

ALEO Executive Meeting Minutes

18 January 2018 @ 10:30 am
London Borough of Camden Town Hall

Attendees:

David Colbourne (DCo) - ALEO Vice Chair and Chair, North West ALEO
Hazel Hill (HH) - Chair, ALEO South East
Rachel Jones (RJ) - Chair, West Midlands ALEO
John Kolm-Murray (JKM) - ALEO National Chair
Rob Leeson (RL) - ALEO National Secretariat
Ian Mollard (IM) - A&M Energy Solutions
David Shiner (DS) - Vice Chair, West Midlands ALEO

Attending morning session only:

Stuart Chapman (SC) - Department for Business, Energy & Industrial Strategy

Apologies:

Louise Ashton – A&M Energy Solutions
Susan Carr – Vice Chair, ALEO North East
Robert Clements – Representative, Northern Ireland Housing Executive
Darsh Chauhan (DCh) – ALEO National Secretariat Manager & Acting Chair, ALEO East Midlands
Cliff Duff – Chair, ALEO North East
Paul Hinsley – Vice Chair, ALEO East
Alexander Ross Laing – A&M Energy Solutions
Marie Jones – Vice Chair, ALEO South East
Matt Lewer – Chair, ALEO Yorkshire & Humber
Steve Martin – Chair, CAN Cymru Housing
Jane Mears – Vice Chair, ALEO Yorkshire & Humber
Martin O'Brien (MO) – Chair, ALEO London
Alison Robinson – Joint Vice Chair, ALEO South West
Neil Short – Joint Vice Chair, ALEO South West
Shadia Snelling – Vice Chair, ALEO London
David Walton – Chair of ALEO East

1. Chair's Update

- 1.1 JKM welcomed the group and introductions were made.
- 1.2 Train problems meant that MO and DW had to send their apologies, and RJ's train was delayed. It was suggested that we should try remote conferencing, perhaps using Skype, for the next meeting.
- 1.3 The ALEO Conference was held on 30 October at the Islington Assembly Hall London.
- 1.4 Affordable Warmth Solution's (AWS), Warm Homes Fund's (WHF) second round of bidding was opened on 27 November 2017, and will close on Friday, 9 February 2018. Phase 1 winners were announced in December, with £33 million awarded to 35 local authorities and social landlords for around 9,000 fuel poor households.
- 1.5 There was a 20% success rate out of 240 applications. It was disappointing that so few category 3 bids were successful. The guidance wasn't good, and category 3 bids had been ignored if category 1 and 2 bids had been unsuccessful. Working across boundaries is challenging and it makes it difficult that CCGs are so different from one to the next. There are only three people in the AWS team to assess hundreds of bids.
- 1.6 BEIS will be consulting on the Private Rented Sector regulations (see section 7.11 below)
- 1.7 There is currently another NHS winter crisis, with beds at a premium, but there is very little discussion of the role of appropriate housing. Flu is a big part of the problem, but quality of housing also causes a lot of blockages in the system.

- 1.8 **ACTION: RL to look into options for remote conferencing at the next Executive meetings.**
- 1.9 **ACTION: JKM and RL to produce feedback on WHF bidding process for BEIS and AWS.**

2. Guest: Stuart Chapman, Energy Company Obligation Policy - BEIS

- 2.1 JKM welcomed SC to the meeting and introductions were made.
- 2.2 BEIS: ECO 3 will be a 3.5 year scheme, running from October 2018 to March 2022. The current scheme ends at the end of September. The consultation on ECO 3 should be published around Easter and run for six to eight weeks.
BEIS is reducing the consultation length to get the regulations through in time. The consultation response should be published in summer. BEIS will analyse all consultation responses and take them into account. An impact assessment will be published alongside the document.
Regulations will be laid in Parliament before the summer recess or alternatively in early autumn. There needs to be a debate in both houses of parliament. BEIS is taking into account mechanisms to allow for early delivery should regulations not be approved by 1 October.
- 2.3 The Clean Growth Strategy committed to fund ECO to March 2028, although it does not say whether it would be funded through taxation or as a supplier obligation.
- 2.4 ALEO: It seems like a very tight timetable for ECO 3. Would it make sense to extend the transition phase? There needs to be a scheme available for winter.
- 2.5 BEIS: It would take longer to do a transition scheme, as the same procedure would still need to be followed, with a consultation response, parliamentary debate, etc.
- 2.6 IM: If there is a gap between schemes, this can stop the supply chain. It's vital that this is maintained in order to deliver the 3.5 year obligation. Carry under should be avoided, but if allowed there should be big fines, as with previous schemes.
- 2.7 BEIS: There will be proposals for carry over and carry under, and it is expected that carry under will be associated with a penalty. BEIS is also looking at early delivery. It is likely that if there is a gap between ECO2t and ECO3, any measures delivered, as long as they adhere to the scheme rules, could count toward the obligation.
- 2.8 ALEO: Would this be the new scheme rules?
- 2.9 BEIS: That would depend on the responses from the consultation and whether the mechanisms are necessary.
- 2.10 IM: We'd like to make Percentage of Property Treated (POPT) less administrative, so more money is available for measures. Ofgem have published their consultation response, but all they are doing is changing from a 90%-plus pass rate, to 80%. However, a percentage figure is still needed in order to comply, so the administrative burden is the same.
- 2.11 BEIS: The consultation will propose that ECO 3 will be a 100% fuel poverty scheme, as set out in previous responses and the Fuel Poverty Strategy.
Currently, 4.5 million households are eligible for ECO. BEIS is looking to extend this eligibility to around 6.5 million, as it is a 3.5 year scheme. Benefits will still be the main route to eligibility as they're easy to verify. BEIS is also looking at possibly making different benefits eligible, e.g. disability benefits, carer's allowance, MOD benefits, and child benefits with an income threshold.
- 2.12 IM: These benefits have previously been eligible in other schemes like from Warm Front. BEIS should look back at schemes over the past 27 years and make sure that the amount of properties that have already received measures is taken into account. If BEIS don't take this into consideration, acquisition costs could be sky high.
- 2.13 ALEO: A disproportionate number of the 6.5 million will be social housing tenants.
- 2.14 BEIS: One of the benefits of including households receiving child benefits, with an income threshold, would be that relatively low income households, not on any other benefits would be eligible.
- 2.15 IM: The problem will be in finding those people.
- 2.16 ALEO: Could Blue Badge holders be eligible?
- 2.17 BEIS: They could be eligible under ECO LA Flexible Eligibility (ECO Flex). Some areas won't have an ECO Flex scheme, but potentially all LAs could add Blue Badge holders to their ECO Flex criteria if they considered this a priority for their area.
LA Flex is currently 10% of ECO. BEIS are likely to consult on increasing this to 25%.

