

Report to Portfolio Holder for Public Protection

Subject: Statement of Intent re Energy Company Obligation: Flexible Eligibility (first time central heating: Warm Homes Hub)

Date: 18 December 2020

Author: Food Health and Housing Manager

Wards Affected All Wards

Purpose

To seek approval to publish 2nd Statement of Intent (SOI) that will outline where the Council will target Energy Company Obligation (ECO) Local Authority Flexible Eligibility (first time central heating: Warm Homes Hub) funding to dwellings in deprived and/or rural areas of the district that do not currently have a central heating system fitted.

Key Decision

This is not a key decision.

Recommendation(s)

THAT THE PUBLIC PROTECTION PORTFOLIO HOLDER:

- 1) Approves the SOI to enable targeted households in the borough to access the Energy Company Obligation (ECO) Local Authority Flexible Eligibility (first time central heating: Warm Homes Hub) funding for works to their homes.
- 2) Delegate's responsibility to the Director responsible for Public Protection to undertake the necessary administration to enable qualifying households to access the scheme.

1 Background

- 1.1 The Energy Company Obligation (ECO) is an obligation on energy suppliers aimed at helping households cut their energy bills and reduce

carbon emissions by installing energy saving measures. Since the ECO scheme launched in January 2013, over 2.3 million energy efficiency measures have been installed in at least 1.8 million homes.

- 1.2 The government recently consulted on the operation of the scheme and has now extended it to operate through to March 2022. This extended scheme (ECO3) will focus entirely on low income and vulnerable households, helping to meet the Government's fuel poverty commitments. Local authorities will also have an expanded role, through Local Authority Flexible Eligibility, encouraging the use of their expertise to identify the most vulnerable households in their areas.
- 1.3 Under the ECO scheme, National Grid and Community Interest Company, Affordable Warmth Solution (AWS) have established a £150m Warm Homes Fund (WHF) designed to support local authorities, registered social landlords and other organisations working in partnership with them, to address some of the issues affecting fuel poor households. The fund is primarily designed to address these issues by incentivising the installation of affordable heating solutions in fuel poor households who do not use mains gas as their primary heating fuel.
- 1.4 Nottingham City Council and Nottinghamshire County Council have been awarded funding to deliver a Warm Homes Fund scheme across the county. E.ON Energy Solutions Ltd are the delivery partner for the scheme and will be installing energy efficiency measures into homes and providing specialist advice to residents. For their involvement in the scheme, E.ON Energy Solutions Ltd are providing Nottingham City Council and Nottinghamshire County Council with ECO funding.
- 1.5 The Warm Homes Hub has been established to co-ordinate this scheme, funded by the WHF with additional funding from the charities Age UK and Nottingham Energy Partnership and E.ON Energy Solutions. The Hub is a 2 year partnership project involving Nottinghamshire County Council, Nottingham City Council, the charities Age UK Notts and Nottingham Energy Partnership (NEP) and E.ON Energy Solutions.
- 1.6 The support offered by the Hub includes:
 - 1st time central heating (including gas connections)
 - Grants for heating upgrades and emergency heating repairs
 - Advice and assistance with benefit checks and applications
 - Help with home insulation
 - Applying for discounts off energy bills (electricity and water)
 - Help to make homes safe and secure
 - Help and advice to find the best tariff for energy bills
 - Heater loans
 - Help in the event of a power cut

- Support with energy tariff/provider switching
- Home energy visits

1.7 Beneficiaries will be those who live within the Council area and are deemed to be living on a low income with high heating costs; making them vulnerable to the effects of living in a cold home. Support is accessed via direct contact with the Warm Homes Hub, hosted by Nottingham Energy Partnership in partnership with EON, Nottinghamshire County Council and Gedling Borough Council.

1.8 Under the ECO scheme, participating local authorities have to publish a Statement of Intent (SoI) in which they set out the criteria they intend to use to identify households meeting the eligibility criteria for flexible eligibility. The SoI subject to this report is in draft form because it needs to be approved before the publication date and URL weblink can be added to the final version.

2 Proposal

2.1 It is proposed that the Public Protection Portfolio Holder approves the SOI at Appendix A to enable targeted households in the borough to access the Energy Company Obligation: Flexible Eligibility (first time central heating: Warm Homes Hub) funding for works to their homes via the Council.

2.2 It is proposed that a delegation is given to the Director responsible for Public Protection for the necessary administration to be put in place to enable qualifying households to access the scheme.

3 Alternative Options

3.1 The Council does not publish a Statement of Intent, however this would not enable households in the borough to access the scheme which meets a number of council priorities.

4 Financial Implications

4.1 GBC Officers will direct all applicants to NEP who will collate evidence of eligibility and send confirmation to GBC's Energy Efficiency Officer who will sign a declaration to allow NEP to access funding for works provided. The Council will confirm eligibility on a random sample of households on a post-installation basis. It is the responsibility of NEP to retain evidence supporting a notification (i.e. a signed LA declaration and copy of the Statement of Intent) and provide to Ofgem on request. If information is missing or incomplete, Ofgem will approach the NEP to obtain this, not the LA.

4.2 These proposals aim to utilise the existing human resources employed

within the Public Protection Service to improve housing conditions. It is estimated that the equivalent of up to 0.5 day per week will be required to check and sign-off declarations submitted for approval under the scheme, however this will be kept under review.

- 4.3 Promotion of the scheme will be undertaken primarily through the NEP and The Warm Homes Hub; any joint promotional activity will be at nil cost to the authority.

5 Legal Implications

- 5.1 The Council is not entering into any contractual relationship with energy suppliers/their agents or the householders who ultimately benefit from these energies saving improvement measures. The householders will refer themselves to the scheme and provide information directly to NEP.
- 5.2 The council is required to publish a SOI so that suppliers and installers can draw down ECO funding for households in Gedling Borough.

6 Equalities Implications

- 6.1 The measures are means tested with greater funding targeted at low income households. This project is delivered in partnership led by NEP, Nottinghamshire County Council and EON who are publicising the project for households across Nottinghamshire. Areas of the borough have been identified where there is likely to be households who do not have first time gas central heating to be encouraged to participate in this project.
- 6.2 It is not envisaged that protected groups/characteristics of society will be disadvantaged by this project but a key qualifying element is that they must not currently be connected to the gas network or have gas central heating.

7 Carbon Reduction/Environmental Sustainability Implications

- 7.1 This project is really targeted to address fuel poverty, but in improving household energy efficiency may lead to some wider environmental/sustainability benefits.

8 Appendices

- 8.1 Appendix A – Gedling Borough Council Energy Company Obligation Statement of Intent Flexible Eligibility (first time central heating: Warm Homes Hub)

9 Background Papers

- 9.1 Energy Company Obligation 3 : Flexible eligibility – guidance for local authorities
- 9.2 Warm Homes Stake Holder Pack
- 9.3 Report to Portfolio Holder – Energy Company Obligation: Flexible Eligibility Statement of Intent – March 2019
- 9.4 Current published Statement of Intent

10 Reasons for Recommendations

- 10.1
- To improve health and wellbeing
 - To reduce hardship and provide support to the most vulnerable
- 10.2 To ensure effective operation of the scheme.

Statutory Officer approval

Approved by:

Date:

On behalf of the Chief Financial Officer

Approved by:

Date:

On behalf of the Monitoring Officer

