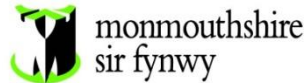


# Public Document Pack



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Y Rhadyr  
Brynbuga  
NP15 1GA

Dydd Mawrth, 6 Rhagfyr 2022

Annwyl Cynghorydd

## **PENDERFYNIADIAU AELOD CABINET UNIGOL**

Hysbysir drwy hyn y caiff y penderfyniadau dilynol a wnaed gan aelod o'r cabinet eu gwneud **Dydd Mercher, 14eg Rhagfyr, 2022**.

### **AGENDA**

1. MEMORANDWM CYD-DDEALLTWRIAETH ECO4 SIR FYNWY A 'DATGANIAD O FWRIAD'

**CABINET MEMBER:** County Councillor Sara Burch

**AUTHOR:**

Stephen Griffiths, Strategy & Policy Officer

**CONTACT DETAILS:**

**Tel:** 01633 644455

**E-mail:** [stephengriffiths@monmouthshire.gov.uk](mailto:stephengriffiths@monmouthshire.gov.uk)

2. DEDDF LLYWODRAETH LEOL (CYMRU) 1994 RHEOLIADAU AWDURDODAU LLEOL (PRAES 1995 - Atodlen Daliadau Arfaethedig

**CABINET MEMBER:** County Councillor Rachel Garrick

**AUTHOR:**

Jonathan Davies – Head of Finance (Deputy Section 151 Officer)

**email:** [jonathandavies2@monmouthshire.gov.uk](mailto:jonathandavies2@monmouthshire.gov.uk)

**phone:** [\(01633\) 644114](tel:01633644114)

3. SYLFAEN TRETH Y CYNGOR 2023/24 A MATERION CYSYLLTIEDIG

**CABINET MEMBER:** County Councillor Rachel Garrick

**AUTHOR:**

Ruth Donovan – Head of Finance: Revenues, Finance and Exchequer

**CONTACT DETAILS:**

**E-mail:** [ruthdonovan@monmouthshire.gov.uk](mailto:ruthdonovan@monmouthshire.gov.uk)

**Phone:** **01633 644592**

Yr eiddwch yn gywir,

**Paul Matthews**  
**Prif Weithredwr**

**PORTFFOLIOS CABINET**

<b>Cynghorydd Sir</b>	<b>Meysydd o Gyfrifoldeb</b>	<b>Ward</b>
Mary Ann Brocklesby	<p><b>Arweinydd</b> Prif Swyddog – Paul Matthews, Matthew Gatehouse</p> <p>Stratgaeth a Chyfeiriad yr Awdurdod Cyfan Adolygiad a gwerthusiad o berfformiad yr Awdurdod Cyfan Cabinet Cyfun Prifddinas-Ranbarth Caerdydd Gweithio rhanbarthol Perthynas gyda'r Llywodraeth CLILIC, LGA a'r Bwrdd Gwasanaethau Cyhoeddus</p>	Llanelly
Paul Griffiths	<p><b>Aelod Cabinet ar gyfer Economi Gynaliadwy a Dirprwy Arweinydd</b> Prif Swyddog – Frances O'Brien</p> <p>Dygnwch economaidd a chynaliadwyedd gan ffocysu ar yr economi sylfaenol Cynllun Datblygu Lleol a'r Cynllun Datblygu Strategol Buddsoddi mewn canol trefi a chymdogaethau a Datblygu Stiwardiaeth Rheoli Adeiladau Sgiliau a chyflogaeth gan gynnwys swyddi gwyrdd a phrentisiaethau Cysylltiadau band-eang Safonau masnach, lechyd amgylcheddol, lechyd cyhoeddus, Trwyddedu</p>	Castell Cas-gwent a Larkfield
Rachel Garrick	<p><b>Aelod Cabinet ar gyfer Adnoddau</b> Prif Swyddogion – Peter Davies, Frances O'Brien, Matthew Phillips, Jane Rodgers</p> <p><i>Cyllid</i> <i>Datblygu a chynnig y gyllideb i'r Cyngor</i> <i>Digidol a Thechnoleg Gwybodaeth</i> <i>Adnoddau Dynol, y Gyflogres ac lechyd a Diogelwch</i> <i>Caffael strategol – hyrwyddo lleoliaeth</i> <i>Tir ac Adeiladau</i> <i>Cynnal a chadw a rheoli eiddo</i> <i>Rheoli'r Fflyd</i> <i>Cynllunio Brys</i></p>	Castell Cil-y-coed

<p>Martyn Groucutt</p>	<p><b>Aelod Cabinet ar gyfer Addysg</b>  Prif Swyddogion – Will McLean, Ian Saunders</p> <p>Addysg Blynyddoedd Cynnar  Addysg statudol ar gyfer pob oedran  Anghenion dysgu ychwanegol/cynhwysiant  Addysg ôl-16 ac ar gyfer oedolion  Safonau a Gwella Ysgolion  Dysgu Cymunedol  Y Rhaglen Ysgolion ar gyfer y 21ain Ganrif  Gwasanaethau Ieuenctid</p>	<p>Lansdown</p>
<p>Sara Burch</p>	<p><b>Aelod Cabinet ar gyfer Cymunedau Cynhwysol a Byw</b>  Prif Swyddogion – Frances O'Brien, Ian Saunders, Jane Rodgers, Matthew Gatehouse</p> <p>Strategaeth Tai Fforddiadwy  Digartrefedd  Diogelwch yn y Gymuned  Teithio Llesol  Canolfannau Hamdden  Chwarae a Chwaraeon  Gwybodaeth ar gyfer Twristiaid, Amgueddfeydd, Theatrau ac Atyniadau</p>	<p>Cantref</p>
<p>Tudor Thomas</p>	<p><b>Aelod Cabinet ar gyfer Gofal Cymdeithasol, Diogelu a Gwasanaethau Iechyd Hygyrch</b>  Prif Swyddog – Jane Rodgers</p> <p>Gwasanaethau Plant  Maethu a Mabwysiadu  Gwasanaeth Troseddu Ieuenctid  Gwasanaethau Oedolion  Diogelu ar draws yr Awdurdod Cyfan (Plant ac Oedolion)  Anableddau  Iechyd meddwl a lles  Perthynas gyda darparwyr iechyd a mynediad at ddarpariaeth iechyd</p>	<p>Parc</p>
<p>Catrin Maby</p>	<p><b>Aelod Cabinet ar gyfer Newid Hinsawdd a'r Amgylchedd</b>  Prif Swyddogion – Frances O'Brien, Matthew Gatehouse</p> <p>Datgarboneiddio  Cynllunio Trafnidiaeth  Creu, bwyta a chaffael bwyd yn lleol gan gynnwys</p>	<p>Drybridge</p>

	<p>amaeth-goedwigaeth a garddwriaeth leol  Cynllunio ar gyfer y rhwydwaith traffig  Trafnidiaeth gyhoeddus  Priffyrdd gan gynnwys y cefnffyrdd  Palmentydd a lonydd cefn  Lliniaru, rheoli ac adferiad yn dilyn llifogydd,  ansawdd dŵr afonydd  Rheoli Gwastraff  Gofal Stryd, sbwriel a gofodau cyhoeddus  Cefn Gwlad, Bioamrywiaeth a hawliau tramwy  cyhoeddus gan gynnwys parciau a gofodau agored  Cyfleusterau cyhoeddus</p>	
Catherine Fookes	<p><b>Aelod Cabinet ar gyfer Cydraddoldeb ac Ymgysylltu</b></p> <p>Prif Swyddogion – Frances O’Brien, Matt Phillips,  Matthew Gatehouse</p> <p>Anghydraddoldeb cymunedol (iechyd, incwm,  maetheg, anfantais, gwahaniaethu, arwahanrwydd)  Budd-daliadau  Yr iaith Gymraeg  Hyrwyddo democratiaeth ac ymgysylltu dinasyddion  Hybiau cymunedol a’r ganolfan gyswllt  Gwasanaethau cwsmeriaid a phrofiad dinasyddion  Cyfathrebu, cysylltiadau cyhoeddus, marchnata  Gweithio gyda mudiadau gwirfoddol  Cofrestryddion  Gwasanaethau Etholiadol  Adolygu’r Cyfansoddiad  Moeseg a safonau</p>	Tref