BEIS understands that there is concern that the in-fill mechanism for solid wall properties is fairly complex, and will review this.

- 2.18 ALEO: Will the 25% still be at the discretion of suppliers?
- 2.19 BEIS: Yes, it will still be voluntary.
- 2.20 ALEO: Will there be a cap on off-gas heating?
- 2.21 BEIS: The consultation is likely to propose a minimum on first-time central heating, which could include off-gas.
- 2.22 IM: Will there be a maximum? Certain obligated partners are delivering through off-gas only and therefore haven't bothered with ECO Flex, particularly as the supply chain for a LA takes time to put into place. Rural areas need their share, but the current mechanism now gives them a much bigger share of what was originally seen as a fabric scheme.
- 2.23 BEIS: The consultation will propose banning ECO funding for oil boilers. The increase in oil boilers was an unintended consequence of the gas boiler cap, and it goes against the Clean Growth Strategy.
- 2.24 BEIS: The consultation is likely to propose a 15% rural sub-obligation.
- 2.25 ALEO: How will rural be defined this time?
- 2.26 BEIS: This will use the standard BEIS / MHCLG definitions.
- 2.27 RJ arrived, and SC quickly recapped.
- 2.28 ALEO: In off-gas areas oil boilers are much more affordable, even though no one really wants to install them. What would BEIS propose to install instead?
- 2.29 ALEO: LPG is not good from a fuel poverty perspective, so air source heat pumps are the only option.
- 2.30 BEIS: The consultation is likely to propose an increase in the boiler cap to 30-35,000 for broken boilers. Outside of the cap, suppliers could replace an inefficient boiler if they also had insulation measures installed at the same time. Details will be set out in the regulations. This is intended to encourage the industry to work together rather than taking a piecemeal approach.
- 2.31 ALEO: What if insulation is already fully done? Does that mean they can have a new boiler?
- 2.32 BEIS: No. Inefficient boilers would only be eligible if they are installed alongside insulation.
- 2.33 ALEO: Even if it's an old back boiler?
- 2.34 The proposed policy is designed to replace broken boilers and to replace inefficient heating measures when delivered with insulation.
- 2.35 ALEO: Not currently. This is one of the biggest issues we're dealing with. Under Warm Front there were around 1,200 boiler installs a year, in DCo's borough, this dropped to 300 installations under ECO, and under ECO2t this has dropped to around 50 a year. There are still around 800 boilers that fail every year, in DCOs' borough, and people can't raise the capital to replace them. People are turning to loan sharks. The cap is the biggest issue for replacement of boilers. The carbon price is so low that contributions are useless; it's easier to use contractors outside of ECO. If funds can be raised it's usually because people are on benefits or through the British Legion if they are veterans. Lots of vulnerable households are falling through the gaps. House fires are going up because of unsafe heating methods. At the Glasgow ECO 2 transition workshop, BEIS suggested that they had research showing that these boilers would get replaced eventually. This research has not been made public, and this is of real concern. There is a significant shortfall in boiler replacements. Many people are reverting back to convection heaters, which are inefficient and carbon intensive. ALEO understands that ECO will be a fuel poverty programme, based on a fabric-first approach, but there is now very little funding for boilers that are failing after a few years.
- 2.36 BEIS: In terms of the scheme eligibly they would be eligible to have a broken boiler replaced.
- 2.37 ALEO: Yes, but the cap was achieved in the first few months of the old scheme, in summer, let alone the winter. We are spending a lot of time trying to raise funds for people who need boilers. Emergency support schemes. ALEO would argue for a higher rate cap. Maybe a multiplier could be added if insulation was installed with a boiler.
- 2.38 BEIS: For a broken or an inefficient boiler?
- 2.39 ALEO: Broken boilers of more concern than inefficient boilers, although back boilers are also of great concern as they are highly inefficient. There are lots of people with broken boilers and no funding and we can't do anything to help.
- 2.40 ALEO: We can't do a flexible home improvement in many cases because there are already charges on the property. If boilers and insulation can be done together then that's good, but sometimes synergies with heating and insulation aren't there. If insulation has already been installed, then they should still be allowed to put a boiler in.

