

# Statement of Intent for Energy Company Obligation (ECO4) and Great British Insulation Scheme (GBIS)

## STATEMENT OF INTENT

Local Authority	West Lothian
Date of Publication	13 <sup>th</sup> June 2024
Publication on Website	13 <sup>th</sup> June 2024
Version	S12000040/V3

This statement sets out West Lothian Council's flexible eligibility criteria for the Energy Company Obligation (ECO4) & Great British Insulation Scheme (GBIS), which runs until March 2026.

ECO4 and GBIS focus on supporting low income and vulnerable households. The schemes will improve the least energy efficient homes helping to meet the Government's fuel poverty and net zero commitments. The GBIS will support the ECO4 scheme in the delivery of predominantly single measures targeted at a wider range of households.

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 and GBIS Flex".

### Introduction

West Lothian Council is committed to tackling Fuel Poverty across the region through various means, as detailed in the Local Housing Strategy (LHS), Strategic Housing Investment Plan (SHIP) and Anti-Poverty Strategy. Adopting the Flexible ECO and GBIS Eligibility Policy will allow ECO support for energy efficiency improvement measures to be made available to more residents living in private sector housing. This Statement of Intent will help to target those households in the highest level of need by targeting households living in fuel poverty or who are living on a low income and are vulnerable to the effects of living in a cold home. Flexible ECO and GBIS is only available to support residents living in private sector housing.

A household is described as living in fuel poverty, in Scotland, if in order to maintain a satisfactory heating regime; it would be required to spend more than 10% of its income on all household fuel use. If over 20% of income is required, then this is termed as being in extreme fuel poverty.

This statement is not a guarantee that households will access ECO or GBIS-Flex since this decision rests with the ECO and GBIS provider(s). In addition to the discretion of the ECO and GBIS providers all installations will be subject to appropriate surveys by the ECO and GBIS providers or their agents to confirm that;

- Properties are suitable for specified measures
- Proposed measures fit within the ECO4 or GBIS scheme regulations
- ECO and GBIS providers have funding available.

The level of funding made available by the ECO and GBIS providers may vary and there is no guaranteed minimum funding level. Ultimately West Lothian Council may only facilitate and support households in accessing these schemes. The final agreement and contract are between the property owner and the ECO or GBIS

provider or their agents.

### **West Lothian Council Area**

West Lothian Council was established in 1996 and as of July 2022, served a community of approximately 185,580 citizens in central Scotland\*, which is 9<sup>th</sup> highest population out of all 32 council areas in Scotland and 5<sup>th</sup> fastest growing population over the last 21 years across the same council areas. West Lothian is projected to continue to grow at an increase of 5.9% population which compares to 1.8% for Scotland as a whole.

There are 83,624 homes\* in West Lothian of which about 14,000 are owned by West Lothian Council; of these 83,624 homes there are approximately 18% of households in fuel poverty across West Lothian and of those 9% are in extreme fuel poverty.

(\*National Records of Scotland figures [West Lothian Council Area Profile \(nrscotland.gov.uk\)](https://www.nrscotland.gov.uk))

The Council welcomes the introduction of the ECO4 and GBIS Flex eligibility routes as it helps the Council achieve its plans to improve the homes of those in fuel poverty or vulnerable to the cold.

### **ECO4 and GBIS Flex Referral Routes**

The Council is publishing this revised Statement of Intent (Sol), on the **3<sup>rd</sup> June 2024** to confirm that each of the households declared eligible will adhere to at least one of the four available routes outlined below.

**Route 1:** Owner-occupied and private rented sector households with a gross annual income less than £31,000. This cap applies irrespective of the property size, composition, or region.

**Route 2:** Owner-occupied and private rented sector households that meet a combination of two of the following proxies:

<b>Proxy 1)</b> Homes in areas of multiple deprivation within the first, second or third decile of the Scottish Index of Multiple Deprivation 2020. <a href="#">SIMD (Scottish Index of Multiple Deprivation)</a>
<b>Proxy 2)</b> A person living at the premises is entitled to a Council Tax reduction on the grounds of low-income.
<b>Proxy 3)</b> A person living at the premises is considered to be vulnerable to the cold under the National Institute for Health and Care Excellence (NICE) Guidance NG6: Recommendation 2, for a reason other than their low-income <sup>1*</sup> <a href="#">1 Recommendations   Excess winter deaths and illness and the health risks associated with cold homes   Guidance   NICE</a>
<b>Proxy 4)</b> A child living at the premises is eligible for free school meals, due to low-income <sup>2</sup>
<b>Proxy 5)</b> A person living at the premises is supported by a scheme established by the LA that is named and described within their Statement of Intent and established to support people living on a low-income and considered vulnerable to the cold under NICE Guideline NG6.
<b>West Lothian Council does not currently support this route.</b>

---

<sup>2</sup> Under section 512ZB(4) of the Education Act 1996 or section 53 of the Education (Scotland) Act 1980

**Proxy 6)** A household referred to the LA for support by their energy supplier or Citizens Advice or Citizens Advice Scotland, because they have been identified as struggling to pay their electricity and/or gas bills.

