

Response to the Mayor of London's Draft Fuel Poverty Action Plan

https://www.london.gov.uk/sites/default/files/draft_fuel_poverty_action_plan.pdf

15 November 2017

1) Introduction

- 1.1 The Association of Local Energy Officers London (ALEO London) represents local authority energy and fuel poverty officers in Greater London. We have over 60 local authority members from across the 33 London boroughs and over 20 associate members from partner organisations involved in promoting home energy efficiency within the capital. The following combines views expressed by London boroughs following the publication of the Mayor of London's draft Fuel Poverty Action Plan.
- 1.2 ALEO London's response was discussed by the wider forum at its meeting on the 14th September and by the coordinating committee on the 10th November. We welcome the publication of the Environment Strategy and the Fuel Poverty Action Plan and the opportunity this consultation offers to respond. There are limits to the extent a consolidated reply can include all points raised and ALEO London hopes that boroughs will also respond individually to raise specific points and provide their own emphasis.
- 1.3 ALEO London is supportive of the draft Action Plan and is keen to work collaboratively with the Mayor and the GLA going forward to deliver benefits to Londoners living in, or at risk of, fuel poverty.

2) Summary

- ALEO London welcomes the Mayor's focus on fuel poverty and the plans to spend £10m over 4 years. Clearly there is more detail to come on how this money is to be spent and ALEO London is keen to work with the GLA to try and make the most of this opportunity.
- Any new resources should be delivered in ways that encourage more action in areas of London where there is less capacity.
- There is no reference to planning, particularly in relation to solid wall insulation. There is more the GLA could do on this.
- ALEO London supports the aim that more of the Energy Company Obligation is spent in London and we are keen to work with the Mayor and the GLA to make this happen.
- There should be an assessment of how the current arrangements for ECO Flexible Eligibility are working before changes are sought, particularly if this reduces flexibility.
- Proposals to develop guidance on PRS enforcement and carbon offset funds are welcomed. ALEO London hopes that development of this guidance will involve boroughs, and that good practice recognises the different circumstances boroughs are operating in. One-size-fits-all solutions are unlikely to work across London.
- ALEO London and London boroughs are keen to work collaboratively with the Mayor and the GLA in putting the Action Plan into practice. ALEO London volunteers to be represented on the planned Fuel Poverty Partnership.

3) Analysis and creating London-wide action on fuel poverty

- 3.1 Agree with the analysis of the London-specific challenges for addressing fuel poverty. P15 and 21 stress the issue of solid-walled properties. The experience of London boroughs is that there is a lack of consistency across planning departments on solid wall insulation. The GLA could have a significant influence in encouraging greater weight is given to alleviating fuel poverty when planners are considering solid wall insulation.
- 3.2 Agree with the analysis on p22 that aligning EPC data with household information, such as benefits information, would be helpful. Being able to combine information on eligibility for ECO at an individual-level that covers both the property and household could be a very powerful tool for drawing in ECO funding. There is however a need to ensure any tool of this kind does not stimulate multiple contacts with residents who may benefit by organisations able to access the tool. It is suggested that restricting such tools to public sector-led local initiatives would be the best way to safeguard against this.
- 3.3 Agree strongly with the points made on p23 that London has not got its fair share of funding from any of the various energy company obligations. There is a need to be clear about what London's 'Fair Share' should be – the total number of fuel poor households by region should be the starting point for this. Ring-fencing would be a way to mitigate against the imbalance for London that results from a purely market-led delivery that chases lowest cost. In seeking changes to the way ECO operates care is needed to avoid introducing additional administrative burdens, as this will further increase the costs of retrofit works in London. While making the point that London does not get its fair share we should also recognise the analysis of the Government's Committee on Fuel Poverty, and others, that the overall level of resource being targeted at fuel poverty is inadequate. Our starting point should be to lobby government for additional resources and in particular to position fuel poverty as a way of preventing ill-health and rising financial demands on the health sector.
- 3.4 ECO Flex is an important potential source of funding into London. The Mayor should press local authorities that have not issued a statement of intent on flexible eligibility to act, ALEO London is already doing this and would welcome the GLA's support. BEIS arrangements for ECO Flexible Eligibility are very new and it is difficult at this point to be able to draw conclusions about how they are working. In relation to the call (p23) for consistent definition of criteria for flexible eligibility, ALEO London's view is that until there has been a chance to assess this it would be a shame to seek to constrain the flexibility that has been created.
- 3.5 ALEO London supports the Mayor in lobbying government to introduce a cap on landlord investment to avoid the Minimum Energy Efficiency Standards being a loophole for inaction. We agree (p25) that Minimum Energy Efficiency Standards and HHSRS are important tools and we need to find ways to support enforcement activity. It would be helpful if the GLA publishes a methodology or good practice for private rental sector (PRS) enforcement that can be adopted locally by each borough to raise consistency across London.

