



# Doncaster Central Heating Scheme

Funding ideas for the future

# Making the case & innovative funding

# Fuel poverty - a growing problem

Over 2 Million households are considered to be living in Fuel Poverty in England.

In Yorkshire, 11.8% of homes are classed as fuel poor which is higher than the national average (10.6%).



Current policy does not seem to be counteracting this damaging trend.

# ECO is only one slice of the cake

The Government's Energy Company Obligations (ECO) scheme offers grants to eligible residents to improve their home insulation and heating facilities.

## But what about residents that...

- Fall out of the scope of ECO
- Can't make up any funding short fall
- Are off the mains gas network?
- Live in homes that are hard to treat?



**Its time to think outside the box!**



# Ever considered blending funding?

Pulling different funding channels together can sometimes give a project a wider reach.

- More options for different customer segments
- Less restrictive (multiple criteria)
- Focus on those in need, rather than those that fit a profile
- More residents can benefit



# Reaching out to the vulnerable

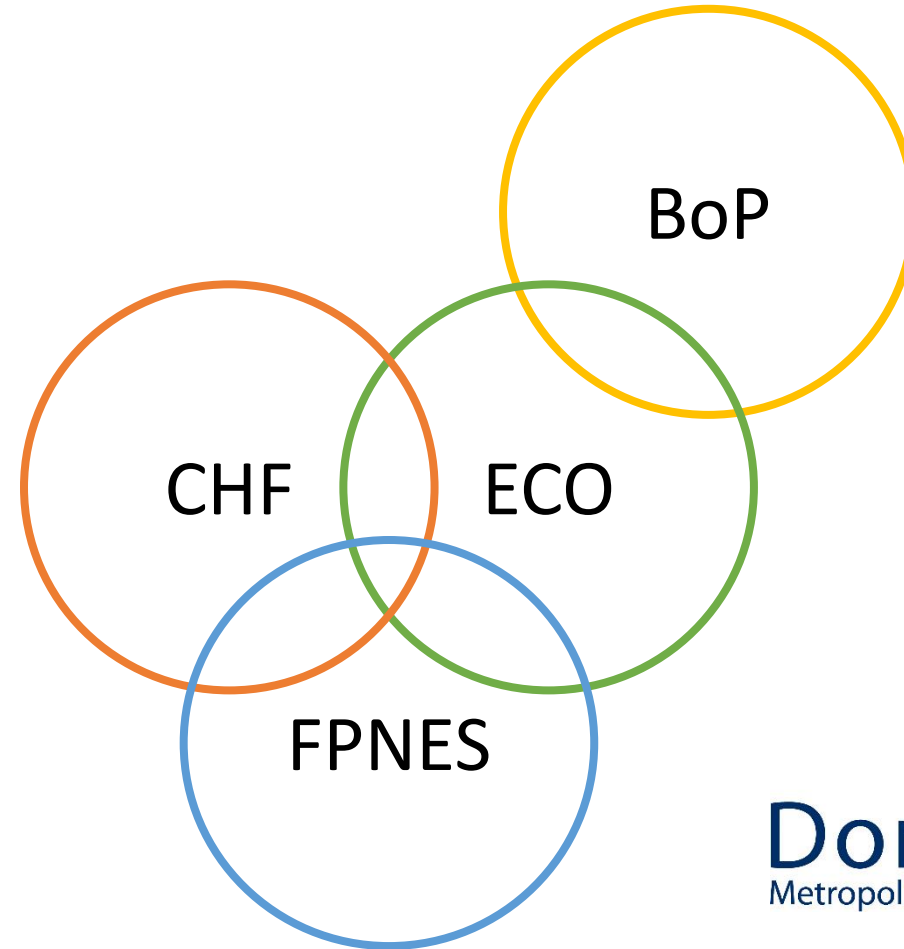
# Doncaster Central Heating Scheme

In October 2015, Doncaster Council launched their innovative Central Heating Scheme - a targeted 18 month programme which focussed on improving the heating facilities of households in fuel poverty.

YES Energy Solutions was selected to manage the scheme and take control of the customer journey.

