



**REPORT of
DIRECTOR OF CUSTOMERS AND COMMUNITY**

**to
COMMUNITY SERVICES COMMITTEE
29 AUGUST 2017**

ECOFLEX HOME ENERGY SCHEME

1. PURPOSE OF THE REPORT

- 1.1 To provide an overview of the new Ecoflex “Help to Heat” scheme; to seek Member approval of a statement of intent for the Maldon District and the ability to work with a third party delivery partner.

2. RECOMMENDATIONS

- (i) that details of the scheme and the potential benefits to those in fuel poverty in the District are noted;
- (ii) that the proposed statement of intent is agreed;
- (iii) that subject to satisfactory procurement, a third party is engaged as a business partner to deliver the scheme.

3. SUMMARY OF KEY ISSUES

- 3.1 In January 2013, in a raft of measures supporting the Green Deal, the Government introduced the “Energy Companies Obligation” (ECO), with an aim to reduce the UK’s energy consumption, lower energy bills and support people living in fuel poverty. The scheme places an obligation on energy suppliers to fund a quota of home energy efficiency improvements each year.
- 3.2 Following a period of consultation the ECO scheme has been updated with the new ‘Help to Heat’ scheme providing energy efficiency funding for the most vulnerable households. The scheme will be available from April 2017 to 30 September 2018.
- 3.3 In April 2017 new Government guidance was issued, recognising the important role local authorities have in relation to fuel poverty and setting out opportunities for engagement with energy suppliers to help meet their obligations. The Guidance introduces a new flexible approach through which local authorities can refer households to suppliers.
- 3.4 The Help to Heat scheme includes a Flexible Eligibility component which allows local authorities to set their own criteria in targeting fuel poverty in their areas. This

new component would sit alongside the main ECO scheme and is able to support those who have previously fallen outside of the previous stringent criteria.

- 3.5 Local authorities who wish to participate in flexible eligibility are required to publish a Statement of Intent (SoI), defining the criteria they intend to use to identify households that might benefit from the scheme. A draft SoI for the Maldon District is set out in **APPENDIX 1** for Members consideration and approval.
- 3.6 As required by the guidance the proposed Statement of Intent includes:
- The criteria for identifying those properties in private tenure and households in fuel poverty including low income, receipt of benefits, prepayment meters, poor energy performance, inefficient heating types and resultant high energy bills.
 - The criteria for identifying low income households with vulnerability to cold, including those over 75 or with children under 5, those with cardiovascular disease and / or one of the numerous health issues potentially caused or aggravated by cold homes.
 - Details of scheme requirement for Solid Wall Insulation “in-fill” projects and whether it is intended to facilitate solid wall insulation, including households that are not in fuel poverty or vulnerable.
- 3.7 The Council does not have a dedicated resource for promoting and delivering energy efficiency opportunities and has previously worked with accredited Green Deal Provider.

4. CONCLUSION

- 4.1 The new flexible eligibility element of the Energy Company Obligation allows local authorities to tailor funding opportunities for energy efficiency measures to meet the needs of our most vulnerable households. Many of these will not have benefitted from earlier ECO offers due to the inflexibility of the funding rules. The proposed Statement of Intent appended to this report provides a clear mechanism for identifying the most vulnerable residents and making an important contribution to their health and wellbeing. Working with a Green Deal Provider will provide access to a broad funding pool and enable delivery of much needed energy efficiency measures with only minimal input from Council officers.

5. IMPACT ON CORPORATE GOALS

- 5.1 Helping to deliver affordable warmth schemes to those most in need contributes to the corporate goal of “helping communities to be safe, active and healthy” by supporting the high level outcomes of an active population with healthy lifestyles.
- 5.2 Improving housing standards helps protect and shape the District by contributing to “meeting housing needs”.

6. IMPLICATIONS

- (i) **Impact on Customers** – The proposed scheme will deliver more affordable warmth and greater disposable income with accompanying benefits to health and wellbeing.
- (ii) **Impact on Equalities** – Access to the scheme has broadened in this new round of ECO funding and is now available to the most vulnerable residents in the District with some of the coldest homes.
- (iii) **Impact on Risk** – Due to an unknown level of demand there is a risk that the ECO funded scheme may not have sufficient funds to complete the project. The provider will monitor demand and manage customer expectations. This is well documented in the promotional detail and the importance of managing expectations is understood.
- (iv) **Impact on Resources (financial)** – None, the scheme is fully funded with no contribution required from Maldon District Council.
- (v) **Impact on Resources (human)** – None, the installer has agreed to fund any mail out as part of the promotion of the scheme as well as handle all enquiries and contact with the customer. Any calls that do reach the Council can be dealt with using existing resources.
- (vi) **Impact on the Environment** – The scheme provides a positive environmental impact on the environment by reducing energy consumption and reducing CO2 emissions.

Background Papers: None.

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