# Nodau a Gwerthoedd Cyngor Sir Fynwy

## Ein diben

Adeiladu Cymunedau Cynaliadwy a Chydnerth

### Amcanion y gweithiwn tuag atynt

- Rhoi'r dechrau gorau posibl mewn bywyd i bobl
- Sir lewyrchus a chysylltiedig
- Cynyddu i'r eithaf botensial yr amgylchedd naturiol ac adeiledig
- Llesiant gydol oes
- Cyngor gyda ffocws ar y dyfodol

## Ein Gwerthoedd

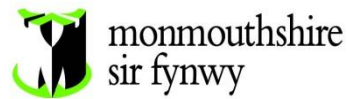
**Bod yn agored.** Rydym yn agored ac yn onest. Mae pobl yn cael cyfle i gymryd rhan mewn penderfyniadau sy'n effeithio arnynt, dweud beth sy'n bwysig iddynt a gwneud pethau drostynt eu hunain/eu cymunedau. Os na allwn wneud rhywbeth i helpu, byddwn yn dweud hynny; os bydd yn cymryd peth amser i gael yr ateb, byddwn yn esbonio pam; os na allwn ateb yn syth, byddwn yn ceisio eich cysylltu gyda'r bobl a all helpu - mae adeiladu ymddiriedaeth ac ymgysylltu yn sylfaen allweddol.

**Tegwch.** Darparwn gyfleoedd teg, i helpu pobl a chymunedau i ffynnu. Os nad yw rhywbeth yn ymddangos yn deg, byddwn yn gwrando ac yn esbonio pam. Byddwn bob amser yn ceisio trin pawb yn deg ac yn gyson. Ni allwn wneud pawb yn hapus bob amser, ond byddwn yn ymrwymo i wrando ac esbonio pam y gwnaethom weithredu fel y gwnaethom.

**Hyblygrwydd.** Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

**Gwaith Tîm.** Byddwn yn gweithio gyda chi a'n partneriaid i gefnogi ac ysbrydoli pawb i gymryd rhan fel y gallwn gyflawni pethau gwych gyda'n gilydd. Nid ydym yn gweld ein hunain fel 'trefnwyr' neu ddatrysyr problemau, ond gwnawn y gorau o syniadau, asedau ac adnoddau sydd ar gael i wneud yn siŵr ein bod yn gwneud y pethau sy'n cael yr effaith mwyaf cadarnhaol ar ein pobl a lleoedd.

**Caredigrwydd** – Byddwn yn dangos caredigrwydd i bawb yr ydym yn gweithio gyda nhw, gan roi pwysigrwydd perthnasoedd a'r cysylltiadau sydd gennym â'n gilydd wrth wraidd pob rhyngweithio.



<b>SUBJECT:</b>	<b>Monmouthshire ECO4 Flex Memorandum of Understanding and 'Statement of Intent'</b>
<b>MEETING:</b>	<b>ICMD</b>
<b>DATE:</b>	<b>14<sup>th</sup> December 2022</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>All</b>

## 1. PURPOSE:

- 1.1 The purpose of this report is to seek an agreement in principle to work in partnership with the Cardiff Capital Region (CCR) and EDF the energy supplier chosen to work within the Gwent region through an agreed Memorandum of Understanding (MoU).
- 1.2 To adopt and implement CCR's "Joint Statement of Intent" that will allow the Council to participate in the most recent iteration of the Energy Company Obligation (ECO) scheme known as ECO4 and the Local Authority Flexible Eligibility Energy Company Obligation (ECOflex).

## 2. RECOMMENDATIONS:

- 2.1 To agree in principle to work in partnership with the Cardiff Capital Region (CCR) and EDF through an agreed Memorandum of Understanding.
- 2.2 To adopt and implement CCR's joint "Statement of Intent" and its participation in the ECO4 Flex Scheme.

## 3. KEY ISSUES:

- 3.1 Energy Company Obligation (ECO) funding is a requirement placed on energy companies over a certain size to help improve domestic energy performance in the homes of the most fuel poor and low energy efficiency performing households across the country through a retrofit programme of insulation measures. The 'Flexible Eligibility' element to the scheme allows councils to set their own criteria to extend the funding outside of the normal rules of ECO (usually based on qualifying benefits). Funding is available only to property owners or privately rented tenants.
- 3.2 Monmouthshire has participated in the previous iteration known as ECO3 Flex through an Individual Cabinet Member Decision on the 12<sup>th</sup> June 2019. Fifty-five households benefited from measures, mainly cavity wall insulation.
- 3.3 On this occasion, Monmouthshire's participation will be in partnership with the 10 local authorities that make up the Cardiff Capital region (CCR). Although the MoU does allow for local authorities to work outside the Partnership. The Council also intends to do this.
- 3.4 ECO4 aligns with both CCR ambitions and the Council's ambitions (*as per corporate and community plan*)
  - Alleviating fuel poverty
    - Energy Efficiency retrofit of the domestic housing stock to contribute to CCR net-zero targets.
- 3.5 Fuel Poverty
  - Welsh Government predicts 45% of Welsh households could be living in fuel poverty this winter (despite the energy efficiency price cap and other support measures)

### 3.6 Energy Efficiency Retrofit

- Currently there are 476,000 properties which register EPC D or below across CCR
  - CCR target to reduce the number of properties rated an EPC D or below to less than 7000 by 2035.
  - Target to retrofit 42,000 hard to treat homes with internal or external insulation by 2035.
- 112,000 homes currently heated by fossil fuels
  - Target to install 33,000 low carbon heat pumps into existing properties by 2035.
  - Prioritise replacement of oil, LPG, and solid fuel heating systems

3.7 For Monmouthshire we used data obtained from [Non-gas map \(nongasmap.org.uk\)](http://nongasmap.org.uk). However, the following caveat should be noted. The data below is derived from data collated from 2011 - 2016. As a result, the data is not robust and is used only for a very broad analysis.

- just over 36% of properties are Off-Gas. (approximately 15,000 properties).
- Approximately 19,000 properties register an EPC rating of D and below.
- Approximately 4,800 properties register an EPC rating of E and below (the likely target for installers)
- Approximately 8,450 properties are heated by fossil fuels
- 5,450 properties use oil or LPG as their source of heating fuel.
- 615 properties have no form of heating.

3.8 A report presented to the CCR Cabinet on 29 November 2021 presented an opportunity to maximise the eligibility and funding for the region that would enhance the delivery of ECO programmes within the region. CCR Cabinet agreed to establish an ECOflex Working Group, create a CCR Flexible Eligibility 'Statement of Intent' and Memorandum of Understanding and to undertake market testing to select an energy company partner for delivery of the scheme.

3.9 Following a selection process, it was agreed at the subsequent Working Group meetings that CCR would work with EDF for the Gwent Regions and EON for the non-Gwent regions.