A blend of funds where utilised:

- DECC Central Heating Fund (CHF)
- Fuel Poverty Network Extension Scheme (FPNES)
- Boilers on Prescription (BoP)
- Energy Company Obligations (ECO)



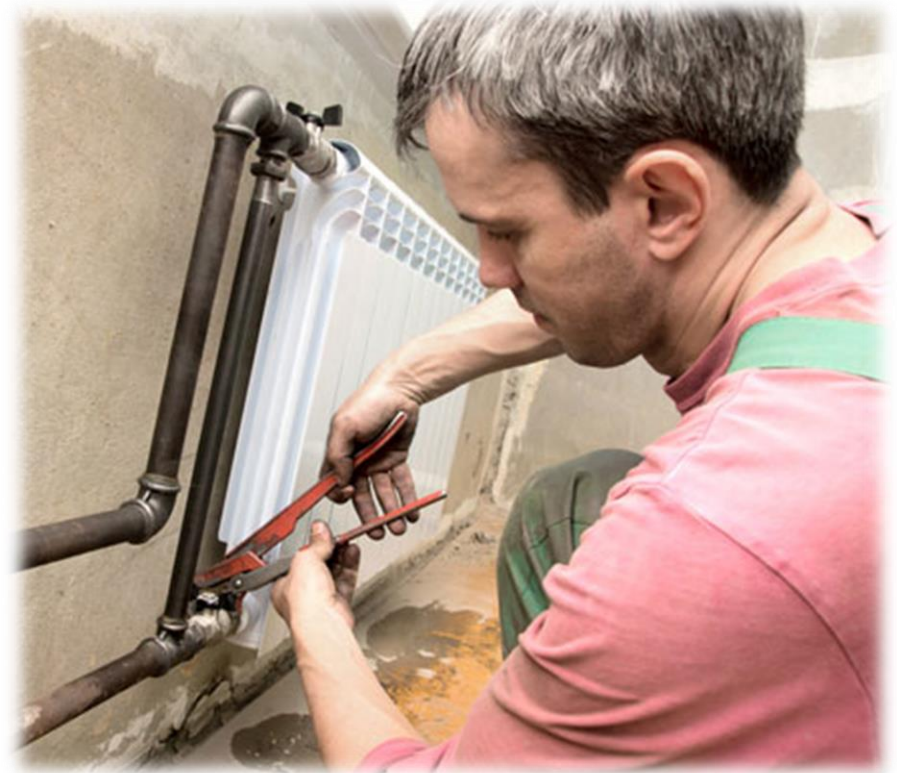


# DECC Central Heating Fund

Doncaster Council was amongst 20 Local Authority consortiums to win contracts through the DECC Central Heating Fund.

This unique money pot was designed to help residents that don't have any central heating and rely on old fashioned and inefficient systems (such as electric storage heaters or solid fuel back-boilers) to heat their homes.

Doncaster used the fund to help extremely vulnerable residents access A-rated gas central heating systems for the first time.



# Fuel Poverty Network Extension Scheme (FPNES)

Most householders without central heating tend to be those that are off the mains gas network.

Under the Fuel Poverty Network Extension Scheme (FPNES), all major gas network operators are obligated to fund new gas connections for vulnerable residents:

- Households in deprived LSOAs (bottom 25%)
- Households receiving specific state benefits
- Households in fuel poverty (low income / high cost)

In many cases, the funding can cover the whole connection costs (providing the residents qualifies for FPNES and are close to a gas main).



# Boilers on Prescription

The Doncaster scheme also included 'Boilers on Prescription (BoP)' funding.

This is a new approach to identifying vulnerable householders whose health could be dramatically improved through energy saving home improvements.

BoP is a fund managed through the NHS' Clinical Commissioning Group.

Vulnerable householders with a history of cold related illnesses are identified by a health professional and referred to the scheme for funded energy saving measures.