- 2.41 ALEO: It is the first time ever that we are able to help people in rural areas, so there is grave concern about this changing.
The AgilityECO Emergency Funding is for gas only.
Rural properties are more likely to be solid wall.
Some LAs are utilising some of the DFG budget, which shouldn't really be used this and is not a sustainable funding source.
The lack of funding will lead to even more expense for the NHS.
- 2.42 ALEO: What is BEIS doing for park homes?
- 2.43 BEIS: there is park home insulation being delivered under ECO Flex, especially in the South West. An LA can designate all park homes under ECO Flex if they consider it a priority for their area.
- 2.44 ALEO: Yes but at the cost of £4-7,000 per unit, depending on the size.
This is partly because it's partly a carbon-based scheme.
- 2.45 BEIS: It won't continue to be a carbon-based scheme. It is moving to 100% affordable warmth. The metric for the scheme will be fuel poor savings, as under the affordable warmth scheme.
- 2.46 ALEO: How will that be calculated?
- 2.47 IM: By removing in-use factors.
There needs to be a re-harmonisation of the way things score. In smaller houses, because of the price of carbon at the moment they can't have measures. If this could be changed slightly it would mean that these houses could be included.
- 2.48 ALEO: With the shift to an entirely fuel poverty focussed ECO scheme, will there be any thought to the issue of owner contributions, which are currently too high?
- 2.49 BEIS is undertaking a cost contribution project. The scheme doesn't preclude contributions under affordable warmth, but in practical terms, fuel poor households are less likely to be able to afford to contribute. It would be expected that work would be 100% fully funded, but this will be down to the arrangement that the installers and other third parties decide upon.
- 2.50 ALEO: If things are left to suppliers, they will minimise their costs with owner contributions.
- 2.51 BEIS: The obligation is designed to create a market mechanism to deliver measures in the most cost effective way to minimise the cost to bill payers.
- 2.52 IM: Just through making small tweaks to make POPTs less complicated, the money available for properties could be increased.
- 2.53 BEIS: BEIS is developing other policies to deliver the government's commitment to move all fuel poor homes to EPC band C by 2030.
- 2.54 ALEO: Is there scope for introducing a cap on customer contributions? If there is a cost cap for landlords, why not for others too.
- 2.55 SC will feed back this suggestion to colleagues.
- 2.56 ALEO: Lots of fuel poor people can raise, say, £300 for heating. And from a marketing perspective everyone would know that it wouldn't cost more than £300. At the moment it could be £2,000 in one property and £500 next door.
- 2.57 IM: It is important that BEIS engage with all sectors in their impact assessment on costs, especially on the delivery side, with companies like A&M Energy Solutions.
- 2.58 ALEO: Previously, some contractors were charging everyone a standard £250 charge. This was used to subsidise more expensive work. It was much easier to market and kept the average cost down.
In a free market, people charge as much as they can get away with. They will all go to the cap, but at least that's as far as they'll be able to go. The market isn't rational, so set price controls.
- 2.59 A&M like to keep things as simple as possible, and don't want a list of rules on viability. If more properties are viable and there are more measures to do, the less the overall cost.
There are so many compliance issues, that it stops us achieving what we want to achieve.
- 2.60 ALEO: BEIS should be taking control of costs. This would make the market more efficient as contractors would know they have to reach a certain cost, otherwise they wouldn't get the job.
This would ensure that the vulnerable also get measures they are supposed to, and control potentially spiralling and unreasonable costs.
- 2.61 DCo put evidence in his consultation response. ECO jobs cost £500 more than non-ECO jobs. But ECO still used to make sense. Now under ECO2t, it's cheaper to use 'one-man bands', because of increased costs. There are 'one-man bands' who comply with LA requirements, but also others who are even cheaper but don't comply.
- 2.62 AM: There is now so much cost due to compliance. There is also big difference between a 'one-man band' and 'silver service'.