3.10 Memorandum of Understanding (MOU). (See Appendix 1)

3.10.1 Subject to the Council's participation in ECO4 Flex, there is agreement between the local authorities that make up the CCR region and the energy companies that they will work together to maximise the delivery of ECO4 Flex through a Memorandum of Understanding document to be ratified and signed by each local authority. The attached Memorandum of Understanding gives a broad understanding of the following:

- the key objectives of the Project.
- the principles of collaboration; and
- the respective roles and responsibilities the Parties will have during the Project.

3.10.2 The MOU is currently circulated to local authorities for comment from their respective legal departments, therefore the final agreed document may change slightly from the document attached.

3.10.3 However, a fundamental objective of the MOU is to provide a non-binding agreement. The fact that it is a non-binding agreement means that it has flexibility to allow each authority to work both simultaneously with and independently from the partnership to deliver the scheme within their own region. (See clause 9 of the document).

3.10.4 To that end and to maximise the benefit and opportunities of ECO4 for Monmouthshire homeowners and landlords, the Council will also seek to appoint a Consumer Energy Efficiency and Retrofit Advice Service.

3.10.5 The proposed service will be integrated into Money Matters - Cost of Living Support - Monmouthshire and seek to ensure the right advice is available for those wishing to retrofit



properties, with a view to alleviating fuel poverty, increasing energy efficiency and reducing carbon emissions.

3.10.6 ECO4 differs from ECO3 in that ECO4 will take a whole house multi measure approach to achieve an upgrade of a property’s energy efficiency rating by 2 SAP bands. ECO4 will target properties in the lowest SAP bands, D to G and not on the gas grid (off gas). Measure could include those more expensive ones such as solar panel and heat source pumps, etc. ECO3 concentrated on single measures and properties that were on the gas grid.

3.10.7 ECO is divided into two parts. Customers can qualify for the main ECO scheme if they live in energy inefficient housing and are in receipt of certain means tested benefits. However, since 2017, suppliers can meet a proportion of their obligations (50% for ECO4), by installing measures for households that meet broader fuel poverty and vulnerability criteria set out in a Local Authority Statement of Intent (Sol). This is known as Local Authority Flexible Eligibility (LA Flex).

3.11 ECO4 Flex Joint Statement of Intent (See Appendix 2)

3.11.1 The Statement of Intent sets out the flexible eligibility criteria for the ECO4 scheme from April 2022 – March 2026 on behalf of the 10 Local Authorities in the CCR.

3.11.2 The attached ‘Statement of Intent’ sets out the extended criteria on eligibility and the process by which householders can access the funding. The drafting of the Statement has followed the Department for Business, Energy & Industrial (BEIS) Strategy’s document ‘Energy Company Obligation: ECO4 Guidance V1’, produced by ofgem

3.11.3 The scheme acts in a similar way to Welsh Government run schemes such as Nest and Arbed. For a household to claim funding they must qualify via one of the three routes listed below:

Route 1:	Household income – <b>EPC (D – highly unlikely to be viable for installers), E, F and G</b> with an income cap of <b>£31,000</b> across the UK regardless of region, property size or number of occupants.
Route 2:	Proxy targeting – combination of 2 pre-selected proxies to evidence a household is low income along with a household in EPC rating E, F or G.
Route 3:	NHS/Health referrals – Those who could be severely impacted by the effects of living in a cold home that have respiratory, cardiovascular, limited mobility or immune suppressed conditions.

3.11.4 If using route 2– Proxy Targeting - there are six proxies that further widen the eligibility criteria so that more vulnerable households can access the scheme. Households must meet a combination of two of the following proxies, however proxies 1 and 3 cannot used together.

Proxy 1*)	Homes in Lower Super Output Area (LSOA) decile 1-3 on the Welsh Index of Multiple Deprivation 2019.
Proxy 2)	Householders receiving a Council Tax rebate (rebates based on low income only, excluding single person rebates).
Proxy 3*)	Householders vulnerable to the effects of living in a cold home as identified in the National Institute for Health and Care Excellence (NICE) Guidance. Only one from the list can be used, excludes the proxy ‘low income’.
Proxy 4)	A householder receiving free school meals due to low-income.
Proxy 5)	A householder supported by a LA run scheme that has been named and described by the LA as supporting low income and vulnerable households for the purposes of the NICE Guideline.

Proxy 6)	A household referred to the LA for support by their energy supplier or Citizen's Advice because they have been identified as struggling to pay their electricity and gas bills.
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\* Proxies 1 and 3 cannot be used together.

- 3.11.5 The final decision on whether a household receives a measure under ECO flexible eligibility or other ECO funding stream will rest with the energy supplier or their agent/contractor. Qualification in the statement of intent or the declaration by Monmouthshire County Council will not guarantee installation of any measures.
- 3.11.6 Energy suppliers and/or their agents involved with flexible eligibility surveys will comply with the Data Protection Act and they will need to undertake work in accordance with OFGEM requirements and act in accordance with industry best practice in relation to consumer care and quality standards.
- 3.11.7 Once adopted the Statement of Intent will allow the Council to approve eligible households. For each household the Council must check that:
- The property is eligible, and
  - The household is eligible i.e. meets one of the three eligibility criteria.
- 3.11.8 In addition to the Council collecting evidence to demonstrate eligibility it must provide information, 'declarations' to Ofgem for each approved applicant and to the installer to certify that the household qualifies for the energy efficiency measure(s). The installer will subsequently confirm what works if any are completed to eligible properties. Ofgem will link the information from the declarations with information from suppliers about works completed at a property.

#### **4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING)**

- 4.1 Energy efficiency measures will be available to all qualifying households as set out in the Statement of Intent at the Appendix 2. Qualifying criteria mainly centres around lower household incomes, health vulnerabilities, and risk of fuel poverty. The scheme is designed to reduce inequalities in terms of living standards, health and wellbeing.
- 4.2 The Integrated Impact Assessment has been completed and no negative implications were identified (See Appendix 3)

#### **5. OPTIONS APPRAISAL:**

- 5.1 Option 1: The Recommended Option - To agree in principle to work in partnership with the Cardiff Capital Region (CCR) and EDF through an agreed Memorandum of Understanding. And to adopt and implement CCR's joint "Statement of Intent" that that will allow the Council to participate in the ECO4 Flex Scheme, thereby allowing vulnerable Monmouthshire residents experiencing fuel poverty access to funding under the Energy Company Obligation (ECO) Scheme. This is the preferred option.
- 5.2 Option 2 - Not to publish a 'Statement of Intent'. This option prevents vulnerable Monmouthshire residents accessing funding under the Energy Company Obligation (ECO): and leaves them open to experiencing fuel poverty. It is therefore discounted.

#### **6. EVALUATION CRITERIA:**

- 6.1 To evaluate the success of Monmouthshire's participation in the scheme we will monitor the following data criteria:
- Level of demand
  - Identification of vulnerability of the household
  - Identification of the type of property and measure(s) installed
  - The cost of the measure(s) installed.
  - The likely savings/per year of fuel energy.

- The likely CO2/yr kg saving

## **7. REASONS:**

- 7.1 ECO4-flex will provide additional grant funding to help low-income households living in homes with poor energy efficiency to access energy efficiency improvement measures and help reduce CO2 emissions.
- 7.2 The Council made the decision several years ago to withdraw discretionary private sector housing funding, such as renovation grants. There are, therefore, no alternative grant funding streams available to householders to improve their properties.
- 7.3 The proposal will build on existing schemes available through the Council that mitigate against socio economic disadvantage. Such services include:
- Empty Property Loans
  - Home Improvement Loans
  - Disability Facilities Grants
- 7.4 It is the expectation of Welsh Government that the Council supports this proposal to support low income and vulnerable households.

