Pecyn Dogfennau Cyhoeddus

Pwyllgor Craffu Economi, Trigolion, Cymunedau a Llywodraethu

Man Cyfarfod
Trwy Zoom

Dyddiad y Cyfarfod
Dydd Llun, 12 Ebrill 2021

Amser y Cyfarfod



Neuadd Y Sir Llandrindod Powys LD1 5LG

I gael rhagor o wybodaeth cysylltwch â
Wyn Richards, Rheolwr Craffu a
Phennaeth Gwasanaethau
Democrataidd
wyn.richards@powys.gov.uk

10.00 am

Dyddiad Cyhoeddi

Mae croeso i'r rhai sy'n cymryd rhan ddefnyddio'r Gymraeg. Os hoffech chi siarad Cymraeg yn y cyfarfod, gofynnwn i chi roi gwybod i ni erbyn hanner dydd ddau ddiwrnod cyn y cyfarfod

AGENDA

1. YMDDIHEURIADAU

Derbyn ymddiheuriadau am absenoldeb.

2. DATGANIADAU O DDIDDORDEB

Derbyn unrhyw ddatganiadau o ddiddordeb gan Aelodau yn ymwneud ag eitemau i'w hystyried yn y cyfarfod.

3. DATGANIAD CHWIP Y PLEIDIAU

Derbyn datganiadau ynglyn â gwaharddiad chwip plaid a gyflwynwyd i Aelod mewn perthynas â'r cyfarfod yn unol ag Adran 78 (3) Mesur Llywodraeth Leol 2001.

(D.S: atgoffir yr Aelodau, dan Adran 78, na all Aelodau sydd wedi derbyn gwaharddiad chwip plaid bleidleisio ar fater gerbron y Pwyllgor.

4. DIWYGIO'R DATGANIAD O FWRIAD I WELLA CYFLWYNO ECO-3 LA FLEX YM MHOWYS

Craffu adroddiad drafft yr Aelod Portffolio ar faterion Datblygu Economaidd, Cynllunio a Thai ac i wneud argymhellion i'r Cabinet. (Tudalennau 1 - 16)

5. RHAGLEN WAITH CRAFFU

Nodi'r rhaglen ar gyfer cyfarfodydd y dyfodol fel a ganlyn:

03-06-21	10.00 - 12.00	Adroddiad Adolygu HOWPS (Cyfrinachol)		
		Perfformiad Chwarter Q4 + Risg (I'w gadarnhau)		
12-07-21	10.00 - 12.00	Arweinyddiaeth a phrentisiaeth		
		Perfformiad chwarter Q1 + Risg (I'w gadarnhau) Freedom Leisure (I'w gadarnhau) Cyllideb chwarter 1 – arbedion effeithlonrwydd (I'w gadarnhau)		
06-09-21	10.00 - 12.00	Freedom Leisure (I'w gadarnhau)		
18-10-21	14.00 - 16.00	Perfformiad Chwarter Q2 + Risg Cyllideb chwarter 2 budget – arbedion effeithlonrwydd (I'w gadarnhau)		
29-11-21	10.00 - 12.00			

CYNGOR SIR POWYS COUNTY COUNCIL

CABINET EXECUTIVE May 5th, 2021

REPORT AUTHOR: County Councillor Iain McIntosh

Portfolio Holder for Housing, Planning & Economic

Regeneration

REPORT TITLE: Revision of the Statement of Intent to improve delivery of

ECO-3 LA Flex in Powys

REPORT FOR: Decision

1. Purpose

1.1 ECO-3 is the United Kingdom-wide Energy Company Obligation (ECO) programme that started in Autumn 2018 and will run until March 2022. The programme delivers energy efficiency and heating measures to homes in Great Britain.

- 1.2 The ECO-3 programme embraces a range of different schemes, including Home Heating Cost Reduction Obligation (HHCRO)¹ and ECO-3 LA Flex. ECO-3 LA Flex allows a local authority to establish its own eligibility criteria. There is no obligation on a Council to establish an ECO-3 LA Flex scheme. However, doing so expands the range of households who can benefit from help to improve energy efficiency and reduce fuel costs.
- 1.3 Powys has opted to support the availability of the ECO-3 LA Flex scheme in the county as it complements not only HHCRO but also the Welsh Government's Warm Homes initiative, which includes the Arbed am Byth² and Nest³ schemes, together with the Warm Homes Fund⁴. ECO-3 LA Flex compared to other schemes includes within its eligibility some non-means tested benefits not included in other schemes. This allows action to reduce fuel poverty, raise energy efficiency and

¹ The Home Heating Cost Reduction Obligation (HHCRO) scheme, also known as 'Affordable Warmth', provides funding to help eligible people reduce the cost of heating their home through the installation of energy efficient measures. Available across Britain, it is targeted at households with the lowest of incomes.

