

Public Document Pack

Cabinet

Meeting Venue
By Teams

Meeting date
Tuesday, 4 May 2021

Meeting time
10.00 am

For further information please contact
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County Hall
Llandrindod Wells
Powys
LD1 5LG

27/04/2021

Mae croeso i chi siarad yn Gymraeg neu yn Saesneg yn y cyfarfod.
Rhowch wybod pa iaith rydych am ei defnyddio erbyn hanner dydd, ddau ddiwrnod
gwaith cyn y cyfarfod.
You are welcome to speak Welsh or English in the meeting.
Please inform us of which language you wish to use by noon, two working days
before the meeting.

AGENDA

1.	APOLOGIES
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To receive apologies for absence.

2.	MINUTES
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To authorise the Chair to sign the minutes of the last meeting held as a correct record.

(Pages 3 - 4)

3.	DECLARATIONS OF INTEREST
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To receive any declarations of interest from Members relating to items to be considered on the agenda.

4.	SCHOOLS SERVICE MAJOR IMPROVEMENTS BUDGET 2021-22
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To consider a report by County Councillor Phyl Davies, Portfolio Holder for Education and Property.

(Pages 5 - 10)

5.	REVISION OF THE STATEMENT OF INTENT TO IMPROVE DELIVERY OF ECO-3 LA FLEX IN POWYS
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To consider a report by County Councillor Iain McIntosh, Portfolio Holder for Housing, Planning and Economic Regeneration.

(Pages 11 - 32)

6.	DELEGATED DECISIONS TAKEN SINCE THE LAST MEETING
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To note the delegated decisions taken since the last meeting.

(Pages 33 - 34)

7.	FORWARD WORK PROGRAMME
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To consider the Cabinet forward work programme.

(Pages 35 - 36)

At the end of the formal meeting there will be VAWDASV Training
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**MINUTES OF A MEETING OF THE CABINET HELD AT BY TEAMS ON TUESDAY,
13 APRIL 2021**

PRESENT

County Councillor M R Harris (Chair)

County Councillors MC Alexander, G Breeze, A W Davies, P Davies, H Hulme,
R Powell and I McIntosh

Cabinet observed a moments silence in memory of HRH Prince Philip, The Duke of Edinburgh.

1.	APOLOGIES
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Apologies for absence had been received from the Corporate Director (Adult and Children's Services), the Director (Economy and Environment) and the Head of Transformation and Communications.

2.	MINUTES
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The Leader was authorised to sign the minutes of the meetings held on 12th and 18th March as correct records.

3.	DECLARATIONS OF INTEREST
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There were no declarations of interest reported.

4.	FINANCIAL FORECAST FOR THE YEAR ENDED 31ST MARCH 2021 (AS AT 28TH FEBRUARY 2021)
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Cabinet considered the financial forecast for the year ended 31st March 2021 as at 28th February 2021. The Portfolio Holder for Finance and Transport advised that throughout February Welsh Government had provided additional grants totalling £7.8 million to support council services. Some would be carried forward and utilised in 2021/22, and some would offset expenditure in the current year. The receipt of this additional support improved the financial position to a projected surplus of £5.906 million (excluding Delegated Schools and Housing Revenue Account (HRA)). As a result of the improved financial position, and as agreed by Council on 25th February 2021 an additional payment of £767,000 had been made into the Minimum Revenue Provision account and a £1.8 million Powys Recovery Fund established, to support Communities and Council Services. Also as agreed by Council any further opportunities that arise before year end, would be earmarked to support the Capital Programme and Transformation as a priority. With this in mind the following proposals were recommended for action as part of year end:

- Transformation – that costs of £2.7 million this year be met from revenue and not capitalised as originally planned. This will release the capital receipts to support the Capital Programme.

- To ring fence £1.5 million of the surplus for remedial works by setting up a specific reserve to fund both revenue and capital essential remedial work.

The Portfolio Holder also reported that of the £12.394 million cost reductions proposals required during the year, 76% or £9.386 million had been delivered and a further 1% £158,000 are assured of delivery by Heads of Service. £2.851 million, 23% was unachieved and at risk of delivery in 2020/21, although some targets would be rolled forward into 2021/22.

The Leader and Portfolio Holder thanked the Welsh Government and UK Government for the additional financial support made available to the council. They also thanked the staff of the Finance section for their work over the past year.

RESOLVED

- 1. That Cabinet note the budget position and the projected full year position to the end of March 2021.**
- 2. That the virements set out in section 7 of the report are approved.**

5. CAPITAL FORECAST AS AT 28TH FEBRUARY 2021

Capital considered an update on the Capital Programme. The revised working budget for the 2020/21 Capital Programme, after accounting for approved virements, was £73.69 million. Actual spend amounted to £48.27 million, representing 65% of the total budget.

The report also contained a recommendation that approval of the small capital bids be delegated to the Strategic Asset Board.

RESOLVED

- 1. That the contents of the report is noted.**
- 2. That Cabinet delegates the approval of the small capital bid allocation to the Strategic Asset Board.**

6. DELEGATED DECISIONS TAKEN BY PORTFOLIO HOLDERS
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Cabinet noted details of the decisions taken by Portfolio Holders.

7. FORWARD WORK PROGRAMME

Cabinet noted details of the forward work programme.