# Benefits of BoP

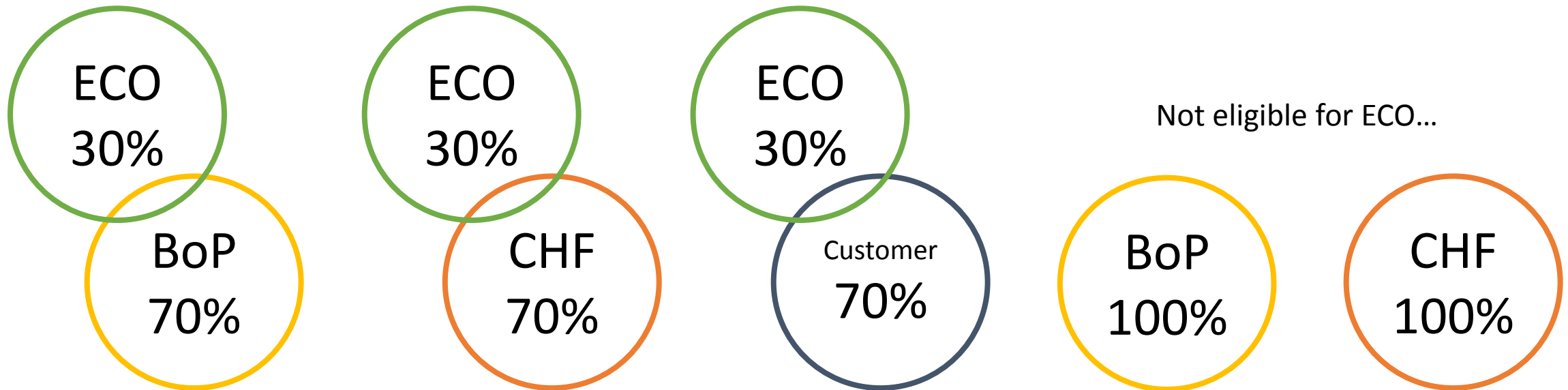
- People in real need are supported, rather than those that simply qualify under a scheme.
- Ethical lead generation - customers are not cold called but referred via a trusted source.
- Important front line organisations (such as GPs and Health Centres) are involved in promoting energy efficiency.
- The measures provided help reduce future hospital admissions, reducing strain on NHS services.



# Blending ECO

ECO funding was also used to broaden the scope of the scheme and support the other funding channels. It was used as a 'top up' rather than the primary funding source.

## Examples:



# Our role

YES Energy Solutions were responsible for the whole customer journey. We processed referrals, coordinated the home surveys and managed the installation process.

## Adding Value

- SME contractor network – appointing local installers to boost the local economy.
- Relationships with marketing leading boiler manufacturers.
- ECO funding in place to help BoP & CHF go further.
- Bespoke advice and support for each home.



# Main Challenges

- Locating suitable householders for the CHF was difficult (those with no evidence of central heating near a gas main).
- Time constraints - gas connection process caused delays.
- Rural residents were excluded (too far from gas infrastructure).
- Administration was complex using 3-4 different sets of funding criteria (CHF, ECO, BoP, FPNES).
- Working with extremely vulnerable residents is always challenging (e.g. householders with mental illnesses, mobility issues, hoarding...etc) - special adaptations to the process was required.



# A warmer future



# Project results

- 218 vulnerable households were brought out of fuel poverty.
- Residents were given the means to keep warm for less for the first time.
- We helped people feel valued and take pride in their homes and community.
- Residents collectively saved an estimated £990,317 on life time fuel bills (based on BRE Deemed Scores).
- A proactive partnerships has developed between YES and Doncaster Council.