**Proxy 7)** Households identified through energy supplier debt data. This route enables obligated suppliers to use their own debt data to identify either non pre-payment meter households (non-PPM), or pre-payment meter households (PPM)\*.

**Non-PPM customers:** These are customers who have been in debt for more than 13 weeks ending with the day on which the declaration is made, and are in a debt repayment plan with their energy supplier or repaying their fuel debt through 3<sup>rd</sup> party deductions.

**PPM customers:** Suppliers may also identify PPM households who: have either self-disconnected or received supplier Discretionary/Friendly credit within the last 13 weeks ending with the day on which the declaration is made; or are in a debt repayment plan with their energy supplier; or repaying their fuel debt through 3<sup>rd</sup> party deductions.\*

\* Note proxies 1 and 3 cannot be used together.

\* Proxy 7 cannot be used in combination with proxy 5 or proxy 6.

\* Proxy 7 is identified through energy suppliers and is listed here for information only.

**Route 3: NHS Referrals:** Owner-occupied and private rented sector households that have an existing SAP bands D-G and have been identified by their doctor or GP as low-income 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 recognised 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 [applicable to ECO4 Flex only]:** SAP band D-G Owner-occupied and private rented sector households SAP band E-G that are referred under Route 4: Bespoke Targeting. Suppliers and LAs can submit an application to the Department for Energy Security and Net Zero where they have identified new methods to identify low-income and vulnerable households. Applications need to demonstrate a number of factors, including that the proposed methodology is more effective at identify households in fuel poverty than the criterion offered under Routes 1 and 2.

West Lothian Council will decide which routes it will apply and with which partners.

All four routes to ECO4 and GBIS flex will require the necessary evidence to be provided to prove any claims. This evidence will be held by the Local authority to provide for any future audits.

---

## **Heat and Energy Efficient Scotland: Area Based Schemes (ABS) and ECO funding**

ECO4 and GBIS funding may not be blended with Scottish Government ABS funded programmes for individual measures. ECO4 or GBIS financing however may be leveraged in three main ways:

- ECO4 or GBIS funding alongside ABS for separate measures in the same properties
- ECO4 and GBIS finance replaces ABS or other public funding (whole property).
- ECO4 and GBIS finance as part of a separate local ECO and GBIS Flex scheme running in parallel with ABS.

ECO4 funding could therefore be used to complement the ABS scheme and fund the works on eligible houses allowing for more houses to receive the energy efficiency upgrades.

ECO finance is primarily aimed at domestic owner occupiers in properties with an EPC banding of D and below and private renters in properties with EPC banding of E and below. There is a requirement to improve these properties to minimum requirement EPC ratings, with an EPC F and G properties expected to reach a band D, and band D and E properties to reach a minimum of a band C. GBIS is aimed at owner occupiers in homes with EPC ratings of D to G and private rented with EPC ratings of E to G.

### **Referrals**

Referrals for Flexible ECO and GBIS funding will be accepted from both Home Energy Scotland (HES) and via the council's own advocacy service. The West Lothian Advice Shop, Citizens Advice Bureau and a Healthcare provider such as General Practitioner or Health Board/ NHS Trust may also refer into the scheme.

All Referrals for Flexible ECO and GBIS funding must be evidenced with the documents outlined in the regulations for these schemes.

West Lothian Council will sign declarations for eligible households which are carried out by recognised Trustmark and Microgeneration Certification Scheme accredited contractors. A link to the council page which has a list of the installers working within West Lothian follows; [ECO Flex Eligibility Questionnaire Info - West Lothian Council](#)

In addition, declarations for ECO and GBIS-Flex will be signed using route 2 proxy 7 to try to target the funding to those most in need.

The delivery of the ABS programme is managed by the Housing Investment team within the council and all ABS enquiries are directed initially to the Housing Investment Officers for Energy who maintain an active referral relationship with HES. Referrals for Flexible ECO and GBIS funding will also be accepted from contractors appointed to deliver energy efficiency measures as part of the ABS programme.

West Lothian Advice Shop Telephone: 01506 283000

West Lothian Advice Shop Website: <https://www.westlothian.gov.uk/adviceshop>

Home Energy Scotland Telephone: 0808 808 2282

Home Energy Scotland Website: <https://www.energysavingtrust.org.uk/scotland/home-energy-Scotland>

The definition of who can make health referrals is contained within the ECO4 and GBIS regulations.

All referral information will be handled in accordance with the Data Protection Act and General Data Protection Regulations (GDPR) and retained for the purposes of evidence, monitoring and reporting.

