

Glasgow City Council
ECO Flexible Eligibility Statement of Intent
November 2019
Version 2.0

Published at: www.glasgow.gov.uk/housing

1. Introduction

- i. Glasgow City Council (“the Council”) is committed to tackling fuel poverty in the city and welcomes the introduction of the Local Authority Flexible ECO Affordable Warmth policy to address this issue. Local Authority Flexible ECO will allow the Council to provide funding to the city’s private sector, fuel poor households that do not meet current criteria for other schemes, as well as low income households that are vulnerable to the effects of the cold. The Local Authority Flexible ECO policy will also assist in supporting the Council’s published Local Housing Strategy (2017-2022) which commits to “tackle fuel poverty, energy inefficiency and climate change mitigation” and “promote health and wellbeing”.
- ii. Section 95 of the Housing Scotland Act (2001) defines a household as being fuel poor if it is living in a home which cannot be kept warm at a reasonable cost. The Scottish Government’s Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019, which entered into force on 19 September 2019, sets out Scotland’s definition of fuel poverty, which takes into account residual income once housing costs, required fuel costs and any childcare costs are subtracted from household income. The Council has adopted this definition to identify fuel poor households in the city.
- iii. According to the Scottish Government’s Scottish House Condition Survey (2017), 21% of Glasgow residents are considered to be living in fuel poverty, with 7% in extreme fuel poverty. The main reason for fuel poverty increasing in the city is low income levels and year on year increases to fuel prices.
- iv. Glasgow has many challenging building construction types which are difficult and/or expensive to heat. Glasgow’s housing stock has a large number of tenements. Some 73% of stock is either traditional walk up flat tenement, 4 in a block, multi storey or deck access. In addition there is a range of non-traditional construction types where concrete, steel or timber were used to form the main structure of the property during a time of traditional building material shortage. There is a high proportion of pre-1983 stock requiring some upgrading in terms of thermal efficiency, with proportionately higher numbers of residents in fuel poverty.
- v. Over 76,000 properties in Glasgow were built before 1919 and the largest proportion of these properties is in the private rented sector, accounting for 44% of the overall private rented sector stock. In the owner-occupier sector, there are around 40,000 properties classed as pre-1919, which accounts for 26% of that tenure’s housing stock.

- vi. A further 57,000 (19%) of properties were built between 1919 and 1944. Of the properties built before 1945, over 52% are tenements (93% of which were built before 1919). The majority of low rise properties are mainly located on the outskirts of the city rather than in the city centre itself.
- vii. There are around 60,000 registered properties in the private rented sector in Glasgow (about 20% of all residential properties in the city). This figure has almost doubled in the last decade. City Lets report that the Glasgow letting market continues to grow at a steady rate of 7.2% annually.
- viii. The private rented and owner-occupied tenures are the least likely to have a range of thermal efficiency measures in place and are most prone to being in fuel poverty. The average private rent in the city is £733 at Quarter 3 2016 and the average re-let time has reduced to 26 days, suggesting high demand for this product. Private rents are increasing faster in Glasgow than in Scotland as a whole.
- ix. Fuel poverty in Glasgow is not the consequence of a lack of investment on energy efficiency improvements. Over £100m has been committed by the Council and its partners on installing energy efficiency measures to over 11,800 households (over 5,500 of which were social rented households). The Council has consistently attracted the highest amount of the Scottish Government's Home Energy Efficiency Programme funding (HEEPS) compared to other Scottish local authorities. This is augmented by Energy Company Obligation (ECO) funding from utilities companies.
- x. Glasgow has over 37,000 children living in poverty, which is expected to rise over the next few years to 50,000, due to the impact of welfare reform. It is estimated that in-work poverty has been rising, with 64% of working age adults in poverty living in a household where at least one person works. Analysis by the Council's Financial Inclusion team into the reasons for applications for crisis grants shows that the vast majority are to cover the regular household costs, such as paying bills or buying food and other essentials.
- xi. Income related poverty and the cost of fuel remain the most difficult aspects of fuel poverty to overcome; however living in fuel poverty is also strongly linked to health and wellbeing. The [World Health Organisation](#) ("the WHO") report of 2007 established the link between poor health and cold indoor temperatures in properties. Since then, the [WHO](#) (2018) report reinforced that living in cold conditions can have an adverse effect on the physical and mental health of all age groups. In Glasgow residents are more likely to develop health risks associated with cold homes such as: respiratory diseases e.g. asthma, cardiovascular diseases such as strokes, heart attacks and hypertension, and exacerbated existing medical conditions such as arthritis and rheumatism and higher mortality rates in older people.
- xii. According to the 2011 census, Glasgow's population health falls below the Scottish national average. 22.4% of the population in Glasgow have an illness or disability that limits their day to day lives, compared to 19.2% of Scotland's population as a whole. 37.5% of households in Glasgow have at least one household member with a limiting long term illness, which increases to over 50% in areas of high deprivation.
- xiii. This Statement of Intent outlines the Council's approach to maximising ECO funding across the city for fuel poor, vulnerable and low income households. The final decision on whether any individual household can benefit from energy saving improvements under Flexible ECO will be made by the obligated suppliers or their