## **8. RESOURCE IMPLICATIONS:**

- 8.1. Experience and skills exist 'in-house' to provide acceptable arrangements to deliver the scheme if demand is relatively low, however, it is difficult at this stage to be precise about the level of resource required as that depends to a large degree on the uptake rate from the public. Should demand increase there could be a need to increase resources to meet that demand.

## **9. CONSULTEES:**

- 9.1 Cabinet, SLT, Community & Place DMT, Legal

## **10. BACKGROUND PAPERS:**

11. **AUTHOR:** Stephen Griffiths, Strategy & Policy Officer

## **12. CONTACT DETAILS:**

**Tel:** 01633 644455

**E-mail:** [stephengriffiths@monmouthshire.gov.uk](mailto:stephengriffiths@monmouthshire.gov.uk)

**DATED**

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**MEMORANDUM OF UNDERSTANDING**

Between

**BLAENAU GWENT COUNTY BOROUGH COUNCIL (1)**

**CAERPHILLY COUNTY BOROUGH COUNCIL (2)**

**MONMOUTHSHIRE COUNTY COUNCIL (3)**

**NEWPORT CITY COUNCIL (4)**

**TORFAEN COUNTY BOROUGH COUNCIL (5)**

**THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF ON BEHALF OF THE CARDIFF  
CAPITAL REGION CITY DEAL (6)**

and

**EDF ENERGY CUSTOMERS LIMITED (7)**

This agreement is dated [DATE]

## Parties

- (1) Blaenau Gwent County Borough Council of Municipal Offices, Civic Centre, Ebbw Vale, Gwent NP23 6XB
  - (2) Caerphilly County Borough Council of Penallta House, Tredomen Park, Ystrad Mynach, Hengoed CF82 7PG
  - (3) Monmouthshire County Council of County Hall, The Rhadyr, Usk, NP15 1GA
  - (4) Newport City Council of Civic Centre, Newport NP20 4UR; and
  - (5) Torfaen County Borough Council of Civic Centre, Pontypool NP4 6YB
- Together referred to as “**the Councils**” and individually as “**a Council**”
- (6) The County Council of the City and County of Cardiff on behalf of the Cardiff Capital Region City Deal of County Hall, Atlantic Wharf, Cardiff CF10 4UW (“**CCR**”)
  - (7) EDF Energy Customers Limited, registered in England with company number 02228297 whose registered office is at 90 Whitfield Street, London, W1T 4EZ (**Energy Supplier**)

Each **Council**, **CCR** and the **Energy Supplier** being a **Party** and together they are the **Parties**.

## 1. Background

- 1.1 ECO4 is an energy efficiency scheme which places a legal obligation on energy suppliers to deliver energy efficiency and heating measures to the least energy efficient domestic homes occupied by low income and vulnerable and fuel poor households in order to improve their energy efficiency and reduce fuel poverty.
- 1.2 One route to identify the households described in paragraph 1.1 is the Energy Company Obligation 4 Local Authority Eligibility Flexibility Scheme otherwise known as ECO4 Flex in which a participating local authority can identify and refer households it considers eligible for ECO4.
- 1.3 The Cardiff Capital Region City Deal (CCRCD) is comprised of the ten Local Authorities that make up South East Wales including the Councils. The ten Local Authorities of the CCRCD intend to work together to agree a Cardiff Capital Region joint Flexible Eligibility ‘Statement of Intent’ in order to participate in the ECO4 Flex.
- 1.4 The Energy Supplier is an energy supplier subject to the legal obligation to deliver those measures set out in paragraph 1.1 and can deliver up to 50% of its obligation through the ECO4 Flex route.

1.5 Subject to the Councils participation in ECO4 Flex, the Parties have agreed to work together to maximise the delivery of the Energy Company Obligation 4 Local Authority Eligibility Flexibility Scheme otherwise known as ECO4 Flex (“**the Project**”) within the administrative areas of the Councils.

1.6 The Parties wish to record the basis on which they will collaborate with each other on the Project. This Memorandum of Understanding (“**MoU**”) sets out the:

- the key objectives of the Project;
- the principles of collaboration; and
- the respective roles and responsibilities the Parties will have during the Project.

## **2. Key objectives of the Project**

2.1 The aim of the Project is to assist with the identification of households eligible to receive measures to improve energy efficiency for fuel poor private households that will generate savings for customers and helps the Energy Supplier to meet its legal obligation under ECO4.

2.2 The referral process for the Project, as set out in paragraph 5.4, will help the Energy Supplier meet its obligation under ECO4 and will also help CCR and the Councils with their goals of decarbonising housing stock and reducing fuel poverty across the Cardiff Capital Region.

## **3. Principles of Collaboration**

3.1 The Parties agree to adopt the following principles when carrying out the Project (**Principles**):

- 3.1.1 collaborate and co-operate. Establish and adhere to the provisions of this MoU to ensure delivery of the Project.
- 3.1.2 be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU.
- 3.1.3 be open. Communicate openly about major concerns, issues or opportunities relating to the Project.
- 3.1.4 learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost.
- 3.1.5 adhere to statutory requirements, guidance and best practice.
- 3.1.6 act in good faith to support achievement of the Project and compliance with these Principles.

## **4. Project Governance**

4.1 CCR through the ECO Flex Working Group shall have oversight of this MoU and shall monitor the Parties performance of their respective obligations under this MoU.

4.2 CCR shall report to the CCR Regional Cabinet on the number of measures installed as well as the type of measures and within which Council's administrative areas under the Project and ECO4.

## **5 Roles and Responsibilities**

5.1 The Parties shall undertake the following roles and responsibilities to deliver the Project.

### **The Councils**

5.2 The Councils shall agree a Joint Statement of Intent, to be prepared by CCR, which shall be published on the Councils' websites in order for the Councils to participate in the Project.

5.3 Following publication of the Joint Statement of Intent, the Councils shall be responsible for producing and signing all declarations for their respective administrative areas and liaising with OFGEM unless they have agreed to delegate authority to do so to another Council in which case it shall be that Council's responsibility.

5.4 Each Council shall:

- 5.4.1 Provide any available data relating to housing stock within their individual administrative area to the Energy Supplier through appropriate data sharing agreements to be entered into outside of this MoU;
- 5.4.2 Assist and collaborate with the Energy Supplier on resident and local community engagement;
- 5.4.3 Allow the use of co-branded marketing material (approved by all parties prior to its use or issue) and issue this through agreed channels;
- 5.4.4 Direct any resident that enquires about the Project to the Energy Supplier's designated installer(s) in the first instance so the designated installer(s) can provide advice and assessment for eligibility for ECO4.
- 5.4.5 Help to raise awareness of the Project and the referral routes with the health service, third sector and other community organisations;
- 5.4.6 Direct any local installers to contact the Energy Supplier in the event that they wish to on-board to be approved as an ECO4 Flex installer in the area.

### **THE ENERGY SUPPLIER**

5.5 The Energy Supplier shall report on the number of installations and types of measures installed within the administrative areas of the Councils under the Project and under the other routes of ECO4 to the Councils and CCR on a monthly basis.

5.6 The Energy Supplier is committed to providing funding for ECO4 and arranging the installation of measures via their installer network within eligible homes under the Project

within the administrative areas of the Council and shall endeavour to maximise the delivery of the Project and Supplier Flex within the Council's administrative areas

5.7 The Energy Supplier shall notify CCR and the Councils accordingly if there are categories of vulnerable households within the administrative areas of the Councils which require a flexible approach to eligibility under the Project.