County Councillor M R Harris (Chair)

CYNGOR SIR POWYS COUNTY COUNCIL.**CABINET EXECUTIVE****Date: 4th May 2021****REPORT AUTHOR: County Councillor Phyl Davies
Portfolio Holder for Education****REPORT TITLE: Schools Service Major Improvements budget 2021-22**

REPORT FOR: Decision

1. Purpose

- 1.1 The purpose of the report is to seek Cabinet approval for the overall Schools Major Improvement budget for financial year 2021/22.
- 1.2 Full Council, on the 25th February 2021, approved the Council's Capital Strategy for 2021 – 2030, which included an allocation for the Schools Major Improvement Programme. The purpose of this Programme is to carry out a range of improvements to schools and pre-school settings to ensure that facilities are fit-for-purpose. The allocated budget for 2021/22 is £5,042,738 including projects carried forward due to COVID operational risks from financial year 2020/2021 to 2021/22 as detailed in Table 1 below.
- 1.3 The Programme is flexible and can be amended if there are implications that arise from either school reorganisation proposals or plans for significant capital investment that may be funded from 21st C Schools Programme (or other grants) that emerge over the period of the Programme.
 - Appendix 1: Schools Major Improvement Ranking Criteria

2. Background

- 2.1 The Major Improvement Programme focuses on improving the condition of school buildings, safeguarding, energy improvements, essential health and safety works and improving external areas to maintain education and curriculum delivery.
- 2.2 The Programme for 2021/22 will be based on a clear prioritisation methodology and ranking of projects – the criteria is outlined in the Schools Asset Management Plan 2018 and set out in Cabinet report C48-2015. The criteria is attached at Appendix 1. The methodology considers the following key categories and factors:
 - Condition
 - Sufficiency
 - Suitability

- Sustainability
- Health & Safety issues including:
 - Legislative compliance
 - Environmental Health issues (kitchen environmental health reports)
 - DDA compliance
 - Property safeguarding issues
- Consideration is also given to whether a school is part of a current or future strategic school reorganisation development.

2.3 The Major Improvement Programme will be delivered alongside the energy saving projects funded by the Welsh Government SALIX capital invest to save scheme as referenced in C239-2015. This programme has been developed in collaboration with the Corporate Energy Management Officer.

2.4 All viable school energy efficiency scheme projects funded through the Welsh Government SALIX capital invest to save scheme, will require a justifiable business case and affordable payback period. The Schools Service, the Energy Management Officer, Schools Finance team and individual schools will agree the projects subject to overall approval in principle by the Portfolio Holder or cabinet.

2.5 An application has been made by the Energy Management Officer for the funding of energy efficiency project works through the Welsh Government (SALIX) programme. These energy efficiency works are very likely to result in the need for consequential works, which will need to be funded from the Major Improvements programme budget. The value of consequential works has been assessed for each project and, projects will only proceed within the available budget approved in 2021/22.

3 Advice

3.1 The advice of officers is that Cabinet approves the overall budget of £5,042,738 for financial year 2021/22 for the Schools Major Improvement Programme, to ensure its schools' estate is safe and fit for purpose.

3.2 Officers will allocate funding to projects as defined by the criteria outlined in the Schools Asset Management Plan 2018 and set out in Cabinet report C48-2015, and outlined in Appendix 1. It is noted that no financial limit is set for an individual project as prioritisation will dictate how the funding is allocated. However, the overall budget will not be exceeded.

4 Resource Implications

4.1 The total budget for the Schools Major Improvement Programme for 2021/22 is set out in Table 1 overleaf. A total of £749,109 has been rolled over from 2020/21. There is no financial limit set for an individual project within the Programme, but the overall total must not exceed the approved budget of £5,042,738.

Table 1

Approved Budget	2021/22 £
Major Improvements Programme	£2,090,389*
Welsh Government Capital Maintenance Grant	£2,203,240**
Various Schools projects carried forward due to COVID and H&S risks	£749,109
Total	£5,042,738

*Note 1 – funding approved by full Council 25th February 2021.

**Note 2 – Welsh Government Capital Maintenance Grant 2020/21 has been accepted by Powys County Council.

4.2 The Head of Finance (S151 Officer) can confirm that the budget allocation is in place to support the recommendations.

5. Legal implications

- 5.1 Legal: The recommendation can be supported from a legal point of view .
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: “ I note the legal comment and have nothing to add to the report”.

6. Comment from local member(s)

- 6.1 Not applicable.

7. Integrated Impact Assessment

- 7.1 An impact assessment is not required.

8. Recommendation

It is recommended that:

Cabinet gives delegated authority to the Interim Head of Education, in consultation with the Portfolio Holder for Education and Property, to allocate the spending of the overall budget of £5,042,738 for financial year 2021/22 for the Schools Major Improvement Programme in accordance with paragraph 4.1 of the report and the criteria outlined in the Schools Asset Management Plan 2018 and set out in Cabinet report C48-2015 to ensure that the school's estate is safe and fit-for-purpose.

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Head of Service: Lynette Lovell

Corporate Director: Dr Caroline Turner

Background Papers used to prepare Report:

9th October 2018 – Schools Asset Management Plan

C48-2015: Schools Service Major Improvements Programme scoring and
prioritisation criteria