agents/contractors. Eligibility does not guarantee funding and the final decision will depend upon i) the survey carried out by suppliers agents/contractors and installation costs calculated; ii) the energy savings that can be achieved for a property; and iii) whether suppliers have achieved their relevant Affordable Warmth targets or require further measures to meet such targets.

2. Targeting households

- i. One criterion for determining project areas for the HEEPS:Area Based Scheme ("HEEPS:ABS"), which the council delivers on behalf of the Scottish Government, is that projects are located within the most deprived areas according to the Scottish Index of Multiple Deprivation (SIMD). This targets households located within the bottom 25% of SIMD, and in most cases the bottom 15% of most deprived areas in Scotland. The Council will continue to focus on targeting households in the lowest SIMD data zones. The SIMD data zone rankings are a key resource used to determine a household's risk of fuel poverty. The Council also justifies the inclusion of specific streets in the HEEPS:ABS programme on grounds of fuel poverty risk in these properties. The Council will utilise Local Authority Flexible ECO to assist with current and future Scottish Government HEEPS:ABS programmes which aim to reduce fuel poverty across the city. Project areas funded under the Scottish Government's Energy Efficient Scotland programme will also be eligible.
- ii. The Council will also work with its Registered Social Landlords to deliver HEEPS:ABS projects ensuring they secure Local Authority Flexible ECO for their projects.

3. Eligible Households

- i. Households that meet the following criteria will be declared eligible under this scheme:
 - a. Fuel Poverty: households with low income and high heating costs.
 - b. Living in Vulnerable Conditions (LIVC): households with low income who, because of health, disability, age or other reason, are vulnerable to the impact of living in a cold home.
 - c. Solid wall insulation in-fill": eligibility criteria to facilitate solid wall insulation schemes including households that are not necessarily in fuel poverty or vulnerable.
- ii. The Flexible ECO will be maximised to complement the Scottish Government funding and assist in the delivery of mixed tenure solid wall insulation programmes in fuel poor areas to improve the energy efficiency of "hard to treat" domestic properties. Properties identified under the Scottish Government's schemes will include both those living in the private rented sector and owner occupiers, which is in line with the Energy Company Obligation flexible eligibility guidance ("the ECO flexible eligibility guidance").

Criteria for declaring households as Fuel Poor

- iii. The ECO flexible eligibility guidance states that those households in private housing, combining low income with high home heating costs, are ones that should be targeted through Flexible ECO for declarations of ECO eligibility through the fuel poverty route. Households will be declared as eligible if they meet at least one criteria within each of the two boxes below:

Low Income

- The household income is equal to or less than £28,000 (including housing costs, which are recognised at 25% of total gross income and include council tax, water and sewerage charges and rent or mortgage payments).
- A member of the household is in receipt of pension credit savings or guarantee element.

High Heating Cost

- The main wall type of the property is uninsulated.
- The roof of the property is uninsulated.
- The property has no central heating, or has electric storage heating which has a responsiveness rating of 0.2 or less, as defined under the standard approved methodology ("SAP") for calculating and comparing the energy and environmental performance of a domestic dwelling.
- The property is occupied for long periods due to the presence of householders who are unemployed.

Criteria for identifying households as LIVC

- iv. The ECO flexibility eligibility guidance provides that those households in private housing, combining low income with health, disability, age or other conditions that result in a vulnerability to the effects of living in a cold home should be eligible for Local Authority Flexible ECO in this category. Households will be declared as eligible if they meet at least one criteria within each of the two boxes below:

Low Income

- The household income is equal to or less than £28,000 (including housing costs, which are recognised at 25% of total gross income and include council tax, water and sewerage charges and rent or mortgage payments).
- A member of the household is in receipt of pension credit savings or guarantee element.