² Arbed am Byth is the agency been appointed by the Welsh Government to arrange the installation of energy efficiency measures, like central heating or insulation in homes across Wales as part of the Welsh Government Warm Homes scheme.

³ Every household in Wales is eligible for Nest advice and support. Householders who own or privately rent their home, are in receipt of a means-tested benefit or living with specific health conditions and living in the most energy inefficient properties may also be eligible for Nest funded home energy efficiency improvements.

⁴ Warm Homes Fund specifically targets F & G EPC rated homes within the private rented sector, in collaboration with Rent Smart Wales.

- increase environmental sustainability to be enjoyed by more households and communities.
- 1.4 In Powys ECO-3 LA Flex is delivered by Warm Wales, a not-for-profit Community Interest Company specialising in tackling fuel poverty.
- 1.5 Since the scheme's adoption in Powys in September 2020, Warm Wales has processed 37 applications, which generated the delivery of 2 installations of energy efficiency measures. This is far below expectations. Continued delivery at this rate is unlikely to adequately improve the energy efficiency and lower fuel costs of households at risk of fuel poverty.
- 1.6 This report recommends a change in the Powys eligibility criteria, informed by the latest guidance from the Department of Business, Energy and Industrial Strategy (BEIS) and OFGEM, to embrace a wider client group and increase take-up of the scheme.

2. Background

- 2.1 ECO-3 LA Flex is considered a key driver in assisting local authorities in their aim of reducing fuel poverty, whilst simultaneously reducing carbon emissions from domestic housing stock, owned or occupied by those unable to pay for improvements themselves.
- 2.2 Under current BEIS guidance, for a council to partake in ECO-3 a Statement of Intent (SoI) must be published by said council. The SoI sets eligibility criteria for the fuel poor and vulnerable applicants, as well as details for how the scheme will operate and be governed.
- 2.3 The current approach to eligibility adopted by Powys references household incomes included within BEIS guidance to determine homes most at risk of fuel poverty. However, following adoption of the Powys scheme in September 2020, the Government issued updated ECO-3 guidance via OFGEM⁴.
- 2.4 The new guidance increases eligible income levels in line with higher child benefit thresholds. This means income threshold levels for ECO-3 LA Flex in Powys, set out in the current Sol, no longer reflect the latest national guidance. ECO-3 LA Flex in its current form is therefore unattractive to Powys households and unviable for Warm Wales to deliver.
- 2.5 A review by Warm Wales (attached to this report as Appendix A) indicates that the low take-up of the scheme in Powys is the result of restrictive eligibility criteria. The low-income threshold (above which households are considered ineligible for help), is considered too low.

⁵ The revised ECO-3 guidance can be found at: https://www.ofgem.gov.uk/system/files/docs/2020/09/energy_company_obligation_2018-22 eco3 guidance delivery v1.5.pdf

2.6 There is no guaranteed share of ECO-3 LA Flex funding for any one local authority area. Other Welsh councils such as Rhonda Cynon Taff, Neath Port Talbot, Ceredigion, Gwynedd, Pembrokeshire and Anglesey all have more generous eligibility criteria when compared with Powys. This has resulted in an increase in their take-up of ECO-3 LA Flex, making Powys much less attractive for investment by ECO funders and delivery partners. Consequently, Powys households may be losing out on investment.

3. Advice

- 3.1 Following a thorough review by Warm Wales and Housing Services of both BEIS and OFGEM guidance, together with Sols adopted by other Welsh authorities, it is proposed that the Powys Sol be amended to increase the take-up rate of ECO-3 LA Flex. The recommended changes will allow for wider eligibility criteria, expanding from dealing with acute fuel poverty and helping those with lower incomes to embrace strategic targeting of the elderly and vulnerable. This will help bring the rate of applications back in line with the levels initially predicted at the launch of ECO-3 LA Flex in Powys.
- 3.2 The main changes recommended to the Powys Sol are:
 - A means tested income cap of £34,500 for vulnerable applicants will be applied, which will make sure that the scheme targets a wider range of low-income households. The current cap is dependent on household size and does not differentiate by reference to vulnerability.
 - Income thresholds for adults without vulnerabilities are increased from £9,300 (net) to £14,000 (gross)⁵. This will be comparable to other Welsh authorities operating ECO-3 LA Flex and should avoid disadvantaging Powys residents compared to those living in other parts of Wales.
 - Remove vulnerability requirement for occupiers of properties with an 'E' rated Energy Performance Certificate.
- 3.3 A revised Sol, which includes the changes set out above, is attached to this report as Appendix B.
- 3.4 Options Appraisal

