

North Somerset Council Decision

**Decision Of: Director of Public Health and Regulatory Services
In consultation with: Private Sector Housing Service Leader
Directorate: Public Health and Regulatory Services**



Decision No: PHRS025 2022/2023

Subject: Energy Company Obligation (ECO4)

Key Decision: Yes

Reason:..

Impact on more than two wards

Background:

Under the Energy Company Obligation (ECO) process, local authorities can adopt flexible eligibility criteria for households living in cold homes, on low-incomes, subject to compliance with statutory regulations. Flexible eligibility is optional, and neither energy suppliers nor local authorities are mandated to participate although the latest scheme (ECO4) will target households who will be impacted by the cost of living pressures. ECO4 will run until March 2026 and the government have committed £4 billion to the scheme.

The main objective of ECO4 is to improve the least energy efficient housing stock occupied by low income and vulnerable households.

The Council welcomes this latest opportunity and intends to use it to improve the thermal efficiency of homes and reduce the number of fuel poor households. Taking advantage of this flexible eligibility extends the opportunity to those who would not normally qualify for other ECO funding but are likely to be in fuel poverty.

Homes with an Energy Performance Certificate (EPC), band of D-G are eligible for the scheme although there is a minimum delivery requirement of improving band F or G homes to at least band D, and band D or E homes to at least a band C. This requirement is to encourage the delivery of multiple measures to a home. The funding is available in all tenures although with some restrictions for the social housing sector.

Decision:

To adopt and publish a Flexible Eligibility Statement of Intent at Appendix 1

Reasons:

To maximise the availability of funding for home energy efficiency improvements for households who are likely to be in fuel poverty. Unless a local authority has published a statement of intent; residents are limited to the eligibility criteria set by the Office of Gas and Electricity Markets (Ofgem) which can indirectly exclude some groups because of the link to receipt of benefit.

Options Considered:

The only alternative option is to not publish a statement which would limit the availability of funding for fuel poor households.

Financial Implications:

The main financial contribution for the local authority is the officer time involved in the governance i.e. declaration sign off.

Costs:

The officer costs and any associated publicity will be met from existing budgets. There is potentially significant benefit for fuel poor households and the cost benefit to the council from this action far outweighs the time commitment. It is estimated no more than an hour or so a week.

Funding:

Funding for installation of measures, eligibility checks, ECO compliance, competency of contractors, drafting declarations are all covered by the ECO funding and contribution from contractors.

Legal Powers and Implications:

The statement of intent will be published as provided by the Electricity and Gas (Energy Company Obligation) Order 2022 and associated guidance

Climate Change and Environmental Implications:

The Council have declared a Climate Emergency and have approved an Action Plan to help achieve carbon neutrality by 2030. The Climate Change Act 2008 set a statutory requirement to reduce greenhouse gas emissions by 80% by 2050 from 1990 levels. The Action Plan sets out a series of initiatives and projects that will involve direct action by the council, new policies and strategies followed by on-going engagement and communications to influence behavioural change of people living and working in North

Somerset. Promotion of home energy efficiency and tackling fuel poverty across North Somerset are key actions.

Consultation:

There has been internal consultation with the Climate Emergency Group and Public Health colleagues, particularly in relation to households who may be vulnerable to the effects of living in a cold home; in line with the NICE guidance.

The Centre for Sustainable Energy have provided guidance on drafting the statement of intent and will deal with all enquiries, referrals, draft declarations and produce required annual reports.

The ASH Panel members have been consulted in advance of the decision and are fully supportive.

Risk Management:

No risks have been identified from publishing the revised statement of intent which can be withdrawn, amended or suspended at any time; subject to notification to partners.

Equality Implications:

Have you undertaken an Equality Impact Assessment? Yes

Only positive implications have been identified from taking this decision.

Corporate Implications:

The outcomes from the statement of intent will contribute to the aims within the Corporate Plan, Housing Strategy and Health & Wellbeing Strategy .

Appendices:

Appendix 1 - Local Authority Flexible Eligibility Statement of Intent

Background Papers:

The Electricity and Gas (Energy Company Obligation) Order 2022

[The Electricity and Gas \(Energy Company Obligation\) Order 2022 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

Signatories:

Decision Maker(s):



Signed:

Title: Director of Public Health and Regulatory Services

Date: 22 September 2022

In consultation with:

Signed:

Title: Private Sector Housing Service Leader

Date: 22 September 2022

Footnote: Details of changes made and agreed by the decision taker since publication of the proposed (pre-signed) decision notice, if applicable: