

Statement of Intent for ECO4

Shetland Islands Council ECO4 Flexible Eligibility Statement of Intent

Local Authority name: Shetland Islands Council

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1. Introduction

This statement sets out Shetland Islands Council's flexible eligibility criteria for the Energy Company Obligation (ECO4) scheme from April 2022 – March 2026.

The ECO4 scheme will focus on supporting low income and vulnerable households. The scheme will improve the least energy efficient homes helping to meet the Government's fuel poverty and net zero commitments.

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 Council welcomes the introduction of the ECO4 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.

2. Eligible Routes

The Council is publishing this Statement of Intent (Sol), on the 05/07/2023 to confirm that each of the households declared will adhere to at least one of the four available routes outlined below:

Route 1: This route is open to owner-occupied households (SAP band D-G) and private rented households (SAP band E-G) with a gross income less than £31,000. This cap applies irrespective of the property size, composition, or region.

Route 2: This route is open to owner-occupied and private rented households (SAP bands E-G) that meet a combination of two of the following proxies:

- Proxy 1) Property is in a data zone in the first, second or third decile on the [Scottish Index of Multiple Deprivation 2020 published by the Scottish Government](#)

[Shetland Map, \(SIMD \(Scottish Index of Multiple Deprivation\)\)](#) – Applicable area, Lerwick North - 07

- Proxy 2) Householders receiving a Council Tax rebate (rebates based on low income only, excludes single person rebates).
- Proxy 3) Householders vulnerable to living in a cold home as identified in the National Institute for Health and Care Excellence (NICE) Guidance <https://www.nice.org.uk/guidance/ng6>. Only one from the list can be used, excludes the proxy 'low income'.
 - people with cardiovascular conditions
 - people with respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma)
 - people with mental health conditions
 - people with disabilities
 - older people (65 and older)
 - households with young children (from new-born to school age)
 - pregnant women
- 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 NICE Guideline.
- Proxy 6) A household referred to the LA for support by their energy supplier or Citizen's Advice or Citizen's Advice Scotland, because they have been identified as struggling to pay their electricity and gas bills.

* Note proxies 1 and 3 cannot be used together.

Route 3: This route is open to owner-occupied households (SAP band D-G) and private rented households (SAP band E-G) where a person in the household is identified by their Doctor or GP as suffering from a severe and/or long-term health condition that is adversely impacted by living in a cold home. Qualifying health conditions include 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. This route is open to owner-occupied households (SAP band D-G) and private rented households (SAP band E-G). 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.

3. Scheme Delivery

The minimum requirement, to allow full scoring of savings, is to improve homes falling within bands F-G to at least Band D, and to improve homes falling within bands D-E to at least a Band C.

The due diligence required by Ofgem means that the Councils should ensure that appropriate arrangements are in place to manage ECO Flex schemes.

The Scottish Government does not support or approve the use of cold calling techniques, especially of people from vulnerable groups.

Referrals

The Council will only accept requests for a declaration from organisations with which it has partnered to deliver ECO Flex measures. This includes:

- The Council's delivery partners on Energy Efficient Scotland Area Based or Energy Efficient Scotland Schemes (including Warmer Homes Scotland) operating in the Council area
- Home Energy Scotland
- NHS Shetland
- Approved ECO Installers. ECO-Installers is the primary body drawing ECO funding. All sub-contractors used by an approved ECO Installer will be overseen by the ECO Installer and require to comply with the requirements set out in the Appendix.

The Council may not make all of the potential routes to eligibility available through its ECO Flex scheme at any one time and will only use Route 1 and Route 2; proxies 1,2,4 and 6. Declarations involving the NHS will only happen where instigated by the NHS and not through general requests to support ECO-Flex applications. The NHS and Shetland Islands Council may decide to use Route 2, Proxies 3 and 5, or Route 3, or in instances where both organisations agree to use these routes and proxies.

LA declarations will remain valid for a period of one year from the date of signature or until 31 March 2026, whichever is earliest, providing the SOI remains valid and meets the ECO4 requirements.

As households proceed through the ECO Flex process, the Council will be updated by ECO Installers in regular reports on the progress of each household towards receiving measures. Failing to update the council regularly could result in suspension / loss of ECO Flex declaration.

Inclusion in a Declaration of Eligibility issued by the Council will not guarantee installation of measures. The final decision on whether any individual household will receive an offer of funded energy efficiency measures rests with obligated energy suppliers. The final decision will depend on identification of eligible measures, the supplier's assessment of the cost-effectiveness of installing measures and whether the obligated energy suppliers have achieved their Energy Company Obligation targets.

Any contract for works will be between the ECO installer and the property owner and not the Council. If any contribution is required for works this will also be agreed between the installer and property owner.

4. Declaration and evidence check confirmation

For Route 1 and Route 2 (proxies 1,2,4 and 6) all potentially eligible households should apply through Shetland Islands Council or approved ECO installer 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: John Simpson

Job Title: Team Leader, Energy Efficiency

Telephone: 01595 744819

Email: john.simpson@shetland.gov.uk

CEO or dedicated responsible person mandatory signature

The Shetland Islands Council will administer the scheme according to BEIS' ECO4 Order and will identify eligible households via Ofgem's application process. The Executive Manager, Environment and Estate Operations 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:



Name: John R Smith

Job Title: Director of Infrastructure Services

Date of signature: 5th July 2023

For any general enquires relating to this Sol, please contact john.simpson@shetland.gov.uk.

Appendix - Approved ECO Installer

Any potential ECO Installer will require to comply with the following conditions and provide the necessary information:

- PAS 2035 accreditation details and process chart outlining different roles
- Insurance details
- GDPR statements and agreements in conjunction with the Council
- Details of project delivery in other Scottish Local Authority areas (in particular rural/island areas) and Local Authority / RSL contact details
- Detail of inclusion on national frameworks for delivery of energy efficiency and low carbon heating and hot water installations
- Proposal for operation of ECO-Flex scheme in Shetland in conjunction with the Council
- Any other supporting evidence that the Council deems necessary.

Prior to any works commencing, the Council will require:

- Information from ECO Installer on the criteria that each household meets to support ECO-Flex Declaration
- A complete and accurate pre-works EPC and evidence that minimum ECO improvement requirements are being met or bettered
- Details of technologies and installer accreditation
- Details of insulation methods and installer accreditation
- Design of the install
- Additional install requirements to comply with regulations e.g. fire/heat alarms
- Funding amounts and any customer contribution amounts
- Customer approval on the contribution (if required)
- Risk assessments/method statements
- Advance notification of date of install
- Details of the team delivering the works including:
 - Installer accreditations
 - Sub-contractor qualifications/accreditations
 - Name of Retrofit co-ordinator
 - Name of clerk of works
- Any other supporting evidence that the Council deems necessary.

Post works the Council will require:

- Notification of completion of works
- Post works meet with installer
- Customer packs including warranty, electrical safety checks, notifications (Distribution Network Operator)
- Customer satisfaction sign off
- Post works EPC
- Snagging and issues process

The use of local competent contractors, working under the PAS2035 umbrella offered by the Approved ECO Installer, is encouraged. This will support the local economy and will also mean an on-island resource and therefore quicker response time to snagging issues should these arise post install.