3.4.1 Option One: Discontinue the scheme.

 The scheme in its current format is financially unviable for continued delivery by Warm Wales. Discontinuation will remove ECO-3 LA Flex investment in the energy efficiency of homes, detrimentally

⁵ When the ECO-3 LA Flex scheme was launched in Powys, net incomes after taxes, national insurance, utility bills and mortgage costs were used to determine eligibility. Moving to gross incomes, based on gross salary, pension or social security payments, will simplify the process of both applying and administering the scheme. In addition, it will reduce the risk of fraud from people who may exaggerate outgoings to achieve a low net income.

- effecting the well-being and health of low-income and vulnerable households.
- It will also remove the ability for Powys to access both Welsh Government Arbed am Byth and Warm Homes Scheme, severely restricting future strategic investment in energy efficiency projects.
- 3.4.2 Option Two: Approve the revised Sol.
 - Adoption of the recommended changes included in the revised Sol, will increase take-up of ECO-3 LA Flex in Powys, reduce carbon emissions from domestic housing and deliver reduced energy bills for many households as a result of living in more energy efficient homes.

4. Resource Implications

- 4.1 There are no additional resource implications for the authority, as ECO-3 LA Flex is fully funded by the participating energy companies. Warm Wales will continue to deliver the scheme at zero cost to the Council.
- 4.2 The Head of Finance (Section 151 Officer) notes the content of the report and that a change of eligibility criteria should increase the take up of this scheme, with no implications on the authority's budget.

5. Legal implications

- 5.1 The Councils Legal Services team have commented: The recommendation can be supported from a legal point of view.
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows:

6. Data Protection

- 6.1 The declaration of a revised 'Statement of Intent' for the continued delivery of ECO-3 LA Flex in Powys involves the processing of personal data. Delivery will be contracted out to the Community Interest Company, Warm Wales, which will be the data controller. Accordingly, Warm Wales are required to deliver the scheme and comply with data protection legislation, under existing service level agreement with the Council.
- 6.2 Any personal data being processed by Powys County Council as the data controller, in relation to the declaration, will be managed in line with data protection legislation.

7. Comment from local member(s)

7.1 ECO-3 LA Flex is a county wide initiative affecting all local Members.

8. <u>Integrated Impact Assessment</u>

8.1 An impact assessment was undertaken prior to adoption of the original ECO-3 LA Flex proposal. Amendment of the Sol will ensure delivery of the scheme in accordance with the original Impact Assessment.

9. Recommendation

- 9.1 Cabinet is recommended to:
- 9.1.1 Adopt the revised Statement of Intent for the delivery of ECO-3 LA Flex by Warm Wales.

Contact Officer: Julian Preece

Tel: 07795 602642

Email: julian.preece@powys.gov.uk

Head of Service: Nina Davies

Corporate Director: Nigel Brinn

CABINET REPORT NEW TEMPLATE VERSION 2





ECO Flex review and recommendations

Warm Wales are working in partnership with Powys County Council (PCC) to manage ECO3 on behalf of the authority until March 2022.

The delivery of the ECO3 scheme is considered a key driver to assist Local Authorities to reduce fuel poverty and reduce carbon emissions from housing stock owned or occupied by those unable to pay for improvements themselves.

Following guidance from the Department for Business, Energy and Industrial Strategy (BEIS), PCC can offer ECO Flex via a published Statement of Intent (SOI). The SOI sets criteria to direct assistance towards local private sector homes at risk of fuel poverty but falling outside of the normal rules of ECO (usually qualifying benefits). PCC then issue a declaration on behalf of residents stating that they are eligible for funding.

To date, due to a number of factors, enrolment to the scheme has been slow and Warm Wales recommend a review of the SOI to enable more Powys residents take advantage of the available funding for energy efficiency improvements.