5.8 The Energy Supplier shall ensure that the quality and competency of their supply chain and subsequent works to homes meet Trustmark (PAS2035) standards and any other standards set out in the guidance produced on ECO4.

## **CCR**

5.9 CCR shall be responsible for co-ordinating the relationship between the Councils and the Energy Supplier by:

5.9.1 Arranging meetings which shall take place on a monthly basis either virtually or in-person;

5.9.2 Co-ordinating publicity materials;

5.9.3 Preparing reports to CCR Regional Cabinet on the Project.

## **All Parties**

5.10 Subject to paragraph 5.11, no Party shall make any press announcements or publicise this MoU or the Project or any part thereof in any way unless the press announcements or publicity has been agreed between all the Parties first. Where a Party fails to comply with this paragraph 5.10, any of the other Parties shall have the right to terminate this MoU with immediate effect. For the avoidance of doubt, the Energy Supplier shall have no right to terminate this MoU in respect of CCR and/or the Councils exercising their rights under paragraph 5.11.

5.11 CCR and the Councils shall be entitled to publicise this MoU in accordance with any legal obligation on CCR and the Councils or otherwise, including any examination of this MoU by the Auditor.

5.12 Any communication to members of the public about the Project must be agreed between all Parties in advance. The Energy Supplier shall take all reasonable steps to ensure the observance of the provisions of this paragraph by its installers.

5.13 The Parties agree that where data (including personal data) is required to be shared between two or more of the Parties in connection with the Project, then those Parties shall enter into a data sharing agreement which shall govern the sharing of that data between those Parties. No such data shall be shared until a data sharing agreement has been entered into between the relevant Parties.



5.14 The Parties acknowledge that this MoU may need to be reviewed and any necessary changes made to this MoU in accordance with paragraph 7 (variation).

## **6 Term and Termination**

6.1 This MoU shall commence on the date of signature by all Parties and shall expire on the earlier of 31<sup>st</sup> March 2026 or the completion of the Project, unless otherwise terminated in accordance with this MoU.

6.2 Any Party may terminate this MoU by giving at least three (3) months' notice in writing to the other Parties at any time.

## **7 Variation**

7.1 No variation of this MoU shall be valid or effective unless it is in writing, refers to this MoU and is duly signed or executed by the Parties (or their authorised representatives).

7.2 If there are any changes in regional or national policies, including but not limited to any changes to the regulations on ECO4 which affect the Project, CCR and/or the Councils reserves the right to amend this MoU in accordance with paragraph 7.1.

## **8 Charges and Liabilities**

8.1 Except as otherwise provided, the Parties shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.

8.2 Only to the extent permissible by law, each Party shall not be liable to any other Party for any losses or liabilities caused by its actions or the actions of its employees. Each Party shall remain liable for any loss or liabilities it suffers as a result of this MoU.

8.3 For the avoidance of doubt, neither CCR nor the Councils are appointing the Energy Supplier or their installers to install any measures or carry out any works on eligible properties under the Project. The Energy Supplier agrees that there shall be no liability or responsibility on the part of the Councils or CCR for any works or measures installed on eligible properties under the Project by the Energy Supplier or their installers.

## **9 Status**

9.1 This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the Parties from this MoU. The Parties enter into the MoU intending to honour all their obligations.

9.2 Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute any Party as the agent of any other Party, nor

authorise any of the Parties to make or enter into any commitments for or on behalf of any other Party.

9.3 The Energy Supplier acknowledges that, in entering into this MoU, no volume guarantee has been granted by CCR or the Councils for the Project

and that the CCR and/or the Councils reserve the right to enter into other contracts or arrangements with other energy suppliers or other third parties in respect of ECO4 Flex, ECO4 and/or any non-ECO4 schemes or projects acting jointly or separately.

## 10 Governing law and jurisdiction

10.1 This MoU shall be governed by and construed in accordance with the Laws of England and Wales as it applies in Wales and each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

This MoU has been entered into on the date stated at the beginning of it

Signed by

for and on behalf of **Blaenau Gwent County Borough Council**

Name: .....

Job Title: .....

Date: .....

Signed by

for and on behalf of **Caerphilly County Borough Council**

Name: .....

Job Title: .....

Date: .....

Signed by

for and on behalf of **Monmouthshire County Council**

Name: .....

Job Title: .....

Date: .....

Signed by

for and on behalf of **Newport City Council**

Name: .....  
Job Title: .....  
Date: .....

Signed by  
for and on behalf of **Torfaen County Borough Council**  
Name: .....  
Job Title: .....  
Date: .....

Signed by  
for and on behalf of **The County Council of the City and County of Cardiff on behalf of the Cardiff Capital Region City Deal**  
Name: .....  
Job Title: .....  
Date: .....

Signed by .....  
for and on behalf of **EDF Energy Customers Limited**  
Name: .....  
Job Title: .....  
Date: .....

## **Joint Statement of Intent for ECO4**

### **Cardiff Capital Region City Deal ECO4 Flexible Eligibility Statement of Intent**

**Between:**

**BLAENAU GWENT COUNTY BOROUGH COUNCIL**

**BRIDGEND COUNTY BOROUGH COUNCIL**

**CAERPHILLY COUNTY BOROUGH COUNCIL**

**THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF**

**MERTHYR TYDFIL COUNTY BOROUGH COUNCIL**

**MONMOUTHSHIRE COUNTY COUNCIL**

**NEWPORT CITY COUNCIL**

**RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL**

**TORFAEN COUNTY BOROUGH COUNCIL**

**THE VALE OF GLAMORGAN COUNCIL**

**Publication Date: XX/XX/XXXX**

**Version Number: 1.0**

**Publication on website: \_\_\_\_\_**

#### **Introduction and Background**

The Cardiff Capital Region City Deal Regional Cabinet (CCRCD) agreed to pursue a regional approach to Energy Company Obligation 4 scheme (ECO) in November 2021 as the scheme had not been utilised effectively across the 10 Local Authorities during previous iterations of ECO.

This statement sets out the flexible eligibility criteria for the ECO4 scheme from April 2022 – March 2026 on behalf of the 10 Local Authorities which make up the Cardiff Capital Region (CCR) Economic Area in Southeast Wales: BLAENAU GWENT COUNTY BOROUGH COUNCIL, BRIDGEND COUNTY BOROUGH COUNCIL, CAERPHILLY COUNTY BOROUGH COUNCIL, THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF, MERTHYR TYDFIL COUNTY BOROUGH COUNCIL, MONMOUTHSHIRE COUNTY COUNCIL, NEWPORT CITY COUNCIL, RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL, TORFAEN COUNTY BOROUGH COUNCIL AND THE VALE OF GLAMORGAN COUNCIL.

.ECO4 is a UK Government requirement for energy companies to support households in fuel poverty, and reducing carbon emissions within the housing stock, by installing energy efficiency measures. The flexible approach for Local Authorities (LAs) to identifying fuel poor and vulnerable households who may benefit from heating and energy saving measures is referred to as “ECO4 Flex”.

The CCR and its member authorities welcomes the introduction of the ECO4 Flex eligibility routes as it is seen as a key staple of improving the heat and energy efficiency of the homes of those in fuel poverty or that are vulnerable to the cold.

#### **Identifying Eligible Households**

##### **Route 1 (Low-Income):**

SAP (a registered [Energy Performance Certificate](#)) bands D-G households with a gross annual income less than £31,000. This cap applies to the household irrespective the size of a property or its composition.