C239-2015 RE: FIT programme

Appendix 1 - Schools Service project scoring and ranking criteria

CATEGORY	CRITERIA	Total Score	
Health & Safety and Statutory legislation	CRITERIA TO MEET AND/OR PREVENT:		
	Very High	Very High - Danger to Life / Property / Structure	70
	High	High - Imminent closure of property / loss of asset service continuity / inadequate and/or not fit for purpose operation accommodation if the project is not undertaken or risk to users	20
	Medium	Medium - Further deterioration of asset / reduction in service delivery/ restrictive operational accommodation and risk to users if the project is not undertaken	10
	Low	Low - Minor deficiencies with operational accommodation and little or no impact on service delivery if the project is not undertaken	2
	Not applicable	Not applicable	0
Overall Condition (Grading) of School Building & Site	CRITERIA TO RESOLVE:		
	D - Life Expired		10
	C - Poor		3
	B - Satisfactory		2
	A - Good		1
	Not applicable		0
Overall Condition (Priority) of Building Element at School Building & Site	CRITERIA TO RESOLVE:		
	1 - Urgent Work to prevent closure of premises		10
	2 - Essential work required within 2 years		5
	3 - Desirable work required within 3-5 years		2
	4 - Long term work outside the 5 year period		1
	Not applicable		0
Sufficiency	CRITERIA TO RESOLVE:		
	Inadequate teaching space (for either Early Years, Primary, Special or Secondary school) to deliver curriculum within 12 months		30
	Inadequate teaching space (for either Early Years, Primary, Special or Secondary school) to deliver curriculum within 24 to 36 months		22.5
	Inadequate teaching space (for either Early Years, Primary, Special or Secondary school) to deliver curriculum within 48 months		15
	Inadequate non-teaching space to support the delivery of curriculum (for either Early Years, Primary, Special or Secondary school) and operation of school		15
	Surplus teaching & non-teaching space		30
	Not applicable		0
Suitability	CRITERIA TO RESOLVE UNSUITABLE :		
	Environmental controls and systems (boilers, cylinders etc.) and to ensure minimum temperatures are met in accordance with Regulations and design guidance		20
	Primary energy source and infrastructure systems (statutory undertakers for electric, gas, water, BT, biomass etc.)		20
	DDA & SEN facilities		30
	Safeguarding / Security		25
	Unsuitable toilets for under 8 year olds		25
	Kitchen facilities to meet EHO, design guidance and Food Act requirements		25
	Unsuitable toilets for over 8 year olds		20
	Unsuitable Teaching space and associated facilities (including ICT infrastructure)		15
	Unsuitable non-teaching areas		10
	Statutory Team Game Playing field to meet The Schools Premises Regulations 1999		10
	Not applicable		0

Sustainability - Welsh Government & Powys CC policy and key Capital Funding Criteria

CRITERIA TO DELIVER:	Total Score
Annual reductions of CO ₂ emissions between 1-3%	1
Annual reductions of CO ₂ emissions between 4-6%	4
Annual reductions of CO ₂ emissions between 6-10%	8
Annual reductions of CO ₂ emissions between 11-25%	12
Annual reductions of CO ₂ emissions greater than 25%	16
Schools Organisational Policy - schools are part of a current or future strategic school re-organisation and development	30
Schools Organisational Policy - schools maybe part of a current or future strategic school re-organisation and development	10
Schools Organisational Policy - schools are no part of a current or future strategic school re-organisation and development	0
Not applicable	0

Last updated:
By:
Version
Cabinet approval date:

04/03/2020
David Thompson
2.0
09/10/2018

CYNGOR SIR POWYS COUNTY COUNCIL

CABINET EXECUTIVE

May 5th, 2021

REPORT AUTHOR: County Councillor Iain McIntosh
Portfolio Holder for Housing, Planning & Economic
Regeneration

REPORT TITLE: Revision of the Statement of Intent to improve delivery
of ECO-3 LA Flex in Powys

REPORT FOR: Decision

1. Purpose

- 1.1 ECO-3 is the United Kingdom-wide Energy Company Obligation (ECO) programme that started in Autumn 2018 and will run until March 2022. The programme delivers energy efficiency and heating measures to homes in Great Britain.
- 1.2 The ECO-3 programme embraces a range of different schemes, including Home Heating Cost Reduction Obligation (HHCRO)¹ and ECO-3 LA Flex. ECO-3 LA Flex allows a local authority to establish its own eligibility criteria. There is no obligation on a Council to establish an ECO-3 LA Flex scheme. However, doing so expands the range of households who can benefit from help to improve energy efficiency and reduce fuel costs.
- 1.3 Powys has opted to support the availability of the ECO-3 LA Flex scheme in the county as it complements not only HHCRO but also the Welsh Government's Warm Homes initiative, which includes the Arbed am Byth² and Nest³ schemes, together with the Warm Homes Fund⁴. ECO-3 LA Flex compared to other schemes includes within its eligibility some non-means tested benefits not included in other schemes. This allows action to reduce fuel poverty, raise energy efficiency and

¹ The Home Heating Cost Reduction Obligation (HHCRO) scheme, also known as 'Affordable Warmth', provides funding to help eligible people reduce the cost of heating their home through the installation of energy efficient measures. Available across Britain, it is targeted at households with the lowest of incomes.

² Arbed am Byth is the agency been appointed by the Welsh Government to arrange the installation of energy efficiency measures, like central heating or insulation in homes across Wales as part of the Welsh Government Warm Homes scheme.

³ Every household in Wales is eligible for Nest advice and support. Householders who own or privately rent their home, are in receipt of a means-tested benefit or living with specific health conditions and living in the most energy inefficient properties may also be eligible for Nest funded home energy efficiency improvements.

⁴ Warm Homes Fund specifically targets F & G EPC rated homes within the private rented sector, in collaboration with Rent Smart Wales.

increase environmental sustainability to be enjoyed by more households and communities.

- 1.4 In Powys ECO-3 LA Flex is delivered by Warm Wales, a not-for-profit Community Interest Company specialising in tackling fuel poverty.
- 1.5 Since the scheme's adoption in Powys in September 2020, Warm Wales has processed 37 applications, which generated the delivery of 2 installations of energy efficiency measures. This is far below expectations. Continued delivery at this rate is unlikely to adequately improve the energy efficiency and lower fuel costs of households at risk of fuel poverty.
- 1.6 This report recommends a change in the Powys eligibility criteria, informed by the latest guidance from the Department of Business, Energy and Industrial Strategy (BEIS) and OFGEM, to embrace a wider client group and increase take-up of the scheme.

2. Background

- 2.1 ECO-3 LA Flex is considered a key driver in assisting local authorities in their aim of reducing fuel poverty, whilst simultaneously reducing carbon emissions from domestic housing stock, owned or occupied by those unable to pay for improvements themselves.
- 2.2 Under current BEIS guidance, for a council to partake in ECO-3 a Statement of Intent (Sol) must be published by said council. The Sol sets eligibility criteria for the fuel poor and vulnerable applicants, as well as details for how the scheme will operate and be governed.
- 2.3 The current approach to eligibility adopted by Powys references household incomes included within BEIS guidance to determine homes most at risk of fuel poverty. However, following adoption of the Powys scheme in September 2020, the Government issued updated ECO-3 guidance via OFGEM⁵.
- 2.4 The new guidance increases eligible income levels in line with higher child benefit thresholds. This means income threshold levels for ECO-3 LA Flex in Powys, set out in the current Sol, no longer reflect the latest national guidance. ECO-3 LA Flex in its current form is therefore unattractive to Powys households and unviable for Warm Wales to deliver.
- 2.5 A review by Warm Wales (attached to this report as Appendix A) indicates that the low take-up of the scheme in Powys is the result of restrictive eligibility criteria. The low-income threshold (above which households are considered ineligible for help), is considered too low.

⁵ The revised ECO-3 guidance can be found at:
https://www.ofgem.gov.uk/system/files/docs/2020/09/energy_company_obligation_2018-22_eco3_guidance_delivery_v1.5.pdf

2.6 There is no guaranteed share of ECO-3 LA Flex funding for any one local authority area. Other Welsh councils such as Rhonda Cynon Taff, Neath Port Talbot, Ceredigion, Gwynedd, Pembrokeshire and Anglesey all have more generous eligibility criteria when compared with Powys. This has resulted in an increase in their take-up of ECO-3 LA Flex, making Powys much less attractive for investment by ECO funders and delivery partners. Consequently, Powys households may be losing out on investment.

3. Advice

3.1 Following a thorough review by Warm Wales and Housing Services of both BEIS and OFGEM guidance, together with Sols adopted by other Welsh authorities, it is proposed that the Powys Sol be amended to increase the take-up rate of ECO-3 LA Flex. The recommended changes will allow for wider eligibility criteria, expanding from dealing with acute fuel poverty and helping those with lower incomes to embrace strategic targeting of the elderly and vulnerable. This will help bring the rate of applications back in line with the levels initially predicted at the launch of ECO-3 LA Flex in Powys.

3.2 The main changes recommended to the Powys Sol are:

- A means tested income cap of £34,500 for vulnerable applicants will be applied, which will make sure that the scheme targets a wider range of low-income households. The current cap is dependent on household size and does not differentiate by reference to vulnerability.
- Income thresholds for adults without vulnerabilities are increased from £9,300 (net) to £14,000 (gross)⁵. This will be comparable to other Welsh authorities operating ECO-3 LA Flex and should avoid disadvantaging Powys residents compared to those living in other parts of Wales.
- Remove vulnerability requirement for occupiers of properties with an 'E' rated Energy Performance Certificate.

3.3 A revised Sol, which includes the changes set out above, is attached to this report as Appendix B.

3.4 The Economy, Residents, Communities and Governance Scrutiny Committee considered this report on April 12th, 2021. The Scrutiny Observations report to Cabinet is attached to this report as Appendix C.

3.5 Options Appraisal

⁵ When the ECO-3 LA Flex scheme was launched in Powys, net incomes after taxes, national insurance, utility bills and mortgage costs were used to determine eligibility. Moving to gross incomes, based on gross salary, pension or social security payments, will simplify the process of both applying and administering the scheme. In addition, it will reduce the risk of fraud from people who may exaggerate outgoings to achieve a low net income.

- 3.5.1 Option One: Discontinue the scheme.
- The scheme in its current format is financially unviable for continued delivery by Warm Wales. Discontinuation will remove ECO-3 LA Flex investment in the energy efficiency of homes, detrimentally affecting the well-being and health of low-income and vulnerable households.
 - It will also remove the ability for Powys to access both Welsh Government Arbed am Byth and Warm Homes Scheme, severely restricting future strategic investment in energy efficiency projects.
- 3.5.2 Option Two: Approve the revised Sol.
- Adoption of the recommended changes included in the revised Sol, will increase take-up of ECO-3 LA Flex in Powys, reduce carbon emissions from domestic housing and deliver reduced energy bills for many households as a result of living in more energy efficient homes.

4. Resource Implications

- 4.1 There are no additional resource implications for the authority, as ECO-3 LA Flex is fully funded by the participating energy companies. Warm Wales will continue to deliver the scheme at zero cost to the Council.
- 4.2 The Head of Finance (Section 151 Officer) notes the content of the report and that a change of eligibility criteria should increase the take up of this scheme, with no implications on the authority's budget.

5. Legal implications

- 5.1 The Councils Legal Services team have commented: The recommendation can be supported from a legal point of view.
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: " I note the legal comment and have nothing to add to the report".

6. Data Protection

- 6.1 The declaration of a revised 'Statement of Intent' for the continued delivery of ECO-3 LA Flex in Powys involves the processing of personal data. Delivery will be contracted out to the Community Interest Company, Warm Wales, which will be the data controller. Accordingly, Warm Wales are required to deliver the scheme and comply with data protection legislation, under existing service level agreement with the Council.
- 6.2 Any personal data being processed by Powys County Council as the data controller, in relation to the declaration, will be managed in line with data protection legislation.

7. Comment from local member(s)

7.1 ECO-3 LA Flex is a county wide initiative affecting all local Members.

8. Integrated Impact Assessment

8.1 An impact assessment was undertaken prior to adoption of the original ECO-3 LA Flex proposal. Amendment of the Sol will ensure delivery of the scheme in accordance with the original Impact Assessment.

9. Recommendation

9.1 Cabinet is recommended to:

9.1.1 Adopt the revised Statement of Intent for the delivery of ECO-3 LA Flex by Warm Wales.

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Head of Service: Nina Davies

Corporate Director: Nigel Brinn

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ECO Flex review and recommendations

Warm Wales are working in partnership with Powys County Council (PCC) to manage ECO3 on behalf of the authority until March 2022.