Current situation

Warm Wales have identified that the low number of eligible applications so far is in part due to the tight income eligibility thresholds that were selected for the SOI.

Status of all Flex cases as of 14/12/2020					
Lead Status	Reason Case Closed/Notes				
Cancelled/Rejected (30)	Decided not to proceed (1)				
	EPC ineligibility (5)				
	Evidence not returned (7)				
	Living out of area (2)				
	Over Income Threshold (15)				
Complete – measure installed (1)	HHRSH & LI installed				
Other (6)					
Total Flex Applications (37)					

To date, the scheme has seen a total of 37 Eco Flex applications.



15 of those applications have been deemed ineligible due to applicants being over income thresholds, therefore 41 % of cases are being dismissed due to SOI income thresholds. A further 7 cases (19%) did not return the required evidence, which could be due to realising they were not eligible.

Recommendation

 Remove current Household composition table and replace with increased threshold in line with other LA and BEIS guidance

Cornwall Council's approach for eligibility evidenced in their SOI (attached):

Identifying whether a household is on a low income will be based on an annual maximum household income threshold (after housing and energy bills have been deducted) that will be set at £30,000.

Cornwall has been identified as a LA with similar characteristics to PCC in that it is largely rural with large off gas areas.

BEIS give guidance to assessing low-income households in their recent document:

Green Homes Grant: Local Authority Delivery (LAD) Phase 1B Guidance for Local Authorities Oct 2020.

In the guidance, BEIS invite LAs to apply for funding to be used to improve the energy efficiency of homes of low-income households living in their area with low EPC rated homes similar to ECO3.

BEIS define low-income households that are likely to be living in fuel poverty to have a combined household annual income of no more than £30,000 gross, before housing costs and where benefits are counted towards this figure.

Contractor Feedback

Feedback from contractors working on the scheme has also been established which echo Warm Wales' opinion.



"To give you a little more feedback we have been looking at past Flex jobs completed for other LAs. We have installed over 10 times the number of jobs for Flintshire and Denbighshire (approx. 50 jobs) as opposed to Conway (less than 5) as their eligibility threshold is low similar to PCC. Clearly this is going to be an issue in getting the funded work to those who really need assistance".

Chris Wilkes, Energy Advisor, Greenhouse Energy LTD

"It is unlikely the LA Flex criteria will result in many householders qualifying (if any)"

Chris Jenkins, Director, Zing Energy

"I would say that most of these (qualifying based on household composition) would be eligible for working or child tax credit so would be eligible under HHCRO"

Lee Maher, Director, Menai Heating.

"We are finding it incredibly difficult to make the customers fit with the criterial, my view is that this scheme is going to be incredibly difficult to make viable"

Ashley McCutcheon, Director, Evan Thomas & Sons

Warm Wales recommend that PCC align the Powys ECO flex scheme to Cornwall Council's SOI and the recommended guidance from BEIS and increase the income threshold of eligibility for the scheme to £30,000 per annum.

In doing so this will allow more households to benefit from the scheme resulting in the following outcomes for PCC:

- Tackle fuel poverty by increasing low-income homes' energy efficiency rating while reducing their energy bills.
- Deliver cost effective carbon savings to carbon budgets and progress towards the UK's target for net zero by 2050.
- Support clean growth and ensure homes are thermally comfortable, efficient, and well adapted to climate change.



- Support economic resilience and a green recovery in response to the economic impacts of Covid-19 within PCC.
- Use learnings from the delivery experience to inform the development and design of further energy efficiency schemes.



Powys County Council Flexible Eligibility Statement of Intent - Version 3

This statement sets out Powys County Council's flexible eligibility criteria for the ECO3 LA Flex: Help to Heat programme from April 2019 forward. The scheme is supported from the ECO commitment provided by utility companies and the availability of funding is beyond the control of Powys County Council and may be closed at any time. It aims to support households living in Powys who are most likely to experience fuel poverty and those vulnerable to the effects of a cold home.

Introduction - Powys County Council welcomes the introduction of Flexible Eligibility and intends to utilise it for the purposes of reducing fuel poverty and tackling hard to heat homes across the county. ECO 3 LA Flex is not a Powys County Council funded or managed scheme, many aspects of it are outside the council's control or design. Powys County Council will refer clients to Warm Wales, a not-for-profit Community Interest Company specialising in tackling fuel poverty. Warm Wales will assess and if appropriate, refer eligible clients to 3rd parties who may have access to funding under the scheme.