##### **Route 2 (Combined Proxy Eligibility):**

SAP bands E-G households that meet a combination of two of the following proxies (Table 1):

Proxy 1*)	Homes in Lower Super Output Area (LSOA) decile 1-3 on the Welsh Index of Multiple Deprivation 2019.
Proxy 2)	Householders receiving a Council Tax rebate (rebates based on low income only, excluding single person rebates).
Proxy 3*)	Householders vulnerable to the effects of living in a cold home as identified in the National Institute for Health and Care Excellence (NICE) Guidance. Only one from the list can be used, excludes the proxy 'low income'.
Proxy 4)	A householder receiving free school meals due to low-income.
Proxy 5)	A householder supported by a LA run scheme that has been named and described by the LA as supporting low income and vulnerable households for the purposes of the NICE Guideline.  Details of scheme:
Proxy 6)	A household referred to the LA for support by their energy supplier or Citizen's Advice because they have been identified as struggling to pay their electricity and gas bills.

(\*Note that proxies 1 and 3 cannot be used together\*)

**Route 3 (NHS Referral):**

SAP bands D-G households that have been identified by their doctor or GP as lowincome and vulnerable, with an occupant whose health conditions may be impacted further by living in a cold home. These health conditions may be cardiovascular, respiratory, immunosuppressed, or limited mobility related.

This is because the Council has identified a positive correlation between households who suffer from long-term health conditions and living off a low-income, with living in poorly insulated homes.

**Route 4 (Bespoke Targeting)**

SAP band D-G households that are referred under Route 4: Bespoke Targeting. Suppliers and LAs can submit an application to BEIS where they have identified a low income and vulnerable household, who are not already eligible under the exiting routes.

**Declaration and evidence check confirmation**

All potentially eligible households should apply through XXXXXX Council or one of their approved ECO installers to ensure that they can either benefit from the scheme or be assessed for eligibility under any other relevant programme. The officer below will be responsible for checking and verifying declarations and associated evidence submitted on behalf of the local authority:

Name: XXXX XXXX

Job Title: XXXXXXXXXXXXXXXXXX

Telephone: XXXXX XXXXXX

Email: [XXXXXX@XXXXX.gov.uk](mailto:XXXXXX@XXXXX.gov.uk)

**CEO or dedicated responsible person mandatory signature**

The XXXXXX Council will administer the scheme according to BEIS' ECO4 Order and will identify eligible households via Ofgem's application process. The CEO of the Council will oversee the process of identifying eligible households under ECO4 Flex. The eligibility information will be stored securely in line with the Council's data protection policy, Information Commissioner's Office Data Sharing Code, and BEIS guidance.

Signature: XXXXXX

Name: XXXX XXXX

Job Title: CEO/ dedicated responsible person

Date of signature: XX/XX/XXXX

For any general enquires relating to this Sol, please contact XXXXXX@XXXXX.gov.uk



monmouthshire  
sir fynwy

## Integrated Impact Assessment document (incorporating Equalities, Future Generations, Welsh Language and Socio Economic Duty)

<p><b>Name of the Officer</b> completing the evaluation Stephen Griffiths</p> <p><b>Phone no:</b> 01633 644455 <b>E-mail:</b> stephengriffiths@monmouthshire.gov.uk</p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p>To facilitate the Council's participation in the most recent iteration of the Energy Company Obligation (ECO) scheme known as ECO4 and the Local Authority Flexible Eligibility Energy Company Obligation (ECOflex).  The publication of the Statement of Intent sets out the criteria to establish vulnerable household in Monmouthshire eligible for funding under the ECO flexible funding scheme.</p>
<p><b>Name of Service area</b> Housing &amp; Communities</p>	<p><b>Date:</b> 21<sup>st</sup> November 2021</p>

1. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	This proposal positively affects people of all ages that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal	No negative impacts will arise as a result of this proposal.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	This proposal positively affects people of disability that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
Gender reassignment	This proposal positively affects people of all genders that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
P 20 18 Marriage or civil partnership	This proposal positively affects all people of that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
Pregnancy or maternity	This proposal positively affects people that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
Race	This proposal positively affects people that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.



Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Religion or Belief	This proposal positively affects people that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
Sex	This proposal positively affects people that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.
Sexual Orientation	This proposal positively affects people that may be susceptible to the effects of fuel poverty due to living in accommodation that has a low energy efficiency rating.	No negative impacts will arise as a result of this proposal.	No negative impacts will arise as a result of this proposal.

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## 2. The Socio-economic Duty and Social Justice

The Socio-economic Duty requires public bodies to **have due regard to the need to reduce inequalities of outcome which result from socio-economic disadvantage when taking key decisions** This duty aligns with our commitment as an authority to Social Justice.

	<b>Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage</b>	<b>Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>Socio-economic Duty and Social Justice</b>	<p>A positive benefit of the proposal is that it will help to tackle and mitigate against socio economic disadvantage.</p> <p>The proposal will improve the quality of accommodation through better thermal efficiency of residential properties. In this context, good quality and warm 'homes' which will provide safety, security and stability within the home environment.</p>	<p>There are no negative impacts of the proposal.</p>	<p>The proposal will build on existing schemes available through the Council that mitigate against socio economic disadvantage. Such services include:</p> <ul style="list-style-type: none"> <li>• Empty Property Loans</li> <li>• Home Improvement Loans</li> <li>• Disability Facilities Grants</li> </ul>

<b>How does your proposal impact on the following aspects of the Council's Welsh Language Standards:</b>	<b>Describe the positive impacts of this proposal</b>	<b>Describe the negative impacts of this proposal</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts</b>
<b>Policy Making</b>  Effects on the use of the Welsh language,  Promoting Welsh language  Treating the Welsh language no less favourably	Welsh Language will be factored into those areas of services where there is written information.	None	N/A
<b>Operational</b>  Recruitment & Training of workforce	There is no requirement for Welsh speakers in respect of operational delivery and, therefore, recruitment and training. Welsh speakers are however, positively encouraged to apply for vacancies.  Existing staff are encouraged through the Council's training unit to access Welsh lessons.	None	At present there are two members of the Housing team who have taken up this opportunity.
<b>Service delivery</b>  Use of Welsh language in service delivery  Promoting use of the language	Actions to improve the Council's delivery of the Housing Service provide an opportunity to promote that anyone approaching the Council in respect of a housing issues can deal with the Council in Welsh in person, by phone,	None	

	email, Twitter, Facebook, letters, forms etc		
--	--	--	--




**4. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal. There's no need to put something in every box if it is not relevant!



<b>Well Being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 22</p> <p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p><b>Positive:</b></p> <p>Energy efficiency measures will be available to all qualifying households as set out in the Statement of Intent at the Annex 2. Qualifying criteria mainly centres around lower household incomes, health vulnerabilities, and risk of fuel poverty. The scheme is designed to reduce inequalities in terms of living standards, health and wellbeing.</p> <p>The proposal contributes positively to increasing options for those who are at risk of fuel poverty and at risk of the effects of living in accommodation that has a low energy efficient rating.</p> <p>The Housing Service is focused on delivering sustainable solutions that make efficient and best use of available resources. The central focus of the proposal is for households needing assistance being able to acquire funding to improve their current accommodation and to live as independently as possible.</p>	<p>The proposal will build on existing schemes available through the Council that contribute positively to the well-being goals and mitigate against the well-being goals, such services include:</p> <ul style="list-style-type: none"> <li>• Empty Property Loans</li> <li>• Home Improvement Loans</li> <li>• Disability Facilities Grants</li> </ul>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<b>Negative:</b>	
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	<b>Positive:</b> The proposal will positively contribute to this goal because every energy efficiency improvement measure a property receives helps reduce CO2 emissions.  <b>Negative:</b> N/A	As above
Page 23  <b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	<b>Positive:</b> Housing Services in Monmouthshire positively contribute to positive health outcomes for the people of Monmouthshire. This proposal supports people's physical and mental wellbeing because it is well understood the effects of fuel poverty and poor housing has on individuals.  <b>Negative:</b> None.	The proposal will build on existing schemes available through the Council that contribute positively to the well-being goals and mitigate against the well-being goals, such services include: <ul style="list-style-type: none"> <li>• Empty Property Loans</li> <li>• Home Improvement Loans</li> <li>• Disability Facilities Grants</li> </ul>
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	<b>Positive:</b> The proposal contributes to the well-being goal by improving people's homes.  For example, establishing provision, such as	As above

