

ALEO London: Autumn Forum Thursday 14 September 2017

Kindly hosted by the City of London



MINUTES

Attendees

First name	Surname	Borough
Emma	Adams	ARP Energy Services
Syed	Ahmed	Energy for London
Ieman	Barmaki	Enfield
Malcolm	Bell	Croydon
Maddy	Clifford	Q-Bot
Catherine	Cully	Havering
Stephen	De Souza	GLA
Justine	Dornan	Kensington and Chelsea
Zoe	Dunn	Waltham Forest
Simon	Evans	Osborne Energy
Helen	George	Lambeth
Shaun	Gibbons	Greenwich
Denny	Gray	CAG
Kelly	Greer	ACE
Emma	Jones	CAG
Patrick	Kajura	Optivo Housing (was Viridian)
Richard	King	SGN
John	Kolm-Murray	Islington
Katrina	Lloyd	Sutton
Lochlan	Macdonald	City of London
Robert	Marjoram	Scottish Power
Amita	Mehta	Ealing
Martin	O'Brien	Lewisham
Lucya	Paulinska	Islington
Neil	Pearce	Barking and Dagenham
Lee-Ann	Perkins	SHS
Giles	Read	Thinking Works (Harrow)
Jean	Roberts	Hyde Housing
Natalie	Sansom	Groundwork London
Shadia	Snelling	Kingston
Keith	Von Tersch	RE:NEW
Liz	Warren	SE ² (secretariat)
Martin	Waudby	CLG

Apologies

First name	Surname	Borough
Bob	Clegg	Bromley
Fran	Evans	Camden
Brody	Isaac	Optivo
Rory	Prendergast	Hounslow
Julian	Swann	National Grid
Hayley	Tranter	National Grid

All slides from the meeting are available to download at
https://www.aleo.org.uk/london/meetings/index.php?i=i&event_id=20050704224411

1. National policy overview and regional updates Martin O'Brien, ALEO London Chair

1.1 National activity since last meeting (May 2017):

- Since the last meeting, we have seen a new Government, and Brexit dominating the national political agenda and Government resources. We are still waiting for the overdue Clean Growth Plan. Nothing has changed on plans for Minimum Energy Efficiency Standards in the private rented sector - so it remains unclear how enforcement will be achieved. A consultation took place on Redress Funds; whilst ALEO lobbied for local authorities to be able to receive funds, the consultation found that local authorities can only bid if they are working with a third party.
- The Grenfell disaster has had a big impact; the enquiry begins today. Anecdotally it seems to be having an impact on some local authority plans for retrofit and to have opened up the conversation between cost and quality.
- The Warm Homes Fund launched - National Grid providing £150million focused on off-gas properties. Ofgem are also consulting on changes to the Fuel Poverty Network Extension Scheme, proposing to loosen eligibility criteria around deprivation. Ofgem are also planning to consult on switching.

1.2 Regional activity since last meeting

- The draft Mayor's Environment Strategy has been published; it brings together 8 strategies, including energy and climate change.
- ALEO London has drafted a response to the draft Fuel Poverty Action Plan, welcoming the focus on fuel poverty and the resources identified, and the encouragement of resource to support action in local authorities which may not have local staff or services. There is very little detail in the draft Action Plan about what the funding will be for. The GLA may also provide further guidance on offset funds and the private rented sector.
- We have circulated an MOU for Associate Members. ALEO is for local authorities but we welcome participation from others. The MOU is about trying to make transparent the approach the London Committee has taken to ensuring Associate Members are working in a spirit of partnership with local authorities. **Please provide comments by email to rachael.mills@se-2.co.uk**. Once agreed, we'll be circulating to Associate Members for signature.
- John Kolm-Murray is moving on from Islington Council to join the Energy Team at the GLA. He's keen to see a new refreshed partnership between the GLA and ALEO, and to face

challenges around austerity, local government culture and how national Government do not always see things from the practitioner's point of view.

2. ECO LA Flexibility Criteria - roundtable discussion

A quick show of hands suggests that 4 local authorities attending the meeting have signed SOIs and 1 is now making declarations under ECO Flex (at least two LAs who were not at the meeting have also signed SOIs). 6 LAs at the meeting are working on their SOIs and aiming to publish by the end of October.

Comment: ECO Flex is a big opportunity, and it's disappointing that not more local authorities have taken it up. It's an opportunity to collaborate between Boroughs. There can be a lot of negotiation about data sharing, which collaboration can help you to avoid.