The delivery of the ECO3 scheme is considered a key driver to assist Local Authorities to reduce fuel poverty and reduce carbon emissions from housing stock owned or occupied by those unable to pay for improvements themselves.

Following guidance from the Department for Business, Energy and Industrial Strategy (BEIS), PCC can offer ECO Flex via a published Statement of Intent (SOI). The SOI sets criteria to direct assistance towards local private sector homes at risk of fuel poverty but falling outside of the normal rules of ECO (usually qualifying benefits). PCC then issue a declaration on behalf of residents stating that they are eligible for funding.

To date, due to a number of factors, enrolment to the scheme has been slow and Warm Wales recommend a review of the SOI to enable more Powys residents take advantage of the available funding for energy efficiency improvements.

Current situation

Warm Wales have identified that the low number of eligible applications so far is in part due to the tight income eligibility thresholds that were selected for the SOI.

Status of all Flex cases as of 14/12/2020	
Lead Status	Reason Case Closed/Notes
Cancelled/Rejected (30)	Decided not to proceed (1)
	EPC ineligibility (5)
	Evidence not returned (7)
	Living out of area (2)
	Over Income Threshold (15)
Complete – measure installed (1)	HHRSH & LI installed
Other (6)	
Total Flex Applications (37)	

To date, the scheme has seen a total of 37 Eco Flex applications.

15 of those applications have been deemed ineligible due to applicants being over income thresholds, therefore 41 % of cases are being dismissed due to SOI income thresholds. A further 7 cases (19%) did not return the required evidence, which could be due to realising they were not eligible.

Recommendation

- Remove current Household composition table and replace with increased threshold in line with other LA and BEIS guidance

Cornwall Council's approach for eligibility evidenced in their SOI (attached):

Identifying whether a household is on a low income will be based on an annual maximum household income threshold (after housing and energy bills have been deducted) that will be set at £30,000.

Cornwall has been identified as a LA with similar characteristics to PCC in that it is largely rural with large off gas areas.

BEIS give guidance to assessing low-income households in their recent document:

Green Homes Grant: Local Authority Delivery (LAD) Phase 1B Guidance for Local Authorities Oct 2020.

In the guidance, BEIS invite LAs to apply for funding to be used to improve the energy efficiency of homes of low-income households living in their area with low EPC rated homes similar to ECO3.

BEIS define low-income households that are likely to be living in fuel poverty to have a combined household annual income of no more than £30,000 gross, before housing costs and where benefits are counted towards this figure.

Contractor Feedback

Feedback from contractors working on the scheme has also been established which echo Warm Wales' opinion.

“To give you a little more feedback we have been looking at past Flex jobs completed for other LAs. We have installed over 10 times the number of jobs for Flintshire and Denbighshire (approx. 50 jobs) as opposed to Conway (less than 5) as their eligibility threshold is low similar to PCC. Clearly this is going to be an issue in getting the funded work to those who really need assistance”.

Chris Wilkes, Energy Advisor, Greenhouse Energy LTD

“It is unlikely the LA Flex criteria will result in many householders qualifying (if any)”

Chris Jenkins, Director, Zing Energy

“I would say that most of these (qualifying based on household composition) would be eligible for working or child tax credit so would be eligible under HHCRO”

Lee Maher, Director, Menai Heating.

“We are finding it incredibly difficult to make the customers fit with the criterial, my view is that this scheme is going to be incredibly difficult to make viable”

Ashley McCutcheon, Director, Evan Thomas & Sons

Warm Wales recommend that PCC align the Powys ECO flex scheme to Cornwall Council’s SOI and the recommended guidance from BEIS and increase the income threshold of eligibility for the scheme to £30,000 per annum.

In doing so this will allow more households to benefit from the scheme resulting in the following outcomes for PCC:

- Tackle fuel poverty by increasing low-income homes’ energy efficiency rating while reducing their energy bills.
- Deliver cost effective carbon savings to carbon budgets and progress towards the UK’s target for net zero by 2050.
- Support clean growth and ensure homes are thermally comfortable, efficient, and well adapted to climate change.



**WARM WALES
CYMRU GYNNES**

- Support economic resilience and a green recovery in response to the economic impacts of Covid-19 within PCC.
- Use learnings from the delivery experience to inform the development and design of further energy efficiency schemes.



Powys County Council Flexible Eligibility Statement of Intent - Version 3

This statement sets out Powys County Council's flexible eligibility criteria for the ECO3 LA Flex: Help to Heat programme from April 2019 forward. The scheme is supported from the ECO commitment provided by utility companies and the availability of funding is beyond the control of Powys County Council and may be closed at any time. It aims to support households living in Powys who are most likely to experience fuel poverty and those vulnerable to the effects of a cold home.

Introduction - Powys County Council welcomes the introduction of Flexible Eligibility and intends to utilise it for the purposes of reducing fuel poverty and tackling hard to heat homes across the county. ECO 3 LA Flex is not a Powys County Council funded or managed scheme, many aspects of it are outside the council's control or design. Powys County Council will refer clients to Warm Wales, a not-for-profit Community Interest Company specialising in tackling fuel poverty. Warm Wales will assess and if appropriate, refer eligible clients to 3rd parties who may have access to funding under the scheme.

What is flexible eligibility - Local Authorities working with Energy suppliers obligated under ECO, have an opportunity to extend eligibility criteria for energy efficiency measures to households not covered by existing schemes of support.

Identifying households - Funding is only available for owner occupiers and private tenants. Qualification for the scheme is reserved for those **in fuel poverty or at risk from the cold** as identified in Part 1 or 2 or 3 below. There are 3 different routes to qualification. Either via Part 1 or Part 2 or Part 3. Qualification under any Part is satisfactory to achieve a declaration, qualification under all 3 is not required. Eligibility will be determined by criteria listed below and requires a signed declaration by the owner/tenant.