4) New funding

- 4.1 The announcement of £10m funding over 4 years is welcomed although we note that the Action Plan says that this is for carbon reduction and fuel poverty. It is hoped that most of this funding will be available for direct funding to deliver action on fuel poverty that will improve the energy efficiency of homes. ALEO London and individual boroughs will be keen to work with the GLA to help make the most of this opportunity.

- 4.2 ALEO London welcomes the recognition on p16 that there is good practice by London boroughs delivering local schemes. It is hoped that the additional resources that have been identified can be used to develop and encourage wider participation across local authorities in London and to stimulate new activity in boroughs where less has happened to date. To do this it will be important that new funding is delivered in a transparent and open process and that there is recognition of lead in times to setting up projects particularly where they involve partnerships.
- 4.3 Funding should be blended with ECO as much as possible to make the money go as far as possible, as well as offer opportunities to increase the value of ECO attracted into London.
- 4.4 The additional £500k for advice is also welcome, but to make most impact it has to be clear how this will work alongside other sources such as the Warm Homes Discount Industry Initiatives. Although not enough in itself, the additional investment by the GLA is potentially an opportunity to create a London-wide advice and referral network if it can be made to build capacity where there is currently limited activity and avoids creating competing schemes running across the region.
- 4.5 Agree (p27) that Carbon Offset Funds could be a very important tool in addressing fuel poverty and welcome the proposed guidance. The Mayor should be encouraging boroughs to take this opportunity and ALEO London offers support in getting the message across. It would be very interesting to see the GLA Planning data referred to about the scale of the opportunity on carbon offset funds particularly if this is disaggregated at a borough level.
- 4.6 It would also be useful if the GLA provides more guidance on the use of carbon offset funding. There appears to be differences in how planning departments are interpreting the way funds can be used with the potential that a narrow view of carbon reduction could rule out fuel poverty initiatives.
- 4.7 In developing guidance ALEO London hopes that the GLA will involve boroughs, and that good practice recognises the different circumstances boroughs are operating in. One-size-fits-all solutions are unlikely to work across London.

5) Energy for Londoners

- 5.1 ALEO London agrees that more needs to be done to enable energy customers, and particularly low income and vulnerable households, to pay less for their energy. It is recognised that further detail on the proposals for Energy for Londoners is to follow. ALEO London notes the initial preference for a 'white label' approach and can appreciate the reasons for this. It is hoped that the option of a fully licensed supply company will remain under active consideration given the significant level of interests that exists on this issue.
- 5.2 It would be good to know more about how the plans for Licence Lite might fit with arrangements that may already be happening at a local level.
- 5.3 Other issues London boroughs would be keen to see Energy for Londoners address include:
- creating tariffs where people are automatically put onto a good rate each year without the need to "switch".
 - Properly aligning installation of smart meters alongside the awareness raising activity of Smart Energy GB
- 5.4 The Action Plan is rightly concerned at the number of Londoners who face higher tariffs as a result of being on a pre-payment meters, and action to address this is strongly supported. However it should be noted that, aside from unit price, a pay as you go model may be a

more convenient for some households and that pre-payment meters in themselves are not necessarily negative if the tariff is fair.

6) Other points

- 6.1 The proposal (p31) for a cross-sectoral Fuel Poverty Partnership is welcomed we are keen that London boroughs are represented on this forum and ALEO London would be happy to get involved.
- 6.2 Endorse the points made on p32 about the importance of engaging with the health sector. Suggest that it is vital that fuel poverty is clearly established as a preventative tool in delivering health outcomes and reducing the costs on the health and social care sectors. The Mayor has a role to play in this and it should be part of the plans set out in p35 for lobbying central government. NHS London needs to be encouraged to take a more proactive role in health professional engagement. This would be particularly helpful where hospital and other health service boundaries map poorly on to borough boundaries.
- 6.3 The analysis in the Action Plan would also be supported by linking action on domestic energy efficiency to seasonal health benefits including the risk of excess summer deaths and the impact of prolonged hot weather.
- 6.4 The Action Plan could usefully acknowledge the role water management and metering could have on household finances.
- 6.5 The branding of different aspects of the GLA's approach to energy efficiency, carbon reduction and fuel poverty is unclear, particularly in relation to the focus and roles and responsibility of Energy for Londoners, RE:NEW and the Decentralised Energy Enabling Project (DEEP).