Comment: It is positive that Boroughs are working towards having an SOI in place. We need to keep the pressure on, and lobby the Mayor and BEIS to keep the profile of this up.

Comment: From a supplier's perspective, we're under pressure to show that we're making use of LA Flex but we're not seeing much coming through. It depends on the supplier model: we tend to do everything through the supply chain. HHCRO is getting spent quickly. Since HHCRO has been capped on gas boilers, we're seeing more LA Flex off-gas stuff. At least 3 suppliers are more than 40% of the way to meeting their targets. The money is going quickly; we're almost under pressure to slow down a bit. There are maybe a dozen LA Flex measures on the system - local authorities and their partners are beginning to mobilise but it has taken a while. There are time pressures on an 18 month scheme. We've seen a lot of SOIs but not many declarations. Fully funded measures are likely to be CWI and loft top-up. Some suppliers might offer a higher rate on SWI but there will usually be a contribution.

Comment: We should emphasise that the 10% is a maximum but that the suppliers don't have to do it. If suppliers are getting through their jobs using main scheme ECO, then there won't necessarily be any LA Flex.

Comment: We used the ALEO SOI. It was simple. We didn't have to go too high up to get sign-off. We're setting up relationships with public health and social care, and have delegate our SOI authority to Islington, but with a view to our LA learning more about works, contributions and making connections through to grants. We're mapping how the grants fit together and how works are done and signed off.

Comment: We have a formal partnership with SHINE - our SOI was signed a few days ago and we have delegate declarations to Islington. Data Protection was simple for us. On lead generation, we're doing a full comms plan around SHINE and looking at ECO Flex as part of that.

Q1: We're thinking of including HHSRS and MEES as part of the process. Does it make sense to use ECO funding as part of enforcement?

A1: ACE is planning a project on HHSRS and MEES. Under CERT, you could use funding up until the point that enforcement action was started. We have asked Ofgem, who say it's the same, so, if you haven't enforced, you can use ECO, but once you enter into enforcement, ECO's off the table.

Addition to the minutes: below is the text that Ofgem provided to ACE:

We still have similar rules regarding additionality under the ECO scheme as we did under previous obligation schemes - a measure cannot count towards a suppliers obligation if it would have had to have been installed anyway.

This can be seen in our current [ECO2t Guidance](#) (paragraph 2.2) "A qualifying action is the installation at domestic premises of a measure that meets the eligibility criteria specified in the ECO2 Order. The act of promotion is therefore linked to the act of installing a measure. A supplier promotes the installation of a measure if it is a cause of that measure being installed".

Therefore, as you have noted below, a measure would only be eligible under ECO if it resulted in an energy efficiency improvement beyond that which is already required to be achieved by legal requirements.

A2: We mentioned HHSRS and MEES as part of our SOI. In your SOI, criteria aren't set in stone, you're just saying groups that you're interested in reaching. We have to enforce on HHSRS and ideally get the landlord to fund it. If we can work in ECO that's fantastic, but we're not relying on it.

Q2: How does ECO Flex work with contractors? There's an increasing hassle factor of looking for jobs but not getting them.

A2: We have a relationship with an energy supplier for our ECO Flex declarations; they'll push it to their approved contractors who will say what they can fund. We can top it up with Carbon Offset funding. For hard-to-treat measures, ECO will only cover a small amount, but we can top it up. The contractor deals with the energy supplier.

Comment: Making a declaration under ECO Flex doesn't guarantee that funding will be available; we have to manage customer expectations.

Comment: The data on a property is only as good as we're told. We're often taking it on good faith and passing it on - to be honest, that's been the case in every scheme. We published our SOI in April - there has been a lot of back and forth about data sharing. We have an existing relationship with an energy supplier and they have put aside a notional amount for referrals from us. We're still feeling our way. We're very concerned that we need to prove some willingness - BEIS are hosting a meeting for local authorities next month but it's a very short invitation list, maybe 40 in England (possibly a higher proportion from Wales and Scotland). If we don't have SOIs and declarations going through before Christmas, we're not showing the activity or the value of it. There is a lot of confusion among LAs, suppliers, BEIS.

Comment: Our Borough doesn't have the top up funding ability. We know that CWI has been pushed in our area so we're looking at SWI and boilers. But we don't have confidence that we can match fund. Also, a lot of local authority officers don't have the time to prove that a bad policy doesn't work.

