Energy Company Obligation: Energy Company Obligation (ECO)

Local Authority Flexible Eligibility Statement of Intent

Local Authority: Leicester City Council  
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Version: 4.3  

This statement sets out Leicester City Council’s flexible eligibility criteria for the ECO: Flexible eligibility program until end of March 2022. It aims to identify households living in fuel poverty in support of the Council’s fuel poverty and affordable warmth ambitions.

1. Introduction

Leicester City Council is committed to tackling fuel poverty and providing affordable warmth for low income households in private sector housing. Over the past 20 years we have been successful in attracting both national and local sources of funding for improvement of the city’s housing stock; leading to reduced energy consumption, lowering of carbon emissions and reduced household expenditure on energy bills.

The fuel poverty status of a household depends on the interaction between three key aspects: household incomes, household energy efficiency and fuel prices. Unfortunately, over 50% of residential properties within the City were built before 1919 and are of solid wall construction, making them more expensive to upgrade along with being more expensive to run. In the City of Leicester over 15% of households live in fuel poverty. (Information based on the Department for Business, Energy & Industrial Strategy’s Annual Fuel Poverty Statistics Report 2018)

The Energy Company Obligation (ECO) is a government energy efficiency initiative designed to help reduce carbon emissions while tackling fuel poverty. ECO started in 2013 and it will run until the end of March 2022 across the UK. In order to qualify for assistance under the ECO Affordable Warmth program residents must own their home or rent from a private landlord and also be in receipt of benefits or a combination of benefits or live with someone who does.

2. Flexible Eligibility.

ECO includes a Flexible Eligibility element. This element sits alongside the main ECO scheme and is designed to support those who don’t meet the usual eligibility criteria for ECO. Under the scheme it is proposed that up to 25% of ECO funding will be available to support Local Authority designed schemes where residents are defined as eligible through their Statement of Intent. Such schemes may support owner occupiers and those in the private rental sector, who aren’t in receipt of eligible benefits or show that they are vulnerable to the effects of a cold home. Leicester City Council has welcomed the introduction of Flexible Eligibility and intends to utilise it for the purposes of reducing fuel poverty within the City.
There are two main groups targeted by the scheme:
- People living in fuel poverty, in particular not in receipt of eligible benefits
- People living on a low income and vulnerable to the effects of living in a cold home.

3. How Leicester City Council intends to identify eligible households

Subject to the availability of resources and the legal use of data Leicester City Council will target those most in need according to BEIS guidance on targeting.

Leicester City Council will identify households that may benefit from flexible eligibility in a number of ways. This includes:
- Households not in receipt of benefits will be assessed as being in fuel poverty using the low income thresholds in either section 3.1 or 3.2
- Households in receipt of the benefits detailed below:
  - Housing benefit
  - Council tax reduction/support (but not where single occupancy discount is the only reduction)
  - Pension savings credit
- Households with indicators of high energy cost (see section 3.3)

It should be noted that meeting any of the eligibility criteria detailed in the statement of intent does not guarantee funding. The energy supplier will always make the final decision on qualification.

3.1 People living in Fuel Poverty

Those living in private sector housing with a gross annual income of less than: See table below (dependent on family size).

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>Gross Annual Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 adult and no children</td>
<td>£19,000</td>
</tr>
<tr>
<td>1 adult and 1 child</td>
<td>£28,000</td>
</tr>
<tr>
<td>1 adult and 2 children</td>
<td>£34,000</td>
</tr>
<tr>
<td>1 adult and 3 children</td>
<td>£40,000</td>
</tr>
<tr>
<td>1 adult and 4 or more children</td>
<td>£46,000</td>
</tr>
<tr>
<td>2 adult and no children</td>
<td>£25,000</td>
</tr>
<tr>
<td>2 adult and 1 child</td>
<td>£34,000</td>
</tr>
<tr>
<td>2 adult and 2 children</td>
<td>£40,000</td>
</tr>
<tr>
<td>2 adult and 3 children</td>
<td>£55,000</td>
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<td>£43,000</td>
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<tr>
<td>3 plus adult and 2 children</td>
<td>£52,000</td>
</tr>
<tr>
<td>3 plus adult and 3 children</td>
<td>£65,000</td>
</tr>
<tr>
<td>3 plus adult and 4 or more children</td>
<td>£70,000</td>
</tr>
</tbody>
</table>
3.2 People living on a low income and vulnerable to the effects of living in a cold home

3.2.1 Leicester City 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 associated with cold homes.
- Respiratory disease (COPD, asthma)
- Cardiovascular disease (e.g. ischemic heart disease, cerebrovascular disease)
- Moderate to severe mental illness (e.g. schizophrenia, bipolar disorder, depression)
- Dementia
- Neurobiological and related diseases (e.g. fibromyalgia, ME)
- Cancer
- Limited mobility
- Haemoglobinopathies (sickle cell disease, thalassemia)
- Muscular Skeletal problems (e.g. arthritis, osteoporosis)
- Autoimmune and immunodeficiency diseases (e.g. lupus, MS, diabetes, HIV)