- 2.63 RJ can provide evidence as anonymised data on client contributions.
- 2.64 BEIS: There is currently a solid wall insulation minimum of 21,000 properties a year. This is likely to reduce to 17,000, to take the end of the CERO scheme into account. Customers are less likely to make contribution to SWI. The main reason for the minimum is to support the industry.
- 2.65 IM: There is a disparity between Wales and Scotland on SWI because of additional energy efficiency programmes.
- 2.66 ALEO: It's difficult to see how the government will meet its own targets.
- 2.67 BEIS: This cannot be done under ECO alone. A wider programme of work will need to be developed. One of the questions to consider is whether to have lots of delivery early on to bring down costs or wait for the market to bring down costs.
- 2.68 IM: this has already happened.
- 2.69 ALEO: ECO is a difficult way of reducing insulation costs. It's asking subsidy junkies to make a market more efficient.
- 2.70 BEIS: ECO can't deliver on its own. There needs to be an able-to-pay scheme, so people aren't looking for government subsidy. The recent call for evidence on building a market for energy efficiency looks at this.
- 2.71 ALEO: social housing is an obvious place to start delivering SWI at scale.
- 2.72 BEIS: ECO will be the same E, F and G target for social housing.
- 2.73 ALEO: The theory to use social housing as a base for a scheme to bring in the private sector hasn't always worked very well. One landlord versus many owners (e.g. because of right to buy), makes things complicated, as with CESP. There needs to be a regulatory framework to force owners to act. 'Pepper-potting' is a problem.
- 2.74 ALEO: We are already seeing serious CESP failures on the private-sector side, e.g. interstitial condensation and cold bridging. At least with social landlords they have competent people to check.
- 2.75 BEIS how would change to in-fill criteria on ECO Flex help?
- 2.76 ALEO: It needs simplification. Has any in-fill actually happened yet?
Criteria should be removed to get some work done and subsidise SWI. It should be enough to prove that there is, say, 25% fuel poverty in an area, or that SWI can be installed in the 25% worst fuel poor wards. That allows a street-by-street rollout. It could then also be used to attract other sources of funding, as it will still need subsidy from outside.
- 2.77 IM: Properties could also be allowed to qualify for ECO Flex just because of the areas they are in, e.g. where there was CISCO previously in Lower Super Output Areas.
- 2.78 ALEO: Let LAs decide where fuel poor areas are and where in-fill areas should be in their SOIs.
- 2.79 ALEO: It's important to have a clerk of works. They add cost but also add value.
- 2.80 IM: in the future there could be lots of problems with IWI, room-in-roof, dry rot, etc. Quality control is important.
- 2.81 BEIS: Technical Monitoring takes places to check quality. The future scheme is aimed at low income and fuel poor households.
- 2.82 ALEO: Under the proxy data that BEIS is currently using, with LIHC, there is a 40% hit rate. You can call it what you like, but it's a low income scheme not a fuel poverty scheme. You can say that in most boroughs all of the solid wall housing in the 25% worst areas, by indices of multiple deprivation, are predominantly fuel poor, using lower super output areas. Although this might be different in London, where fuel poor properties are more mixed in with gentrified properties.
- 2.83 ALEO: It often depends on how the SOI is written. Often they don't have EWI in mind, and are focussed on more low cost measures.
- 2.84 ALEO: It would be good to keep things within LA Flex, as this would allow mixing with other LA schemes and there needs to be someone managing things. 25% fuel poverty in an area is possibly too low.
LAs would still need to justify to their residents why they'd designated areas; they are good at making decision like this.
- 2.85 IM: Make the spectrum as wide as possible. Otherwise it's like trying to find a needle in haystack and this adds to costs.
- 2.86 ALEO: Given the Private Rented Sector (PRS) Minimum Energy Efficiency Standards (MEES) is there any possibility of allowing private landlords with F and G properties to access measures, e.g. loft and cavity wall insulation, under ECO 3?
- 2.87 BEIS: If the household is eligible under ECO criteria, or under ECO Flex, the property would be eligible. ECO funding shouldn't go to fairly affluent households in F and G properties.

- 2.88 RL read out the following question that had been emailed by DW from a member of ALEO East:
 “I would like to see some proper links with the health sector and councils/HECA/ECO. The link between a poorly heated and insulated home and health issues is not in doubt, the number of hospital days that could be saved by improving a home would save the NHS ££££. Can we get some sort of proper links between the relevant groups, somehow get past data protection and other hurdles and sort this out? Can ALEO lead?”
- 2.89 BEIS: A lot can be done within ECO Flex.
- 2.90 ALEO: There is still a lot of work to be done to encourage LA to see the merits of ECO Flex. There was concern that the government would pull the rug away after 18 months.
- 2.91 BEIS: There are currently 120 LAs with a SOI. More LAs may become involved in the future.
- 2.92 IM: If the consultation proposes that ECO Flex will continue for at least four years, more LAs will be willing to engage, particularly if oil boilers are no longer supported, and energy retailers know they have to make partnerships work with LAs in order to access LA Flex. Never underestimate the trust value of LA branding to scheme.
- 2.93 ALEO: ECO Flex is also used to for the Warm Homes Fund and AgilityECO.
- 2.94 ALEO: The situation would change dramatically if ECO Flex were to be mandated and 25% of the obligation. No one is pushing hard because it's only 10% and voluntary. We can't see a political reason why not. 25% could be optional with a minimum of 10% minimum compulsory, with redress penalties to suppliers if they don't reach this.
- 2.95 IM: At 25%, retailers would be very focused, as they see it as the cheapest route. At the moment, far less than 10% could be spent. So we need to understand the dynamics of why it hasn't happened yet.
- 2.96 ALEO: At the moment LAs have to tell people 'you're eligible for a grant! ...but you're entitled to nothing'.
- 2.97 We have a situation where retailers don't want to use LA Flex because they've already met their targets.
- 2.98 ALEO: LA Flex would deliver a lot more certainty if mandatory.
- 2.99 BEIS: We are only 9 months in to an 18 month scheme. If it's a higher proportion and a 3.5 year scheme then this should help.
- 2.100 Will BEIS be including smaller energy suppliers in ECO 3?
- 2.101 BEIS: The threshold level for the scheme will be in the consultation.

