

Energy Company Obligation

Local Authority Flexible Eligibility Statement of Intent

Local authority: Greater London Authority

Date of publication: 04/12/2019

Version: 2.1

URL: <https://www.london.gov.uk/what-we-do/housing-and-land/improving-quality/energy-company-obligation-and-flexible-eligibility>

1) Introduction

The Greater London Authority is the strategic authority for London. In May 2018 the Mayor of London published his London Environment Strategy which sets out his vision to make London the greenest global city. This includes making London a city that is zero carbon, zero waste and has a zero emission transport network by 2050; and ensuring that over half of London's land cover is green (and blue).

The Mayor's plans to make London a zero carbon city by 2050 include his Energy for Londoners programme, that aims to make London's homes warm, healthy and affordable, its workplaces more energy efficient, and to supply the capital with more local clean energy. He has also set our plans to use his spatial planning powers to build zero carbon homes and commercial buildings in London and drive up solar installations, and ongoing support for low carbon heating solutions, including replacing inefficient boilers, and increasing district heating.

In addition, the Mayor has published a Fuel Poverty Action Plan with actions to help lift Londoners out of fuel poverty, and overcome the health effects of cold, damp, draughty living conditions. Fuel poverty amongst private tenants is a major issue in London where 26 per cent of houses are privately rented and rates of fuel poverty in the private rental sector are around three times higher than in owner-occupied houses. Actions include delivering the Mayor's Warmer Homes programme, providing funding to support and create local advice and referral networks through the Warmer Homes Advice Service, establishing an energy supply company to offer fairer energy bills to Londoners, and establishing a high-profile cross-sectoral Fuel Poverty Partnership to coordinate action in London.

We welcome the introduction of Flexible Eligibility (FE) and intend to utilise it for the purposes of reducing fuel poverty in the city. We intend to use FE as a means of both establishing eligibility for our own and other fuel poverty programmes and to secure Energy Company Obligation (ECO) funding towards the cost of measures.

We wish to make it clear that the final decision on whether any individual household can benefit from energy saving improvements through Warmer Homes will be informed by an assessment of feasibility by our contractors. Inclusion in a Declaration issued by us will not guarantee installation of measures. The final decision will depend on i) the survey carried out by our contractors and installation costs calculated, ii) the energy savings that can be achieved for a property, and iii) whether we have exhausted our own funds, suppliers have achieved their targets or suppliers require further measures to meet their Energy Company Obligation targets.

In addition to ECO, we also expect to issue declarations on behalf of residents for the purposes of the Fuel Poverty Network Extension Scheme, any relevant Warm Homes Discount Industry Initiatives and any other appropriate scheme in London.

The Greater London Authority expects any obligated energy supplier, or contractor working on our or their behalf, to comply with the Data Protection Act and General Data Protection Regulation, to follow Ofgem's requirements for the Energy Company Obligation Help to Heat, and to act in accordance with industry best practice in relation to customer care and quality standards of any works that may take place.

This Statement of Intent is intended to support the Greater London Authority's partnership with the London Boroughs of Croydon, Islington, Kensington & Chelsea, and Lewisham, who will sign declarations on our behalf as part of their delivery of the Warmer Homes Advice Service.

2) How we intend to identify eligible households

The Greater London Authority will delegate principal responsibility to identify households that may benefit from flexible eligibility to the London Boroughs of Croydon, Islington, Kensington & Chelsea and Lewisham. The issuing of a declaration will ultimately be subject to the professional judgement of Responsible Officers in these boroughs.

Eligible clients should have an income below the threshold set in Section 2a and have either high costs (2b) or vulnerability to cold (2c).

a. Defining low income

In defining low income we have used the Joseph Rowntree Foundation Minimum Income Standard with adjustments for typical private sector housing costs in London. Common household types and related income thresholds are given below. A fuller list of household types is available to officers issuing declarations. Income thresholds will be reviewed annually.