Comment: ALEO has tried to make it as easy as possible by providing the SOI, and you can delegate your declarations. It's in our interests to make this work.

Comment: As ALEO we're trying to encourage LAs to create SOIs. Where there is no local energy officer, we need to engage the GLA. I agree that finding match funding is difficult if you don't have a carbon offset fund. There are still opportunities for fully funded CWI but they are hard to find. We are working with a local community energy group to do local engagement, find the households for fully funded measures. We're paying a lead generation fee. We're hoping to expand this service to other SE London Boroughs.

Comment: We use EPC and benefits data to pick out households likely to be eligible then we do home visits, provide advice and make referrals. There are ways of doing it which

are not resource intensive. And you can match fund the Warm Homes Fund with ECO Flex.

Comment: There's a mismatch between the passion of Energy Officers at Borough level and the objectives of senior management. If they're not willing to push it, it goes by the wayside. ALEO has helped by writing to CEOs, that puts pressure from the top which feeds down. We need to continue to apply this pressure so we can say that were trying to make it work.

Comment: **If we can get more SOIs published, then we can write to the others to encourage them.**

Q3: Are there other Forums where we can highlight this? The London Environment Director's Forum? London Councils?

Q4: What are the timelines for suppliers to follow up on declarations?

A4: Declarations are dated, and we have put an expiry date on ours (4 months). That gives plenty of time for contact, visits. We don't want suppliers "banking" declarations to use later on, so we put the expiry date on them.

3. Public Access to the EPC Register Data Martin Wauby, CLG (see presentation)

3.1 Martin provided a presentation on the EPC register and how access to data has been opened up. He noted that there is potential for the data set to change, but it's not clear how things will change. Data quality issues have enabled CLG to put pressure on the accreditation and certification bodies to improve the quality of energy assessments. There is very little flexibility to improve the quality of existing data - it's not perfect but there are things we can do over time. Academic partners, including UCL, UEA and Essex, have been doing a lot of analysis of the data - **Martin can provide contacts if required.**

You can access the data set at <https://epc.opendatacommunities.org/>

Comment: "Please don't put tenders out based on this data!" EPC data is useful for broad targeting but you still need to do on the ground surveys for measures.

Q1: Will there be work done to make it more useable? And how is the address split up at the moment? Is there consistency in this?

A1: Address format comes down to how it is on the register. We're only able to represent data, not to change it. But we want better standards so we can improve consistency. It can be difficult to analyse, we can be missing certificates (eg, in blocks). **We'd welcome feedback on improvements.**

Q2: What about unique property references?

A2: This is a hot topic in the Department at the moment. We're looking at global unique reference numbers, or a way to publish data with a number. We may need a legislative change because of the ownership of different fields of data (eg, postcodes linked to addresses).

Q3: Is there a field for building type?

A3: You can separate out type such as house or flat. I'm not sure if there are fields for non-domestic building types (eg, school).

4. Draft London Environment Strategy consultation: Energy for Londoners Stephen de Souza, GLA (see presentation)

4.1 We want to have a conversation about how the GLA and the Boroughs work together. The draft Environment Strategy has been published and is out to consultation. The Fuel Poverty Action Plan is a personal priority for the Mayor who is conscious that people struggle to afford to live in London. Under Energy for Londoners, the immediate priority is offering fairer tariffs to tackle fuel poverty. The GLA is considering its work in this area - should we set up a supply company or work with an existing supplier? The Mayor has taken a decision to work with an existing supplier, and to tender for an offer that delivers fairer bills. In time, we want to integrate other programmes, for example, Better Boilers, retrofit programmes, and make links to public health programmes.

If you'd like to stay in touch, or feedback ideas, please email stephen.de-souza@london.gov.uk