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	<b>Negative:</b> None	
<p><b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p><b>Positive:</b> The proposal will improve the condition of properties in Monmouthshire. Any improvement helps to increase stability and opportunities in people's lives.</p> <p><b>Negative:</b> N/A</p>	N/A.
<p><b>Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p><b>Positive:</b> N/A</p> <p><b>Negative:</b> N/A</p>	N/A
<p><b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances</p>	<p><b>Positive:</b> The proposal will improve the condition of properties in Monmouthshire. Any improvement helps to increase stability and opportunities in people's lives.</p> <p><b>Negative:</b> None.</p>	N/A

**5. How has your proposal embedded and prioritised the sustainable governance principles in its development?**

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The proposal seeks to provide both a short to long-term intervention.</p> <p>The proposal will improve the condition of properties and the lives of people that currently occupying the property but also future proofs the property for subsequent occupiers.</p>	<p>The Council will continue to operate a pro-active and positive approach will continue to contribute to positive impacts.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>This proposal is based on a partnership approach through the following parties:</p> <ul style="list-style-type: none"> <li>• Cardiff Capital Region</li> <li>• Energy Provider Companies</li> <li>• Welsh Government</li> <li>• Private Property Owners/Developers</li> </ul>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>A working group has been established with those involved in bringing the scheme to fruition and this platform has been used to develop a plan to maximise take up of the scheme.</p>	<p>N/A</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p><b>Prevention</b></p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The proposal builds upon the existing proactive, positive, and supportive approach to improving living accommodation Monmouthshire, such as:</p> <ul style="list-style-type: none"> <li>Empty Property Loans</li> <li>Home Improvement Loans</li> <li>Disability Facilities Grants</li> </ul>	
 <p><b>Integration</b></p> <p>Page 26</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The proposal positively impacts on well-being e.g., potential for additional good quality accommodation supports well-being.</p>	N/A



**6. Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?**

	<b>Describe any positive impacts your proposal has</b>	<b>Describe any negative impacts your proposal has</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Safeguarding	The proposal supports safeguarding	None.	Ensure that all staff have access to guidance, information, and resources
Corporate Parenting	The proposal supports Corporate Parenting.	None.	

**7. What evidence and data has informed the development of your proposal?**

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**8. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

*.This section should summarise the key issues arising from the evaluation. This summary must be included in the Committee report template*

**Positive**

Energy efficiency measures will be available to all qualifying households as set out in the Statement of Intent at the Appendix 2. Qualifying criteria mainly centres around lower household incomes, health vulnerabilities, and risk of fuel poverty. The scheme is designed to reduce inequalities in terms of living standards, health and wellbeing.

**Negative**

None.

**9. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

What are you going to do	When are you going to do it?	Who is responsible
Page 28		

**10. VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision making process. It is important to keep a record of this process to demonstrate how you have considered and built in equality and future generations considerations wherever possible.**

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
1			

2			
3			

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**SUBJECT: LOCAL GOVERNMENT (WALES) ACT 1994 THE LOCAL AUTHORITIES (PRECEPTS) (WALES) REGULATIONS 1995 – Proposed Payment Schedule**

**MEETING: Individual Cabinet Member – Councillor R. Garrick**

**DATE: 14<sup>th</sup> December 2022**

**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

- 1.1. To seek Member approval of the proposals for consultation purposes regarding payments to precepting authorities during the 2023/24 financial year as required by statute.

**2. RECOMMENDATIONS:**

- 2.1. That the following schedule of payments be proposed pending consultation:
- (i) The Police Authority precept is paid from the Council Fund by twelve monthly equal instalments on the third Tuesday in each month.
  - (ii) The Community Council precepts are paid by three equal instalments on the last working day in April, August and December in each year.
- 2.2. That the Community Councils are consulted prior to the determination and that the response of the consultation is considered when making the final determination.
- 2.3. That a further report be produced on the results of consultation enabling a determination to be made by 31st January in accordance with statute.

**3. KEY ISSUES:**

- 3.1. The Council as a billing authority is required to determine the schedule of instalments for payment of Precepts from the Council Fund for each year.
- 3.2. The Regulations provide that on or before the 31st December each year a billing authority must inform each precepting authority of its proposals for a schedule of instalments to satisfy all of the precepts. This proposal should be followed by a determination on or before the 31st January, with at least 21 days elapsing between decision on the proposals and the making of a determination.
- 3.3. In each schedule the billing authority must specify the number of instalments, the proportion of each precept which is to be paid in each instalment and the dates in the year on which instalments are to be paid. The payment to the Police Authority must be made on the same day

and should not be less than twelve instalments in any one financial year. In the case of Town and Community Councils the agreement can be one of the following:

(i) Payment by three instalments in April, August and December, or;

(ii) Payment by one instalment on the last working day in April.

3.4. For the existing financial year Monmouthshire County Council operate the arrangement identified in (i) above for Town and Community Councils and pay the Police Authority precept on the third Tuesday of each month.

#### **4. REASONS:**

4.1. To approve the proposals for consultation purposes regarding payments to precepting authorities during the 2023/24 financial year as required by statute.

#### **5. OPTIONS APPRAISAL**

5.1. Options are laid out by Statute and no further assessment is required.

#### **6. EVALUATION CRITERIA**

6.1. Not applicable.

#### **7. RESOURCE IMPLICATIONS**

7.1. Negligible cash flow advantages would be achieved should a decision be made to pay the Police Authority precept on the last working day of each month.

7.2. Similarly, any decision to move Town and Community Council precept payment to one instalment at end of April is unlikely to introduce a material cashflow disadvantage, but would reduce our payment administration by two thirds and may also assist the financial management within town & community councils.

#### **8. WELLBEING OF FUTURE GENERATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)**

8.1. There are no implications directly arising from the recommendations and decisions highlighted in this report.

#### **9. CONSULTEES**

Strategic Leadership Team  
Cabinet Members

#### **10. BACKGROUND PAPERS**

10.1. None

#### **AUTHORS:**

Jonathan Davies – Head of Finance (Deputy Section 151 Officer)

**email:** [jonathandavies2@monmouthshire.gov.uk](mailto:jonathandavies2@monmouthshire.gov.uk)

**phone:** (01633) 644114

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## REPORT

**Subject: COUNCIL TAX BASE 2023/24 AND ASSOCIATED MATTERS**

**Directorate: Resources**

**Meeting: Individual Cabinet Member Decision – Cabinet Member for Resources**

**Date: 14<sup>th</sup> December 2022**

**Divisions/Wards Affected: County Wide**

### 1. PURPOSE:

- 1.1 To agree the Council Tax base figure for submission to Welsh Government, together with the collection rate to be applied for 2023/24 and to make other necessary related statutory decisions.