2.102 ACTION: RJ to send anonymised data on client-contributions to BEIS.

2.103 ACTION: RL to respond to DW on ALEO East member's question.

3. Minutes from previous meeting and matters arising

Matters arising from previous minutes (17 October 2017):

- 3.1 *Action 1.58: HH to try to attend one of the Cabinet Office Events.*
 HH did attend. There was a lot about the digital economy. There are still a lot of hurdles to overcome, and it is unlikely to be of benefit in the short term. There was a workshop session on this at the October ALEO conference, run by JKM and Carolina Valsecchi from BEIS.
- 3.2 *Action 1.59: JKM and RL to make contact with the Centre for Excellence (CFE) to work on guidance, and speak to the DWP on a framework data sharing agreement.*
 JKM has contacted the CFE for the GLA and had a meeting last week on commissioning guidance on data sharing, which should be applicable in England. ALEO should be able to make use of this. CFE will provide an outline of what constitutes legal use of data. Sharing of DWP data is likely to be harder to deal with, but JKM has asked CFE to cover this in the guidance.
- 3.3 *Action 2.29: RL to ask DCh whether he has asked his contacts about the Derbyshire and Nottinghamshire report on their Warm Homes on Prescription project.*
 DCh has asked about the report but they told him that it wasn't appropriate to produce one.
- 3.4 *Action 2.30: RJ to draft letter to BEIS re client contributions.*
 RJ is collating the data she has. It would be useful to have some from other parts of the country where there has been customer or LA contributions to LA Flex.
- 3.5 *Action 2.31: ALL to send data on client contributions to RJ.*
 A few LAs have sent data.

- 3.6 ACTION: RL to send request on behalf of RJ to members for more data on client contributions.**
- 3.7 *Action 2.32: RL to liaise with JKM over who to contact on Each Home Counts.*
RL contacted the EHC Chair but has not received a response from this or any previous attempts to contact EHC. RL will write an email for JKM to send instead.
- 3.8 ACTION: RL to write an email for JKM to send to Each Home Counts.**
- 3.9 *Action 2.35: RL will contact Abigail Burrigde at the LGA re sending the magazine to LA chief executives.*
- 3.10 ACTION: RL to contact LGA again.**
- 3.11 *RL to send the magazine just to APEEG and PRASEG members and DCLG and health MPs, not Scotland or NI.*
- 3.12 ACTION: RL to add BEIS and MHCLG Select Committee MPs to list.**
- 3.13 *Action 2.37: ALL to look again at sending the letter to mayors.*
JKM can't find a copy of the letter and will rewrite it.
- 3.14 *Action: JKM to produce a new generic version of the letter to mayors.*
JKM couldn't find the original letter.
- 3.15 ACTION: JKM to rewrite the letter to mayors.**
- 3.16 *Action 2.39: CD and RL to update the Executive when the CFP has responded to CD's application to join the off-gas-grid subgroup.*
RL emailed CD but has not had a response.
- 3.17 ACTION: RL to telephone CD to find out if he has joined the off-gas-grid subgroup.**
- 3.18 *Action 2.40: DS and JKM to liaise on a response to Ofgem on LA access to redress funding.*
JKM will be on the EST panel for redress funding.
The guidance says only charities not LAs can apply for funding. Charities trying to register are being asked if they have had an association with the utilities, which bars them from bidding. This perhaps depends on funding. JKM will raise this with EST. It's a matter of finding the right arguments. It's irrational to reject LAs.
- 3.19 ACTION: JKM to ask EST to clarify the question of association with utilities.**
- 3.20 ACTION: DCo to respond to Ofgem on LA access to redress funding.**
- 3.21 *Action: 2.22: PH to ask Suffolk and ML to ask York if they would like to write a blog on ECO Flex. York were non-committal, PH will speak to them again on this.*
- 3.22 ACTION: RL to ask PH about Suffolk blog on ECO.**
- 3.23 *Action 2.41: ALL to consider ways to promote ECO Flex and to send case studies to RL*
ECO Flex is becoming a proxy for other local schemes, e.g. Warm Homes Fund.
- 3.24 *Action 2.44: RL to ask members if they have managed to use the EPC data for energy efficiency purposes.*
RL had quite a lot of responses on this and has sent them to the Executive.
- 3.25 ACTION: RL to post members' uses of EPC data on website.**
- 3.26 *Action 3.10: RJ to produce West Midlands ALEO's response to the Green Deal Framework Consultation and share this with national ALEO.*
RJ decided it wasn't worth responding. The questions asked didn't allow anything meaningful to be included.
- 3.27 *Action 6.23: RL to let the EFPC know we are happy to pay the membership fee.*
ALEO has now paid its membership fee.
- 3.28 *Action 6.24: MO to attend EFPC meetings. HH to attend when MO is not available.*
- 3.29 ACTION: MO to update on EFPC meetings at next Executive meeting.**
- 3.30 ACTION: RL to check if EFPC has published any meeting dates and circulate to the Executive.**
- 3.31 All other actions were completed.