Household type	Gross earnings Inner London	Gross earnings Outer London
Single person, non-pensioners, no children	£32,400	£26,900
Couple, non-pensioners, no children	£47,600	£38,800
Single person, non-pensioner, child age 0-1	£77,700	£66,600
Single person, non-pensioner, child age 2-4	£62,500	£51,200
Single person, non-pensioner, child primary school age	£53,800	£47,200
Single person, non-pensioner, child secondary school age	£48,000	£43,800
Couple, non-pensioners, child age 0-1	£76,800	£67,400
Couple, non-pensioners, child age 2-4	£63,600	£55,800
Couple, non-pensioners, child primary school age	£58,200	£52,400
Couple, non-pensioners, child secondary school age	£53,000	£49,200
Single, non-pensioner, no children, sharing	£23,900	£20,900
Single, pensioner	£19,500	£13,600
Couple, pensioners	£35,200	£23,000

b. Defining high costs

The high costs threshold is challenging to set as energy costs will vary considerably by households. It should also be borne in mind that said high costs are required costs¹ and not actual spend and significant numbers of low income households underheat or ration energy spend. The three categories below indicate circumstances in which a household may have high energy costs.

Indicator	Definition	Value
1	Greater than 80% of average London domestic energy bill	£1,082 ²
2	Below fuel poverty strategy target EPC Band	EPC D-G
3	No gas central heating present/inefficient electric storage heating	n/a
4	Gas boiler below 85% efficiency or not working/condemned	<85%

Sources: Annual Domestic Energy Bills, June 2019, BEIS; Cutting the cost of keeping warm: a fuel poverty strategy for England, 2015, DECC

c. Defining low income and vulnerability to cold

Our regional advice and referral network, the Warmer Homes Advice Service, provides an effective means of identifying vulnerable households. Through this network we intend to target those households containing people with the characteristics below. These are aligned with the National Institute for Health and Care Excellence (NICE) 2015 guidance on excess winter deaths and illness caused by cold homes.

- i. Aged over 60, and particularly those over 75
- ii. Children under 5 and pregnant mothers
- iii. Respiratory disease (COPD, asthma)

¹ The amount that a household would be required to spend to achieve adequate warmth, not their actual spend. Many fuel poor households underheat

² This figure will be revised quarterly in line with Government data

- iv. Cardiovascular disease (e.g. ischaemic heart disease, cerebrovascular disease)
- v. Moderate to severe mental illness (e.g. schizophrenia, bipolar disorder)
- vi. Substance misusers
- vii. Dementia
- viii. Neurobiological and related diseases (e.g. fibromyalgia, ME)
- ix. Cancer
- x. Limited mobility
- xi. Haemoglobinopathies (sickle cell disease, thalassaemia)
- xii. Severe learning disabilities
- xiii. Autoimmune and immunodeficiency diseases (e.g. lupus, MS, diabetes, HIV)
- xiv. Recent hospital admission resulting from a fall at home

The presence of many of these conditions will not in itself mean that someone is extremely vulnerable however the severity of the conditions will be considered.

d. Identifying fuel poverty

The Greater London Authority and our partner boroughs will identify households that may benefit from FE in several ways:

- i. We will work with London boroughs and other partners to promote our fuel poverty programmes to Londoners in greatest need
- ii. Individuals in fuel poverty will be identified through our regional fuel poverty referral network and other fuel poverty projects operating in London
- iii. We will work with Gas Distribution Networks to reach vulnerable off-gas households
- iv. Our own data has highlighted that lone parents and members of Black, Asian and minority ethnic (BAME) communities are at greater risk of fuel poverty and we will target these groups

e. Solid wall insulation "in-fill" projects

Our referral network may support households to take advantage of "in-fill" projects where the minimum number of vulnerable households is met. This will involve contacting neighbouring properties to ascertain their eligibility.

f. Exclusions

Stewardship of public money requires Responsible Officers to refuse declarations where there is clear evidence of recent or ongoing self-funded improvements to the dwelling.

3) Governance

a. Responsible Officers

The positions below will be responsible for signing Declarations on behalf of the Greater London Authority for households within the boroughs listed. In specified circumstances any of the three positions will be able to issue declarations on behalf of any resident of Greater London.