Qualifying measures - The energy efficiency measures that may be installed in eligible properties include new central heating systems, heating upgrades and insulation.

Liabilities - Powys County Council accept no responsibility or liability resulting from any negative consequence, damage or loss arising from the acceptance of an ECO FLEX grant. This includes efforts connected to the preparation, application or survey prior to an installation or as a result of works delivered under the scheme.

Powys County Council do not endorse any specific energy supplier, grant agent, installer or company connected to the application or installation of ECO flex grants or products.

Any grievance or issue raised against grant works or application process, should be taken up with the installing party / agent / financier. Powys County Council's involvement in the scheme is limited to the declaration of eligibility for grant. Should you wish to have the declaration explained in further detail, please email - privatesectorhousing@powys.gov.uk

Final decision - The decision on whether a household receives a measure under flexible eligibility or other ECO funding streams will be made by the **energy supplier** or their **agent / contractor**. Qualification in the statement of intent or issuance of a declaration by Powys County Council will **NOT** guarantee installation of a measure, the final decision **rests with the supplier**.

Revised guidance issued for ECO3 by BEIS significantly differs to that associated with ECO 2t LA Flex. Consequently, Powys Council cannot reissue any declaration previously issued under Powys County Council Statement of Intent version 1. A new application will need to be made to ensure it now meets our new criteria. Declarations issued under version 2 are able to be reissued.

Cost Associated with measures

Whilst some measures being grant funded will be free to the consumer at point of sale, others may only be partially grant funded and will require a contribution from the consumer or agent in order to be delivered.

Any financial or contractual arrangement relating to the installation of a specific measure or home survey or service shall be at the discretion of the homeowner or occupier to accept or decline as they choose. Powys County Council will not be party to any such arrangements; this shall solely be between the client and any third party of their choice.

Governance

The body to which any application for assessment prior to qualification under this Statement of Intent will need to be made shall be delegated to the Community Interest Company - **Warm Wales**. Powys Council will no longer accept applications direct.

If you wish to make an application for confirmation of grant eligibility, please contact:

Warm Wales, Llewellyn House, Harbourside Business Park, Port Talbot, SA13 1SB.
email: information@warmwales.org.uk call: 01656 747 622 Web www.warmwales.org.uk

Warm Wales shall field calls, engage in scheme promotion and conduct vetting of applications via collection of evidential client information. **Warm Wales will be solely responsible for referring successful applications to Powys Council for sign off.**

The council shall issue declaration certificates to eligible applicants.

Any 3rd party agent of a contractor with clients they wish to refer to the council will need to have said clients utilise the vetting services of **Warm Wales** and have those clients referred to the council via that organisation. The council will not be party to any such arrangement implemented between **Warm Wales** and any 3rd party agent of each independent contractor.

Warm Wales shall select the installer and/or funder for all clients for whom they facilitate the application process for funding under ECO3.

Officers holding the following positions shall be empowered to sign declarations on behalf of Powys County Council, including those issued under Parts 1,2 and 3 -

Private Sector Housing Lead, Environmental Health Officer, Housing Standards & Improvement Officer, Affordable Warmth & Renewable Energy Officer, Service Improvement Officer.

Monitoring

Information regarding the number of referrals made to the council by **Warm Wales** and declarations issued, shall be recorded by the council. Any further information would be held by the agent or contractor and submitted to BEIS/OFGEM separately.

General Data Protection Regulations & Privacy Notice

In order to access ECO3 funding, personal data will need to be shared with 3rd parties by agents through which any application is made. Powys Council are not able to process or handle applications without involvement of said 3rd parties.

The 3rd parties not the Council, are responsible for sourcing ECO 3 funding and arranging installation of measures. For this reason, Powys County Council does not consider itself to be the Data Controller in this scenario because it is not the body responsible for offering or delivering the grant.

Powys County Council will process all data submitted as part of the scheme in accordance with data protection legislation. Please refer to Powys County Council's Housing Privacy Notice: <https://en.powys.gov.uk/article/7132/Housing-Privacy-Notice>

Part 1 - Qualifying Criteria – Low Income

To Qualify under Part 1 - you must have a gross household income falling below that of the values in the table below, corresponding to family size.

WARM WALES WILL REQUIRE APPROPRIATE EVIDENCE TO DEMONSTRATE THIS FROM ALL APPLICANTS.

Table 1 -

Household Composition 2020	
1 Adult	£14,000
2 Adults	£21,000

Part 1 continued - In addition to household income criteria the property must have a current EPC rating of **E, F or G**. (All EPC scores will be taken at face value from www.epcregister.com any property with an expired EPC will be considered to have no EPC.) **If the property has no EPC, then it must score 15 points or more** in Table 2 displayed later in this document.

Part 2 Qualifying criteria - Vulnerability

To qualify under Part 2, it is necessary that any householder at the residence concerned is at a greater risk to the effects of living in a cold home. To do this they must possess one of the conditions listed in this section as provided by the National Institute for Health and Care Excellence (NICE) 2015 guidance on excess winter deaths and illness caused by cold homes.

Qualifying conditions –

- i. Aged over 60 (proof of age necessary)
- ii. Children under 5 and those in primary and secondary school education or is pregnant
- iii. Respiratory disease (COPD, asthma)
- 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)

Signed declaration by the applicant, is necessary together with any documentary evidence requested by Warm wales such as a prescription or doctors' letter, or Identification document.

Part 2 continued - In addition to possessing the stated condition the property must have a current EPC rating of **E, F or G**. (All EPC scores will be taken at face value from www.epcregister.com)

any property with an expired EPC will be considered to have no EPC.) **If the property has no EPC, then it must score 10 points or more** in Table 2 below.

Qualification cannot occur under part 2 if the gross household income exceeds £34,500 irrelevant of family size or expenses.

