



**Glasgow City Council**  
**ECO Flexible Eligibility Statement of Intent**  
**1<sup>st</sup> October 2018**  
**Version 1.0**

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## 1. Introduction

- i. Glasgow City Council is committed to tackling fuel poverty in the City and welcomes the introduction of the Local Authority Flexible ECO Affordable Warmth policy to address this issue. Local Authority Flexible ECO will allow the Council to provide funding to the City's private sector fuel poor households, that do not meet current criteria for schemes, as well as low income households that are vulnerable to the effects of the cold. The Local Authority Flexible ECO policy will also assist in supporting the Council's recently published [Local Housing Strategy \(2017-2022\)](#) which commits to "tackle fuel poverty, energy inefficiency and climate change mitigation" and "promote health and wellbeing".
- ii. Section 95 of the [Housing Scotland Act \(2001\)](#), defines a household as being fuel poor if it is living in a home which cannot be kept warm at a reasonable cost. The Scottish Government's recent [Draft Fuel Poverty Strategy for Scotland 2018](#) sets out Scotland's definition of fuel poverty, which takes into account residual income once housing costs, required fuel costs and any childcare costs are subtracted from Household Income. Glasgow City Council has adopted this definition to identify fuel poor households in the city.
- iii. According to the Scottish Government's [Scottish House Condition Survey \(2016\)](#), 27% of Glasgow residents are considered to be living in fuel poverty with 8% in extreme fuel poverty. The main reason for fuel poverty increasing in the city is low income levels and the year on year increases to fuel prices. Since 2010, solid fuel prices have increased by 13.5%, gas by 31.9% and electricity by 28%. Median gross annual pay for individual full time workers in Glasgow over the same period has only increased by 16.49% meaning that fuel prices have risen at more than 1.5 times the rate of wages.
- iv. Glasgow City has many challenging building construction types which are difficult and/or expensive to heat. Glasgow's housing stock is overwhelmingly tenemental in nature. Some 73% of stock is either traditional walk up flat tenement, 4 in a block, multi storey or deck access. Just over three quarters of the properties in the City were constructed between 1919 to 1983, with an estimated 21% of properties being pre-1919 construction. In addition there is a range of non-traditional construction types where concrete, steel or timber were used to form the main structure of the property during a time of traditional building material shortage. There is a high proportion of pre-1983 stock requiring some upgrading in terms of thermal efficiency, with proportionately higher numbers of residents in fuel poverty.

- v. Over 74,000 properties in Glasgow were built before 1919 and the largest proportion of these properties are in the private rented sector, accounting for 44% of the overall private rented sector stock. In the owner-occupier sector, there are around 40,000 properties classed as pre-1919, which accounts for 26% of that tenure's housing stock.
- vi. A further 57,000 (19%) of properties were built between 1919 and 1944. Of the properties built before 1945, over 52% are tenements (93% of which were built before 1919). The majority of low rise properties are mainly located on the outskirts of the City rather than in the city centre itself.
- vii. There are around 60,000 registered properties in the private rented sector in Glasgow (about 20% of all residential properties in the city). This figure has almost doubled in the last decade. City Lets report that the Glasgow letting market continues to grow at a steady rate of 7.2% year on year growth.
- viii. The private rented and owner-occupied tenures are the least likely to have a range of thermal efficiency measures in place and prone to being in fuel poverty. The average private rent in the city is £733 at Quarter 3 (2016) and the average re-let time has reduced to 26 days, suggesting high demand for this product. Private rents are increasing faster in Glasgow than in Scotland as a whole.
- ix. Fuel poverty in Glasgow is not the consequence of a lack of investment on energy efficiency improvements. Over £95m has been spent by Glasgow City Council and its partners on installing energy efficiency measures to over 11,000 households (over 5,000 of which were social rented households). Glasgow City Council has consistently attracted the highest amount of the Scottish Government's Home Energy Efficiency Programme funding (HEEPS) and Energy Company Obligation (ECO) funding from utilities companies than any other Scottish Local Authority.
- x. According to the Council's Poverty Leadership Panel, one in five families with children in the City say they are unable to manage well financially, have some money difficulties or are in deep financial trouble. Around one in five working Glaswegians earns below the Living Wage and a significant proportion of working-age people are living in poverty in households where someone works.
- xi. Income related poverty and the cost of fuel remain the most difficult aspects of fuel poverty to overcome, however living in fuel poverty is also strongly linked to health and wellbeing. The [World Health Organisation \(WHO\)](#) report of 2007 established the link between poor health and low indoor temperatures in properties. Since then, [further research](#) has cemented the view that living in cold conditions can have an adverse effect on the physical and mental health of all age groups. In the latter report, it argues that the health risks associated with cold homes can include increased respiratory disease e.g. asthma, cardiovascular diseases such as strokes, heart attacks and hypertension, exacerbated existing medical conditions such as arthritis and rheumatism and higher mortality rates in older people.
- xii. Glasgow's population has typically always had a poorer state of health than the Scottish average, according to the census. 22.4% of the population in Glasgow has an illness or disability which limits their day to day lives. This compares to 19.2% of Scotland's population. 37.5% of households in Glasgow have at least one household

member with a limiting long term illness. In some deprived areas of Glasgow, over 50% of households contain someone with a limiting long term illness.

- xiii. Glasgow City Council's Statement of Intent outlines our approach to maximising ECO funding across the City for fuel poor, vulnerable and low income households. The final decision on whether any individual household can benefit from energy saving improvements under Flexible ECO will be made by the obligated suppliers or their agents/contractors. Eligibility does not guarantee funding and the final decision will depend upon i) survey carried out by suppliers agents/contractors and installation costs calculated, ii) the energy savings that can be achieved for a property, and iii) whether suppliers have achieved their Affordable Warmth targets or require further measures to meet these Affordable Warmth targets.

## 2. Eligible Households

- i. Glasgow City Council will utilise Local Authority ECO Flexibility to assist with current and future Scottish Government's HEEPS:ABS programmes which aim to reduce fuel poverty across the city. Project areas funded under the Scottish Government's Energy Efficient Scotland programme will also be eligible. Households that meet the following criteria will be declared eligible under this scheme:
  - a. Fuel Poverty: Households with low income and high heating costs
  - b. Living In Vulnerable Conditions: Households with low income who, because of health, disability, age or other reason, are vulnerable to the impact of living in a cold home
  - c. Solid wall insulation "in-fill": Eligibility criteria to facilitate solid wall insulation schemes including households that are not necessarily in fuel poverty or vulnerable.
- ii. The Flexible ECO will be maximised to complement the Scottish Government funding and assist delivery of mixed tenure Solid Wall Insulation programmes in fuel poor areas to improve the energy efficiency of "hard to treat" domestic properties. Properties identified under the Scottish Government's schemes will include both those living in the private rented sector and owner occupiers, which is in line with the [UK Government's guidance](#) on flexible eligibility.

### Criteria for identifying Fuel Poverty households

- iii. The legislation and guidance state that those households in private housing, combining low income with high home heating costs should be eligible for Local Authority ECO Flexibility in this category. The income component of eligibility is set out in (a) below. The Council will identify eligible households in fuel poverty via the following criteria:
  - a. At least one household member has an income which is less than £28,000 (excluding housing costs)<sup>1</sup>
  - b. The main wall type of the property is uninsulated solid wall or cavity wall
  - c. Through disability, health or other condition the home is occupied for long periods or needs to be heated to abnormally high temperatures. Note that most residents in this category will also qualify under the vulnerability to the effects of living in a cold home (LIVC) criteria set out below

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<sup>1</sup> Housing costs are recognised at 25% of total gross income and include council tax, water and sewerage charges and rent or mortgage payments

- d. Applicants over 60 years or those with dependent children of 18 years or under
- iv. One criterion for determining project areas for HEEPS:ABS is that projects are located within the most deprived areas according to the Scottish Index of Multiple Deprivation (SIMD). This targets households located within the bottom 25% of SIMD, and in most cases the bottom 15% of most deprived areas in Scotland. The Council will continue its focus on targeting households in the lowest SIMD data zones. The SIMD data zone rankings are a key source for determining a household's risk of fuel poverty.

**Criteria for identifying LIVC**

- v. The legislation and guidance state that those households in private housing, combining low income with health, disability, age or other conditions that result in a vulnerability to the effects of living in a cold home should be eligible for Local Authority ECO Flexibility in this category. The criteria to be used as indicators of vulnerability to cold are:
  - a. An individual living in a property has a diagnosed, long-term physical or mental health condition
  - b. Is in receipt of any DWP benefit, OR HMRC Child benefit OR any Ministry of Defence benefit (War Pensions Mobility Supplement, Constant Attendance Allowance, Armed Forces Independence Payment)
  - c. On the Priority Services Register of utility company
  - d. Core Group Warm Home Discount recipient
  - e. Victim of domestic violence
  - f. Recent bereavement
  - g. Moving in and out of homelessness
  - h. Recent immigrant or asylum seeker

**Solid wall insulation “in-fill”**

- vi. Non-fuel poor households eligible for solid wall insulation “in-fill” must be:
  - In the same terrace as
  - In an immediately adjacent building to, or
  - In the same building as the household that does meet the criteria.
- vii. “In-fill” eligibility must meet the minimum percentages set out in the Government’s guidance document on Flexible ECO:

Property Type	LA Declaration Requirements	In-fill available
Property consisting of a pair of semi-detached houses or bungalows, or a building containing no more than 2 domestic premises	At least one of the two properties must be declared by the Council as fuel poor or vulnerable to the effects of living in a cold home (LIVC) (i.e. 50% of the properties must be fuel poor or LIVC)	The other properties to which it is directly adjoined is eligible for solid wall insulation
Project consisting of any premises that are contained in the same building (e.g. flats),	Before October 2018, at least two in three properties must be declared by the Council	The other (i.e. up to one third before October 2018 and 50% after October 2018) properties

immediately adjacent buildings (e.g. neighbouring properties) or in the same terrace.	as fuel poor or LIVC (i.e. at least 66% of the properties are fuel poor or LIVC). After October 2018 at least half of properties must be declared fuel poor or LIVC.	in the project are eligible for solid wall insulation, provided they are either in the same building, an immediately adjacent building or in the same terrace as the ones identified as fuel poor or LIVC
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- viii. The Local Authority Flexible ECO allows for homes in targeted areas for energy efficiency improvements that are not in fuel poverty or vulnerable to the effects of living in a cold home (LIVC) to be funded. This allows for the benefits of External Wall Insulation and the economies of scale from working in localised areas to be realised.
- ix. The Council will only work with its appointed contractors, procured through Scotland Excel, to secure Local Authority Flexible ECO.
- x. In addition, the Council will also work with its Registered Social Landlords, who deliver HEEPS:ABS projects, and their appointed contractors in securing Local Authority Flexible ECO for their projects.
- xi. The Council will issue regular Declarations to its contractors setting out those eligible households. The contractors will then pass this information to their ECO provider through the ECO application process.
- xii. Inclusion in the Declaration does not guarantee funding.

### **3. Acting on behalf of another local authority**

- i. Glasgow City Council is not acting on behalf of another Local Authority to issue declarations of authority.

### **4. Referral Process**

- i. Home Energy Scotland (HES) will be responsible for collecting household data on behalf of Glasgow City Council to determine whether the householder meets the Flexible ECO eligibility criteria. This data will be collected through the completion of a household survey form which will be used to determine eligibility. Referrals for Flexible ECO will only be accepted from Home Energy Scotland (HES).
- ii. All referral information will be handled in accordance with the Data Protection Law and retained for the purposes of evidence, monitoring and reporting as outlined in section 7.

### **5. Governance**

- i. This scheme will be managed by the Council's Affordable Warmth team, which resides under Housing & Regeneration Services, Development & Regeneration

Services (DRS). DRS is one of 7 Council departments and is overseen by Richard Brown, Executive Director.

- ii. The Affordable Warmth team regularly report to the Council's Executive Committee, chaired by Leader of the Council, Councillor Susan Aitken. The team has informed committee members regarding the Local Authority Flexible ECO Scheme.
- iii. The Declaration of households who meet the Council's Flexible Eligibility criteria will be signed off by the Council's Chief Executive, Anne-Marie O'Donnell, City Chambers, 82 George Street, Glasgow, G1 1DU.

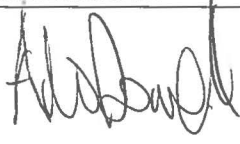
## **6. Declaration**

- i. Local Authority Declarations will be completed for households that have been determined eligible for Flexible ECO. This data will be collected through Home Energy Scotland (HES). The declaration clearly states whether the householder meets the Flexible ECO criteria through living in fuel poverty or living on a low income and vulnerable to the effects of living in a cold home (LIVC).
- ii. For Solid Wall "in-fill" properties a separate Local Authority Declaration will be completed which will include details of why homes meet the eligibility criteria for "in-fill".
- iii. Once the Declaration has been approved, the householder details will be securely transferred to the contractor for technical survey and installation.
- iv. All relevant information will be handled in accordance with the Data Protection Law and retained for the purposes of evidence, monitoring and reporting as outlined in Section 7.

## **7. Evidence, monitoring and reporting**

- i. Glasgow City Council will record the number of households eligible for Local Authority Flexible ECO, which will be split into fuel poor homes, those on a low income and vulnerable to the effects of living in cold homes (LIVC) and those under solid wall "in-fill".
- ii. The Council will complete an LA Declaration for each household that they have determined eligible for Flexible Eligibility. For Solid Wall 'in-fill' a LA Declaration for in-fill will be completed which will include details of why the home meets the eligibility criteria for in-fill.
- iii. Once the LA Declaration has been approved, householder details will be securely transferred to the contractor for technical survey and installation.
- iv. Data will be recorded by the Council and retained alongside the monitoring of HEEPS:ABS schemes.

**Statement of Intent Authorisation:**

<b>Signed:</b>	
<b>Name:</b>	Anne-Marie O'Donnell
<b>Position:</b>	Glasgow City Council Chief Executive
<b>Date:</b>	9/10/13