What is flexible eligibility - Local Authorities working with Energy suppliers obligated under ECO, have an opportunity to extend eligibility criteria for energy efficiency measures to households not covered by existing schemes of support.

Identifying households - Funding is only available for owner occupiers and private tenants. Qualification for the scheme is reserved for those **in fuel poverty or at risk from the cold** as identified in Part 1 or 2 or 3 below. There are 3 different routes to qualification. Either via Part 1 or Part 2 or Part 3. Qualification under any Part is satisfactory to achieve a declaration, qualification under all 3 is not required. Eligibility will be determined by criteria listed below and requires a signed declaration by the owner/tenant.

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

Liabilities - Powys County Council accept no responsibility or liability resulting from any negative consequence, damage or loss arising from the acceptance of an ECO FLEX grant. This includes efforts connected to the preparation, application or survey prior to an installation or as a result of works delivered under the scheme.

Powys County Council do not endorse any specific energy supplier, grant agent, installer or company connected to the application or installation of ECO flex grants or products.

Any grievance or issue raised against grant works or application process, should be taken up with the installing party / agent / financier. Powys County Council's involvement in the scheme is limited to the declaration of eligibility for grant. Should you wish to have the declaration explained in further detail, please email - privatesectorhousing@powys.gov.uk

Final decision - The decision on whether a household receives a measure under flexible eligibility or other ECO funding streams will be made by the **energy supplier** or their **agent / contractor**. Qualification in the statement of intent or issuance of a declaration by Powys County Council will **NOT** guarantee installation of a measure, the final decision **rests with the supplier**.

Revised guidance issued for ECO3 by BEIS significantly differs to that associated with ECO 2t LA Flex. Consequently, Powys Council cannot reissue any declaration previously issued under Powys County Council Statement of Intent version 1. A new application will need to be made to ensure it now meets our new criteria. Declarations issued under version 2 are able to be reissued.

Cost Associated with measures

Whilst some measures being grant funded will be free to the consumer at point of sale, others may only be partially grant funded and will require a contribution from the consumer or agent in order to be delivered.

Any financial or contractual arrangement relating to the installation of a specific measure or home survey or service shall be at the discretion of the homeowner or occupier to accept or decline as they choose. Powys County Council will not be party to any such arrangements; this shall solely be between the client and any third party of their choice.

Governance

The body to which any application for assessment prior to qualification under this Statement of Intent will need to be made shall be delegated to the Community Interest Company - **Warm Wales**. Powys Council will no longer accept applications direct.

If you wish to make an application for confirmation of grant eligibility, please contact:

Warm Wales, Llewellyn House, Harbourside Business Park, Port Talbot, SA13 1SB.

email: information@warmwales.org.uk call: 01656 747 622 Web www.warmwales.org.uk

Warm Wales shall field calls, engage in scheme promotion and conduct vetting of applications via collection of evidential client information. Warm Wales will be solely responsible for referring successful applications to Powys Council for sign off.

The council shall issue declaration certificates to eligible applicants.

Any 3rd party agent of a contractor with clients they wish to refer to the council will need to have said clients utilise the vetting services of **Warm Wales** and have those clients referred to the council via that organisation. The council will not be party to any such arrangement implemented between **Warm Wales** and any 3rd party agent of each independent contractor.

Warm Wales shall select the installer and/or funder for all clients for whom they facilitate the application process for funding under ECO3.

Officers holding the following positions shall be empowered to sign declarations on behalf of Powys County Council, including those issued under Parts 1,2 and 3 -

Private Sector Housing Lead, Environmental Health Officer, Housing Standards & Improvement Officer, Affordable Warmth & Renewable Energy Officer, Service Improvement Officer.

Monitoring

Information regarding the number of referrals made to the council by **Warm Wales** and declarations issued, shall be recorded by the council. Any further information would be held by the agent or contractor and submitted to BEIS/OFGEM separately.

General Data Protection Regulations & Privacy Notice

In order to access ECO3 funding, personal data will need to be shared with 3rd parties by agents through which any application is made. Powys Council are not able to process or handle applications without involvement of said 3rd parties.

The 3rd parties not the Council, are responsible for sourcing ECO 3 funding and arranging installation of measures. For this reason, Powys County Council does not consider itself to be the Data Controller in this scenario because it is not the body responsible for offering or delivering the grant.