# Case Studies

Mr & Mrs Thwaites, Coal Fire to Gas Central Heating



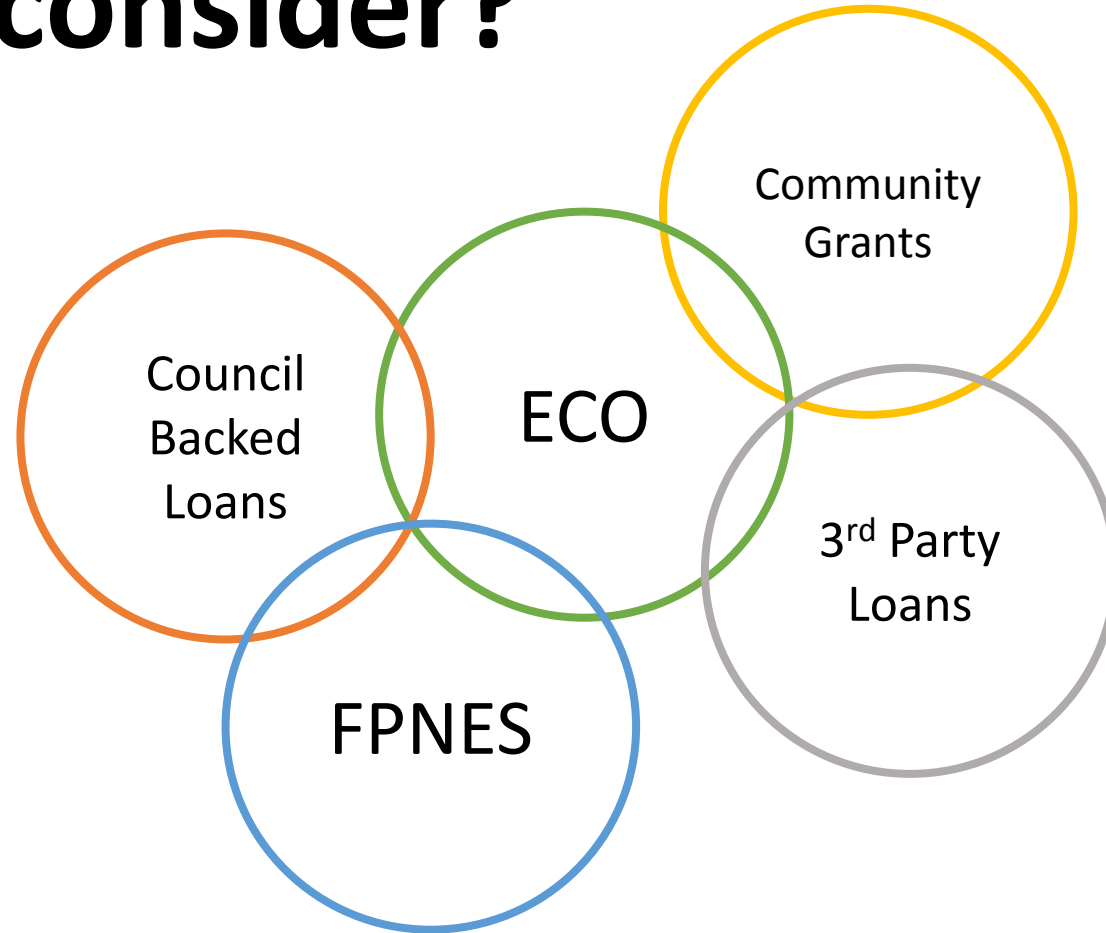
*“It’s made our life better. I’m no longer having to carry coal in and there’s no dust to clean away. At 74 it was getting to be a trudge. She’s been in and out of hospital recently since having a heart bypass and I’ve had a COPD problem. So to get shut of the coal was one of the best things going!”*

Mrs Cowhen, Solid Fuel to Gas Central Heating



*“Before, I’d have five or six blankets on including the duvet. It was freezing. It’s been heaven having central heating. It’s made such a big difference. I’ve felt a lot better and my electric has certainly reduced down.”*

# What blended approach could you consider?



# Current Opportunities

## ECO2T

- Flexible eligibility - new rules to help Local Authorities define a funding criteria for vulnerable residents.

## Warm Homes Fund (WHF)

- £150M funding pot available for Local Authorities / Housing Associations administered by National Grid Affordable Warmth Solutions.
- WHF is very similar to the DECC Central Heating Fund but includes support for rural properties and health related schemes.
- Three bidding rounds available. Round one completed. Round two predicted for early 2018.



# Say YES to lower energy bills

YES Energy Solutions is a Community Interest Company (CIC) that specialises in working with Local Authorities.

We have managed some of the largest Council backed energy efficiency programmes including: the South Kesteven Insulation Scheme, the Redditch EWI project, Insulate Hampshire and Kirklees Warm Zone.

**We recently won 'Best Housing, Regeneration or New Build Initiative' at the 2017 APSE Service Awards.**

With no shareholders to satisfy, all of our profits are invested into community schemes that support our social mission - to reduce CO<sub>2</sub> and alleviate fuel poverty.



# Thank You

Any questions?

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