

Lancashire County Council

Affordable Warmth Grant Guidance 2023 / 24

Introduction

Lancashire County Council is making funding available to district councils to deliver high impact affordable warmth interventions to individuals who are the most vulnerable to harm from cold or damp homes. The funding is subject to Lancashire County Council approving proposals.

Assessment process outline – please also see full guidance below

The total amount available across all 12 district areas is £1000,000. District councils can apply for up to the amount shown in appendix 1, this is based on [the BEIS Low Income Low Energy Efficiency fuel poverty figures published 27th April 2023](#).

Please use the template provided to identify proposals for 2023/24 spend up to your allocated amount, including how you will identify and effectively get help to the most in need individuals, in a timely manner.

Aim of the fund

Ultimately, the funding aims to reduce levels of death and illness over the winter months and to improve people's wellbeing, through affordable warmth interventions; as a consequence we also hope to see a reduction in hospital admissions and in demand for health and social care services.

Beneficiaries and Vulnerable Groups

Being on a low income, living in a thermally inefficient home, having higher heating needs and high fuel costs can all increase the risks of living in a cold home. The funding is aimed at the most vulnerable to harm from cold or damp homes. This could include a wide range of individuals who either are, or are at serious risk of, experiencing poor health and wellbeing due to a cold home. The National Institute for Health and Care Excellence (NICE) guidance on ['Excess winter deaths and morbidity and the health risks associated with cold homes'](#), identifies a number of groups to be particularly vulnerable to the effects of living in a cold home. These have been considered in the development of eligibility criteria, together with the current guidance from BEIS¹ and OFGEM² on identifying fuel poor households and those on a low income and vulnerable to the effects of living in a cold home for ECO Flexible Eligibility.

¹ ECO4 Flexible Route for Bespoke Targeting Guidance December 2022

² [ECO4 Guidance: Local Authority Administration | Ofgem](#) September 2022

Households will be eligible for funding if they meet at least one of the following vulnerabilities and have a low income, defined as follows.

Vulnerabilities:

- people with a diagnosed cardiovascular conditions
- people with a diagnosed respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma)
- people with diagnosed mental health conditions
- people with diagnosed disabilities
- older people (65 and older)
- households with young children (up to the age of 5)
- pregnant women
- people who are terminally ill
- people with suppressed immune systems (e.g. from cancer treatment or HIV)
- people who have attended hospital due to a fall

The following vulnerable groups will be considered on referral from the Local Authority or health / social care professional.

- people who move in and out of homelessness
- people with addictions
- Recent immigrants and refugees.

Low income

Low income can be confirmed in one of the following ways:

- Someone being in receipt of means tested benefits
- Have a total gross household income not in excess of £31,000³
- Household savings should not be used to limit access to the grant if other criteria are met.

³ This is inline with the income criteria set for ECO4 Flexible Eligibility in the Statement of Intent template: <https://www.ofgem.gov.uk/publications/eco4-guidance-local-authority-administration>

Districts have the further option to support people that do not have a specific vulnerability as listed above, but do have a significant low income and energy efficiency issue, this is to be used at the districts discretion.

Districts should prioritise properties that have an energy efficiency need such as properties that are likely to be EPC rating D or below, although a formal EPC rating and assessment is not required.

Districts should provide interventions for all groups listed above where an affordable warmth need has been identified. Districts will need to manage demand to direct the resource at those most in need. Districts may choose not to open up all categories to self-referrals, instead restricting interventions for some groups to referrals from social care, and health partners or where their own service has identified a health and affordability vulnerability.

Where possible, Districts are expected to be flexible with regards to responding to referrals from health and social care.

Confirmation of what the health and affordability need is should be recorded in the monitoring returns, with supporting evidence being retained locally.

Interventions

The funding available can be used for capital or revenue expenditure.

The funding should be used to support services to ensure there is a response available for people most vulnerable to cold homes, either by direct use of this funding or by linking with other services and funding available within your district. Confidence that some response will be available in most cases, is important for people who are vulnerable and those professionals referring into the scheme. Districts are encouraged to use the funding to provide a range of long-term interventions, working alongside shorter term emergency measures e.g. emergency space heating –that are important to relieve crisis, and enable people to stay safe and well in their own home, whilst longer term measures are put in place.

The most appropriate funding sources for all interventions should be considered, additional or alternative sources of funding should be sought wherever possible, including any available ECO (standard ECO or ECO Flex) funding, and House Hold Support Fund to ensure this fund can go as far as possible. It can also be matched with any other funding sources secured by the Lancashire Energy Officers Group for Lancashire-wide schemes or funding secured locally by delivery partners. This funding should add capacity to existing resources and meet needs when other funding is not available. Measures can be fully funded (in the case of any match funding not being available) or a contribution towards costs made at a level deemed appropriate by the District.

Proposals may include the following non-exhaustive interventions:

- Servicing, repairs and replacement boilers and heating systems and associated works, including programmable controls and replacement of unsafe heating appliances
- Repairs to and new radiators and radiator reflectors
- Gas fire services and repairs
- Draught proofing measures – windows, doors, loft hatches, electrical fittings on walls and ceilings, suspended floorboards, pipework leading outside, ceiling-to-wall joints⁴. Thermal blinds and carpets may be included as draught proofing measures in appropriate circumstances where other long-term measures have been considered and the thermal benefit can be demonstrated.
- Appropriate ventilation measures
- Standard loft and cavity wall insulation
- Interventions for 'hard to treat' cavities and solid walls such as non-standard insulation solutions and external or internal wall insulation.
- Glazing improvements
- Temperature and relative humidity monitors/ Carbon monoxide monitors
- Dry lining
- Mould and damp treatment and prevention.
- House clearance and loft clearance to enable affordable warmth interventions to be undertaken
- Repairs that address common barriers to tackling cold home e.g. fixing leaking roof
- Emergency heating and dehumidifiers measures e.g. portable heaters for use whilst heating systems are repaired, top up fuel cards and vouchers (other available funding sources to be considered). Warm / Winter packs if used, should be minimised to maximum 2.5% of the funding allocation.
- Advice on fuel poverty -advice to reduce costs through fuel switching, income maximisation, managing fuel bills & debts, warm home checks
- Additional and targeted work with landlords to improve properties

⁴ <http://www.energysavingtrust.org.uk/home-insulation/draught-proofing>

- Grant agency fees may be included particularly where this helps to ensure vulnerable people get the most appropriate support and interventions. Fees and staffing costs should be minimised and come to no more than 15%, this should not replace existing staff or other resources. Additional staffing costs may be included within the 15% but should not replace existing services or fund statutory services.

Tenure

There are clear differences in fuel poverty rates and the average fuel poverty gap by tenure type. These reflect both the nature of the housing stock and household characteristics typical to a households' tenure. The highest level of fuel poverty is in the private rented sector with 24.1 per cent of these households being fuel poor, whilst owner occupiers have the highest average fuel poverty gap⁵, the fuel poverty gap reflects the depth of fuel poverty.

Focus should be on owner occupied housing, however where there is an identified need other tenures may be included. In the case of private rented all reasonable enforcement options must have been shown to have been pursued. For social housing, interventions / contributions from housing associations / other partners should be sought in the first instance.

Grant Allocation Proposal and Delivery

- The district council will receive the grant directly (subject to approval) and will be responsible for delivery and coordinating work with partners including voluntary and community sector organisations that play a key role in affordable warmth work.
- District councils are asked to set an indication of budget allocation on the proposal template form which will be the basis of the grant agreement. This should give an indication of planned spend, however we recognise the importance of addressing the specific needs of individuals. Therefore if people have affordable warmth needs that cannot be meet by interventions outlined in your proposal but within the interventions listed above, these can be delivered to address need even if they are not on your original proposal.
- If any individual household receives combined payments from the Lancashire Affordable Warmth fund in excess of £5000, please provide additional brief information, that allows us to understand if there are any particular circumstance and rational for spending funding amounts above £5000. For example particular health vulnerabilities, lack of other funding or maybe this funding has been put alongside other funding to enable work to be completed, please highlight any significant expected improvements / issues that will be resolved, that represent

⁵ [Annual Fuel Poverty Statistics LILEE Report 2023 \(2022 data\) \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/114444/Annual_Fuel_Poverty_Statistics_LILEE_Report_2023_(2022_data).pdf)

value for money. This should not delay work, as no separate approval is necessary or will be given, the information is for our records to enable us to account for spend.

- The spend limit of Lancashire Affordable Warmth funding per household is £8000
- This funding can only be claimed once 80% of Lancashire Affordable Warmth Funding allocated in 2022/23 has been spent or committed.
- The grant allocated for 2023-24 will be paid in advance. Funding should be spent or committed before the end of June 2024, (with invoicing before end of March 2024). Carry forward beyond June 24 is not expected to be permissible and it may be necessary to reconcile spend / committed at the end of June. There is the possibility of clawback of unspent and uncommitted funding at the end of June.
- Funding to be claimed in two rounds, 50% allocation followed by a further 50%, second round funding, to be claimed once 80% of all previous funding including 2022/23 allocation has been spent and committed.
- Second round funding may be withheld or reallocated if not claimed by the 31st January 2024.
- If second round funding is not claimed by the end of January, Recipients will have an opportunity to state the likelihood of them claiming the remaining 50%, which will inform the county council decision to hold funding or reallocate it.
- Lancashire County Council must be referenced as the source of the funding, when the grant is being promoted or publicised.

Monitoring

Districts will produce and share Monitoring reports every 3 months summarising:

- Funding spent/ committed and on what areas of intervention, numbers of jobs.
- How many households and people have been helped –
- Breakdown of why households were eligible for the scheme – please see criteria above
- Number of people benefiting from work
- Ethnic Group
- Tenure
- Record of any professional referrals into the scheme for example from health or social care
- If applicable summary of any match funding secured

We hope this format of reporting will minimise administrative resources required, whilst enabling us to be able to report on and account for funding spend.

District councils are encouraged to gather additional local evidence that could demonstrate the potential benefits of the programme, including client case studies.

Process for agreeing proposals

Once initial District proposals are submitted, feedback will be given. If elements of proposals are not approved, it is envisaged that there will be an opportunity to adjust applications, before final approval which is likely to be part of grant agreement and invoices are accepted.

Fuel Poor Households by Administrative Area 2021 Published 27th April 2023

Area	Number of households*	Number of households in fuel poverty*	% of Lancashire's Fuel Poor Households	Allocations £
Lancashire	536,423	78,472		
Burnley	40,699	7,972	10.16	101,590
Chorley	51,172	5,690	7.25	72,510
Fylde	38,383	4,799	6.12	61,156
Hyndburn	35,539	6,614	8.43	84,285
Lancaster	61,310	9,446	12.04	120,374
Pendle	38,885	7,704	9.82	98,175
Preston	60,897	9,345	11.91	119,087
Ribble Valley	27,312	3,648	4.65	46,488
Rossendale	31,194	4,797	6.11	61,130
South Ribble	49,653	4,969	6.33	63,322
West Lancashire	49,532	6,492	8.27	82,730
Wyre	51,847	6,996	8.92	89,153

*Source: <https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2023>