

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

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 12th 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). 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 – EPC (D – highly unlikely to be viable for installers), E, F and G with an income cap of £31,000 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

DATED

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 31st 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

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>Name of the Officer completing the evaluation Stephen Griffiths</p> <p>Phone no: 01633 644455 E-mail: stephengriffiths@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</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).</p> <p>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>Name of Service area</p> <p>Housing & Communities</p>	<p>Date: 21st 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.
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.

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.

	Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage	Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Socio-economic Duty and Social Justice	<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"> • Empty Property Loans • Home Improvement Loans • Disability Facilities Grants

3. Policy making and the Welsh language.

How does your proposal impact on the following aspects of the Council's Welsh Language Standards:	Describe the positive impacts of this proposal	Describe the negative impacts of this proposal	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts
Policy Making 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
Operational 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.
Service delivery 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		
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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!



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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive:</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"> • Empty Property Loans • Home Improvement Loans • Disability Facilities Grants

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?
	Negative:	
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Positive: The proposal will positively contribute to this goal because every energy efficiency improvement measure a property receives helps reduce CO2 emissions. Negative: N/A	As above
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Positive: 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. Negative: 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"> • Empty Property Loans • Home Improvement Loans • Disability Facilities Grants
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Positive: 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?
	Negative: None	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Positive: The proposal will improve the condition of properties in Monmouthshire. Any improvement helps to increase stability and opportunities in people's lives. Negative: N/A	N/A.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	Positive: N/A Negative: N/A	N/A
A more equal Wales People can fulfil their potential no matter what their background or circumstances	Positive: The proposal will improve the condition of properties in Monmouthshire. Any improvement helps to increase stability and opportunities in people's lives. Negative: None.	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"> • Cardiff Capital Region • Energy Provider Companies • Welsh Government • Private Property Owners/Developers 	
 <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>Prevention 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"> Empty Property Loans Home Improvement Loans Disability Facilities Grants 	
 <p>Integration 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?

	Describe any positive impacts your proposal has	Describe any negative impacts your proposal has	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
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?

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

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			