4. Sponsor's Update

- 4.1 It is encouraging that BEIS is proposing to continue LA Flex in the ECO3 Consultation, although IM has reservations about the proposals for off gas boilers.
- 4.2 Hopefully the fact that there will be a carry-over confirmed in the consultation will help with continuity of LA Flex going forward.

5. Secretariat Updates

- 5.1 Leicester City Council's Energy Agency Team, which runs the ALEO National Secretariat is currently scoped into a departmental review. RL will update the Executive on any decisions affecting the ALEO National Secretariat.
- 5.2 DC will now be in a part-time job share as manager of the Leicester Energy Agency, and David Young who used to assist RL with the ALEO accounts has now left the council.
- 5.3 The latest ALEO magazine was published in December 2017. The next one is due out in late March or early April 2018. It would be useful to have some articles on ECO Flex in the next issue.
- 5.4 There was a good response to our request to members for examples of their uses of EPC data. RL has circulated these to the Executive.
- 5.5 The response to our request, on behalf of BEIS, for short ECO Flex case studies didn't receive so many responses, but RL will forward those he has received to BEIS.
- 5.6 RL will be working on the ALEO accounts to send over to our accountants Hayles, who will produce our Assurance Report.
- 5.7 The latest ALEO Conference was held on 30 October 2017. The day went well and received good feedback. JKM and Carolina Valsecchi from BEIS jointly presented a workshop titled Data Sharing on Fuel Poverty: potential opportunities for LAs in the Digital Economy Act 2017. The Conference also hosted the ALEO Awards 2017. ALEO would like to thank the sponsor A&M Energy Solutions for their support and contributions to the conference agenda. The presentation slides, photos, exhibitor contact details etc are available to download on the ALEO website and a conference report was included in the latest edition of the ALEO magazine.
- 5.8 The next ALEO Conference is due to be held around May / June. It was suggested that we could enquire about using the Ricoh Arena, in Coventry, as a venue.
- 5.9 The following locations were also suggested as possible venues: West Midlands, Bristol, Birmingham, Peterborough, Oxford and the North West, e.g. Bootle Town Hall, Liverpool or Greater Manchester.
- 5.10 **ACTION: RL to enquire with E.ON about using the Ricoh Arena as a conference venue and also look into other venue options and dates.**
- 5.11 **ACTION: HH to enquire with colleagues about possible conference venues in Oxford.**
- 5.12 **DCo to enquire about Bootle, Liverpool and others potential conference venues near Manchester.**
- 5.13 **ACTION: RJ to enquire about Birmingham venues.**

6. ALEO Articles of Association

- 6.1 EHL solicitors have sent tracked-change comments to RL on the proposed new company memorandum and articles of association.
- 6.2 The Executive approved all changes suggested by EHL with the exception of comment RM2, which suggests that they might not have fully understood the intention of directors being the only company members.
- 6.3 **ACTION: RL to feed back the Executive's comments on the AoA to EHL and report back on their response.**

7. Representation, consultations, policy

National Chair tenure length

- 7.1 As the Chair's position can be quite onerous, HH suggested that a two-year tenure length for the ALEO chair might be more practical than the current three years.
- 7.2 It was noted, however, that the Chair can stand down at any time.
- 7.3 It was decided there should be no set tenure length, for either the position of National Chair or National Vice Chair, but that approval from the Executive to continue will be sought by the Chair every year, at the AGM.
- 7.4 As is already the case, the Chair will be able to stand down at any time.
- 7.5 If the Chair leaves local government then they will have to submit for re-approval from the Executive.
- 7.6 It was noted that JKM currently works for the Greater London Authority (GLA), which is a legal body with its own act of parliament.
- 7.7 **ACTION: RL to check the ALEO Constitution and propose any changes necessary on Chair's tenure length.**

Engaging with the public health agenda

- 7.8 The NICE guidance on indoor air quality hasn't progressed yet, although it is likely to start up again soon. ALEO should stay involved and make sure they don't just talk about second-hand smoke.