Vulnerable to the Effects of Living in a Cold Home

A member of the household:

- Has been diagnosed with a long-term physical or mental health condition
- Is in receipt of any DWP benefit; HMRC Child benefit; or any Ministry of Defence benefit (including War Pensions Mobility Supplement, Constant Attendance Allowance, Armed Forces Independence Payment)
- Is on the Priority Services Register of a utility company
- Is a recipient of the Core Group Warm Home Discount
- Is a victim of domestic violence
- Has experienced a recent bereavement
- Has experienced moving in and out of homelessness
- Is a recent immigrant or asylum seeker
- Is aged 60 or older
- Is pregnant and/or has dependants under eighteen years of age

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

Solid wall insulation "in-fill"

- v. The Local Authority Flexible ECO allows for homes in areas targeted for energy efficiency improvements, that are not in fuel poverty or vulnerable to the effects of living in a cold home (LIVC), to be funded. This allows for the benefits of external wall insulation and the economies of scale from working in localised areas to be realised in relation to properties in the near vicinity of households declared as being fuel poor or LIVC.

- vi. In order to be eligible for solid wall insulation in-fill, households which do not meet the fuel poor or LIVC criteria must be:
- in the same terrace as a household that does meet the criteria;
 - in an immediately adjacent building to a household that does meet the criteria; or
 - in the same building as a household that does meet the criteria.
- vii. Further “In-fill” eligibility criteria is set out within the ECO flexible eligibility guidance:

Property Type	Local Authority Declaration Requirements	In-fill available
Property 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 Council as fuel poor or vulnerable to the effects of living in a cold home (LIVC) (i.e. 50% of the properties must be fuel poor or LIVC).	The other properties 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.	After October 2018 at least half of the adjacent properties must be declared fuel poor or LIVC.	The other (50% after October 2018) 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 fuel poor or LIVC

- viii. The Council will only work with its appointed contractors, in line with the Council’s procurement guidelines to secure Local Authority Flexible ECO.
- ix. The Council will issue regular declarations to its contractors setting out those eligible households. The contractors will then pass this information to their ECO provider through the ECO application process.
- x. Eligibility and inclusion in the declaration does not guarantee funding. The energy supplier has the final decision.

4. Acting on behalf of another local authority

- i. The Council is not acting on behalf of another Local Authority to issue declarations of authority.

5. Referral Process

- i. The contractor appointed to deliver the HEEPS programme will be responsible for collecting household data on behalf of the Council to determine whether the householder meets the Flexible ECO eligibility criteria. This data will be collected through the completion of a household survey form which will be used to determine eligibility. Referrals for Flexible ECO will only be accepted from the appointed HEEPS contractor.
- ii. All referral information will be handled in accordance with data protection laws and retained for the purposes of evidence, monitoring and reporting as outlined in section 8.

6. Governance

- i. This scheme will be managed by the Council's Affordable Warmth team, which resides under Housing & Regeneration Services, Development & Regeneration Services (DRS). DRS is one of 7 Council departments and is overseen by the Executive Director.
- ii. The Affordable Warmth team regularly reports to the Council's City Administration Committee, chaired by Leader of the Council, Councillor Susan Aitken. The team has informed committee members regarding the Local Authority Flexible ECO Scheme.
- iii. The declaration of households who meet the Council's Flexible ECO eligibility criteria will be signed off by the Council's Chief Executive, Anne-Marie O'Donnell, City Chambers, 82 George Street, Glasgow, G1 1DU.


7. Declaration

- i. Local authority declarations will be completed for households that have been determined eligible for Flexible ECO. This data will be collected through the appointed HEEPS contractor. The declaration clearly states whether the householder meets the Flexible ECO eligibility criteria through living in fuel poverty or living on a low income and vulnerable to the effects of living in a cold home (LIVC).
- ii. For solid wall "in-fill" properties a separate declaration will be completed which will include details of why homes meet the eligibility criteria for "in-fill".
- iii. All relevant information will be handled in accordance with data protection laws and retained for the purposes of evidence, monitoring and reporting as outlined in Section 8.

8. Evidence, monitoring and reporting

- i. The Council will record the number of households eligible for Local Authority Flexible ECO, which will be split into fuel poor homes, those on a low income and vulnerable to the effects of living in cold homes (LIVC) and those meeting solid wall "in-fill" criteria.
- ii. The Council will complete a declaration for each household that they have determined eligible for Flexible ECO. A declaration for in fill properties will be completed which will include details of why the home meets the eligibility criteria for in-fill.
- iii. Data will be recorded by the Council and retained alongside the monitoring of HEEPS:ABS schemes.

Statement of Intent Authorisation:

Signed:	
Name:	Anne-Marie O'Donnell
Position:	Glasgow City Council Chief Executive
Date:	6/11/19