Powys County Council will process all data submitted as part of the scheme in accordance with data protection legislation. Please refer to Powys County Council's Housing Privacy Notice: https://en.powys.gov.uk/article/7132/Housing-Privacy-Notice

Part 1 - Qualifying Criteria - Low Income

To Qualify under Part 1 - you must have a gross household income falling below that of the values in the table below, corresponding to family size.

WARM WALES WILL REQUIRE APPROPRIATE EVIDENCE TO DEMONSTRATE THIS FROM ALL APPLICANTS.

Table 1 -

1 Adult	Household Composition 2020 £14,000		
2 Adults	£21,000		

Part 1 continued - In addition to household income criteria the property must have a current EPC rating of E, F or G. (All EPC scores will be taken at face value from <u>www.epcregister.com</u> any property with an expired EPC will be considered to have no EPC.) If the property has no EPC, then it must score 15 points or more in Table 2 displayed later in this document.

Part 2 Qualifying criteria - Vulnerability

To qualify under Part 2, it is necessary that any householder at the residence concerned is at a greater risk to the effects of living in a cold home. To do this they must possess one of the conditions listed in this section as provided by the National Institute for Health and Care Excellence (NICE) 2015 guidance on excess winter deaths and illness caused by cold homes.

Qualifying conditions -

- i. Aged over 60 (proof of age necessary)
- ii. Children under 5 and those in primary and secondary school education or is pregnant
- iii. Respiratory disease (COPD, asthma)
- iv. Cardiovascular disease (e.g., ischaemic heart disease, cerebrovascular disease)
- v. Moderate to severe mental illness (e.g., schizophrenia, bipolar disorder)
- vi. Substance misusers
- vii. Dementia
- viii. Neurobiological and related diseases (e.g., fibromyalgia, ME)
- ix. Cancer
- x. Limited mobility
- xi. Haemoglobinopathies (sickle cell disease, thalassaemia)
- xii. Severe learning disabilities
- xiii. Autoimmune and immunodeficiency diseases (e.g., lupus, MS, diabetes, HIV)

Signed declaration by the applicant, is necessary together with any documentary evidence requested by Warm wales such as a prescription or doctors' letter, or Identification document.

Part 2 continued - In addition to possessing the stated condition the property must have a current EPC rating of **E**, **F** or **G**. (All EPC scores will be taken at face value from www.epcregister.com

any property with an expired EPC will be considered to have no EPC.) If the property has no EPC, then it must score 10 points or more in Table 2 below.

Qualification cannot occur under part 2 if the gross household income exceeds £34,500 irrelevant of family size or expenses.

Table 2 - Property Condition

House features	Туре	Points	Tick	Score
	1	1		
Bedrooms	2	2		
	3+	3		
	1	1		
Household occupants	2	2		
	3+	3		
	None	5		
Loft Insulation	Up to 150mm	3		
	150mm and above	1		
	System built	5		
Wall Type	Solid stone/brick	3		
Wall Type	Cavity	1		
	construction/Unknown			
	External	1		
Wall insulation	Internal	1		
wall insulation	Cavity	2		
	None	5		
	Mains gas	1		
l la atia a final	Oil	2		
Heating fuel	LPG	3		
	Electric	5		
	Solid fuel	5		
	Less than 10 years old	1		
	Over ten years old	3		
Central Heating system age	Broken system	5		
	No system	5		
			Total	

Part 3 - Alternative Strategically Targeted Qualifying ECO Schemes

Powys Council are aware of numerous grant schemes and renewal activities targeted towards those in fuel poverty i.e., mains gas connection projects & **Rent Smart Wales - Warm Home Fund**. For these schemes to access funding via ECO, Powys Council will, permit applications and award declarations in situations falling outside the standard qualification criteria mentioned above, provided that the strategically targeted activity specifically addresses fuel poverty.

The following element of this Statement of Intent will only be used on specific energy efficiency projects where 'the Council' is a participating partner. Please note: The Council will only sign

declarations for qualifying households that are part of these projects and will not work with any third party outside of these projects. The subsequent pathway will only be accessible via preagreed arrangements between partner Welsh Government agencies such as "**Arbed am byth**".

Households identified as living in areas of severe fuel poverty via Welsh Government's Arbed programme

Arbed am Byth have been appointed by the Welsh Government to deliver 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 suite 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 & 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 an assessment of an area provides evidence of severe fuel poverty, Arbed am Byth then develop a highly detailed scheme proposal that indicates which measures need to be installed 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.

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Signature: xxxxxxxxx Date: xxxx

