by the lead officer for reporting against the Home Energy Conservation Act (HECA):

Name: Danny Lenain

Job title: Principal Sustainability and Climate Change Officer

Email: Daniel.Lenain@herefordshire.gov.uk

4. Referrals

- 4.1. Herefordshire Council and associated partners will identify eligible households through the Keep Herefordshire Warm Service. Householders may contact the advice line directly or be referred to the service from referral agencies (as currently).
- 4.2. Referrals will also be accepted from energy companies via Keep Herefordshire Warm and installers where there may be an opportunity for a householder to be Flexible Eligibility qualifying.
- 4.3. Being eligible is not a guarantee that measures will be installed. A final decision on whether any individual household can benefit from a grant for energy saving improvements under this strand of ECO will be made by the obligated energy suppliers or their agents/contractors. Inclusion in a Declaration issued by the Council will not guarantee installation of measures

5. Evidence, monitoring and reporting

- 5.1 Data will be collected on each potential applicant in line with the Privacy Notice published in conjunction with this statement. Qualifying householders will be asked to give consent to be referred and that they agree to the terms and conditions and declare the information they have given regarding their eligibility to be true. This 'statement' is likely to be made over the phone but options to make it in writing or in person will also be available,
- 5.2 A data sharing agreement will allow data to be shared between Herefordshire Council, Marches Energy Agency (Keep Herefordshire Warm) and selected installer partners on a regular basis. A secured, online method for accessing data on past and ongoing referrals will be available to such partners.
- 5.3 Outcomes of Declarations made to installers will be available to the council using the data sharing procedure outlined above.
- 5.4 In order to monitor and audit the process, the council will continue to check 1 in 3 of households to share evidence of their eligibility which will be reviewed with a view to moving to 100% auditing.

A high level of non-compliance in relation to these 'audits' will trigger a review of the Flexible Eligibility process. Those householders selected to provide evidence will be asked to share documentation regarding their income and health. Property type and 'high cost factors' will be assessed by installer partners.

Annex A includes a list of accepted documentation to help selected households to provide the required evidence in relation to their application.

6. Signature



Ross Cook, Corporate Director, Economy and Environment, Herefordshire Council

Annex A

1) **Proof of income and household makeup**

- PAYE employees - copy of a recent* payslip, or P60 if received within last 3 months.
- Self-employed – copy of recent* three line accounts or alternative document confirming net income. Must include the month, money earned, allowable expenses and net profit.
- Self-assessment – most recent tax assessment or set of accounts.
- Parental responsibility for children under 16 - copy of a passport; birth certificate; or Child Benefit award letter from the Child Benefit Office, showing your current address; or recent* bank statement showing payment of Child Benefit.
- Parental responsibility for children aged 16-19 in full time education – copy of acceptance on course of study or student financial support notice.

2) **Proof of receipt of benefits, tax credits and/or pensions**

- Copies of recent* slips or giro details showing amounts currently payable (in last 3 months); or
- Copies of recent* bank statements showing payments received; or
- Copies of recent letters from the DWP, HMRC or pension provider confirming the amounts currently payable.

3) **Proof of Disability/Illness Payments:**

- Copy of current sick certificate or MEDEX certificate or letter from your GP to confirm your condition. We cannot cover the cost of obtaining medical evidence.
- Copy of evidence of disability/illness payments such as recent* bank statements.

*Recent means **within last 3 months** with the exception of annual benefit letters for State Pension/ Works Pension/ Disability Living Allowance and Child Benefits.

Appendix 1 - applies ONLY for Sustainable Warmth

The primary purpose of Sustainable Warmth is to raise the energy efficiency rating of low income and low EPC rated households (those with E, F or G, although a proportion of D rated properties are also in scope).

If a resident qualifies they will also qualify for a flex declaration for ECO for other measures needed at the property not funded by Sustainable Warmth, in line with funding guidance.

Herefordshire Council will use LAD funding to install energy efficiency measures up to the average value of £10,000 fully funded for owner occupied and £5,000 for landlords (social or private) with a required minimum contribution of one third match funding.

Herefordshire Council will use HUG funding to install energy efficiency measures up to the average value of the table below with a required minimum contribution of one third match funding for landlords (social or private).

	F&G	E	D
Electric	£20,000	£15,000	£10,000
	F&G	E	D
Off-Gas Grid Fossil Fuel (oil, LPG, coal)	£25,000	£20,000	£15,000
Park Homes (off the mains gas grid)		£15,000	

	F&G		E		D	
	Landlord	HUG	Landlord	HUG	Landlord	HUG
Electric	£6,667	£13,333	£5,000	£10,000	£3,333	£6,666
Off-gas grid fossil fuel (oil, LPG, coal)	£8,333	£16,666	£6,667	£13,333	£5,000	£10,000

Herefordshire Council wishes to focus resources on the worst performing properties and areas most in need by widening the LAFlex eligibility criteria for Sustainable Warmth to cover:

- *Combined household income of less than £30,000; or*
- *Tenants of social housing; or*
- *Means-tested benefit; or*
- *Lower Layer Super Output Areas (LSOA) within an index of multiple deprivation decile of 1 to 2 and*
 - *levels of fuel poverty above the national average; or*
 - *high level of dependants; or*
 - *identified vulnerability to cold*

Applicants must confirm they have not and will not access any other government funding towards the same measure(s) received. Applicants will be assessed by Keep Herefordshire Warm to confirm they meet the household eligibility criteria and householders will need to give permission that their data can be shared with the Council, agencies working on the project and contractors, in accordance with GDPR regulations.