Table 2 - Property Condition

House features	Type	Points	Tick	Score
Bedrooms	1	1		
	2	2		
	3+	3		
Household occupants	1	1		
	2	2		
	3+	3		
Loft Insulation	None	5		
	Up to 150mm	3		
	150mm and above	1		
Wall Type	System built	5		
	Solid stone/brick	3		
	Cavity construction/Unknown	1		
Wall insulation	External	1		
	Internal	1		
	Cavity	2		
	None	5		
Heating fuel	Mains gas	1		
	Oil	2		
	LPG	3		
	Electric	5		
	Solid fuel	5		
Central Heating system age	Less than 10 years old	1		
	Over ten years old	3		
	Broken system	5		
	No system	5		
			Total	

Part 3 - Alternative Strategically Targeted Qualifying ECO Schemes

Powys Council are aware of numerous grant schemes and renewal activities targeted towards those in fuel poverty i.e., mains gas connection projects & **Rent Smart Wales - Warm Home Fund**. For these schemes to access funding via ECO, Powys Council will, permit applications and award declarations in situations falling outside the standard qualification criteria mentioned above, provided that the strategically targeted activity specifically addresses fuel poverty.

The following element of this Statement of Intent will only be used on specific energy efficiency projects where 'the Council' is a participating partner. Please note: The Council will only sign

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Economy, Residents, Communities and Governance Scrutiny Committee

Scrutiny Observations to Cabinet on 04-05-2021:

Revision of the Statement of Intent to Improve Delivery of ECO-3 LA Flex in Powys

The Economy, Residents, Communities and Governance Scrutiny Committee met on 12 April 2021 and considered the following documents:

- Draft Cabinet report by the Portfolio Holder for Economic Development, Planning and Housing.

The Economy, Residents, Communities and Governance Scrutiny Committee thank the Portfolio Holder for Economic Development, Planning and Housing and the Head of Housing and Community Development and officers for attending scrutiny.

The Scrutiny Committee makes the following observations:

- The Committee supported:
 - the widening of the scheme to make it more attractive for Powys residents.
 - the need by the Council and Warm Wales to publicise the scheme more widely to encourage take up by Powys residents.
 - the need to provide information to Councillors and Powys residents as to what other grant and fuel efficiency schemes are available, with information to Councillors updated on a quarterly basis.
 - that the Council continues to consult with other authorities in Wales to ensure that the Powys scheme is on a parity with other schemes in Wales.
- The Committee expressed concern regarding the following:
 - that the revised thresholds could still be too low for example for those on universal credit who are working could be earning above the gross income target and therefore ineligible for assistance under the scheme.

- what evidence is there that Powys suppliers are on the Warm Wales installer list and that Warm Wales are engaging with local providers for the provision of solutions under the scheme.
- The Committee requested:
 - Whether the income thresholds could be increased or whether there could be more flexibility as £14,000 gross income is a low level of income and this could be an issue for example for a single parent with small children whose net income mean that they could be in fuel poverty
 - that should the Cabinet agree the proposal that it be reviewed 3 months after the decision is taken so that any further changes to the eligibility criteria can be undertaken sooner if required.
 - that Warm Wales be asked to review those previous applications which were rejected under the current eligibility criteria, to see whether any applications would be eligible under the revised criteria.
 - That the income and cost projections for the ECO3 scheme be reviewed to reflect the proposed changes in eligibility criteria.

Further information to be provided to the Committee:

- Has Warm Wales advised other Councils about the need to change their eligibility criteria following the change in government guidance.
- A copy of the eligibility criteria so that the Committee can understand the application process.
- Update to the Committee on the financial position for the scheme and the likely income to the Council to be derived from the scheme.
- Whether there are any review periods built into the agreement with Warm Wales.

Scrutiny's Recommendation	Accept (plus Action and timescale)	Partially Accept (plus Rationale and Action and timescale)	Reject (plus Rationale)
1 that the Cabinet consider whether it is possible to increase the income threshold level or allow more flexibility to assist those on lower			Whilst permitting some flexibility, suggested income thresholds for ECO-3 are set in Department for Business, Energy and Industry Strategy (BEIS) guidance. Thresholds have already been raised to the proposed £14,000 and £21,000 values and could be raised further, to allow greater uptake.

<p>incomes</p>			<p>However, this would mean that the scheme may be seen as deviating from national guidance and could be open to challenge. Single parent households would qualify under Part Two of the Powys Statement of Intent (Sol) for having a vulnerability (children classed as vulnerable) and therefore be considered under the £34,000 income threshold set out in Part Two. The means tested cap of £34,000 applies where the applicant has a qualifying vulnerability under Part Two of the Sol. Where an applicant has no vulnerability, the lower income value of £14,000 applies.</p>
<p>2 that if agreed the eligibility criteria be reviewed in 3 months time to ensure that the scheme continues to deliver improvements for Powys residents</p>	<p>We would welcome this approach to make sure that the scheme remains fit for purpose but would respectfully suggest that any review be undertaken once the Covid-19 restrictions have been eased and a more accurate assessment can be undertaken based on a more normal socio-economic environment.</p>		
<p>3 that if approved Warm Wales be asked to review previous applications</p>	<p>The intention was to undertake this process; Warm Wales will review previous cases.</p>		

Page 21

<p>against the revised criteria.</p>			
<p>4 that the income and cost projections for the scheme be reviewed to reflect the changes in eligibility criteria.</p>	<p>This was a prediction of approximately 260 applications being received, generating £150 for each declaration issued to Warm Wales by the Council. A combination of tight eligibility criteria, being addressed by the recommendations in the report to Cabinet and the unforeseen impact if Covid-19, have revealed that this prediction was ambitious. Should the current eligibility remain unchanged, this could mean less than 20 cases per annum, generating income to the Council of £150 per application, giving a total income of £3,000. At this level of demand, the scheme would be financially unviable for Warm Wales to continue to deliver. Adoption of the proposed changes could see an increase of up to 200 cases per annum, giving an annual income to the Council of £30,000.</p>		

In accordance with Rule 7.27.2 the Cabinet is asked to provide a written response to the scrutiny report, including an action plan where appropriate, as soon as possible or at the latest within 2 months of the date of the Cabinet meeting i.e. by 04-08-2021

Membership of the Economy, Residents, Communities and Governance Scrutiny Group / Committee on 12-04-2021:

County Councillors:

M Dorrance, J Pugh, J Charlton, K Lewis, G Jones, K Curry, D Selby, P Pritchard, S Williams.

