

This statement sets out Torfaen County Borough Council's flexible eligibility criteria for the ECO: Help to Heat Programme 2018-2022. It aims to support households living in Torfaen who are living in fuel poverty, living on a low income and vulnerable to the effects of a cold home. Funding support is only available for private owner occupiers and private rented tenants.

1. Introduction

Torfaen County Borough Council (TCBC) welcomes the introduction of Flexible Eligibility (FE) and intends to utilise it for the purposes of reducing fuel poverty within the County Borough. The Council has worked for many years to improve homes across Torfaen with the aim of increasing energy efficiency and reducing fuel poverty.

2. What is flexible eligibility?

Local Authorities working with energy suppliers obligated under ECO, have the opportunity to extend eligibility criteria for energy efficiency measures to households not covered by existing schemes for support.

Please note that the final decision on whether a household receives an ECO measure is made by the obligated energy suppliers or their contractors. Qualification in the Statement of Intent or in a Declaration made by TCBC to a supplier will **not** guarantee installation of measures, as the final decision will depend on:

- i) Survey carried out by suppliers or contractors and installation costs calculated;
- ii) The energy savings that can be achieved for a property; and
- iii) Whether suppliers have achieved their targets or require further measures to meet their ECO targets.

In identifying households eligible TCBC is seeking to enable residents to benefit from funding and will seek the consent of households to include them in a Declaration. TCBC expects any obligated energy supplier, or contractor working on their behalf, to comply with the General Data Protection Regulation, 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. This would be covered in a separate memorandum of understanding between the Council and the obligated party.

3. How the LA intends to identify eligible households

TCBC has set parameters in which it identifies households that may benefit from the installation of measures under Flexible Eligibility as either those that are living in fuel poverty (FP) or living on a low income and vulnerable to the effects of living in a cold home (LIVC). Details of how we identify solid wall properties as eligible for installation under the 'infill' category is also outlined.

Subject to availability of resources within the Council and the legal use of data, the Council will target those most in need having regard to BEIS guidance on targeting, including:

- i) Those living in private sector and in receipt of the relevant means-tested benefits and/or on a low income.
- ii) We will cross-reference data on income with data that we hold or can access on Energy Performance Certificates, prepayment meters, expenditure on fuel, housing type/age/condition and heating type.
- iii) Low income households living in energy inefficient housing will be identified in the private rented sector through enforcement activity under the Housing Act 2004.

The criteria used is as follows:

(a) Criteria for identifying households in fuel poverty as:

(a1) 10% income on Fuel Costs

A household is defined as being in fuel poverty if more than 10% of the total household income (less mortgage/rent payments and council tax payments) is spent on fuel costs

Or

(a2) Low Income High Cost

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

1. Meet the low income household threshold; and
2. Determine that the household faces high energy costs.

Identifying low income households:

Referring to the Low Income High Cost indicators in Table 1, using the household makeup in column 1, we identify households with a remaining income (after paying the rent or mortgage, where applicable) as less than the figure in column 3 per month as 'low income'.

Table 1

| Household Composition (1) | Annual household Income (2) (£) | Monthly Household Income equivalent (3) (£) |
|----------------------------------|--|--|
| 1 Adult | 9300.00 | 775.00 |
| and 1 child | 12200.00 | 1016.00 |
| and 2 children | 15000.00 | 1250.00 |
| and 3 children | 18000.00 | 1500.00 |
| and 4+ children | 21000.00 | 1750.00 |
| 2 Adults | 15200.00 | 1267.00 |
| and 1 child | 18200.00 | 1517.00 |
| and 2 children | 21100.00 | 1758.00 |
| and 3 children | 24100.00 | 2008.00 |
| and 4+ children | 26800.00 | 2233.00 |

Using the responses to the following set of questions that can be used to determine a household income threshold level:

Question 1: How many people over the age of 18 normally live in your property, including yourself?

This establishes the number of adults for the purposes of household composition (1)

Question 2: How many people under the age of 18 normally live in your property?

This establishes the number of children for the purposes of household composition (1)

Question 3: After paying the rent or mortgage (if you have one) how much income does your household usually have left each month?

- (a) more than (e.g. The threshold amount from Table 1 given the number of adults and children stated under Questions 1 and 2); or
- (b) Less than (e.g. The threshold amount from Table 1 given the number of adults and children stated under Questions 1 and 2).

This establishes whether the household's income, after housing costs, is above or below the low income threshold. If the answer to Question 3 is (b), they should be considered as low income.

Example: A household has 2 adults, 18 years of age or over and 3 children under 18 years. Using Table 1 as an example, the appropriate threshold is £24,600 annually (or £2,008.00 per month). Their answer to Question 3 reveals that they have less than £1930.00 per month after they have paid their rent or mortgage (if they have one). In this example they can, therefore, be considered as low income.

Identifying High Cost Households:

Due to the nature of the fuel poverty definition used gathering information that relates to the energy costs in a given property and combining it with information on that household's income is more effective in targeting the fuel poor than using income information alone.

We have considered multiple approaches that reflect reasons such as data availability and appreciation of certain property types and as such having setting on the two following approaches as holding both the accuracy and simplicity to enable us to confidently determine High Cost Households.

Those are:

1. In standard properties, use Energy Performance Certificate (EPC) bands E, F or G in order to determine a household is very likely to have high energy costs; and
2. Score equal to, or more than, 50 using the table below.