HECA

- 7.9 We are currently half way through the reporting cycle, with the next round of HECA reporting due at the end of March 2019.
- 7.10 It might be useful to try to influence the questions in the HECA report. E.g. the report could ask if the LA has an affordable warmth strategy or ECO Flex SOI.
- 7.11 **ACTION: RL to invite Qaizer Sethi from BEIS to attend the July Executive meeting.**

PRS MEES consultation

- 7.12 BEIS is proposing a cap on up-front costs to landlords of £2,500. ALEO believes this is too low. With VAT included it is even lower.
- 7.13 Third-party contribution is proposed to be a part of the cost cap, e.g. the landlord could get £2,000 from ECO and would only need to pay a £500 contribution. ALEO does not believe third-party contributions should be included.
- 7.14 DCo suggested that the cost cap should be equivalent to three months' rent, which would deal with regional variations in market value and be related to the landlord's income.
- 7.15 BEIS claim that £2,500 would only be sufficient to bring 30% of F and G-rated properties to band E. Others have produced different figures. Some say almost all properties could be brought up to standard with a £5,000 cap.
- 7.16 Who will police this?
It will probably be LAs, possibly with Additional Burdens Funding.
Trading Standards are only responsible for enforcing that a property has an EPC. The enforcement of housing standards is still the responsibility of private-sector enforcement officers.
- 7.17 There are a lot of easy opt outs. E.g. the tenant refusing the Green Deal shouldn't be an excuse to get landlords off the hook.
- 7.18 It was suggested that, if the LA can get work done within the price cap, then the landlord should be obligated to pay the LA.
- 7.19 The tenant can still refuse e.g. because of disruption. The landlord would presumably need a written statement from the tenant.
- 7.20 The exemptions database already has a few properties on it. The database is already available to check online at <https://prsregister.beis.gov.uk>. You can't search by LA or region, or even by domestic or non-domestic properties - just town, postcode, landlords name and nature of exemption. JKM has contact BEIS about this. Luckily there aren't that many exceptions on the database yet.
- 7.21 The landlord has to register for the portal to log an exemption.
- 7.22 **ACTION: RL to send <https://prsregister.beis.gov.uk> link to the Executive.**
- 7.23 There is an issue about BEIS' perception of LA time to administer EPC enforcement. BEIS says the cost is expected to be small, because LAs are already monitoring and enforcing the requirement to have an EPC.
- 7.24 Compliance is quite low, and LAs don't have the resources to enforce.
- 7.25 Some EPCs have been done for ECO jobs, so only certain measures are suggested.
- 7.26 It was asked when BEIS will update the EPC register as the data is still as of December 2016.
- 7.27 **ACTION: RL to look for email on website to ask BEIS when they will be updating the EPC database.**
- 7.28 RJ is looking at the consultation on developing the market for the able-to-pay sector and is putting together West Midlands ALEO's response.
- 7.29 **Action RJ to circulate WM ALEO response to consultation on able-to-pay sector to the Executive.**

EPC Data and influencing data-sharing regulations

- 7.30 There was a consultation on the Digital Economy Act. The response is yet to be produced.

Consultations

- 7.31 BEIS ECO3 consultation is due in early 2018.
- 7.32 BEIS PRS consultation is open – closing date 13 March.
- 7.33 Other current consultations include:
- Ofgem financial protection to vulnerable customers – closing 31 January
 - Ofgem forward work programme – closing 16 February

8. Priorities for the year

8.1 ALEO's priorities for the year will include:

- ECO3
- PRS MEES
- Convincing Ofgem to allow LAs to bid for redress funding

8.2 The responses on the request for information on how members use the EPC data show that there are a variety of different ways people are using it. We could invite Leeds to present on the data at the next ALEO conference, as they seem to be making good use of the data.

8.3 **ACTION: RL to invite Leeds to present at the next ALEO National conference on EPC data.**

8.4 **ACTION: RL to put the responses on EPC data uses on the ALEO website.**

8.5 **ACTION: RL to invite Ofgem and the Centre for Excellence to the next Executive meeting. (Look for Ofgem speaker's name from NEA conference or contact from Ofgem who responded to ALEO's letter on redress funding.)**

9. Regional Updates

9.1 Written update from RJ, Chair of West Midlands ALEO

Details of any meetings held and/or forthcoming:

The last meeting was on the 3rd November. The focus of the meeting was ECO flex and how LAs in the West Midlands were addressing this. The meeting included a utility perspective (E.ON) and then an open discussion on SOIs and declarations. Coventry also gave an overview on the PRS regulations and their involvement on the BEIS working group.

Act on Energy also held a sub-regional meeting on the 6th December which focused on the Warm Homes Fund. National Grid Affordable Warmth Solutions presented at the meeting their finding of the previous round and what they were looking for at the next round.

Details of any other events held and/or forthcoming:

Next meeting to be confirmed.

Details of any current projects:

The current focus for LAs is the delivery of winter warmth campaigns and funding potentials associated with campaigns e.g. ECO and ECO Flex. In addition, a number of LAs are using their own funding to support physical interventions funded through own sources/DFG/Better Care Fund. Coventry City Council will be undertaking a thermal flyover to help with marketing of EE measures.