- Q1: What does "Boroughs working with the GLA" look like?
- A1: If you're looking at this sort of thing, it's about bringing the work you do to the party. If you want to set up a company of your own, fine, or you could join with us. It's about what's important to you. If every Borough wants to do it differently, that's fine, but if we can reach a way of doing it together, that could be better.
- Q2: We're very interested in what the GLA is doing, but people need support year on year to get the best tariff. It's difficult to engage people, and they are loyal to their existing supplier. LAs don't always have the resource to support people on this basis.
- A2: The business model for the Big 6 is based on a fixed rate lure followed by a variable rate. The sort of thing a local authority could offer is "we're not necessarily going to be the cheapest right now, but our tariff will stay good value in the longer term".
- Comment: That approach would really help the community and voluntary sector to engage.
- Q3: When you're able to target people in fuel poverty, they're often not comfortable with direct debit, they use prepayment meters to control their spending, and are reluctant to move away from that control model. A service needs to be more holistic around banking and budgeting.
- A3: Some people might be happy using an app and a smart meter to get control and get a fairer price.
- Q4: We're looking at launching a White Label energy company in about 6 weeks time. We're open to discussing how it all works together as there may be exit fees from existing arrangements. Not many local authorities will have something in place, but some will. I don't think competition will be helpful. Also, some smaller suppliers don't offer Warm Home Discount, but some do - it should be an important part of the offer.
- A4: If we insist on Warm Home Discount, we might rule out some bidders. If you focus on the best outcome for the household we should get the best result.
- Comment: You can have a cheaper tariff with no Warm Home Discount and still get a better deal. It also needs to link to advice provision - the Big 6 companies don't connect well into local advice provision.
- Comment: It needs to go further than just reducing tariffs. Fuel poverty is about incomes but also about properties, so it needs to link into ECO to enable people to have an efficient home. You can build a service on that - tariff, support, efficiency. You're looking at the whole outcome for the resident. The goal is also to reduce the amount of energy you're selling.

- A5: We can set up something publicly owned, but if it's going to make money, will it behave differently? We're looking closely at governance, business models, having a social mission imprinted in the organisation through the tender and the contract.
- Q6: How will it fit with work on decentralised energy?
- A6: Our initial focus is on fuel poverty and we'll look at joining everything up further down the line. We want to do things quickly but there are governance, procurement and contractual aspects which will take time.
- Comment: A lot of decentralised energy work has been around Licence Lite and it's been quite painful watching the Assembly grapple with this. It should launch soon though.
- Comment: Our FM contractors are looking at a supply offer as a way of generating income. You're buying the same energy just in different ways. Bigger companies can offer loss leaders which lure people into bad decisions.
- Q7: Can we work out how to share customers' energy data with local authorities? We could offer advice and support based on smart meter data and encourage people to switch tariffs.
- A7: We'd like to enable this, but we expect it will be a data minefield!
- Comment: There's not much consistency of approach to data protection; the GLA can help us to make that happen early on.

5. Recent energy-related work in London **Denny Gray and Emma Jones, CAG Consultants (see presentation)**

5.1 Denny and Emma summarised the findings of some recent work undertaken by CAG Consultants in London. They will provide a link to the Fuel Poverty Evidence Report once it has been published.

6. Round Table

6.1 Members' Updates

ALEO - The National ALEO Conference will take place in Islington on 30 October. It will include regional awards. Please let Martin know what you're up to and things which deserve to be celebrated! See <https://www.aleo.org.uk/conferences/> for more details.

Islington - we're launching an energy supply company with Robin Hood Energy. Later in the year, we'll be launching a community energy fund of around £240k over two years. SHINE London is still running.

6.2 Associate Members' Updates

SGN - we have been working with Boroughs to put bids into the Warm Homes Fund which can tie in to our existing Fuel Poverty Network Extension Scheme. Please do let us know about the outcomes of bids. It may be that we can provide funding to successful or unsuccessful bids. Ofgem is consulting on the Fuel Poverty Network Extension Scheme and we have some concerns about what they're proposing. SGN offered to share their response to the consultation.

SHS - we have funding from AWS for a fuel poverty modelling project, looking at public sector data sets to model fuel poverty and then sharing our findings free of charge with local authorities.

ACE - we wrote a Local Story about London last year, and have now agreed to start lobbying London MPs with updated statistics. We're also looking at enforcement issues around HHSRS and MEES.

Energy for London - the Solar Action Plan is in the Mayor's Environment Strategy and includes support for community groups. We've been working with 17 community groups and are looking at grant applications.

Sustainable Homes - we're putting together a White Paper on external wall insulation, we'll be carrying out roundtables and interviews to get views on EWI - specifications, procurement, education and so forth, post-Grenfell. Note also, that if you are doing CWI, you now need an independent verification assessment before you do the job and that there is a cost to do this.

- 7. Date of next meeting: Wednesday 17th January 2018, Hammersmith**
(NB: this is a change of date from that announced at the meeting)