- i. **For residents of Barking & Dagenham, Barnet, City of London, Enfield, Hackney, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Newham, Redbridge, Tower Hamlets, Waltham Forest**
 Job title: Senior Energy Advice Officer
 Telephone: 020 7527 2121
 Email: energy.advice@islington.gov.uk
- ii. **For residents of Bexley, Bromley, Greenwich, Kingston upon Thames, Lambeth, Lewisham, Merton, Richmond upon Thames, Southwark, Sutton, Wandsworth**
 Job title: Climate Resilience Manager
 Telephone: 020 8314 6605
 Email: martin.o'brien@lewisham.gov.uk
- iii. **For residents of Croydon**
 Job title: Energy Officer

Telephone: 020 8726 6000 ext. 61432
Email: malcolm.bell@croydon.gov.uk

iv. **For residents of Brent, Camden, Ealing, Hammersmith & Fulham, Kensington & Chelsea, Westminster**

Job title: Private Sector Housing & Energy Officer
Telephone: 020 7341 5247
Email: Justine.dornan@rbkc.gov.uk

- b. In the event that a declaration is refused by a Responsible Officer there is no right to appeal to the Greater London Authority. In accordance with the Electricity and Gas (Energy Company Obligation) Order 2018 and associated guidance the decision to issue a declaration is at the sole discretion of the relevant local authority.

4) Referrals

a. **Referral network**

Any individual seeking to access the flexible eligibility arrangements will need to be referred through our Warmer Homes Advice Service, using the contact information below:

- i. **North London (Barking & Dagenham, Barnet, City of London, Enfield, Hackney, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Newham, Redbridge, Tower Hamlets, Waltham Forest)**
Telephone: 0300 555 0195
Email: contact@shine-london.org.uk
Online: SHINE London
- ii. **Inner West London (Brent, Camden, Ealing, Hammersmith & Fulham, Kensington & Chelsea, Westminster)**
Telephone: 0800 365 3005
Email: GreenDoctorsLDN@groundwork.org.uk
Online: Inner West London Green Doctors
- iii. **South London (Bexley, Bromley, Greenwich, Kingston upon Thames, Lambeth, Lewisham, Merton, Richmond upon Thames, Southwark, Sutton, Wandsworth)**
Telephone: 0808 169 1779
Online: SLEEP
- iv. **Croydon**
Telephone: 0800 292 2529
Email: healthyhomes@croydon.gov.uk
Online: Croydon Healthy Homes

b. **Information flows with contractors**

Declarations will be passed to our contractors and borough partners through secure data transfer. In turn the contractors will be expected to provide information on the outcomes of these, including the nature and date of works completed.

5) Evidence, monitoring and reporting

Our contractor will collect all data on behalf of the Greater London Authority. This information will be used to evaluate our approach to FE, to determine if the criteria requires amendment and to inform future policy and schemes. It will form the basis of an annual report required by the Department of Business, Energy and Industrial Strategy (BEIS) to determine the success of Local Authority Flexible Eligibility.

- a. Anonymised data on the characteristics of households reached (whether they are deemed Fuel Poor or Low Income and Vulnerable to Cold) through FE will be reviewed on a quarterly basis
- b. The data above will include details of households assessed, how many were deemed eligible and ineligible, and how many received heating and insulation improvements

6) Signature



Debbie Jackson
Interim Executive Director - Development, Enterprise and Environment
Greater London Authority

Appendix 1: Borough classification and delegation schemes

Borough	Classification	Delegated to
Barking and Dagenham	Outer	Islington
Barnet	Outer	Islington
Bexley	Outer	Lewisham
Brent	Outer	Kensington & Chelsea
Bromley	Outer	Lewisham
Camden	Inner	Kensington & Chelsea
City of London	Inner	Islington
Croydon	Outer	Croydon
Ealing	Outer	Kensington & Chelsea
Enfield	Outer	Islington
Greenwich	Inner	Lewisham
Hackney	Inner	Islington
Hammersmith and Fulham	Inner	Kensington & Chelsea
Haringey	Outer	Islington
Harrow	Outer	Islington
Havering	Outer	Islington
Hillingdon	Outer	Islington
Hounslow	Outer	Islington
Islington	Inner	Islington
Kensington and Chelsea	Inner	Kensington & Chelsea
Kingston upon Thames	Outer	Lewisham
Lambeth	Inner	Lewisham
Lewisham	Inner	Lewisham
Merton	Outer	Lewisham
Newham	Outer	Islington
Redbridge	Outer	Islington
Richmond upon Thames	Outer	Lewisham
Southwark	Inner	Lewisham
Sutton	Outer	Lewisham
Tower Hamlets	Inner	Islington
Waltham Forest	Outer	Islington
Wandsworth	Inner	Lewisham
Westminster	Inner	Kensington & Chelsea