3.2.2 Additionally the following groups can also be considered vulnerable:
- Aged over 60, and particularly those over 75
- Pregnant women
- Children under 5
- Substance misusers

Due to the increased vulnerability of those who either live with poor health or fall into one of the vulnerable groups listed above, a separate household income threshold will apply. If living in private sector housing, and falling into either category 3.2.1 or 3.2.2 they will be considered in fuel poverty if their household gross annual income is less than: See table below (dependent on family size):

<table>
<thead>
<tr>
<th>Household Composition</th>
<th>Gross Annual Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 adult and no children</td>
<td>£21,000</td>
</tr>
<tr>
<td>1 adult and 1 child</td>
<td>£31,000</td>
</tr>
<tr>
<td>1 adult and 2 children</td>
<td>£37,000</td>
</tr>
<tr>
<td>1 adult and 3 children</td>
<td>£44,000</td>
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<tr>
<td>1 adult and 4 or more children</td>
<td>£50,000</td>
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<tr>
<td>2 adult and no children</td>
<td>£28,000</td>
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<tr>
<td>2 adult and 1 child</td>
<td>£37,000</td>
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<tr>
<td>2 adult and 2 children</td>
<td>£44,000</td>
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<tr>
<td>2 adult and 3 children</td>
<td>£60,000</td>
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<tr>
<td>2 adult and 4 or more children</td>
<td>£66,000</td>
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<tr>
<td>3 plus adult and no children</td>
<td>£33,000</td>
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<td>3 plus adult and 1 child</td>
<td>£47,000</td>
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<tr>
<td>3 plus adult and 2 children</td>
<td>£57,000</td>
</tr>
<tr>
<td>3 plus adult and 3 children</td>
<td>£71,000</td>
</tr>
<tr>
<td>3 plus adult and 4 or more children</td>
<td>£77,000</td>
</tr>
</tbody>
</table>
3.3 Indicators of high heating costs

The criteria for determining high heating costs will be as follows:

- A house with a EPC rating of either E, F or G (if no EPC present the household will need to qualify via one of the other criteria listed)
- Homes where the primary heating source is not natural gas
- Large homes of 4 or more bedrooms
- The property is of solid wall construction

4. Solid wall insulation “in-fill” projects

Where potential works have been identified households will be supported to take advantage of “in-fill” projects where the minimum number of vulnerable households is met.

Leicester City Council intends to support households across the City of Leicester where solid wall insulation for hard to treat homes may be technically feasible and would be permitted subject to Planning Permission being granted and would be eligible for funding support. The Flexible Eligibility powers also allow for homes, in these types of projects, that are not in fuel poverty or vulnerable to be funded. Non-fuel poor households eligible for solid wall insulation in-fill must be:

- In the same terrace
- In an immediately adjacent building
- Or in the same building as a household that does meet the criteria

5. Governance

The officers below will be responsible for signing Declarations on behalf of the local authority:

Name: Michael Richardson  
Job title: Team Leader (Energy & Environment)  
Telephone: 0116 2543781  
Email: Michael.richardson@leicester.gov.uk

Name: Darsheet Chauhan  
Job title: Team Leader (Energy & Environment)  
Telephone: 0116 2543781  
Email: Darsheet.chauhan@leicester.gov.uk

The Flexible Eligibility statement and supporting criteria has been reported to Cllr Adam Clarke (Assistant Mayor - Energy and Sustainability).

6. Referrals

Referrals for consideration under ECO Flexible Eligibility can be received by Leicester City Council via the web page link [https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/energy-efficiency/help-to-heat/](https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/energy-efficiency/help-to-heat/) or Telephone enquiry to 0116 4543780, or e-mail to energy.enquiries@leicester.gov.uk
The public can self-refer but referrals will also be encouraged from our partner referral network organisations which includes but is not limited to health and social care workers, charitable organisations, other council schemes/projects or external ECO partners/providers.

7. Evidence, monitoring and reporting

Anonymised data on the characteristics of households reached through Flexible Eligibility will be reviewed. This data will include details of households assessed, how many were deemed eligible and ineligible, and how many received heating and insulation improvements.

Monitoring of ECO Flexible Eligibility processes will be carried out to ensure the referral process works as we anticipate and can be reviewed and amended as required to deliver the expected level of customer service.

8. Privacy notice

All information supplied to Leicester City Council will be transferred and held securely in line with Council data protection policies and procedures.

The Council are joint controllers of the information that will be collected. Further information about how the Council manages personal information can be found within our privacy policy, [https://www.leicester.gov.uk/you...](https://www.leicester.gov.uk/your-council/how-we-work/our-website/privacy/)

9. Signature

Andy Keeling
Chief Operating Officer, Leicester City Council

Date: 11.09.2019