Switching – LAs are still participating in switch and save schemes along with supporting BESN schemes.

LA Flex – currently 20 LAs have SOI published. With a number actively installing works including heating and insulation measures.

The West Midlands LAs had very limited success with the Warm Homes Fund, which was frustrating for many who had submitted bids for all categories but it transpired that Cat 3 bids were not looked at if the bidder was unsuccessful in Cat 1 and 2. A number of LAs are looking to apply under this round using the guidance gained from the funders.

Any other comments, e.g. issues or barriers:

LA are keen for ECO flex to continue and wish to participate in BEIS consultation on ECO 3.

9.2 Written update from HH, Chair of ALEO South East:

Details of any meetings held and/or forthcoming:

Next meeting 1st Feb, including discussions and updates on LA Flex, presentations from Park Homes update and a focus of presentations on electric vehicles including Go Ultra Low Oxford and West

Sussex EV Partnership.

We have invited colleagues in transport if they want to join for this session.

Details of any other events held and/or forthcoming:

We held a very successful training session on 8th December - Introduction to Retrofit and Assessing Dwellings for Retrofit at Guildford Borough Council. The course was CPD accredited and was free to members. (Kindly funded by our sponsors)

Details of any current projects:

Berks authorities working together for Warm Homes Bid

9.3 Written update from DW, Chair of ALEO East

Details of any meetings held and/or forthcoming:

Last meeting 22nd Nov 2017.

Date of next meeting to be confirmed; likely to be in Spring 2018.

Details of any current projects:

Norwich City Council is seeking to establish a uniquely branded local domestic energy supply vehicle to reduce electricity and gas fuel bills for residents and to enable it to deliver innovative energy services in the future.

The Energy White Label will have the intention of benefitting citizens and businesses financially and pursuing broader environmental objectives such as the take up of renewable energy.

Watford Borough Council has published a SOI, with an insulation referral scheme being delivered through a Hertfordshire wide scheme led by the County Council partnering with the 10 Districts.

Suffolk's Local Authorities are now able to provide fully funded central heating systems to 514 fuel poor households across the county over the next three years. Working together as the Suffolk Climate Change Partnership they have been successful in securing funding from the first round of the Warm Homes Fund for a project worth £4.3 million.

The project is being managed by the County Council, administered by Suffolk Warm Homes Healthy People based at Suffolk Coastal District Council and supported with further funding from Babergh, Mid-Suffolk, Forest Heath and Waveney District Councils plus Ipswich and St Edmundsbury Borough Councils.

Alongside the first-time heating system, households will also be able to benefit from new insulation measures as well as grants from the Suffolk Community Foundation's 'Surviving Winter Appeal' where eligible.

9.4 Written update from DCo, Chair of ALEO North West

Details of any meetings held and/or forthcoming:

None since last July 2017.

Details of any other events held and/or forthcoming:

- NEA Under One Roof – 24 January 2018
- Merseyside Fuel Poverty Summit – 30 January 2018
- North West Fuel Debt Advice Meeting – 9 February 2018
- Greater Manchester Fuel Poverty Workshop Feb 2018 (Invite only)
- NEA Fuel Poverty Forum – 8 March 2018

Details of any current projects:

ALEO was invited to present at the Merseyside FP summit to give LA Perspective. DC attending as Vice-Chair.

Any other comments, e.g. issues or barriers:

No ALEO North West meetings as many other regional forums.

9.5 Written update from Matt Lewer, ALEO Yorkshire and Humber Chair

ALEO East Pennine met for the first time for over two years on November 17, 2017. The meeting was held in the afternoon after the National Energy Action Yorkshire and Humber forum. The first point of business was the proposal to rename the region from ALEO East Pennine to ALEO Yorkshire and Humber. The proposal suggested this better reflected the regional identity and mirrored the name of other regional fora. This proposal was approved.

At the event, we also had presentations from the following people:

- Stephen Laing, A&M Energy Services – ECO funding
- Tom Adamski, Citizens Advice Bureau – Benefits of a single point of contact
- Alan Jones, Eon – Minimum energy efficiency standards in the private rented sector

The meeting was attended by approximately 20 people.

Since taking the role of chair, I have undertaken a review of the membership of ALEO in the region. As a result, we now have an up-to-date and more comprehensive list of local authority officers that can be contacted about energy related matters. The next stage is to focus on membership from housing associations.

In other news, discussions are ongoing with DCLG and City of York Council about the potential of hosting an 'Addressing Fuel Poverty' event, mirroring an event DCLG are running on the south coast.

9.6 ACTION: ALL to provide written regional updates prior to Executive meetings.

10. AOB

10.1 There was no other business.

11. Dates of Next Meetings

11.1 The next meeting will be held on Thursday 19 April 2018 at Camden Town Hall, London.

Further meeting dates:

- Thursday, 19 July 2018
- Thursday, 18 Oct 2018

All meetings will be held at Camden Town Hall, Judd Street, London, WC1H 9JE.