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21 April	Portfolio Holder for Education and Property	Approved the sale of the former Library, Ship Street Brecon and Watton Mount.
22 April	Portfolio Holder for Education and Property	Approved the appointment of school governors.
27 April	Portfolio Holder for Education and Property	Approved the sale of a property at Pool Quay, Welshpool.
27 April	Leader	Approved the appointment of a school governor.

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Cabinet / Delegated Decision				
Date	Title	Portfolio Holder	Lead	Decision Maker
30/04/21	Housing Strategy	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
04/05/21	ECO3 Revision Report	Councillor Iain McIntosh	Nina Davies	Cabinet
04/05/21	Schools Major Improvement Programme	Councillor Phyl Davies	Emma Palmer	Cabinet
18/05/21	Ysgol Bro Hyddgen Language Proposal – Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
18/05/21	Post 16 Report	Councillor Phyl Davies	Emma Palmer	Cabinet
18/05/21	Caereinion All Through School objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
18/05/21	21st Century Schools Virements	Councillor Phyl Davies	Emma Palmer	Cabinet
18/05/21	Powys Recovery Fund - Draft Criteria and Application Process			Cabinet
21/05/21	Home Grown Homes	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
21/05/21	Gypsy and Traveller Accommodation Assessment	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
21/05/21	Homes in Powys Policy Update	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
21/05/21	Local Housing Market Assessment	Councillor Iain McIntosh	Nina Davies	Portfolio Holder
25/05/21	Quarter 4/End of Year Performance Report	Councillor Graham Charles Breeze	Emma Palmer	Cabinet
25/05/21	Quarter 4/ End of Year Strategic Risk Register Report	Councillor Aled Davies	Jane Thomas	Cabinet
25/05/21	Biodiversity & Resilience of Eco Systems	Councillor Iain McIntosh	Sian Barnes	Cabinet
25/05/21	New Ways of Working		Kay Thomas	Cabinet
25/05/21	End of Year Financial Position Revenue and Capital	Councillor Aled Davies	Jane Thomas	Cabinet
25/05/21	Treasury Management Quarter 4 update	Councillor Aled Davies	Jane Thomas	Cabinet
15/06/21	HoWPS	Councillor Phyl Davies	Nigel Brinn	Cabinet
22/06/21	Ysgol Dyffryn Trannon Language Category Consultation Report	Councillor Rosemarie Harris	Emma Palmer	Cabinet
22/06/21	Ysgol Calon Cymru Proposal Paper	Councillor Phyl Davies	Emma Palmer	Cabinet
22/06/21	Draft WESP	Councillor Phyl Davies	Emma Palmer	Cabinet
22/06/21	Llanfyllin Phase 2 Proposal paper	Councillor Phyl Davies	Emma Palmer	Cabinet
22/06/21	Welsh Language Annual Report	Councillor Myfanwy Catherine Alexander	Bedwyr Fychan	Cabinet

Vision 2025: Our Corporate Improvement Plan Annual				
06/07/21	Performance Report	Councillor Rosemarie Harris	Emma Palmer	Cabinet
06/07/21	Schools Budget Outturn Reports	Councillor Phyl Davies	Mari Thomas	Cabinet
13/07/21	Castle Caereinion Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
13/07/21	Llanfihangel Rhydithon Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
		Councillor Graham Charles		
27/07/21	Quarter 1 Performance Report	Breeze	Emma Palmer	Cabinet
27/07/21	Quarter 1 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet
27/07/21	Revenue and Capital Update Quarter 1	Councillor Aled Davies	Jane Thomas	Cabinet
21/09/21	Ysgol Bro Hydden Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21	Mount Street & Cradoc consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21	Llanbedr Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21	Churchstoke Consultation Report	Councillor Phyl Davies	Emma Palmer	Cabinet
21/09/21	Treasury Management Quarter 1 Update	Councillor Aled Davies	Jane Thomas	Cabinet
21/09/21	ACRF		Alison Bulman	Cabinet
12/10/21	Ysgol Dyffryn Trannon Objection Report	Councillor Phyl Davies	Emma Palmer	Cabinet
		Councillor Graham Charles		
02/11/21	Quarter 2 Performance Report	Breeze	Emma Palmer	Cabinet
02/11/21	Quarter 2 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet
02/11/21	Quarter 2 Revenue and Capital Update	Councillor Aled Davies	Jane Thomas	Cabinet
23/11/21	Castle Caereinion Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
23/11/21	Llanfihangel Rhydithon Objection report	Councillor Phyl Davies	Emma Palmer	Cabinet
23/11/21	Council Tax Base	Councillor Aled Davies	Jane Thomas	Cabinet
23/11/21	Treasury Management Quarter 2 Update	Councillor Aled Davies	Jane Thomas	Cabinet
14/12/21	Llangedwyn / Llanfechain consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
14/12/21	Llanfyllin Phase 2 consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
14/12/21	Ysgol Calon Cymru Consultation report	Councillor Phyl Davies	Emma Palmer	Cabinet
18/01/22	Draft WESP	Councillor Phyl Davies	Emma Palmer	Cabinet
		Councillor Graham Charles		
08/02/22	Quarter 3 Performance Report	Breeze	Emma Palmer	Cabinet
08/02/22	Quarter 3 Strategic Risk Register	Councillor Aled Davies	Jane Thomas	Cabinet