### 2. RECOMMENDATIONS:

- 2.1 That in accordance with the Local Authorities (Calculation of Tax Base) (Wales) Regulations 1995, the amount calculated by the Council as its Tax Base for 2023/24 shall be notified as **47,778.09** and the collection rate set at **99.0%**.
- 2.2 That no Special Resolution declaring Drainage Rates as Special Expenses be made.
- 2.3 That any expenses incurred by the Council in performing in part of its area a function performed elsewhere in its area by a Community Council shall not be treated as a special expense for the purpose of Section 35 of the Local Govt. Finance Act 1992.
- 2.4 That Council Tax setting continues to be a function of full Council.

### 3. KEY ISSUES:

#### Council Tax Base

- 3.1 For each financial year, the Council shall set its Council Tax, taking account of its own total net budget requirement and amounts receivable for redistributed Non-Domestic Rates, Revenue Support Grant and any other additional grants. It will also take account of any precepts it receives from other authorities and the value of the Council Tax Base. In simple terms, the net spending not met by grant is divided by the Tax Base to give the amount of Council Tax for a dwelling in Band D. The budget requirement, grant calculations and precepts will be addressed in the Council Tax Setting report.
- 3.2 It was previously agreed by Council in January 2005 that the largely technical matter of setting the Council Tax Base be dealt with by Executive decision. Legally, whilst the annual council tax setting decision could also be decided by the Executive, this has always been referred to full Council, given its wide interest and importance. It is

therefore recommended that council tax setting continues to be a decision for full Council.

- 3.3 The ratified council tax base information must be passed to Welsh Government (WG) by 6<sup>th</sup> January 2023 with reference to dwellings in the Valuation List as of 31<sup>st</sup> October 2022 and considering anticipated changes likely to occur during 2023/24. Provisional information has been provided to WG, if any changes to policy are considered which affect the tax base, revised information will need to be submitted. Significant differences may require WG to adjust the RSG entitlements via an amending report. The prescribed period during which Councils would notify major precepting authorities of the council tax base figure is normally 1<sup>st</sup> November to 31<sup>st</sup> December.
- 3.4 The tax base calculated for 2023/24 assumes that all discounts and premiums awarded remain the same, as in previous years. However due to unprecedented budget pressures, the case for the addition of premiums for second homes is being explored. Any future decision to introduce a premium for either second homes or empty properties will be made in accordance with legislation and will be reflected in the tax base accordingly.
- 3.5 The 2023/24 tax base has been prepared based on the new parishes, as determined under The Monmouthshire (Communities) Order 2021. All changes took effect from 1<sup>st</sup> April 2022.

### **Collection Rate**

- 3.6 It should be recognised that council tax is being perceived as an increasing burden on taxpayers with more arrangements outside the statutory scheme being sought, thereby increasing the time over which the debt is paid.
- 3.7 Between 2004/5 and 2007/8 the anticipated in-year collection rate was static at 96%; this was increased to 96.5% for 2008/9 and 2009/10 and to 97% for 2010/11. From 2011/12, despite ongoing economic difficulties, the collection rate was increased to 98%, reflecting results achieved in subsequent years from sustained recovery action. In 2016/17, the collection rate was increased further to 98.5% and for 2017/18, it was considered reasonable to increase the collection rate further to 99.0%, a rate which has been retained for each subsequent financial year thereafter. Whilst, the Covid 19 pandemic had a significant impact on the in-year collection rate for the 2020/21 and 2021/22 financial years, the overall long term collection rate continues to meet the target set. At this stage, it is too early to determine how the current cost of living crisis will impact on Monmouthshire households and the subsequent impact this may have on collection rates. Therefore, the decision has been made to retain a 99% collection rate for 2023/24.
- 3.8 The Council Tax Reduction Scheme (CTRS) was introduced by the Welsh Government on 1<sup>st</sup> April 2013, replacing what was the Council Tax Benefit Scheme. On inception the Welsh Government fully funded the scheme, pending a full review. This review was concluded in the summer of 2014, with the Welsh Government announcing its intention to continue to fund the scheme for another 2 years - 2015/16 and 2016/17. The scheme has since been extended further for the financial year 2017/18 through to 2022/23. Whilst we await final confirmation of the scheme from Welsh Government for 2023/24 it is expected that full entitlements will be maintained for next year. A separate report is scheduled for full Council on 19<sup>th</sup> January 2023 to approve next year's Council Tax Reduction Scheme.
- 3.9 The Covid 19 pandemic put significant pressure on the CTRS budget in 2020/21 and 2021/22. However, demand has since returned to pre pandemic levels.

- 3.10 Funding of the CTRS from Welsh Government forms part of the annual revenue budget settlement and is expected to remain at current levels for next year. As part of its annual budget setting, the Council can determine how much budget to allocate to this Scheme taking account of levels of take up and any additional costs arising from any increases in council tax. From a household perspective, they will not be required to make any contributions.

### **Special Items and Expenses (Section 34)**

- 3.11 Certain items of expenditure, and precepts made upon the Council by Community Councils are applicable only to certain parts of the area and special rules exist to deal with these items. These rules apply to all the Town and Community Council precepts in respect of each of their respective areas. They also apply to Drainage Rates which are charged only in certain parts of the East and South of the County area. The Council has always considered that the general body of taxpayers should be treated equally in this respect and such expenditure should be defrayed over the whole area rather than charged as an additional item on those who happen to be in a particular catchment area. If this view continues to prevail then no special resolution declaring these to be special expenses will be necessary.
- 3.12 Finally, expenses incurred by an authority in performing in part of its area a function performed elsewhere by a Community Council (concurrent functions) must be treated as a special expense unless a negative resolution is in force.
- 3.13 The effect of the above result is a recommendation leading to drainage rates and concurrent functions being charged equally across the County.

### **4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING)**

- 4.1 There are no implications for sustainability, safeguarding and corporate parenting. The Council Tax base itself is mainly calculated from information about the numbers of properties within the County, adjusted to an equivalent band D figure for things such as discounts, exemptions and reliefs, and is therefore based on fact and provided for information. Annually Council considers council tax setting as part of the wider budget proposals in March. At this time these proposals are subject to an overall WFG assessment. Our Sustainability Community Officer has confirmed that under these circumstances there is no requirement to complete a Future Generations Evaluation.

### **5. OPTIONS APPRAISAL**

- 5.1 Not applicable. This is a statutory report

### **6. EVALUATION CRITERIA**

- 6.1 Not applicable.

### **7. REASONS:**

- 7.1 To agree the council tax base figure and the collection rate for the forthcoming financial year as required by legislation.
- 7.2 To determine whether a special resolution should be made declaring Drainage Rates a special expense.

- 7.3 To determine whether any expenses incurred in part only of the area should be treated as special expenditure in accordance with the relevant legislation.
- 7.4 To confirm that the important matter of tax setting should continue to be a function of full council rather than be devolved for executive decision.

**8. RESOURCE IMPLICATIONS:**

- 8.1 Overall the Council Tax base calculated for 2023/24 has risen by 0.85% compared to 2022/23. This increase takes into account the anticipated changes in dwellings. The estimated income derived from this (£336k) will be included as part of the draft budget proposals which will be considered by Cabinet at a meeting scheduled for 18<sup>th</sup> January 2023.

**9. CONSULTEES:**

Cabinet  
Senior Leadership Team  
Deputy Chief Executive & Chief Officer for Resources  
Head of Finance

**10. BACKGROUND PAPERS:**

None

**11. AUTHORS:**

Ruth Donovan – Assistant Head of Finance: Revenues, Systems and Exchequer

**12. CONTACT DETAILS:**

**Email:** [ruthdonovan@monmouthsire.gov.uk](mailto:ruthdonovan@monmouthsire.gov.uk)  
**Tel:** 01633 644592