Table 2

| Question | Response | Score |
|---|----------------------------|--------------|
| How many bedrooms are there in the home? | 1 | 0 |
| | 2 | 10 |
| | 3 | 35 |
| | 4 | 55 |
| | 5 | 70 |
| | 6 or more | 80 |
| Are energy payments made by Direct Debit? | Yes | 0 |
| | No | 15 |
| What is the tenure? | Private rented | 15 |
| | Owner occupied | 10 |
| | Registered Social Landlord | 0 |
| | Local Authority | 0 |
| Does the home use a boiler? | Yes | 0 |
| | No | 5 |
| Was the home built before 1964? | Yes | 25 |
| | No | 0 |
| What is the main fuel type? | Mains Gas | 0 |
| | Electricity | 30 |
| | Other | 15 |
| Park/Mobile Home | Yes | 50 |
| | No | 0 |

(b) Criteria for identifying low income and vulnerability to cold

To identify a household as low income and vulnerable, TCBC adopt the following approach and require that the household must satisfy the following:

1. Meet the low income household threshold (see example A above); and
2. Determine that the householders are vulnerable to the effects of living in a cold home.

Vulnerable to the effects of living in a cold home

The NICE guideline 'Excess winter deaths and illness and the health risks associated with cold homes' states that: a wide range of people are vulnerable to the cold. This is either because of a medical condition, such as heart disease; a disability that, for instance, stops people moving around to keep warm, or makes them more likely to develop chest infections; or personal circumstances, such as being unable to afford to keep warm enough.

Torfaen County Borough Council will target households containing people with the following characteristics, which reflects the national institute for health and care excellence (NICE) 2015 guidance on excess winter deaths and illness caused by cold homes.

1. Aged over 60 and particularly those over 75
2. Children under 5 and pregnant mothers (proof of age necessary)
3. Respiratory disease (COPD, asthma)
4. Cardiovascular disease (eg. Ishaemic heart disease, cerebrovascular disease)
5. Moderate to severe mental illness (e.g. Schizophrenia, bipolar disorder)
6. Substance misusers
7. Dementia
8. Neurobiological and related diseases (e.g. Fibromyalgia, ME)
9. Cancer
10. Limited mobility
11. Haemoglobinopathies (sickle cell disease, thalassaemia)
12. Severe learning disabilities
13. Autoimmune and immunodeficiency diseases (e.g. Lupus, MS, diabetes, HIV)

A signed declaration by a doctor or health practitioner is required to confirm any health related issues listed above (4-13).

(c) Requirements for solid wall insulation in-fill projects

For some solid wall insulation projects, certain properties may be classed as eligible based on the in-fill classification, Torfaen County Borough Council recognised the criteria as follows:

| Property Type | 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. |
| Project consisting of any premises that are contained in the same building (e.g. flats), immediately adjacent buildings (e.g. neighbouring properties) or in the same terrace. | At least two in three properties on the list must be declared by the LA as FP or LIVC (i.e. at least 66% of the properties are FP or LIVC). | The other (i.e. up to on third) of private 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. |

(d) Households identified as living in areas of severe fuel poverty via the Welsh Government's arbed programme

Arbed am Byth have been appointed by the Welsh Government to deliver the Arbed, an area based programme that sets out to alleviate and where possible eradicate fuel poverty across Wales. The aim of the programme is to provide a suit of measures, based on a whole house assessment, to improve the energy efficiency of properties in areas of severe fuel poverty.

In order to establish whether an area is in severe fuel poverty Arbed am Byth along with their lead subcontractor, the carbon trust, model against the following criteria and make an assessment.

(Note – not an exhaustive list and not all indicators need to be present for all schemes to demonstrate fuel poverty):

- a. Hard to heat (EFG EPC ratings)
- b. Hard to heat (archetype)
- c. Gas connection status
- d. Exposure Zone
- e. Poor health (census)
- f. WIMD (income, employment, health, education and housing domains)
- g. Benefits (Council Tax, Housing Benefit, JSA, ESA and Incapacity Benefits, Lone Parents, Carers, Disabled, other income related benefits, other out of work benefits)
- h. Free school meals (% of children eligible/receiving free school meals in local school(s))
- i. Need for local support groups (e.g. Flying start, food banks, fuel banks etc.)
- j. HHSRS Category 1 hazards for excess cold (e.g. High number of reports into the local authority for the archetype(s) in the proposed scheme).

If this assessment provides evidence of severe fuel poverty Arbed am Byth then develop a highly detailed scheme proposal that indicates which measures need to be installed in order to lift the client out of fuel poverty. The Welsh Government oversee this process from an audit perspective to ensure they are comfortable with the investment being requested.

4. Qualifying measures

The energy efficiency measures that can be installed in eligible properties include new central heating systems, heating upgrades and insulation.

5. Contractors

Energy suppliers and/or their contractors involved with flexible eligibility surveys and identified works, will be expected to comply with the Data Protection Act. They will need to undertake work in accordance with Ofgem requirements and act in accordance with industry best practice in relation to consumer care and quality standards.

6. Cost associated with Torfaen Declaration

The administration charge levied by TCBC in providing the declaration necessary for clients to access the ECO Flexible Eligibility scheme is £150.00. This charge must be paid by the energy supplier or their agent on completion of works and may **NOT** under any circumstances be passed on to the client receiving assistance via the scheme.

7. Acting on behalf of another local authority

TCBC is not acting on behalf of another local authority.

8. Joint Statement of Intent

TCBC is not working in association with another local authority.

9. Governance

The following Private Sector Housing Officers will be responsible for signing declarations on behalf of the local authority:

Service Head of Environmental Health, Pollution and Housing Team Leader
Specialist Environmental Health Officer

10. Referrals

From time to time referrals may come from various sources that are not currently defined.

11. Evidence, monitoring and reporting

The number of households that are contacted and eligible for ECO Flexible Eligibility together with the number of ECO Flexible Eligibility funded measures installed and the number of homes improved will be recorded by TCBC.

SIGNATURE:



DATE: 20 August 2019

Signed by: Rachel Jowitt, Chief Officer
Neighbourhood Services, Planning & Public Protection