### **Evaluation, Evidence and Reporting**

To facilitate internal monitoring and reporting the council will be required to evidence records to support household eligibility and information received from suppliers or installers on measures installed.

The council will be required to forward information on to OFGEM providing the regulator with:

- The Local Authorities UPRN (Unique Reference Number).
- Whether the referral was made on behalf of another Local Authority.
- The ECO and GBIS Flex referral routes used.
- The ECO and GBIS Flex referral proxy's used.
- The date the household became eligible.
- The date of the Sol publication, and
- A link to the Sol.

The eligibility of the application must be evidenced by one of the following:

**Route 1 Low Income:** Tax return from the last 3 months payslips from the last 3 months, bank statements from the last 3 months proving income payments.

**Route 2 Proxy Targeting:** Screen shot confirming that the property is in a SMID area A signed letter from a Doctor / GP identifying that someone has a medical condition, such as heart disease; a disability that, for instance, stops people moving around to keep warm, or makes them more likely to develop chest infections, following NICE guidance.

Signed letter from local coordinator / local authority that proves the household was eligible for a LA-run scheme.

Eligibility Checking Service (ECS), documentation showing eligibility for free school meals due to low-income provided by the Department for Education or from the school. A signed letter accompanied by proof of gas and electricity debt from the energy supplier or Citizen's Advice, showing that the household has been referred to the LA for utility bill support or supplier provided Pre-payment meter data.

**Route 3 NHS Referral:** Official letter signed by either an NHS Trust, NHS Trust Board or NHS Primary Care provider. This letter will need to state that the official signing the letter considers someone in the household to be suffering from one of the four health conditions listed

- A cardiovascular condition,
- A respiratory disease,
- Limited mobility or,
- Immunosuppression

## **Review**

The scheme will be reviewed annually or at any point there is a significant change to the scheme or the funding available.

On the review of the scheme the council has the option to withdraw this statement where the scheme is no longer valid or provides no advantages to the communities of West Lothian.

## **Data Protection Compliance**

The contractor will be responsible for the collection and processing of all necessary evidence from applicants to enable an application to be verified as meeting the necessary criteria as set out in this Sol.

West Lothian Council will require to view the application information and supporting evidence held by the contractor in order to confirm a household meets the ECO4 scheme's eligibility criteria. It will not hold any identifying personal information. Details of how West Lothian Council complies with Data Protection law can be found on our website - [Data Protection and GDPR - West Lothian Council](#)

Any party facilitating the sharing of information and evidence with West Lothian Council will need to ensure that it has received an informed consent form from the household for such information to be shared, which complies with their data protection policies and is in line with the Data Protection Act 2018.

Applicants should not share personal information with a contractor without first receiving a copy of the contractor's privacy notice. The privacy notice should be compliant with the UK GDPR and the Data Protection Act 2018, the Information Commissioner's Office Data Sharing Code of Practice, and the Department for Energy Security & Net Zero (DESNZ) guidance. You can find out more about the Act on the Gov.UK website. The Information Commissioner's Office has also issued guidance which you can check to make sure your information is being handled correctly

## **DECLARATION AND EVIDENCE CHECK CONFIRMATION**

All potentially eligible households should apply through West Lothian Council or one of their approved ECO or GBIS 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:** David Young

**Job Title:** Housing Investment Officer

**Telephone:** 01506 282528

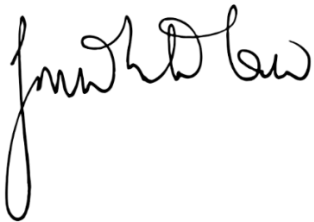
**Email:** [ecoflex@westlothian.gov.uk](mailto:ecoflex@westlothian.gov.uk)

## **DEDICATED RESPONSIBLE PERSON MANDATORY SIGNATURE**

West Lothian Council will administer the ECO4 Flex scheme according to Electricity and Gas (Energy Company Obligation) Order 2022 (ECO4 Order).

The council will administer the Great British Insulation Scheme Flex according to the Electricity and Gas (Energy Company Obligation) Order 2023 (ECO4A Order)

West Lothian Council's Head of Property Services will oversee the process of identifying eligible households under ECO Flex and GBIS Flex. The council will notify Ofgem of households that declarations have been issued for via the declaration notification template.

**Signature:** 

**Name:** Julie Whitelaw

**Job Title:** Head of Housing, Customer and Building Services

**Date of signature:** 13 June 2024

For any general enquires relating to this Statement of Intent, please contact:

[EcoFlex@westlothian.gov.uk](mailto:EcoFlex@westlothian.gov.uk)

This West Lothian Council's Flexible Eligibility Statement of Intent supersedes and replaces all previous versions of this document published; ECO4 Flex SOI version S12000040/00002 dated 23<sup>rd</sup> April 2023.

