

From: David Polley

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Date: 11 December 2020

Dear Council Affordable Warmth Scheme Senior Managers

AFFORDABLE WARMTH SCHEME

I am writing to you to provide a progress update on changes to Affordable Warmth Scheme eligibility criteria and on some other issues recently raised by Councils.

Scheme Eligibility

The Minister recently approved changes to the eligibility criteria for the Affordable Warmth Scheme increasing the income threshold from £20,000 to £23,000 and removing Disability Living Allowance, Personal Independence Payment, Attendance Allowance and Carer's Allowance from the calculation of income for the Scheme. Work is now ongoing to amend the relevant Scheme Regulations. At this stage we are unable to provide an implementation date for the changes to eligibility criteria but we are working towards the beginning of the new financial year. I am writing to give you notice of this as I know you may be aware of potential Scheme applicants who will be able to apply once this change is made.

Targeting

As discussed in previous correspondence I have also been in discussion with Department of Finance (DoF) colleagues on a refreshed approach to targeting in the Scheme. DoF have asked for some research to support the new approach and we will engage with Councils on this early in 2021. In the meantime in order to meet the

conditions of the current approved business case you should continue to aim for 80% of your referrals to come from the targeted lists provided by the Department.

Referrals from Councils

In order to meet budgetary obligations and to manage applicants' expectations a maximum of 32 applications with full documentation can be processed per council per month until the 20/21 year end. Exceeding this requirement will result in a backlog of approvals not being issued this year and an increased financial commitment/starting position for the year 2021/22. Flexibility of +/- 3 referrals per month over the Christmas period, made up within that quarter, has been agreed with Housing Executive. I should be grateful if all Councils who have not returned their Service Level Agreements would now do so by 31 December 20 at the latest.

Budget 2021/2022

At this stage in the 21/22 budget process I cannot say exactly what the funding level will be for the Affordable Warmth Scheme next year however please be assured that there is business case approval for expenditure for the Scheme until March 2024. This should help with your resource planning for next year. It is our planning assumption that the budget next year will be between £12 and £16m which would require about 30 referrals per month from each Council.

Donna Knowles, as new head of Affordable Warmth and Energy team, (Previously known as Fuel Poverty Team) will arrange a meeting early in the New Year to discuss progress with the Scheme.

Thank you for your continued support.

Yours sincerely

David Polley